

THE PRESERVOIR - Oroville, CA

Development Review Application

Submitted by: **Melton Design Group and Dusan Mills**

On Behalf Of: **Chris Tellis**

Harbor Master

Yellow Ferry Harbor

10B Yellow Ferry Harbor

Sausalito, CA 94965

ctellis@iipart.com

415-332-9556

415-902-7235



TABLE OF CONTENTS

1. Pre- Application – Development Review
2. Introduction of Project and Current Participants
3. Project Description and Master Plan
 - a. Description
 - b. Preservoir Master Plan
4. Stakeholders
5. Approach and Methodology
6. Project Schedule
7. Architectural and Site Drawings
8. Project Appendix (1 copy separate – we request these documents be returned after review)
 - a. Preliminary Assessor's parcel maps – Ownership Map
 - b. Riverfront Development Study
 - c. Biological Maps
 1. Delineations
 2. Biological Resource Assessment
 - d. Geotechnical Reports
 - e. Custom Soils Report
 - f. General Plan Maps
 - g. City Zoning and Utility Maps
 - h. FERC Boundary Maps

The following document represents an application submittal to begin the process of project review for ThePreservoir.

INTRODUCTION

The following narrative is intended to describe the general concept of the Preservoir Project and to provide all general background that is available to at this time. Our objective is that this application will demonstrate our interest and commitment to the project and with the City's support, our intent is to move forward and engage all of the other owners and agencies in gaining support and backing for this project.

GENERAL DESCRIPTION

The primary elements in the project include a Fisheries Preserve and Habitat, White Water – Aquatic Element, Educational and Research Facility, Tourism, and Commercial and Retail support elements. Key characteristics of the project are its reinforcement of the positive qualities of the site's surrounding natural environment, its alignment with the City of Oroville Waterfront Master Plan and many of the FERC licensing agreement requirements (see appendix). Several public and private stakeholders have reviewed the project parameters and are excited at the opportunity to move forward with seeing it come to fruition.

SITE PLANNING AND LAND USES

Currently the site is zoned and planned for R-1 residential development. Consistent with the new housing element, a conversion from Residential zoning to Public open space or a Planned Development will work with the latest R-1 inventory that the City has. There will be other zoning within this area and the Planned Development permit may allow flexibility for the public and private relationships to flourish. We are anticipating that there would be a combination of the following zoning:

1. Open Space / Parks - Ecological Preserve
2. Commercial
3. Public / Quasi-Public
4. Retail
5. Residential – R-2 and R-3

SITE OWNERSHIP

Current property owners for the project area include the following:

1. DWR – State of California
2. Chris Tellis – Private Developer / philanthropist
3. Feather River Recreation and Parks Department

Ultimately, the project is planned to be a trust or non-profit organization.

It is the intent that all private development areas be turned over to the City of Oroville for management and maintenance.

ACCESSORY DOCUMENTS

Per the City's application form, our goal is to fill out what we can and supplement the application with appendices or amendments that will in total provide all the documents we are proposing for review.

Refer to the table of contents for the project outline and accessory documents.

PROJECT DESCRIPTION and MASTER PLAN:

The "Preservoir" project encompasses approximately 95 acres of land on the northern bank of the Feather River stretching from the Feather River Hatchery to the bluffs opposite Riverbend Park. The goal is to develop, for maximum public benefit, a unique location on the northern bank of the Feather River, directly opposite downtown Oroville. We feel that the project area is one of the most significant tracts of undeveloped land in Butte County. The site is approximate in size to the core downtown area of the City of Oroville.

This site is also significant as it is just below the Fish Dam, which blocks the upstream migration of Feather River salmon. Every year, during late summer and fall, thousands of salmon compete for limited spawning beds in the waters directly adjacent to the property. Both the fall and spring run central valley Chinook salmon are listed species under the Endangered Species Act. The more abundant fall runs are listed as a Species of Concern. The spring run salmon are listed as threatened. Later arriving fall run salmon, superimpose their spawning beds (redds) on the spring run redds, leading to several levels of spring run egg mortality.

Protection of the spring run Environmentally Significant Unit (ESU) in the low-flow channel is an agreed upon requirement of the public agencies with jurisdiction over the Feather River.

