



**Staff Recommendation**

December 12, 2023

Item 6

**Action Item:**

**Consideration and Approval to Disburse Funds for the Southern Los Cerritos Wetland Restoration Project**

Maria Rodriguez, Climate and Environmental Justice Program Manager

**Recommended Action:** Authorization to disburse up to \$6,000,000 to the Los Cerritos Wetlands Authority for the Southern Los Cerritos Wetlands Restoration Project, which will restore and provide public access to 103.5 acres of wetlands in Seal Beach.

**Location:** Los Cerritos Wetlands, City of Seal Beach, Orange County

**Strategic Plan Goals and Objectives:** This project would implement strategic targets in Goal 1: Safeguard Coastal and Marine Ecosystems and Communities in the Face of Climate Change; Goal 2: Advance Equity Across Ocean and Coastal Policies and Actions; Goal 3: Enhance Coastal and Marine Biodiversity. Specifically, within these objectives: Objective 1.1: Build Resiliency to Sea-Level Rise, Coastal Storms, Erosion, Flooding; Objective 1.2 Minimize Causes and Impacts of Ocean Acidification and Hypoxia; Objective 2.2: Enhance Engagement with Underserved Communities; Objective 2.3: Improve Coastal Access; Objective 2.4 Enhance Healthy Human Use of the Coast and Ocean; Objective 3.1: Protect and Restore Coastal and Marine Ecosystems; and Objective 3.4: Improve Coastal and Ocean Water Quality.

**Equity and Environmental Justice Considerations:** Improved and enhanced wetland habitat, public coastal access and recreational opportunities, stewardship programs, culturally-responsive community and tribal engagement and collaboration, tribal co-management, culturally-relevant signage.

**Exhibits:** Exhibit 1: [Project Location Map](#)  
Exhibit 2: [Project Design and Site Photos](#)  
Exhibit 3: [Mitigated Negative Declaration for the Southern Los Cerritos Wetlands Restoration Project](#)  
Exhibit 4: Comment Letters

## Findings and Resolution:

Staff recommends that the Ocean Protection Council (OPC) adopt the following findings:

“Based on the accompanying staff report and attached exhibit(s), OPC hereby finds that:

1. The proposed project is consistent with the purposes of Division 26.5 of the Public Resources Code, the California Ocean Protection Act;
2. The proposed project is consistent with the adopted State Water Resources Control Board’s Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling; and
3. The proposed project addresses the California Environmental Quality Act (CEQA) as follows: OPC has reviewed and considered the Southern Los Cerritos Wetlands Restoration Project Initial Study/ Mitigated Negative Declaration (ISMND) adopted by the Los Cerritos Wetlands Authority, the lead agency for CEQA compliance, on August 24, 2023. OPC staff recommends that the mitigation and avoidance measures identified in the ISMND (Exhibit 3) be adopted as a condition of OPC’s approval.”

Staff further recommends that OPC adopt the following resolution pursuant to Sections 35500 *et seq.* of the Public Resources Code:

“OPC hereby approves the disbursement of up to \$6,000,000 to the Los Cerritos Wetlands Authority for the Southern Los Cerritos Wetlands Restoration Project, which will restore and provide public access to 103.5 acres of wetlands in Seal Beach.

This authorization is subject to the condition that the mitigation and avoidance measures identified in the Southern Los Cerritos Wetlands Restoration Project Initial Study/ Mitigated Negative Declaration, [Exhibit 3](#) be implemented and that prior to disbursement of funds, the Los Cerritos Wetlands Authority shall submit for the review and approval of the Executive Director of the OPC detailed work plans, schedules, staff requirements, budgets, and the names of any contractors intended to be used to complete the project, as well as discrete deliverables that can be produced in intervals to ensure the project is on target for successful completion. This project will be developed under a shared understanding of process, management, and delivery.”

