RECOMMENDED ACTION: Authorization to disburse up to $194,689 to the Land Conservancy of San Luis Obispo County for construction of cattle grazing fencing and a water distribution system at the Pismo Ranch Preserve located adjacent to the City of Pismo Beach in San Luis Obispo County.

LOCATION: Adjacent to the City of Pismo Beach, San Luis Obispo County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Project Location
Exhibit 2: Map of Proposed Improvements
Exhibit 3: 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 one hundred ninety four thousand six hundred and eighty nine dollars ($194,689) to the Land Conservancy of San Luis Obispo County (LCSLO) for the construction of cattle grazing fencing and a water distribution system and installation of pedestrian trail crossings at the Pismo Ranch Preserve. Prior to the disbursement of these funds, LCSLO shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer) the following:

1. A detailed work program, schedule, and budget.
2. Names and qualifications of any contractors to be retained in carrying out the project.
3. A plan for acknowledgement of Conservancy funding.
4. A recorded agreement pursuant to Public Resources Code 31116(d) sufficient to protect the public interest in the improvements.”

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.

3. The LCSLO is a nonprofit organization existing under section 501(c)(3) of the U.S. Internal Revenue Code.

PROJECT SUMMARY:

Staff recommends that the Conservancy disburse up to $194,689 to the Land Conservancy of San Luis Obispo County for construction of cattle grazing fencing, a water distribution system, and pedestrian trail crossings at the Pismo Ranch Preserve located adjacent to the City of Pismo Beach in San Luis Obispo County (Exhibit 2).

Historically cattle have over-grazed portions of the property resulting in damage to sensitive wetland and riparian areas and the spread of annual, non-native invasive vegetation types that can quickly fuel wildland fires. To minimize grazing impacts to sensitive biological resources, improve rangeland health and reduce the risk of catastrophic fires, the LCSLO proposes to install the fencing and water distribution infrastructure necessary to implement rotational grazing and other rangeland Best Management Practices while restricting access for cattle grazing to just 20% of the more degraded portions of the property. By converting the property’s rangeland from shallow-rooted non-native plants to deep-rooted perennial grasslands the soil will be able to hold more water and thereby minimize surface erosion from wet weather run-off. In addition, healthier rangeland soils will enhance soil nutrient cycling and provide habitat for soil organisms that sequester carbon.

The proposed project consist of installation of approximately 12,000 linear feet of wildlife friendly cattle fencing to create two pastures to facilitate rotational grazing and exclude cattle from sensitive resource areas. The proposed fencing will also enable the LCSLO to graze the property where and when needed to reduce fuel loads as part of a property-wide fire adaptation strategy recommended by Cal Fire to protect nearby homes. The project also includes construction of a cattle corral to aid in handling livestock, installation of five pedestrian trail crossings to minimize impacts of the fencing to trail users, and construction of underground piping, a water storage tank and a cattle trough to serve the newly created pastures and exclude cattle from sensitive wetland and riparian areas.

Site Description: The property is located above the northern fringe of the City of Pismo Beach along the Santa Lucia Mountain Range, overlooking the communities of Pismo Beach and Shell Beach. With a peak elevation of 980 feet, the property offers vast coastal views of the entire San Luis Bay from Point San Luis to Point Sal, including panoramic views of the Guadalupe-Nipomo Dunes. To the west and southwest are the densely developed residential and commercial areas of the City of Pismo Beach and Shell Beach, including the popular Pismo Pier.
The south and west facing hillsides of the property have been developed for public access and consist of rolling annual grasslands that give way to maritime chaparral and steep brushy hillsides with coastal sage scrub. A public road adjacent to Highway One/101 provides access to the Preserve’s new parking lot, restroom and trailheads.

**Grantee Qualifications:** LCSLO has had an outstanding record working with the Conservancy over the past three decades on both acquisition and restoration projects. LCSLO has extensive experience owning and managing conservation preserves and its professional staff is well prepared to take on the proposed project and the day-to-day responsibilities that come with owning and operating a preserve that allows for public access and recreation. LCSLO will dedicate a staff person responsible for maintenance and enforcement on the preserve.

