

COASTAL CONSERVANCY

Staff Recommendation
June 30, 2004

ELLWOOD MESA ACQUISITION

File No. 03-156
Project Manager: Mary Travis

RECOMMENDED ACTION: Authorization to disburse up to \$4,000,000 to the City of Goleta for the acquisition of the Ellwood Mesa property.

LOCATION: City of Goleta, Santa Barbara County (Exhibit 1)

PROGRAM CATEGORY: Public Access

EXHIBITS

- Exhibit 1: Project Location and Site Map
 - Exhibit 2: Final EIR for the Comstock Homes Development and Ellwood Mesa Open Space Plan, including Mitigation Monitoring and Reporting Plan
 - Exhibit 3: Addendum to the Comstock Homes Development and Ellwood Mesa Open Space Plan Final EIR
 - Exhibit 4: City of Goleta's June 24, 2004 Resolution, including EIR Findings Regarding Potentially Significant Impacts and Statement of Overriding Considerations
 - Exhibit 5: 36-acre portion of Santa Barbara Shores Park
 - Exhibit 6: Monarch butterflies at Ellwood Mesa
 - Exhibit 7: Ellwood Mesa vernal pool
 - Exhibit 8: Letters of Support
 - Exhibit 9: City of Goleta's June 21, 2004 Resolution
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31400-31409 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed four million dollars (\$4,000,000) to the City of Goleta for the acquisition of the Ellwood Mesa

property, as shown on Exhibit 1 to the accompanying staff recommendation. This authorization is subject to the following conditions:

1. Prior to disbursement of any funds for acquisition of the property, the City of Goleta shall submit for the review and approval of the Executive Officer of the Conservancy:
 - a. All relevant acquisition documents, including but not limited to the appraisal, environmental assessments, agreement of purchase and sale, escrow instructions, and documents of title necessary to the acquisition of the Ellwood Mesa property.
 - b. Evidence satisfactory to the Executive Officer that the City of Goleta has available all other funds necessary for this acquisition.
 - c. A signing plan for the project acknowledging Conservancy participation.
2. The City of Goleta shall pay no more than fair market value for the property, as established in an appraisal approved by the Department of General Services.
3. The property interests acquired under this authorization shall be managed and operated in a manner consistent with the purposes of habitat preservation, resource enhancement and restoration, open space protection, and public access and recreational use, and shall be permanently dedicated to those purposes in accordance with Public Resources Code Section 31116(b) through the use of a deed restriction, irrevocable offer to dedicate, or other instrument acceptable to the Executive Officer.
4. The City of Goleta shall develop, open, and manage the California Coastal Trail segment on the Ellwood Mesa property and the adjacent Santa Barbara Shores Park consistent with the recommendations in the Ellwood-Devereux Coast Open Space and Habitat Management Plan.
5. The City of Goleta shall implement the Mitigation Monitoring and Reporting Plan it adopted on June 24, 2004.
6. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property, the design and location of which has been approved by the Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

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

1. The proposed project is consistent with the purposes and criteria in Chapter 9 of Division 21 of the Public Resources Code (Sections 31400-31409) regarding public access to the coast.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The proposed project will serve more than local public need.
4. The Conservancy has independently reviewed the Final Environmental Impact Report for the Comstock Homes Development and Ellwood Mesa Open Space Plan (EIR), certified by the City of Goleta on June 21, 2004, to comply with the California Environmental Quality Act, and attached as Exhibit 2 to the accompanying staff recommendation, and the Addendum to the Comstock Homes Development and Ellwood Mesa Open Space Plan Final EIR (Addendum), approved by the City of Goleta on June 24, 2004, and attached as Exhibit 3 to