## Executive Summary

Staff recommends authorization to disburse a \$6,000,000 grant to the Los Cerritos Wetlands Authority (LCWA) using OPC's Once-Through Cooling (OTC) interim mitigation funds<sup>1</sup> to support the Southern Los Cerritos Wetlands Restoration Project (Project). OPC funding will contribute to the [State Coastal Conservancy's recent award approval of up to \\$31,852,000](#), which reflects total project costs of planning and permitting for restoration and providing public access to 103.5 acres of wetlands in Seal Beach, construction of an initial phase of restoration and public access improvements on a portion of the Project site, and management of the wetlands in Seal Beach, Orange County. The proposed Project will restore degraded uplands and tidal salt marsh, increasing coastal resilience to climate change by creating new areas for coastal salt marsh migration in the face of sea level rise. The Project additionally offers opportunities for tribal access and co-management and will result in open space access for underserved<sup>2</sup> communities in Seal Beach, Long Beach, and inland communities.

OPC's OTC interim mitigation funds are derived from payments made by power plants still using OTC technology until these facilities come into compliance with the [State Water Resources Control Board's Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling](#). The proposed Project advances critical restoration activities to restore coastal habitats and increase marine life associated with marine protected areas (MPAs) in the geographic region of power plants using once-through cooling technology. The restoration and enhancement of this Project's coastal wetland habitat will add critically needed refuge for sensitive marine life within the direct proximity and geographic region of the Los Angeles Department of Water and Power

---

<sup>1</sup> OTC interim mitigation funds are provided to OPC pursuant to the State Water Resources Control Board's (SWRCB) OTC Policy adopted on May 4, 2010. Under a Memorandum of Understanding (MOU) between the SWRCB, Conservancy and OPC, interim mitigation funds paid under the OTC Policy may be used by OPC to fund wetland restoration.

<sup>2</sup> The terms, "Disadvantaged", "Marginalized", and "Underserved" provided by Senate Bill 1000 (Leyva) (Ch. 587, Stats. 2016) added Government Code Section 65302(h)(4)(A), expanding the definition of "disadvantaged communities" for the purpose of general plans to mean "an area identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code or an area that is a low-income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation." This staff recommendation may use the terms interchangeably, as it intends to encompass not only the definitions contemplated by Senate Bill 1000, but also to include other low-income and minority populations that are disproportionately burdened by or less able to prevent, respond, and recover from adverse environmental impacts.

(LADWP) Haynes Generating Station, as defined by the OPC Science Advisory Team (OPC-SAT) Working Group’s 2018 [scientific guidance for ocean restoration methods](#). This project addresses OTC Program priority investment category for restoration and is aligned with the [OTC Program’s Award Guidelines](#).

## Project Summary:

### Background:

The Project is the first large scale restoration effort to be implemented in the Los Cerritos Wetlands Complex (referred to as the Los Cerritos Wetlands or the Complex) after over a decade of planning and stakeholder engagement. The Los Cerritos Wetlands Complex, measuring just over 500 acres, is what remains of a historic 2,400-acre coastal wetland system at the mouth of the San Gabriel River, located between the Los Angeles and Orange County borders. Wetland loss at the site has occurred due to grading and filling of wetlands, public infrastructure that was built through the wetlands, housing, commercial development, and oil extraction. The Project area is approximately one-fifth of the Complex and is publicly owned: the LCWA owns 100 acres of the site, and the California State Lands Commission owns 3.5 acres.

The Project site has been heavily disturbed over the past century by agricultural and industrial land uses. Extensive filling of the property occurred from dredge material associated with the excavation of the San Gabriel River and the Haynes Cooling Channel in the 1950s and 1960s. While this location has suffered extensive alterations and degradation of its habitat over time, the Los Cerritos Wetlands are one of the few coastal wetland complexes left in Southern California with the potential for large-scale restoration.

Although the Los Cerritos Wetlands are surrounded by urban development and have been dramatically altered, they provide valuable habitat for several species. Special status species occurring in the wetlands include Belding's Savannah sparrow, Least bell's vireo, California least tern, Loggerhead shrike, Western snowy plover, California gull, Cooper's hawk, Elegant tern, Long-billed curlew, Northern harrier, Osprey, Southern California rufus-crowned sparrow, and Yellow warbler. Salt marsh fish species can also be found in the tidally-influenced, channelized drainages. While these species still utilize this area, their populations could be substantially increased if the wetland habitat is restored and enhanced.

