

COASTAL CONSERVANCY

Staff Recommendation  
September 3, 2020

**Los Cerritos Wetlands Southern Area Planning and Permitting**

Project No. 98-015-09  
Project Manager: Joel Gerwein

**RECOMMENDED ACTION:** Authorization to disburse up to \$250,000 to the Los Cerritos Wetlands Authority to prepare plans, CEQA documentation, and permit applications for wetland restoration and public access facilities in the southern area of the Los Cerritos Wetlands in Seal Beach.

**LOCATION:** Los Cerritos Wetlands, City of Seal Beach, Orange County

**PROGRAM CATEGORY:** Resource Enhancement

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EXHIBITS

- Exhibit 1: [Project Location Map](#)
- Exhibit 2: [Conceptual Restoration Design](#)
- Exhibit 3: [Site Photographs](#)
- Exhibit 4: [Project Letters](#)

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**RESOLUTION AND FINDINGS:**

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Section 31220 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed two hundred fifty thousand dollars (\$250,000) to the Los Cerritos Wetlands Authority (“the grantee”) to prepare plans, CEQA documentation, and permit applications for wetland restoration and public access facilities in the southern area of the Los Cerritos Wetlands.

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:

1. A detailed work program, schedule, and budget.
2. Names and qualifications of any contractors to be retained to implement the project.

3. A plan for acknowledgement of Conservancy funding.”

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 5.5 of Division 21 of the Public Resources Code, regarding Integrated Coastal and Marine Resources Protection.
  2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.”
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### **PROJECT SUMMARY:**

Staff recommends the Conservancy authorize disbursement of up to \$250,000 to the Los Cerritos Wetlands Authority (LCWA) to prepare plans, CEQA documentation, and permit applications for wetland restoration and public access facilities in the southern 100 acre area of the Los Cerritos Wetlands in Seal Beach (Green Area; Exhibit 1). The project will refine existing conceptual restoration designs for the area (Exhibit 2) to complete 65% restoration designs, prepare CEQA documentation and permit applications. The project area is owned by the LCWA, which is currently preparing a Programmatic Environmental Impact Report (PEIR) for the restoration of the entire 500-acre Los Cerritos Wetlands complex. The project area is the highest priority in the wetlands complex for detailed planning because no additional land needs to be acquired to implement restoration in the area. Conceptual restoration designs call for tidal marsh, transition zone, and upland shrublands and grasslands on the site (Exhibit 2), which will provide critical fish and wildlife habitat for a wide variety of species, including rare, threatened, and endangered species. The project includes planning for public trails, benefitting a nearby disadvantaged community.

The Los Cerritos Wetlands historically occupied several thousand acres at the mouth of the San Gabriel River. A century of dredging, channelization, oil production, and urban development has reduced the wetlands to a few hundred acres of mostly degraded areas that are largely disconnected from tidal influence and the now-channelized San Gabriel River. The wetlands are bifurcated and constrained by roads and levees, utility infrastructure, cooling channels for adjacent power plants, and oil operations.

The LCWA is a Joint Powers Authority, and will work with member agencies (the Conservancy, Lower Los and Angeles and San Gabriel Rivers and Mountains Conservancy, cities of Long Beach and Seal Beach) and its consultant team to conduct technical studies and prepare restoration designs. Draft restoration designs will be developed by the consultant team, and reviewed by LCWA, a Technical Advisory Committee, and the community. The consultant team will incorporate this input into the 65% restoration design, which will include engineering design plans and a Basis of Design report. The designs will build on the existing conceptual designs and hydrologic modeling developed for the PEIR. Additional hydrologic modeling will be required to incorporate the design topography and tidal connections.

Restoration design will include preparation of a biological resources study, cultural resources study, hazardous materials study, and a wetland delineation. The project will also include CEQA compliance. LCWA will retain a consultant to complete the CEQA checklist assessing whether the project will have any impacts not identified in the PEIR, whether project impacts will require additional mitigation, and whether any project impacts will be significant and unavoidable that were not identified as such in the PEIR. If the assessment determines that a Focused EIR, Supplemental EIR, or other document is necessary to complete CEQA compliance for the project, these documents will also be deliverables. In addition, LCWA will prepare permit applications to the US Army Corps of Engineers (Clean Water Act Section 404), California Department of Fish and Wildlife (Streambed Alteration Agreement), California Coastal Commission (Coastal Development Permit), Santa Ana Regional Water Quality Control Board (Clean Water Act Section 401 Permit), and City of Seal Beach (Grading permit, Tree removal permit). LCWA will also conduct outreach to stakeholders and the public, holding at least four outreach events and meetings, including at least two Technical Advisory Committee meetings and two community meetings, to solicit input on restoration designs.

