

COASTAL CONSERVANCY

Staff Recommendation
March 25, 2004

BOLSA CHICA LOWLANDS RESTORATION

File No. 84-047
Project Manager: Peter S. Brand

RECOMMENDED ACTION: Authorization to disburse up to \$10,000,000 to the State Lands Commission to assist in the restoration of approximately 566 acres of the Bolsa Chica wetlands complex.

LOCATION: Orange County, along Pacific Coast Highway and bounded by the City of Huntington Beach (Exhibit 1)

PROGRAM CATEGORY: Integrated Coastal and Marine Resources Protection

EXHIBITS

- Exhibit 1: Project Location and Site Map
 - Exhibit 2: Restoration Plan Maps
 - Exhibit 3: Letters of Support
 - Exhibit 4: FEIR/FEIS and other environmental documents
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31220 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed ten million dollars (\$10,000,000) to the State Lands Commission for the restoration of approximately 566 acres of the Bolsa Chica lowlands. This authorization is subject to the following conditions:

1. Prior to the disbursement of any funds, the State Lands Commission shall submit for the review and approval of the Executive Officer of the Conservancy a work program, schedule, budget and the names of any subcontractors to be employed in implementation of the restoration plan.
2. The expenditure of Conservancy funds shall be for the design, construction and management of the muted tidal basin, pocket muted tidal basin, nesting islands and groundwater barrier.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with Public Resources Code Section 31220 regarding the Conservancy’s mandate to improve and protect coastal and marine water quality and habitats.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The proposed project is consistent with the purposes of the Integrated Watershed Management Program, as well as the Watershed Management Initiative for the Bolsa Chica Watershed Management Area and the Water Quality Control Plan, Santa Ana River Basin. The project includes a monitoring and evaluation component.
4. The Conservancy has independently reviewed the joint final Environmental Impact Report (“EIR”) adopted on January 30, 2002, by the California State Lands Commission as the lead agency under the California Environmental Quality Act and final Environmental Impact Statement (“EIS”) adopted in 2002 by the U.S. Fish and Wildlife Service and the U.S. Army Corps of Engineers as lead agencies under the National Environmental Policy Act for the Bolsa Chica restoration project. The final EIR/EIS and State Lands Commission’s Statement of Overriding Considerations are attached to the accompanying staff recommendation as Exhibit 4. The Conservancy finds that, with several exceptions, the project as modified avoids, reduces or mitigates the possible significant environmental effects to a level of insignificance. Further, with respect to the muted tidal basin, pocket muted tidal basin, nesting islands to be funded by the Conservancy grant, the Conservancy finds that the mitigation measures adopted by the lead agencies are sufficient to reduce to a level below significance environmental impacts from the proposed project. To the extent that environmental impacts could not be avoided or mitigated, the Conservancy adopts the California State Lands Commission Statement of Overriding Considerations.”

PROJECT SUMMARY:

The proposed action will provide a grant of \$10 million to the State Lands Commission to restore a 566-acre portion of the wetland ecosystem of the Bolsa Chica lowlands in Orange County. The proposed authorization would be a further Conservancy contribution to the ongoing efforts of eight federal and state agencies over the course of many years to acquire and restore wetlands and habitat at the Bolsa Chica Lowlands site. The project will restore tidal influence from the Pacific Ocean to about half of the 1,247-acre area to reinvigorate the wetland ecosystem. A direct connection to the Pacific Ocean will be reestablished through the creation of a new tidal inlet that will cut through Bolsa Chica State Park and cross the Pacific Coast Highway. The project is a high priority of the Southern California Wetlands Recovery Project.

The primary goal of the Bolsa Chica project is to provide nursery habitat for the California halibut and develop a diverse marine and estuarine community of invertebrates and fish. The project is also designed to enhance nesting habitat for the California least tern and light-footed clapper rail, listed as endangered by Federal and State agencies; the snowy plover, federally-listed as endangered; and the Belding’s savannah sparrow, on the State’s endangered species list. Bolsa Chica historically provided essential wintering habitat along the Pacific flyway for migratory

shorebirds, seabirds and waterfowl. The project will also increase opportunities for public access and passive recreation consistent with the management of wildlife habitat.