the accompanying staff recommendation, and finds that, although the Addendum identifies thirteen (13) significant environmental effects that may occur if the proposed project is approved, all other significant effects that can feasibly be mitigated or avoided were reduced to an acceptable level by the imposition of the mitigation measures set forth in the Mitigation Monitoring and Reporting Plan included within the EIR. The Conservancy also finds that the Mitigation Monitoring and Reporting Plan establishes a mechanism and procedures for implementing and verifying the mitigations pursuant to Public Resources Code Section 21081.6. Additionally, the Conservancy finds that, with respect to the alternatives to the proposed project as set forth in Section 3.0 of the City of Goleta's "EIR Findings Regarding Potentially Significant Impacts," attached as Exhibit 1 to Exhibit 4, those unavoidable significant environmental effects of the proposed project that have not been reduced to a level of insignificance have been substantially lessened in their severity by project design and the imposition of the mitigation measures identified in the EIR. The Conservancy further finds that certain remaining unavoidable significant impacts are clearly outweighed by the social, biological, recreational, and other benefits of the project, as set forth in the City of Goleta's "Statement of Overriding Considerations," attached as Exhibit 2 to Exhibit 4. Based on these determinations, the Conservancy finds that the EIR is adequate environmental documentation under the California Environmental Quality Act for its approval of the project."

PROJECT SUMMARY:

Staff is recommending that the Conservancy provide up to \$4,000,000 to the City of Goleta (City) for the acquisition of the Ellwood Mesa property in the City of Goleta (Exhibit 1). This acquisition would help resolve a long-standing land use dispute in the most urban and threatened area of the Gaviota Coast, as well as protect sensitive habitat and provide for public coastal access, including a segment of the California Coastal Trail.

The Ellwood Mesa property consists of 137 acres of undeveloped oceanfront land at the eastern edge of the Gaviota Coast. The property is currently zoned for up to 162 units of planned residential development and has been the subject of several development plans over the years, the most recent of which calls for construction of 123 luxury homes. The local community, for which Ellwood Mesa, with its blufftop trails and expanse of sandy beach, is a treasured open space, has fought the proposals with appeals and lawsuits, as have scientists and environmentalists who value the property's natural resources, which include forty acres of vernal pools, native grasslands, a stream corridor, and one of the state's largest overwintering sites for monarch butterflies.

In July 2002 the nonprofit organization Trust for Public Land (TPL) negotiated an option to purchase the Ellwood Mesa property in order to transfer it to the City of Goleta to be managed as parkland. The property's fair market value, as established in an appraisal reviewed and approved by the Department of General Services, is \$45 million. Under TPL's agreement with Comstock Homes, the development company holding an option to buy the property, Comstock Homes and current landowner Santa Barbara Development Partnership (SBDP) would abandon their development plans for Ellwood Mesa and transfer to TPL fee title to the site in exchange for \$19,750,000 in cash plus fee title to a 36-acre portion of the adjacent, City-owned Santa Barbara Shores Park (Exhibit 5), which currently is used for passive recreation. Comstock Homes and

SBDP would receive development rights to the 36-acre portion, which has an appraised value of \$25,000,000, for a residential subdivision. The City would retain the park's remaining 80 acres, including its ocean frontage. The results of this transaction would be a transfer of residential development inland toward Hollister Avenue and existing residential development and away from sensitive coastal resources, and a net gain for the City of 101 acres of valuable coastal open space.

Before the transaction can take place, the City and Comstock Homes must obtain a number of approvals from the Coastal Commission. The City must obtain Commission approval to subdivide Santa Barbara Shores Park into the 36-acre lot that it would transfer for development and the 80-acre lot it would retain, and to rezone the 36-acre lot from recreation to residential and the Ellwood Mesa property from planned residential to recreation. Comstock Homes must obtain approval to subdivide the 36-acre lot and construct the residential project. The City certified the final Environmental Impact Report (EIR) addressing the rezoning, park subdivision, and residential subdivision and development on June 21, 2004, and approved an Addendum to the EIR on June 24, 2004, and hopes to have all associated coastal development permit applications before the Coastal Commission by November 2004.

