

CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE
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**CALIFORNIA ENVIRONMENTAL QUALITY ACT STATUTORY EXEMPTION FOR
RESTORATION PROJECTS
CONCURRENCE NO. 21080.56-2025-085-R3**

Project: Watsonville Slough Ecosystem Restoration Project
Location: Santa Cruz County
Lead Agency: Pajaro Storm Drain Maintenance District
Lead Agency Contact: Antonella Gentile; antonella.gentile@santacruzcountyca.gov

Background

Project Location: The Watsonville Slough Ecosystem Restoration Project (Project) encompasses approximately 23 acres and is characterized mostly as salt marsh floodplain habitat. The Project's border includes a segment of West Beach Road, near the intersection with Rio Boca Road and entrance to Palm Beach State Park (Park), and an accompanying parking lot. A section of the lower Watsonville Slough runs through the Project area, and is approximately one mile upstream of the Pajaro River confluence. The approximate coordinates of the Project are 36.869783, -121.818300.

Project Description: The Pajaro Storm Drain Maintenance District (Lead Agency) proposes to conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, and the habitat upon which they depend and restore or provide habitat for California native fish and wildlife. The Project is designed to benefit steelhead - south-central California coast (*Oncorhynchus mykiss irideus* pop. 9) and tidewater goby (*Eucyclogobius newberryi*), and will restore mid- to high-salt marsh habitat through the restoration of natural lagoon hydrology.

Currently, during closed lagoon conditions, the site experiences flooding, necessitating sandbar breaching at the mouth of the Pajaro River. This breaching negatively impacts the local ecosystem by limiting upstream tidal marsh inundation and degrading healthy salt marsh habitat, which reduces habitat availability and suitability for native sensitive species, such as tidewater goby and steelhead.

The Project includes the acquisition and permanent protection of approximately 23 acres of land within the Project area. Following the acquisition, Project elements will include enhancements that are designed to improve hydrology, tidal influence, fish passage, and accommodate higher closed-lagoon water levels. This will be achieved by replacing six 48-inch diameter culverts with a 32-foot wide, 8-foot-high embedded culvert; removing exotic and xeric plant species from the Project area; revegetating the site with native marsh species;

installing a flap gate to an agricultural ditch to prevent higher lagoon levels and salinity intrusion moving upstream; and installing interpretive signage. These hydrologic enhancements are designed to provide native fish and wildlife with access to over 1,000 additional linear feet of aquatic habitat and approximately 8.17 acres of enhanced tidal salt marsh. Because these hydrologic enhancements are expected to result in increased water levels within the lagoon, the Project will include elevating an estimated 1,300 linear feet of West Beach Road and an adjacent parking lot. This will assist in restoration and will also allow for continued and safe public access.

Following initial restoration enhancements, the Project will include maintenance and monitoring measures that will continue for approximately seven years. These measures will primarily consist of vegetation management activities and any potential repairs and/or adjustments to features of the Project to maintain sustained function.

Tribal Engagement: Tribal coordination efforts began in 2021 and have been led by the United States Army Corp of Engineers (USACE). As part of this engagement, five tribes were invited to participate in several planning workshops in 2021, which included the Amah Mutsun Tribal Band, Amah Mutsun Tribal Band of Mission San Juan Bautista, Costanoan Ohlone Rumsen-Mutsun Tribe, Indian Canyon Mutsun Band of Costanoan and Muwekma Ohlone Indian Tribe of the SF Bay. In June 2022, the five tribes were invited to participate in site visits and/or cultural resource surveys. Additional follow-up emails and phone calls have been made to the tribes, with tribal engagement efforts continuing throughout the duration of the Project. To date, one Tribe has expressed interest in collaboration and participating in site visits of the Project area. Collaboration with the Tribe is ongoing.

Interested Party Coordination: The Lead Agency and USACE have conducted ongoing public outreach and coordination with interested parties since 2021 as part of the National Environmental Policy Act (NEPA). As part of the NEPA process, a Draft Detailed Project Report and Environmental Assessment has been completed that includes Appendix A-1 Records of Interagency Coordination, where public input and responses are cataloged. Furthermore, the USACE hosts a webpage devoted to the study area of the Project that includes background, links and contact information.