Implementation of the full tidal basin portion of the project was designed as environmental mitigation for projects that the Ports of Long Beach and Los Angeles have undertaken in San Pedro Harbor. In order to avoid funding restoration that is intended to mitigate the Ports' project, the project proposed for Conservancy funding consists of four elements: the muted tidal basin, pocket muted tidal basin, nesting islands, and groundwater barrier. These elements are discussed in the context of the larger project. The entire 566-acre project, to be implemented by the State Lands Commission with the assistance of the U. S. Fish and Wildlife Service, includes the following elements:

Full Tidal Basin: A 366-acre tidal basin will be constructed that will receive full tidal action from the new ocean inlet. Construction of the basin will include three nesting habitat islands (20 acres) for federally-listed endangered species, transport of fill for beach nourishment, and an inter-tidal shelf for cordgrass.

Muted Tidal Basin: A 200-acre muted tidal basin will be created through three box culvert and weir connections between the full tidal basin and the proposed muted tidal basin.

Pocket Muted Tidal Basin: The pocket muted tidal basin is an isolated pocket of land on the north side of the East Garden Grove Wintersburg Flood Control Channel that forms the northern boundary of the project. Hydraulic connections must be made to the Outer Bolsa Bay.

Ocean Inlet: An ocean inlet will be constructed to the full tidal basin that will be 360 feet in width between the levy crests and encompass an area of approximately 3.7 acres when completed. As the inlet is excavated, sand will be placed on the adjacent state beach for beach nourishment purposes.

Entrance Jetty: To stabilize the inlet, two jetties will be constructed to prevent the entrance channel from closing. Each jetty will be approximately 450 feet in length from Pacific Coast Highway to the jetty tips.

Pacific Coast Highway Bridge and Retaining Walls: A bridge approximately 400 feet long will be placed along the existing alignment with Bolsa Chica State Beach immediately to the west of the road right-of-way and Bolsa Chica Wetlands immediately to the east.

Shoreline and Bridge Revetments: Approximately 750 feet of shoreline revetment will be constructed on each side of the jetties on the west side of the PCH bridge. Following construction, they will be buried under beach sand.

Ebb Shoal: To stabilize the down-coast region near Huntington Cliffs from the loss of the existing beach, assure sand movement along the beach and maintain beach stability, an ebb shoal will be constructed just outside the inlet mouth. Over one million cubic yards of sandy material will be placed over approximately 45 acres of soft bottom substrate.

Oil Service Bridge: In order to maintain existing oil field operations on a parcel isolated by the new ocean inlet, a two lane oil service bridge will be constructed parallel to the PCH bridge.

Groundwater Barrier: Approximately 10,000 feet of groundwater barrier will be constructed to prevent groundwater and salinity intrusion under the adjacent neighborhoods. The salinity intrusion barrier will be up to 30 feet deep.

The project is based on state-of-the-art engineering design, adaptive management techniques, and wetland restoration experience gained in other southern California restoration projects. Directed by the Federal-State Interagency Steering Committee, the U.S. Fish and Wildlife Service will supervise final design, bidding and construction. Construction is anticipated to start in October, 2004, and to occur in four primary phases over three years in order to avoid or minimize impacts to fish and wildlife resources, coastal traffic, and beach recreation. The State Lands Commission will select a Federal or State fish and wildlife agency or nonprofit organization as the long-term manager/lessee.

The Bolsa Chica Lowlands Restoration Project is projected to reclaim 1,247 acres of coastal wetlands, all but 42 acres of which the State now owns. The 150-acre Bolsa Chica State Ecological Reserve (shown as "Inner Bolsa Bay" on Exhibit 2), was restored earlier and is managed by California's Department of Fish and Game. The later phase of 287 acres (shown as "Future Full Tidal" and "Seasonal Ponds") will be reclaimed in 25 to 30 years, after the declining oil and gas field ceases operations and that area is cleaned up.

Since the project area was acquired in 1997, the cost of the current restoration project has increased to approximately \$90 million. Under the terms of the 1996 project agreement, the Conservancy and the other federal and state agencies agreed to actively seek additional monies since the amount of funding available to the project at that time was anticipated to be insufficient. In November, 2003, the Wildlife Conservation Board contributed \$10 million to help cover the shortfall. With another \$10 million from the Conservancy, the project may still need several million dollars in order to proceed to construction in the fall. The final cost will depend on selection of a winning construction bid. The State Lands Commission has also requested funding from the U.S. Fish and Wildlife Service.