To address this and other concerns, the Preservoir will establish a new destination that will combine species preservation with recreation, education and economic opportunity. The development plan combines and leverages several mitigations and amenities proposed by key Feather River stakeholders. Consolidating these features can provide more effective environmental solutions while bringing jobs and prosperity to Oroville. In particular, the Preservoir is intended to offer an alternative to a highly contentious weir that DWR plans to install in the Feather River between Bedrock and Riverbend parks.

The Preservoir will also complete a vital infill requirement for the City of Oroville. The project will connect Thermalito to central Oroville via a system of trails and bike paths, winding through a new landscape and parkland, connecting to downtown via pedestrian bridges over the Feather River.

Following are descriptions of benefits and features provided by this plan.

I. Species Preservation:

The central feature of the Preservoir consists of three contiguous streams, flowing from the hatchery and across the properties to rejoin the Feather River at the ends and middle of the property. The northerly stream goes underneath Highway 70, through restored wetlands underneath the Thermalito bluffs, and joins the Feather River across from Riverbend Park. The middle stream reverses course at Hwy 70 and descends along the riverbank in an easterly direction to join the river opposite Centennial Park. The third stream doubles back opposite Bedrock Park and joins the Feather River at the Fish Dam.

All three streams will be designed using the Spawning Habitat Integrated Rehabilitation Approach (SHIRA) to maximize spawning productivity within the streams. Gated side channels will connect the three streams so they can operate as a single or segregated system. Gates at the confluence with the Feather River will control access by different fish populations, as currently occur with the hatchery fish ladder. Shade trees and riparian vegetation will shade the stream and create a park-like atmosphere for visitors to the site.

Spawning opportunities for salmon and steelhead are currently concentrated in the seven miles of the low-flow channel from the Fish Dam to the Thermalito Afterbay Outlet. By adding four miles of highly productive habitat, the Preservoir effectively doubles the natural spawning opportunities for these species. The Preservoir is intended to address a key goal of the recent "California Hatchery Review Report" by providing a significant increase in the proportion of naturally spawned Chinook salmon in the Feather River. In addition, the Preservoir provides a segregated spawning habitat for the spring run ESU. This would substitute for DWR's current plan to protect the spring run salmon by placing a weir in the Feather River. The weir would restrict the last mile of the low flow channel to spring run salmon, but would eliminate all other anadromous species from the stretch of river in front of downtown Oroville. The Preservoir allows the river to continue to support all species.

The Preservoir would eliminate the need for DWR to build a new fish ladder for the fall run salmon. If built in a similar fashion to the current ladder, this waterway would result in a chain link fenced, concrete ditch, extending approximately a mile from the Feather River Hatchery to the planned weir site near the Highway 70 river crossing.

II. Education:

The controlled environment and contiguous streams in the Preservoir will serve as a significant research facility for spawning restoration projects. By using SHIRA and observing the evolution of three contiguous streams, researchers will have unparalleled opportunities to study the evolution of spawning habitat. In addition the confluence of the three streams will allow researchers to compare and contrast the effects of temperature, flow and hydrology on species productivity. Finally, unlike previous in-river habitat projects, the development of the Preservoir on private land near the hatchery, will allow researchers easy access to make adjustments to the streams as understanding evolves. The objective is to create an innovative habitat enhancement that can be perfected and then duplicated in other locations.

For the wider public, the Preservoir provides the world's first nature reserve, specifically dedicated to inland migrating fish. Just as traditional wildlife reserves provide sanctuary and viewing opportunities for migrating waterfowl, the Preservoir will do the same for anadromous fish species, including salmon, steelhead and green sturgeon. The project design includes a series of pedestrian paths, wayside exhibits, bridges and below-grade stream cross-sections, so that visitors will have ample opportunity to view and understand the salmon cycle. Beautifully landscaped, the Preservoir should become a major destination for school groups and travelers from Sacramento and the Bay Area.

III. Recreation:

In its simplest form, the recreational attractions of the Preservoir are low-key and integrated into the two previous attributes. A byproduct of the preservation and education design is to create a network of shaded streams that will turn the current barren mesa of tailings and dry brush into a flourishing landscape with running streams, tall elms, native bushes, pathways and bridges. Simply wandering or jogging through the Preservoir will be an end in itself and a major amenity for Oroville. As part of the Preservoir project, we expect the City will complete its goal of landscaping the riverbanks and creating pedestrian and bike trails on both sides of the River. This will make the Feather River in front of Oroville one of the most attractive and compelling riverfronts in America.