Anticipated Project Implementation Timeframes:

Start date: January 1, 2027

Completion date: December 31, 2036

Lead Agency Request for CDFW Concurrence: On December 11, 2025, the Director of the California Department of Fish and Wildlife (CDFW Director) received a concurrence request from the Lead Agency pursuant to Public Resources Code section 21080.56, subdivision (e) (Request). The Request seeks the CDFW Director's concurrence with the Lead Agency's determination on December 11, 2025, that the Project meets certain qualifying criteria set forth in subdivisions (a) to (d), inclusive, of the same section of the Public Resources Code (Lead Agency Determination). The CDFW Director's concurrence is required for the Lead Agency to approve the Project relying on this section of the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.).

Concurrence Determination

The CDFW Director concurs with the Lead Agency Determination that the Project meets the qualifying criteria set forth in Public Resources Code section 21080.56, subdivisions (a) to (d), inclusive (Concurrence).

Specifically, the CDFW Director concurs with the Lead Agency that the Project meets all of the following conditions: (A) the Project is exclusively to conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, and the habitat upon which they depend; or is exclusively to restore or provide habitat for California native fish and wildlife; (B) the Project may have public benefits incidental to the Project's fundamental purpose; (C) the Project will result in long-term net benefits to climate resiliency, biodiversity, and sensitive species recovery; and includes procedures and ongoing management for the protection of the environment; and (D) Project construction activities are solely related to habitat restoration. Pursuant to Public Resources Code section 21080.56, subdivision (g), CDFW will post this Concurrence on its CEQA Notices and Documents internet page: <https://wildlife.ca.gov/Notices/CEQA>.

This Concurrence is based on best available science and supported, as described below, by substantial evidence in CDFW's administrative record of proceedings for the Project.

This Concurrence is also based on a finding that the Project is consistent with and that its implementation will further CDFW's mandate as California's trustee agency for fish and wildlife, including the responsibility to hold and manage these resources in trust for all the people of California.

Discussion

- A. Pursuant to Public Resources Code section 21080.56, subdivision (a), the CDFW Director concurs with the Lead Agency that the Project will exclusively conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, and the habitat upon which they depend; or restore or provide habitat for California native fish and wildlife.

The exclusive purpose of the Project is to restore hydrologic function and improve fish passage within the site. Restoring natural lagoon hydrology and mid- to high-salt marsh will increase marsh vegetation resilience. Removing the existing fish passage barrier at the West Beach Road crossing and replacing it with an improved culvert system will allow aquatic species to have increased access to the upstream marsh floodplain and foraging habitat. As a result of the Project restoration activities, it is expected that approximately 8.17 acres of tidal salt marsh would be enhanced, and over 1,000 linear feet of aquatic habitat will become accessible to native fish and wildlife.

- B. Pursuant to Public Resources Code section 21080.56, subdivision (b), the CDFW Director concurs with the Lead Agency that the Project may have incidental public benefits, such as public access and recreation.

The Project may have incidental public access and safety benefits. As part of the Project's expanded tidal inundation measures to achieve restoration within the site, one of the intended outcomes of the Project is allowing for elevated water surface levels. To support these conditions, while also maintaining existing access to the Park and neighboring residential areas, modifications to current access infrastructure is necessary to ensure and maintain continued safe public access to nearby residents and Park visitors. Specifically, existing access routes and Park facilities within the Project area will need to be elevated to reduce safety risks due to the Project's anticipated elevated water levels. As a result, the Project is expected to include some incidental public access and safety benefits as a result of habitat restoration within the Project area.

The Project may also include incidental public education benefits associated with the installation of interpretive signage.

- C. Pursuant to Public Resources Code section 21080.56, subdivision (c), the CDFW Director concurs with the Lead Agency that the Project will result in long-term net benefits to climate resiliency, biodiversity, and sensitive species recovery, and includes procedures and ongoing management for the protection of the environment.

