PORT MASTER PLAN AMENDMENT
HARBOR LANDFILL MITIGATION CREDIT ACCOUNT

BACKGROUND

The Port, in association with the Port of Long Beach and several regulatory agencies, has identified a wetlands restoration project at Bolsa Chica Lowlands which would provide mitigation credits to the Ports to compensate for port development landfills. The contemplated size of the restoration project would be approximately 344 acres.

The Port of Los Angeles would receive 227 acres of outer harbor landfill mitigation credits which is half of the 454 mitigation credits to be received from the Ports' funding of the wetlands restoration project at Bolsa Chica Lowlands. The 227 acres of mitigation credits would allow the Port to develop otherwise approvable landfill projects within the port, including the balance of the Pier 400 landfill project. In the event the Port of Long Beach decides not to participate, the Port of Los Angeles would have the option of receiving all 454 mitigation credits if it elects to fund the entire restoration account.

The purpose of this amendment is to obtain certification that an agreement between the City of Los Angeles, City of Long Beach, the California Department of Fish and Game (CDFG), California Coastal Conservancy (Conservancy), California Resources Agency, (CRA), the United States Army Corps of Engineers (USACE), the National Marine Fisheries Service (NMFS), the United States Fish and Wildlife Service (FWS), and the Environmental Protection Agency (EPA) which establishes a harbor landfill mitigation credit account for permitted port landfill projects is consistent with the policies of the California Coastal Act of 1976, as amended. The mitigation credit account would be created through the Bolsa Chica Lowlands wetlands restoration project.

COASTAL ACT COMPLIANCE

An amendment to the Port Master Plan must follow the same certification and approval process as a Port Master Plan. The California Coastal Act of 1976, Chapter 8, Article 3, Section 30711(a) states, "A port master plan that carries out the provisions of this chapter shall be prepared and adopted by each port governing body, and for informational purposes, each city, county, or city and county which has a port within its jurisdiction shall incorporate the certified port master plan in its local coastal program. A port master plan shall include all of the following":

1. **The proposed uses of land and water areas, where known.**

   This amendment incorporates the Port's obligations and benefits of the agreement into the Port Master Plan. The Port's obligations, along with the commitments of the other signatories to the agreement, are an integral part of the creation of the Bolsa Chica Lowlands restoration project. The agreement also establishes a harbor landfill mitigation credit account
which the Port can use to offset the marine habitat impacts associated with port landfill projects.

**Bolsa Chica Restoration Program**

Through a cooperative effort of the Ports of Los Angeles and Long Beach and the other signatory resource and regulatory agencies, an agreement, which will be in substantial conformance to the attached transmittal, will be executed which would result in the acquisition of private property in the Bolsa Chica Lowlands for the purpose of restoring currently degraded wetlands. The parties to the proposed agreement have found that a joint project to purchase and restore the Bolsa Chica Lowlands by combining financial and other resources and expertise would be mutually advantageous. As the resource agencies do not have the financial capability to accomplish the wetlands restoration project independently and there is a compelling public interest in protecting and maximizing the habitat values at Bolsa Chica, the parties to the agreement have agreed that the Bolsa Chica Lowlands is an appropriate location to offset future, unavoidable marine habitat losses associated with port landfill projects. In return for the mitigation credits, the Ports would fund the restoration project costs.

The FWS in coordination with the other signatories to the agreement will acquire, restore and enhance the Bolsa Chica Lowlands. The restoration program will include: (1) the acquisition of private property interests in the Bolsa Chica Lowland; (2) planning, design and restoration of wetlands and habitat areas in the Bolsa Chica Lowland, subject to all necessary permits and approvals, including the completion of appropriate environmental analysis; (3) monitoring activities to determine the condition of the restored habitats on a regular basis; and (4) necessary maintenance and land management activities.

The FWS will accept title in fee for the Bolsa Chica Lowland acreage necessary to implement a habitat restoration program. The intent of the program is to provide, in perpetuity, fish and wildlife habitats in the Bolsa Chica Lowland. FWS agrees to assume responsibility for monitoring, maintenance, and management of the restoration program when construction is completed. The habitat mitigation credits from the restoration program will be available as mitigation for landfills to be constructed by the Ports of Los Angeles and Long Beach.