In December 2010, LCWA purchased the Project site. Since then, the State Coastal Conservancy, as well as other state and federal partners, have supported planning for restoration of the site. The first major step in the design process was the development of the [Los Cerritos Wetlands Final Conceptual Restoration Plan](#) (2015) that analyzed various alternatives for restoration and

identified goals for restoration of the Complex. In 2021, the conceptual designs were further refined, and environmental impacts associated with the proposed plan for the Complex were evaluated in a [Programmatic Environmental Impact Report](#) (PEIR). Subsequent to the certification of the PEIR, an [Initial Study/ Mitigated Negative Declaration](#) (ISMND) was prepared for the current Project, which is in the southern part of the Complex. The ISMND, 65% design, and major permit submittals for the Project were completed in Summer 2023. The restoration plans were prepared with input from a Technical Advisory Committee comprised of resource agencies and wetlands restoration experts, public feedback through extensive community outreach meetings over the last decade, and input from a Tribal Advisory Group (TAG) of Gabrielino/Tongva and Acjachemen tribal representatives. Engagement will be ongoing as the Project moves forward in design and construction.

This is a momentous Project for many community members and groups who have worked toward protection and restoration of the Los Cerritos Wetlands for more than a decade. Restoration of the Los Cerritos Wetlands has been identified on the [Southern California Wetlands Recovery Project Work Plan](#) since 1998.

### **Project Summary:**

***Project Location and Site Description:*** The Project site is located in an urbanized and built-out area in the southwestern coastal portion of the City of Seal Beach, Orange County (see Exhibit 1). The Project boundary encompasses 103.5 acres of the 503-acre Los Cerritos Wetlands and includes portions of two properties: the South LCWA site (100 acres) and the State Lands site (3.5 acres). The State Lands site is owned by the California State Lands Commission. The South LCWA site, currently owned and maintained by the LCWA, contains multiple former landfills and contaminated areas from prior oil operations. Two major channels are present in the vicinity of the project area: the San Gabriel River and the Haynes Cooling Channel. A remnant historic tidal channel, called the Hellman Channel, is also present within the Project area and drains to the San Gabriel River through a 42-inch diameter culvert. Existing tidal wetlands are currently fed by the Hellman Channel and will be protected.

Former dirt access roads still bisect the site and cause ecological and hydrological fragmentation. Soil conditions have become hypersaline and compacted. While approximately 28 acres of southern coastal salt marsh persist on the site, they are degraded due to the muted tidal prism and poor soil conditions. Meanwhile, the remainder of the site has been converted by previous landowners from coastal salt marsh habitat to primarily ruderal uplands with no tidal connections. A wide variety of non-native plant species have invaded the landscape including several species of iceplant, mustard, star thistle, garland chrysanthemum, Brazilian pepper trees, and Mexican fan

palms. Remnant geomorphological features include historic coastal bluffs that are also in need of restoration.

***Project Description:*** Project activities consist of planning, permitting and development of final designs for the 103.5-acre Project site, and an initial implementation phase (Phase 1) of wetland/ ecosystem restoration. Planning and permitting for the Project will include technical studies, permitting, developing construction documents, and competitive contractor bidding. Ecosystem restoration will occur in two phases<sup>3</sup> based on access to the Haynes Cooling Channel, which runs parallel to the site, as a source of tidal waters. OPC and State Coastal Conservancy funds will support completion of final designs for the entire Project (103.5 acres) and implementation of Phase 1 on a portion of the Project site (54 acres).

Phase 1 implementation will restore tidal wetlands, wetland-upland transition zones, and upland habitats within 54 acres of the Project site. This would involve addressing any contaminated soil, grading, revegetation, new tribal and public access opportunities, construction of flood management facilities (including earthen berms), and modification of existing infrastructure and utilities. The Project proposes to create coastal salt marsh by grading upland areas down to intertidal elevations. Increasing the amount of tidal wetlands and enhancing existing habitat areas at the site will not only restore critical wetland habitat, but also provides more opportunities for carbon sequestration. The Project also aims to address predicted sea level rise impacts and adaptation to climate change by creating transitional wetland habitat via grading slopes between intertidal habitat and upland elevations to create upslope migration opportunities for salt marsh habitat. Grading of existing muted tidal salt marsh habitat will be avoided and minimized as much as possible unless required by regulatory agencies to remediate contaminated soils. Instead, those areas will be enhanced by improvements to the site's tidal prism.

