

COASTAL CONSERVANCY

Staff Recommendation
January 18, 2018

LOMA ALTA SLOUGH WETLANDS ENHANCEMENT PLAN

Project No. 17-037-01
Project Manager: Megan Cooper

RECOMMENDED ACTION: Authorization to disburse up to \$400,000 to the City of Oceanside for planning, design, and environmental documentation related to restoration of the Loma Alta Slough in San Diego County.

LOCATION: Loma Alta Slough, City of Oceanside, County of San Diego

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: [Project Location Maps](#)

Exhibit 2: [Site Map](#)

Exhibit 3: [Project Concept Drawings](#)

Exhibit 4: [Site Photos](#)

Exhibit 5: [Project Letters](#)

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 the disbursement of up to four hundred thousand dollars (\$400,000) to the City of Oceanside (City) for preparation of planning, design, studies, permitting, and other documentation required for environmental review under the California Environmental Quality Act for restoration of the Loma Alta Slough in San Diego County. This authorization is subject to the following conditions:

1. No Conservancy funds shall be disbursed until the Executive Officer of the Conservancy has reviewed and approved in writing a work program, budget, schedule, and the names of any contractors to be employed in carrying out the work.
2. To the extent appropriate, the City shall ensure that the design of project accessway improvements are consistent with the Conservancy’s ‘Standards and Recommendations for

Accessway Location and Development’ and with all applicable federal or state laws governing barrier-free access for persons with disabilities.

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 coastal resource enhancement.
2. The proposed Project is consistent with the current Conservancy Project Selection Criteria and Guidelines.”

PROJECT SUMMARY:

Staff recommends the disbursement of up to four hundred thousand dollars (\$400,000) to the City of Oceanside for design and environmental documentation related to restoration of the Loma Alta Slough. The Loma Alta Slough Wetlands Enhancement Plan (the “Project”) will include planning, design studies and preparation of permitting and other documentation required for environmental review under the California Environmental Quality Act for a 3-acre wetlands restoration and enhancement project in the City of Oceanside (the “City”). This Project will engage stakeholders during the planning and design stage to solicit input on the proposed restoration as well as improvements to an existing recreational path in the Project area. The wetlands enhancement Project will improve water quality in the Loma Alta Slough, provide a buffer from flooding and sea level rise, improve and restore habitat for native species, and enhance recreational enjoyment of the area.

The City of Oceanside is a small coastal community in Northern San Diego County, where approximately 40% of the City’s total population is classified as a disadvantaged community (DAC). One of the most popular beaches in the City of Oceanside is Buccaneer Beach, where the available parking and adjacent park draw beachgoers from around the County. Buccaneer Beach is at the mouth of Loma Alta Slough (“the Slough”), which is a small creek mouth estuary fed by Loma Alta Creek. The Slough was historically, and continues to be, an intermittently opening estuary, similar to many coastal wetlands in California. The inlet of the estuary closes when a sandbar forms on the beach during the summer, and opens when winter rains break through the sandbar to the ocean. Estuaries such as the Slough can provide unique habitats for coastally-dependent species, including the endangered tidewater goby, but the estuary must be in healthy condition to maintain these important functions.

Watershed urbanization, sedimentation, channel engineering, degraded water quality, and wetland fill have degraded the health of the Slough. The Slough’s morphology has been altered because large areas have been filled to create developed areas. In addition to impacts associated with the physical loss of wetland area, water quality issues resulting from urbanization have been ongoing since the 1960s. Currently, both Loma Alta Creek and Slough are on California’s Clean

Water Act 303(d) list of impaired water bodies for a variety of inhibiting constituents, most notably indicator bacteria, eutrophic conditions and benthic community impairments.

The poor water quality of the Slough leads to public health concerns at Buccaneer Beach. The freshwater runoff that comes into the Slough when the estuary is closed, during what should be the dry summer months, leads to an increase in urban contaminants, hypoxic conditions and harmful algal growth. The poor water quality in the Slough affects public health at the beach when the estuary opens during the rainy winter months and the water in the Slough flows out. To address these water quality concerns, La Salina UV water treatment plant was constructed in 2008 to treat dry-weather flows from the Slough before they reach the beach. The treatment plant has reduced beach closures but it has not eliminated overall water quality issues in the Slough. Further, the UV system was not sized to handle wet-weather flows, which exceed the treatment capacity, so polluted water reaches the beach in winter months.

