RECOMMENDED ACTION: Authorization to disburse up to $22,000 to the Endangered Habitats Conservancy to undertake planning and permitting for the restoration of native plant communities in Swan Canyon.

LOCATION: Swan Canyon, Chollas Creek watershed, City of San Diego, San Diego County (Exhibit 1)

PROGRAM CATEGORY: Integrated Coastal & Marine Resources Protection

EXHIBITS

Exhibit 1: Project Location and Site Map
Exhibit 2: Aerial Photos of Project Site
Exhibit 3: Project Letters

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 twenty two thousand dollars ($22,000) to Endangered Habitats Conservancy for planning and securing permits for the removal of non-native vegetation and the planting of native vegetation in Swan Canyon in the upper Chollas Creek watershed, subject to the following conditions:

1. Prior to commencement of the project, Endangered Habitats Conservancy (EHC) shall submit for the review and written approval of the Conservancy’s Executive Officer the following:
a. A detailed work program, including budget and schedule;

b. Names and qualifications of any contractors EHC intends to use to carry out the project.”

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 the purposes and criteria of Chapter 5.5 of the Public Resources Code (Section 31220) regarding the protection of coastal watershed resources.

2. The proposed project is consistent with the Project Selection Criteria and Guidelines, last adopted by the Conservancy on September 20, 2007.

3. Endangered Habitats Conservancy is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”

PROJECT SUMMARY:

Staff recommends that the Conservancy provide a grant of up to $22,000 to Endangered Habitats Conservancy (EHC) to complete planning and secure permits for habitat restoration in Swan Canyon in the City of San Diego. Restoration would focus on eradication of giant reed (Arundo donax) and other invasive exotic plant species and revegetation of native plants.

The proposed project would involve: 1) developing a strategy to address the problem of invasive non-native species in the canyon and revegetation of areas from which non-native plants will be removed; and 2) securing permits for this work. Restoration of native vegetation in the canyon would likely involve herbicide applications, removal and onsite chipping of the giant reed, revegetation with native plant species and maintenance of the treated area over a five year period.

Several large stands of giant reed are currently found in the riparian corridor of the 30-acre canyon. Non-native grassland vegetation occurs throughout the canyon especially along the slopes of the canyon. In addition, landscaping plant species such as acacia (Acacia sp.), hottentot-fig (Carpobrotus edulis), Peruvian pepper tree (Schinus molle), Brazilian pepper tree (Schinus terebinthifolius), zonal geranium (Pelargonium zonale), and oleander (Nerium oleander) have become established in the canyon. Giant reed, an invasive exotic plant species, is a significant problem throughout California as it can out-compete native plant species and degrade riparian habitat. Even though the giant reed and other invasive plant species are well established in the canyon, EHC anticipates the proposed strategy will lay out an approach to effectively eradicate them.

EHC is acting as the lead organization for the habitat restoration project, which is part of a larger project of the City Heights Canyons & Communities Alliance (CCA) to address
issues including poor water quality, fill and channelization of streams, invasive plant species, urban run-off, homeless camps, illegal activities, and disenfranchised communities in Swan Canyon and the surrounding City Heights neighborhood. Swan Canyon is greatly affected by storm drains and urban runoff, which increase the quantity of water but decrease its quality by adding oils, trash and bacteria. The stream flows only during rain events. Commercial areas directly adjacent to the canyon contain auto repair shops, which increase the amount of hydrocarbons that enter storm drains. Erosion from development and inadequate revegetation of disturbed slopes has increased sedimentation.

The CCA’s mission is to use innovative methods to integrate urban neighborhoods with their local canyons to achieve environmental sustainability and increased quality of life in very disadvantaged communities. These methods include restoration, education, public access, public health, law enforcement, land acquisition, and community organizing. EHC is acting as the lead for the CCA on the proposed project. EHC is a nonprofit organization based in San Diego whose purpose is to raise funds for acquisition, management, monitoring and maintenance of land in Southern California for habitat protection and restoration, agricultural preservation, and other conservation purposes.

**Site Description:** Swan Canyon is located in the City Heights neighborhood of the City of San Diego and is part of the Chollas Creek sub-watershed of the Pueblo Watershed. City Heights is one of the most densely populated, economically disadvantaged, and ethnically diverse neighborhoods in San Diego. The area is characterized by both dense urban development and the mesa canyon landscape. Swan Canyon is a particularly degraded area of the watershed with significant amounts of trash and large stands of giant reed, which eliminate native habitat and provide hidden areas for illegal activities. The 30-acre canyon runs north to south and is characterized by steep slopes which drain into riparian areas. One of three canyons in City Heights, Swan Canyon represents almost half of the entire open space in City Heights and most of the canyon is located within the City-owned Mid-City Open Space, a designated open space area.