**Project History:** In 2014 the Conservancy awarded LCSLO $4 million towards the $11.5 million acquisition of the Pismo Ranch Preserve. In 2016 and 2019 the Conservancy awarded additional funds, totaling $700,000, for access improvements on the site including a parking lot, bathroom and other amenities. LCSLO has worked for several years to prepare the Preserve for general public access. LCSLO volunteers helped build over 11 miles of trails on the project. In January 2020 the Preserve was formally opened to the public. In January 2020 Conservancy staff requested a proposal to restore and protect the Preserve’s sensitive wetland and riparian habitat and rangeland degraded from decades of over-grazing.

**PROJECT FINANCING**

<table>
<thead>
<tr>
<th>Conservancy</th>
<th>$194,689</th>
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</thead>
<tbody>
<tr>
<td>Land Conservancy of San Luis Obispo</td>
<td>$15,000</td>
</tr>
<tr>
<td>California Fire Safe Council</td>
<td>$30,000</td>
</tr>
<tr>
<td><strong>Project Total</strong></td>
<td><strong>$239,689</strong></td>
</tr>
</tbody>
</table>

Conservancy funds for this project are expected to derive from an appropriation to the Conservancy from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (Proposition 12, Public Resources Code Section 5096.300 et seq.). Proposition 12 funds may be used for projects that are consistent with Division 21 of the Public Resources Code and involve the acquisition from a willing seller, preservation, restoration, or enhancement of real property in coastal areas and watersheds or the development of public use facilities. Public Resources Code Section 5096.352(c)(3) directs that a portion of Proposition 12 funds be used by the Conservancy specifically for projects in Santa Cruz, Monterey, San Luis Obispo, and Santa Barbara Counties. Consistent with Proposition 12, the proposed project consists of the restoration and enhancement of real property in a coastal area pursuant to Chapter 6 of Division 21 of the Public Resources Code.
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). Pursuant to Section 31251, the Conservancy may award grants to nonprofit organizations to enhance coastal resources that have been damaged by human-induced events and incompatible land uses. The project will serve to enhance sensitive wetland and riparian areas damaged by improperly managed cattle grazing and avoid further degradation of these resources.

Consistent with Section 31252, the project area is identified in the certified local coastal program as requiring public action to protect the natural and scenic resources of the area. See “Consistency with Local Coastal Program Policies” section, below.

Pursuant to Section 31253, the Conservancy may provide up to the total cost of any coastal resource enhancement project. Consistent with Section 31253, the following factors were considered in determining the amount of Conservancy funding for this project: the total amount of funding available for coastal resource enhancement projects, the fiscal resources of the applicant, the urgency of the project, and the Conservancy’s project selection criteria, as described in detail below, under the heading “Consistency With Conservancy’s Project Selection Criteria & Guidelines.”

CONSISTENCY WITH CONSERVANCY’S 2018-2022 STRATEGIC PLAN
GOAL(S) & OBJECTIVE(S):

Consistent with Goal 6, Objective B of the Conservancy’s 2018-22 Strategic Plan, the project will serve to restore or enhance coastal habitats, including coastal wetlands and intertidal areas, stream corridors, dunes, coastal sage scrub, coastal terraces, forests, and coastal prairie.

Consistent with Goal 7, Objective B of the Conservancy’s 2018-22 Strategic Plan, the project will implement a project that fosters the long-term viability of coastal working lands, including projects to assist farmers, ranchers, and timber producers to reduce impacts of their operations on wildlife habitat and water quality.

Consistent with Goal 8, Objective C of the Conservancy’s 2018-22 Strategic Plan, the project will implement a project to increase resilience to sea level rise or other climate change impacts using nature-based solutions and other multi-benefit strategies by implementing a grazing plan to reduce fire risk.

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:** Restoring the subject property serves to promote and implement several state plans including:

   - California @ 50 Million: The Environmental Goals and Policy Report (2013 Draft). Key Action #3 of the “Preserve and Steward State Lands and Natural Resources” calls for building resilience in natural systems and specifically calls out the need for well-maintained watersheds and floodplains.
   
