COASTAL CONSERVANCY

Staff Recommendation November 8, 2007

BROOKHURST MARSH WETLANDS ACQUISITION

File No. 07-083-01 Project Manager: Greg Gauthier

RECOMMENDED ACTION: Authorization to disburse up to \$860,000 to the Huntington Beach Wetlands Conservancy to acquire the 16.6-acre University of California Riverside property at Brookhurst Marsh in Orange County.

LOCATION: Brookhurst Marsh, City of Huntington Beach, Orange County (Exhibits 1 & 2).

PROGRAM CATEGORY: Resource Enhancement and Public Access.

EXHIBITS

Exhibit 1: Project Location and Site Map

Exhibit 2: 1874 Coast Survey Image & Current Aerial Photograph

Exhibit 3: Huntington Beach Wetlands Conceptual Restoration Plan excerpts

Exhibit 4: <u>Letters of Support</u>

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-31270 and 31400-31409 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed eight hundred sixty thousand dollars (\$860,000) to the Huntington Beach Wetlands Conservancy (HBWC) to acquire the 16.6 acre University of California, Riverside property at Brookhurst Marsh in Huntington Beach (Orange County Tax Assessor's Parcel Nos. 114-160-78, 114-160-79, 114-160-80, 114-160-81, and 114-160-82) for the purposes of coastal resource enhancement and public access.

1. Prior to the disbursement of funds for acquisition, HBWC shall submit for the review and approval of the Executive Officer of the Conservancy 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 Brookhurst Marsh property.

- 2. HBWC shall pay no more than fair market value for the Brookhurst Marsh property as established in an appraisal approved by the Executive Officer.
- 3. HBWC shall permanently dedicate the Brookhurst Marsh property for habitat and resource protection, open space preservation, and public access, in a manner acceptable to the Executive Officer.
- 4. HBWC shall acknowledge Conservancy funding by erecting and maintaining on the Brookhurst Marsh property, or at another approved location, a sign that has been reviewed and 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 authorization is consistent with the purposes and objectives of Chapters 6 and 9 of Division 21 of the Public Resources Code (Sections 31251-31270 and 31400-31409) regarding resource enhancement and public access.
- 2. The proposed authorization is consistent with the Project Selection Criteria and Guidelines as last updated by the Conservancy on on September 20, 2007.
- 3. The proposed project area is identified in the City of Huntington Beach Local Coastal Program (LCP), as requiring public action to correct existing resource protection problems.
- 4. The Huntington Beach Wetlands Conservancy is a nonprofit organization existing under Section 501(c)(3) of the United States Internal Revenue Code, whose purposes are consistent with Division 21 of the California Public Resources Code."

PROJECT SUMMARY:

Staff recommends authorization to disburse an amount not to exceed \$860,000 to the Huntington Beach Wetlands Conservancy (HBWC) to acquire the 16.6 acre University of California Riverside property of Brookhurst Marsh in Orange County. The acquisition of the subject property will allow the area to be included in the habitat restoration of the Huntington Beach Wetlands scheduled to begin construction in 2008.

The Huntington Beach Wetlands, once fully restored, will comprise 191 acres of tidal salt marsh consisting of four main wetland areas: Talbert Marsh, Brookhurst Marsh, Magnolia Marsh and Newland Marsh. In order to complete the design and engineering phase of the project and to proceed with the restoration construction phase, acquisition of this portion of the Brookhurst Marsh property is essential. This property comprises the final portion of the Brookhurst Marsh not currently owned by the HBWC.

The Huntington Beach Wetlands Conceptual Restoration Plan, completed in April 2006, includes resource enhancement and public access elements (Exhibit 3). Public access planning shows trail locations and connections with the regional trails network, interpretive overlooks, educational programs, and interactive opportunities. The access network will cross along the

edge of this property, parallel to Pacific Coast Highway, and provide opportunities for local schools, the public, and visitors. Public recreation and access opportunities will increase from the trail system envisioned for the marsh. To attract visitors, a linear trail will join with the regional Orange Coast River Park Trail within a short distance from Edison Park, Edison High School and Eader Elementary School and local resorts. The marsh will provide significant opportunities for public education and interpretation.

Significant improvements from restoration include improved habitat conditions for sensitive species including the state-listed Belding's Savannah sparrow, the California least tern and Brown pelican. Restoration may result in establishment of cordgrass areas to attract the Light-Footed clapper rail, a federally listed endangered bird. Also, greater areas of mudflat will be created throughout the marshes to attract shorebirds, and larger subtidal areas will be created for fish habitat.

