

COASTAL CONSERVANCY

Staff Recommendation
May 26, 2016

ORMOND BEACH WETLANDS RESTORATION PLAN

Project No. 90-048-05
Project Manager: Christopher Kroll

RECOMMENDED ACTION: Authorization to disburse up to \$350,000 for environmental services to prepare a restoration and public access plan for the Ormond Beach wetlands complex.

LOCATION: City of Oxnard, Ventura County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

- Exhibit 1: [Project Location Map](#)
 - Exhibit 2: [Ormond Beach Project Area](#)
 - Exhibit 3: [Photos](#)
 - Exhibit 4: [Project Letters](#)
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-31270 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed three hundred fifty thousand dollars (\$350,000) for environmental services to prepare a restoration/public access plan and associated technical studies for the restoration of the coastal wetlands, beach, dunes, and associated uplands at the Ormond Beach wetlands complex.”

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 authorization is consistent with Chapter 6 of Division 21 of the Public Resources Code, regarding enhancement of coastal resources.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.”

PROJECT SUMMARY:

Staff recommends that the Conservancy authorize disbursement of \$350,000 to prepare a restoration/public access plan and associated technical studies for the restoration of the coastal wetlands, beach, dunes, and associated uplands at Ormond Beach. Conservancy staff will use this authorization to retain consultants to prepare the plan and studies.

At over 1,000-acres, the Ormond Beach wetlands complex is the largest wetland restoration opportunity in southern California. The Conservancy, The Nature Conservancy (TNC), and the City of Oxnard (City) collectively own 645 acres at Ormond Beach. The U.S. Fish and Wildlife Service last month approved a grant to the Conservancy to acquire an additional 13 acres.

Ormond Beach is considered by many wetland experts to be the most important wetland restoration opportunity in southern California. Restoration of the wetlands is a high priority of the Southern California Wetlands Recovery Project. Although large areas of the wetlands have been drained, filled and degraded over the past century, this is one of the few places in coastal southern California with an intact dune-transition zone-marsh system, allowing restoration of an intact wetland ecosystem and providing a buffer against sea level rise and the impacts of climate change. The largely agricultural surroundings provide an opportunity unique in most of coastal southern California to expand the current protected areas and to restore the approximate extent of the historic wetland area.

The project planning area currently consists of the 645 acres of wetland-dune-beach complex (Exhibit 2). Adjacent is an additional 2,100-acre wetland and lagoon habitat at the Naval Base Ventura County/Point Mugu Naval Air Station. Future property acquisitions could increase the project area to over 1,000 acres. The combined Ormond Beach and Point Mugu protected habitat areas could ultimately exceed 3,000 acres, creating one of the largest coastal wetlands areas in California.

The Conservancy, TNC, and the City are currently developing a Memorandum of Understanding (MOU) to address common issues such as site security, long-term management, and restoration of the project area. TNC has restarted the Ormond Beach Science Advisory Committee (SAC), which is co-chaired by TNC and Conservancy, staff and provides guidance to the restoration planning. SAC members include representatives of the U.S. Fish and Wildlife Service, Audubon Society, California Department of Fish and Wildlife, California State University Channel Islands, University of California at Los Angeles, University of California at Santa Barbara, and the Southern California Coastal Waters Research Project.

The proposed restoration planning will build on the work completed in the Ormond Beach Wetland Restoration Feasibility Study <http://scc.ca.gov/webmaster/ftp/pdf/ormond/OBFStudy1009.pdf> and associated studies commissioned by the Conservancy and completed in 2009. The feasibility study described existing conditions and identified information gaps, opportunities and constraints, and possible restoration alternatives. A restoration plan is now needed to fill critical information gaps identified in the feasibility study, identify a preferred alternative and complete preliminary engineering design of that alternative so that environmental review and permitting can proceed. At the same time TNC and the Conservancy are pursuing additional acquisitions necessary to secure as large a restoration area as possible. The restoration plan will incorporate a phased

implementation design that can be implemented on the initial 645 acres as funding becomes available and that can be expanded to a wider area as additional properties are acquired.

