

MINUTE ITEM

This Calendar Item No. 60 was approved as Minute Item No. 60 by the California State Lands Commission by a vote of 3 to 0 at its 04-05-04 meeting.

**Minute Item
60**

04/05/04
W25306
J. Smith
P. Griggs
J. Trout

**UNITED STATES FISH AND WILDLIFE SERVICE
(APPLICANT)**

Regular Item 60, 61 and 62: Commission listened to staff presentation pertaining to the restoration of the Bolsa Chica wetlands in Orange County.

Item 60 is to grant Fish and Wildlife Service a four-year lease to start construction.

Item 61 is the relocation of the gas line by the City of Long Beach.

Item 62 is to provide CalTrans the right-of-way to build a detour for the Pacific Coast Highway during construction of a bridge and then give ownership of the new bridge.

All three items were approved as presented by a 3-0 vote.

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CALENDAR ITEM

60

A 67

S 35

PRC 8526.9

04/05/04
W 25306
J. Smith;
P. Griggs;
J. Trout

GENERAL LEASE - PUBLIC AGENCY USE
TO THE UNITED STATES FISH AND WILDLIFE SERVICE
FOR CONSTRUCTION OF THE
BOLSA CHICA LOWLANDS RESTORATION PROJECT

LESSEE:

United States Fish and Wildlife Service
911 NE 11th Ave
Portland, Oregon 97232

AREA, LAND TYPE, AND LOCATION:

880 acres, more or less, of Public Trust lands within the Bolsa Chica lowlands, Orange County.

AUTHORIZED USE:

Construction of Phase I of the Bolsa Chica Lowlands Restoration Project.

LEASE TERM:

4 years, beginning May 1, 2004.

CONSIDERATION:

The public use and benefit.

SPECIFIC LEASE PROVISIONS:

Insurance:

Contractor shall maintain liability insurance with limits of no less than \$10,000,000, naming the State of California as an additional insured.

OTHER PERTINENT INFORMATION:

1. Applicant has a right to use the lands adjoining the lease premises.
2. In 1996, the Commission, along with seven other State and federal

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agencies (the U.S. Army Corps of Engineers, the U.S. Fish and Wildlife Service, the U.S. Environmental Protection Agency, the National Marine Fisheries Service, the California Resources Agency, California Coastal Conservancy and the California Department of Fish and Game) signed an Interagency Agreement to buy, plan, design, construct and maintain the Bolsa Chica wetlands to mitigate the impacts of expanding facilities for the Ports of Los Angeles and Long Beach. The Ports of Los Angeles and Long Beach contributed \$79.6 million for the purchase of the Bolsa Chica lowlands and for the Restoration Project, and in exchange, the Ports received environmental mitigation credits. The California Coastal Conservancy contributed an additional \$1,500,000 (which includes a \$500,000 grant from the United States Fish and Wildlife Service). All these funds were placed in the Kapiloff Land Bank Fund for the purpose of completing the Restoration Project. The Restoration Project is directed by a federal/state interagency Steering Committee of representatives of each of the above listed agencies. The U.S. Fish and Wildlife Service will oversee construction of the project. The U.S. Fish and Wildlife Service and the U.S. Army Corps of Engineers were the lead agencies pursuant to the National Environmental Policy Act (NEPA) process and the Commission acted as Lead Agency for the California Environmental Quality Act (CEQA) review.

At its meeting on February 12, 1997, the Commission authorized the purchase of approximately 880 acres of the Bolsa Chica lowlands from the Signal Bolsa Corporation, a subsidiary of Koll Real Estate Group. At that same meeting, the Commission authorized the acceptance of an approximately 25-acre parcel from the Bolsa Chica Land Trust to complete the Bolsa Chica lowlands acquisition.

The Project consists of two key phases. Phase I, which is scheduled to begin later this year, will restore the ecological function of the existing wetland area by increasing tidal influence and open water habitat by dredging a tidal basin within the existing wetlands and connecting it directly to the Pacific Ocean. Phase II, which will be the subject of a separate lease in the future, will restore the remaining area, and is scheduled to occur in 2024, or at the time when the oil fields have reached their productive limit and are abandoned.

3. The Commission certified the Bolsa Chica Lowlands Restoration Project (Project) Final Environmental Impact Report/Environmental Impact

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Statement, adopted Findings, adopted a Mitigation Monitoring Program, adopted a Statement of Overriding Considerations, and approved the Project on January 30, 2002. The NEPA lead agencies issued the Record of Decision in the second quarter of 2002.

