

C1017

Attachment H

COVER SHEET (PAGE 1 of 2)

May 1998 CALFED ECOSYSTEM RESTORATION PROPOSAL SOLICITATION

Proposal Title: SOUTH NAPA RIVER WETLANDS ACQUISITION AND RESTORATION PROGRAM  
 Applicant Name: NAPA COUNTY LAND TRUST (JOHN HOFFMANN, EXEC DIR.)  
 Mailing Address: 1040 MAIN STREET, SUITE 208, NAPA, CA 94559  
 Telephone: (707) 252-3270  
 Fax: (707) 252-1071

Amount of funding requested: \$ 4,056,717 for 2 years

Indicate the Topic for which you are applying (check only one box). Note that this is an important decision: see page \_\_\_ of the Proposal Solicitation Package for more information.

- Fish Passage Assessment
- Floodplain and Habitat Restoration
- Fish Harvest
- Watershed Planning/Implementation
- Fish Screen Evaluations - Alternatives and Biological Priorities
- Fish Passage Improvements
- Gravel Restoration
- Species Life History Studies
- Education

Indicate the geographic area of your proposal (check only one box):

- Sacramento River Mainstem
- Delta
- Suisun Marsh and Bay
- San Joaquin River Mainstem
- Landscape (entire Bay-Delta watershed)
- Sacramento Tributary: \_\_\_\_\_
- East Side Delta Tributary: \_\_\_\_\_
- San Joaquin Tributary: \_\_\_\_\_
- Other: \_\_\_\_\_
- North Bay: NAPA RIVER

Indicate the primary species which the proposal addresses (check no more than two boxes):

- San Joaquin and East-side Delta tributaries fall-run chinook salmon
- Winter-run chinook salmon
- Late-fall run chinook salmon
- Delta smelt
- Splittail
- Green sturgeon
- Migratory birds
- Spring-run chinook salmon
- Fall-run chinook salmon
- Longfin smelt
- Steelhead trout
- Striped bass



COVER SHEET (PAGE 2 of 2)

May 1998 CALFED ECOSYSTEM RESTORATION PROPOSAL SOLICITATION

Indicate the type of applicant (check only one box):

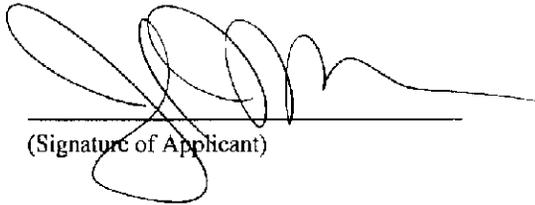
- |   |   |
|---|---|
| <input type="checkbox"/> State agency                               | <input type="checkbox"/> Federal agency |
| <input checked="" type="checkbox"/> Public/Non-profit joint venture | <input type="checkbox"/> Non-profit     |
| <input type="checkbox"/> Local government/district                  | <input type="checkbox"/> Private party  |
| <input type="checkbox"/> University                                 | <input type="checkbox"/> Other: _____   |

Indicate the type of project (check only one box):

- |                                     |  |
|-------------------------------------|--|
| <input type="checkbox"/> Planning   | <input checked="" type="checkbox"/> Implementation |
| <input type="checkbox"/> Monitoring | <input type="checkbox"/> Education                 |
| <input type="checkbox"/> Research   |  |

By signing below, the applicant declares the following:

- (1) the truthfulness of all representations in their proposal;
- (2) the individual signing the form is entitled to submit the application on behalf of the applicant (if applicant is an entity or organization); and
- (3) the person submitting the application has read and understood the conflict of interest and confidentiality discussion in the PSP (Section II.K) and waives any and all rights to privacy and confidentiality of the proposal on behalf of the applicant, to the extent as provided in the Section.

  
\_\_\_\_\_  
(Signature of Applicant)

## **I. Executive Summary**

Project Title: South Napa River Wetlands Acquisition and Restoration Program

Project Description/Ecological Objectives: The proposed acquisition and restoration of over 600 acres of historical wetlands adjacent to the Napa River from four different private property owners represents a unique opportunity for restoration of native marshland habitat in the North Bay. The properties proposed for restoration comprise some of the most important potential restoration sites in the San Francisco Bay estuary and will, when restored, improve habitat quality for several federally-listed species, including the Delta smelt and Sacramento splittail. The Stanly Ranch wetlands at the southern boundary of the project area and the Stewart and Ghisletta properties to the north (See Exhibit 3) have long been acquisition targets of the Napa County Land Trust and the State Department of Fish and Game (DFG) due to both their importance as historical wetlands and that they are at risk of development and annexation into the City of Napa. Once these lands are acquired, proposed restoration will modify or remove levees and other structural interventions to restore and enhance natural wetland functions. These activities will promote habitat goals specific to this region.

Justification for Project and CALFED Funding: All of the wetlands proposed for acquisition are immediately adjacent to the DFG's Napa Marsh Project and all are contemplated for acquisition in DFG's current master plan. The proposal focuses on species and habitats whose restoration will result in achieving the CALFED mission to "restore ecological health and improve water management for beneficial uses of the Bay-Delta system..." The CALFED objective of "improving and increasing aquatic and terrestrial habitats and improving ecological functions in the Bay-Delta to support sustainable populations of diverse and valuable plant and animal species" is clearly addressed by this proposal. Furthermore, this project site is located at the "crossroads" of three distinct sources of development pressure - the City of Napa immediately to the north, the City of American Canyon (3 miles to the south) and the Napa Airport Industrial area (1 mile to the southwest), the latter projected by the Association of Bay Area Governments (ABAG) to be the fastest growing employment center in the Bay Area (See Exhibit 1).

An additional benefit will accrue as a by-product of this project. The proposed Napa River Flood Protection Project - which has evolved from a classic Army Corps of Engineers concrete-oriented, channelization project (1995) into a community-based, environmentally-sensitive plan - will require the acquisition of portions of these properties to expand the floodplain and marshland ecosystem as a key component of the new plan. The Flood Protection Project is currently undergoing environmental review. However, the acquisition and restoration project being proposed here will provide its primary benefits independent of the flood control project.

Applicant Qualifications: The Napa County Land Trust (NCLT) seeks to "acquire and preserve natural resources and wildlife areas for the use and enjoyment of present and future generations, to preserve and protect historic sites, to educate the public about the wise use of natural resources and to work with other organizations having similar purposes."

In response to growing development pressures, the NCLT was formed in 1976 by a group of residents who cared about the Napa Valley and shared concerns about the protection of agricultural lands, wetlands, woodlands, watersheds, wildlife habitat, and open space lands that together sustain ecological diversity and a rural way of life. The NCLT is a member-supported, 501(c)(3) non-profit organization with an annual operating budget of \$250,000 funded primarily by membership dues, charitable contributions from individuals, businesses, and foundations, and income from a small endowment.