Long-term Net Benefits to Climate Resiliency: Currently, Watsonville Slough is constrained by agricultural and residential development, limiting the accommodation space for sea level rise and tidal exchange. By restoring hydrologic function and increasing the adaptive capacity of the lower Watsonville Slough floodplain, the Project will result in an improved ability to accommodate floodwaters, storm surges, and sea level rise, reducing long-term climate vulnerability for nearby communities and ecosystems. Wetlands create oxygen-poor, anaerobic conditions that slow the decomposition of organic matter. As a result, tidal marshes are one of the most efficient natural carbon sinks. Completion of the Project will result in an increase of approximately 8.17 acres of tidal marsh over existing conditions, providing a measurable contribution to carbon sequestration. Additionally, current breaching operations are associated with greenhouse gas emissions from equipment, which will be reduced as frequency of breaching decreases after Project completion. Tidal marsh restoration will also increase habitat connectivity, improve wildlife movement and reduce habitat fragmentation, allowing for native species to be more resilient to the impacts of climate change.

Long-term Net Benefits to Biodiversity: Through wetland restoration, removal of barriers to fish passage, and the reestablishment of more natural lagoon hydrology, the Project will result in long-term net benefits to biodiversity. Removal of invasive plant species, including European dune grass (*Ammophila arenaria*), ice plant (*Carpobrotus edulis*), Jubata grass (*Cortaderia ssp.*), eucalyptus (*Eucalyptus ssp.*), perennial pepperweed (*Lepidium latifolium*), and Ngaio shrubs (*Myporum laetum*) will reduce competition with native plants as well as prevent further spread of invasive vegetation within lower Watsonville Slough and its tributaries. Revegetation with native plant species will be completed from material collected locally from seeds, live

cuttings, or propagated container plants. Native plant species used for revegetation may include pickleweed (*Salicornia pacifica*), alkali heath (*Frankenia salina*), marsh jaumea (*Jaumea carnosa*), silverweed (*Potentilla anserina*), saltgrass (*Distichlis spicata*), gumplant (*Grindelia stricta*), and Mexican rush (*Juncus mexicanus*). As revegetated areas stabilize, the Project would result in enhanced plant diversity and habitat quality and would support greater numbers of native wildlife species.

With the removal of the fish passage barrier and restored wetlands, multiple native wildlife species may potentially benefit from the Project. Improved habitat connectivity will facilitate gene flow and support more resilient populations of native fish species such as coastal threespine stickleback (*Gasterosteus aculeatus aculeatus*), coastrange sculpin (*Cottus aleuticus*), Monterey roach (*Lavinia summetricus subditus*), Monterey sucker (*Catostomus occidentalis mnioltitus*), prickly sculpin (*Cottus asper ssp.*), Sacramento blackfish (*Orthodon microlepidotus*), Sacramento pikeminnow (*Ptychocheilus grandis*), Sacramento speckled dace (*Rhinichthys osculus ssp.*), and Sacramento tule perch (*Hysterocarpus traskii traskii*). Additionally, increased native vegetation will contribute to improve shelter, cover, breeding, nesting, and foraging habitats, as well as higher terrestrial invertebrate production, providing a stronger food base for native fish and wildlife, including the species listed above, as well as Monterey ornate shrew (*Sorex ornatus salarii*), Salinas ornate shrew (*Sorex ornatus salarii*), and native waterbird and shorebird species.

Long-term Net Benefits to Sensitive Species Recovery: The existing culvert at West Beach Road has been identified as a total passage barrier to steelhead, and frequent mechanical breaching has resulted in impaired aquatic habitat conditions. Completion of the Project would restore hydrologic connectivity to approximately 1,000 linear feet of Watsonville Slough, while also restoring marsh habitat. Additionally, improved tidal exchange in the Project area is expected to alleviate low dissolved oxygen conditions, improving aquatic habitat conditions. These actions would directly benefit multiple special-status species native to Watsonville Slough and the Pajaro River, including both steelhead and tidewater goby, as well as potentially Monterey hitch (*Lavinia exilicauda harengaeus*), Pacific lamprey (*Entosphenus tridentatus*), and longfin smelt (*Spirinchus thaleichthys*).

While steelheads are not currently known to use Watsonville Slough, they are known to use the Pajaro River Lagoon and mainstem Pajaro River as a migration corridor. Due to low flows and high summer temperatures, lower Watsonville Slough currently provides almost no potential summer rearing habitat, however the Project is expected to improve summer rearing conditions. The Project aligns with identified recovery actions and goals for steelhead in the region. These recovery actions include physically modifying passage impediments to allow steelhead migration; and to identify, protect, and restore estuarine rearing habitats.