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15025), the staff prepared an EIR/EIS identified as CSLC EIR/EIS No. 712, State Clearinghouse No. 2000071068. Such EIR/EIS was prepared and circulated for public review pursuant to the provisions of the CEQA.

4. The Bolsa Chica lowlands were acquired for the specific purpose of restoring the area as tidal wetlands as mitigation for development at the Ports of Los Angeles and Long Beach. The lowlands acquired for the Restoration Project are adjacent to the Bolsa Chica Ecological Reserve that has been identified as possessing significant environmental values pursuant to Public Resources Code sections 6370-6377.

Although the Commission considers all lands "significant" by nature of their public ownership, use classifications, specifically designed to protect the significant environmental values of the area designated, are not assigned unless such lands have been identified as possessing significant environmental values pursuant to Public Resources Code sections 6370-6377. The Bolsa Chica lowlands have been subjected historically to intensive modifications that eliminated its wetlands function, including, but not limited to, elimination of its access to the sea and oil and gas production. Accordingly, the area was neither identified pursuant to Public Resources Code sections 6370-6377 nor assigned use classifications; therefore, the finding of the project's consistency with the use classification as required by Title 2, California Code of Regulations, section 2954 is not applicable.

APPROVALS OBTAINED:

U.S. Army Corps of Engineers; Regional Water Quality Control Board; California Coastal Commission.

EXHIBIT:

- A. Location and Site Map

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PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

1. RE-ADOPT THE FINDINGS FOR THE 2001 BOLSA CHICA LOWLANDS RESTORATION PROJECT ON FILE IN THE SACRAMENTO OFFICE OF THE COMMISSION, MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15091.
2. RE-ADOPT THE MITIGATION MONITORING PROGRAM PREPARED FOR THE 2001 BOLSA CHICA LOWLANDS RESTORATION PROJECT ON FILE IN THE SACRAMENTO OFFICE OF THE COMMISSION, IN CONFORMANCE WITH THE PROVISIONS OF THE CEQA (PUBLIC RESOURCES CODE SECTION 21081.6.
3. RE-ADOPT THE STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE 2001 BOLSA CHICA LOWLANDS RESTORATION PROJECT ON FILE IN THE SACRAMENTO OFFICE OF THE COMMISSION, MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15093.

AUTHORIZATION:

1. AUTHORIZE ISSUANCE TO THE UNITED STATES FISH AND WILDLIFE SERVICE OF A GENERAL LEASE – PUBLIC AGENCY USE, FOR A TERM OF FOUR YEARS BEGINNING MAY 1, 2004, FOR CONSTRUCTION OF PHASE I OF THE BOLSA CHICA LOWLANDS RESTORATION PROJECT, ON THE LAND SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; CONSIDERATION IS THE PUBLIC USE AND BENEFIT; CONTRACTOR SHALL MAINTAIN LIABILITY INSURANCE WITH LIMITS OF NO LESS THAN \$10,000,000, NAMING THE STATE OF CALIFORNIA AS AN ADDITIONAL INSURED.

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2. AUTHORIZE EXPENDITURES FROM THE KAPILOFF LAND BANK FUND FOR THE PURPOSES OF RESTORATION AND MANAGEMENT OF THE BOLSA CHICA LOWLANDS USING THE FUNDS HELD IN TRUST FOR SUCH PURPOSES, AND SUCH OTHER FUNDS AS MAY FROM TIME TO TIME BECOME AVAILABLE FOR THE SAME PURPOSES.
3. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO SIGN ON BEHALF OF THE COMMISSION, APPLICATIONS FOR PERMITS FOR THE PROJECT AS A CO-APPLICANT WITH OTHER STATE AND FEDERAL AGENCIES.
4. AUTHORIZE THE LEGAL STAFF OF THE COMMISSION AND THE ATTORNEY GENERAL'S OFFICE TO TAKE ANY OTHER ACTIONS, INCLUDING LITIGATION, CONSISTENT WITH THIS AUTHORIZATION.
5. AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE ALL OTHER DOCUMENTS AND TO TAKE SUCH OTHER ACTIONS AS ARE REASONABLY NECESSARY TO ENSURE THE SUCCESSFUL COMPLETION OF THE RESTORATION.