TPL has undertaken an ambitious campaign to raise the \$19,750,000 in cash needed to purchase the Ellwood Mesa property. As of early June TPL had succeeded in raising an impressive \$7.1 million from the community, in the form of grants from local foundations and nonprofits and donations from individual community members. An additional \$5.65 million has come from local, state, and federal grants, including a \$4 million grant to the City from the Wildlife Conservation Board (WCB). TPL and the City have requested that the Conservancy match WCB's contribution to help them fill the funding gap and enable the acquisition to close by the end of December. TPL's option expires at the end of June but is expected to be extended for another six months. If the deal falls through, Comstock Homes and SBDP will resume the approval process for development on Ellwood Mesa.

If the acquisition goes forward, the City would be ready to assume title from TPL in a back-to-back escrow. The City intends to manage the Ellwood Mesa property for passive recreation, coastal access, and habitat protection and restoration. The City would make safety improvements to two existing beach accessways and develop segments of the California Coastal Trail and the Juan Bautista de Anza National Historic Trail.

Site Description: The Ellwood Mesa property consists of a broad coastal terrace lying seaward of Goleta's Santa Barbara Shores neighborhood (Exhibit 1). The site is bounded on the west by Santa Barbara Shores Park and on the east by undeveloped land owned by the University of California, Santa Barbara (UCSB), much of it within the Coal Oil Point Reserve, part of the U.C. Natural Reserve System. Along the site's northern boundary is the Coronado Butterfly Preserve, owned by the Land Trust for Santa Barbara County. At the southern edge, rugged 50-foot-high bluffs overlook a sandy beach and the Santa Barbara Channel.

From about 1928, when the Ellwood Oil Field was discovered, until the early 1950s the Ellwood Mesa property was used for oil and gas production. Remnants of this activity include three abandoned oil wells, old piping, and concrete rubble and other debris. For a time after oil production ceased cattle and horses were grazed on Ellwood Mesa, but since about 1980 the property has been used solely for informal recreation. A system of well-used dirt trails and pathways traverses the site, and three deteriorated ramps lead down the bluffs and onto the

beach. Area residents and UCSB students come to Ellwood Mesa to stroll, jog, ride their bikes or their horses, sunbathe, bird watch, or just enjoy the views of the coastline, the Channel Islands, and the Santa Ynez Mountains.

Perhaps the most significant feature of Ellwood Mesa is the extensive eucalyptus woodland along its northern boundary that supports one of the largest overwintering colonies of monarch butterflies in California. Each fall monarch butterflies from throughout the western United States migrate to the California coast to favored groves of eucalyptus and other tree species where they can find water, nectar, and shelter from the wind. The butterflies remain in their wintering colonies until about mid-February, when they disperse inland to lay their eggs and die. The eucalyptus groves at Ellwood Mesa provide refuge for as many as 100,000 butterflies. Visitors to the groves can see the insects hanging in dense clusters from the trees (Exhibit 6). The groves also provide roosting and nesting sites for raptors and other bird species.

Another significant feature is the site's 40-acre vernal pool complex (Exhibit 7), remnants of the extensive vernal pool habitat once found in Goleta and Isla Vista. The vernal pools support endemic plant species such as Vasey's coyote thistle (*Eryngium vaseyi*), dwarf wooly heads (*Psilocarphus brevissimus*), and popcorn flower (*Plagiobothrys undulatus*). The pools also host an assemblage of aquatic invertebrates and provide breeding sites for amphibians and foraging grounds for birds such as great blue herons, great egrets, and greater yellowlegs.

Grassland, both native and non-native, is by far the dominant habitat type at Ellwood Mesa. Covering 42 acres, Ellwood Mesa's native grassland is one of the most extensive remaining in southern Santa Barbara County. The native grass community is dominated by purple needlegrass (*Nassella pulchra*); other native species include meadow barley (*Hordeum brachyantherum*), alkali rye (*Leymus triticoides*), and California brome (*Bromus carinatus*). Ellwood Mesa's grasslands are home to an array of insect, reptile, and mammal species and provide important foraging, roosting and nesting habitat for numerous species of migratory and resident birds. Birdwatchers can expect to see white-tailed kites, Cooper's hawks, northern harriers, western bluebirds, loggerhead shrikes, savannah sparrows, and western meadowlarks, to name just a few.

