COASTAL CONSERVANCY

Staff Recommendation May 27, 2021

BALLONA WETLANDS RESTORATION PROJECT: FINAL DESIGN, PERMITS & COMMUNITY ENGAGEMENT

Project No. 04-088-02
Project Manager: Mary Small and Megan Cooper

RECOMMENDED ACTION: Authorization to disburse up to \$1,692,360 to the California Department of Fish and Wildlife for design and permitting of the restoration of the Ballona Wetlands Ecological Reserve in Los Angeles County and further authorization to disburse up to \$500,000 to the Prevention Institute to support broad community engagement in planning for that restoration; and the adoption of findings under the California Environmental Quality Act.

LOCATION: Ballona Wetlands Ecological Reserve, located along the Ballona Creek Channel in Los Angeles County. A portion of the project is in the City of Los Angeles and a portion is in unincorporated Los Angeles County.

EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: Ballona Wetlands Restoration Project Environmental Impact

Report, available at https://wildlife.ca.gov/Regions/5/Ballona-

EIR

Exhibit 3: CDFW CEQA Findings and Mitigation Monitoring and

Reporting Program

Exhibit 4: Proposed Restoration Project

Exhibit 5: Conceptual Access Improvements

Exhibit 6: 2016 Los Angeles Countywide Park Needs Assessment

Exhibit 7: Anticipated Permits

Exhibit 8: Prior Conservancy Authorizations and Contracts

Exhibit 9: Project Letters

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes disbursement of up to one million six hundred ninety two thousand three hundred and sixty dollars (\$1,692,360) to the California Department of Fish and Wildlife (CDFW) for design and permitting for the restoration of the Ballona Wetlands Ecological Reserve.

The State Coastal Conservancy further authorizes an amount not to exceed five hundred thousand dollars (\$500,000) to Prevention Institute for community engagement in planning the restoration of the Ballona Wetlands Ecological Reserve in Los Angeles County.

Prior to commencement of the community engagement project, Prevention Institute 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 in carrying out the project.

Findings:

Based on the accompanying staff recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

- 1. The proposed authorization is consistent with Chapter 9 of Division 21 of Public Resources Code, regarding a system of public accessways; and with Chapter 6 of Division 21 of the Public Resources Code, regarding the enhancement of natural resources.
- 2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
- 3. Prevention Institute is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.
- 4. The Conservancy has independently reviewed and considered the Ballona Wetlands Restoration Project Environmental Impact Report (EIR) adopted by the California Department of Fish and Wildlife (CDFW) on December 30, 2020 pursuant to the California Environmental Quality Act ("CEQA") and attached to the accompanying staff recommendation as Exhibit 2.
- 5. The Conservancy has reviewed CDFW's CEQA Findings, attached to the accompanying staff recommendation as Exhibit 3, and the Conservancy hereby determines and concludes all of the following:
 - a. CDFW has identified, disclosed, and adopted the mitigation measures
 recommended in the EIR by means of a Mitigation Monitoring and Reporting
 Program, which mitigation measures are not within the Conservancy's jurisdiction;

- b. The Conservancy has reviewed and considered the EIR together with the related CEQA Findings and determines that the information and analyses contained in the EIR, together with the related CEQA Findings, are adequate for the Conservancy's use as a decision-making body in a responsible agency role;
- c. The Conservancy finds that changes have been incorporated into the proposed project which avoid and/or substantially lessen the significant environmental effects identified in the EIR.
- 6. As a responsible agency under CEQA, the Conservancy hereby adopts CDFW's CEQA Findings for the Ballona Wetland Restoration Project as the Conservancy's own findings under CEQA to support the Conservancy's authorization of funding for the project.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy authorize a one million six hundred ninety two thousand three hundred and sixty dollars (\$1,692,360) grant to California Department of Fish and Wildlife (CDFW) for technical studies, engineering, and design of the Ballona Wetlands Restoration Project. (In this staff recommendation, the Ballona Wetlands Restoration Project is also referred to as the proposed project.) This funding will enable CDFW to hire consultants to complete technical work necessary to advance the restoration design, the engineering design, and the design of public access amenities for the proposed project. The funding will also support technical studies needed for permit applications. CDFW will work with the Los Angeles County Flood Control District (LACFCD) to secure a permit from the U.S. Army Corps of Engineers (Corps) to modify Ballona Creek channel and levee system, a Federal flood risk management project operated and maintained by LACFCD. The Corps will complete the federal environmental review document when more detailed designs are completed. The proposed project will also require permits from the California Coastal Commission and the Los Angeles Regional Water Quality Control Board.

Staff recommends the Conservancy authorize a grant of five hundred thousand dollars (\$500,000) to Prevention Institute to conduct robust community engagement in the final design for the Ballona Wetlands Restoration Project. This funding will enable the Prevention Institute to engage community groups, new community partners, residents, and organizations from around Los Angeles that reflect the diversity and demographics of the County. The purpose of this grant will be to gather input to refine the proposed project design and provide input to ensure that equity considerations are included in the public access elements.

Recommendations from this input will inform planning for facilities or amenities at the Reserve and could inform interpretive materials for the proposed project. Broad community engagement is essential to ensure that the project creates open space that is welcoming and accessible to all.

