



# Oregon

Kate Brown, Governor

## Oregon Watershed Enhancement Board

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### MEMORANDUM

**TO:** Oregon Watershed Enhancement Board

**FROM:** Renee Davis, Deputy Director  
Juniper Davis, Partnerships Coordinator

**SUBJECT: Agenda Item F: Coastal Wetlands Grants  
April 28-29, 2015 OWEB Board Meeting**



#### I. Introduction

Staff request the Board approve receipt of three grant awards from the U.S. Fish and Wildlife Service's (USFWS) 2015 National Coastal Wetlands Conservation Grant Program (NCWCGP) and delegate authority to the Director to award federal funds to those three projects. Staff also request the Board delegate authority to the Director to award federal funds for restoration activities on a 2011 NCWCGP award. Finally, staff request Board approval to submit one application on behalf of a local partner, the City of Cannon Beach, to USFWS for the current solicitation under the 2016 NCWCGP.

#### II. Background

OWEB has been designated as an eligible state agency to submit applications to the NCWCGP. Applications from local implementers can only be submitted by a state agency, and OWEB is established as a trusted partner with the program. Any Oregon agency submitting a grant application for federal funding must receive legislative approval to submit the application and may also be required to obtain legislative authorization to receive and expend the funds if the grant is successful.

In 2013 and 2014, staff worked to revise the internal process for submitting applications to the NCWCGP. The new process provides clear deadlines for local partners and includes a more robust internal review process to better prepare OWEB staff for subsequent Board and Legislative approvals. The process also ensures OWEB staff and Board have detailed project information earlier in the process to inform decisions in advance of the NCWCGP application deadline in June of each year. This refined process requires applicants submit a Letter of Interest in December, a Pre-Proposal in February, site tours with a review team conducted in March, Board decision in April, legislative review in May, and final submission of the NCWCGP application in June.

Subsequent to these process steps, the local implementer must also fulfill all requirements of submission, review, and Board consideration of the project through the regular grant program or land acquisition program for the state funding match before a NCWCGP project will be considered approved by OWEB. If funding is not approved by the Board through this process, then staff will not recommend proceeding with receipt of the federal

funds. OWEB's program administration process and timeline for vetting proposed NCWCGP projects is shown in Attachment A.

### **III. NCWCGP Funding Awarded in January 2015**

In early January 2015, the USFWS announced NCWCGP awards for project applications that were submitted in 2014. All three of OWEB's submissions were approved:

- 1) Scholfield Creek Tidal Wetlands Conservation Project – Funded in the amount of \$630,577 for the acquisition and restoration of 241 acres in the Umpqua River estuary to be undertaken by the Partnership for the Umpqua Rivers and the McKenzie River Trust;
- 2) Kilchis Wetlands Conservation and Restoration Project – Funded in the amount of \$1,000,000 for the acquisition of 61 acres and the restoration of 127 acres in the Kilchis River basin in Tillamook Bay undertaken by The Nature Conservancy; and
- 3) China Camp Creek Project – Funded in the amount of \$1,000,000 for the replacement and upgrade of the tidegate infrastructure to reestablish tidal influence on 1,700 acres in the Coquille River estuary undertaken by the Beaver Slough Drainage District.

### **IV. NCWCGP Funding Awarded in January 2011**

In 2011, OWEB was awarded \$1,000,000 in NCWCGP funding for the Tillamook Bay Wetlands Acquisition and Restoration project. At the time, staff did not request the Board delegate authority to the Director to enter into grant agreements with the local partner, Tillamook County, because design details had not yet been developed and subsequently vetted within the local community.

During the intervening years, the project has been refined into a publically supported acquisition and restoration project locally referred to as “Southern Flow Corridor – Landowner Preferred Alternative.” At its April 29-30, 2014 meeting, the Board awarded \$1,620,152 in state funding to support acquisition of properties critical to the project's success.

Staff propose allocating \$600,000 of the 2011 NCWCGP award to restoration elements of the project, including activities such as tidal channel excavation, ditch filling, channel reconnection, and project management for the restoration activities. Construction is scheduled to begin in the spring of 2016.

### **V. Proposed NCWCGP Application for 2015**

On November 11, 2014, OWEB released a notice of deadlines for the 2015 application cycle. Of the two Letters of Interest subsequently submitted in mid-December, one has developed into a proposed project: the City of Cannon Beach's Ecola Creek Wetlands Protection and Restoration project.