Site Description: The area known as "Bolsa Chica" is a complex of approximately 1,600 acres of low lands and uplands that lies inland of Pacific Coast Highway in Orange County and is surrounded by the City of Huntington Beach (Exhibit 1).

The lowlands consist of about 1,200 acres of low-lying land, with extensive disturbed wetlands that are divided by levees and dotted by oil well pads, and the Inner Bolsa Bay, approximately 150 acres, that has been restored to tidal action and is managed by the Department of Fish and Game as an Ecological Reserve. Uplands are found on the levees and pads amid the wetlands and on the mesas at the northwest and southeast ends of the wetlands.

The Bolsa Chica lowlands are a remnant of a vast wetland complex that once stretched along the Orange County coast behind coastal beaches and dunes reaching inland along numerous stream channels. The historic Bolsa Chica wetlands were predominantly tidal wetlands with some areas of brackish and freshwater marsh.

As a consequence of blockage of the natural ocean connection around the turn of the century and subsequent oil field development, tidal circulation to most of the site was curtailed. The wetlands were variously filled, fragmented by levees, and isolated from freshwater runoff, and the land subsided two or more feet. Nevertheless, much of the lowlands among the levees and oil wells support some wetland habitat. Most of the wells have been bought out and abandoned. A decision was made for economic reasons to allow extraction by the oil companies to continue on the future full tidal area until the oil has played out in 20 to 30 years at which time this area will be restored. The remainder of the lowlands is occupied by the Ecological Reserve, a flood control channel, and vacant land.

Project History: For over 20 years before the state acquired the area, debate raged over the disposition of the Bolsa Chica lowlands. Throughout this period, there was strong and vocal community support for wetland protection, most notably represented by the organization called the Amigos de Bolsa Chica. The County and the various private landowners made a series of land use proposals including housing, a connector road, and a marina, along with wetland restoration. In 1996, the Coastal Commission certified the County LCP, which provided for housing on the adjacent mesa and on approximately 180 acres of upland/wetland mosaic in the lowlands.

Meanwhile the Ports of Los Angeles and Long Beach had been investigating the possibility of carrying out wetland restoration at Bolsa Chica to offset the impacts of proposed development in submerged habitat in San Pedro Harbor. Off-site mitigation requirements specific to approximately 384 gross acres of Bolsa Chica were negotiated primarily by the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and the Coastal Commission.

An interagency project agreement was signed in 1996 by eight state and federal agencies: State Coastal Conservancy, U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, U.S. Environmental Protection Agency, National Marine Fisheries Service, California State Lands Commission (Lieutenant Governor, Controller and State Finance Director), California Resources Agency, and California Department of Fish and Game.

Under the terms of the multi-agency project agreement the majority of the lowlands, 880 acres, would be acquired for wetland protection and restoration, a first phase of restoration (approximately 566 acres) would be undertaken (subject to further environmental review and agency approvals), and the Ports of Los Angeles and Long Beach would be awarded 454 acres of mitigation credit. At the same time that it approved the agreement, the Conservancy also authorized disbursement of \$1 million, to be deposited in the State Lands Commission's interest-bearing Kapiloff Land Bank Fund, to assist with the acquisition of the lowlands.

The 880-acre acquisition occurred in 1997 after a cleanup agreement was signed by the landowners. The Ports made the required mitigation payment of \$78.6 million for the estimated cost of acquisition, restoration, and management. The balance of these funds that were not used for acquisition have been earning interest.

Detailed engineering and environmental studies provided information for project compliance with environmental reviews. The U.S. Fish and Wildlife Service and the U.S. Army Corps of Engineers led the National Environmental Policy Act (NEPA) process and the State Lands Commission acted as lead agency for the California Environmental Quality Act (CEQA) review.

The environmental review process and project planning and design involved numerous public workshops and meetings between 1997 and 2002. In November 2001, the California Coastal Commission unanimously agreed with the U.S. Fish and Wildlife Service that the Project is consistent with California's federally approved Coastal Zone Management Plan. The California State Lands Commission unanimously certified the Final Environmental Impact Report (EIR), adopted a Mitigation Monitoring Program, and approved the Project on January 30, 2002. The U.S. Army Corps of Engineers and U.S. Fish and Wildlife Service issued their respective Record of Decision on the EIS in the second quarter of 2002. The Fish and Wildlife Service contracted with an engineering firm to complete final design drawings and specifications for the Project.

