

*Habitat Conservation Plan Tributary Funds*

Douglas PUD: Wells

Chelan PUD: Rock Island

Chelan PUD: Rocky Reach

2008 GENERAL SALMON HABITAT PROGRAM PROJECT APPLICATION

**PROJECT SPONSOR INFORMATION**

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**PROJECT TITLE (6 word maximum)**

**Lower Icicle Conservation Easement**

**PROJECT SUMMARY (300 word maximum)**

*For the project summary outline and examples, refer to previous page.*

Chelan-Douglas Land Trust (CDLT) requests partial funding to acquire a conservation easement on 65 acres of floodplain on Lower Icicle Creek, a tributary to Wenatchee River. This easement will cover property that is predominantly within the 100-year floodplain, designated by FEMA. The conservation easement will address the following protection elements in the floodplain: extinguishment of all development rights, and an exclusion of paved roads, clearing and grading, wetland filling or draining, mineral extraction, and commercial boat launches. This project protects up to 5,900 feet of stream bank plus one major and one minor wetland, and is the first of up to three phases by this family to permanently protect floodplain property in the Lower Icicle. They have also indicated a tentative willingness to allow for additional riparian plantings, provide a stock watering site, and the construction of engineered log jams in this reach to increase channel complexity. The CDLT has a signed letter of intent from the landowner and expects the easement to be in place by June 2009.

Icicle Creek is a Category 2 Watershed and a Minor Spawning Area for spring Chinook salmon, a Major Spawning Area for steelhead, and a Core Area for bull trout. The site also has nesting bald eagles and harlequin ducks. The CDLT has identified this reach as a conservation priority, because of the development pressure on this functioning floodplain. In addition to this project, CDLT has requested funding from SRFB to initiate work with three other families who own bottomland in Icicle Creek, enabling CDLT to protect a contiguous block of floodplain. Each family has unique conservation objectives; some will likely sell their property and others will sell a conservation easement.

**PROJECT BUDGET**

Request from Tributary Committee: \$ 300,000  
 Other Contributions/Matches: \$ 1,036,200  
**TOTAL Project Budget \$ 1,336,200**

*Note: These budget numbers should be consistent with those in the "DETAILED PROJECT BUDGET" of this application.*

## PROJECT DESCRIPTION

*For the project description complete the following sections. The total project description should be no greater than 10,000 words. Include enough information for the Tributary Committees to have a clear understanding of your project; assume the Tributary Committees have no familiarity with your project. Attach labeled photos or illustrations and reference those figures in your description. See developed example for additional guidance.*

### A: Project location

*Describe where your proposed project is located.*

From the City of Leavenworth, Washington, turn south from Highway 2 onto East Leavenworth Road. Proceed on this road for 1.7 miles to the James Fromm Home, 8901 East Leavenworth Road. The pasture is immediately behind this home. The 65-acre pasture is one part of roughly 400 acres owned by the Fromm Family. It is bordered on one side by Icicle Creek and East Leavenworth Road on the other side.

The CDLT has a signed letter of intent from the landowner (Attachment A). The family intends to sell conservation easements on parcels 1, 3, 4, 5, 7, and 9 on the map (65 acres total in phase 1) and are considering selling partial easements to parcels 8, 10, and 13 (50 acres total in phase 2), shown on Attachment B. They also own significant upland properties (also shown on Attachment B); we are working with them to identify options to conserve that land. If the family decides to proceed with the upland properties, we will seek funds from sources not related to salmon recovery. The tax identification numbers for the parcels in phase 1 are as follows (although some of these parcels may require boundary line adjustments to address the terms of the easement):

241713240000	241713310050
241713230050	241713310100
241713320000	

The other families all own riverfront lands downstream of the fish hatchery. They have expressed a willingness to work with CDLT but we have not begun formal negotiations with them at this time. We have requested funding from the Salmon Recovery Funding Board (SRFB) to work with them over the next year to identify the most important areas to protect, and the means to protect them.

### B. Impacted Species

*List the fish species and life-history stages that your proposed project will impact.*

The Icicle Creek is a Category 2 Watershed and a Minor Spawning Area for spring Chinook salmon, a Major Spawning Area for steelhead, and a Core Area for bull trout. This habitat is an important corridor for upstream and downstream migration, adult holding, juvenile rearing, and overwintering of spring Chinook salmon, steelhead, and Coho salmon. This site also has a nesting bald eagle and several nesting pairs of harlequin ducks, in addition to many riparian-dependent mammals, birds, and herps.

### C: Project Design

*Describe how the project design was developed and specifically how it will be implemented.*

In April 2008, the Fromm Family contacted CDLT regarding their wish to protect their floodplain, as they are frequently asked by developers to sell their property. They have researched other easements and are comfortable with the approach. The easement will be relatively straightforward, and the family has, in principle, agreed to the conservation terms outlined by the HCP Tributary Committees.

