

## ANALYSIS

### Item 11: Department of Fish and Wildlife Acquisition of Coquille Tidal Wetlands

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**Analyst:** Wendy Gibson

**Request:** Approve the submission of a federal grant application to the National Oceanic Atmospheric Administration in the amount of \$2,142,523 for the acquisition of 528 acres of tidal wetlands in the Southern Oregon Coast region.

**Analysis:** On June 13, 2023, the National Oceanic Atmospheric Administration (NOAA) Office for Coastal Management released a grant notice for the Habitat Protection and Restoration Bipartisan Infrastructure Law Competition. The program seeks to enhance coastal habitat resiliency by awarding approximately \$60 million to states and territories for coastal habitat restoration efforts and the acquisition of property or conservation easements leading to ecological habitat restoration.

Grant recipients are eligible to receive up to \$6 million with no state funding match requirement. Interested applicants needed to send a letter of intent to NOAA outlining a proposal for review and consideration by August 14, 2023. The Oregon Department of Fish and Wildlife (ODFW) submitted a letter on August 8, 2023. NOAA reviewed the letters, and on October 3, 2023, NOAA invited ODFW to apply for the grant by the January 10, 2024, application deadline.

ODFW is requesting legislative authorization to submit the \$2.1 million land conservation grant application to NOAA. ODFW intends to use the grant funding to purchase 528 acres of tidal wetlands along the Coquille River in Southern Oregon. The Department will incorporate the acreage into the Coquille Valley Wildlife Area; an area of land managed for habitat protection, public recreation, and educational opportunities.

The Bridges Foundation purchased the acreage in early 2022 for the appraised value of \$2,640,000. The organization is a charitable trust located in Oregon. Since buying the land, The Bridges Foundation has been working with the Nature Conservancy to find a permanent landowner to manage the property for fish, wildlife, and habitat conservation.

The Coquille Valley Wildlife Area is directly adjacent to the land. The Nature Conservancy has agreed to contribute \$1,320,000 toward purchasing the 528 acres if ODFW buys the property for incorporation into the Wildlife Area. The state would wholly own the land, and the acquisition would not negatively impact revenue collected for county property tax or the Coos Forest Protective Association.

ODFW will need an updated yellow-book appraisal completed before purchasing the property. The Department anticipates the original appraised value may be \$600 per acre higher in the current market conditions. The requested grant amount and the Nature Conservancy contribution will be enough to cover the acquisition cost at the anticipated high market cost. According to ODFW, the Department will not accept the total grant amount if the appraisal is lower than expected.

**Low Estimate**

Appraised value in Feb. 2022	\$ 2,640,000
Transaction fees, including appraisal and permits	\$ 100,000
Direct overhead	\$ 30,000
Payment to Bridges Foundation for costs incurred	\$ 285,000
<b>Total estimated costs</b>	<b>\$ 3,055,000</b>
Payment - Nature Conservancy contribution	\$ (1,320,000)
Payment - ODFW grant funds from NOAA	\$ (2,142,523)
<b>Ending balance</b>	<b>\$ (407,523)</b>

**High Estimate**

Appraised value in Feb. 2022	\$ 2,640,000
Inflation increase of \$600/acre	\$ 316,800
Transaction fees, including appraisal and permits	\$ 100,000
Direct overhead	\$ 30,000
Payment to Bridges Foundation for costs incurred	\$ 285,000
<b>Total estimated costs</b>	<b>\$ 3,371,800</b>
Payment - Nature Conservancy contribution	\$ (1,320,000)
Payment - ODFW grant funds from NOAA	\$ (2,142,523)
<b>Ending balance</b>	<b>\$ (90,723)</b>

If authorized to apply for the grant, ODFW intends to submit a full proposal and grant application by the January 10, 2024, deadline. If awarded, ODFW will return to the Legislature to seek additional Federal Funds expenditure limitation for the funding, which would become available on August 1, 2024. ODFW will also need approval for the acquisition from the Fish and Wildlife Commission and Public Lands Advisory Committee.