The plant communities in Swan Canyon include southern maritime chaparral, southern willow scrub, mule fat scrub, disturbed wetland, and non-native grassland. Four sensitive species, Nuttall’s scrub oak (*Quercus dumosa*), wart-stemmed ceanothus (*Ceanothus verrucosus*), northern harrier (*Circus cyaneus*), and California thrasher (*Toxostoma redivivum*) occur in the canyon. Riparian habitat (willows, mule fat) is found throughout the drainage areas. The canyon supports a number of wildlife species including small mammals, raptors and owls.

Swan Canyon is heavily impacted by human infrastructure such as sewer mains, storm drains, and electrical lines. During the placement of utilities, revegetation was inadequate and produced the invasion of exotic plants, primarily giant reed (*Arundo donax*). Currently giant reed covers approximately two acres of Swan Canyon, mostly in the upper part of the canyon. The urban development surrounding Swan Canyon also brought the addition of ornamental plants into the canyon.

The approximately 25 square mile Chollas Creek watershed is located east of downtown San Diego. From its headwaters in the cities of La Mesa and Lemon Grove, Chollas
Creek flows in three branches through the Greater Mid-City (City Heights, Eastern), Encanto, Southeastern San Diego, and Barrio Logan communities in the City of San Diego and before it drains into San Diego Bay. (See exhibits 1 & 2).

**Project History:** In the late 1970s, the City’s community plan for Southeastern San Diego and the Mid-City established policies to preserve and enhance Chollas Creek. In response, the City made a number of land acquisitions designed to preserve the creek as open space. More recently, community plan updates have reinforced the concept of preserving the creek as a natural system.

During the mid-1990s, using funding provided by the California Energy Commission, the City developed a detailed enhancement concept for the creek. As part of the process, existing City policies and prior plans were compiled, characteristics of each section of the creek were inventoried, ideas for prototype projects were formulated, and a community workshop was convened to confirm issues and establish a common vision.

In 1999, the Conservancy provided $95,000 to the City for preparation of an enhancement plan for Chollas Creek. At its June 25, 2001 meeting, the Conservancy approved $1.23 million for the Chollas Creek Enhancement Program, conditioned on Conservancy approval of specific enhancement activities. On April 30, 2002, the City of San Diego approved the Chollas Creek Enhancement Program Plan and the Phase I Implementation: South Branch Projects and Wetlands Management Plan. On May 23, 2002, the Conservancy authorized the City to use $351,300 to prepare final design plans, undertake environmental review, and obtain permits for enhancements along segments 2 and 8 of Chollas Creek. On June 4, 2003, the Conservancy approved a grant to the City to implement the two habitat enhancement/environmental education/public access projects along segments 2 and 8 of the creek. The project was successfully completed in 2005.

The City Heights neighborhood and its canyons have been the focus of several community groups in recent years. In 2007 the City Heights Canyons & Communities Alliance (CCA) was established to address the serious environmental and social issues facing the community and the canyons within City Heights.

**PROJECT FINANCING:**

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**Total Project Cost:** $22,000

The expected source for the Conservancy funds for this project is an appropriation to the Conservancy from the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50), which authorizes the use of these funds for the purpose of protecting coastal watersheds through projects to restore land and water resources. Funds may be used for planning and permitting associated with restoration, as well as the restoration activities. (Water Code Section 79570). The proposed project would accomplish these purposes by planning and securing permits for the restoration of areas of Swan
Canyon which presently have large stands of giant reed (*Arundo donax*) and other invasive exotic plant species. The proposed project would identify a strategy for removal of the giant reed stands and other non-native invasive exotic plants and planting of appropriate native vegetation to aid in restoration of the canyon and creek consistent with the provisions of Proposition 50.

Watershed protection activities financed with Proposition 50 funds must be “consistent with the applicable adopted local watershed management plan and the applicable regional water quality control plan adopted by the regional water quality control board” (Water Code Section 79507). The proposed project is consistent with the City of San Diego’s Chollas Creek Enhancement Program which was adopted by the City in 2002. The proposed project is also consistent with the San Diego Regional Water Quality Control Board’s Water Quality Control Plan for the San Diego Basin 9 (Basin Plan) as discussed below.

**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, which authorizes the Conservancy’s participation in coastal watershed restoration 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 § 30915) (the Clean Beaches Program) of Division 20.4 of the Public Resources Code (the Watershed, Clean Beaches, and Water Quality Act). Section 31220(a) of the Public Resources Code authorizes the Conservancy to undertake coastal watershed projects that meet one or more criteria of Section 31220(b).