A portion of the Prevention Institute grant may be used to compensate tribal representatives and tribal members to work with CDFW to ensure that the proposed project respects cultural resources, to involve descendants of indigenous people in creation of the proposed project's interpretation components related to their culture. This engagement could also help establish ongoing connections between tribal members and the Ballona Reserve.

Why is Ballona Important?

The Ballona Wetlands Restoration Project is a large-scale restoration project proposed by California Department of Fish and Wildlife (CDFW) to enhance native habitats and increase compatible public outdoor recreational opportunities within its Ballona Wetlands Ecological Reserve (Ballona Reserve). The 600-acre Ballona Reserve is one of the largest open spaces in the City of Los Angeles and it is one of the largest remaining opportunities for coastal habitat restoration in Los Angeles County (Exhibit 1). The state of California spent \$140 million to acquire the Ballona Reserve in 2003. The property was considered significant because of its potential for habitat enhancement and the opportunity to create a nature reserve in urban Los Angeles.

The Ballona Reserve is a heavily impacted remnant of a much larger historical wetland complex. A once-meandering Ballona Creek was cemented into a straight, concrete channel in the 1920s. Approximately 3 million cubic yards of dirt was dumped on top of the wetlands during the construction of Marina del Rey in the 1950s, transforming what had been wetlands abundant with fish and waterfowl into upland and degraded wetlands. In some places the deposited dirt layer is up to 20 feet thick. What once were more than 2,100-acres of marshes, mud flats, salt pans, and sand dunes currently provides approximately 153 acres of wetland habitat. All aquatic resources within the Reserve are degraded. Non-native, invasive plants now crowd out native plants and provide less support for native wildlife, including some listed species that continue to occupy the Reserve. The United States Environmental Protection Agency (EPA) has determined that all wetland habitats within the Ballona Reserve are impaired. Today, much of the habitat onsite is severely degraded and The Bay Foundation identified a portion of the Ballona Reserve as "among the most degraded wetlands in California" using standardized wetland condition protocols.

The proposed project seeks to enhance natural resources of the Ballona Reserve by restoring ecological process. The proposed project is a long-term, science-based plan to restore wetland and other ecological functions by re-establishing connections among the land, the creek and the ocean (Exhibit 4). The project is consistent with the Southern CA Wetland Recovery Project's 2018 Regional Strategy recommended best practices for the restoration of today's coastal wetlands and enhancement of wetland-upland transition zones to accommodate sea level rise. Absent any project, the Ballona Reserve will lose existing habitat function when sea levels rise because the tide gates that support the existing wetlands and salt pans will have to be permanently closed to prevent flooding of adjacent roadways. At that time, the site will no longer drain and those existing habitat areas are expected to convert to stagnant, flooded

ponds. The proposed project is designed to accommodate sea level rise by creating broad areas with gradual slopes that will allow wetlands to migrate across transition areas.

Existing public access is primarily through managed access in the south western portion of the Reserve and along the Ballona Creek bike path. The proposed project will realign the existing bike trails and construct a new bike path atop the project's levees around much of the Ballona Reserve perimeter. The project will build about 5.5 miles of new pedestrian trails and a half-mile elevated boardwalk to allow visitors to walk adjacent to the wetlands (Exhibit 5). The 2016 Los Angeles Countywide Park Needs Assessment developed a comprehensive quantitative assessment of park need throughout the county; it identified the area surrounding the Ballona Reserve as high or very high park needs (Exhibit 6).

The Coastal Conservancy has partnered with CDFW, The Bay Foundation, the Corps and others to support planning for the proposed project for the past fifteen years. The proposed project is complicated, expensive, and very controversial. However, it remains one of the most important projects in Los Angeles because of the incredible opportunity it presents to enhance rare coastal habitat and provide access to nature to millions of Californians.

Work to be Funded with this Authorization

Continued Design Work and Permits

In December 2020, CDFW certified the <u>Final EIR</u> (Exhibit 2) for the Ballona Wetlands Restoration Project and selected a preferred alternative. Certification of the EIR was a major milestone, but significant work remains before any project can be constructed. A list of anticipated permits is provided in Exhibit 7. This section describes the additional design and permitting work to be accomplished with the recommended grant.

Los Angeles County Department of Public Works-Flood Control District (LACFCD) owns and operates the Ballona Creek channel and levee system, which are features of the Federally-authorized flood control project. CDFW will work with LACFCD to obtain a permit from the Army Corps of Engineers (Corps) to modify the Ballona Creek channel. The Corps typically charges project applicants for its staff time to review and process these kinds of permits. CDFW may use some of these funds to pay for the Corps' review.

The Corps permit requires that the conceptual (30%) designs analyzed in the EIR be further developed and refined to a 60% design. Anticipated work will include additional engineering design of the proposed levees as well as refinement of habitat and public access features. The project described in the EIR is divided into two phases. During the refinement of designs to 60%, CDFW intends to identify additional potential sequences to further divide the project into smaller components. Having smaller components would facilitate securing funding and allow the restoration to pause, or even halt, and evaluate resource issues to ensure appropriate protective actions and to implement adaptive management as the proposed project is constructed.

