MINUTE ITEM
This Calendar Item No. C65 was approved as Minute Item No. 65 by the California State Lands Commission by a vote of 2 to 0 at its 5/9/96 meeting.

CALENDAR ITEM
C65

A 67

S 35

05/09/96
R. Ludlow
W25306

AUTHORIZATION FOR THE EXECUTIVE OFFICER TO ENTER INTO INTERAGENCY AGREEMENTS AND MEMORANDA OF UNDERSTANDING WITH STATE, FEDERAL AND LOCAL AGENCIES, AND PRIVATE PARTIES, FOR THE FINANCING AND SUPERVISION OF AN ENVIRONMENTAL ASSESSMENT AT BOLSA CHICA, ORANGE COUNTY

BACKGROUND:
The Ports of Los Angeles and Long Beach have been trying to acquire offset credits in order to obtain permits from the Army Corps of Engineers and the California Coastal Commission to go forward with the filling of existing tide and submerged lands necessary to complete their respective expansion plans. In order to obtain these credits the Ports must create habitat similar to the habitat being destroyed by the proposed filling. No suitable lands remain within the existing boundaries of the Port Districts for this purpose. Therefore, in order to receive the necessary offset credits, the Ports will have to create new tide and submerged land habitat on property outside the existing boundaries of the Port Districts.

PRESENT SITUATION:
The area that may present the greatest opportunity for the Ports to create the necessary habitat is the Bolsa Chica Wetlands in Orange County, a portion of which is already owned by the State Lands Commission, with the rest remaining in private ownership. If the Ports are to create new habitat there, and receive the desired offset credits, the land involved must all be owned by the State in its sovereign capacity subject to the Public Trust for Commerce Navigation and Fishing. Therefore, included in the proposal for the creation of new tide and submerged land habitat at Bolsa Chica is the acquisition by the State Lands Commission of the remaining privately held lands. All acquisition funding would come from the Ports.

A pre-acquisition Environmental Assessment is necessary in order to determine if these lands are suitable to construct the tide and submerged land habitat. The assessment would be conducted by the Port of Long Beach. Funding for the Environmental Assessment will come from a variety of sources including the private

property owner (Signal Bolsa Corporation), the oil company presently operating on the property (CalResources LLC), the United States Department of the Interior, the California Coastal Conservancy, the Resources Agency and settlement money from the American Trader oil spill. None of the funds will come from the State Lands Commission's budget. In order to facilitate the funding and do the Environmental Assessment the Executive Officer of the Commission will need authority to enter into Memoranda of Understanding and Interagency Agreements with the Port of Long Beach and the public and private entities supplying the funding. Entering into the Memoranda of Understanding and Interagency Agreements will not obligate the Commission to acquire any of the Bolsa Chica property.

AB 884:

N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the Staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by the CEQA and the State CEQA Guidelines.

   Authority: Public Resources Code Section 21065 and 14 Cal. Code Regs. 15378.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND 14 CAL. CODE REGS. 15378.

2. AUTHORIZE THE EXECUTIVE OFFICER TO ENTER INTO MEMORANDA OF UNDERSTANDING AND INTERAGENCY AGREEMENTS WITH THE APPROPRIATE STATE, FEDERAL AND LOCAL AGENCIES AND PRIVATE PARTIES, FOR THE FUNDING AND COMPLETION OF AN ENVIRONMENTAL ASSESSMENT AT BOLSA CHICA, ORANGE COUNTY, CALIFORNIA.