Specific resource enhancement features of the Conceptual Restoration Plan include the following modifications to Brookhurst Marsh:

- Expanding the existing main channel through the marsh;
- Lowering the banks along the main channel within the marsh to create limited mudflat area;
- Lowering the flood control levee along the Huntington Beach Channel down to the elevation to create pickleweed to supplement the tidal connection;
- Installing a breach through the remaining base of the flood levee at the main channel to provide an unrestricted connection to the Huntington Beach Channel;
- Installing a protective levee along Magnolia Avenue at the lowest portion of the street to prevent flooding,

Restoration of the various marshes that comprise the Huntington Beach Wetlands will be phased over many years to allow refuge for nesting and foraging bird species in established or existing marsh areas while newly restored areas attain tidal regimes and vegetative cover capable of providing essential habitat for these species.

As a 501(c)(3) nonprofit organization dedicated to the restoration and management of these wetlands, HBWC is uniquely qualified to undertake the acquisition and subsequent restoration activities.

Site Description: The property is approximately 16.6 acres of vacant land located north of Pacific Coast Highway between Magnolia Street and Brookhurst Street in the city of Huntington Beach. The property is made up of five separate parcels, the largest of which is 15.7 acres. It includes about 80 feet of frontage along Pacific Coast Highway. The property is designated in the General Plan as OS-C "Open Space Conservation". The value for the property is based on comparable sales for wetland, open space or mitigation properties in southern California.

The Huntington Beach Wetlands are a remnant of the coastal wetland system formed by the meandering Santa Ana River. This wetland system covered 2,950 acres prior to the introduction of agricultural and urban development into the area. Most of this vast wetland has been destroyed through draining and filling for urban growth. Much of the remaining wetland has been isolated through the construction of the Pacific Coast Highway, channelization of the Santa Ana River,

and construction of flood control channels. Today, only about 300 acres of Santa Ana River coastal wetland system remain, and much of this is highly degraded and isolated from tidal action.

The property is within the Brookhurst Marsh which is a portion of the Huntington Beach Wetlands complex. The Huntington Beach Wetlands is a sensitive habitat area that has degraded over time due to isolation from tides, neglect, encroachment, unauthorized access and historic oil exploration and filling. When restored, the Huntington Beach Wetlands will comprise 191 acres of tidal salt marsh consisting of four main wetland areas: Talbert Marsh, Brookhurst Marsh, Magnolia Marsh and Newland Marsh.

The wetlands currently function as home to state-endangered Belding's Savannah sparrow. The federal and state-endangered California least tern nests at the mouth of the Santa Ana River channel and makes use of the portions of wetlands that are presently tidal for purposes of foraging. The Huntington Beach Wetlands are part of the Orange Coast River Park, 1000-plus acres of open space wildlife habitat at the mouth of the Santa Ana River.

Project History: The project site is within a wetland area that has been the subject of controversy for approximately 20 years. Conservancy involvement began when the City of Huntington Beach sought the Conservancy's assistance in resolving a wetland conservation conflict that had consistently prevented approval of the City's Local Coastal Plan. Although the Talbert marsh restoration was successfully completed with Conservancy funding in 1989, disputes over broader land use issues on adjacent parcels, including the project site, continued until 1996, when the LCP for the area was finally approved.

Subsequently, the Conservancy has assisted the HBWC in its acquisition of several properties in the former marsh, in the development of the Conceptual Restoration Plan and most recently in the construction of the Wildlife Care Center at Magnolia Marsh. The final design and engineering for the restoration project is underway and is scheduled to be completed in early 2008. Restoration implementation for Talbert Marsh, Magnolia Marsh, and Brookhurst Marsh is scheduled to begin in the fall of 2008. The HBWC has secured more than \$7.5 million toward the design and engineering, restoration construction, and operations and maintenance of the Huntington Beach Wetlands.

The HBWC currently owns Talbert Marsh, Magnolia Marsh, and all but this project's portion of Brookhurst Marsh. Newland Marsh is isolated from the three other marshes that make up the Huntington Beach Wetlands and is owned by Caltrans. Newland Marsh is included in the Conceptual Restoration Plan but is not part of the current design and engineering phase and is not scheduled to be included in the restoration construction phase.