The proposed restoration planning effort involves: 1) finalizing restoration alternatives; 2) evaluating a preferred alternative for purposes of environmental evaluation and documentation; 3) completing associated technical studies (possibly including water balance modeling, site specific sea level rise analysis, updated biological surveys, and soils suitability analysis); 4) preparing preliminary engineering design of the preferred alternative; 5) public review and comment process; 6) finalizing a restoration plan that can be used for CEQA review and permitting; and 7) SAC guidance to the planning effort.

The restoration plan will include a description of the final preferred alternative that incorporates a preliminary engineering design (plan view and typical sections drawings), a public access plan, preliminary cost estimates and options for phased construction of the project. The planning process will also result in a CEQA and Permitting Strategy Memorandum that identifies the permits and environmental review required to implement restoration and missing information and/or supporting surveys required to complete these permits (e.g. special status species, wetland delineation, hazardous materials); a description of information necessary to get to final engineering design plans (e.g. further technical studies or surveys); and a list of potential funding sources for project implementation.

Site Description: Ormond Beach is located along the southern coast of Ventura County, California. It is situated within the City of Oxnard, and is located between the City of Port Hueneme and Naval Base Ventura County Point Mugu. Ormond Beach is a 1,500-acre area composed of agriculture, industry, and wetlands. The two mile long beach extends from Port Hueneme to the northwestern boundary of Point Mugu Naval Air Station. Ormond Beach is surrounded by a mix of agricultural, industrial, military, open space, and public and private duck club properties.

The Ventura County coast was originally a vast complex of dunes, lakes, lagoons, and salt and freshwater marshes. From the Santa Clara River estuary to Mugu Lagoon, there were seven lagoons along the coast. Most have disappeared, been severely degraded or been converted to marinas or ports. Historically, the Ormond Beach area contained a diverse set of habitats including sandy beaches, coastal lagoons and estuaries, fore- and back dune areas, brackish and seasonal freshwater marshes, freshwater drainages, grasslands, and transitional uplands. Even though the historic habitat has been seriously impacted by dredging and filling for agriculture and industrial development, Ormond Beach is one of the few areas in southern California with an intact dune-transition zone-marsh system with surrounding upland habitat. Unlike most areas along the California coast, interstate highways and railroads do not cross the coastline in the Ormond Beach area. This provides a rare uninterrupted transition from the ocean to sandy beach to sand dunes to wetlands to upland areas.

The area hosts over 200 migratory bird species, including more shorebird species than are known to use any other site in Ventura County. Ormond Beach is located on the Pacific Flyway and the state- and federally-listed endangered California least tern and the federally-listed threatened western snowy plover both nest and raise their young at Ormond Beach. State- and federally-listed endangered light-footed Ridgeway rail and the state-listed endangered Belding's savannah

sparrow are also found at Ormond Beach. The state- and federally-listed endangered salt-marsh bird's beak occurs in the area. A total of 25 federally protected fish, wildlife, and plant species are found at Ormond Beach.

Ormond Beach with its two miles of sandy beach also provides coastal access for the economically-disadvantaged community of South Oxnard and attracts beach users from the surrounding area. In 2015, more than 22,000 visitors were counted at the Arnold Road entrance to the Conservancy's property at Ormond Beach. People come to walk and sit on the beach, fish, bird watch and swim.

The highly contaminated, privately-owned Halaco properties are located on the western border of the TNC property. The 36-acre former metal smelting facility was closed in 2004 and includes a very large toxic waste pile. These properties are part of a U.S. Environmental Protection Agency (EPA)-designated Superfund site for which the EPA is presently developing a remediation plan. A large power plant constructed in the 1970s is located on approximately 50 acres adjacent to the Conservancy-owned property. This facility is one of 19 power plants in California which are subject to the State Water Resources Control Board's once-through cooling (OTC) policy. The Ormond Beach plant must comply with the policy by December 31, 2020. At this point in time it is uncertain what will happen with either facility but adding one or both of these properties to the restored wetlands area may be possible in the future.

