

ANALYSIS

Item 62: Department of State Lands Wasson Creek Valley Access

Analyst: Katie Bannikov

Request: Increase Federal Funds expenditure limitation for the Department of State Lands by \$150,000 for restoration of public access in the South Slough National Estuarine Research Reserve Wasson Creek Valley area.

Analysis: The Department of State Lands (DSL) received permission from the Legislature to apply for a climate resilience grant through the National Oceanic Atmospheric Administration (NOAA) in September 2023. This grant was awarded May 1, 2024, in the amount of \$400,000 over a period of five years. There is no match required.

DSL intends to use the grant funds to complement other improvements being completed at the South Slough National Estuarine Research Reserve (SSNERR) for the Wasson Creek Watershed Restoration Project that began in April 2023, including replacing public access with walking trails, a boardwalk and other improvements to the valley. These improvements will restore public access and maximize accessibility for education, research, public recreations, and wildlife viewing.

The Department is requesting an increase of \$150,000 in Federal Funds expenditure limitation to reflect the portion of work anticipated to be completed in the 2023-25 biennium. This estimate includes engineering and design work, materials for helical piles installation and labor. DSL anticipates the remainder of the grant will be spent in the next biennium and will seek additional Federal funds expenditure limitation as part of its 2025-27 biennial budget development.

Recommendation: The Legislative Fiscal Office recommends that the Emergency Board increase Federal Funds expenditure limitation for the Department of State Lands by \$150,000 for restoration of public access to Wasson Creek.

Request: Increase Federal Funds expenditure limitation by \$0.2 million for grant funding awarded for the Wasson Creek project.

Recommendation: Approve the request.

Discussion: The Department of State Lands (DSL) appeared before the Joint Interim Committee on Ways and Means Subcommittee on Natural Resources on September 28, 2023, to receive authorization to apply for a grant from the National Oceanic and Atmospheric Administration to support climate resilience activities. Since the submission of the grant application in November of 2023, DSL has been awarded \$400,000 for funding to support the Wasson Creek Watershed Restoration Project within the South Slough Reserve. Specifically, the grant will support the reestablishment of trails and a boardwalk, which will coincide with current restoration efforts. The grant requires no state match.

Legal Reference: Increase Federal Funds expenditure limitation established by chapter 459, section 6(1), Oregon Laws 2023, for the Department of State Lands, South Slough National Estuarine Research Reserve operations, by \$150,000 for the 2023-25 biennium.



Oregon

Tina Kotek, Governor

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State Land Board

August 26, 2024

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Secretary of State

Tobias Read

State Treasurer

Dear Co-Chairs:

Nature of the Request

The Department of State Lands on behalf of South Slough Reserve (Reserve) was awarded a \$400,000 grant from the National Oceanic Atmospheric Administration (NOAA) to support activities connected to climate resilience. The Reserve is seeking approval for an additional \$150,000 of Federal Fund limitation for the 23-25 biennium to spend these funds. These non-competitive funds are being made available to National Estuarine Research Reserves (NERRS) through the Inflation Reduction Act (IRA) and Bipartisan Infrastructure Law (BIL). The BIL was previously called the Infrastructure Investment and Jobs Act (IIJA).

Agency Action

The Department of State Lands oversees the Reserve on the southern Oregon coast. The Reserve manages nearly 7,000 acres of natural habitat which includes open water channels, tidal and freshwater wetlands, riparian areas, and forested lands. This area is managed for long-term research, education, and public recreation with a focus on the stewardship and protection of natural and cultural resources.

Funding guidance and deadlines for this new, non-competitive grant program was released on August 9, 2023, and full applications were due on November 1, 2023. Proposals that meet the funding requirements were expected to have an award date of April 1, 2024, and an end of December 30, 2029. There is no match requirement for this funding. In August 2023, the Legislature approved the department to apply for this grant opportunity. South Slough NERR was awarded this funding with a start date of May 1, 2024.

This request complements the Reserve's Wasson Creek Watershed Restoration Project that began in April 2023. That project is funded through a Federal grant from a National Oceanic and Atmospheric Administration (NOAA) funding program through the Bipartisan Infrastructure Law. The Reserve received legislative approval at the December 2022 Emergency Board for the Federal grant to support the Wasson watershed project, which aims to improve the forest health of the uplands, reestablish native plant communities and wetlands, and reconnect the

channelized creek with the floodplain.

To execute the Wasson Creek Watershed Restoration Project, the existing trails and walking bridges that cross the Wasson valley need to be removed. The trails and boardwalk will be designed and constructed in a way that protects cultural resources and maintains the integrity of the newly restored wetlands. The criteria for the NOAA grant that is supporting the restoration work doesn't allow funds to be used for constructing boardwalks or trails; therefore, the Reserve must apply for separate funding to complete this aspect of the project.

The Agency and Reserve are requesting permission to increase federal limitation to be able to spend this grant which will reestablish trails and build a boardwalk that spans the restored wetland areas to reconnect public access across the Wasson Creek valley. Restoring the trails and access to the Wasson valley will benefit the public, the Department, and the Reserve by maximizing the accessibility for education, research, public recreation, and wildlife viewing for many years to come.

Action Requested

The Department requests approval to increase limitation by \$150,000 in Federal Funds to allow the department to spend the NOAA grant funds.

Legislation Affected

Chapter 459, Section 6(1), Oregon Laws 2023

Thank you for your interest and assistance. If you have any questions, please contact Jean Straight at 503-689-3957.

Sincerely,

A handwritten signature in black ink, appearing to read "Vicki L. Walker". The signature is fluid and cursive, with the first name "Vicki" being more prominent than the last name "Walker".

Vicki L. Walker
Director

Cc: Amanda Beitel, Legislative Fiscal Officer
Kate Nass, Chief Financial Officer
Katie Bannikov, Legislative Fiscal Office
Sione Filimoehala, DAS Chief Financial Office
Jean Straight, Deputy Director – Administration
Patricia Fox, Reserve Manager