PROJECT FINANCING:

Coastal Conservancy: Acquisition costs \$834,000
Pre-acquisition costs \$26,000

Total Project Cost \$860,000

The anticipated source of Conservancy funds is the fiscal year 2003-2004 appropriation from the Water Security, Clean Drinking Water, Coastal Beach Protection Fund of 2002 (Proposition 50). Proposition 50 provides funds for the acquisition, protection and restoration of coastal watersheds, including the acquisition of land and water resources. This acquisition will protect watershed lands and allow for the enhancement of those resources.

This project is consistent with the Santa Ana Regional Water Quality Control Board's Watershed Management Initiative Chapter which serves as the regional water quality control plan for this area and includes identifying potential wetlands restoration and/or preservation activities as a priority for the lower Santa Ana River watershed.

Although there are no matching funds provided for the acquisition, the Huntington Beach Wetlands Conservancy has secured more than \$7.5 million toward the design and engineering, restoration construction, and operations and maintenance of the Huntington Beach Wetlands. Matching funds for the overall restoration project are being provided by the Montrose Settlement, the Wildlife Conservation Board and Southern California Edison.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project would be undertaken pursuant to Chapters 6 and 9 of Division 21 of the Public Resources Code, Sections 31251-31270, regarding resource enhancement, and Sections 31400-31409, regarding public access, respectively.

Under Section 31251, the Conservancy may award grants to nonprofit organizations to enhance coastal resources that have suffered loss of natural value because of indiscriminate fill and other human-induced events. The Huntington Beach Wetlands, which encompass the Brookhurst Marsh parcels proposed for acquisition, have been severely degraded and impacted by human development and the filling of the historic wetlands. The proposed project will enable the restoration of these parcels of the Huntington Beach Wetlands.

As also required by Section 31251, the acquisition of the Brookhurst Marsh parcels is an incidental but necessary action to the overall project objective of restoring all of the Huntington Beach Wetlands. The proposed acquisition is also consistent with Section 31259, which authorizes the Conservancy to fund the cost of land acquisition as part of an approved restoration project.

Section 31252 requires that all areas proposed for resource enhancement by a nonprofit organization be identified in the local certified local coastal plan or program as requiring public action to resolve existing resource protection concerns. The proposed project area is identified in the City of Huntington Beach Local Coastal Program (LCP), as requiring public action and is consistent with the LCP, as described in the Consistency with Local Coastal Program Policies, below.

Under Section 31400, the Conservancy has a principal role in the implementation of a system of public accessways to and along the coast. To carry out this mandate, Section 31400.1 allows the Conservancy to award grants to non-profit organizations for the acquisition of property interests in property that will provide accessways to and along the coast. In addition, Section 314000 authorizes the Conservancy to fund up to the total costs of acquisition of land for public access.

The Conservancy's funding of the proposed acquisition is consistent with Chapter 9 because of the opportunities that it will provide for the development of interpretive trails around the Huntington Beach Wetlands.

Consistent with Sections 31253 and 31400.2, the proposed Conservancy funding was determined based on the total amount of funding available for projects, the fiscal resources of HBWC, and the urgency of the project relative to other eligible projects. These and other factors are discussed in the Consistency with Conservancy's Project Selection Criteria & Guidelines, below.

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

Consistent with Public Access **Goal 2 Objective C** of the Conservancy's 2007 Strategic Plan, the proposed project gives funding priority to the acquisition of lands that are currently inaccessible or closed to the public.

Consistent with Resources Conservation **Goal 4 Objective A**, the project will preserve 16.6 acres of property with significant coastal and watershed resources..

Consistent with Resources Conservation **Goal 5 Objective B**, this project will ultimately allow the restoration of the 67 acre Brookhurst Marsh.

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 September 20, 2007, 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 proposed project has widespread public support. An active and large force of volunteers contributes hundreds of hours of labor to the HBWC's efforts to restore and maintain the Huntington Beach Wetlands. They are developing a volunteer run native plant nursery to provide wetland plant species for the restoration project. The project further has been specifically endorsed by State Senator Tom Harman, the Orange Coast River Park partner agencies, Friends of Harbors, Beaches and Parks, the Newport Beach Chapter of the Surfrider Foundation, and the City of Huntington Beach. Letters received in support of project are attached as Exhibit 4.
- 4. **Location:** The proposed project is located within the coastal zone of the City of Huntington Beach, Orange County.