Project History: The Ormond Beach wetlands have been drained, filled, and degraded to accommodate agriculture, energy plants and industrial uses. For several decades, there have been numerous proposals for marinas, resorts, and housing in and adjacent to the remnant wetlands. The proposed project is the continuation of a long-term effort to preserve and restore the Ormond Beach wetlands. The Conservancy targeted the Ormond Beach area for habitat restoration and enhancement in the early 1980s. During the 1990s, the Conservancy worked with the City, the community, and the landowners at Ormond Beach to extinguish paper lots on the beach.

In 2002, the Conservancy acquired 293 acres of land at Ormond Beach. In 2005, the Conservancy provided a grant to TNC to aid in the purchase of an additional 272 acres of land adjacent to the Conservancy's property. The City controls 80 acres and the successor agency to the City's Redevelopment Agency owns an additional 13 acres.

In 2009, the Ormond Beach Wetland Restoration Feasibility Study, funded by the Conservancy and the U.S. Environmental Protection Agency, was completed. The study outlines existing conditions, including habitat distributions, opportunities and constraints related to potential restoration, and regulatory requirements for any restoration proposed at Ormond Beach. The study identified seven possible restoration alternatives and a series of short and long-term planning, design, and regulatory approval recommendations as possible next steps.

In February 2016, the U.S. Fish and Wildlife Service approved funding to the Conservancy for the acquisition of a 13-acre parcel at Ormond Beach. TNC is currently negotiating the purchase of this property and will hold and manage it until a final management entity is identified.

PROJECT FINANCING

Coastal Conservancy	\$350,000
The Nature Conservancy	<u>\$60,000</u>
Project Total	\$410,000

The expected source for the Conservancy funds for this project is an appropriation to the Conservancy from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84, Public Resources Code Section 75001 et seq.). Proposition 84 authorizes the Conservancy’s use of these funds for the purposes of protecting beaches, bays, coastal waters and coastal watersheds, and the natural habitat values of coastal waters and lands (Public Resources Code Section 75060(b)). The proposed project will restore and enhance wetland, dune, and upland habitat and improve water quality. The proposed project is consistent with the Conservancy’s enabling legislation, as discussed in the “Consistency with Conservancy’s enabling legislation” section below. The proposed authorization is thus consistent with the funding requirements of Proposition 84.

TNC will provide significant in-kind contributions of staff time, especially relating to reviewing the technical studies and restoration alternatives developed as part of this proposed planning process and to overseeing the work of the Science Advisory Committee, established by TNC to help direct the restoration planning. The value of these in-kind contributions (in-kind staff time, overhead and travel support to SAC members) over two years is expected to be \$205,000. Conservancy staff will co-chair the SAC with TNC staff.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The Conservancy is authorized under Section 31111 of the Public Resources Code to fund and undertake plans and feasibility studies in order to implement Division 21. Section 31251.2 of Chapter 6 of Division 21 authorizes the Conservancy to undertake projects to enhance the natural character of coastal resources and to enhance a watershed resource that is partly outside of the coastal zone. The Ormond Beach wetlands complex is partly inside and outside of the coastal zone. The Conservancy may only undertake a project affecting an area straddling the coastal zone if requested by a local public agency or agencies with jurisdiction over the entire project area. The City of Oxnard, which has jurisdiction over the entire project area, has a policy in its certified Land Use Plan that expressly states that the City will work with the Conservancy to protect and enhance coastal resources. See “Consistency with Local Coastal Program Policies” section below.

The project is also consistent with Section 31252, as the project area targeted for restoration is identified in the certified City of Oxnard Local Coastal Program (LCP) as requiring action to protect and enhance coastal resources. The proposed project is consistent with the City of Oxnard Local Coastal Program as described in the “Consistency with Local Coastal Program Policies” section below.

