COASTAL CONSERVANCY

Staff Recommendation May 24, 2018

TRIANGLE PROPERTY PLANNING

Project No. 18-004-01 Project Manager: Julia Elkin

RECOMMENDED ACTION: Authorization to disburse up to \$80,000 to Ocean Discovery Institute to fund planning for water quality, habitat and climate change resilience improvements on the Triangle Property, and restoration of a 0.2 acre adjacent parcel, at the head of Manzanita Canyon in San Diego County.

LOCATION: City Heights, City of San Diego, San Diego County

PROGRAM CATEGORY: Integrated Coastal and Marine Resources Protection

<u>EXHIBITS</u>

- Exhibit 1: Project Location and Site Maps
- Exhibit 2: <u>Current Condition Site Images</u>
- Exhibit 3: <u>Project Letters</u>

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 eighty thousand dollars (\$80,000) to the Ocean Discovery Institute to plan for water quality, habitat and climate change resilience improvements on the Triangle Property, a city-owned right of way at the head of Manzanita Canyon and to restore 0.2 acres of habitat in Manzanita Canyon, in San Diego County.

Prior to commencement of the project, the grantee shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

- a. A detailed work program, schedule, and budget
- b. Names and qualifications of any contractors to be employed in carrying out the project
- c. A plan for acknowledgement of Conservancy funding and Proposition 1 as the source of funding

- d. Evidence of the City of San Diego assent to participate in grantee's planning for anticipated improvements on the City's property.
- e. Evidence that the grantee has entered into a written agreement with the City of San Diego authorizing the grantee to carry out the restoration component of 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:

- 2. The proposed authorization is consistent with Chapter 5.5 of Division 21 of the Public Resources Code, regarding coastal and marine resource protection.
- 3. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
- 4. The Ocean Discovery Institute 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 recommend the Conservancy disburse up to \$80,000 to Ocean Discovery Institute (ODI) to: a) plan for water quality, habitat and climate change resilience improvements on the Triangle Property, a blighted city-owned right-of-way located at the head of Manzanita Canyon in the City Heights neighborhood of the City of San Diego, and b) restore 0.2 acres of degraded habitat in Manzanita Canyon adjacent to the Triangle Property.

Abutting Manzanita Canyon's northeast boundary and connecting into the canyon via a steep eroded slope sits a vacant City-owned right-of-way, bound by four City streets and known locally as "the Triangle Property." The Triangle Property poses a challenge to pedestrian access into Manzanita Canyon as well as into ODI's Living Lab campus, due to the common occurrence of homeless encampments and criminal activity on the property. Besides public safety risks, the property's current overgrown and unkempt state increases fire hazard, trash and hazardous material inputs, water contamination, and erosion of banks and creek beds in the canyon downstream. These inputs from the head of Manzanita Canyon disturb downstream restoration areas via storm water and surface runoff that dispense strong water flows, pollutants, and contaminants directly into the canyon's streambed from nearby City streets (Adams et al. 2017, Talley et al. 2016). The goal of the project is to plan for restoring the Triangle Property into a green space that will absorb stormwater, reduce stormwater pollution, create native habitat and help protect urban watershed health.

Despite the community's strong interest in addressing these problems, restoration of the Triangle Property is a jurisdictional challenge. The property sits above storm water and sewer infrastructure, placing it under the jurisdiction of both the City Streets Division and the Storm Water Division. Further, the City's ownership of the property as a right-of-way constrains its use of the property. All parties are interested in transforming the Triangle Property for both the environmental and social benefits; however, a driver is needed to convene stakeholders to engage in a planning exercise and to determine the appropriate mechanism to begin work.

Under the project, ODI will coordinate and facilitate meetings between the City of San Diego Street Division, City Storm Water Division, City Councilmembers, and community partners to engage in a planning process to formalize an agreement between all partners that outlines each partner's role and responsibility in implementing the future phases of transformation of the Triangle Property. This planning exercise will ensure that stakeholder needs are met while realizing the full potential of the property as a public green space and a natural gateway to the Living Lab, Manzanita Canyon, and the larger City Heights Canyon Loop trail. Ultimately, this transformation will increase pedestrian safety, create a visual and functional connection between the natural and urban environments, reduce fire hazard, and improve water quality and habitat value.

Separate from the planning process, ODI will also restore approximately 0.2 acres of degraded habitat located in Manzanita Canyon adjacent to both the Triangle Property and the Living Lab campus. ODI has already designed the landscaping for this smaller area and has permission from the City under a license agreement to do restoration in Manzanita Canyon, including on the 0.2 acre area. This area needs immediate attention as the site is soon to be featured with the opening of the Living Lab this coming summer. The restoration activities will include removal of invasive plants and trash to improve water quality and flow and reduce fire hazard and spread of invasive species. Native species will be planted in disturbed areas to reduce erosion, fire hazards, susceptibility to drought, physical stress, and to increase habitat heterogeneity. Restoration work will include watering, weeding, and maintenance as needed to ensure success of plantings and will include significant community volunteer involvement.