### D: Current Situation

*What limiting factor(s) is the project proposing to address? What activities are contributing to the limiting factor(s)? How was the specific project identified? Be sure to site references; at a minimum*

*reference the Discussion DRAFT 2007 Upper Columbia Biological Strategy; however, other technical resources should be consulted as applicable.*

The Upper Columbia Biological Strategy states that “the highest priority for protecting biological productivity should be to allow unrestricted stream channel migration, complexity, and flood plain function. The principal means to meet this objective is to protect riparian habitat in Category 1 and 2 subwatersheds.” Icicle Creek is a Category 2 Watershed, a Minor Spawning Area for spring Chinook salmon, a Major Spawning Area for steelhead, and a Core Area for bull trout. The Biological Strategy also sets the Tier 3 Strategy for Icicle Creek to “protect existing riparian habitat and channel migration and floodplain function” and recommends “acquire conservation easements where appropriate from Leavenworth National Fish Hatchery to the mouth.” This project is specifically in that reach. We estimate that over 80% of the pasture is within the 100-year floodplain (Attachment C), as are the properties of the other families that we will be working with, if funded by SRFB for the assessment.

A reach-level analysis by the Watershed Company indicates that the most problematic factors (or the most significant departures from a properly-functioning fluvial system) on the Icicle are the width/depth ratio, the lack of adequate riparian vegetation, the lack of woody debris in the channel, and the sediment size. Therefore the first step in developing a restoration strategy for the Icicle should be to avoid exacerbating any of these conditions. Bank vegetation should be maintained (The Watershed Company, 2005, Lower Icicle Creek Reach Level Assessment report to the Icicle Valley Chapter of Trout Unlimited, Leavenworth WA).

The Biological Strategy identifies the importance of passage in sequencing recovery actions for Icicle Creek. We recognize this consideration, but stress that the development pressure along lower Icicle Creek increases the urgency of this work. We have heard concerns from funding organizations that the cost for this action appears high, but it is not. This investment secures the property in perpetuity, and legally prevents against any kind of land use action outside the scope of the easement. This action will be substantially less costly (and more effective) than the alternative, which is restoration of the stream bank after development has occurred. Without any protection in place, development in this reach (with exempt wells) is inevitable. The Fromm Family is under strong pressure to develop this property, and wish to protect the integrity of their land.

The Fromm easement will protect the largest privately-owned riparian habitat in Icicle Creek, and the SRFB-funded assessment will lay the foundation for additional protection of riparian habitats in an area that has high potential for development. Chelan County currently does not have a Sub-Area Plan for this vicinity, so development occurs at a haphazard and piecemeal rate along both East Leavenworth and Icicle Roads. Attachment D shows the current zoning for the Lower Icicle Valley and the location of the Urban Growth Area for the City of Leavenworth. The Fromm Pasture is currently zoned Rural Resource 10-acre. Landowners in this reach are eligible to apply for zoning changes annually through a petition for an amendment to the Chelan County Comprehensive Plan. In this reach, a landowner may petition a rezone from Rural Resource 10-acre minimums to Rural Recreation 2.5-acre minimums. Alternatively—and at any time—a landowner in this reach may submit to the County a “cluster development” plan, which would allow—in certain circumstances—the building of 3 homes within each 10-acre parcel. These estimates and scenarios are hypothetical, and may require a case-by-case examination by the County’s staff, Planning Commission, Commission, and Hearings Examiner.

For all of the zoning designations described above, Chelan County has protective ordinances in place for wetland protection, critical fish and wildlife areas, and frequently flooded areas. But like many public agencies, the County’s staff available to enforce existing regulations is not adequate to protect these resources. There are ways to circumvent protective ordinances as well, as portrayed in the attached article on a home that was recently built within the project area floodplain (Attachment E). This home flooded again since this article was published in May 2008, and the property is currently up for sale. Simply put, the existing county, state, and federal regulations do not prevent the development within the FEMA-

designated floodplain. An individual may build in the floodplain if fill is used to create an area that is three feet above the designated floodplain. This can be done at any time.

We also recognize the importance of large woody debris in the restoration of Lower Icicle Creek habitat, and are working with the Fromm Family to identify opportunities for placement of engineered log jams in appropriate areas to increase stream channel complexity and thalweg development. No definite plans for woody debris placement have been established at the time of this application. This work would likely be done after the Bureau of Reclamation completes its reach-level analysis of Lower Icicle Creek. The family worked with Chelan County Natural Resources Department to plant riparian vegetation on about 400 feet of stream bank, and the survival of the plantings is good. We have also discussed the potential to seek funding from the Natural Resource Conservation Service (most likely from the EQIP Program) to provide a stock watering system that is out of the stream channel.

The Fromm Family intends to continue livestock and hay production with this conservation easement, and will maintain their operations (currently set at 11 or 12 cow-calf pairs in the pasture). This is consistent with Best Management Practices for irrigated pasture management established by the Natural Resource Conservation Service.