The project is consistent with Section 31253, which authorizes the Conservancy to provide up to the total cost of any coastal project. In determining the amount of Conservancy funding for this project, the factors identified in § 31253 have been considered and applied, as described in the “Consistency with Conservancy's Project Selection Criteria & Guidelines.”

**CONSISTENCY WITH CONSERVANCY’S 2013 STRATEGIC PLAN
GOAL(S) & OBJECTIVE(S), AS REVISED JUNE 25, 2015:**

Consistent with **Goal 5, Objective A** of the Conservancy’s 2013-2018 Strategic Plan, the proposed project will develop a plan for the restoration and enhancement of coastal wetlands, dunes and other coastal habitats.

Consistent with **Goal 5, Objective C** of the Conservancy’s 2013-2018 Strategic Plan, the proposed project will develop a plan to preserve and enhance coastal floodplains. Ormond Beach sits at the ocean end of the Oxnard Plain, one of the richest agricultural areas in California. Restoration of the wetlands will help protect the community of South Oxnard and the adjacent agricultural fields from storms and flooding which are projected to increase as sea level rises.

Consistent with **Goal 5, Objective F** of the Conservancy’s 2013-2018 Strategic Plan, the proposed project will complete a plan for restoration of the Ormond Beach wetlands complex. Restoration of the wetlands will improve water quality and thereby benefit coastal and ocean resources.

The Strategic Plan specifically identifies major efforts that should occur between 2013 and 2018 for all four Conservancy regions. For the South Coast area, commencement of the restoration of the Ormond Beach wetlands is identified as an important effort to be pursued.

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

The proposed project is consistent with the Conservancy’s Project Selection Criteria and Guidelines, last updated on October 2, 2014, 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. **Promotion and implementation of state plans and policies:**

By planning for the restoration and enhancement of Ormond Beach wetlands and related habitats that provide valuable fish and wildlife habitat, the proposed project serves to promote and implement several state plans, including:

- Priority Action 4 identified in the 2014 *California Water Action Plan*, prepared by CalEPA, the California Natural Resources Agency, and the California Department of Food and Agriculture), which provides: “Protect and Restore Important Ecosystems.”
 - A Management Measure identified in the *California Nonpoint Source Pollution Control Program* prepared by the State Water Resources Control Board in 2000: MM6B- Restoration of Wetlands and Riparian Areas, which provides for the recovery of a range of wetland and riparian functions that existed previously by reestablishing hydrology, vegetation, and structure characteristics.
 - *California Wildlife Action Plan*, prepared by the California Department of Fish and Wildlife (CDFW) in 2007 states that Federal, State, and local agencies, nongovernmental conservation organizations, and private landowners should protect and restore under-protected and sensitive habitat types.
 - *California @ 50 Million: The Environmental Goals and Policy Report*, prepared by the Governor’s Office of Planning and Research in 2013, directs agencies to preserve and steward State lands and natural resources.
 - *California Essential Habitat Connectivity Strategy for Conserving a Connected California* (2010) directs State efforts to protect large remaining blocks of intact habitat or natural landscape and model linkages between them that need to be maintained, particularly as corridors for wildlife.
4. **Support of the public:** Supporters of the project include State Senator Hannah-Beth Jackson, Assemblymember Jacqui Irwin, Assemblymember Das Williams, the Ventura County Board of Supervisors, the City of Oxnard, the U.S. Fish & Wildlife Service, The Nature Conservancy, Ventura Audubon, CAUSE (Central Coast Alliance United for a Sustainable Economy), and the Sierra Club/Los Padres Chapter. (See Project Letters, Exhibit 4)
 5. **Location:** The majority of the project area is located within the coastal zone of the City of Oxnard in Ventura County. Restoration of the wetland and related habitats of the Ormond Beach wetlands complex will greatly benefit coastal resources. This project is of great significance for coastal southern California due to the size of the wetland area proposed for restoration and the possibility of linking Ormond Beach with ongoing restoration work at neighboring Mugu Lagoon. The Ormond Beach wetlands complex is located in South Oxnard, an area designated by the State of California as a severely disadvantaged community.
 6. **Need:** Without Conservancy funding, this next phase of restoration planning will not proceed. TNC is focusing its attention on securing a major acquisition in the area and staffing the Science Advisory Committee. The City of Oxnard does not have the resources to lead this planning effort.
 7. **Greater-than-local interest:** Ormond Beach is considered by wetland experts to be the most important wetland restoration opportunity in southern California. It is a resource of great regional, if not statewide, significance. It is one of the few coastal areas in southern California with an intact dune-transition zone-marsh system. More shorebird species are known to use Ormond Beach than any other site in Ventura County; it is an e-bird