Working primarily in the private sector, with no ongoing support from any taxing authority or government agency, the NCLT has succeeded in permanently protecting over 11,000 acres of open space and agricultural land to date thanks to dedicated volunteer leadership and financial support from loyal members. Operations are carried out by a 15-member Board of Trustees and a professional staff of five.

Approach/Budget/Schedule: Our initial application (during Phase 1 of CALFED) proposed a 3-phase approach to this project. A portion of our request was granted (\$1 million of the \$2 million requested). This proposal is requesting funding for the acquisition and restoration of these four parcels. In each of the three initial phases, we proposed to acquire property - simultaneously transferring title to DFG - with restoration activities to be performed on these properties once title is conveyed. These activities will include the breaching and/or removal of existing levees and the design and construction of new setback levees along the boundaries between wetlands and uplands, among others. The initial phase, partially funded by CALFED, will proceed during late 1998 and early 1999. The remaining acquisitions, if funded, would proceed in 1999.

Project costs are delineated in two ways - first, *Acquisition & Restoration*, and second, *Administrative*, with the latter category including staff time, overhead, and professional services (e.g. appraisers, attorneys, title and escrow fees). Recent appraisals estimate that existing wetlands should be valued at \$2,500 per acre while uplands which are plantable as vineyards are valued at approximately \$34,000 per acre. Other lands which have not been clearly delineated (i.e. as wetlands) or are of questionable value as vineyard lands average approximately \$15,000 per acre. Including an estimated total of \$500,000 for restoration activities, as well as \$92,237 (less than 2.5%) for administrative activities, it is estimated that the total cost of the proposed project is \$4,056,717 for the acquisition and restoration of 633 acres (about \$6400 per acre).

Monitoring and Data Evaluation - The California Department of Fish and Game (DFG) will take fee title to the property upon purchase and will maintain it in perpetuity and, in the event that the Napa River Flood Control Project is implemented, would provide flood easements on these properties to the Napa County Flood Control and Water Conservation District ("District"), comprised of the County Board of Supervisors, the Mayors of the five municipalities in the County, plus one additional City Council member from the City of Napa.

Local Support and Coordination: Local support is extensive and is documented by the enclosed resolution of the Flood Control District of July, 1997. The proposed CALFED project, while beneficial on its own merits, would also provide a great deal of benefit to the Napa River Flood Control Project. This project has been redesigned by the U.S. Army Corps of Engineers - in accordance with the "Living River" principles and parameters articulated by the "Community Coalition for a Napa River Flood Management Plan". In 1995, a Corps project was designed which was soundly rejected by both the community at large and the federal, state, and regional resource agencies (e.g. Bay Area Water Quality Board, State Fish and Game Department, etc.). Since that time, the Coalition was formed, which included representatives of those resource agencies, among many other diverse interests. The project is currently awaiting the finalization of the Army Corps General Design Memorandum and Supplemental Environmental Impact Statement/Report.

**CALFED BAY DELTA PROGRAM****1998 CATEGORY III PROPOSAL**

**Title of Project:** South Napa River Wetlands Acquisition and Restoration

**Applicant:** Napa County Land Trust  
1040 Main Street, Suite 203  
Napa, CA 94559  
Phone: (707) 252-3270; Fax: (707) 252-1071  
Contact Person: John Hoffnagle, Executive Director

**Project Type:** Floodplain Management and Habitat Restoration

**Amount Requested:** \$4,056,717

### **III. PROJECT DESCRIPTION**

#### **a) Project Description and Approach**

This project would acquire over 600 acres of diked, historic wetlands along the Napa River for the purpose of restoring estuarine, riparian and aquatic habitat, flood and marsh plain. This proposal targets the primary objectives of the CALFED program by acquiring lands which were historically part of the San Francisco Bay Area wetland system, and which directly influence the survival of several endangered species. These lands are at high risk of conversion to vineyard and/or urbanization, as evidenced by the annexation of the Stanly property into the City of Napa.

This proposal is presented as a phased approach to land acquisition and restoration. Once acquired by the Napa County Land Trust, the title to these properties will be simultaneously conveyed to the California Department of Fish and Game, along with the responsibility for maintenance thereof. As described in the Executive Summary, restoration activities will be undertaken by the California Department of Fish and Game and the Army Corps of Engineers.

These restoration activities will include planning, design, and construction of setback levees, modification or removal of some existing levees or other structural elements and, in certain locations, the use of earth moving equipment to create a setting more conducive to habitat.

#### **b) Location of Project**

The project location comprises the lower reach of the Napa River south of the City of Napa, where the river is influenced by both fluvial and tidal processes. The boundary of the project area on the north is defined by medium-density residential development on South Newport Drive (City of Napa); to the east by the Napa River itself; and to the South and west by State Highway 29. Adjacent uplands are currently threatened by conversion to vineyard or commercial uses.

The Napa River drains a 426-square mile watershed into San Pablo Bay. The river is fully tidal with an average daily tidal range of 6.6 feet. During the winter, freshwater flows down the river maintain mostly fresh to brackish water conditions while salinity increases to 75% of seawater in the summer. Early coast and geodetic survey maps and records indicate that the area was tidal marshland and the remainder functioned as alluvial floodplain. Levees constructed in the early 1900s isolated the marshlands from tidal inundation and isolated the floodplains from the Napa River. Since that time these lands have been systematically converted to agricultural - mostly hay production - and urban uses with the threat of conversion to vineyards or housing imminent.

Much of the proposed project site is currently used for cattle grazing and haying. The majority of the site is mapped as "palustrine farmed wetland" by the National Wetlands Inventory. The Horseshoc Bend property (owned by Giovannoni) is mapped as seasonal wetlands (Exhibit 3).

#### **c) Expected Project Benefits**

The Napa River is widely recognized as an important waterway because it provides critical fish and wildlife habitat. Twenty-five species of fish are known to inhabit the river, including a remnant steelhead and salmon population, as described below. The river has historically had a wide flood plain regularly overflowed by the river channel. Historical maps indicate the dendritic patterns of tidal slough channels and tidal wetlands. Over the last 150 years the river has been impacted by channel and

floodplain encroachments with levees along its entire urban reach. The river channel has been artificially constrained by riprap and concrete rubble and the floodplain narrowed by levees and berms. Riparian vegetation has been removed and exists in a mostly degraded state. Invasive exotic species (e.g. arundo donax, eucalyptus) are common.

The natural fluvial geomorphology has also been impacted by upstream reservoirs which have trapped sediments and modified tributary flows. Peak discharges have increased while the development of the basin contributed to increasing the river channel depth, bank heights and instability. Channel deepening - in conjunction with the artificial raising of banks with berms and levees - appears to be the primary change in morphology over time.