While the details of the restoration actions will be developed as part of the project, the conceptual restoration plan has identified an overall approach. The restoration approach includes the following actions:

- 1) Remediating soils impacted by oil operations.
- 2) Grading to lower the site to wetland elevations and excavating tidal channels that will connect to the San Gabriel River through the existing culvert.
- 3) Constructing a new earthen berm or flood wall where the property adjoins the Hellman Property, which is an active oil field.
- 4) Improving the tidal connection by removing or replacing two of the existing culverts along the Hellman Channel. These improved tidal connections will restore full tidal exchange, as well as improving fish passage to valuable nursery habitat.
- 5) Restoring 10-acres of native grassland for raptor foraging habitat. (See Exhibit 2)

The project would also include planning for a mid-term improvement of the tidal connection via the Haynes Cooling Channel. This would not occur until 2029, when the Cooling Channel would no longer be used by the Los Angeles Department of Water and Power generating plant. In addition, the project will plan for public access trails, which will benefit a disadvantaged community less than half a mile away. Trails will be incorporated into the engineering design plans.

The project focuses on restoring functioning tidal salt marsh and that is resilient to upwards of 6 feet of future sea level rise (SLR). The project will plan for the restoration of medium- and high-elevation tidal marsh at this site, as well as transition zones and upland grassland and shrubland, to allow for upslope wetland migration with SLR (Exhibit 2). The restoration of transition zone wetlands was identified as a priority for the region by the Southern California Wetlands Recovery Project.

The project is broadly supported and has a high likelihood of success (See Project Letters, Exhibit 4). LCWA owns the project area in fee title, and no obstacles have been identified in the conceptual design process that would prevent restoration. While the restoration is likely to be costly, multiple public funding agencies, including the State Coastal Conservancy and the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, have indicated that the project is a priority for them. The success of recent southern California salt marsh restorations, such as the Huntington Beach Wetlands nearby in Orange County, is another indication of feasibility.

After the project is completed, the next phase would be final design and implementation. While funding has not been secured for this future phase, it is anticipated that additional funding would be available from local, state, and federal funding programs, such as Los Angeles County Measure A and W funds, WCB, CNRA's EEM program, the Conservancy, the RMC, the USFWS National Coastal Wetlands Conservation Program, and others.

**Site Description:** The project area is in the City of Seal Beach, in the highly developed and densely populated Los Angeles region. Along with the Ballona Wetlands, the Los Cerritos Wetlands are one of two large wetland complexes remaining in this region that offer restoration opportunities. The area was historically tidal salt marsh that was filled in the early- to mid-20th century and used first as a beet farm and cattle ranch, and then for oil exploration and production. The site contains former sumps, landfills, and contaminated areas from prior oil operations, and is now managed by the LCWA as open space. Some areas of tidal southern coastal salt marsh persist on the site. Other areas consist of ruderal uplands (Exhibit 2). These areas were converted by previous landowners from coastal salt marsh habitat by extensive filling using dredged material from the excavation of the adjacent Haynes Cooling Channel in the 1960s. Former access roads still bisect the site. Remnant geomorphic features indicate historic southern coastal bluffs.

The existing tidal channel is narrow and has a muted connection to the San Gabriel River via a culvert. This tidal connection has created conditions that support ~27 acres of degraded salt marsh, which provides habitat for several special status species that have been documented in the project area, including the Belding's savannah sparrow, California least tern, loggerhead shrike, Northern harrier, yellow-breasted chat, salt marsh wandering skipper, California boxthorn, Coulter's goldfields, Lewis' evening primrose, and southern tarplant.

The project area is adjacent to ~70 acres of existing public or conserved lands, including the San Gabriel River and Gum Grove Park. Restoration of the project area will improve landscape scale ecosystem functions such as landscape connectivity and habitat patch size by offering expanded wildlife corridors and habitat sinks for both terrestrial and aquatic organisms.

**Grantee Qualifications:** LCWA is a joint powers authority established in 2006 by a joint powers agreement between the State Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC), and the Cities of Long Beach and Seal Beach. LCWA's purpose is "to provide for a comprehensive program of acquisition, protection, conservation, restoration, maintenance and operation and environmental enhancement of the Los Cerritos

Wetlands area consistent with the goals of flood protection, habitat protection and restoration, and improved water supply, water quality, groundwater recharge, and water conservation.” LCWA leads wetland protection and restoration efforts in the Los Cerritos Wetlands. Since its formation, LCWA has acquired 166 acres, of which the Conservancy has helped fund the acquisition of 66 acres and has prepared conceptual restoration plans for the entire 500-acre complex. LCWA has successfully managed multiple state and federal grants from the Conservancy, the RMC, and the Wildlife Conservation Board, including grants for restoration planning.