However, there is also the opportunity for more active recreation. One of the objectives of the Preservoir is to establish that human recreation and supportive environments for endangered species can co-exist. Developing these synergies is part of building a constituency for preservation projects. Therefore in addition to the obvious attractions of parkland and species viewing, the design features a white water park and an aquatic center.

The white water park would be located in the middle stream as it descends along the bank from Hwy 70 to the entry point opposite Centennial Park. This run provides approximately ½ a mile of rapids. Discussions with water park designers have established that there is plenty of slope to make a II-III class whitewater park along the northern bank that will be thrilling and attractive. Since the course initially runs west to east, the user will be able to enter the Feather River opposite Centennial Park and float back with the current to the starting location. This will result in a mile long circular ride. By using naturally flowing water in both directions, operating costs will be a fraction of the costs envisioned in alternative designs that require pumping, treated water and closed systems. Since the Preservoir WW course will be constructed in the loose tailings on the riverbank and will be doing double duty as one of the salmon ladders, construction costs will be a fraction of alternative locations near the Diversion Dam. The location is also outside the FERC boundary, lowering regulatory hurdles. The goal is to keep construction costs and operating costs low enough so that the WW Park can operate free-of-charge, with no staff. This will attract numerous users who will park in downtown Oroville and access the WW Park via the pedestrian bridges. We anticipate the economic model of a low-cost, free whitewater park, adjacent to downtown Oroville will demonstrate lower risk and higher economic return than alternative locations.

The other major planned amenity is an aquatic center on the west side of Hwy 70. This would be the warm water swimming and water park that has long been envisioned in Oroville city planning, most specifically in the Riverfront Concept Plan. Locating this near the center of town, but directly across from Riverbend Park reinforces the recreational zone comprised of Riverbend Park, Bedrock Park, the Whitewater Park on the northern bank and the soccer fields. Situated in the center of this activity, on the point opposite Riverbend Park, would be a lodge with restaurant and deck providing accommodations and food for the visitors who will be enjoying these attractions.

IV. Economic Opportunity:

Every aspect of the Preservoir is designed to do double duty as an economic driver for Oroville and Butte County. With the Preservoir accessing the largest visible salmon migration in North America, Oroville will be able to promote itself as "Salmon City USA". The white water park will establish Oroville as the gateway for whitewater rafting in Northern California. Salmon fishing and boating in the low flow channel will be enhanced with easier access and amenities.

In addition, the Preservoir plan calls for a string of moderately sized commercial structures along the northern bank. With no levee to block views of the river, and a connecting boardwalk overlooking the whitewater park, these will be prime commercial sites for riverfront cafes, kayak rentals, sports clothing, research centers or museum and educational centers. We expect this land will be turned over to the City, which will lease the sites or strike strategic partnerships with other developers, generating jobs and income for the community.

As mentioned previously, we expect the Preservoir to attract numerous visitors to downtown Oroville. Many of these will be drawn from the 1.5M annual visitors who go to Lake Oroville. Others will be day-trippers from Sacramento or overnight visitors from the Bay Area.

These people will need a place to stay. Therefore at the western end of the property, there is a space reserved for a lodge/restaurant. This lodge will provide a new location for overnight visitors drawn to Oroville by the Gold Rush town and the new riverfront attractions. The lodge will be a major gathering spot, as it will provide the first opportunity for residents and visitors to have a meal and a drink while overlooking a large bend in the pristine Feather River. This is an extremely attractive location, adjacent to a beautiful cove full of rushes and turtles and the outflow from the first of the Preservoir streams. The property in this area extends into the river, which means an arched gangway could connect from the lodge to a floating wooden boathouse. This sort of amenity will allow this wide river section, with minimal current, to become a perfect location for non-motorized boating, within the view of the outdoor deck on the lodge.

The primary features of the Preservoir plan are previously identified in planning studies generated by DWR and the City of Oroville. The difference here is that the Preservoir ties the two plans together and identifies synergies between the amenities and savings from cooperative development. Although the major portion of the plan is on land owned by Chris Tellis and Isabella Kirkland, approximately a third is on land owned by DWR or State Lands.

Therefore the final design will require joint planning by the key stakeholders and a cost benefit analysis to justify the economic model. The first stage of this joint planning and analysis can be completed in a three-day workshop attended by decision makers from the stakeholder groups and in-house experts who can provide information, analysis of the various components in the plan and the effect of their interactions.