The Ellwood Mesa property is within the watershed of Devereux Creek, which flows eastward along the property's northern boundary for a distance of about 3,700 feet. Devereux Creek is the principal source of fresh water for nearby Devereux Slough, the largest estuary on the Gaviota Coast. The riparian corridor on Ellwood Mesa is dominated by eucalyptus, but there are also intermittent stands of willows that attract a variety of songbirds, as well as patches of freshwater marsh.

Project History: The idea of a "land exchange" involving the Ellwood Mesa property and Santa Barbara Shores Park was first proposed more than a decade ago. Landowner SBDP was not initially receptive to the idea, but after forming an association with developer Comstock Homes, SBDP agreed to explore a possible land exchange with the County of Santa Barbara (Ellwood Mesa and Santa Barbara Shores Park were within the County's jurisdiction until 2002, when the City of Goleta incorporated). A development plan agreed to by TPL, Comstock Homes, and the City calling for no more than 78 units on 36 acres of the park came about after lengthy discussions with the local community, which wanted a plan much reduced from SBDP's 123-unit proposal and with development sited to avoid all sensitive habitat. During the environmental review process the City and Comstock Homes further reduced the proposed development plan to reduce or avoid potential impacts to butterfly and raptor habitat and other resources.

To address the proposed Ellwood Mesa-Santa Barbara Shores Park land exchange together with other development and resource protection issues facing the Ellwood Mesa/Devereux Slough area, the County and UCSB—which seeks to build additional faculty and student housing on its property—launched the Joint Proposal for the Ellwood-Devereux Coast. The Joint Proposal is a collaborative planning effort that aims to cluster new residential development near existing development, preserve sensitive resources, create contiguous open space, and provide for public access within a planning area comprising 840 acres of publicly and privately owned lands within the jurisdictions of the County, UCSB, and, now, the City of Goleta. Together the three jurisdictions have released a draft Ellwood-Devereux Coast Open Space and Habitat Management Plan (OSHMP). The OSHMP contains goals and policies for protection and management of the area’s vernal pools, monarch butterflies, and other natural resources, and includes a public access and recreation element that proposes an extensive integrated trail system throughout the planning area. The Conservancy has helped fund the Joint Proposal and preparation of the OSHMP through a 2001 Southern California Wetlands Recovery Program grant to the County.

Aware that cash payment would be necessary to compensate Comstock Homes and SBDP for accepting a scaled-back development plan on a smaller, more inland parcel, the City of Goleta asked TPL to help facilitate the land exchange. Within a few months TPL and Comstock Homes had reached a deal. As discussed in the “Project Summary” section above, its consummation will require that TPL and the City raise the necessary funds and that the City and Comstock Homes obtain approval for the land exchange and residential development proposal from the Coastal Commission.

PROJECT FINANCING:

Coastal Conservancy	\$4,000,000
WCB	\$4,000,000
TPL (other sources, received or anticipated)	\$11,750,000
City of Goleta (36-acre portion of Santa Barbara Shores Park)	<u>\$25,000,000</u>
Total Project Cost	\$44,750,000

The expected source of Conservancy funds for this project is the FY 02/03 appropriation to the Conservancy from the California Clean Water, Clean Air, Safe Neighborhoods and Coastal Protection Act of 2002 (Proposition 40) for acquisition, development, rehabilitation, restoration, and protection of land and water resources. Consistent with Proposition 40, the proposed project includes matching funds from other sources. In this instance the Conservancy’s contribution would be matched 10 to 1.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This project would be undertaken pursuant to Chapter 9 of the Conservancy’s enabling legislation, Division 21 of the Public Resources Code (Sections 31400-31409), regarding public access and enjoyment of coastal resources. Section 31400 states the Legislature’s intent that the Conservancy play a principal role in the implementation of a system of public accessways to and along the coast. Through the proposed authorization, the Conservancy would play a role in an

acquisition that would expand opportunities for public access both to and along the coast in Santa Barbara County.