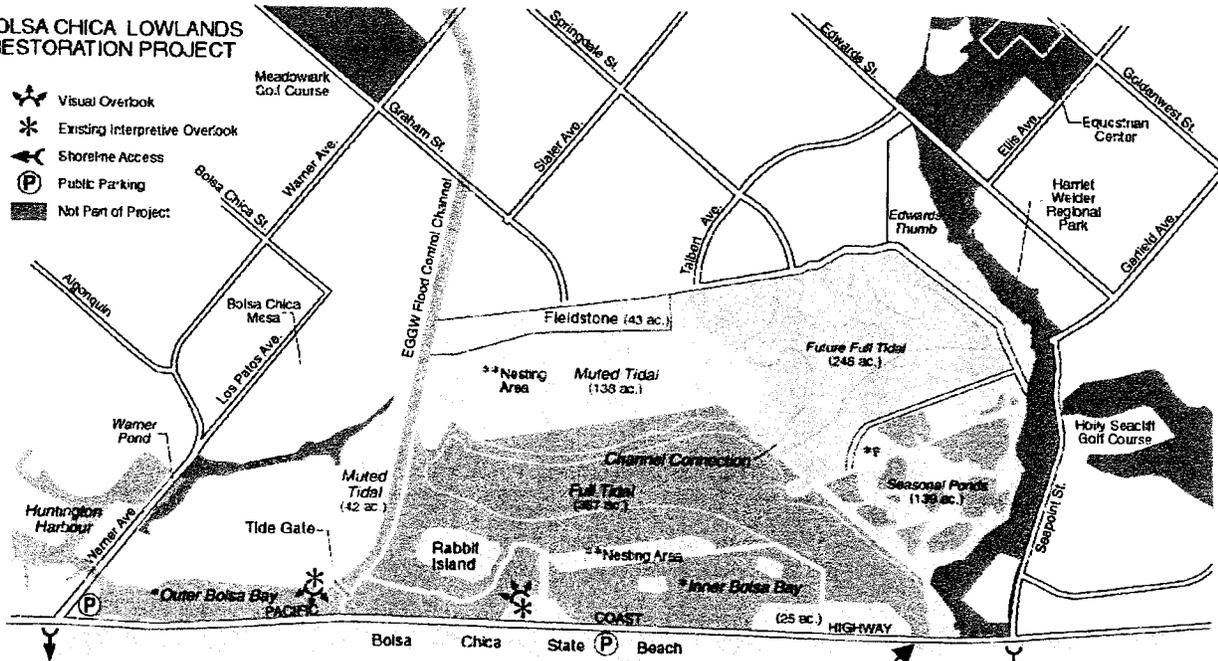
NO SCALE

SITE



BOLSA CHICA LOWLANDS RESTORATION PROJECT

- Visual Overlook
- Existing Interpretive Overlook
- Shoreline Access
- Public Parking
- Not Part of Project



Bolsa Chica Wetlands Steering Committee

Proposed Bridge Right-of-Way

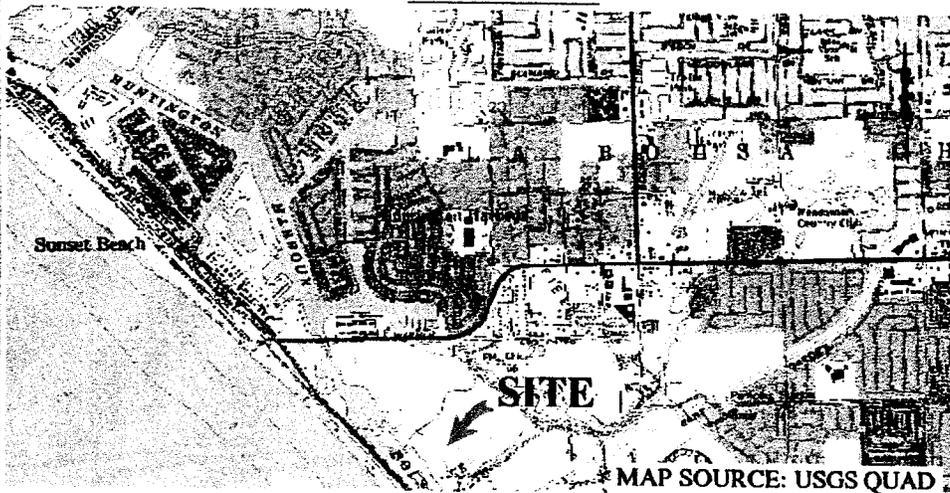
*Inner and Outer Bolsa Bay (210 ac.)
 **Nesting Areas (20 ac.)

July 2003

BOLSA CHICA LOWLANDS RESTORATION PROJECT

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

W25306
 U.S. FISH & WILDLIFE SERVICE
 BOLSA CHICA
 ORANGE COUNTY



This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties, and is not intended to be, nor shall it be construed as a waiver or limitation of any State interest in the subject or any other property

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