While the plan form of the river has remained largely intact, a meander cutoff was constructed at Horseshoe Bend (See Exhibit 3) in the 1940s to improve navigation. This has created a depositional environment within the Bend. The tidal sloughs in the project area are filled or cut off from tidal flows with berms and dikes and the wetlands have been drained with ditches and farming. Urban and cattle-based runoff contribute nutrients and silt to the system. In summary, the following factors impact the project area:

- Hydrologic isolation of the flood and marsh plains
- The physical isolation of the flood and marsh plains
- Alteration of fluvial and tidal slough channel forms
- Elimination of slough channels
- Loss of seasonal floodplain wetlands and tidal brackish wetland flora and fauna
- Loss of riparian zones
- Increased nutrient inputs
- Increased water temperatures
- Introduction of exotic plant species
- Land use changes and impacts to river channels, floodplains and tidal wetlands

#### Priority Species and Habitats Benefitted By Project

This project will make it possible for these target wetlands to be restored to several of CALFED's designated priority habits, including seasonal wetland habitats within floodplains; instream aquatic habitat of the Napa River; riparian habitat; and saline emergent wetlands habitat in the tidal brackish marsh. These lands have also been identified by the California Department of Fish and Game as high priority for acquisition because of their regional importance to the species listed among CALFED's priorities. The following species and populations have been located in the proposed project area by Fish and Game biologists: CALFED Priority Species and Populations: Fall/Winter/Spring Run Chinook Salmon; Delta Smelt; Sacramento Splittail; Steelhead trout; Sturgeon;

Endangered Species: California Black Rail; Saltmarsh Harvest Mouse; Mason's Lilaeopsis; Delta Tule Pea; Other Species: Stupid Bass; Longfin Smelt; Migratory birds; wildfowl; shore birds; neotropical riparian birds. The ERPP refers to the Implementation Objectives for the Delta Smelt (pg. 112), the Sacramento Splittail (pg. 113), and the Chinook Salmon (pg. 113), all of which would be addressed by this proposed project.

Additionally, special status and candidate species under the federal Endangered Species Act that potentially occur on this site include the California freshwater shrimp (endangered); American peregrine

falcon (endangered); California red-legged frog (candidate); Contra Costa goldfields (candidate); and 20 other species of special status under the California Endangered Species Act.

The Giovannoni property is known to support a heron/egret rookery within the trees adjacent to the Napa River. Long-term benefits will accrue to these species and populations as a result of the restoration of these properties. We believe that, due to the commitment of the Department of Fish and Game to hold these lands in perpetuity, these long-term benefits are virtually guaranteed.

#### Benefits to Other Ecosystem Programs

With the implementation of the Napa River Flood Protection Project anticipated within the coming year, the U.S. Army Corps of Engineers will be a partner in the restoration of these lands as well as the Department of Fish and Game. Although this project is proposed as an independent ecosystem restoration project, both the Flood Control District and the Army Corps agree that the restoration of the flood and marsh plains would have flood damage reduction benefits for the City of Napa just upstream. Therefore, this restoration is incorporated as a feature of the Corps project. Congress has recently given the Corps expanded authority to add environmental restoration to its mission, via the 1996 Water Resources Development Act. Federal and State resource agencies regard the Napa River Flood Control project as a national model for engaging the Army Corps in less destructive methods or reducing flood damages. Therefore, this project also offers "preventative" benefits on a national scale. Please note that the ERPP to Implementation Objectives for Natural Floodplain and Flood Processes (pg. 101) and for Seasonal Wetlands (pg. 104) among its "Ecological Processes" and "Habitats" groups, respectively.

#### Match with CALFED Ecological Non-Ecosystem Objectives

The Napa River is the second largest fresh water source for San Francisco Bay. It is designated by the San Francisco Bay Area Regional Water Quality Board as a watershed of special significance because of its ecological importance to the Bay. The River is listed by the federal government as an "Impaired Water Body" because of sediment and nutrient overloading. The proposed project is also consistent with the San Francisco Bay Plan policies pertaining to fish and wildlife, since it would provide for restoration of historic tidal marsh and floodplains, and will provide habitat for indigenous special status species life.

#### **d) Background and Biological and Technical Justification**

The degradation of the wetland environment from its historical condition and the significance of the Napa River and its environs to San Francisco Bay and species and populations of concern establish the need for this project. Underlying this situation is the crisis condition of imminent threats to these resources which surfaced after the 1995 floods on the Napa River. This project would make it possible to have these lands restored to several of CALFED's priority habitats, including seasonal wetland habitats within floodplains, instream aquatic habitat of the Napa River, riparian habitat, and saline emergent wetlands habitat in the tidal brackish marsh. As a result of decades of major flood events on the Napa River, the Army Corps of Engineers, in 1995, released the plan for a conventional (i.e. river channelization) flood control project which was determined - by State and federal resource agencies as well as the community at large - to have catastrophic environmental impacts, if constructed. The prospect of a flood control project tends to encourage speculators who wish to convert historic wetlands to "higher economic uses".

Specifically, the resource agencies indicated that such a project would further destabilize the fluvial geomorphology and dynamics of the river and its associated brackish wetlands, alter the river velocities and discharges, sediment transport rate, channel geometry and stream bank conditions. Modification of the river hydrology and hydraulics, in turn, would alter the tidal prism and affect salinity gradients. This project was determined to result in losses to intertidal habitat, mud flats, sloughs and freshwater riparian resources. The cumulative impacts were determined to result in significantly degraded water quality in the river, impacting dissolved oxygen, increasing nutrient and total suspended sediment loadings and water temperatures, with the ultimate loss of the function of the river as an ecosystem of geographic significance.

In response to this proposed Army Corps plan, the community formed its "Coalition", as mentioned above, of more than 100 members representing diverse interests in order to develop the revised plan recently presented to the Corps, which has multiple benefits.

#### Restoration Project Objectives

Working groups of professionals representing fluvial geomorphologists, plant ecologists, hydraulic engineers, fisheries and wildlife biologists, landscape architects and other disciplines defined 14 geomorphic objectives to guide the design of a river restoration plan which would create an environment in geomorphological equilibrium and return the structure and functions of historic conditions to the extent possible. These objectives are to maintain the natural slope and width-depth ratio for the river, to restore the connection of the river to its floodplain, to allow the river to meander as much as possible, and to maintain natural features such as mudflats and shallows. This restoration plan is referred to as "The Living River Plan".

A reconstructed river channel and floodplain terrace have been designed based on the best knowledge available on both fluvial and tidal hydraulic geometry. Because the design objective is to return the naturally occurring equilibrium between discharges and sediment transport and deposition, the design maximizes the enhanced ecosystem functions and processes. While fully achieving all of the geomorphic objectives is not possible (due to existing urbanization), the restored channel and floodplain will bring the system into significantly greater balance. It is expected that the desired wetland vegetation will naturally colonize the restored lands.

