North Carolina Coastal Wetland Conservation and Restoration Working Group Meeting June 7,2021

This second full working group meeting will organize the proposed conservation projects by their readiness according to a set of variables. The projects selected for the first round will be addressed by ad hoc committees. At this meeting we will select projects for initial focus by the working group. The priority projects may be positioned for grant application in the next year depending on timing and status.

This work is a continuation of the work initiated by the stakeholders at the first working group meeting in Jan 2021, followed by the efforts of the Alligator River and Croatan/Cedar Island Working subgroup meetings in April.

The projects on the lists from both working groups were chosen for their potential large-scale impact in the region and the benefit that these projects may gain with the collective power and resources provided by the stakeholder working group. Given the time and scope associated with these projects, the overall list can be maintained and used in the future by working group participants as a whole or in subsets.

The efforts and collaboration of this group have resulted in:

- Fifteen proposed projects that may be supported by the subgroups.
- An <u>interactive map</u> that reflects the conservation value that the stakeholders put on the lands across the
 region of study. Stakeholders can study the project sites and conservation value including the individual
 overlays of interest.
- An initiative led by The Conservation Fund to engage Weyerhaeuser at a management level where regional intent and the status of specific parcels can be assessed. This is particularly important for many of the projects proposed by the Croatan/Cedar Island subgroup.
- An understanding of the overlapping needs and impacts for projects in both subgroup areas that may assist in grant applications for aggregating similar projects for the REPI Challenge and RCPP that may result in the applications being more competitive nationally.

With the goals of the meeting as well as the results so far from this working group in mind, please review the project summaries attached prior to the meeting on Monday afternoon. The meeting will begin with the large group discussion and will be followed by a breakout session into subgroups that will work on setting priorities and next steps. The full group will come together again at the close of the meeting. See attached agenda.

NC Coastal Federation Coastal Wetlands Restoration Working Group Virtual Meeting 2 June 7, 2021 1:00 p.m.--2:30 p.m. EST

As part of the Wetlands Restoration Working Group Meeting, participants will:

- Understand the projects up for consideration
- Learn about their opportunities and challenges
- Prioritize the projects into a timeline
- Plan for next steps (coordination, funding)

Agenda

1:00 p.m. Welcome, Recap, Goals for Meeting, Christine Miller, N.C. Coastal Federation

1:10 p.m. Process for the Meeting, Dave Pietruszynski, N.C. Coastal Fed consultant

- Sub-group meetings
- Work done in the interim (map, consultations, meetings)
- Break out rooms process and tasks

1:20 p.m. Break-out Groups

- Review summaries of projects
- Discuss opportunities and challenges via list
- Prioritize projects for next steps (coordination, funding)

2:10 p.m. Return to Full Group

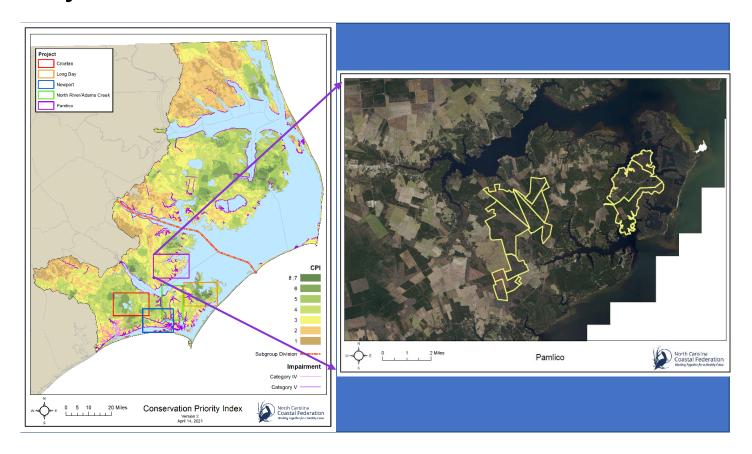
- Present project list
- Identify any outstanding questions
- Discuss next steps and timing

2:25 p.m. Closing

The table below will be used in the breakout groups as a guide for setting priorities and next steps

Project Name Here	Prompt Questions	Feedback from Subgroup
Project Status	Choose one - Idea stage, In planning, Application ready, or Ongoing project	
Fit	Does this project require matching funds from more than one or two partners? Collaboration benefits?	
Schedule	Will this project be application-ready for the 2021-2022 cycle of funding (by October 2021) - design, willing partners and landowners?	
Funding	Choose one - Is this project a candidate for REPI, RCPP, FEMA, or other funding?	
Partners	List stakeholders with interest in directly participating in this project	
Next Step	What is the next major step in this project?	