The current preliminary design was based on sea level rise projections of 59 inches by 2100. This projection came from US Army Corp of Engineers 2011 Engineering Circular 1165-2-212 dated October 1, 2011. The Corps' Modified NRC-III curve predicts 59 inches by 2100 (from a 1992 baseline). This value is consistent with the Ocean Protection Council's 2010 Guidance to state agencies which recommended a range of 31-69 inches of sea level rise by 2100. The OPC's 2018 projections have a high projection of 86 inches by 2100. As CDFW refines the project design, there are opportunities to consider alterations of the proposed project to accommodate higher sea level projections. The Ballona Reserve has an excess of sediment, so there are many opportunities to use that dirt to create transitional habitat at higher elevations if that is determined to be beneficial.

CFDW will also work with the Los Angeles District of the Corps to update the Ballona Creek watershed study to determine the appropriate design criteria for any modification of the Ballona Creek Flood Control Channel. The proposed project's preliminary hydrology and hydraulics report used a design flow rate of 46,000 cubic feet per second (cfs). That value was provided to the project team by the Corps in 2012 and it is the design flow rate in the Corp's 1999 Operation Maintenance Repair Replacement and Rehabilitation Manual for this segment of the Ballona Creek Flood Control Channel. In 2017, the Corps located a 1979 study which identified a future standard project flood value of 68,000 cfs based on anticipated future development in the watershed. This value is higher than the Corps' 2010 estimate of a 500-yr event of 55,036 cfs. Because the 1979 study was approved by the Corps' South Pacific Division, a new watershed modelling study is required to determine if that value is still appropriate. The Corps does not have funding to conduct this study, so CDFW will hire consultants to work with the Corps and LACFCD to model the watershed and establish a current-day design criteria. Modelling of the proposed project demonstrated that it could accommodate up to 68,000 cfs with minor levee modifications, but clarification of the appropriate current-day design criteria is needed before the designs can be finalized.

Engagement & Access Planning

The 2016 Los Angeles Countywide Park Needs Assessment developed a comprehensive quantitative assessment of park need throughout the county and the Ballona Reserve area is identified as high or very high park needs (Exhibit 6). The recommended grant to the Prevention Institute is for county-wide public engagement to ensure that recreational access planning for the proposed project includes all communities that could benefit from the proposed project and to ensure that the proposed project design addresses environmental justice and public health considerations. As the plans for recreational access and site operation are refined, this is an important opportunity to get input from stakeholders within the region to ensure that the project delivers inclusive and equitable access. According to the LA Times, an estimated 2.8 million Angelenos live within an easy drive from Ballona, more than half from disadvantaged households—including about 106,000 people who live within easy bicycling distance and 9,000 who live within easy walking distance.

The proposed project includes conceptual plans for public access improvements (Exhibit 5). The Prevention Institute will engage a broad set of stakeholders to refine these designs and consider future management considerations, potential future programming onsite, and regional access issues such as integration into regional bicycle and transit planning.

Tribal Engagement

The land of the Ballona Reserve is the ancestral homeland of the Tongva/Kizh/Gabrieleño people. Descendants of the indigenous people of this region disagree over the appropriate term. Human occupation of the Ballona Reserve area dates to approximately 8,000 to 7,000 years ago. Prior to European colonization, the Tongva/Kizh/Gabrieleño people occupied a diverse area that included: the watersheds of the Los Angeles, San Gabriel, and Santa Ana rivers; the Los Angeles basin; and the islands of San Clemente, San Nicolas, and Santa Catalina. The village known as Guaspet, or Guasna, may have been located in the project vicinity. Two archaeological sites with components dating to the Spanish era are in the Ballona Reserve and may be the location of Guaspet, although this has not been confirmed. Because of the historic activity and habitation near the Ballona Reserve, the Native American Heritage Commission considers the site culturally sensitive.

There was recent desecration of cultural resources near this site. During the construction of Playa Vista, immediately adjacent to the Ballona Reserve, the remains of more than 1,000 indigenous people were disturbed. Many of these remains were eventually reburied nearby. Native American Heritage Commission notified Conservancy staff that the "Playa Vista Project constitutes the greatest destruction of Native American burial sites and cultural resources in recent California history". This traumatic recent history must be considered when planning any project in the area.

During the preparation of the EIR/S both CDFW and the Corps sent letters to known tribal representatives. CDFW had extensive engagement with a few representatives who identified as Tongva and who expressed interest in participating in the project planning. Prior to this authorization, the Conservancy sent a new set of letters to the recognized tribal representatives offering to initiate government to government consultation. If approved, a portion of the Prevention Institute grant may be made available to compensate tribal representatives to work with CDFW to ensure that the proposed project respects cultural resources, to involve descendants of indigenous people in creation of the proposed project's interpretation components related to their culture. A future benefit of this tribal engagement could also be to establish ongoing connections between tribal representatives and the Ballona Reserve.

Site Description:

The Ballona Reserve is located partially in the City of Los Angeles and partially within unincorporated Los Angeles County, near the mouth of Ballona Creek. The Ballona Reserve

extends roughly from the Marina Freeway (State Route 90) to the east, the Westchester bluffs to the south, Playa del Rey to the west, and Fiji Way to the north. The Ballona Reserve is an approximate 600-acre open space surrounded by urban development. It is bordered by the communities of Westchester, Marina del Rey and Playa Vista, and it is approximately five miles north of the LAX Airport and close to Loyola Marymount University (Exhibit 1).