In addition to water quality concerns, flooding of adjacent land is also a concern at the Slough. Because the area of the Slough has been reduced by fill and development, rising water levels during winter months can impact adjacent communities, including nearby trailer parks that are within DACs. Unfortunately, the threat of flooding is only going to increase with rising sea-levels, which will disproportionately affect lower income communities. Members of the public have identified water quality, flooding, vector control, and pedestrian accessibility as concerns in the Slough.

This multi-benefit Project will restore the historic conditions and ecological functions of the Slough in order to increase wetland coverage, improve water quality in the Slough and on the beach, restore habitat for native species, provide flood protection, increase climate resiliency, improve recreational opportunities, and minimize public health risks. A portion of the Project site consists of undeveloped parcels, which are owned by the City and which have been cleared of preexisting structures and are currently open areas dominated by weeds and trash. This undeveloped land is an opportunity to regain valuable wetland habitat without needing to spend funds on land acquisition. The Project design will consider removing fill and restoring wetlands where possible, which will allow for expansion of the existing stream channel and/or restoration of historic wetland habitats. Additional activities within the Project area include removing invasive and exotic vegetation and planting native, site-appropriate vegetation, removing impediments to water flow and wetland function, improving the existing recreational path, and installing educational signage.

The tasks involved in the Project include all planning, design, studies and permitting and other documentation needed for environmental review required for the Project pursuant to the California Environmental Quality Act. Deliverables of the Project will include a feasibility study, technical reports, conceptual design documents, final environmental documentation, and public input documentation. Public outreach efforts during the Project will provide opportunities for stakeholder engagement at multiple stages of the planning and design process, and will solicit input on Project design.

As of fiscal year 2016-2017, the City manages the expenditure of over \$22 million of federal grant funding and over \$1.5 million of non-federal grant funding annually and has a staff-person dedicated to the management of this Project. The City's prior purchase of the potential restoration areas, preliminary work on Project concepts, and early engagement with public

stakeholders demonstrates their dedication to the successful implementation of this Project and the ultimate implementation of the enhancement plan.

Site Description: The Project is located in the City of Oceanside in north San Diego County. Based on 2011-2015 American Community Survey data, approximately 40% of the City’s total population is classified as a DAC (median household income less than 80% of statewide). The Department of Water Resources’ online mapping tool has identified the northern bank of Loma Alta Slough west of the railroad as a DAC. In addition, the Project area is located roughly 500 feet from a DAC and will provide benefits to adjacent DACs, including residents of nearby mobile home parks who use Buccaneer Beach Park, and who access the beach via the footpath.

The Project area consists of the north and south banks of the Slough, five contiguous parcels of undeveloped land owned and managed by the City, undeveloped areas of the City’s La Salina wastewater treatment plant, and the recreational path along the southern edge of the Slough (Exhibit A). The banks of the Slough consist primarily of riprap and scattered vegetation including non-native grasses, ornamental plants, and salt marsh species. The five undeveloped parcels along the north bank of the Slough were acquired by the City between the 1990s and 2013 and were previously industrial properties. These undeveloped parcels represent the largest potential area for wetland restoration in the Project area. The La Salina wastewater treatment plant, located on the north bank of the Slough adjacent to the City’s undeveloped parcels, includes an ultraviolet water treatment system that treats water from Loma Alta Creek before it is discharged back to the Slough and Buccaneer Beach. This plant will continue to serve this purpose after the restoration project is implemented. However, portions of undeveloped areas, such as parking lots, will be included in the Project area and could be restored to wetland habitat. All lands involved in the Project site are owned by the City of Oceanside. Small areas of railroad right-of-way are owned by the North County Transit District and will not be included in the planning area.

Project History: The City has had a goal to restore Loma Alta Slough since the 1990s. In order to pursue that goal, the City has purchased five undeveloped parcels on the north bank of the Slough over the past 20 years with the intent to secure funding to complete habitat restoration. The City has also invested a significant amount of time to develop a preliminary project concept, which was vetted by the public and completed earlier in 2017 (see Exhibit 5).

PROJECT FINANCING

Coastal Conservancy	\$400,000
Others	\$0
Project Total	\$400,000

The anticipated source of Conservancy funding is the fiscal year 2017 appropriation from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1, Water Code § 79700 et seq.). Funds appropriated to the Conservancy derive from Chapter 6 of the Act (commencing with § 79730) and may be used “for multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state” (Section 79731).