International Hot Spot. Ormond Beach is within an hour's drive of 16 million people in Los Angeles, Ventura, and Santa Barbara counties. More than 22,000 visitors were counted at the Arnold Road entrance to the Conservancy's property in 2015.

8. **Sea level rise vulnerability:** The Ormond Beach area is predicted to have increased flooding with future sea level rise. TNC has developed a climate hazards model, Coastal Resilience Ventura, which supports the need to buffer coastal wetlands to allow for future habitat migration and supports the role coastal wetlands play as a natural defense for protecting property from storms and floods. Sea level rise scenarios will be expanded as part of the evaluation of the preferred restoration alternative.

Additional Criteria

9. **Resolution of more than one issue:** Planning for the Ormond Beach wetlands complex will address multiple issues including habitat restoration, threatened and endangered species protection and recovery, water quality, climate change, and public access.
10. **Conflict resolution:** The planning effort will have to address existing conflicts such as between beach use and endangered western snowy plover nesting.
11. **Realization of prior Conservancy goals:** "See "Project History" above."
12. **Cooperation:** The Conservancy's longtime partners at Ormond Beach, the City and TNC will serve on a steering committee with Conservancy staff to oversee the planning process. TNC has re-established the Ormond Beach Science Advisory Committee that will advise the planning process and includes representatives from state and federal resources agencies, universities, and the Audubon Society.
13. **Vulnerability from climate change impacts other than sea level rise:** Consideration of potential climate change effects on the long-term viability of a restoration effort at Ormond Beach will be part of the planning process.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The City of Oxnard's Land Use Plan was certified by the Coastal Commission in 1982. The implementing ordinances were certified by the Commission in 1986.

Local Coastal Policy 91 provides that:

The LCP represents the commitment of the City of Oxnard to provide continuous protection and enhancement of coastal resources. Certain areas of the coastal zone may require further public action to ensure their protection and enhancement. The City will work with the California Coastal Conservancy to meet these needs.

The proposed restoration planning will aid in the protection and enhancement of the sensitive coastal resources in the Ormond Beach portion of the City of Oxnard's coastline.

The City's 2030 General Plan, adopted in 2011, contains the following policies relevant to Ormond Beach:

- Goal CD-21 – an updated Local Coastal Program that includes the restoration of the Ormond Beach wetlands and consideration of climate change.
- Goal CD-22 – Environmentally sound Ormond Beach wetlands with appropriate public access.

The City is currently updating its Local Coastal Program.

COMPLIANCE WITH CEQA:

The proposed project is statutorily exempt from the California Environmental Quality Act (“CEQA”) under California Code of Regulations (“CCR”) title 14, Section 15262 as this project involves feasibility and planning studies for possible future action which the Conservancy has not yet funded, approved or adopted. In addition, this project is exempt under 14 CCR Section 15306 as it involves basic data collection and resource evaluation activities that will not result in serious or major disturbance to environmental resources. The proposed preparation of designs and environmental analysis entails the preparation of planning documents as well as data collection and resource evaluation activities. The proposed project will not have an impact on environmental resources and environmental factors will be considered during implementation of the proposed project. Accordingly, the proposed project is exempt from CEQA.

Upon approval, staff will file a Notice of Exemption for this project.