Project Name: Pamlico



Description: Large timber tract ditched for drainage, more than 4,500 acres, for sale in Pamlico Co. NC. Good access to roads. The U.S. Army Corps of Engineers exempted 251 acres of wetlands in this tract own 2013 from Clean Water Act Section 404 requirements because it was ditched. Coastal Federation invested and found that the ditches were either constructed illegally or as forest drainage, and therefore should not have exempted the property. The Coastal Federation gave notice of intent to sue. Before the notice, roughly 4,000 acres of the "Atlas Tract" (western parcels in map) were considered for conversion to agriculture. Consequently, investors became aware of the legal difficulties involved in such an agricultural conversion, and now advertise the property as forest land. Wetlands on the property, though degraded by forestry ditches, still help maintain water quality, prevent flooding, provide wildlife habitat, and protect surrounding fish nursery areas and fisheries in eastern North Carolina. By restoring hydrology on the property, these natural values and ecosystem services can be enhanced.

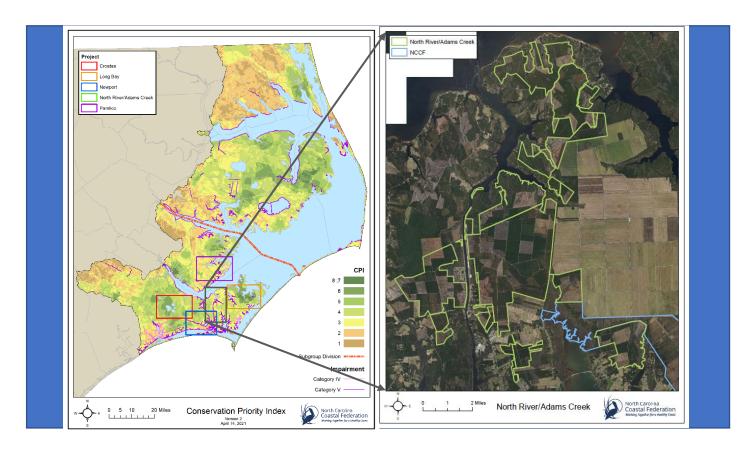
Area: Total area of parcels shown is 6,560 acres. Western or "Atlas tract" is 4,128 acres with one owner Spring Creek Farms. Eastern tract shown is 2,432 acres owned by Spring Creek Farms and River Dunes LLC.

Status: Western tract for sale. Eastern tract status requires additional investigation.

Opportunities/Challenges: Current owners overpaid for Atlas tract in 2013 (\$3,093/ acre or \$14,220,000 in land assuming agricultural conversion – likely to appraise much lower. County appraisal for Atlas tract is \$2.44 million, and eastern parcels is \$2 million. These are tax appraisals not market value appraisals.

Funding: Acquisition will likely be higher than the county appraisal, and there is a need for new market appraisals. Hydrology and habitat studies needed for estimate of conservation enhancement and restoration. Potential funders include NCLWF.

Project Name: North River



Description: Project Description: This project would add to the existing 6,000-acre North River Wetlands Preserve (outlined in blue on the map), one of the largest wetland restoration projects in North Carolina. The Coastal Federation and many partners have worked on this project since acquiring the first property through the N.C. Clean Water Management Trust Fund in 1999. The primary goal is to return existing farmland and ditched pine plantation forests back to forested, freshwater and tidal wetlands that will filter runoff from existing agricultural lands, improve the water quality of degraded downstream estuaries, and reopen these waters for shellfishing. The re-created wetlands retain, filter, and provide natural treatment of upstream agricultural runoff. Like the adjacent Preserve, these parcels may require constructing earthen dikes around the fields to hold water on the land, restoring wetland hydrology, and creating streams and marshes. Habitats create will include mudflats, open water, emergent wetlands, freshwater and saltwater streams and forested wetlands.