**Project History:** The Conservancy has supported conceptual restoration planning for the entire 500-acre LCW complex. The LCW Conceptual Restoration Plan (CRP) was completed in 2015 with \$225,000 in funding from the Conservancy, and additional funds from the RMC. The CRP laid out three restoration options ranging from low to high intensity for each of the four areas of the Los Cerritos Wetlands. The CRP included a robust public outreach component (six community workshops) and a Technical Advisory Committee (TAC) that met eight times during the planning effort.

The PEIR for the Los Cerritos Wetlands Restoration is currently in preparation, with \$500,00 in Conservancy funding, and additional funding from the RMC and the National Fish and Wildlife Foundation. The PEIR is expected to be finalized in late September 2020 and includes the preparation of an optimized restoration design based on the options in the CRP, as well additional public outreach and TAC consultation. The proposed project will be ready to proceed once the PEIR is certified. The LCWA is the lead agency for the PEIR and it is anticipated that its governing board will consider certification of the document in late September 2020.

#### PROJECT FINANCING

<b>Coastal Conservancy</b>	<b>\$250,000</b>
California Department of Fish and Wildlife	\$405,828
Lower Los Angeles and San Gabriel Rivers and Mountains Conservancy	\$250,000
<b>Project Total</b>	<b>\$905,828</b>

The expected source of Conservancy funds for the proposed project is a FY 2004 non-reverting appropriation to the Conservancy of mitigation funds pursuant to the State Water Resources Control Board’s (SWRCB) Once-Through Cooling Policy adopted on May 4, 2010. Under the Memorandum of Understanding (MOU) between the SWRCB, Conservancy and California Ocean Protection Council, mitigation funds paid under the Once-Through Cooling Policy may be used by the Conservancy to fund wetland restoration. Under Section 2d of the MOU, the Conservancy must consult with the State Water Resources Control Board about the proposed use of the funds. Consistent with this requirement, the Conservancy and SWRCB staff agreed that these funds should be used for priority projects recommended by the Wetlands Managers

Group of the Southern California Wetlands Recovery Project from its current Work Plan. The proposed project is one of three priority projects recommended for these funds. An approval letter from the SWRCB is attached as part of Exhibit 4.

LCWA secured \$405,828 from the California Department of Fish and Wildlife's Proposition 1 grant program in Spring 2020. LCWA has applied to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) for an additional \$250,000 and anticipates that the RMC Board will authorize this grant at its September 2020 board meeting.

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

This project is consistent with the Conservancy's enabling legislation, Division 21 of the Public Resources Code (PRC), specifically with Chapter 5.5 regarding Integrated Coastal and Marine Resources Protection.

Under Section 1220(a), the Conservancy may award grants for coastal habitat protection and restoration projects. Consistent with Section 31220(a), the Conservancy has consulted with the State Water Resources Control Board in the development of the grant to ensure consistency with Chapter 3 (commencing with Section 30915) of Division 20.4 of the Public Resources Code concerning protection and restoration of water quality of coastal waters. See Exhibit 4 for the Santa Ana Regional Water Quality Control Board's support for the project.

Consistent with Section 31220(b), the project will help achieve the objectives of subsection (b)(6): acquire, protect, and restore coastal wetlands, including watershed lands draining to sensitive coastal or marine areas. The proposed project will help achieve these objectives by facilitating the restoration of coastal wetlands.

As required by Section 31220(c), the project is consistent with the Integrated Watershed Management Program, local watershed management plan, and water quality control plan for the area, as discussed under the "CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/STATE WATER QUALITY CONTROL PLAN" section below. The project will include a monitoring and evaluation component as required by this section. The project will carry out baseline monitoring as part of the technical studies that will be conducted, and will include recommendations for post-implementation monitoring to evaluate the performance of the restoration.

**CONSISTENCY WITH CONSERVANCY'S [2018-2022 STRATEGIC PLAN](#) GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 2, Objective E** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will design a trail that will connect to the coast.

Consistent with **Goal 6, Objective A** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will develop a restoration plan for a coastal habitat.