CDFW has primary responsibility for managing and maintaining the Ballona Reserve. CDFW owns most of the Reserve. A small area is owned by the California State Lands Commission. The Reserve is bisected by and includes a channelized reach of Ballona Creek. The Los Angeles County Department of Public Works-Flood Control District (LACFCD) owns and operates the Ballona Creek channel and levee system, which are features of the Federally-authorized Los Angeles County Drainage Area (LACDA) project. The Reserve is traversed by major roadways, including Culver, Jefferson, and Lincoln Boulevards. Southern California Gas Company owns mineral rights below the surface as well as some surface easements to operate a natural gas storage facility, surface wells, and associated pipelines within the Ballona Reserve.

Proposed Restoration Project:

Habitat Enhancement

The Ballona Wetlands Restoration Project is a long-term, science-based plan to enhance habitat at the Ballona Reserve. The project's habitat objectives focus on restoring wetland and other ecological functions within the reserve. The loss of the wetlands' historic connections to the creek and the ocean means that many native species no longer thrive there. Repairing the basic structure and function of Ballona Reserve will bring back and provide additional habitat for native plants, birds, and other wildlife, some of which are imperiled and clinging to existence in the region due to loss of habitat. The project will reconnect the land and the sea, so freshwater stream flows and tidal waters can both support a healthy ecosystem. Rejuvenating these habitats will allow wetland plants to flourish and attract the insects, reptiles, amphibians, fishes, birds, and mammals. A restored Ballona Reserve will be a refuge for millions of migratory birds and an important nursery area for coastal fish.

The proposed project will replace the concrete levees of the Ballona Creek flood control channel with set back earthen levees to re-establish the creek's floodplain and return the daily ebb and flow of tidal waters where feasible. The proposed project will re-arrange about 2 million cubic yards of the soil dumped on the Ballona Reserve when Marina Del Rey was dredged in the 1950s and use that dirt to construct levees and broad transition habitats on either side of Ballona Creek. Habitats in the area north of the creek and east of Lincoln Blvd. will be enhanced uplands. Habitats in the most southern area of the Ballona Reserve will be enhanced by installing culverts with tide gates to return tidal flow to an isolated salt marsh to create a dynamic tidal habitat supporting a greater diversity of native salt marsh plants and animals over time, see Exhibit 4.

The area south of the Ballona Creek levee in the western portion of the Ballona Reserve currently has wetlands and salt pan habitats where ecological functions are supported through muted tidal exchange via two tide gates. The proposed project envisions that this area of the Ballona Reserve will be the final portion to be restored once habitat is established elsewhere. The tide gates in this area close when tides reach the height of 3.4 feet, to prevent flooding of adjacent roadways. If the Reserve remains in its current condition when sea levels rise these tidegates will need to be kept closed to prevent flooding and the habitat in this area will convert to ponds.

The proposed project will enhance habitat immediately and has been designed to increase the Reserve's resilience to sea level rise. Consistent with the Southern CA Wetland Recovery Project's 2018 Regional Strategy, the proposed restoration seeks to restore large contiguous areas with gentle sloping topography to allow for wetland habitat when constructed and wetland migration as sea level rises. The proposed project was designed to increase the acreage of transition and upland habitats to allow a broad area for wetland habitat transgression over time. As with all coastal wetlands, extreme sea level rise will convert habitats and other adaptive management strategies may be needed. Further development of sea level rise adaptation strategies will be part of the next phase of design refinement.

The very far western portion of the Ballona Reserve has about four acres of southern dunes that have been restored and maintained by the Friends of the Ballona Wetlands over several decades. The proposed project does not impact these dunes.

Public Access Improvements

A core goal of the proposed project is to create equitable access and allow visitors the chance to experience healthy wetlands and wildlife in a way that provides both educational experiences and maximizes the opportunities for wildlife to thrive. The project will realign the existing bike trails and construct a new bike path atop the project's levees around much of the Ballona Reserve perimeter. The proposed project will also result in approximately 5.5 miles of new pedestrian-only trails and a half-mile elevated boardwalk to allow visitors to walk adjacent to the wetlands. The proposed project will construct two bike and pedestrian bridges to better, and more safely, provide access to the Reserve. Conceptual designs of the proposed access improvements are provided in Exhibit 5.

Nearly 10,000 school children (approximately half from Title 1 schools) come to the Ballona Reserve annually through environmental education programs. The Ballona Creek multi-use trail also runs along the north levee of Ballona Creek and is open to the public. However, most of Ballona Reserve is currently closed to the public because of its degraded state. While some members of the public enjoy walking the existing trails in Ballona, the enhanced habitats and wildlife viewing resulting from the proposed project are expected to attract more visitors from around the County.

This authorization will provide funding for Prevention Institute to conduct robust community engagement to ensure that access improvements are designed with a focus on equity; to refine the public access concepts into more detailed design; and to plan for the management issues associated with increased public access.

Flood Protection & Infrastructure Relocation

The proposed project will maintain existing flood protection and alleviate some existing local flooding. The proposed project includes flood risk management components such as: constructing new engineered levees set back from the existing Ballona Creek channel thereby reestablishing a functioning floodplain for flood attenuation and sea level rise, installing new hydraulic structures to allow for controlled tidal exchange from the Ballona Creek channel to the southern areas of the Reserve, and constructing a retention basin to alleviate neighborhood flooding in Playa del Rey. As discussed above, the recommended grant will support a watershed study to determine the appropriated design capacity for the proposed project. It is likely that the final design criteria will increase the capacity of the Ballona Creek channel above its existing as-built dimensions.