## **E. Proposed Action**

*Outcome Statement – how will your proposed project address the limiting factor(s)?*

This action will protect riparian areas along a significant reach of Icicle Creek. The Fromm Property alone may protect up to 5,900 feet of bank on one side of the stream and up to 3,100 feet on the other side (this will be addressed in phase 2 of the project). The Fromm Pasture is in very good condition, with approximately 35% of the area with mature riparian vegetation. With the exception of an eroding bank on a meander bend that extend about 200 ft, the stream bank is fully functional. The proposed woody debris placement (and riparian plantings) would be at this eroding bank. Among other factors, this work will address the limiting factors of channel integrity, shading, and recruitment of large woody debris. It will allow lateral movement of a reach of river prone to overbank flooding and channel migration. This project will promote re-establishment of riparian areas in some locations, and will allow for large woody debris recruitment throughout.

There are no buildings on this pasture, and none are proposed on the area designated for the conservation easement. The family is considering building two homes adjacent to the pasture. These homes would be adjacent to two other homes on an established road.

*What specific actions are you proposing to address the limiting factor?*

By placing a conservation easement on one or more properties, we will provide permanent protection of riparian and stream channel function. The conservation easement will address the following protection elements in the floodplain: extinguishment of all development rights, and an exclusion of paved roads, clearing and grading, wetland filling or draining, mineral extraction, and commercial boat launches. By doing an assessment of overall interest in conservation easements by all adjacent landowners, we should be able to develop a comprehensive protection strategy for a large contiguous reach. We are seeking funding from SRFB to conduct this assessment.

As part of our implementation monitoring program, the CDLT Stewardship Coordinator will conduct periodic site visits (at least annually, but probably more often) to evaluate the following conditions:

- Riparian stand development;
- Woody debris recruitment;
- Wetland function; and
- Compliance with the terms of the conservation easement.

CDLT staff will establish a monumented photo monitoring system to evaluate changes over time. The Stewardship Coordinator will work with the Fromm Family (and subsequent owners of the land) to identify instream, riparian, and floodplain restoration elements.

### **E. Project partners and roles**

*List the project partners that will contribute towards the proposed project and define their contribution. A signed HCP Tributary Committee Landowner Willingness Form must be included with this application.*

The Trust for Public Land is a major partner in this project, and will provide the following cost-shares:

- Senior-level project manager to handle all aspects of real-estate transaction;
- Yellow-book appraisal of the property with and without encumbrances in place;
- Title report and insurance; and
- Boundary line review and adjustment, if necessary.

This contribution amounts to \$44,000, not including the cost of the project manager.

In June 2008, the CDLT received a grant from the Icicle Fund for long-term stewardship of conservation easements held by the land trust. CDLT will receive \$6 per acre per year for monitoring and enforcement of the Fromm Easement.

In response to the pre-proposal review by the Tributary Committees, the CDLT respectfully requests that the funding for this project be shared among four partners: the Salmon Recovery Funding Board (\$362,000), the Priest Rapids Habitat Subcommittee (\$300,000), and the Federal/Tribal Memorandum of Understanding (\$300,000). We believe this total amount (\$1,362,000 plus contributions by TPL and Icicle Fund) is higher than the projected amount. The actual cost for this project will not be known until the appraisal is completed, so we request an amount over what the anticipated cost will be. Our rationale is to ask for more initially and not use the entire amount, rather than request a low amount and be forced to request extra funds when the appraisal is completed.

## PROJECT TIMELINE

List the project milestones and the anticipated date of completion.

Item/Milestone	Outcome	Target Date (Month/Year)
Baseline assessment on Fromm Property	Identification of key habitat features for protection	July 2008
Identify specific lands to be included in Fromm easement	Total acreage and locations determined	July 2008
Negotiate terms of Fromm easement	Agreement in principle on Conservation Easement	September 2008
Conduct appraisal based on terms of easement	Cost of easement identified	March 2009
Formal agreement with Fromm	Signed easement	June 2009
Conduct assessment of conservation opportunities elsewhere along Icicle Creek	Identification of key habitats for protection elsewhere in Icicle Creek	June 2009
Begin negotiations with Fromm Family on phase 2	Completed conservation easement on roughly 50 acres	June 2010
Begin negotiations with other landowners	Start of additional Icicle Creek riparian protection agreements	June 2009
Submit request for funding to buy conservation easements	Milestones, timeline and outcomes established	August 2009

## DETAILED PROJECT BUDGET

Item	Cost/unit	Units	Trib. Fund Request	Donated/Other Source
Appraisal and review	30,000			Trust for Public Land
Boundary Line Adjustment	4,000			Trust for Public Land
Closing	8,000			Trust for Public Land
Title report/insurance	2,000			Trust for Public Land
Initial land stewardship, monitoring and enforcement	6/acre/year	65 acres		Icicle Fund
Assessment of other conservation properties	24,400			Salmon Recovery Funding Board
Assessment of other conservation properties	6,000			Trust for Public Land
Purchase of development rights	1,200,000		300,000	Multiple—explained in Section E of text

**TOTAL PROJECT COST: \$1,336,200**