Section 31400.1 authorizes the Conservancy to award grants to public agencies and nonprofit organizations to acquire land for public access purposes that serve more than local public needs. Consistent with that section, the proposed grant would assist the City of Goleta with its acquisition of a site that is used and enjoyed by area residents, UCSB students, and visitors from all over. Each winter people from throughout California and beyond come to see Ellwood Mesa's famed monarch butterflies. The acquisition would ensure continued public enjoyment of Ellwood Mesa's natural resources and allow for improvements to beach access and development of segments of two major trail systems—the California Coastal Trail and the Juan Bautista de Anza National Historic Trail.

Pursuant to Section 31400.2, the Conservancy may provide up to the total cost of acquisition of lands by a public agency. The proposed authorization would provide just nine percent of the amount needed to complete the acquisition of Ellwood Mesa.

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

Consistent with **Goal 1 Objective D** of the Conservancy's Strategic Plan, the proposed project would result in public acquisition of 0.8 miles of new Coastal Trail right-of-way on the Ellwood Mesa Property.

Consistent with **Goal 2 Objective A** of the Conservancy's Strategic Plan, the proposed project entails acquisition of an oceanfront property under threat of development in order to protect coastal open space and views and expand parkland within the City of Goleta.

Consistent with Strategic Plan **Goal 4 Objective A** and **Goal 5 Objective A**, the proposed acquisition would result in a net gain for the City of 101 acres of open space, thereby preserving the site's vernal pools, native grasslands, stream corridor, and monarch butterfly habitat.

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

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** The protection of Ellwood Mesa has been a community goal for some twenty years, and the strong public support this project enjoys is evidenced by TPL's hugely successful community fundraising campaign. To date, local philanthropists and private foundations as well as individual members of the public—some of them from out of state—have donated about \$7.1 million toward the acquisition. WCB also has supported the

acquisition with a grant of \$4 million. Assemblymember Hannah-Beth Jackson endorses the project whole-heartedly. The project also has the support of U.S. Representative Lois Capps, and was a top priority for former State Senator Jack O'Connell. Among the many organizations supporting the project are the Sierra Club; the Santa Barbara chapters of the Audubon Society and Surfrider Foundation; Citizens for Goleta Valley; and the Environmental Defense Center. Letters of support are attached as Exhibit 8.

4. **Location:** The proposed project site is located within the coastal zone of the City of Goleta.
5. **Need:** TPL and the City of Goleta have raised most of the funds necessary for this acquisition. However, a shortfall remains, and time is running short. The proposed Conservancy funding would bring the City considerably closer to its goal.
6. **Greater than local interest:** The Santa Barbara County coast is a scenic and recreational destination of statewide and even national interest. The proposed project would place under public ownership a site that would provide beach access and recreational opportunities for Goleta residents, UCSB students, and visitors to the area from throughout California and out of state. The acquisition would allow for development of segments of the California Coastal Trail and the Juan Bautista de Anza National Historic Trail. It would also protect significant vernal pool and native grassland habitats as well as a major overwintering site for monarch butterflies.

Additional Criteria

7. **Urgency:** Comstock Homes and SBDP have made known their intention to proceed with their plans to develop the Ellwood Mesa property if this acquisition does not go forward. This may be the public's only opportunity to acquire the site.
8. **Leverage:** See the "Project Financing" section above.
9. **Conflict resolution:** The project would resolve a twenty-year-long dispute over development of Ellwood Mesa.
10. **Readiness:** The City of Goleta expects to obtain all approvals necessary for the transaction to occur and take title by the end of this year.
11. **Realization of prior Conservancy goals:** The Gaviota Coast has long been a priority project area for the Conservancy. The acquisition of the Ellwood Mesa property would further the goals of the Conservancy-funded Joint Proposal for the Ellwood-Devereux Coast and help implement the OSHMP.
12. **Cooperation:** This project entails cooperation among TPL, a private nonprofit organization; the City of Goleta; and Comstock Homes, a private developer.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

Before the City of Goleta incorporated in 2002, the project site was within the jurisdiction of the County of Santa Barbara and subject to the County's coastal permit-issuing authority pursuant to its certified Local Coastal Program (LCP). The City is in the process of preparing its own LCP, but until the LCP is finalized and certified by the Coastal Commission, the Coastal Act (Division 20 of the Public Resources Code, Sections 30000 et seq.) is the standard of review for

development and land use decisions within the City's coastal zone. Still, the County's LCP provides a useful benchmark against which to evaluate the proposed project.