Some contamination remains on the property to be restored. A cleanup plan is complete and the Regional Water Quality Control Board has established goals (numerical standards) that the pro-

ject must achieve. The private parties who have assumed responsibility for the cleanup have agreed to these goals and are in the final stages of negotiating their agreements with State Lands and Fish and Wildlife Service on clean up. One entity proposes to undertake the site reclamation itself at whatever cost. The other proposes to pay for the projected cost and State Lands Commission will purchase environmental insurance to cover unknown reclamation costs up to \$10 million.

Full project funding will enable completion of final engineering design, construction drawings and construction for Phase 1 in three years. During Phase 2, after the oil field is depleted in 25 to 30 years, the Project will purchase any remaining oil reserves, clean up the property, and create access to tidal water in another part of the site.

PROJECT FINANCING:

State Coastal Conservancy	\$10,000,000
Wildlife Conservation Board	10,000,000
Ports of Los Angeles and Long Beach	49,000,000
Interest	15,000,000
Additional Sources	<u>6,000,000</u>
Total Restoration Project Cost	\$90,000,000

The anticipated source of Conservancy funds for the proposed project is an appropriation to the Conservancy from the Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002 (Proposition 40) pursuant to the Watershed, Clean Beaches, and Water Quality Act, AB 2534 (Pavley, Chapter 727, Statutes of 2002, as amended). These funds may be used for coastal habitat restoration projects consistent with Section 31220 of the Public Resources Code.

The Ports of Long Beach and Los Angeles have met their mitigation commitment of \$78.6 million, an amount determined eight years ago to be sufficient to cover the cost of acquisition, restoration, and maintenance. The California State Lands Commission acquired 880 acres of lowlands with \$25 million of that amount. A separate fund account of \$5 million, now \$6.7 million, was set aside at the time of the project agreement for post-construction management, maintenance, and monitoring.

The remaining \$53.6 million contribution, including interest, is dedicated toward restoration and long-term management of this two-phase project. However, additional impact mitigation and monitoring, and measures to protect infrastructure and homes from groundwater intrusion that were not anticipated in the original cost estimates, are now designed into the project.

Remaining project costs are estimated to be \$90 million, but this may change after bids are received. Current restoration funding is \$73.7 million. The U.S. Fish and Wildlife Service is considering a request for \$6 million to be provided by them over three years.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This project would be undertaken pursuant to Chapter 5.5 (Section 31220) of the Conservancy's enabling legislation, Division 21 of the Public Resources Code, regarding integrated coastal and marine resources protection projects.

Consistent with §31220(a), staff has consulted with the State Water Resources Control Board in the development of the project to ensure consistency with Chapter 3 (commencing with Section 30915) [Clean Beaches Program] of Division 20.4 of the Public Resources Code [Watershed, Clean Beaches, and Water Quality Act]. The proposed project will reduce sediment accumulation and increase the biofiltering functions of the marsh, thus improving assimilation of nutrients and other contaminants. The project will also reestablish an ocean inlet thereby restoring tidal flushing.

Consistent with §31220(b)(6), the proposed project would protect and restore coastal wetlands by creating muted tidal marshes and increasing tidal circulation in order to reverse the conversion of wetland habitat to transitional and upland habitats, and by removing non-native vegetation and replacing it with native vegetation.

Consistent with §31220(c), the project is consistent with the Watershed Management Initiative adopted by the Santa Ana Regional Water Quality Control Board, the Santa Ana Water Quality Control Plan, as discussed below, and the project will include a monitoring and evaluation component.

**CONSISTENCY WITH CONSERVANCY'S
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 5 Objective A**, the proposed project will restore 566 acres of coastal wetland habitat.

Consistent with **Goal 6 Objective B**, the proposed project will utilize a wetland project to improve water quality.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** The project has the support of the Amigos de Bolsa Chica, the Bolsa Chica Conservancy, the Bolsa Chica Land Trust, and the City of Huntington Beach. See letters of support in Exhibit 3.
4. **Location:** The proposed project is located within the coastal zone of Orange County.
5. **Need:** Conservancy funds are essential to enable the project to proceed.
6. **Greater-than-local interest:** The Southern California Wetlands Recovery Project has identified restoration of the Bolsa Chica wetlands as a priority project in its efforts to implement a regional restoration strategy for Southern California's wetlands. Several state- and federally-

listed plants and animals are known to be present in Bolsa Chica wetlands, at least seasonally, as well as a number of species of special concern. Restoration and enhancement of the project area will increase the quantity and quality habitat for these species.