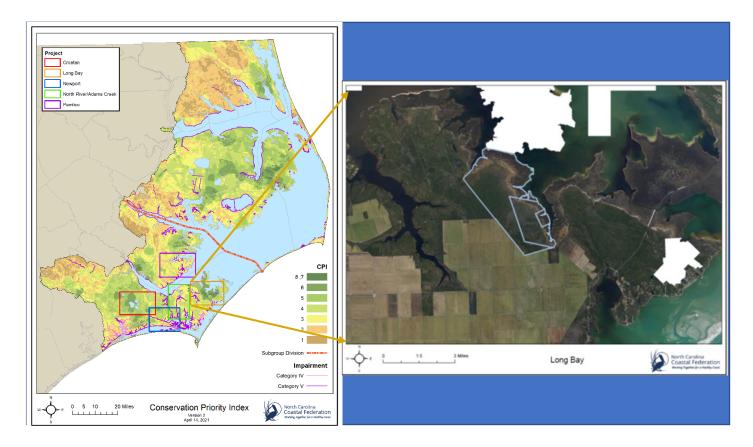
Area: The total area of the parcels outlined in yellow is 21,772 acres.

Status: The tracts outlined in yellow near the existing preserve are owned by Weyerhaeuser Company.

Opportunities/Challenges: Adding to the wetland's restoration acreage will take considerable resources. Open Grounds Farm, just north of the Preserve is a prime restoration target, should it ever come up for sale. These properties could be subject to residential development if not conserved. Restoring hydrology of these managed forests would help to further improve downstream water quality.

Funding: Along with a willing landowner, possible sources of funding may include - N.C. CWMTF, NCLWF, USDA NRC, N.C. Ecosystem Enhancement Program, NOAA Community-Based Restoration Program, Restore America's Estuaries, USFWS NAWCA, Fish America Foundation, N.C. Attorney General's Office Environmental Enhancement Grant Funding.

Project Name: Long Bay



Description: The 5,610-acre Long Bay project will expand Carteret County Game Land and buffer the United States Marine Corps BT-11 Piney Island Bombing Range. The project is located along Long Bay in northern Carteret County near Cedar Island and is the highest priority for Marine Corps Air Station Cherry Point given its adjacency to the Bombing Range. This project will protect the Cherry Point Piney Island Natural Area and the habitat for six federally listed species: black rail, red-cockaded woodpecker, shortnose sturgeon, Atlantic sturgeon, West Indian manatee, and American alligator. In addition, this will significantly expand public access for hunting, fishing, paddling, and nature study.

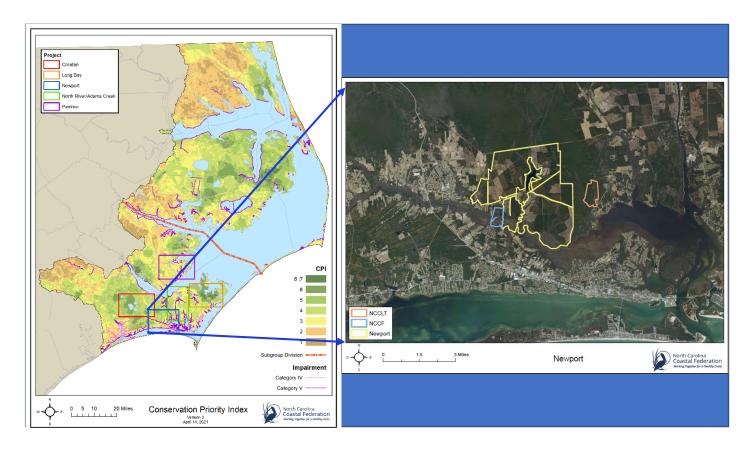
Area: The total area of the parcels outlined in yellow is 21,772 acres.

Status: The Conservation Fund is currently raising funds to acquire parcels shown. Once purchased, additional funding will be needed to study restoration possibilities followed by planning and implementation.

Opportunities/Challenges: These parcels represent the highest conservation value in the region (CPI map above), and they score at the highest possible conservation value on the South Atlantic LCC Blueprint. Hydrology and restoration possibility studies needed. Subgroup discussed possible conservation value in the surrounding parcels.

Funding: Possibilities include REPI, NCLWF, USFWS NAWCA, and others.