The California Fish and Game Department would use a system of adaptive management to help guide the restoration process. The monitoring of sediment transport, deposition, and plant community recolonization will be central to this effort. Consultant reports indicate that a number of wetland habitat restoration alternatives exist for the site including seasonal wetland using precipitation and local surface runoff; freshwater emergent wetlands; brackish water emergent wetlands, tidal wetlands, riparian woodland bordering the Napa River, and native shrub habitats.

#### Status of Project

Some preliminary steps have been taken towards the implementation of this project, should the funding become available. These steps include the completion of two appraisals to estimate the market value of these properties, one ordered by the applicant and the other by the owner of the property whose acquisition was funded in CALFED Phase I (Ghisletta). Additionally, utilizing funding from the California Coastal Conservancy, the Napa County Flood Control District contracted with Philip Williams & Associates of San Francisco for the development of a "Napa River Enhancement Plan".

This Plan focuses on the area proposed herein for acquisition and referred to as the "South Wetlands Opportunity Area" (SWOA), identifying flood restoration and habitat improvement alternatives. These recommended enhancement alternatives are based on an understanding of the key physical processes involved in such an environment, how these processes have been interrupted by human interventions (e.g. levee construction), how these interventions could be eliminated or modified to restore or enhance natural wetland and floodplain functions, and how these proposed measures will impact flooding and benefit fish and wildlife. This Enhancement Plan is enclosed as an attachment.

With regard to the flood protection project, the final environmental impact reports are scheduled for completion in this summer. At that time - if the project is funded by Congress - the Flood Control District and the Corps of Engineers would enter into negotiation of an agreement which will provide a greater level of detail regarding acquisition of property and construction related to the project. It is estimated that the acquisition of lands, which would begin at the southern end of the (flood) project area (the project site of this proposal) will begin in early 1999.

**e) Proposed Scope of Work**

This proposal calls for the acquisition of over 600 acres of historic wetlands. Once acquired, the four private properties - along with the single property being acquired through Phase 1 CALFED funding - would be restored to their wetland and/or tidal marshland function. Restoration activities will include the breaching and/or removal of existing levees and the design and construction of new setback levees along the wetland-upland boundaries, allowing natural processes to run their course.

Elements of the scope will include the buffering of the wetlands from surrounding land uses (e.g. vineyards, grazing) to minimize impacts from the community and the creation a continuous buffer zone along the edge between the uplands and the wetlands. The phases will include appraisal, planning, feasibility analysis, design, and restoration, with some of the projected milestones indicated above, in paragraph g of this section, as well as in Section IV (b).

Specific tasks and deliverables will include the appraisal results and the Enhancement Plan, although both of these products are being paid for by the applicant and other parties (no reimbursement is being requested here). If funding is granted, design work will proceed - most likely late this year - to develop the specific restoration plans for each piece of property acquired. Furthermore, documentation of the transfer of title for each parcel (with simultaneous double escrow proceedings planned for transfer to DFG) will be provided.

**f) Monitoring and Data Evaluation**

The California Department of Fish and Game (DFG) would manage and monitor the lands purchased under this proposed grant. An adaptive management plan has been prepared by Philip Williams & Associates as part of the Enhancement Plan referenced above. The environmental factors which will require monitoring include: the recolonization of native plant species on the graded flood and marsh plains; the survival of planted and volunteer riparian plant species, the return of tidal flows in restored slough channels; the return of overbank river flows onto the floodplain and the extent and rate of sedimentation of the floodplain.

DFG will also be interested in recording the return of the presence of flora and fauna, including common species, species and populations of concern, and federal and state rare and endangered species and candidates for State and federal listings.

The monitoring will be coordinated with the District and the Army Corps of Engineers. Any excessive sedimentation which might impact either the ecological restoration objectives and/or water conveyance in the floodplain will be addressed in the construction phase of the Project.

An adaptive management and performance-based management system will be designed for any sediment removal needs, in marked contrast with the conventional practice of flood control districts and Army Corps projects in which routine maintenance activities are conducted without a system of monitoring actual sedimentation rates and changes in flood plain elevation.

#### **g) Implementability**

The Napa County Land Trust is acting as the lead organization for this project due to its successful experience in similar projects in Napa County, such as the acquisition of the Bull Island this year for the Division of State Lands. Discussions are underway to determine the terms under which these property owners would be willing sellers. Appraisals have been completed as has the Napa River Enhancement Plan described above.

Compliance with various regulations, including primarily the California Environmental Quality Act (CEQA), will be required. However, the acquisition of these properties is "categorically exempt" under Class 13 (14CAL, Code of Regulations Section 15313). Any restoration activities, however, are not so exempted and would require a "Negative Declaration". Permits would be required from Department of Fish and Game (DFG) for certain activities, including any channel altering activities. Nevertheless, given DFG's participation in this process as the ultimate property owner and the fact that the project is "self-mitigating", no problems are foreseen.

The Napa River Community Plan is being coordinated with other Napa County and North Bay plans. The Napa County Resource Conservation District, which has been an active member of the planning process, is coordinating its plans for Napa River riparian restoration, set back levees, flood plain easements, native grasses and plan community restoration and storm water management on upper watershed tributaries with the lower watershed plans.

This coordination of the upper and lower watershed enhancement and restoration efforts will produce cumulative benefits for storm water management moderation of the frequent, low-to-moderate flood events, sediment reduction and habitat improvement and water quality benefits. Meetings have been held to coordinate efforts among the Napa County Resource Conservation District, the North Bay Cargill Wetland restoration project, the American Canyon acquisition and wetland restoration project, Cullinan Ranch tidal restoration and Sonoma Creek floodplain and wetlands acquisition and restoration and *this* proposed project.

#### IV. COSTS AND SCHEDULE TO IMPLEMENT PROPOSED PROJECT

##### a) Budget Costs

Our initial application (during Phase 1 of CALFED) proposed a 3-phase approach to this project. A portion of our request was granted (\$1 million of the \$2 million requested). This proposal is requesting funding for the remaining four parcels. In each of the three initial phases, we proposed to acquire property - simultaneously transferring title to DFG - with restoration activities to be performed on these properties once title is conveyed. These activities will include the breaching and/or removal of existing levees and the design and construction of new setback levees along the boundaries between wetlands and uplands, among others. The initial phase, partially funded by CALFED, will proceed during late 1998 and early 1999. The remaining acquisitions, if funded, would proceed in 1999.

Project costs are delineated in two ways - first, Acquisition & Restoration, and second, "Administrative", with the latter category including staff time, overhead, and professional services (e.g. appraisers, attorneys, title and escrow fees). Recent appraisals estimate that existing wetlands should be valued at \$2,500 per acre while uplands which are plantable as vineyards are valued at \$34,000 per acre. Other lands which have not been clearly delineated (i.e. as wetlands) or are of questionable value as vineyard lands average approximately \$15,000 per acre. Including an estimated total of \$500,000 for restoration planning and implementation activities, as well as \$92,237 for administrative activities (See Exhibit 2), the total amount being requested is \$4,056,717.