Project funds will support completion of final designs for the entire 103.5-acre site, including planning and permitting, and will fund a portion of Phase 1 implementation, which consists of wetland restoration within a portion of the Project site consisting of 54.5 acres. A second Project Phase (Phase 2), not funded by this staff recommendation, will include restoration of an additional

---

<sup>3</sup> Phase 1 of this project includes 54 acres of wetland habitat restoration. Phase 2 includes restoration of an additional 49.5 acres within the Project site and will be implemented when OTC practices cease at the LADWP Haynes Generating Station at the end of 2029. Phase 2 restoration activities will eventually expand tidal wetlands throughout the project site by creating a full tidal connection with the Haynes Cooling Channel. Phase 2 implementation is not funded by this staff recommendation and would occur.

49.5 acres within the Project site and will be implemented when OTC practices cease at the LADWP Haynes Generating Station at the end of 2029. Phase 2 restoration activities will eventually expand tidal wetlands throughout the Project site by creating a full tidal connection with the Haynes Cooling Channel. Phase 2 implementation would occur under a separate funding source. See table below for proposed habitat types and acreages for the Project site.

**Table 1: Proposed Habitat Types**

Habitat Type	Existing Conditions	Phase 1 Proposed Restoration	Phase 2 Proposed Restoration	Total Proposed Restoration
Wetlands	33.38	36.88	24.41	61.29
Subtidal	1.61	1.66	0.85	2.51
Unvegetated Intertidal	-	1.30	1.94	3.24
Transitional zone	-	4.86	2.51	7.37
Salt marsh	28.83	-	-	-
Tidal salt marsh	-	28.84	17.07	45.91
Salt flat/panne	2.94	0.22	2.04	2.26
Uplands	66.16	14.15	24.30	38.45
Non-native upland	66.16	-	-	-
Restored upland	-	14.15	24.30	38.45
Non-Natural	4.00	3.43	0.37	3.80
Disturbed habitat	0.05	-	-	-
Developed (e.g., berms, road, State Lands pads, impervious surfaces)	3.95	3.43	0.37	3.80
<b>Total</b>	<b>103.54</b>	<b>54.46</b>	<b>49.08</b>	<b>103.54</b>

The Project is a multi-benefit, nature-based solution that will improve and restore wetland habitat for native species, provide increased habitat and coastal resiliency to sea-level rise, improve hydrological conditions, and provide tribal and public access to natural spaces in a highly urbanized area. The Los Cerritos Wetlands provide critical habitat for state- and federally-listed threatened and endangered species, many of which migrate throughout coastal California, and, once restored, will provide an important link to other coastal wetlands along the Pacific Flyway. The Project helps advance multiple State plans and policies, such as: OPC’s strategic priorities in Goals 1, 2, and 3 of OPC’s Strategic Plan, Pathways to 30x30 California (2022), the California Water Action Plan (2014), and Southern California Wetlands Recovery Project (SCWRP) Regional Strategy (2018). The goals of the Project are primarily aligned the SCWRP’s Goal #1, which is preserving and restoring resilient tidal wetlands and associated marine and terrestrial habitats, and Goal #3,

which is supporting education and compatible access related to coastal wetlands and watersheds. These goals move toward achieving the vision of restoring and protecting wetlands and rivers along the Southern California coast to benefit wildlife and people. In summary, the goals of the restoration Project address existing problems and include:

- 1) Restore tidal wetland processes and functions to the maximum extent possible;
- 2) Maximize contiguous habitat areas and maximize the buffer between habitat and sources of human disturbance;
- 3) Create a public access and interpretive program that is practical, protective of sensitive habitat, and is economically feasible;
- 4) Incorporate phasing of implementation to accommodate existing and future potential changes in land ownership and usage;
- 5) Strive for long-term restoration success, and as funding becomes available:
  - a. Integrate experimental actions and research into the Project, where appropriate, to inform restoration and management actions for this Project.