Site Description: Manzanita Canyon is a City-owned open space located in the heart of City Heights, a highly-urbanized disadvantaged community located in the middle of the City of San Diego. The canyon serves as a natural stormwater drainage for City Heights and is part of the Chollas Creek sub-watershed within the Pueblo watershed, which flows down into San Diego Bay. Chollas Creek has been labeled one of the most impaired water bodies in San Diego County (Anderson et al. 2016). In spite of this, Manzanita Canyon continues to provide important ecosystem services to the region, including provision of outdoor experiences and education for urban families, wildlife habitat, and creek beds that serve as the city's storm water system connecting the city (and its contaminants) to the ocean.

The Triangle Property lies adjacent to Manzanita Canyon's northeast boundary, and is defined as the area where four City streets converge to enclose a vacant City-owned lot. This City-owned parcel has come to be known locally as "the Triangle Property" due to its shape and lack of clear identity. A steep, eroded slope connects this property with the canyon and the site of ODI's Living Lab science education facility, constructed in part with State Coastal Conservancy funds and opening to the public in summer 2018. There is currently a small one-way road, Thorn Street, that runs along the Western edge of the Triangle Property to the Living Lab campus, some 400 feet away.

Grantee Qualifications: Over the past 10 years, ODI has demonstrated its qualifications as grantee by receiving a variety of state funds for planning and implementation of public access

and native habitat restoration projects. Through multiple Conservancy grants, ODI has demonstrated its capacity to administer the ongoing management and operation of complex projects (see Project History). ODI has a record of success completing similar projects.

Project History: In 2015, ODI received a Coastal Conservancy Proposition 1 grant with significant matching support from The California Endowment to fund 7.5 acres of restoration work within Manzanita Canyon. Thus far, work under this grant has successfully mobilized over 2,200 volunteers (66% of which were from the City Heights community) in removing 9.7 metric tons of trash and 13.6 metric tons of non-native plants from the canyon, closing renegade trails, and planting over 700 native plants.

Additional support for ODI's restoration activities and public education efforts centered on Manzanita Canyon have been funded by the Conservancy's 2017 Community Wetlands Restoration Grants Program.

In addition, ODI received Conservancy grants in 2010 and 2014 to support construction of the 'Living Lab' – Ocean Discovery's new education facility for local students and families which is scheduled to begin offering educational programming in Summer 2018. ODI has designed the Living Lab facility to serve as a gateway to Manzanita Canyon's public open space. The proposed project will broaden the impact of the Living Lab and its community engagement focus into the canyon ecosystem.

PROJECT FINANCING

Coastal Conservancy	\$80,000
Project Total	\$80,000

The expected source of Conservancy funds for this project is the fiscal year 2016-17 appropriation to the Conservancy pursuant to 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 (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." (Water Code § 79731.) Section 79732 identifies specific purposes of Chapter 6, which include protecting and restoring urban watershed health to improve watershed storage capacity and stormwater resource management. (Water Code § 79732(a)(9).) the proposed project, planning the restoration of the Triangle Property and restoring 0.2 acres of land in Manzanita Canyon, will contribute to improved water quality and urban watershed health as discussed in the Consistency with Conservancy Enabling Legislation, below.

The proposed project was selected 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 proposed project meets each of the evaluation criteria in the Prop 1 Guidelines as described in further detail in this Project Financing section, the "Project Summary" and "Consistency with Conservancy's Project Selection Criteria & Guidelines" sections of this staff recommendation.

ODI will provide in-kind services of an estimated value of \$22,209 toward this project.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 5.5, Integrated Coastal and Marine Resources Protection (Public Resources Code §31220), of the Conservancy's enabling legislation. Section 31220(a) authorizes the Conservancy to award grants for coastal watershed projects that meet one or more criteria of Section 31220(b).

Consistent with §31220(b), the proposed project will help achieve the objectives of the following subsections: (b)(1) reduce contamination of waters within the coastal zone; (b)(2) protect and restore wildlife habitat within coastal watersheds; (b)(4) reduce unnatural erosion and sedimentation of coastal watersheds and contribute to the reestablishment of natural erosion and sediment cycles; (b)(6) restore sensitive watershed lands; and (7) reduce the impact of population and economic pressures on coastal and marine resources. The project will help achieve these objectives by supporting a multi-stakeholder planning process to develop solutions to compromised habitat values and erosion issues at the head of Manzanita Canyon, as well as some limited planting of native plants, within a canyon in a watershed that drains into San Diego Bay.

