

McKay Community Forest Phase 2 and Adjacent Ryan Creek Legacy Easement Project

The project will protect from development 6,164 +/- acres of threatened, high site class redwood forest adjacent to the City of Eureka. Included are two distinct transactions, referenced cumulatively as the easement (Easement), as stated below:

1) The McKay Community Forest Phase 2 is the fee purchase of 197 acres to be added to the existing 1,001-acre Phase 1 of the McKay Community Forest. The Phase 2 property will be owned by the County of Humboldt, which will operate and maintain the property in perpetuity. The conservation easement on the McKay Community Forest Phase 2 is being conveyed as a condition of the CAL FIRE grant.

2) The Ryan Creek Legacy Easement is the purchase of a conservation easement on 5,967 adjacent acres of productive commercial forest (the McKay Tract) owned and operated by Green Diamond Resource Company. The conservation easement has already been approved by CAL FIRE as grantee. Green Diamond will continue to own and manage this tract subject to easement terms.

This is a cooperative project with CAL FIRE, the California Natural Resources Agency, and the Joseph and Vera Long Foundation focused on protection of working forest lands, forest reserve areas, watersheds, fisheries, and habitat linkages. The project will protect significant scenic, recreational, timber, riparian, fish and wildlife, cultural, carbon sequestration, and environmental values.

LOCATION

The property as represented by the combination of both transactions described above (Property) is southeast of the City of Eureka, in western Humboldt County. The Property borders the McKay Community Forest, owned and managed by County of Humboldt on the west, and is just south of Redwood Acres Fairgrounds.

PROJECT DESCRIPTION

The Property is within the Ryan Creek watershed and provides critical habitat for a variety of special status fish, wildlife, and plant species. The Easement will permanently preserve a working redwood forest, contribute to the protection of water quality in the Humboldt Bay region, protect the significant biological resources of the Property, and expand the recreational and educational opportunities for residents and visitors to the area. The Easement provides an excellent opportunity to match the guiding principles of the Forest Legacy Program with the California Climate Investment program funded by the Greenhouse Gas Reduction Fund.

The Property is comprised mainly of coast redwood and Douglas fir. It serves as critical habitat for a variety of species, many of them rare, threatened, and/or endangered. Species known to exist on the Property or adjacent to the Property include steelhead trout, coho salmon, chinook salmon, northern spotted owl, red-legged frog, osprey, and peregrine falcon; CNPS ranked plants include ghost-pipe and Howell's montia. Ryan Creek, which flows through the Property, is among the most pristine and productive tributaries to Humboldt Bay. It is home to a functionally independent, core coho population, as well as Chinook and steelhead. Lower reaches include extensive off-channel, low-gradient, and low-velocity habitats important to juvenile salmonids, especially coho. Upper reaches connect to Yager formation spawning gravels excellent for salmonid reproduction.

Public access and education will be promoted through an extensive trail system over an existing road network, including a potential alignment for the proposed Bay to Headwaters Trail, which intends to link the California Coastal Trail with Bureau of Land Management Headwaters Forest.

MANAGEMENT OBJECTIVES AND NEEDS

A Non-Industrial Timber Management Plan (NTMP), and an existing forest management plan will guide silviculture on both McKay Community Forest and Ryan Creek Legacy Easement areas. This NTMP is under development by the County of Humboldt. The County is planning a framework for silviculture practices similar to those of the nearby Arcata Community Forest, including a selection and group selection regime with consistent decadal harvest levels below 100% of growth.

These management plans will lead to greater stand complexity, higher stocking, larger trees, increasing quadratic mean diameter, and greater carbon sequestration.

CAL FIRE will enter into an agreement with the landowners to monitor the Property for compliance with the terms of the Easement. The Easement allows access by CAL FIRE or its agents annually for monitoring purposes.

TERMS

For the McKay Community Forest Phase 2 transaction, the property owner has agreed to sell the property to the County of Humboldt for an amount equal to the appraised fair market value as approved by the Department of General Services (DGS). DGS has reviewed and confirmed the appraisal of the property, and the appraisal was also reviewed by a Registered Professional Forester to verify timber valuation.

For the Ryan Creek Legacy Easement transaction, the property owner has agreed to sell a conservation easement to the Department of Forestry and Fire Protection to remove the development rights to the property at a price below the appraised fair market value. The valuation of the easement is equal to the appraised fair market value as approved by the Department of General Services (DGS). DGS has reviewed and confirmed the appraisal of the property, and the appraisal was also reviewed by a Registered Professional Forester to verify timber valuation.