Tidewater goby have been observed in the lowermost reach of Watsonville Slough, but not within the Project area. Replacement of the existing culvert will daylight the waterway's bottom substrates and reconnect aquatic habitat, both of which will benefit tidewater goby. The reduced frequency of mechanical breaching will promote more

frequent summer sandbar conditions and allow for higher water levels both within the Project area and downstream to the Pajaro River confluence, providing additional aquatic habitat for tidewater goby.

Other special-status species that may benefit from the restored tidal marsh habitat and improved hydrology include salt-marsh wandering shrew (*Sorex vagrans halicoetes*), Monterey vagrant shrew (*Sorex vagrans paludivagus*), saltmarsh common yellowthroat (*Geothlypis trichas sinuosa*), northern harrier (*Circus hudsonius*), white-tailed kite (*Elanus leucurus*), and tricolored blackbird (*Agelaius tricolor*).

Procedures for the Protection of the Environment: The Project includes measures aimed at preventing or minimizing impacts to air, soil, water, and wildlife resources. Additionally, all applicable measures from federal, state, and local permits will be implemented. These measures include but are not limited to: controlling dust and erosion; preventing the spread of invasive species through proper decontamination of equipment; protecting sensitive habitats and water quality; species-specific avoidance and minimization measures; biological and cultural resource monitoring during earth-disturbing activities; and regular monitoring and reporting.

Ongoing Management for the Protection of the Environment: The Project includes an approximately seven-year period of monitoring and adaptive management to ensure long-term protection and enhancement of the environment. Following installation of native vegetation and habitat features, the Project will include an approximately two-year establishment period which will include weeding, irrigation, and site inspections to ensure plant survival and habitat development. Once the establishment period is complete, maintenance and management activities will continue until ecological success is achieved and documented. Post-restoration monitoring of the Project will include measurement of seasonal and periodic water levels; survival and cover of native species; control of non-native invasive species; and fish passage monitoring to ensure culverts remain accessible and functional. Adaptive management will be triggered if success criteria are not met, which may include additional replanting, invasive species control, or minor modifications to lagoon hydrology and associated access improvements.

- D. Pursuant to Public Resources Code section 21080.56, subdivision (d), the CDFW Director concurs with the Lead Agency that the Project does not include any construction activities, except those solely related to habitat restoration.

The Project will include the use of heavy and light machinery to implement the restoration activities of the Project. Some of these activities may include culvert replacement; installation of temporary cofferdams for isolation of the work area from Watsonville Slough flows; and elevating portions of West Beach Road and a parking lot.

Scope and Reservation of Concurrence

This Concurrence is based on the proposed Project as described by the Lead Agency Determination and the Request. If there are any subsequent changes to the Project that affect or otherwise change the Lead Agency Determination, the Lead Agency, or any other public agency that proposes to carry out or approve the Project, shall submit a new lead agency determination and request for concurrence from CDFW pursuant to Public Resources Code section 21080.56. If any other public agency proposes to carry out or approve the Project subsequent to the effective date of this Concurrence, this Concurrence shall remain in effect and no separate concurrence from CDFW shall be required so long as the other public agency is carrying out or approving the Project as described by the Lead Agency Determination and the Request.

In its request for a concurrence, the Lead Agency set forth potential bases for a determination that the Project will result in long-term net benefits to climate resiliency, biodiversity, and sensitive species recovery. Although the CDFW Director agrees with the Lead Agency that the Project will provide such long-term net benefits, this Concurrence is not intended to be and should not be construed as an endorsement of every argument set forth in the Lead Agency's concurrence request.

Other Legal Obligations

The Project shall remain subject to all other applicable federal, state, and local laws and regulations, and this Concurrence shall not weaken or violate any applicable environmental or public health standards. (Pub. Resources Code, § 21080.56, subd. (f).)

CDFW Director's Certification

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By: Valerie Termini
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Date: 1/20/2026

Valerie Termini, Acting Director
California Department of Fish and Wildlife