Please note that the costs of the property appraisals and the Enhancement Plan have been absorbed by the applicant and other collaborators, at an approximate cost of \$65,000. While other funding sources - such as California Coastal Conservancy and Wildlife Conservation Board funds through Proposition 204 - may be available, those funds are needed for related activities and for the acquisition of other properties further upstream, which would not qualify under CALFED's habitat eligibility requirements.

The Napa County Flood Control District, through the adoption of a ½-cent sales tax in March 1998, will be contributing more than \$75 million to the Napa River Flood Protection Project, with the federal government - through the Corps of Engineers - contributing an equal amount. While there is some overlap between this project and the proposed project, CALFED funding is necessary to implement the Enhancement Plan as part of the flood control project, thereby providing significantly increased environmental restoration benefits. Furthermore, the financing plan for the Flood Protection Project assumes some level of federal and state grants to allow full implementation.

##### b) Scheduled Milestones

An initial appraisal has been completed as has the Enhancement Plan discussed earlier, a copy of which is enclosed. As of the date of any prospective funding received as a result of this proposal, negotiations would begin immediately with the property owner(s), with legal and environmental review to follow immediately upon final terms being agreed to. This process is expected to take 3 to 6 months. The title search and report and escrow process would add up to another 3 months prior to taking title and transferring to DFG, for a total of 6 to 9 months from award date. Subsequently, restoration activities would proceed simultaneously with the Flood Protection Project, beginning in late 1999 or early 2000.

### c) Third Party Impacts

No significant detrimental impacts to third parties are anticipated. Important beneficial impacts to the flood control project and the community at large are the most important third party impacts foreseen at this time. Coordination between wetland acquisitions and the impact of agricultural development on adjacent uplands is an important consideration in the purchase of these wetlands and the final configuration of property lines.

## V. APPLICANT QUALIFICATIONS

The Napa County Land Trust is acting as the lead organization for this project due to its successful experience in similar projects in Napa County, such as the acquisition of the Bull Island wetlands. The Trust has determined that the acquisitions proposed in Phase 1 of this proposal belong to sellers who have expressed a willingness to proceed with negotiations, appraisals and legal review necessary to effect these transactions.

The mission of the Napa County Land Trust (NCLT) is to “acquire and preserve natural resources and wildlife areas for the use and enjoyment of present and future generations, to preserve and protect historic sites, to educate the public about the wise use of natural resources and to work with other organizations having similar purposes.”

In response to growing development pressures, the NCLT was formed in 1976 by a group of residents who cared about the Napa Valley and shared concerns about the protection of agricultural lands, wetlands, woodlands, watersheds, wildlife habitat, and open space lands that together sustain ecological diversity and a rural way of life. The NCLT is a member-supported, 501(c)(3) non-profit organization with an annual operating budget of \$250,000 funded primarily by membership dues, charitable contributions from individuals, businesses, and foundations, and income from a small endowment fund.

Working primarily in the private sector, with no ongoing support from any taxing authority or government agency, the NCLT has succeeded in permanently protecting over 11,000 acres of open space and agricultural land to date thanks to dedicated volunteer leadership and financial support from loyal members. Operations are carried out by a 15-member Board of Trustees, which serves without compensation, various committees, and a small professional staff.

The individual responsible for the coordination of the CAL-FED proposal will be John Hoffnagle, NCLT Executive Director. His qualifications are as follows: B.S. Biology University of Oregon (1976), MFS Yale School of Forestry (1978); Oregon Land Steward - The Nature Conservancy (1979-1984); Director of Development - Greenbelt Alliance (1987-1989); Administrative Director - Tropical Resources Institute (1984-86), Yale School of Forestry; board member Strong Foundation for Environmental Values. He also serves on the Bay Area Open Space Council and is a regular speaker at regional and national land trust conferences and workshops. Mr. Hoffnagle has experience in all phases of open space real estate acquisition including fee simple gifts, estate planning, and market purchases. Mr. Hoffnagle had an undergraduate emphasis in estuarine ecology and was the recipient of an interdisciplinary National Science Foundation grant in 1976 to study the biological and social aspects of wetland preservation. He is the author of five publications regarding salt marshes and their ecological function including Estimates of Vascular Plant Primary Production in a West-Coast Saltmarsh Estuarine Ecosystem in Northwest Science (Vol. 54, 1980). This research was the first to look at the productivity of salt marshes on the Pacific Coast.

The NCLT has successfully completed twelve **AGENCY PRE-ACQUISITION** projects to date, as follows:

- ♦ **WHITE SLOUGH MARSH** - 38-acre tidal marsh transferred to Department of Fish and Game (1978).
- ♦ **DALE PETERS CLYDE RESERVE** - 40-acre forest conveyed to Napa College for environmental studies (1979).
- ♦ **PALISADES-SWARTZ CANYON** - 120-acres acquired in 1981. To be transferred to RLS State Park July 1997.
- ♦ **ZINFANDEL PARK** - Homeowner's neighborhood park established in 1985 for the City of St. Helena.
- ♦ **QUAIL RIDGE WILDERNESS PRESERVE** - Over 500 acres of rare habitat at Lake Berryessa conveyed to UC Reserve System via Wildlife Conservation Board and Quail Ridge Wilderness Conservancy.
- ♦ **PATTEN MT. ST. HELENA MINE** - Historic 25-acre mine, site of Robert Louis Stevenson's honeymoon cabin and subject of the popular novel Silverado Squatters, transferred to RLS State Park in 1988.
- ♦ **BRUCHMAN CHENEY PRESERVE** - In 1991 NCLT acquired 120-acres of old-growth Douglas fir in City of St. Helena watershed.
- ♦ **MONTESOL** - In 1994 the NCLT worked with a willing landowner to transfer 300-acres to RLS State Park.
- ♦ **TABLE ROCK** - In 1994 the NCLT transferred a spectacular 150-acre landmark formation to RLS State Park.
- ♦ **N. G. WRIGHT ESTATE** - Residential building site transferred to Bothe Napa Valley State Park in 1994.
- ♦ **BULL ISLAND** - 109-acres wetland and the most recent agency pre-acquisition. In 1997 the NCLT worked closely with Department of Fish and Game to permanently protect this tidal wetland. Funds were secured from the State Lands Commission, Napa Wildlife Commission, and private donations. Property was transferred to State Lands Commission and will be managed by the Department of Fish and Game.
- ♦ **PALISADES TRAIL** - 540-acre addition to RLS State Park in the final stages of completion. A spectacular trail corridor that will connect Mt. St. Helena to the historic Oat Hill Mine Road and eventually allow for the construction of a trail from Calistoga to the summit of Mt. St. Helena.