The California Coastal Conservency will be the lead agency for refining the final design plan. The Conservency will consult closely with FWS, CDFG, NMFS, USACE, EPA, Coastal Commission, the County of Orange and the general public in preparing any necessary studies, designs and engineering.
Restoration Funding

As identified in the agreement, the Ports of Los Angeles and Long Beach are responsible for funding the restoration project in the amount of $61.75 million. The Port of Los Angeles will provide $30.875 million which can be used to fund acquisition, restoration and maintenance costs. In the event the Port of Long Beach chooses not to participate in this agreement, the Port of Los Angeles would have the option of funding the entire amount and receive the total 454 acres of mitigation credits. Habitat mitigation credits associated with the Bolsa Chica Lowlands restoration program will become available to the Port once the account is fully funded and the acreage necessary to implement the wetland restoration project at the Bolsa Chica Lowlands is in public ownership.

Restoration Schedule

Implementation of the restoration program through the agreement will be undertaken in an expeditious manner. Upon completion of the title transfer to the FWS or its designee of the acreage necessary to implement the restoration project at Bolsa Chica Lowlands and full funding of the restoration account by the Ports, the 454 acres of mitigation credits shall be available to the Ports to offset impacts associated with port landfill projects.

Mitigation Credits

Restoration of Bolsa Chica Lowlands, which is contemplated to include approximately 344 acres, is expected to create habitat value sufficient to offset 454 acres of landfill in the outer harbor areas of the Ports of Los Angeles and Long Beach. The mitigation credits will be evenly divided between both ports (227 acres of credits) which shall be entitled to use these credits to offset impacts of permitted port landfill projects. Mitigation credits for outer harbor landfill projects shall be debited on a 1:1 ratio (1 mitigation credit for every acre of outer harbor landfill) except that one acre of inner harbor landfill shall be debited at half the rate of outer harbor landfills since the inner harbor has less habitat value per acre than the outer harbor. Inner and outer harbor areas of the Port are shown in Exhibit C of the attached agreement. Per the agreement, the Port will maintain a current accounting of credits expended and remaining and will provide that information to the other signatories to the agreement and the Coastal Commission when requested.

The Port will process proposed landfill projects according to the procedures and requirements identified in the Coastal Act. The mitigation credits in this account would constitute acceptable compensatory marine habitat mitigation for Port of Los Angeles landfill projects that meet all the requirements for certification in the Port Master Plan and are otherwise approved or are approvable. This would include the remaining 187 acres of the Pier 400 landfill project, Phase I of which was included in a Port Master Plan amendment certified by the Coastal Commission in April 1993.
2. The projected design and location of port land areas, water areas, berthing, and navigation ways and systems intended to serve commercial traffic within the area of jurisdiction of the port governing body.

This amendment does not address any proposed project within the jurisdiction of the Port. The purpose of this amendment is to establish a harbor landfill mitigation credit account from the restoration of Bolsa Chica Lowlands. Any future port landfill project, including those that would make use of the Bolsa Chica mitigation credits will require a Port Master Plan amendment processed consistent with the requirements of the Coastal Act.

3. An estimate of the effect of development on habitat areas and the marine environment, a review of existing water quality, habitat areas, and quantitative and qualitative biological inventories, and proposals to minimize and mitigate any substantial adverse impact.

This amendment does not address any proposed project within the Port. Any future landfill project will require a Port Master Plan amendment processed consistent with the requirements of the Coastal Act. The Port of Los Angeles' funding of the mitigation credit account will allow for the restoration of currently degraded wetlands at Bolsa Chica Lowlands.

4. Proposed projects listed as appealable in Section 30715 in sufficient detail to be able to determine their consistency with the policies of Chapter 3 (commencing with Section 30200) of this division.

As this amendment does not involve any proposed project, the requirements of Section 30715 are not applicable.

5. Provisions for adequate public hearings and public participation in port planning and development decisions.

The Notice of Completion and distribution of the Draft Port Master Plan Amendment No. 15 was approved by the Board of Harbor Commissioners at a public meeting on July 12, 1995. Copies of the Notice of Completion were mailed to interested persons, organizations, governmental agencies, including the California Coastal Commission and all port tenants. Written comments on the draft amendment were solicited and responses to the written comments are addressed in this document.