Regarding public access, Policy 7-12 of the County's LCP states, "New opportunities for beach access and coastal recreation shall be provided in the Goleta planning area." Consistent with this policy, public acquisition of the Ellwood Mesa property would greatly expand public beach access and coastal recreation opportunities in the City of Goleta.

Policy 7-4 of the County's LCP addresses the need to balance public access with resource protection. It states, "The County, or appropriate public agency, shall determine the environmental carrying capacity for all existing and proposed recreational areas sited on or adjacent to dunes, wetlands, streams, tidepools, or any other areas designated as 'Habitat Areas' by the land use plan. A management program to control the kinds, intensities, and locations of recreational activities so that habitat resources are preserved shall be developed, implemented, and enforced. The level of facility development . . . shall be correlated with the environmental carrying capacity." Consistent with Policy 7-4, the OSHMP aims to provide for public access and recreation on Ellwood Mesa and throughout the planning area that is compatible with natural resource protection—for example, by relocating or closing certain informal trails to prevent bluff erosion or avoid impacts to vernal pools, designating certain trails for pedestrian use only, and using boardwalks and/or bridges for trails in wetland and riparian areas. The plan also calls for the City, the County, and UCSB to "monitor visitation and environmental conditions" in the planning area to ensure that use does not exceed the environmental carrying capacity.

The County's LCP calls for preservation and protection of environmentally sensitive habitats. Section 3.9.2 of the LCP defines environmentally sensitive habitat areas as "any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments." LCP Section 3.9.4 specifically identifies as environmentally sensitive habitat areas four habitat types occurring on Ellwood Mesa: vernal pools, native grassland, "butterfly trees," and streams. The LCP has separate policies pertaining to the protection of each habitat type. Regarding vernal pools, LCP Policy 9-21 states, "Development shall be sited and designed to avoid vernal pool sites as depicted on the resource maps." Similarly, Policy 9-18 states, "Development shall be sited and designed to protect native grassland areas." And pursuant to Policy 9-22, "Butterfly trees shall not be removed except where they pose a serious threat to life or property, and shall not be pruned during roosting and nesting season." The proposed acquisition of the Ellwood Mesa property is consistent with these policies because it would permanently protect the site's sensitive habitats from development. Also consistent with these policies, the Comstock Homes residential development has been designed to minimize impacts to sensitive resources.

COMPLIANCE WITH CEQA:

On June 21, 2004, the City of Goleta, the lead agency under the California Environmental Quality Act (CEQA) for the Ellwood Mesa property acquisition, certified the Final Environmental Impact Report for the Comstock Homes Development and Ellwood Mesa Open Space Plan (EIR; Exhibit 2). The EIR analyzed the potential environmental effects associated with the Ellwood Mesa-Santa Barbara Shores Park land exchange, the Comstock Homes

residential development, and implementation of OSHMP components within the City's jurisdiction. The City's Resolution of June 21, 2004, certifying the EIR is attached as Exhibit 9.

On June 24, 2004, the City approved an Addendum to the Final EIR (Addendum; Exhibit 3) that addressed a revised site plan for the Comstock Homes residential project that was submitted after completion of the EIR. The revised site plan reduces or avoids previously identified potential significant environmental effects. The City also adopted the Mitigation Monitoring and Reporting Plan for the project, which is contained within the EIR. The City determined that while the project may have several significant effects on the environment, mitigation measures that were made a condition of the approval would mitigate all but thirteen of these effects. The City adopted a Statement of Overriding Considerations regarding the thirteen impacts that would potentially be significant even with mitigation. The City's June 24, 2004 Resolution, together with its EIR Findings Regarding Potentially Significant Impacts and Statement of Overriding Considerations, are attached as Exhibit 4.