Section 79732(a) states more specifically that these funds may be used to “implement watershed adaptation projects in order to reduce the impacts of climate change on California’s communities and ecosystems” (section 79732(a)(2)) and to “protect and restore coastal watersheds including but not limited to, bays, marine estuaries, and near shore ecosystems” (section 79732(a)(10)). Consistent with these provisions, the project will result in the design and environmental documentation needed to restore 3 acres of a marine estuarine habitat. The project design will result in a wetland that is more resilient to the impacts of climate change, as it will provide space for upslope wetland migration from sea-level rise. As required by Proposition 1, the project will provide multiple benefits. First, the project will restore a degraded coastal estuarine habitat. Second, it will help improve water quality in the wetland and on the beach. Third, expansion of the wetland area will buffer impacts from urban flooding and sea level rise. Finally, the project will improve public access to and appreciation of the natural wetland features.

The project was reviewed and subsequently recommended for funding through a competitive grant process under the Conservancy’s *Proposition 1 Grant Program Guidelines* adopted in June 2015 (“Prop 1 Guidelines”). (See § 79706(a)). The project meets each of the evaluation criteria in the Prop 1 Guidelines as described in further detail in the following sections of this staff recommendation: “Project Financing” and “Project Summary” sections, above, and “Consistency with Conservancy’s Project Selection Criteria & Guidelines” section, below.

The City will provide approximately seventy-eight thousand, eight hundred dollars (\$78,800) of in-kind support to the project, to include staff support services for every task in the project. In addition, the City has expended \$2,000,000 to acquire the five undeveloped parcels that will be restored through this project.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The Project will be undertaken pursuant to Chapter 6 of the Conservancy’s enabling legislation regarding resource enhancement (Public Resources Code Sections 31251-31270).

Consistent with Section 31251, the Project will plan corrective actions to enhance natural resources, specifically the estuarine wetlands of Southern California, that have suffered the loss of natural and scenic values due to urban development. The Project is intended to assist the Conservancy in meeting its purposes and objectives under this section by increasing the feasibility, cost-effectiveness, and persistence of restoration and enhancement projects in Southern California’s coastal zone and coastal watersheds. Consistent with Section 31251, the City is a public agency and therefore qualifies for a grant from the Conservancy under Chapter 6.

Consistent with Section 31252, the proposed Project is being undertaken in an area that is identified in the City of Oceanside’s Local Coastal Program, as requiring public action to resolve existing resource protection problems, as described in the “Consistency with Local Coastal Program Policies” section, below.

Section 31253 permits the Conservancy to provide up to the total cost of any coastal resource enhancement project, consistent with established project eligibility and priority factors. In determining the amount of Conservancy funding for this proposed Project, the factors identified in Section 31253 were considered and applied, as described in detail in the section “Consistency with Conservancy’s Project Selection Criteria & Guidelines,” below. Additionally, the Project was reviewed and subsequently recommended for funding through a competitive grant process

under the Conservancy's *Proposition 1 Grant Program Guidelines*.

CONSISTENCY WITH CONSERVANCY'S ACCESS PROGRAM STANDARDS:

The design for trail improvements associated with this Project will consider all of the Conservancy's access standards as appropriate. In particular, the Project will address the following:

Standard No. 1, Protect Public and Coastal Resources: The Project will safely accommodate public use by having adequate barriers and signage to prevent misuse of coastal resources.

Standard No. 5, Environmentally Sensitive Areas: The existing pedestrian path in the Project area will protect the habitat from pedestrian and bike traffic because it is elevated above the wetland and has fencing along the wetland edge.

CONSISTENCY WITH CONSERVANCY'S 2013 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S), APPROVED ON NOVEMBER 30, 2017:

Consistent with **Goal 2, Objective C** of the Conservancy's 2018-2022 Strategic Plan, the proposed Project will design facilities to increase and enhance coastal recreational opportunities. The Project will include design of improvements to an existing footpath, including educational signage along the path, allowing for increased public engagement of the Slough.

Consistent with **Goal 6, Objective A** of the Conservancy's 2018-2022 Strategic Plan, the proposed Project will develop a plan for the restoration and enhancement of coastal wetlands

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:**
 - a. The proposed project implements *California @ 50 Million: The Environmental Goals and Policy Report* (Governor's Office of Planning and Research, 2013 Draft) by building resilience into natural systems (Goal 4) and prioritizing natural and green infrastructure solutions (Goal 5).
 - b. The proposed Project aligns with the goals listed in the *CA Climate Adaptation Strategy/Safeguarding California: Reducing Climate Risk Plan* (CA Natural

Resources Agency, July 2014) by improving management practices for coastal and ocean ecosystems and resources and increasing their capacity to withstand and recover from climate impacts.