In addition, a public hearing on the amendment was held during the August 23, 1995 regularly scheduled meeting of the Board of Harbor Commissioners. No comments were received during the public hearing.
Section 30711(b) A port master plan shall contain information in sufficient detail to allow the commission to determine its adequacy and conformity with the applicable policies of this division.

This amendment has been prepared in full compliance with the policies of the California Coastal Act of 1976, as amended. Coastal Act policies applicable to the proposed amendment are as follows:

Section 30701

The legislature finds and declares that:

(a) The ports of the State of California constitute one of the state's primary economic and coastal resources and are an essential element of the national maritime industry.

(b) The location of the commercial port districts within the State of California are well established, and for many years such areas have been devoted to transportation and commercial, industrial, and manufacturing uses consistent with federal, state and local regulations. Coastal planning requires no change in the number or location of the established commercial port districts. Existing ports shall be encouraged to modernize and construct necessary facilities within their boundaries in order to minimize or eliminate the necessity for future dredging and filling to create new ports in new areas of the state.

This amendment is a procedural amendment that describes a source of habitat mitigation credits acceptable as mitigation for port landfill projects. The ability of the Port to utilize these habitat mitigation credits for proposed landfill projects within the existing boundaries of the port eliminates the need for new ports being created in new areas of the state. Use of the habitat mitigation credits also allows the Port to maintain its economic contribution to the state and national maritime industry.

Section 30705(d)

For water areas to be diked, filled, or dredged, the commission shall balance and consider socioeconomic and environmental factors.

The establishment of a habitat mitigation credit account reflects a balancing of socioeconomic and environmental factors. The Port's $30.875 million funding of the Bolsa Chica Lowland restoration project will restore a currently degraded wetlands. Credits from the restoration program will be available for the Port to use as habitat mitigation for port development projects, including the remaining landfill for Pier 400, that promote socioeconomic factors.
Section 30706(b)

The nature, location, and extent of any fill, including the disposal of dredge spoils within an area designated for fill, shall minimize harmful effects to coastal resources, such as water quality, fish or wildlife resources, recreational resources, or sand transport systems, and shall minimize reductions of the volume, surface area, or circulation of water.

The creation of the habitat mitigation credit account for the use of the Port will minimize the impacts on coastal resources from port development projects. This amendment does not seek certification of any landfill projects not already included in the Port Master Plan. Any future landfill projects will require a Port Master Plan amendment processed in accordance with the requirements of the Coastal Act.

Section 30708

All port-related development shall be located, designed, and constructed so as to:

(a) Minimize substantial adverse environmental impacts.

While the proposed amendment does not address any new port landfill developments, it does provide a method to minimize adverse environmental impacts. The establishment of a habitat mitigation credit account provides a method for offsetting and minimizing the environmental impacts of port development through the restoration of wetlands at the Bolsa Chica Lowlands.
Written Comments

Written comments on the draft Port Master Plan amendment were received from the California Coastal Commission. All of the written comments from the Coastal Commission, with the exception of one, were incorporated into the Port Master Plan amendment. The request to include a reference to the Coastal Commission approval of a draft conceptual wetland restoration plan as a condition for the release of credits is unnecessary as the draft conceptual plan will be acted upon by the Coastal Commission prior to the Port Master Plan Amendment. No other written comments were received.
The following are my comments and suggested modifications to the draft amendment. They focus primarily on incorporating a provision for Commission review of the USFWS draft conceptual wetlands restoration plan prior to release of the mitigation credits to the Ports, and on clarifying that the credits would mitigate only impacts on fish and wildlife resources.

Page 1: add to paragraph 1 a reference to the contemplated size of the restoration project (344 acres), and reminders that this amendment neither proposes or seeks approval of a wetland restoration project or port landfill projects.

add to end of paragraph 2, "If POLA funds the entire restoration account" (or words to that effect).

Page 2: on line 11, paragraph 1, "...unavoidable marine habitat losses..."

in paragraph 4, add the Commission to the list of agencies to be consulted.

Page 3: add the following to the end of the last sentence in the first paragraph: "the acreage necessary to implement the wetland restoration project at the Bolsa Chica Lowlands is in public ownership, and the Coastal Commission has approved a draft conceptual Bolsa Chica wetlands restoration plan submitted by the U.S. Fish and Wildlife Service."

paragraph 2, add "Coastal Commission approval of a draft conceptual Bolsa Chica wetlands restoration plan submitted by the U.S. Fish and Wildlife Service" to the second sentence after the phrase "full funding by the Ports".

paragraph 3, first sentence: you may want to again reference the contemplated project acreage.

paragraph 4, line 3: add "...compensatory marine habitat [or fish and wildlife] mitigation..."

paragraph 5, line 3: add "...landfill project that would use Bolsa Chica mitigation credits will require..."