**Monitoring and Adaptive Management:** The proposed Project includes construction management, environmental compliance (including the biological, cultural, paleontological, and tribal monitoring), and pre- and post-restoration ecological monitoring in conformance with permit and CEQA requirements. Project management, wetland management, and stakeholder engagement will take place throughout the design and construction phases and after construction is complete.

Ecological monitoring according to a Mitigation, Maintenance, and Monitoring Program (MMMP) adopted through the CEQA process, and with any additions from the regulatory permitting process will be conducted for at minimum 5 years in order to meet specific performance standards of the Project. Long-term management of the wetlands will employ adaptive management efforts informed by annual monitoring program reports, as well as facilitate administration of the management funds and public stewardship activities.

### **Equity and Environmental Justice Considerations:**

This project advances the following equity objectives from *Goal 2: Equity* in OPC's Strategic Plan: Objective 2.1: Enhance Engagement with Tribes, Objective 2.2: Enhance Engagement with Underserved Communities, and Objective 2.3: Improve Coastal Access. Additionally, this Project aligns with [OPC's Tribal Engagement Strategy](#) and [Equity Plan](#) priorities for meaningful



engagement with California Native American tribes and environmental justice communities,<sup>4</sup> and expanding coastal access to ensure equity in both physical access and quality of experience for all communities across California. The Project site is immediately adjacent and/or near state-defined disadvantaged communities according to the [California Climate Investments Priority Populations 2022 CES 4.0](#) map, [CalEPA's SB535 Disadvantaged Communities 2022](#) map, and [Statewide Parks Program Community FactFinder 2023](#) map. The public access components of this Project will provide Tribal access and co-management, and enhance local coastal access, education and recreation opportunities for nearby DAC-designated communities and communities across California.

**Coastal Access Benefits:** Implementation of the Project will allow the wetlands to be open to the public. Phase 1 will create a trail connection from the San Gabriel River in the west through the State Lands parcel and follow an existing trail on the South LCWA site, install access gates and interpretive signage along the trail, and develop a formal gathering site on the State Lands parcel that may include signage, shade, equipment storage, and seating. In addition, a new restricted trail will be constructed along the top of the new perimeter berm with a viewpoint that will be restricted to docent-led tours and maintenance access. Phase 2 will further expand these public access features.

Furthermore, the LCWA has established a successful stewardship program since 2009 through non-profit partnerships to advance its mission, provide access to the wetlands, and facilitate community-based restoration. Continued partnerships through the stewardship program, and hosting of community restoration events, will play a key role in long-term management of the Project.

**Tribal Engagement:** The LCWA has worked collaboratively with interested tribal representatives through the formation of the TAG to incorporate tribal perspectives into the Project design. The TAG is made up of five active members representing Gabrielino/Tongva and Acjachemen Tribes. The TAG feedback has informed the grading design to include a 50-foot buffer near sensitive cultural locations, and to include specific tribal access features to be refined in this Project. Native American and archaeological monitors have also monitored earthwork during previous planning and will monitor future earthwork. The Project will also implement tribal specific access

---

<sup>4</sup> Environmental Justice (EJ) communities are communities that are disproportionately impacted by environmental injustices and social inequities, that are environmentally and economically-stressed and experience environmental health inequities which contribute to persistent environmental health disparities, as defined by [OPC's Equity Plan](#).

improvements in Phase 1 in consultation with the TAG. A Tribal Access Plan will be developed as part of the Project, and such features may include a story porch, special access areas, and Tribal cultural interpretive signage. These features will allow for reconnection of Tribes to the land for cultural and ceremonial practices, education about Tribal cultural history of the wetlands, protection of cultural resources, and potential co-management of the land.

