Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-31270 and 31400 et seq. of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed six hundred seventy five thousand dollars ($675,000) to Santa Monica Bay Restoration Foundation (Foundation) for data collection, planning, seed collection and technical review to support the restoration planning for the Ballona Wetlands, approved by the Conservancy on December 2, 2004. Prior to disbursement of funds, the Conservancy’s Executive Officer shall approve the work plan, budget and any contractors the Foundation proposes to engage for this work.”

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 authorization is consistent with Public Resources Code Sections 31251-31270, regarding the Conservancy’s mandate to protect and enhance coastal resources.
2. The proposed authorization is consistent with Public Resources Code Sections 31400 et seq., regarding the Conservancy’s mandate to provide public access to and along the coast.

3. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy last updated in September 2007.

4. The project serves greater than local need.

5. The Santa Monica Bay Restoration Foundation is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code and which purposes are consistent with Division 21 of the Public Resources Code.

PROJECT SUMMARY:

This authorization would provide funding to advance the efforts of the Santa Monica Bay Restoration Foundation (Foundation) to improve the health of the Santa Monica Bay by helping to restore the former Ballona Wetlands and to implement the Santa Monica Bay Plan. If approved, the Foundation would engage in restoration planning activities, including data collection, seed collection and technical review. This work would be closely coordinated with and would complement the Conservancy’s authorization of December 2, 2004 and other state efforts to restore the 600-acres of the historic Ballona Wetlands owned by the California Department of Fish and Game (DFG) and the State Lands Commission (SLC).

The Foundation will lead efforts to collect physical, chemical, and biological data at the Ballona Wetlands Ecological Reserve over a 2-year period. The data collection and technical review will encompass several disciplines, including: sediment and water quality; topography and hydrology; and biological resources. It is expected that biological data will be collected related to birds, small mammals, fish, herpetofauna, invertebrates and plants.

The data collection will complement on-going work to evaluate restoration alternatives for the Ballona Wetlands. As part of that work, an analysis of data gaps was completed evaluating all existing information about the Ballona Wetlands and identifying information needs. The proposed monitoring plan will address these identified data gaps and provide information about baseline conditions at the Ballona Wetlands. In addition, the data collection will provide a foundation for long-term monitoring to assist with the adaptive management of the restoration project as it is implemented. The proposed data collection effort is being coordinated with the Southern California Wetland Recovery Project’s regional efforts to standardize data collection at wetland sites.

A second component of this grant would focus on gathering information about existing plants on the site and collecting seed for plant propagation to support early restoration activities. The Foundation proposes to work with the Los Angeles Conservation Corps to engage under-represented youth to collect, catalogue and propagate native plant species of the Ballona Wetlands. The project will also last two years and is expected to provide several thousand plants for restoration.

The Foundation is a non-profit organization that was created in 1991 to implement the priorities of the Santa Monica Bay Restoration Plan and to support the work of the Santa Monica Bay Restoration Commission. Over the past several years, the Conservancy has partnered with the
Santa Monica Bay Restoration Commission to implement more than twenty projects to help improve water quality and restore habitat in Santa Monica Bay. The Foundation has a number of on-going initiatives including research, public education, and planning, to support these goals. Restoration of the Ballona Wetlands is a priority activity in Santa Monica Bay Restoration Plan. For the past several years, the Santa Monica Bay Restoration Commission has been actively involved in developing and implementing a watershed management plan for the Ballona Creek Watershed. One of the top priority projects in that plan is the restoration of the Ballona Wetlands.

Site Description:
The Ballona Creek watershed is approximately 130 square miles and is the largest watershed draining to Santa Monica Bay. It includes much of the City of Los Angeles as well as the cities of West Hollywood, Beverly Hills and Culver City. Approximately 80% of the watershed is urbanized and it is home to more than 1.5 million people. The Ballona Wetlands are located at the mouth of that watershed and offer one of the largest opportunities to restore coastal wetlands in southern California.

The historic wetland complex at the mouth of Ballona Creek probably occupied about 2000-acres. Much of that area has been developed. The State of California now owns 600-acres of the former wetland complex. The Department of Fish and Game owns 540 acres, and that land was purchased with funds provided from the Conservancy to the Wildlife Conservation Board. The State Lands Commission owns 60-acres, including the freshwater marsh and adjacent vacant land. All of the DFG property and a portion of the SLC property are part of the Ballona Wetlands Ecological Reserve, designated by the Fish and Game Commission.

Despite the degradation of site resources, significant wetland habitat remains within the Ballona Wetlands. Plant species within the project site include wetland indicators such as pickleweed, marsh heather, saltgrass, arrowgrass and glasswort, and a variety of upland and exotic species including brome, iceplant, oxalis, and ryegrass. The site is used seasonally by a variety of migratory shorebirds, as well as by typical shoreline residents (gulls, terns, and ducks) and typical upland birds including small raptors. Bird species of special interest observed in the project area include nesting pairs of Belding’s Savannah sparrow and foraging use by California least terns.