Consistent with §31220(a), staff has consulted with the State Water Resources Control Board and the San Diego Regional Water Quality Control Board in the development of the project to ensure consistency with Public Resources Code § 30915 concerning protection and restoration of water quality of coastal waters. In addition, the Project is consistent with the Water Quality Control Plan for the San Diego Basin ("Basin Plan") and a local watershed management plan as required by § 31220(c). This is discussed in detail below under "Consistency with Local Watershed Management Plan/State Water Quality Control Plan." Finally, consistent with § 31220(c), the project includes a monitoring and evaluation component.

CONSISTENCY WITH CONSERVANCY'S 2018 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 6**, **Objective F** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will develop a plan to improve water quality to the benefit of coastal resources by addressing a pollution source in the impaired Chollas Creek watershed.

Consistent with **Goal 16**, **Objective B** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will develop a plan for site improvements to increase the resiliency of a disadvantaged community to anticipated climate change impacts by increasing safe pedestrian connectivity and providing a climate-change resilient open green space.

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:** This project will further the California Water Action Plan by implementing the following actions from that Plan:
 - #1 Make conservation a California way of life (through public engagement)
 - #4 Protect and restore important ecosystems (coastal watersheds)
 - #9 Increase operational and regulatory efficiency (outreach to local decision makers based on findings of types and accumulations of debris)

This project also promotes the CA Climate Adaptation Strategy by providing risk reduction measures for a vulnerable California population and prioritizing a project that produces multiple benefits and promotes sustainable stewardship of California's resources.

- 4. **Support of the public:** Public support and engagement is central to Ocean Discovery's work in Manzanita Canyon. As with other ODI projects, this effort to plan for improvements to the Triangle Property is in direct response to public desire for issues on this right of way to be addressed. The project is well supported by the local community (see Exhibit 3: Support Letters).
- 5. Location: The project is located within the highly urbanized Chollas Creek sub-watershed of the Pueblo watershed, which drains into San Diego Bay.
- 6. **Need:** The Triangle Property's complex jurisdictional status has been an unaddressed issue for many years for lack of a convening force to drive planning. This project will not happen without Conservancy funding.
- 7. **Greater-than-local interest:** Manzanita Canyon is a component of the regional system of natural canyons that connect people and habitat across the inland reaches of San Diego County's coastal watersheds. Planning improvements to the property at the head of the canyon will benefit the communities who enjoy the canyon, wildlife that utilize the watershed, and water quality both locally and downstream. Additionally, the project is physically linked to existing regional efforts. These include ODI's Living Lab educational facility, which provides a community focal point for science engagement and stewardship, as well as San Diego Canyonlands' City Heights Canyon Loop Trail, which will integrate the urban and natural environment through five miles of connected urban and canyon trails.
- 8. **Sea level rise vulnerability:** The project is located inland, outside of the influence of sea level rise.

Additional Criteria

10. Resolution of more than one issue: Planning that would be supported under this grant would address existing public access and pedestrian safety issues as well as plan for solutions to existing pollution and erosion issues affecting Manzanita Canyon.

11. Leverage: See the "Project Financing" section above.

14. Readiness: Grantee is ready to commence the project upon receipt of Conservancy funds.

15. Realization of prior Conservancy goals: See "Project History" above.

16. Return to Conservancy: See the "Project Financing" section above.

17. Cooperation: Cultivation of collaboration between responsible City departments, the local community, and ODI as an adjacent property owner is the central effort and purpose of this project.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

As Manzanita Canyon is located outside of the Coastal Zone, there is no Local Coastal Program affecting the project area. However, the planning processes undertaken by this project are in order to improve water quality and climate resilience of canyon open space in the Chollas Creek sub-watershed, to the benefit of downstream coastal resources in San Diego Bay. Such improvements to regional water quality are consistent with the region's LCP.

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

The 0.2 acres of restoration action that will be completed by this project (under existing license agreements between local nonprofits and the City of San Diego for improvements to City-managed canyon open space) are consistent with the *San Diego Bay Watershed Management Area Water Quality Improvement Plan* (June 2015) Strategy IB-54 to "continue existing partnerships on native habitat restoration of upland areas."

COMPLIANCE WITH CEQA:

The proposed project's planning component is statutorily exempt from the provisions of CEQA under 14 Cal Code of Regulations Section 15262 as it only involves preparation of planning approaches for possible future actions at the Triangle Property that have not yet been approved, adopted or funded. The planning efforts will consider environmental factors. The restoration of the 0.2 acre area is not part of the planning process.

The proposed project's 0.2-acre restoration component is categorically exempt from the provisions of CEQA under 14 Cal Code of Regulations Section 15333 as it consists of a project area less than 5 acres to assure the maintenance, restoration, enhancement, or protection of habitat for fish, plants, downstream wildlife. The restoration work will be completed primarily by hand labor; there are no hazardous materials at or around the project site, there will be no significant adverse impact on endangered, rare or threatened species or their habitat; and the project will not result in impacts that are significant when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.

Staff will file a Notice of Exemption upon approval of the proposed project.