We urge the City at this point to assist with organization of this workshop, so that the vision of the Preservoir has the best opportunity to achieve completion.

STAKEHOLDERS

Chris Tellis

Chris' intent for the project is philanthropic. He is currently the primary proponent and developer for the project. Mr. Tellis is a primary stakeholder, land owner and developer. The project has gone through much iteration over the last few decades including the lack of housing needs for the area, the need for the fisheries to flourish and for the Oroville Waterfront to be discovered. Chris feels the need to push the lure of developing housing aside and to focus on the big picture, creating a development that will really put Oroville on the map, provide an ecological and environmental preserve that also will provide recreation and open space along the Feather River.

Department of Water Resources

This State agency is a land owner and also plays a large role in controlling development related to the river, its water flow and the operations of the fishery. DWR is a key stakeholder in that a partnership with them will provide the resources necessary to create the opportunity to develop a new frontier in fisheries, research, education, recreation, tourism and opportunities yet to be discovered.

Additional Regulatory Organizations

Currently, there are additional organizations and agencies that will need to be approached and participate in the project. It is our goal to incorporate all State, Federal and Local organizations as required for the planning and development process, along with stretching into as many educational and international organizations that can provide expertise to make this vision a reality.

City of Oroville

The City of Oroville is being looked to as one of the permitting agencies along with becoming the managing organization for private development on the site.

Feather River Parks and Recreation Department

FRRPD will be asked to perform its duties by utilizing recreation opportunities of the project through programming and development of elements such as river related recreation, trails and open space restoration.

Other Participants

Currently there are many individuals, groups and organizations that have reviewed the Reservoir project as a part of an in-house review for feasibility prior to the application process. We anticipate that the "KEY STAKEHOLDERS" will be involved when the project is submitted for required agency review.

Additional contacts that have been made include a meeting with DWR in January including Carl Torgersen, Deputy Director for the State Water Project and Ted Craddock, Acting Chief Hydropower License, Planning and Compliance. They indicated strong interest in the project if other key stakeholders could be brought on board.

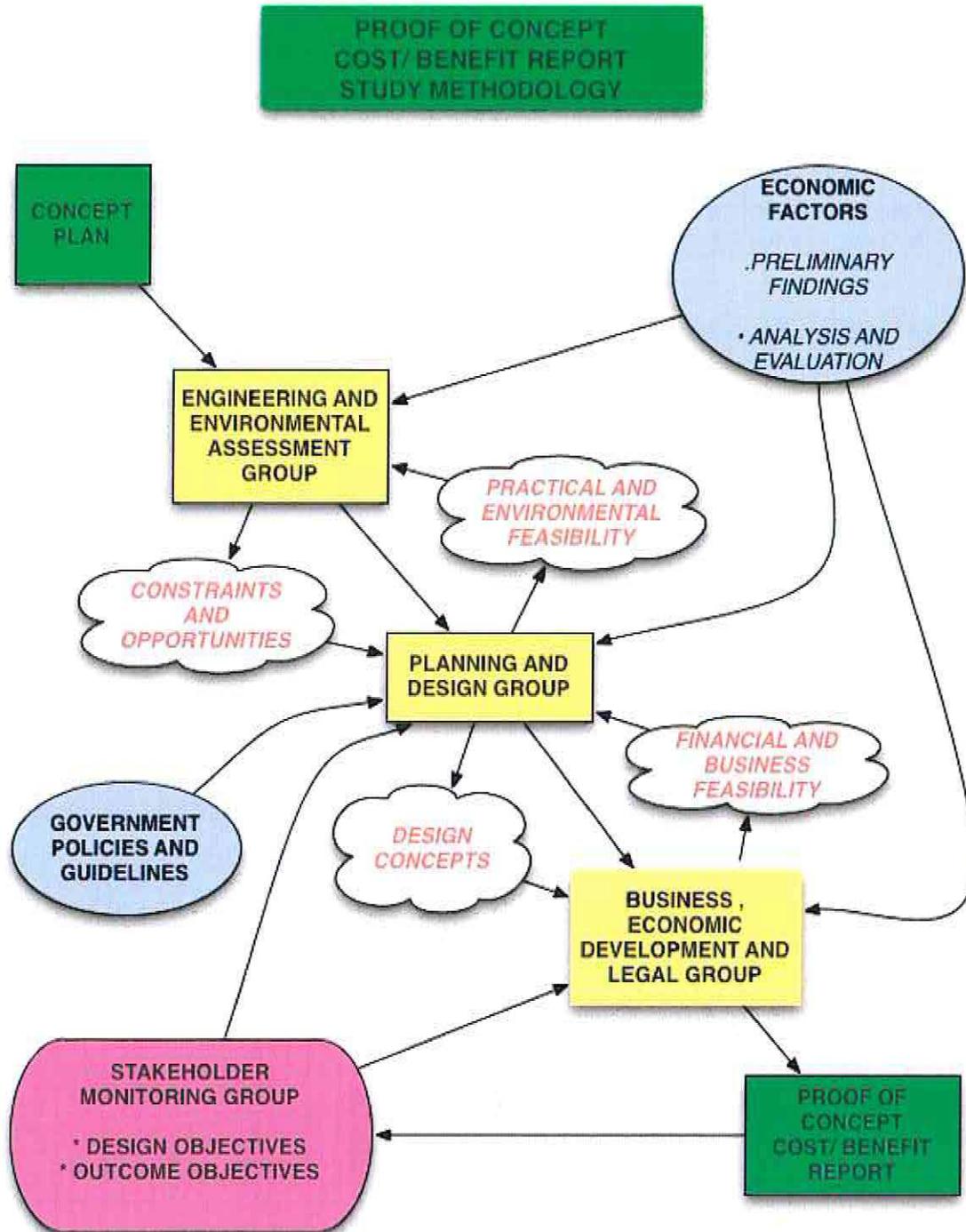
Contacts include Tom Berliner of the State Water Contractors.