On February 9, 2015, the City of Cannon Beach submitted a pre-proposal to OWEB which formally started the agency's review process described in Section II above. The

pre-proposal initially was reviewed by staff from OWEB's Focused Investments and Policy Program and OWEB's Grant Program. The pre-proposal then was reviewed by a Coastal Wetlands Expert Review Team that was convened by OWEB. On March 20, 2015, a site tour of the proposed project site was conducted by the Coastal Wetlands Expert Review Team, along with staff from OWEB and USFWS's NCWCGP. (OWEB's Region 1 Program Representative conducted a separate site tour.)

Based on the review, staff and the Coastal Wetlands Expert Review Team recommend moving forward with submission of a NCWCGP application for the Ecola Creek project. A brief overview of the project is provided below and a written evaluation is included as Attachment B:

Ecola Creek Wetlands Protection and Restoration Project – This project is located east of the City of Cannon Beach in Clatsop County. The City proposes to acquire approximately 30 acres of estuarine and coastal freshwater forested and emergent wetlands immediately adjoining the existing Ecola Creek Forest Reserve. Acquisition will allow the City to consolidate management and increase connectivity with the adjacent preserve. Once acquired, the City plans to undertake restoration activities aimed at improving fish passage and hydrologic connection in lower Ecola and Waterhouse Creeks. *NCWCGP request: \$130,800; Total project cost: \$268,458; Local sponsor: City of Cannon Beach.*

## **VI. Recommendation**

Staff recommend the Board:

- 1) Approve receipt of funding in the amount of \$2,630,577 from the U.S. Fish and Wildlife Service under the 2015 National Coastal Wetlands Conservation Grant Program and delegate authority to the Executive Director to distribute funds through the appropriate grants and agreements in support of the following projects, contingent on the successful award of OWEB state match:
  - a. Scholfield Creek Tidal Wetlands Conservation Project, \$630,577;
  - b. Kilchis Wetlands Conservation and Restoration Project, \$1,000,000; and
  - c. China Camp Creek Project, \$1,000,000;
- 2) Delegate authority to the Executive Director to distribute up to \$600,000 from 2011 National Coastal Wetlands Conservation Grant Program, Award Number FP11AP00490, in support of tidal restoration activities for the Tillamook Bay Wetlands Acquisition and Restoration project; and
- 3) Approve the submission of an application for the Ecola Creek Wetlands Protection and Restoration Project to the U.S. Fish and Wildlife Service's 2016 National Coastal Wetlands Conservation Grant Program.

### Attachments

- A. OWEB USFWS NCWCGP Program Administration Timeline
- B. Ecola Creek Evaluation

**Oregon Watershed Enhancement Board**  
**USFWS National Coastal Wetlands Conservation Grant Program**  
**Program Administration Timeline**

- *Deadlines of importance to local implementers are noted in **red** below*

**DEADLINE Dec. 15, 2014:** Local implementer submits Letter of Interest to OWEB

**February 7, 2015:** USFWS announces FY2016 National Coastal Wetlands Conservation Grant Program (NCWCGP) grant offering and sets the application deadline

**DEADLINE Feb. 9, 2015:** Local implementer submits Pre-Proposal to OWEB

**Feb.-Apr. 2015:** OWEB convenes a Coastal Wetlands Review Team to engage in programmatic vetting of the proposed NCWCGP application submission; OWEB conducts site tours with Coastal Wetlands Review Team and USFWS staff

**DEADLINE May 1, 2015:** Local implementer submits Draft NCWCGP application to OWEB

**Apr. 28, 2015:** OWEB Board votes on decision to submit NCWCGP application at Board Meeting

**May 8, 2015:** OWEB submits Draft NCWCGP application to USFWS for review

**May 29, 2015:** USFWS provides comments on Draft NCWCGP application to OWEB

**May-Jun. 2015:** OWEB seeks legislative approval to submit NCWCGP application

**DEADLINE Jun. 17, 2015:** Local Implementer submits Final NCWCGP application to OWEB

**Jun. 24, 2015:** OWEB submits Final NCWCGP application to the USFWS

**DEADLINE Oct. 19, 2015:** Local implementer submits acquisition, technical assistance, and/or restoration grant application to OWEB for state match funding