The EIR also considered the Southern California Gas Company's (SoCalGas') relocation of surface wells and associated infrastructure that currently exist on the Ballona Reserve to allow for restoration of those areas. SoCalGas owns the mineral rights and operates a natural gas storage facility far beneath the surface of the wetlands. SoCalGas also owns easements for surface wells associated with that facility and access roads to service those wells. Operation of the natural gas storage facility predates CDFW's acquisition of the Ballona Reserve. SoCalGas is interested in relocating surface wells and associated infrastructure to their own property, immediately south of the Reserve. The state will not pay to remove any of this infrastructure. Relocating wells and associated infrastructure off the Ballona Reserve will reduce habitat fragmentation and eliminate ongoing disturbances related to operation and maintenance of those wells.

Public Engagement

An extensive planning and public process for the restoration of the Ballona Reserve began in 2004. CDFW, the Conservancy, The Bay Foundation, the Corps, and many others have spent years working with the public, scientists, and other agencies to develop this proposed project to revitalize Ballona Reserve. The Conservancy, CDFW and The Bay Foundation held or attended more than 40 public meetings between 2004 and 2012. In 2006, the Conservancy established a Science Advisory Committee composed of nationally recognized experts. Seven Science Advisory Committee meetings were held between 2006 and 2012, all of them open to the public. In 2006, the project team held a Saturday design charrette with more than 100

members of the public in facilitated discussion with the Science Advisory Committee to develop project alternative concepts.

The Bay Foundation and CDFW staff have made presentations or responded to questions at approximately 75 meetings of various groups since 2006. Four on-site open house days occurred between 2010-2013 that allowed the public access to the Reserve and provided information about the proposed project. Between 2010 –2015, The Bay Foundation held five public one day conferences presenting scientific information about Ballona. Two EIR-specific meetings occurred consisting of a scoping meeting in 2012 and a public comment meeting in 2017. In conjunction with these public process opportunities, CDFW has continued interaction with neighbors, stakeholders, and other public and private entities.

PUBLIC MEETINGS

2004-2009	20 public meetings held by SCC, CDFW and TBF to discuss restoration concepts and site stewardship
2006	Saturday all-day design charrette, 100 participants including science advisory committee members
2006-2012	7 Science Advisory Committee meetings, all open to the public
2007-2012	Approx. 20 quarterly Ballona Creek Watershed Task Force meetings
2012	Public scoping meeting, hundreds of scoping comments
2010-2013	Four public on-site open house events, Saturdays
2010-2015	Five annual science Symposium/Conferences presenting information and scientific data
2017	Public comment meeting

Project History

In 2003, the Conservancy provided \$10 million for the acquisition of the Ballona Wetlands Ecological Reserve. Since that time, the Conservancy has administered the remaining Prop 12 funds through various grants and contracts to support restoration planning, onsite restoration, data collection, design, and environmental review of the proposed wetland restoration project, see Exhibit 8. The Conservancy has authorized funding for this project nine times: Sept. 2003, Dec. 2004, Dec. 2005, March 2006, April 2006, Sept. 2007, June 2008, July 2011 and Jan. 2012.

From 2006 to 2009 the Conservancy and CDFW led a public process to develop conceptual restoration alternatives (see table above). Between 2009-2012, CDFW, the Conservancy, and

other agencies refined project alternatives and assessed restoration feasibility. Project alternatives were refined due to considerations of cultural resources, easements and infrastructure on site. There was a final science advisory committee meeting to review the revised alternatives. Also during this period, The Bay Foundation conducted extensive baseline data collection about the existing conditions on site.

The Corps must issue permits for the proposed project, thus CDFW and the Corps collaborated on the environmental analysis under the National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA). CDFW and the Corps issued a Notice of Preparation for a NEPA Environmental Impact Statement (EIS) and CEQA Environmental Impact Report (EIR) during the summer of 2012.

In 2012, CDFW and the Conservancy began working with the Annenberg Foundation. The Annenberg Foundation indicated an interest in providing up to \$45 million of private funding to enhance public access at the Ballona Reserve and constructing a visitor center. Between 2012-2014, several designs were developed. There was some public opposition to the proposed visitor center. The Annenberg Foundation suspended its involvement in December 2014.

In 2015, the project description was revised without the visitor center and the draft EIR/S was prepared between 2015 and 2017. The draft EIR/S went through extensive agency review, with more than five administrative drafts. In September 2017, the draft EIR/S was released for public comment. At the request of the public the comment period was extended to six months, ending in February 2018. In 2018, due to changes in Corps' policy and procedural guidance, the Corps delayed finalization of the EIS until it approves 60% design and the second of three submittals required for the permit to modify the existing flood control channel. Considering the lengthy planning process that has occurred to-date, CDFW separated the EIR from the Corps EIS to avoid an additional extended delay for the certification and publication of its final EIR.

Costs and Delays

In January 2012, the Conservancy authorized \$6.25 million for environmental review and permitting of the proposed project. At that time, Conservancy staff estimated that would be adequate funding to complete the EIR/S and the final design work. The work has cost more and taken far longer than anticipated.

The initial contractor hired by the Conservancy to prepare the EIR/S was ICF International. Although the firm has extensive experience preparing EIR/S documents, the initial draft prepared by ICF did not contain the level of analysis needed for this complex and controversial of a project. Ultimately, the Conservancy terminated the contract with ICF in 2014. Some of the ICF analysis was used in the final EIR but restarting with a new contractor increased the costs and delayed the project.