The proposed Conservancy action is to partially fund the acquisition of the Ellwood Mesa property. As described in the "Project Summary" section above, the City is providing Comstock Homes with partial compensation for the property in the form of fee title and development rights to a 36-acre portion of Santa Barbara Shores Park, and completion of the Ellwood Mesa acquisition will require that the City and Comstock Homes obtain final approval to subdivide the City park into two parcels, rezone the 36-acre park parcel to residential, rezone the Ellwood Mesa property to open space, subdivide the 36-acre parcel for residential development, and construct the residential project.

The EIR identified possible significant effects of the project in the areas of geology and geologic hazards, hydrology and water quality, biological resources, hazards and hazardous materials, visual resources, recreation, cultural resources, traffic and circulation, noise, air quality, and public services. For all potentially significant effects except certain impacts in the areas of biological resources, visual resources, recreation, traffic and circulation, and noise, the proposed mitigation will avoid, reduce, or minimize the possible effect to a level of insignificance. The EIR contains a Mitigation Monitoring and Reporting Program for these mitigations. The City shall implement the Mitigation Monitoring and Reporting Program as a condition of the proposed authorization.

The potential effects of this project as identified in the EIR and their mitigation measures are presented in table form on pages ES-5 through ES-55 and are discussed at length in the text of the EIR (see Exhibit 2). A summary of the unavoidable significant effects is presented below.

Biological Resources

- Impact BIO-4: Roosting and foraging habitat for raptors, loggerhead shrikes, and bats. Several special-status raptor species routinely use the existing open space of Santa Barbara Shores Park and the Ellwood Mesa property; loggerhead shrikes, a species of special concern in California, nest and forage throughout the project area; and grasslands and woodlands in the area provide potential foraging habitat for four bat species of special concern. The Comstock Homes development project would reduce available roosting and/or foraging habitat for these species by about 18 acres. It would also increase human and household pet presence, which could disrupt foraging patterns. Night lighting would increase in portions of the remaining open space near residential development, which may be beneficial for bat foraging but could negatively affect diurnal bird species.

- Impact BIO-9: Native grassland. The Comstock Homes development would remove 0.416 acre of native grassland, which the City of Goleta and the California Department of Fish and Game consider a significant impact.
- Impact BIO-24: Cumulative impact to wildlife resources. The Comstock Homes development would contribute to cumulative impacts on wildlife resources in the Devereux Creek and Devereux Slough watershed. Cumulative effects include increased disturbance to special-status species, such as the western snowy plover, loss of foraging habitat for raptors, introduction of non-native plants, and degradation of water quality.

Visual Resources

- Impact VIS-1: KOP analysis. The Comstock Homes development would generate significant visual impacts. From a number of “key observation points” (KOPs) the project would be incompatible in appearance with the surrounding open space areas, it would partially obstruct views of the Santa Ynez Mountains, and/or it would obstruct views of the Channel Islands.
- Impact VIS-7: Loss of scenic coastal vistas and open space. Construction of the residential project would contribute to the cumulative loss of unspoiled coastal open space areas and associated visual resources.