Consistent with § 31220(b)(2), which authorizes projects which protect and restore fish and wildlife habitat within coastal and marine waters and coastal watersheds, the proposed project would plan for restoration of wildlife habitat within a coastal watershed by removing significant infestations of giant reed and revegetating the area with appropriate native plants. Obtaining permits for this work is the next step in restoring the area.

Consistent with § 31220(b)(6), which authorizes projects which protect and restore riparian areas, and other sensitive watershed lands, including watersheds lands draining to sensitive coastal or marine areas, the project would prepare a strategy to restore a riparian area draining to San Diego Bay, a sensitive coastal area.

Finally, as required by § 31220(c), the project is consistent with an adopted local watershed management plan, the Chollas Creek Enhancement Program, and the San Diego Water Quality Control Board’s Basin Plan, as discussed below.

**CONSISTENCY WITH CONSERVANCY’S 2007 STRATEGIC PLAN GOALS & OBJECTIVES:**
Consistent with **Goal 5, Objective 5A**, the proposed project would develop a plan for the restoration and enhancement of coastal sage scrub and stream corridor habitat.

Consistent with **Goal 6, Objective 6A**, the proposed project would develop a plan for the removal of invasive, non-native plant species and planting of native vegetation in Swan Canyon which would aid in the preservation and restoration of the Chollas Creek watershed, a coastal watershed.

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

The proposed project is consistent with the Conservancy’s Project Selection Criteria and Guidelines, last update on September 20, 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:** The proposed project is supported by the City Heights Canyons & Communities Alliance, the City of San Diego and several elected officials in the area.

4. **Location:** The Chollas Creek watershed is a coastal watershed partly within and partly outside the Coastal Zone.

5. **Need:** Giant reed, an invasive exotic plant species, is a significant problem throughout California as it can out-compete native plant species and degrade riparian habitat. At present, giant reed stands occur only in the northern part of Swan Canyon. If these stands are not removed in the near future, giant reed could spread widely throughout the canyon.

6. **Greater-than-local interest:** The Chollas Creek watershed is one of the major watersheds of southern San Diego County. San Diego’s urban canyons, like Swan Canyon, still contain regionally significant, if degraded, habitat communities. Four sensitive species are known to occur in Swan Canyon.

**Additional Criteria**

7. **Urgency:** If the giant reed problem is not addressed soon, the invasive plant will continue to spread throughout the watershed. The proposed project could lead to the elimination of all the existing giant reed stands at the top of Swan Canyon and prevent further infestation downstream.
CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:
The proposed project is consistent with Section 30231 of the Coastal Act which states that the “biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored…” The proposed project could lead to the enhancement and restoration of habitat in Swan Canyon, a tributary of Chollas Creek, a coastal stream.

CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/STATE WATER QUALITY CONTROL PLAN:
Projects undertaken pursuant to Chapter 5.5 of Public Resources Code Division 21 (Section 31330) must be consistent with the following, if available and relevant: Integrated Watershed Resources Management Programs (IRWMP); local watershed management plans, and water quality control plans, adopted by the state and regional water boards. The San Diego Water Quality Control Board’s Basin Plan was completed in 1994 and includes designated beneficial uses for specific inland surface waters, including Chollas Creek. Beneficial uses are one of the bases of water quality protection under the Basin Plan as water quality objectives are established in response to the designation of beneficial uses. Two of the designated beneficial uses for Chollas Creek are 1) warm freshwater habitat (preservation or enhancement of aquatic habitats, vegetation, fish or wildlife) and 2) wildlife habitat (preservation and enhancement of terrestrial habitats, vegetation, wildlife or wildlife water and food sources). The proposed project is consistent with the goals of the Basin Plan to enhance aquatic and terrestrial habitats by planning for the removal of giant reed (*Arundo donax*) from the riparian corridor of Chollas Creek and revegetating the area with appropriate native plant species.

The Chollas Creek Enhancement Program was adopted by the City of San Diego on April 30, 2002. The plan calls for preservation, enhancement and restoration of native vegetation in the creek channel and banks and removal of all non-native, invasive plants from the creek.

COMPLIANCE WITH CEQA:
The proposed project is statutorily exempt from the provisions of CEQA under 14 Cal. Code of Regulations Section 15262 in that it involves planning for possible future actions, which the Conservancy has not approved, adopted, or funded. By definition and necessity, the proposed planning effort would account for and consider environmental factors. Staff will file a Notice of Exemption upon approval of the proposed authorization.