**Recommendation:** The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the request.

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**Request:** Authorization to apply for a \$2,142,523 grant from the National Oceanic and Atmospheric Administration Coastal Zone Management Habitat Protection program for a Coquille River acquisition project.

**Recommendation:** Approve the request.

**Discussion:** The Oregon Department of Fish and Wildlife (ODFW) is requesting approval for a \$2,142,523 federal grant from the National Oceanic and Atmospheric Administration (NOAA) Coastal Zone Management (CZM) Habitat Protection and Restoration Bipartisan Infrastructure Law grant program for a Conserving Tidal Wetlands in the Coquille River acquisition project. The grant program is focused on coastal habitat restoration planning, engineering, design, and implementation. No federal match is required, though “informal leverage” is encouraged.

The grant will support the acquisition of 528 acres of tidal wetlands along the Coquille River on the Southern Oregon Coast. Tidal wetlands have been identified as both rare and high value for many fish and wildlife species. The acquired area would be incorporated into the existing Coquille Valley Wildlife Area and managed to the existing standards of the Wildlife Area.

The Nature Conservancy will act as a partner and provide a \$1.3 million match to act as “informal leverage.”

The grant application is due on January 10, 2024, and all grant funds would need to be spent by August 1, 2027. If awarded, ODFW will return before a legislative committee to request the needed Federal Funds expenditure limitation.



# Oregon

Tina Kotek, Governor

Department of Fish and Wildlife

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October 9, 2023

Senator Elizabeth Steiner, Co-Chair  
Representative Tawna Sanchez, Co-Chair  
Interim Joint Committee on Ways and Means  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301



Dear Co-Chairs:

## Nature of the Request

Oregon Department of Fish and Wildlife (ODFW) requests approval to submit a federal grant application to the National Oceanic and Atmospheric Administration (NOAA) Coastal Zone Management (CZM) Habitat Protection and Restoration Bipartisan Infrastructure Law (BIL) grant program in the amount of \$2,142,523 for the 'Conserving Tidal Wetlands in the Coquille River' acquisition project.

## Background

The CZM Habitat Protection and Restoration BIL program, which is part of the Infrastructure Investment and Jobs Act or BIL funding opportunities, is focused on funding coastal habitat restoration planning, engineering, design and implementation. Non-federal match is not required, although "informal leverage" from partners is encouraged.

ODFW is requesting \$2,142,523 in federal funds to acquire 528 acres of tidal wetlands along the Coquille River on Oregon's southern coast. Tidal wetlands habitat is relatively rare and has high value for many fish and wildlife species. If funded, ODFW will purchase the property, incorporate it into our Coquille Valley Wildlife Area (CVWA), and steward the land in accordance with the CVWA Management Plan's goals, which include:

1. Protecting, enhancing, and restoring tidally influenced wetlands, riparian lands, aquatic habitats, and uplands for the benefit of fish and wildlife;
2. Managing habitat consistent with ODFW's mission, to protect and enhance Oregon's fish and wildlife and their habitats for use and enjoyment by present and future generations, while ensuring compatibility with neighboring land uses;
3. Providing public fish and wildlife oriented recreational and educational opportunities; and
4. Promoting tribal access to traditional foods and resources.

The Nature Conservancy (TNC) will be providing \$1,320,000 of non-federal/state match to act as “informal leverage”, which will have no impact on ODFW budget services or performance measures. This grant will not require any additional FTE for implementation.

**Agency Action**

ODFW would submit its grant application to NOAA by January 10, 2024, to meet the federal due date; ODFW anticipates notification of funding awards in August 2024. Funds would need to be spent by August 1, 2027. If funding is awarded, ODFW anticipates making a future request of additional federal funds expenditure limitation for its 2023-25 biennium budget.

**Action Requested**

ODFW requests approval to submit a federal grant application to the National Oceanic and Atmospheric Administration Coastal Zone Management Habitat Protection and Restoration funding opportunity in the amount of \$2,142,523 for the ‘Conserving Tidal Wetlands in the Coquille River’ acquisition project.

**Legislation Affected**

None

Sincerely,

A handwritten signature in blue ink that reads "Curtis E. Melcher". The signature is written in a cursive, flowing style.

Curtis Melcher  
Director