As discussed above, between 2012-2014, the Conservancy and CDFW worked with the Annenberg Foundation on exploring potential inclusion of a visitor center in the proposed

project and several designs were explored. The Annenberg Foundation contributed to the costs of some of the design work and preliminary analysis but this work extended the overall time to complete the EIR/S.

One major factor that increased the cost and time producing the EIR/S was the detailed review of the designs and documents by the Corps. Between 2014-2017, the draft EIR/S was extensively reviewed by staff of CDFW, the Corps and SCC. In late April 2016, the Corps requested the reorganization of all resource sections in the EIS/EIR to change the format of the analysis without changing its substance. The Conservancy had budgeted for three rounds of review of the draft document with decreasing revisions in each cycle. Ultimately, the Corps required that the final document go through six or, for some sections, seven administrative drafts followed by separate "screen check" and "camera ready" reviews of the entire document before publication.

The second major factor that increased the costs and time to finalize the EIR was the extensive level of public comments. CDFW received more than 8,000 pieces of correspondence, containing a total of nearly 3,000 discrete comments, during the public comment period. One organization submitted a 1,620-page comment letter during scoping and 1,726-page EIR comment letter. The detailed response to comments took almost a year to complete.

Finally, there were several aspects of the project where participating agencies required additional analysis beyond the original budget which increased the total cost. Specific examples include:

- Integration of the Corps' section 404(b)(1) analysis into the draft EIR/S required additional details about the costs for each of the alternatives, including alternatives that were not being carried forward for detailed review on the basis of other factors.
- Additional erosion analyses required by the Corps Engineering Division on the Preliminary Design Report in order to proceed with the environmental review process.
- Re-running the HEC-RAS model (hydrology and hydraulics model) to determine whether
 the current alternatives that had already been analyzed in detail met the appropriate
 level of flood protection using the new (substantially higher) standard project flood
 value the Corps conveyed in 2017.
- LACDPW requested further development and refinement of the proposed operation and maintenance plan beyond what was needed to evaluate potential environmental consequences to identify which agency would be responsible for the implementation of specific tasks and to ensure that ongoing operation and maintenance of the LACDA project facilities within the Ballona Reserve would be "self-mitigating."
- The U.S. Fish and Wildlife Service (USFWS) required additional detail and analysis of alternatives that had been dismissed by both the Corps and CDFW from detailed consideration. Additional analysis also was provided in response to USFWS comments regarding potential roadkill impacts to non-listed species and habitat considerations.

Multiple cultural resources-related questions during the National Historic Preservation
Act Section 106 consultation that required staff to revisit the cultural resources section
and design with respect to proposed cut and fill in Area C, characterization of the
Ballona Lagoon Archaeology District, and establishment and depiction of the Area of
Potential Effects for all alternatives.

Controversy and Lawsuits

There have been more than forty years of intense conflict about land use at the Ballona Reserve. Several development proposals and regulatory approvals resulted in litigation. People are very passionate about Ballona, but do not agree about how it should be used or enhanced. As described above, CDFW and the Conservancy held many public meetings at the outset of planning with the hope of establishing shared understanding of the science behind the proposed restoration. Those efforts were not successful and controversy has continued alongside planning for the restoration project.

Some opponents of the project advocate for hand restoration while others advocate for a different mix of habitat types on site. Almost every project at Ballona has had some level of protest, including projects to conduct hand restoration.

The organizations active at the Ballona Reserve have filed numerous lawsuits regarding Ballona. CDFW, the Conservancy, the Fish and Game Commission, and the Santa Monica Bay Commission have been sued at least eight separate times regarding Ballona. There is current litigation against the Conservancy regarding its prior grants and expenditures of Proposition 12 funds for Ballona. There have been additional lawsuits against City of Los Angeles, Los Angeles County, and the Marina del Rey Convention and Visitors Bureau. The Conservancy was threatened with litigation when it authorized funding for the environmental impact analysis; there are four petitions currently challenging CDFW's certification of the EIR. CDFW and the California Coastal Commission are currently being sued over the impacts of a minor restoration project at the Ballona Reserve.

Grant Applicant Qualifications:

The Conservancy may grant funds to other state agencies. CDFW is an appropriate grantee because it is not only the project proponent, but also the State's trustee for fish and wildlife resources, with jurisdiction over the conservation, protection, and management of fish, wildlife, native plants, and habitat necessary for biologically sustainable populations of those species. And perhaps more importantly, CDFW is responsible for managing the Ballona Reserve and the native wildlife and habitats that the Legislature intended to be protected by ecological reserves. CDFW staff have been working closely on this project with the Conservancy since 2004. CDFW was the lead agency for CEQA and CDFW will implement the proposed project.

The mission of the Department of Fish and Wildlife is to manage California's diverse fish, wildlife, and plant resources, and the habitats upon which they depend, for their ecological values and for their use and enjoyment by the public. CDFW is responsible for over 1,100,000

acres of fish and wildlife habitat, managed through 749 properties throughout the state. These properties provide habitat for a rich diversity of fish, wildlife, and plant species and comprise habitats from every major ecosystem in the state.