The NCLT works with willing landowners in three ways to protect agricultural and open space lands permanently by 1) **ACCEPTING OUTRIGHT DONATIONS** - *owned by the NCLT and slated to remain as such permanently*, 2) **CREATING CONSERVATION AGREEMENTS** - *lands that remain in private ownership but are subject to deed restrictions which limit future development*, and 3) **AGENCY PRE-ACQUISITION** - *lands that will be or have been transferred to a governmental agency or another nonprofit organization*.

The NCLT's major focus of activity is within the boundaries of Napa County which encompasses over 500,000 acres of unique and diverse terrain. The NCLT also holds conservation easements on properties in 3 neighboring counties as well. NCLT has also aided the new Lake County Land Trust with its initial organization and continues to advise them when requested.

With an active Board of Trustees and over 1,200 members, the NCLT now manages 1,500 acres in four permanent preserves and holds conservation agreements on over 10,000 acres donated by private

landowners. On three of the permanent preserves the NCLT is presently implementing restoration ecology programs. A riparian restoration program to improve fish habitat on Redwood Creek is being developed at the 380-acre Archer Taylor Preserve. A native oak planting program is underway at the 730-acre Wantrup Wildlife Sanctuary in Pope Valley. On a 12-acre preserve within the city limits of Napa the NCLT has established the "Connolly Ranch Agricultural and Environmental Elementary Education Center" which serves as the site for a number of collaborative educational programs with the school district and other community organizations.

## **VI. COMPLIANCE WITH STANDARD TERMS AND CONDITIONS**

As per Table D-1 "Standard Contract Clauses and Related Proposal Submittal Requirements", the Napa County Land Trust, a 501(c)(3) nonprofit organization, hereby submits its "Nondiscrimination Compliance Statement", attached as Exhibit 4. This Statement is consistent with the policies of the Land Trust.

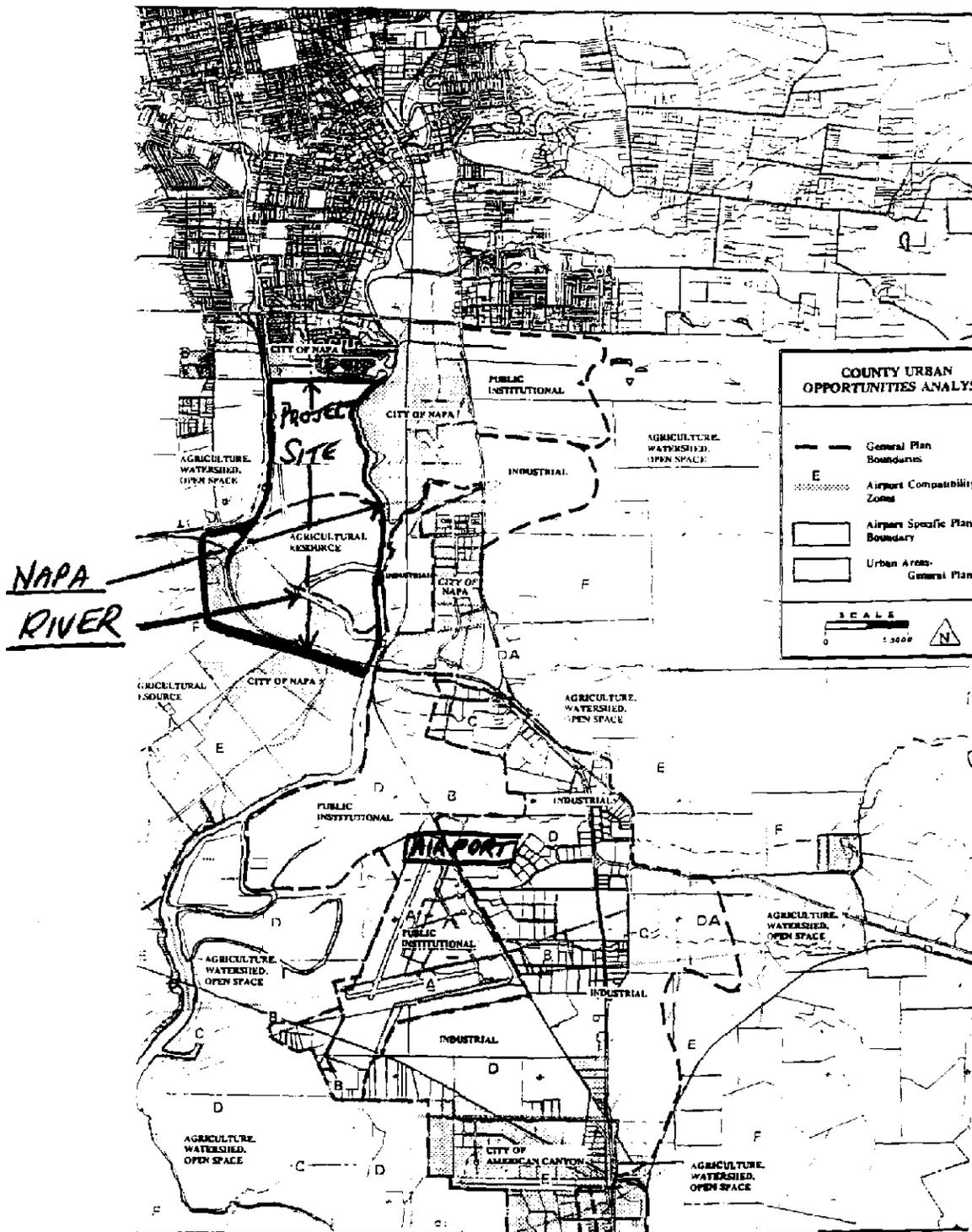


EXHIBIT 2

| NAPA COUNTY LAND TRUST   |                       |                            |                    |                   |
|--|-----------------------|----------------------------|--------------------|-------------------|
| SOUTH NAPA RIVER WETLANDS RESTORATION PROGRAM  |                       |                            |                    |                   |
| PROPERTY OWNER   | ACRES<br>(Wet/Upland) | UNIT PRICE<br>(Wet/Upland) | TOTAL PRICE        | PRICE PER<br>ACRE |
| Plass  | 140 (98/42)           | \$2500/\$15000             | \$875,000          | \$6,250           |
| Calvo  | 204.8 (196.6/8.2)     | \$2500/\$33900             | \$769,480          | \$3,757           |
| Giovanonni   | 77.4 (77.4/0)         | \$2,500                    | \$193,500          | \$2,500           |
| Stanly   | 211 (176/35)          | \$2500/\$33900             | \$1,626,500        | \$7,709           |
| <b>ACQUISITION TOTALS</b>  | <b>633.2</b>          |                            | <b>\$3,464,480</b> | <b>\$5,471.38</b> |
| <b>Additional Costs:</b>   |                       |                            |                    |                   |
|  |                       |                            | \$500,000          |                   |
|  |                       |                            | \$92,237           |                   |
|  |                       |                            | \$592,237          |                   |
| <b>TOTAL AMOUNT REQUESTED</b>  |                       |                            | <b>\$4,056,717</b> | <b>\$6,406.69</b> |
| *Note 1: Including lowering of dikes, breaching of levees and tidal inlet breach excavation, as well as monitoring.                                    |                       |                            |                    |                   |
| **Note 2: Includes costs of appraisals, attorney, CERCLA compliance, title and escrow fees as well as overhead required of staff to implement project. |                       |                            |                    |                   |