Recreation

- Impact REC-3: Residential rezone and development. The 36-acre northwestern portion of Santa Barbara Shores Park presently serves as a public trailhead for the Ellwood-Devereux coast. Its rezoning and conversion to residential use would displace about 0.87 miles of existing undeveloped trails and a fifteen-space off-street parking area, as well as informal on-street parking. The residential development project would significantly alter the character of this trailhead area by adding substantial urban development and reducing public access from Hollister Avenue.
- Impact REC-5: Open space plan trail closures. The OSHMP calls for closure and revegetation of about 5.44 miles—over one third—of the estimated 14.73 miles of existing trails and footpaths on the Ellwood Mesa property and in Santa Barbara Shores Park. The proposed trail closures are intended to minimize impacts to sensitive biological resources and avoid bluff erosion. For current trail users accustomed to numerous trail choices, these closures could significantly alter the recreational experience. As public use of the Ellwood-Devereux area gradually increases over time, particularly with the addition of new residents at the Comstock Homes development, the remaining trails could experience crowding, thereby further diminishing the open, unrestricted feeling that characterizes the recreational experience.
- Impact REC-6: Open space plan trail user restrictions. The OSHMP also proposes restricting trail use by bicyclists and equestrians. Equestrians would be restricted to a single loop trail on Ellwood Mesa and would be prohibited from using the beach access points on Ellwood Mesa (coastal access for equestrians would be available on adjacent UCSB property). Bicyclists would be restricted to about 5.22 miles, or 35 percent, of the existing Ellwood Mesa trails and would be required to walk their bicycles in the eucalyptus woodlands, in riparian areas, and on coastal bluff trails. The proposed trail restrictions could result in a crowding effect that would significantly diminish the recreational experience for bicyclists and equestrians accustomed to unrestricted trail access.

- Impact REC-8 (Cumulative impacts): Cumulative increase in open space usage. The proposed Comstock Homes project, in combination with other proposed residential and commercial projects in the vicinity and a general increase in population and intensity of use in the area, would cumulatively add to a long-term trend of increased public use and activity in the Ellwood-Devereux open space areas. This increase in use and activity could result in further restrictions on recreational use and overall deterioration of the recreational resources.

Traffic and Circulation

- Impact Traffic-2. The Comstock Homes project would generate an estimated 79 afternoon “peak hour trips” at local intersections, resulting in a significant impact at the intersection of Hollister Avenue and Storke Road.
- Impact Traffic-6 (Cumulative impacts). Without an extension of Phelps Road from Storke Road to Los Carneros Road, the additional traffic generated by the Comstock Homes project would add to the projected cumulative increase in volume at the Hollister Avenue/Storke Road intersection, resulting in a cumulatively significant impact.

Noise

- Impact N-2: Construction noise. Noise from grading and construction activities associated with the Comstock Homes project could exceed the levels recommended by the Santa Barbara County Environmental Thresholds and Guidelines Manual (Thresholds Manual), which the City adopted for conducting CEQA analysis. Construction noise could reach levels that would disrupt normal outdoor activities. Although it would be periodic and temporary, this impact could be significant as it would affect the Ellwood School, the Santa Barbara Shores neighborhood, Santa Barbara Shores Park, and the Sandpiper Golf Course.
- Impact N-3: Construction noise. Noise from construction of new parking and restroom facilities at Santa Barbara Shores Park could exceed the levels recommended by Thresholds Manual. Similar to Impact N-2, this short-term impact could be significant.

Conservancy staff has independently reviewed the EIR and the Addendum and recommends that the Conservancy, as a CEQA responsible agency, make the following findings:

- Although the Addendum identifies thirteen significant environmental effects that will occur if the proposed project is approved, all other significant effects that can feasibly be mitigated or avoided were reduced to an acceptable level by the imposition of the mitigation measures set forth in the Mitigation Monitoring and Reporting Program included in the EIR and approved by the City.
- The Mitigation Monitoring and Reporting Program establishes a mechanism and procedures for implementing and verifying the mitigations pursuant to Public Resources Code Section 21081.6.
- With respect to the alternatives to the proposed project as set forth in Section 3.0 of the City’s EIR Findings Regarding Potentially Significant Impacts, attached as Exhibit 1 to Exhibit 4, those unavoidable significant environmental effects of the proposed project that have not been reduced to a level of insignificance have been substantially lessened in their severity by project design and the imposition of the mitigation measures identified in the EIR.

- The remaining unavoidable significant impacts are clearly outweighed by the social, biological, recreational, and other benefits of the project, as set forth in the City's Statement of Overriding Considerations, attached as Exhibit 2 to Exhibit 4.

Based on these determinations, staff recommends that the Conservancy find that the EIR and the Addendum are adequate environmental documentation under the California Environmental Quality Act for its approval of the Ellwood Mesa property acquisition.

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