   - CA Climate Adaptation Strategy/Safeguarding California: Reducing Climate Risk Plan (July 2014). The plan identifies “Actions Needed To Safeguard Biodiversity And Habitats” including #1: Improve habitat connectivity and protect climate refugia. The restoration project will add to the effort to preserve natural resource habitats in a watershed draining to Pismo Beach.
   
   
   - CA Wildlife Action Plan (2005). The project will further the following statewide recommended actions: g) Federal, state, and local agencies and nongovernmental conservation organizations, working with private landowners and public land managers, should expand efforts to restore and conserve riparian communities. In addition, recommended actions for the marine region include d) the state should increase efforts to restore coastal watersheds.
   
   - **AB 857 State Planning Priorities** (Ch. 1016, Statutes of 2002; Government Code Section 13102) calls for protection of “environmental and agricultural resources, wildlands, recreational lands, and landscapes with locally unique features and areas identified by the state as deserving special protection.” The restoration improvements will serve to protect a unique coastal landscape and recreational area and allow for continued cattle grazing.
   
   - **Coastal Act (1976),** Public Resources Code Section 30240 on environmentally sensitive habitat areas states that “environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.” The proposed project is consistent with this section by installing fencing and water distribution infrastructure necessary to exclude cattle from sensitive wetland and riparian areas.

4. **Support of the public:** There has been broad support for establishing the Preserve and enhancing its recreational and natural resources, including from Senator Bill Monning, Assemblyman Katcho Achadjian, the San Luis Obispo County Board of Supervisors, and the
Cities of San Luis Obispo, Pismo Beach, Grover Beach, and Arroyo Grande. Local associations and organized trail user groups including the Central Coast Concerned Mountain Bikers, Ride Nipomo, and San Luis Obispo Parks, Open Space and Trails Foundation all support the creation and improvement of the Preserve (See Exhibit 3 letters).

5. **Location:** The project is located adjacent to the City of Pismo Beach in San Luis Obispo County on the state’s central coast and has scenic ocean views.

6. **Need:** The LCSLO will not be able to complete the restoration project without Conservancy funds.

7. **Greater-than-local interest:** The proposed project will enhance the natural and agricultural resources of a public open space and recreation area for San Luis Obispo County residents, and for visitors from throughout the central coast, the state and beyond.

8. **Sea level rise vulnerability:** The planned restoration improvements are not likely to be directly affected by near-term sea-level rise since the western edge of the property is 70 feet above sea-level. The site provides upland habitat for wildlife seeking refuge from sea level rise impacts.

**Additional Criteria**

9. **Leverage:** See the “Project Financing” section above.

10. **Conflict resolution:** The project will serve to reduce conflicts between a cattle grazing operation, natural resource protection and public access by installing fencing and water infrastructure improvements that will facilitate management of cattle and rotational grazing to reduce adverse impacts to wetland and riparian areas and public access.

11. **Readiness:** The grantee is ready to start and complete the project in a timely fashion.

**CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:**

The project is consistent with the certified San Luis Obispo Local Coastal Plan (LCP), San Luis Bay Planning Area, which encompasses the coastal zone portion of the area known as the Irish Hills. Specifically, the project is consistent with Chapter 6, Section A (Rural Area Land Use) of the LCP in that it preserves rural lands, which “should...retain their natural quality [to]... the maximum extent possible”. Additionally, the project is consistent with Chapter 7, Section A (Combining Designations) in that the coastal terrace of the Irish Hills is identified as a sensitive resource area requiring the avoidance of adverse environmental impacts. The proposed project will serve to enhance the site’s important natural resources.

**COMPLIANCE WITH CEQA:**

The proposed project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations Section 15304, Minor Alterations to Land, as the project consists of minor alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees, such as minor trenching and
backfilling where the surface is restored (subsection (f)). The proposed project is also
categorically exempt pursuant to 14 Cal. Code of Regulations Section 15303, New Construction
or Conversion of Small Structures, as the project consists of the construction and location of
limited numbers of small structures (fencing and a water distribution system). See Section
15303 subsection (e), specifically citing fencing as exempt.