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EXHIBIT 2 (CONT'D)

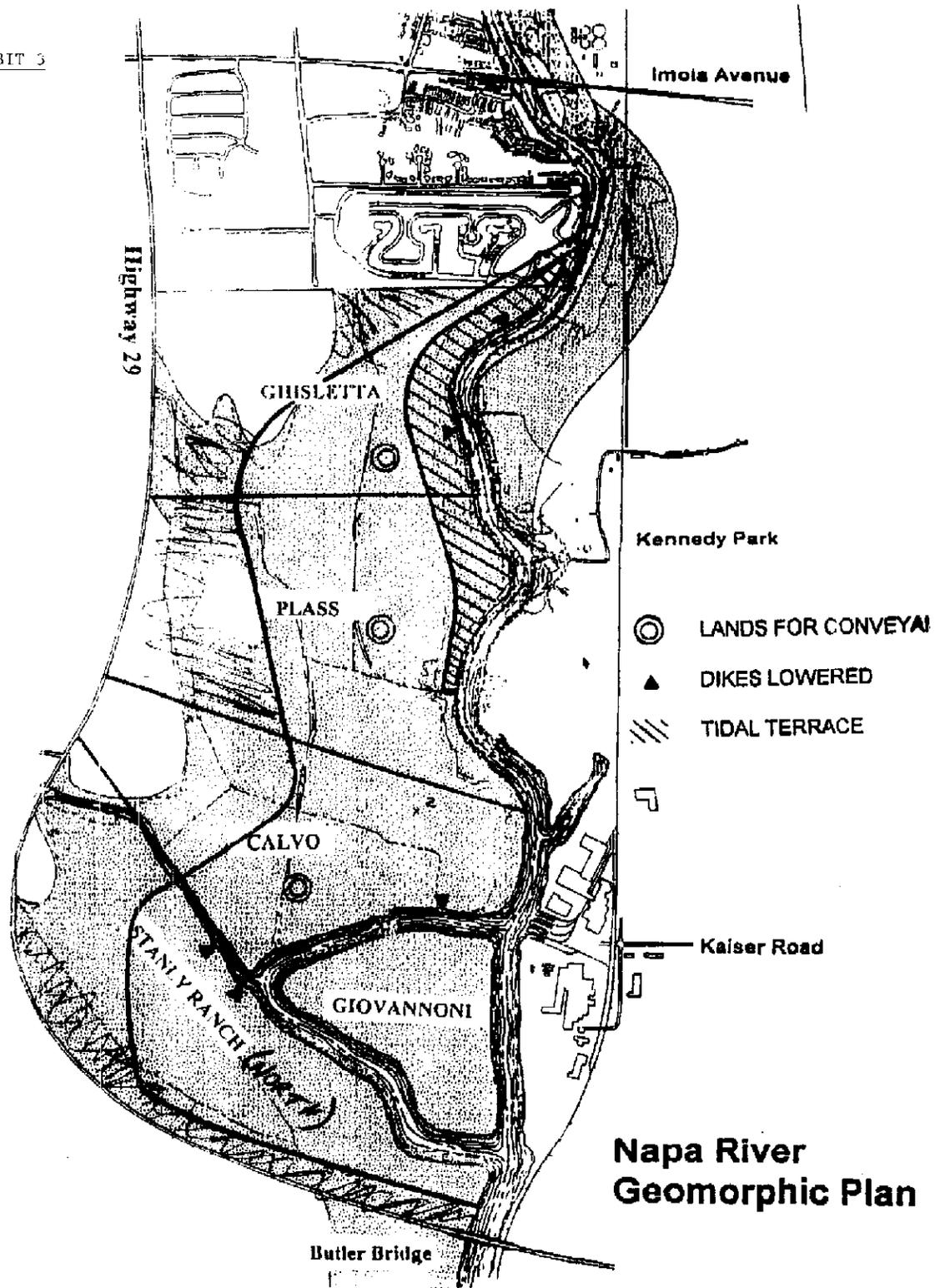
ADMINISTRATIVE COST BREAKDOWN

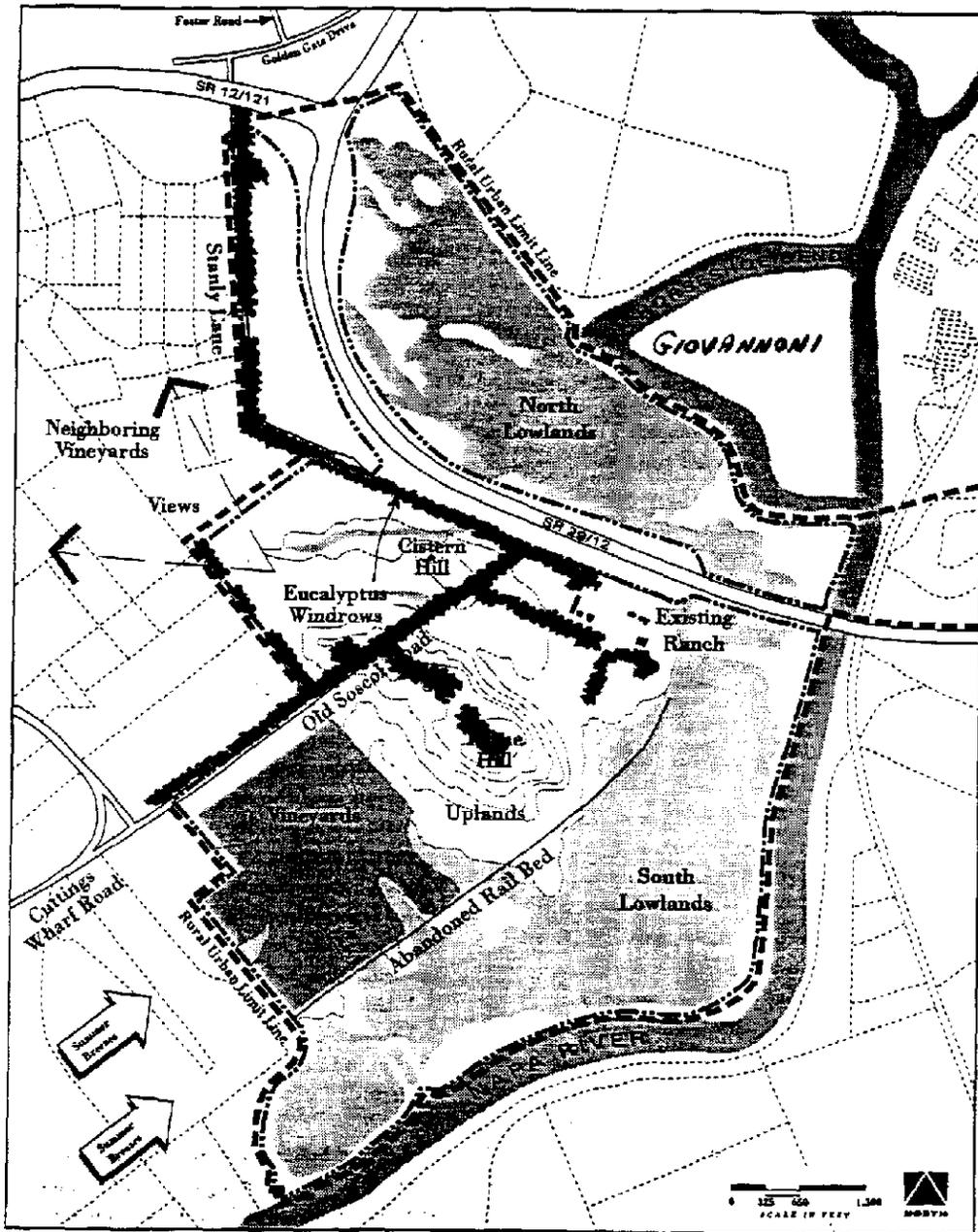
2-YEAR BUDGET (1999-2000)