- c. The proposed Project implements the *California Water Action Plan* (January 2014) by protecting and restoring the ecological health of a coastal estuary in order to increase ecosystem and native species distributions and abundance and to maintain and improve ecological conditions and ecosystem functions and processes.
 - d. The Project is consistent with the goals of the *San Diego Integrated Regional Water Management Plan* (San Diego Regional Water Management Group, 2013) because it will improve water quality and protect and enhance the watershed and natural resources by restoring natural hydrologic functions. Additionally, the Project will provide flood protection and aesthetic and recreational value to adjacent DACs.
 - e. The Project is located within the *Carlsbad Watershed Management Area Water Quality Improvement Plan* (Carlsbad Watershed Management Area Responsible Agencies, 2016) area and is consistent with the plan because it will design wetland habitat that will improve the water quality of Loma Alta Creek.
4. **Support of the public:** The City has received numerous letters of support for the Project from the following organizations that aim to protect, enhance, and restore the natural resources of coastal north San Diego County: Preserve Calavera, San Diego Coastkeeper, Friends of Loma Alta Creek, Carlsbad Watershed Network, Buena Vista Audubon Society, Resource Conservation District of Greater San Diego County, Citizens for the Preservation of Parks and Beaches, and San Diego Regional Water Quality Control Board (see Exhibit C).

The City held a public outreach workshop on May 24, 2017 to engage the local community and solicit public input and gauge support for the Project. As shown by the letters and feedback received at the public workshop, there is substantial support of the Project.

5. **Location:** The proposed Project would be located within the coastal zone of the City of Oceanside.
6. **Need:** The City does not have any other outside funding for the proposed Project. The Project will not proceed unless Conservancy funds are received or another grant is procured.
7. **Greater-than-local interest:** Approximately 48% of coastal wetlands in southern California have been lost or converted due to development and human impact. The functions and services that wetlands provide benefit people throughout the State and the few coastal wetlands that remain should be restored and protected whenever possible.
8. **Sea level rise vulnerability:** Consistent with Executive Order S-13-08, the Project shall consider a range of sea level rise scenarios for the years 2050 and 2100 in order to assess project vulnerability and, to the extent feasible, reduce expected risks and increase resiliency to sea level rise.

Additional Criteria

10. **Resolution of more than one issue:** The proposed Project will develop a plan to restore estuarine habitat, improve water quality in the Slough and on the beach, improve climate resiliency by creating marsh migration space, and improve public education by installing interpretive elements along an existing path.

13. **Innovation:** The proposed Project will take an innovative approach to restoration by aiming to restore the historic condition of the Slough and retaining its natural patterns of opening and closure.
14. **Readiness:** The City is ready and excited to start the Project right away.
15. **Realization of prior Conservancy goals:** The proposed Project would help realize the goals established by the collaboration of multiple agencies and stakeholders through the Southern California Wetlands Recovery Project (WRP) by restoring coastal wetland ecosystems.
17. **Cooperation:** The City held a public outreach meeting on May 24, 2017 to begin coordinating with local non-profits and residents on the Project. They will continue to hold meetings throughout the Project to obtain public input and support.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The proposed Project is being undertaken in an area that is identified in the City of Oceanside's Local Coastal Program (1986), as requiring public action to resolve existing resource protection problems. The LCP states that the City shall provide adequate flood protection in the vicinity around Loma Alta Slough in a manner that preserves the remaining resources of the creek. The proposed project will help accomplish this stated objective by removing fill from the Slough and restoring habitat areas that will lead to reduced flood risk to surrounding areas.

COMPLIANCE WITH CEQA:

The proposed Project is statutorily and categorically exempt from the provisions of the California Environmental Quality Act ("CEQA"). The Project is statutorily exempt under California Public Resources Code § 21102 and CEQA Guidelines Section 15262, 14 Cal. Code Regs. § 15262, because it involves the preparation of feasibility, planning and environmental compliance documents for future actions that have not yet been approved or funded. The Project is categorically exempt per CEQA Guidelines Section 15306, 14 Cal. Code Regs. § 15306, because it involves resource evaluation activities and preparation of planning documents that will not impact environmental resources.

Staff will file a Notice of Exemption upon approval of the Project.