Through tribal consultations, tribes identified that the Los Cerritos Wetlands were an important tribal cultural landscape located between two large village sites and were village use areas. The LCWA completed a Traditional Cultural Landscape Study, as part of the cultural resources assessment for the Project, to formally document the landscape and analyze impacts of the Project. The LCWA will continue to collaborate with tribes to avoid impacts to cultural resources during Project implementation, incorporate traditional knowledge into the restoration plant palette and interpretive signage, and facilitate tribal access, stewardship, and cultural practices in the wetlands.

### **About the Grantee:**

The LCWA was formed in 2006 as a Joint Powers Agency of the Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, and the two cities of Seal Beach and Long Beach for the purpose of acquisition, protection, and management of the Los Cerritos Wetlands. The LCWA combines resources of the local and state agencies to develop an integrated approach to wetlands restoration and protection across a complex landscape of land ownership.

The LCWA successfully acquired the subject property with \$5.1 million in funding from the Wildlife Conservation Board. The LCWA has also administrated large grants from the State Coastal Conservancy, California Department of Fish and Wildlife, Rivers and Mountains Conservancy, National Fish and Wildlife Foundation, and more recently grants from private corporations and foundations. The LCWA now owns and operates several parcels of land in the Complex totaling roughly 172 acres. Once the Project is complete, the LCWA will continue to manage the land and be guided by a Mitigation, Maintenance, and Monitoring Program adopted through the CEQA process, and with any additions from the regulatory permitting process.

### **Project Timeline:**

The Project anticipates completing final designs and permitting by Fall 2024 and preparing the site for construction of Phase 1 at the end of that quarter. Construction of Phase 1, including public access improvements, is expected to be completed by Winter 2025.

Additional Phase 2 implementation components, not funded by this staff recommendation, will be ongoing until Fall 2028. Pre- and post-ecological monitoring and adaptive management will also occur throughout the project until Fall 2028.

**Project Financing:**

Staff recommends that the Ocean Protection Council (OPC) authorize encumbrance of up to \$6,000,000 to the Los Cerritos Wetlands Authority for the Southern Los Cerritos Wetlands Restoration Project.

Ocean Protection Council	\$6,000,000
State Coastal Conservancy	\$25,852,000
Los Cerritos Wetlands Authority	\$440,000
<b>TOTAL</b>	<b>\$32,292,000</b>

The anticipated source of funds will be disbursed from OPC’s Once-Through Cooling Interim Mitigation Program Fund Fiscal Years 21/22 and 22/23 that are deposited into the Ocean Protection Trust Fund. These funds are derived from payments made by power plants still using OTC technology until these facilities come into compliance with the State Water Resources Control Board’s Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling. The proposed Project advances critical restoration activities to restore coastal habitats and increase marine life associated with marine protected areas (MPAs) in the geographic region of power plants using once-through cooling technology.

**Consistency with California Ocean Protection Act:**

The proposed Project is consistent with the Ocean Protection Act, Division 26.5 of the Public Resources Code, because it is consistent with trust-fund allowable projects, defined in Public Resources Code Section 35650(b)(2) as projects which:

- Eliminate or reduce threats to coastal and ocean ecosystems, habitats, and species.
- Improve coastal water quality.
- Allow for increased public access to, and enjoyment of, ocean and coastal resources, consistent with sustainable, long-term protection and conservation of those resources.

- Improve management, conservation, and protection of coastal waters and ocean ecosystems.
- Provide monitoring and scientific data to improve state efforts to protect and conserve ocean resources.
- Protect, conserve, and restore coastal waters and ocean ecosystems.
- Address coastal water contamination from biological pathogens.
- Provide funding for adaptive management, planning coordination, monitoring, research, and other necessary activities to minimize the adverse impacts of climate change on California's ocean ecosystem.

### **Compliance with the California Environmental Quality Act (CEQA):**

The proposed Project addresses the CEQA as follows: OPC has reviewed and considered the Southern Los Cerritos Wetlands Restoration Project Initial Study/ Mitigated Negative Declaration (ISMND) adopted by the Los Cerritos Wetlands Authority, the lead agency for CEQA compliance, on August 24, 2023. OPC staff recommends that the mitigation and avoidance measures identified in the ISMND ([Exhibit 3](#)) be adopted as a condition of OPC's approval.