- 5. **Need:** The HBWC has secured more than \$7.5 million toward the design and engineering, restoration construction, and operations and maintenance of the Huntington Beach Wetlands. Funding for acquisition of the Brookhurst Marsh property is critical. Without Conservancy participation, this project will not be completed.
- 6. **Greater-than-local interest:** The Huntington Beach area is a recreation destination for millions of visitors from throughout California each year. Acquisition and restoration of these wetlands will provide coastal access and passive recreation opportunities for these visitors as well as provide a natural habitat area serving as an anchor to the Santa Ana River Trail.

Additional Criteria

- 7. **Urgency:** As described in the "Project Summary" section above, the Conceptual Restoration Plan for the Huntington Beach Wetlands has already been completed. Construction design and engineering is underway and restoration construction is scheduled to begin in fall 2008. Acquisition of the Brookhurst Marsh property is an urgent and critical component of the restoration project as a whole.
- 8. **Resolution of more than one issue:** Completion of the proposed project will allow restoration of coastal wetlands and provide additional public access to coastal resources. It also furthers development of the Orange Coast River Park and the Santa Ana River Trail.
- 9. **Leverage:** See the "Required Criteria: Need" section above.
- 12. **Readiness:** Conceptual restoration planning is complete. Design and engineering are underway and the majority of funding for restoration construction has been secured. With acquisition of the Brookhurst Marsh property, HBWC is ready to proceed with restoration construction of the Huntington Beach Wetlands in 2008.
- 13. **Realization of prior Conservancy goals:** See "Project History" above.
- 15. **Cooperation:** As part of the Orange Coast River Park, acquisition and restoration of the Huntington Beach Wetlands represents a cooperative project of the HBWC, the cities of Huntington Beach, Newport Beach and Costa Mesa, the County of Orange and the nonprofit organization Friends of Harbors, Beaches and Parks.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The City of Huntington Beach Local Coastal Program (LCP) contains objectives and policies consistent with the Brookhurst Marsh acquisition project. These include: Objective C2.5 "Maintain and enhance, where feasible, existing shoreline and coastal resource access sites." Objective C2.6 "Promote and provide, where feasible, additional public access, including handicap access, to the shoreline and other coastal resources." Policy C2.6.6 "Promote public access to coastal wetlands for limited nature study, passive recreation and other low intensity uses that are compatible with the sensitive nature of these areas." Policy C3.2.1 "Encourage, where feasible, facilities, programs and services that increase and enhance public recreational opportunities in the Coastal Zone." Policy C3.2.8 "Promote the implementation of and funding for the proposed Orange Coast River Park concept. The Orange Coast River Park is envisioned as a linkage of public parks (Talbert and Fairview Regional Parks) and private open space lands along and near the mouth of the Santa Ana River, including possible linkages with open space

lands located on the inland side of Pacific Coast Highway, between the Santa Ana River and Beach Boulevard in Huntington Beach."

In addition, the project area is identified in the City of Huntington Beach Local Coastal Program (LCP), as requiring public action to correct resource issues, as follows: Policy C7.1.2 "Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and uses dependent on those resources shall be allowed within those areas." Policy C7.2.1 "Promote the re-establishment of tidal flushing in wetland areas." Policy C7.2.4 "Encourage the Orange County Flood Control District to improve, and continue to maintain once improved, the Huntington Beach and Talbert Flood Control Channel embankment from Beach Boulevard to the Santa Ana River by implementing the following measures: (I-C 12) a) Restore and enhance tidal flows into the area and expand the existing mudflat and salt marsh habitats. b) Plant native plant species to enhance wildlife diversity. c) Enhance the visual appearance of wetland areas. d) Projects that impact the wetlands shall be sited and designed to improve the overall functioning of the wetland ecosystems.

Acquisition of the Brookhurst Marsh property will enhance access to coastal resources, promote low intensity recreation, enhance recreational opportunities in the coastal zone, further the concept of the Orange Coast River Park, protect environmentally sensitive habitat, promote tidal flushing of wetlands and allow improvements to the Huntington Beach Flood Control Channel and is therefore consistent with all these listed objectives and policies

COMPLIANCE WITH CEQA:

The acquisition of the Brookhurst Marsh property is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to Sections 15313 and 15325 14 Cal. Code of Regulations (CCR). Section 15313 exempts acquisition of lands for fish and wildlife conservation purposes. The proposed project also is exempt pursuant to CCR Section 15325 because it is a transfer of ownership of interests in land in order to preserve the existing natural conditions, and for open space purposes. Upon Conservancy approval of the proposed authorization, staff will file a Notice of Exemption for the project.