Under terms of the grant for both transactions, the Wildlife Conservation Board staff is responsible for review of all acquisition-related documents prior to disbursement of grant funds. In the event of a breach of the grant terms, the Wildlife Conservation Board can require grantees to encumber the Property with a conservation easement in favor of the State or another entity approved by the State and seek reimbursement of funds.

COMBINED PROJECT FUNDING

Environmental Enhancement & Mitigation Program	\$500,000
Proposition 1 Urban Rivers Program	\$884,382
CAL FIRE CCI funds	\$3,600,000
Joseph and Vera Long Foundation	\$44,618
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TOTAL Purchase Price	\$5,029,000

RESOLUTION OF THE STATE BOARD OF FORESTRY & FIRE PROTECTION AUTHORIZING THE APPLICATION FOR GRANT FUNDS (in substantially the form as presented to the Board) AND, IF AWARDED, THE ACCEPTANCE OF GRANT FUNDS FROM THE ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM, PROPOSITION 1, URBAN RIVERS PROGRAM, AND THE COMMUNITY GRANTS PROGRAM OF THE JOSEPH AND VERA LONG FOUNDATION FOR THE ACQUISITION OF CONSERVATION EASEMENTS, ON THE REAL PROPERTIES COMPRISING THE McKay Community Forest Phase 2 and Adjacent Ryan Creek Legacy Easement Project IN THE COUNTY OF HUMBOLDT.

The California State Board of Forestry and Fire Protection (Board) does hereby find and resolve as follows:

Section 1, The California State Legislature enacted the California Forest Legacy Program Act of 2007 authorizing the Wildlife Conservation Board to acquire conservation easements on behalf of the Department of Forestry and Fire Protection and requiring that funding be obtained from gifts, donations, federal grants and loans, other appropriate funding sources, and from the sale of general obligation bonds.

Section 2, At its February 26th, 2020 meeting, the Wildlife Conservation Board authorized two distinct real estate transactions necessary to the acquisition of two conservation easements on the **McKay Community Forest Phase 2 and Adjacent Ryan Creek Legacy Easement Project**, as described in the preceding attached project description, pursuant to the Public Resources Code (Pub. Resources Code, section 12240 et seq.).

Section 3, The People of California found that it is in the public interest to provide for the acquisition, development, rehabilitation, restoration, and protection of real property benefiting fish and wildlife, and for the acquisition, restoration, or protection of habitat that promotes recovery of threatened, endangered, or fully protected species, maintains the genetic integrity of wildlife populations, and serves as corridors linking otherwise separate habitat to prevent habitat fragmentation.

Section 4, The Board hereby approves the application for **\$500,000 from the California Natural Resources Agency, \$884,382 from the Proposition 1 Urban Rivers Program, and \$44,618 from the Joseph and Vera Long Foundation**. The State of California proposes to utilize these funds for the above-described transactions necessary to the acquisition of the two working-forest conservation easements on a combined 6,164 +/- acres of redwood, Doug fir, and western red cedar forest. While restricting all development and conversion, the easements will continue to allow commercial timber harvest and maintain significant forest, watershed, view-shed, open space, and other fish and wildlife habitat resources, cultural heritage, and social and economic agricultural and forest product contributions.

Section 5, If awarded, the Board hereby accepts the grant funds from the California Natural Resources Agency, the Proposition 1 Urban Rivers Program, and the Joseph and Vera Long Foundation for the above-described transactions necessary to the acquisition of the two conservation easements on the **McKay Community Forest Phase 2 and Adjacent Ryan Creek Legacy Easement Project**, and hereby approves the terms and conditions of draft Wildlife Conservation Board Grant Agreement.

Section 6, The Board hereby appoints the Director of the Department of Forestry and Fire Protection, or the Director's designee, as agent to conduct all negotiations, to execute and submit all documents, including, but not limited to, applications, agreements, payment requests, and to ensure compliance with all applicable current state and federal laws which may be necessary for the completion of the aforementioned project.

Section 7, The Executive Officer for the Board shall certify the Board's adoption of Resolution R-2020-1 on _____, 2020

Matt Dias
Executive Officer
Board of Forestry and Fire Protection