Prevention Institute (PI) is a national nonprofit with offices in Oakland, Los Angeles, Houston, and Washington, D.C. Its mission is to build prevention and health equity into key policies and actions at the federal, state, local, and organizational level to ensure that the places where all people live, work, play and learn foster health, safety and well-being. Prevention Institute has extensive experience and expertise in community engagement in Los Angeles County and southern California. Prevention Institute developed and implemented a community engagement plan to gather stakeholder feedback for the Los Angeles County Parks Needs Assessment.

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 below.
- 2. **Consistency with purposes of the funding source:** See the "Project Financing" section below.
- 3. Promotion and implementation of state plans and policies:
 - a. "Pledge to conserve 30 percent of land and coastal water by 2030" Executive Order N-82-20 (October 2020)

Governor Newsom's Executive Order N-82-20 directs the California Natural Resources Agency to advance efforts to conserve biodiversity, including prioritizing investments in high-priority actions to restore habitats. That executive order also directs state agencies to "engage stakeholders across California's diverse communities" and to expand equitable outdoor access. The proposed project directly supports both of those goals.

b. "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.

c. "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.

- d. California Water Action Plan (California Natural Resources Agency", (2014). Goal #4, "Protect and Restore Important Ecosystems", identifies the restoration large-scale habitat projects in coastal estuaries to restore ecological health and natural system connectivity as a priority action.
- e. "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 Ballona Reserve represents one of the only opportunities to restore a large wetlands complex in the Los Angeles region. The restoration planning is an adopted project in SCWRP's 2019 Work Plan.

- 4. **Support of the public:** There is significant support for the proposed project. The project is supported by Friends of Ballona Wetlands, Heal the Bay, Los Angeles Waterkeeper, California Audubon, Trust for Public Land, and Surfrider Foundation. There is also opposition to the project from several local organizations including: The Ballona Wetlands Land Trust, Ballona Ecosystem Education Project, Defend Ballona Wetlands, and Grassroots Coalition. The extensive public comments on the EIR (Exhibit 2) were divided between comments supporting and opposing the proposed project.
- 5. Location: See the "Project Summary".
- 6. **Need:** The project needs Conservancy funding to proceed.
- 7. **Greater-than-local interest:** Enhancement of the Ballona Reserve is regionally significant opportunity to enhance native habitats and increase compatible public outdoor recreational opportunities in one of the largest open spaces in the City of Los Angeles.
- 8. Sea level rise vulnerability: The restoration alternative was specifically revised to increase the acreage of transition and upland habitats to allow a broad area for wetland habitat transgression over time. These gradual slopes are intended to allow wetland habitats to transgress up slope with rising sea levels. Wetland habitats types are generally found within a range of elevations related to specific tidal inundation frequencies that are suitable for associated plant types. As tide levels and inundation frequencies increase with sea level rise, wetland habitat types may be converted to habitats that occupy lower portions of the tide frame (e.g., conversion of vegetated marsh to mudflat) and upland transition habitats may be converted to wetland habitats. This process of "coastal rollover" has occurred over geologic time and is expected to continue and accelerate with projected sea level rise. Sediment supply from the Ballona Creek watershed and Santa Monica Bay is expected to be low, making it unlikely that sediment accretion in the restored wetland will keep pace with sea level rise. Immediately after restoration, the habitat types expected onsite include narrow bands of mudflat and low salt marsh along the Ballona Creek with broad areas of

mid marsh, high marsh, transition zone, and upland habitats. Over the next 80 years, as sea levels rise, mid marsh may be converted to mudflat and low marsh, high marsh may be converted to mid marsh, and the transition zone may "squeeze" upland habitats into a narrow band along the steeper upland/levee slope. The project's transition zone habitats are expected to be converted to wetland habitats over time.

Additional Criteria

- 9. **Urgency:** Many of the species that use or historically used the Ballona Wetlands habitat are in decline. The need for additional public access to natural areas is urgent, especially in park poor areas such as the neighborhoods surrounding the Ballona Reserve.
- 10. **Resolution of more than one issue**: The proposed project is important for its potential to enhance rare habitats and support special status species and for the opportunity to expand recreational opportunities that will allow millions of people the opportunity to visit this enhanced natural area.
- 11. **Readiness**: CDFW certified the EIR in December 2020. The project is ready to proceed to the next phase of design and stakeholder engagement immediately.
- 12. Realization of prior Conservancy goals: "See Project Summary."
- 13. **Cooperation**: The purpose of the Prevention Institute grant is to engage a broad set of stakeholders in the refinement of the proposed project, including design, management and programming. This grant may also support tribal representatives to work with CDFW on the project to ensure that tribal perspective is included in the next phase of project development.

PROJECT FINANCING

Coastal Conservancy \$2,192,360
Project Total \$2,192,360

Proposition 12, the Safe Neighborhood Park, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (see Public Resources Code Sections 5096.300- 5096.372) contained an allocation of \$25 million to the Coastal Conservancy "to acquire, protect, and restore wetlands projects that are a minimum of 400 acres in size in any county with a population greater than 5,000,000." Public Resources Code Section 5096.352(f). The Ballona Reserve was the only wetland project that met that definition. The Conservancy funding will be derived from an appropriation of these funds.