Additional Criteria

8. **Resolution of more than one issue:** The project would resolve water quality, habitat restoration, species protection, and watershed restoration issues.
9. **Leverage:** See the “Project Financing” section above.
12. **Readiness:** Designs are substantially complete and construction could commence in September 2004.
13. **Realization of prior Conservancy goals:** See the “Project History” section above.
15. **Cooperation:** The project agreement and the success of the subsequent acquisition and planning process demonstrates cooperation among the two ports, four state agencies, and four federal agencies that were parties to the agreement.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

In 1996, the Coastal Commission approved Orange County’s Bolsa Chica Local Coastal Program. The LCP provided for residential development and, if residential development were undertaken, for protection and restoration of the rest of the lowlands then in private ownership. All of the area designated in the LCP for housing has now been acquired for wetland restoration consistent with the project agreement among the federal and state agencies. Also, the California Coastal Commission unanimously agreed with the U.S. Fish and Wildlife Service in November 2001 that the restoration plan is consistent with California’s federally-approved Coastal Zone Management Plan.

**CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/
STATE WATER QUALITY CONTROL PLAN:**

The proposed project is designed to improve watershed efficiency through the creation and enhancement of wetlands and the restoration of open space and to restore native fisheries and restore other threatened species. The project is therefore consistent with the purposes of the Integrated Watershed Management Program, established under Section 30947 of the Public Resources Code. The project is consistent with the Watershed Management Initiative for the Bolsa Chica Watershed Management Area adopted by the Santa Ana Regional Water Quality Control Board in 2002. Bolsa Chica is specifically included by the Regional Board in its list of projects needed for implementing the Watershed Management Initiative and other regional and watershed-specific initiatives. The Regional Board serves on the Bolsa Chica Technical Advisory Committee, oversees cleanup related issues and is involved to “assist in the restoration of the wetlands to robust habitat with high environmental value.”

The proposed project is also consistent with the Water Quality Control Plan, Santa Ana River Basin, which has been approved by the Water Resources Control Board. The Santa Ana Regional Water Quality Control Board has also recently passed a resolution, No. 97-19, to become the lead regulatory agency overseeing cleanup of the Bolsa Chica Restoration Area under the authority of the Water Code and the Basin Plan.

Division 21 of the Public Resources Code, Chapter 5.5, authorizes the Conservancy to undertake coastal habitat restoration projects or award a grant for a project if the project reduces contamination of waters within the coastal zone or protects fish and wildlife habitat within coastal watersheds and coastal waters. The proposed enhancement project will meet these goals by restoring wetland habitat and increasing tidal circulation.

COMPLIANCE WITH CEQA:

Upon review of the environmental documents prepared by the lead agency, Conservancy staff found these documents adequate for evaluating the project's possible environmental effects pursuant to the requirements imposed upon the Conservancy as a responsible agency under the California Environmental Quality Act (CEQA) (14 Cal. Code of Regulations §15096). See Exhibit 4.

The final EIR/EIS identified possible significant effects of the project in the areas of water quality, biological resources, recreation, visual resources, and air quality. The lead agency, the State Lands Commission, adopted the preferred alternative in the final EIR/EIS on January 30, 2002. The Commission also adopted changes or alterations to the project which avoid or substantially lessen the significant environmental effects as identified in the final EIR. These changes were identified as mitigation measures in the mitigation monitoring plan. *See* 5 FEIR/S §5.0. To the extent that the impacts of the project were not mitigated to insignificance, the Commission adopted findings and a statement of overriding considerations as required by Public Resources Code §§21081 and 21081.6; 14 Cal. Code of Regulations §§15091 and 15093. Conservancy staff has reviewed the final EIR, and the Commission's findings and Statement of Overriding considerations, and concludes that the portions of the project to which the Conservancy is contributing avoids, reduces, and/or mitigates significant adverse environmental effects. With respect to the remaining portions of the project, staff recommends adopting the Commission's Statement of Overriding Considerations for those portions of the project which cannot avoid or fully mitigate significant, adverse environmental impacts.