The Supplemental Benefits Fund has endorsed the project and there is support by both the Oroville City Council and members of the Butte County Board of Supervisors to pursue further study.

The project has also received support from the Golden Gate Salmon Association, Trust for Public Land, Trout Unlimited, and the California Sportfishing Protection Alliance. Now the Hydropower Reform Coalition, which encompasses several dozen North American NGOs focused on public water use is considering adopting the project.

PROJECT APPROACH

The following approach/ methodology will be used to study the project and determine its feasibility. All Stakeholders, Public Agencies, the General Public and necessary Specialists will be invited to make this study as complete as possible.



PROJECT SCHEDULE:

The goal of the project application is to get this document endorsed by City and to have it presented to DWR and Stakeholders this summer:

Pre planning workshop with DWR and Local Group:	JUNE 2013
Complete Workshop per Methodology	JULY 2013
Present Outcome from Proof of Concept – Cost/Benefit Report	SEPTEMBER 2013

A project schedule that will follow the September 2013 presentation will be identified at a later date.

ARCHITECTURAL AND DESIGN DRAWING:

In reference to the architectural, engineering and site drawings, these items will be developed as the project moves forward and the plans of these items will be provided as available as soon as they are developed.

APPENDIX ITEMS: (Available upon request and will be available at workshop)

Area referred to as The Bloom property:

1. Draft Delineation of Waters of the US (prepared by Gallaway,)
2. Biological Resource Assessment by Gallaway.
3. Custom Soils Resource Report for Butte Area, Riverfront Study Area prepared by NRCS,
4. Geotechnical Engineering Investigation Report by Holdrege and Kull
5. A development feasibility study that was done for me by Cranmer Engineering. This includes a lot of useful surveys and maps, including the FEMA overlay map.

Areas referred to as The Myers Property, in digital form:

1. Transportation Impact Study for that project done by Fehr and Peers.
2. Environmental Noise Assessment by Bollard Acoustical,
3. Environmental Site Assessment by Gularte
4. The Geotechnical Engineering Report by Wallace Kuhl and Associates
5. An environmental analysis of "Impacts Related to Construction of Waterline to Riverview Subdivision
6. FEMA flood insurance study
7. Biological Resource Assessment by Gallaway.
8. A soil sampling report testing for mercury by Krazen and Associates (trace amounts at 3 of 10 testing locations, {.27-.46 when PRG of 23 mg/kg is the required standard for residential})
9. A letter from Gallaway to Fish and Game requesting no effect for the valley elderberry loghornbettle on the 12 elderberry bushes.
10. Initial Study and proposed Mitigated Negative Dec. Oroville DCD and and PW.
11. A tree survey done by Gallaway.
12. A proposal from Gallaway to transplant six elderberry bushes.
13. Grading and drainage and slope maps by Langenour and Meike.
14. Various permits, resolutions and correspondance between agencies.