**Dec. 2015 – Feb. 2016:** OWEB Acquisition and/or Regional Review Teams review OWEB grant applications through regular OWEB processes and make funding recommendations

**Jan. 2016:** USFWS NCWCGP awards are announced

**Mar. 2016:** OWEB Management determines funding lines for all OWEB grant applications with consideration of Review Teams' funding recommendations and available funding

**Apr. 26, 2016:** OWEB Board makes final funding decision on OWEB grant application and final decision to move forward with NCWCGP award

## **Ecola Creek Wetlands Restoration and Protection**

### **Cannon Beach, Oregon**

#### **Local Partner: City of Cannon Beach**

#### **OWEB Review Process:**

On December 15, 2014 the City of Cannon Beach (hereinafter referred to as “*the City*”) submitted a Letter of Interest to OWEB for acquisition and restoration work on approximately 30 acres in lower Ecola and Waterhouse Creeks. On January 26, 2015, OWEB staff visited the project site with representatives from the City in order to determine basic project eligibility. The City then formally submitted to OWEB a Pre-Proposal for the “Ecola Creek Wetlands Protection and Restoration” project on February 9, 2015. Following a completeness review by OWEB staff, the Pre-Proposal was forwarded to the members of the Coastal Wetlands Expert Review Team (CWERT) for review and evaluation. On March 20<sup>th</sup>, the CWERT conducted a site visit to the property. Three members of the CWERT, OWEB’s Acquisitions Specialist, OWEB’s Partnerships Coordinator, and a representative from the USFWS’s NCWCGP program were able to attend the site tour and participate in the discussion of the project. CWERT members reviewed the Pre-Proposal based on guidance from OWEB’s review worksheet, “*The National Coastal Wetlands Conservation Grant Program: Program and Technical Review Process.*” CWERT members specifically evaluated the project based on questions found in *Review Step 2: Basic Screening Questions* and *Review Step 3: Additional Evaluation Questions*.

#### **CWERT Comments:**

The CWERT believes that acquisition of the property has a high potential to provide habitat connectivity due to its location immediately adjacent to the City’s Ecola Creek Forest Reserve (hereinafter referred to as “*Reserve*”). From the Pre-Proposal’s maps and photos, along with direct observations from the site tour, it was apparent to the CWERT that although the property had been logged in the past, the property was observed to be in a high-quality condition. The CWERT noticed very limited encroachment by exotic species and they also made note of the natural recruitment of native plants including spruce.

The property is comprised of wetlands, and as a result, the CWERT does not believe the property is under threat from development, nor does the team think that logging or other related uses are a high likelihood due to the lack of merchantable resources. However, the CWERT believes that acquisition would be valuable, primarily in order to fold into the management of the property into the larger, adjacent Preserve. The City has funds for regular maintenance of the Preserve, and if the NCWCGP application is successful and acquisition is accomplished, ownership by the City would allow for restoration activities on this site aimed at improving fish passage and

hydrological function. The CWERT was supportive of acquisition of the property in order to consolidate management and amplify the benefits of protecting this site with the larger Reserve.

On the site tour, the CWERT spent considerable time discussing design options for hydrological reconnection along the remnant roadbed at the northeastern corner of the property. The CWERT was supportive of the City's goal to address the hydrological flow issue and recommended that the City focus their efforts on the portion of remnant roadbed that contains a six-inch culvert at the furthest northeastern point. The CWERT's perspective was that hydrologic flow on the remaining roadbed was sufficient and that disturbance by machinery should be minimized due to the low level of invasives currently on the property. Apart from this restoration design recommendation, the CWERT is supportive of the City's efforts to re-establish hydrological connection and improve fish passage on the property.

OWEB's Acquisitions Specialist recommends that the City completes an appraisal of the property in the near term in order to ensure that the current landowner will accept the offered price. She also recommends that the City address, through the completion of a Phase 1 and/or Phase 2 Environmental Site Assessment, any impacts from the property to the west, which previously served as the City's tertiary wastewater treatment area. Finally, the Acquisitions Specialist recommends that the City complete a title search in order to determine if there any encumbrances to the title that might prevent acquisition, as well as to establish the legal access to the property.

**CWERT Recommendation:** The CWERT is supportive of submitting the NCWCG application to USFWS.

**Prepared by:** Juniper Davis, Partnerships Coordinator