The final EIR/EIS evaluated six alternatives for the project. Alternative 1 was similar to the proposed project but included diversion of all of the flows of the Wintersburg-Garden Grove Flood Control Channel into the full tidal basin to be constructed. Alternative 2 included a full tidal basin with an ocean inlet near Rabbit Island. Alternative 3 had a full tidal basin with a tidal inlet near Warner Avenue. Alternative 4 had a full tidal basin with a tidal inlet near Rabbit Island and a separate outlet adjacent to the tidal inlet that would direct flows from the flood control channel to the ocean. Alternative 5 was a managed tidal system with no ocean inlet. Finally, Alternative 6 was similar to the Proposed Project except that during high storm flows some of the flow from the flood control channel would be diverted into the full tidal basin.

The Proposed Project was selected based on two considerations: First, the extent of significant, adverse impacts that would result from project implementation; and second, the ability of the selected alternative to meet the project purpose and need to improve wetland function and values within the Bolsa Chica Lowlands. Alternatives 1, 2, 3, 4, and 6 are inferior to the Proposed Project because they (1) have more significant environmental impacts; and/or (2) transfer environmental impacts to other locations both within and near the project area. Alternative 5 and the no-action alternative were not selected because they do not provide beneficial impacts to the same degree as the Proposed Project. Benefits of the proposed project include:

- 1) Increased quality and quantity of open water and intertidal mudflat habitats would provide habitat for migratory shorebirds, seabirds, and waterfowl.
- 2) A healthy and diverse aquatic community of marine and estuarine invertebrates and fishes would become established in the full and muted tidal basins.
- 3) The full tidal basin would provide nursery habitat for the California halibut.
- 4) Nesting habitat for the state- and federal-listed endangered California least tern and the federal-listed threatened western snowy plover would be increased. Additionally, these areas would provide nesting habitat for a variety of other water-associated birds.
- 5) Cordgrass habitat would expand and is expected to support nesting by the state- and federal-listed endangered light-footed clapper rail.
- 6) Pickleweed saltmarsh habitat would be enhanced.
- 7) Nesting territory for the state-listed endangered Belding's savannah sparrow would expand.
- 8) Increased quality of saltmarsh vegetation may improve habitat value for the salt marsh shrew.
- 9) A diverse wetlands ecosystem would result from the preservation of nontidal habitats including seasonal ponds/sand flats and perennial brackish ponds.
- 10) Upgrades to the Lowlands would indirectly benefit surrounding land uses by providing improved passive use and visual enhancement.
- 11) New and enhanced public access opportunities would result.
- 12) The tidal inlet would enhance opportunities for recreational fishing.
- 13) Addition of construction jobs and increases in visitors to the area could benefit the local economy.
- 14) The tidal influence would reduce the potential for mosquito problems.

These benefits provide overriding considerations with respect to the impacts identified in the Final EIR/EIS that cannot be reduced with mitigation to a level of insignificance or are not capable of being fully mitigated. As discussed more fully in the final EIR/EIS, these impacts are:

- 1) Water Quality: Turbidity in the Nearshore Zone during Prefill of the Ebb Bar.
- 2) Water Quality: Increased Risk of Exposure of Wetlands to an Offshore Oil Spill.
- 3) Biological Resources: Temporary Loss of Belding's Savannah Sparrow Breeding Territories during Construction.
- 4) Recreation: Construction of PCH Bridge and Tidal Inlet.
- 5) Recreation: Surfing Use during Construction.
- 6) Visual Resources: PCH Bridge and Tidal Inlet Construction.
- 7) Air Quality: Construction-Related Exhaust Emissions.
- 8) Air Quality: Phase II Construction.

The 29 mitigation measures identified in the volume V of the final EIR/EIS, the mitigation monitoring plan, and the Statement of Overriding considerations adopted by the State Lands Commis-

sion on January 20, 2002 will avoid or lessen environmental impacts to the maximum extent possible. With the exception of exposure of the wetlands to the impacts of an offshore oil spill via the ocean inlet, all unmitigable significant impacts are short-term impacts that would only occur during project construction which is anticipated to span three years. State Lands determined that social, technological, and other considerations make infeasible mitigation measures to reduce to insignificant these short-term impacts or impacts associated with an off-shore oilspill.

Based on the above discussion, the benefits of the Proposed Project outweigh the unavoidable, largely temporary, adverse environmental effects. All supporting environmental documents are made available to the Conservancy and the public for review. Upon approval, staff will file a Notice of Determination for the project.