|   |              |              |               |                 |
|---|--------------|--------------|---------------|-----------------|
| Salary (10% ED,; 25% FldRep; AdSec 10%) |              |              | \$44,125      |                 |
| Benefits @ 20%                          |              |              | 8,825         |                 |
| Overhead (@ 25% of salaries & benefits) |              |              | 13,237        |                 |
| Professional services                   | Survey       | \$7,000      |               |                 |
|   | Appraisal    | \$5,000      |               |                 |
|   | Attorney     | 5,000        |               |                 |
|   | Eng/CERCLA   | 5,000        |               |                 |
|   | Title/Escrow | <u>4,000</u> |               |                 |
|   |              |              | <u>26,000</u> |                 |
|   |              |              |               | <b>\$92,237</b> |

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Figure 3  
**Site Summary**

Shaded area identified as potential jurisdictional wetlands by Wetlands Research Associates



EXHIBIT 4

**NONDISCRIMINATION COMPLIANCE STATEMENT**

COMPANY NAME

NAPA COUNTY LAND TRUST

The company named above (hereinafter referred to as "prospective contractor") hereby certifies, and specifically exempts, compliance with Government Code Section 12990 (a-f) and California Code Regulations, Title 2, Division 4, Chapter 5 in matters relating to reporting requirements and development, implementation and maintenance of a Nondiscrimination Program. Prospective contractor agrees not to unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave.

**CERTIFICATION**

*I, the official named below, hereby swear that I am duly authorized to legally bind the prospective contractor to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.*

OFFICIAL'S NAME

John Hoffnagle

DATE EXECUTED

June 30, 1988

EXECUTED IN THE COUNTY OF

Napa, California

PROSPECTIVE CONTRACTOR'S SIGNATURE

PROSPECTIVE CONTRACTOR'S TITLE

Executive Director

PROSPECTIVE CONTRACTOR'S LEGAL BUSINESS NAME

Napa County Land Trust

RESOLUTION NO. 97-9(FC)

**RESOLUTION OF THE NAPA COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT SUPPORTING  
GRANT APPLICATION BY NAPA COUNTY LAND TRUST  
TO CALFED BAY-DELTA PROGRAM FOR LAND ACQUISITION**

**WHEREAS**, the passage of State Proposition 204 in 1996 provides \$60 million to fund the CALFED Bay-Delta Program for Ecosystem Restoration; and

**WHEREAS**, these funds have now been made available to local government agencies and non-profit organizations through the issuance of a Request for Proposals (RFP); and

**WHEREAS**, one of the eligible activities of this program is the acquisition of land for the purpose of wetlands restoration; and

**WHEREAS**, there are several properties along the Napa River which are potential sites for such restoration; and

**WHEREAS**; acquisition of said properties would also be required to implement the Napa River Flood Control Project, which is the result of a multi-year, community-based planning process that has resulted in an environmentally-sensitive redesign of a U.S. Army Corps of Engineers project; and

**WHEREAS**, the future of the Flood Control Project will not be determined until a sales tax ballot initiative is brought to the voters no earlier than November, 1997; and

**WHEREAS**, the response to the CALFED RFP must be submitted no later than July 28, 1997; and

**WHEREAS**, the Napa County Land Trust, a non-profit organization whose stated purpose is to acquire and preserve natural resources and wildlife areas, has the capability and the desire to acquire these particular properties, regardless of the outcome of the Flood Control process; and

**WHEREAS**, the Napa County Land Trust is preparing a proposal in response to the CALFED RFP in the amount of \$1.75 million for this purpose, including a commitment from the California Fish and Game Department to own and maintain these lands in perpetuity as wetlands.

**WHEREAS**, the Land Trust and the Fish and Game Department will agree to a restoration plan which is consistent with the design of the Flood Control Project and, in the event the Project is implemented, will provide the necessary flood easements on said properties.

**NOW, THEREFORE, BE IT RESOLVED** by the Napa County Flood Control and Water Conservation District as follows:

EXHIBIT 5 (Cont'd)

1. The Board supports the CALFED grant proposal of the Napa County Land Trust to acquire several properties along the Napa River for the purpose of wetlands restoration; and
2. District staff is hereby authorized to assist in the preparation of said proposal.

**THE FOREGOING RESOLUTION WAS DULY AND REGULARY ADOPTED** by the Napa County Flood Control and Water Conservation District at a regular meeting of the Board held on the 15th day of July, 1997, by the following vote, with the number following the name of each voting Director indicating the number of votes cast by the Director:

AYES: DIRECTORS

HENDERSON, HOLT, FERRIOLE, VARRELMAN,

WINTER, LUCE, TECHEL, ANDERSON, SLAVEN

and RIPPEY

NOES: DIRECTORS

NONE

ABSENT: DIRECTORS

CALLEGARI

ATTEST: MARY JEAN  
MCLAUGHLIN, Secretary of  
the Board

By Mary Jean McLaughlin

APPROVED AS TO FORM:  
ROBERT WESTMEYER, District Legal Counsel

By Margaret Woodbury