Planning, engineering, and design work (including community engagement necessary for final designs) are considered sufficiently related to a capital project to qualify for bond funding. See California's General Obligation Bond Law, Government Code Section 16727(a). All of the work to be funded under this authorization is directly related to the Ballona Wetlands Restoration Project and therefore qualifies for funding under Proposition 12.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is consistent with Division 21, Chapter 6, Sections 31251-31270 of the Public Resources Code, which states that the Conservancy may provide grants to public agencies and nonprofit organizations for the purpose of "enhancement of coastal resources that, because of indiscriminate dredging or filling ... have suffered loss of natural and scenic values." The Ballona Reserve has lost many of its natural values through the deposit of approximately 3 million cubic yards of dredge material. The proposed project seeks to advance the restoration of ecological function at the Ballona Reserve. Consistent with Section 31253, the Conservancy may provide up to the total cost of any coastal resource enhancement project and as the project funding is reserved specifically for Ballona Reserve, the proposed project is consistent with this section.

The proposed project is consistent with Division 21, Chapter 9, Sections 31400 et seq. of the Public Resources Code, which directs the Conservancy to take a principal role in the implementation of a system of public accessways so that the public can exercise its right to access and enjoy coastal resources. Consistent with Section 31400.1, the Conservancy may award grants to public agencies to develop lands for public access purposes to and along the coast.

The proposed project is consistent with Section 31113 of the Public Resources Code, which directs the Conservancy to undertake projects that address the impacts of climate change, including "using natural ecological systems or processes to reduce vulnerability to climate change related hazards, or other related climate change effects, while increasing the long-term adaptive capacity of coastal and inland areas by perpetuating or restoring ecosystem services". This project reduces existing vulnerability of the Ballona Reserve to the impacts of sea level rise and restores ecological process and ecosystem services.

Finally, the proposed project is consistent with Section 31111 of the Public Resources Code, which authorizes the Conservancy to implement Division 21 by awarding grants to public agencies and nonprofit organizations to prepare plans and feasibility studies and provide technical assistance. Section 31017 of the Public Resources Code defines the term "public agency" to include state agencies.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

A Local Coastal Program was never completed for the Ballona Reserve area. 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 Public Resources Code Section 30001.5, as the proposed project will protect, enhance, and restore the natural resources of the site and expand public recreational opportunities consistent with conservation of those resources.

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 trails 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.

CEQA COMPLIANCE:

The Ballona Wetlands Restoration Project Draft Environmental Impact Statement/Draft Environmental Impact Report (September 2017) (State Clearinghouse No. 2012071090; "Draft EIR") was released for public review on September 25, 2017. The public comment period on the Draft EIR was extended once and closed on February 5, 2018. On December 18, 2019, CDFW released the Final Ballona Wetlands Restoration Project EIR ("Final EIR"). As described in section 1.2 of the Final EIR, it is made up of the Draft EIR, CDFW's responses to comments on the Draft EIR, and CDFW's revisions to the Draft EIR.

CDFW is the "lead agency" under CEQA with respect to the Ballona Wetlands Restoration Project ("Project") because of CDFW's ownership and management of the Ballona Wetlands Ecological Reserve ("Ballona Reserve") and its responsibility for deciding how to restore the Ballona Reserve. CDFW made its findings under CEQA on December 30, 2020 as part of its discretionary decision to move forward with the next design phase leading to the eventual restoration of the Ballona Reserve.

Staff is recommending the Conservancy adopt the California Department of Fish and Wildlife ("CDFW") Findings for the Ballona Wetlands Restoration Project under CEQA, Exhibit 3, as the Conservancy's own responsible agency findings in support of its funding of the Ballona Wetlands Restoration project.

Responsible Agency Status

The Conservancy's role with respect to funding the restoration project is that of a CEQA responsible agency. A responsible agency follows the process laid out in14 Cal. Code of Regulations Section 15096 (CEQA Guidelines). Generally, a responsible agency is a government agency that issues permits to or partially funds another agency's project.

Accordingly, in order to proceed with the funding of the Ballona Wetlands Restoration project, the Conservancy must comply with section 15096. That section requires the responsible agency to consider the environmental effects disclosed in the lead agency's EIR then to reach its own conclusions on whether and how to approve the project involved. That section also requires the responsible agency to make findings (under CEQA Guidelines Section 15091) for each significant effect of the project. Staff's recommended set of actions below with respect to the Conservancy's responsible agency role in this project are consistent with actions taken by other public agencies in a CEQA responsible agency role.

Staff has reviewed CDFW's EIR for the Ballona Wetlands Restoration project and has further reviewed CDFW's CEQA Findings and Mitigation Monitoring and Reporting Program (MMRP).

BALLONA WETLANDS RESTORATION PROJECT

Staff recommends determining that the EIR, together with the CEQA Findings, is adequate for the Conservancy's use as a decision-making body in a responsible agency role.

Staff concurs with CDFW's CEQA Findings. They are attached as Exhibit 3 to this staff report for the Conservancy's review and consideration. Staff recommends that the Conservancy adopt the CDFW's CEQA Findings as the Conservancy's own findings.

Staff has reviewed CDFW's MMRP for the Ballona Wetlands Restoration Project. The Conservancy's adoption of the MMRP is not necessary or appropriate for the Conservancy's responsible agency role because the mitigation measures set forth therein fall primarily under CDFW's jurisdiction and represent CDFW's obligations. CDFW has committed to consider mitigation measures in the MMRP as part of the Project and to help ensure implementation of mitigation measures and project design features. CDFW will require compliance with such measures and features in any contracts related to further Project design.

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