Project Name: Newport



Description: Newport River Properties consists of 5 parcels – two very large parcels, two parcels less than 1,000 acres, and a 46 acre parcel, all adjacent.

SE Parcel, Ownership: Weyerhaeuser, 3,142 acres – currently a ditched loblolly pin plantation, could be converted to longleaf pine with prescribed burning possible. Possible RCW habitat, restoring hydrology would benefit Newport River Estuary, and parcel acts as buffer for adjacent Croatan NF.

North Parcel, Ownership: Weyerhaeuser, 3,255 acres, slightly less desirable than SE parcel because majority of parcel is not longleaf pine and RCW habitat. High value for adjacency to Croatan NF and restoring hydrology (heavily ditched parcel) will improve water quality in estuary.

Southwest Parcel, Ownership: Weyerhaeuser, 587 acres, not adjacent to Croatan NF. It is a large acreage - restoring can improve water quality and flood mitigation. Adjacent to Coastal Federation parcel (216 acres) to the west and act as a large buffer along the Newport River.

Small Parcel - Southeast Side of Walker's Mill Pond, Ownership: Weyerhaeuser, 46 acres – strategic if one of the larger adjacent tracts is acquired. Baymeade soil type which is natural longleaf pine soil.

Surrounded parcel (includes pond), Ownership: Barden Graham et. al., 248 acres – this tract includes the pond. Purchase by a developer along with an adjacent tract may make development more desirable.

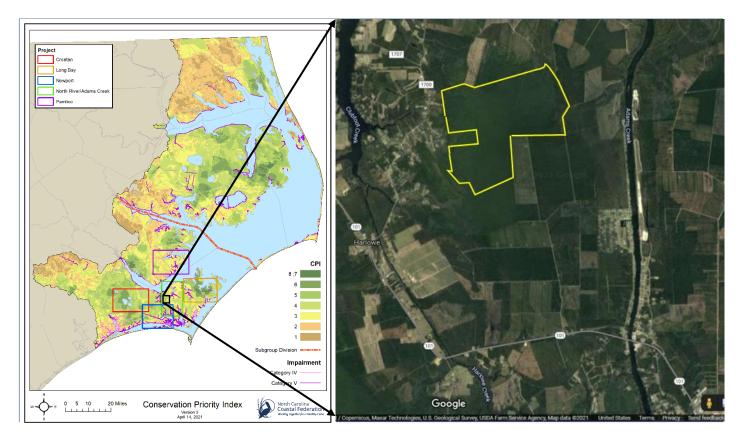
Area: The total area of the parcels outlined in yellow is 7,280 acres.

Status: Approach landowners and assess interest. Coastal Federation and The Conservation Fund have initiated.

Opportunities/Challenges: SE Parcel – suitable for development in many areas, N – also development threat especially if pond acreage (non-Weyerhaeuser owner) is strategically purchased by developer.

Funding: Land appraised in 2007 (grant by NC CWMTF enabled), unencumbered best and highest use was \$16.1 Million for the Weyerhaeuser properties. Willing landowner and acquisition are next steps.

Project Name: Smith Tract (Hwy 101)



Description: Large tract in Craven County northeast of Hwy 101 between Hwy 101 an Adams Creek with the southern boundary being the Craven county line. This parcel is adjacent to a large Weyerhaeuser parcel in the North River project. The landowner has interest in wildlife conservation and approached WRC. It is currently low priority for WRC since it is not adjacent to existing game lands. If the North River project moves forward and parcels nearby are considered for acquisition, this would be an advantageous addition and provide water quality benefits at an even larger scale.

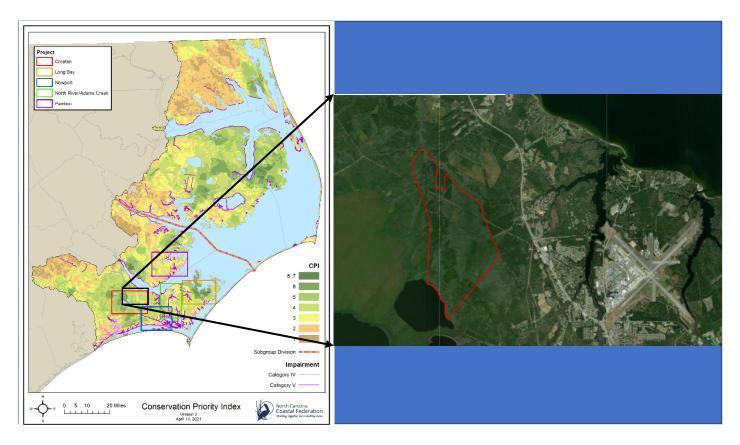
Area: The total area of the parcels outlined in yellow is 1194 acres.