Project History:
There have been more than thirty years of intense conflict about land use at this site. Several development proposals and regulatory approvals have resulted in litigation, some of which continues today. In 2001, The Trust for Public Land entered into a purchase agreement with Playa Capital Company, the former landowner. Through this purchase agreement, the Department of Fish and Game ultimately took title to 540 acres of the property in 2004. The Conservancy provided $10 million for that acquisition.

The Conservancy has long supported enhancement and public access at the Ballona Wetlands. The first Conservancy project at this site was a 1986 grant to the National Audubon Society for
environmental education facility associated with a proposed site restoration. That project was never implemented due to the ongoing conflicts about development. Beginning in the late 1980s, the Conservancy provided funding for planning and implementation of enhancements to the nearby Ballona Lagoon and transferred to the City of Los Angeles easements for resource enhancement over much of the land bordering the Lagoon.

In 2005, the Conservancy initiated conceptual planning and feasibility analysis of restoration alternatives for the property. This project is being implemented in partnership with the Department of Fish and Game and the State Lands Commission, the two state agency owners of the property. The feasibility analysis is nearly complete and detailed engineering as well as environmental impact analysis will begin this year. If approved, this grant would provide funding for the Foundation to initiate data collection that will support the restoration planning and environmental impact analysis.

When the restoration planning began, the also Conservancy funded the development of an Interim Site Stewardship Plan to address the pressing concerns related to site management. In a separate staff report, staff is recommending funding for implementation of access improvements that will further that plan.

**PROJECT FINANCING:**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Coastal Conservancy</td>
<td>$675,000</td>
</tr>
<tr>
<td>Santa Monica Bay Foundation</td>
<td>$30,000</td>
</tr>
<tr>
<td>Los Angeles Conservation Corps</td>
<td>$40,000</td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>$745,000</strong></td>
</tr>
</tbody>
</table>

The Conservancy funding would be derived from an appropriation of funds specifically designated for the acquisition, protection and enhancement of the Ballona Wetlands in the 2000 park bond, Proposition 12. Public Resources Code Section 5096.352(f) provides that $25 million is available to the Conservancy for this purpose.

**CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:**

This project would be undertaken pursuant to Chapter 6 of the Conservancy’s enabling legislation, Public Resources Code Sections 31251-31270, Coastal Resource Enhancement Projects. The project would enhance the natural and scenic character of resources within the coastal zone. As discussed below, consistent with Section 31252, the project is consistent with the policies and objectives of Division 20 of the Public Resources Code.

**CONSISTENCY WITH CONSERVANCY’S 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with Goal 5, Objective A of the Conservancy’s 2007 Strategic Plan, the proposed project will develop plans for the restoration of approximately 600 acres of coastal wetlands and related habitats.
CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:
The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines last updated in September 2007, 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:** There is broad public support for developing a restoration plan for this site. The project is supported by the Department of Fish and Game and the State Lands Commission. Letters of support are attached as Exhibit 4.

4. **Location:** The proposed project would be located within the coastal zone of Los Angeles County.

5. **Need:** Conservancy funds are needed to provide resources for the Foundation to provide planning assistance.

6. **Greater-than-local interest:** The proposed project will help advance the largest coastal wetland restoration project in Los Angeles County. The site provides habitat for threatened and endangered species, including the Belding’s savannah sparrow and the California brown pelican. The site also provides valuable and scenic open space and public access opportunities in the heart of congested Los Angeles County.

Additional Criteria
7. **Urgency:** More than 98% of the coastal wetlands in the Southern California bight have been destroyed or degraded. This project offers an opportunity to restore and enhance 600 acres of habitat.

8. **Resolution of more than one issue:** Restoration of the Ballona Wetlands will address a number of goals, including: enhancement of wetland and adjacent habitat, creation of compatible public access opportunities, and improvement of coastal water quality.

9. **Readiness:** Restoration planning for the Ballona Wetlands is already underway. If approved, the Foundation will begin work immediately.

10. **Realization of prior Conservancy goals:** “See “Project History” above.

11. **Cooperation:** This authorization will provide resources to improve coordination with the Santa Monica Bay Restoration Commission. The Santa Monica Bay Restoration Commission includes representatives from local government, state government and many stakeholder organizations.
CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:
In the late 1980s, the California Coastal Commission certified two separate Land Use Plans that covered this project area. No Local Coastal Program was ever completed for the Ballona Wetlands area and the two Land Use Plans are now out of date. However the proposed project is consistent with the policies of the Coastal Act. The project goals are consistent with the Coastal Act goals as stated in Section 30001.5, the project will protect, enhance and restore the natural resources of the site and expand public recreational opportunities consistent with conservation of those resources. Specifically, Section 30231 states that coastal wetlands shall be maintained and restored. The project is consistent with Section 30240(a), in that it will help ensure that environmentally sensitive habitat areas are protected against significant disruption of habitat values. As stated in Section 30251, the project will protect the scenic resources and open space of the project site.

COMPLIANCE WITH CEQA:
Under 14 California Code of Regulations (CCR) Section 15262, feasibility and planning activities are statutorily exempt from California Environmental Quality Act (CEQA). Similarly, 14 CCR Section 15306 categorically exempts basic data collection, research, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. Upon approval, staff will file a Notice of Exemption for this project.