**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. "California@50 Million: The Environmental Goals and Policy Report" (2015)  
"Preserve and Steward the State's Lands and Natural Resources; Increase ecosystem services and biodiversity." The project will further this goal by facilitating the restoration of tidal wetlands on the property. The restored tidal wetlands will provide valuable ecosystem services, such as carbon sequestration and flood control, as well as providing critical habitat for sensitive native species.
  - b. "Safeguarding California: Reducing Climate Risk Plan" (July 2014)  
"Ocean and Coastal Ecosystems and Resources: Improve management practices for coastal and ocean ecosystems and resources, and increase capacity to withstand and recover from climate impacts." The project will further this goal by facilitating future tidal wetlands restoration. Restored tidal wetlands will provide critical habitat to sensitive species, enhancing their resilience to climate change.
  - c. "California Water Action Plan (California Natural Resources Agency", (2014). Goal #4, "Protect and Restore Important Ecosystems", identifies the restoration of coastal watersheds as a priority action.
  - d. "Southern California Wetlands Recovery Project (SCWRP) Regional Strategy" (2018)  
The project will further Goal #1, "Protect and restore wetland abundance and size." The project will facilitate the restoration of a coastal wetland ecosystem. The Los Cerritos Wetlands Complex represents one of the only opportunities to restore a large wetlands complex in the Los Angeles region, and this project is critical to facilitating the overall LCW restoration. The restoration planning is an adopted project in SCWRP's 2019 Work Plan.
4. **Support of the public:** The proposed project is supported by Los Cerritos Wetlands Land Trust, Los Cerritos Wetlands Fund, Los Cerritos Wetlands Stewardship Inc., and the El Dorado and Sea and Sage chapters of Audubon, as well as Assemblymember Tyler Diep.

5. **Location:** The proposed project would be located within the coastal zone of the City of Seal Beach in Orange County.
6. **Need:** LCWA is unable to prepare the restoration plan without Conservancy funds. Without the plan, LCWA would not be able to restore the wetlands on the property.
7. **Greater-than-local interest:** Protection and restoration of the Los Cerritos Wetlands have been a regional priority for decades in Southern California, where over 90 percent of historic tidal marshes have been lost to dredging, filling or development. The Los Cerritos Wetlands provide critical habitat for state- and federally listed threatened and endangered species many of which migrate throughout coastal California and, once restored, will provide an important link to other coastal wetlands along the Pacific Flyway.
8. **Sea level rise vulnerability:** The project site is vulnerable to sea-level rise. However, restoration designs for the Los Cerritos Wetlands Complex in general, and this property in particular, take into account projected sea-level rise and plan for adaptive management to maintain tidal wetlands at the site for as long as possible.

#### **Additional Criteria**

9. **Urgency:** Moving forward expeditiously with restoration planning is critical to restore tidal wetlands at this site soon enough that they will have time to develop and become resilient before significant sea level rise.
10. **Leverage:** See the “Project Financing” section above.
11. **Readiness:** The project will build off prior planning and permitting, which will allow for planning to be completed quickly.
12. **Realization of prior Conservancy goals:** “See “Project History” above.”
13. **Cooperation:** Multiple public agencies are working together to secure the necessary funding for the restoration planning.
14. **Vulnerability from climate change impacts other than sea level rise:** Climate change impacts other than sea-level rise, such as ocean acidification and increased temperatures, pose a threat to the sensitive wildlife species present on the property. The wetlands restoration facilitated by this project will increase the resilience of sensitive wildlife to climate-change related threats.
15. **Minimization of greenhouse gas emissions:** The project will consider minimization of greenhouse gas emissions in designs for the restoration through measures such as utilizing as much excavated fill onsite as possible, consistent with the restoration goals.

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

The proposed project is consistent with the Santa Ana Regional Water Quality Control Board’s Santa Ana River Basin Plan, as amended in 2019, which includes the portion of the Los Cerritos



Wetlands located in Orange County, including the project area. The basin plan calls for the protection and restoration of estuarine habitat in the Los Cerritos Wetlands. The basin plan identifies the following beneficial uses of the Los Cerritos Wetlands, including the project area: estuarine habitat, wildlife habitat, and habitat for rare, threatened, or endangered species. The proposed project will facilitate restoration and enhancement of the project area's identified beneficial uses.

The project is consistent with the 2001 Watershed and Open Space Plan for the San Gabriel and Los Angeles Rivers, entitled "Common Ground from the Mountains to the Sea." The 2001 Plan was prepared by the California Natural Resources Agency, the RMC, and the Santa Monica Mountains Conservancy. The project would further the following Plan goal: "Protect existing high-quality habitat and ecologically significant areas" (Pg. 48).

**CEQA COMPLIANCE:**

Restoration planning for the Los Cerritos Wetlands Southern Area is categorically exempt from the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations §15306 in that the planning effort will involve information collection and resource evaluation activities as part of a study leading to an action that has not yet been approved, adopted, or funded by a public agency which do not result in a serious or major disturbance to an environmental resource. The project is also exempt under 14 Cal. Code of Regulations Sections 15262 in that the proposed project is the preparation of design drawings, technical studies, and pre-permit application packages and it would only involve planning studies and feasibility analyses for future actions that have not yet been approved, adopted or funded. Environmental factors will be considered in the studies undertaken pursuant to this authorization.

Upon approval of the project, Conservancy staff will file a Notice of Exemption.