Status: Landowner has spoken with WRC and was told that she would be contacted if this partnership has interest.

Opportunities/Challenges: The opportunity is a willing landowner. The challenge - approaching this landowner may depend on the conservation interest of the landowner in adjacent parcels.

Funding: Potential funding source are the same as for the North River project.

Project Name: Croatan Wetland Mitigation Bank



Description: A 4098-acre parcel owned by NC DOT that was purchased as part of the New Bern bypass project - mitigation project site located at the intersection of S. Craven Co and W. Carteret Co just a few miles west of Havelock currently leased for hunting and since it is not suitable for farming. It is not known if this area is RCW habitat – mature pines are no abundant.

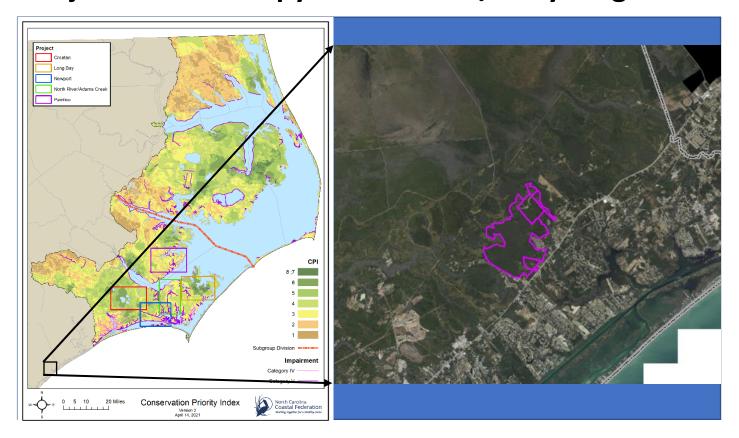
Area: The total area of the parcels outlined in red is 4098 acres.

Status: WRC is asking the stakeholders in the wetland regional conservation group if they have an interest in this property. There are areas within this tract where soils are likely suitable for longleaf pine and significant acreage of pocosin and headwater wetlands.

Opportunities/Challenges: Similar properties in the past received funding for converting loblolly pineland to longleaf.

Funding: TBD

Project Name: Sleepy Creek Farms/Holly Ridge



Description: Sleepy Creek Farms is a 1631-acre tract in Pender County, just north of Route 17 and is adjacent to the Holly Shelter Game Land. The landowner is considering an imminent sale and expressed an interest in conservation to WRC. The area is potential habitat for gopher frog and Red Cockaded Woodpeckers. This site would benefit from wetland restoration with some retention of uplands for gopher frogs. Approximately half of this tract lies within a Military Training Route (MTR) zone and may be an area where DOD has an interest in limiting development.

Area: The total area of the parcels outlined in purple is 1631 acres.

Status: WRC understands that this project is outside the regional area of interest and would like to include it for consideration by the regional wetland conservation group because of the timing urgency.

Opportunities/Challenges: The sale of this property is imminent so timing is critical.

Funding: TBD

Holly Ridge Description: Just over the Pender County border a few miles from Sleepy Creek Farms, this 1886-acre tract owned by Holly Ridge Property LLC, Lehr LLC, and James Johnson contains 200 acres of conservation easements owned by the Coastal Federation. This waterfront land has major development potential. The water quality in Stump Sound has been declining over the past decade. Protecting and restoring forest, salt marsh, and wetland habitats will provide natural buffers that can slow and reverse this decline. The landowners of the southernmost parcel (552 acres) have done remediation and complied with an early 2000's consent order and they are free to develop this land.

Area: The total area of the parcels outlined in red is 1886 acres.

Status: NCCF understands that this project is outside the regional area of interest and would like to include it for consideration by the regional wetland conservation group because of the development urgency

Opportunities/Challenges: Adding to the existing conservation easements will enhance habitat and the scale of buffering.

Funding: TBD