Page 4: item 6 should actually be organized as Section 30711(b) of the Coastal Act.
REFERENCES

California Coastal Commission  

Port of Los Angeles  
AGREEMENT AMONG
THE CITY OF LOS ANGELES, THE CITY OF LONG BEACH,
THE CALIFORNIA DEPARTMENT OF FISH AND GAME, CALIFORNIA COASTAL
CONSERVANCY, CALIFORNIA RESOURCES AGENCY,
THE UNITED STATES ARMY CORPS OF ENGINEERS,
THE NATIONAL MARINE FISHERIES SERVICE,
THE UNITED STATES FISH AND WILDLIFE SERVICE, AND
ENVIRONMENTAL PROTECTION AGENCY
TO
ESTABLISH A PROJECT FOR THE PURPOSE OF WETLAND RESTORATION
AND COMPENSATION OF MARINE HABITAT LOSSES
INCURRED BY PORT DEVELOPMENT LANDFILLS
WITHIN THE HARBOR DISTRICTS OF THE CITIES OF
LOS ANGELES AND LONG BEACH
AT THE BOLSA CHICA LOWLANDS

THIS AGREEMENT dated this month and day __________ of 1995, is entered into by the
UNITED STATES OF AMERICA, acting by and through the FISH AND WILDLIFE
SERVICE, UNITED STATES DEPARTMENT OF THE INTERIOR ("FWS") and the
NATIONAL MARINE FISHERIES SERVICE, NATIONAL OCEANIC AND
ATMOSPHERIC ADMINISTRATION, UNITED STATES DEPARTMENT OF
COMMERCER ("NMFS"), CORPS OF ENGINEERS, DEPARTMENT OF THE ARMY,
("USACE"); ENVIRONMENTAL PROTECTION AGENCY ("EPA"); the STATE OF
CALIFORNIA, acting by and through the DEPARTMENT OF FISH AND GAME
("CDFG"), COASTAL CONSERVANCY ("Conservancy"), and THE RESOURCES
AGENCY ("RA"); and the CITIES OF LONG BEACH and LOS ANGELES, acting by and
through their respective BOARDS OF HARBOR COMMISSIONERS ("BOARDS").
I. WHEREAS, THE BOARDS are empowered by the State Tidelands Grant to foster
the orderly and necessary development of the Ports of Los Angeles and Long Beach,
consistent with the public trust for navigation, commerce, recreation, and fisheries including
the development of new land in the Harbor Districts of the Cities of Los Angeles and Long
Beach by landfill, and these developments contribute significantly to the local, regional and
national economies by accommodating maritime commerce; and

II. WHEREAS, the FWS and the CDFG have as their primary mandates, in this matter,
the conservation, protection, and enhancement of fish and migratory birds and their habitats,
including the planning of biological loss avoidance, minimization, and compensation; and the
NMFS has as its primary mandate, the conservation, protection, and enhancement of marine
fisheries resources and their habitats, including the planning of biological loss avoidance,
minimization, and compensation; and

III. WHEREAS, the USACE has as its primary mandate its regulatory authority pursuant to
the Clean Water Act and Rivers and Harbors Act with permit processing procedures
including the 404(b)(1) analysis and public interest review; and the EPA has as its primary
mandate protecting the environment including restoring and maintaining the chemical,
physical, and biological integrity of the Nation’s waters; and

IV. WHEREAS, the Conservancy has among its primary mandates the protection,
acquisition, and restoration of coastal resources, planning and implementation of coastal wetland restoration projects, and promotion of coastal dependent economic development consistent with the California Coastal Act of 1976; and RA has as their primary mandate the coordination and oversight of the various departments, boards, and commissions all related to natural resource management, including CDFG, Coastal Commission, Coastal Conservancy, Department of Parks and Recreation, and the State Lands Commission; and

V. WHEREAS, port development landfills and coastal wetland restoration are subject to State and Federal environmental evaluation pursuant to among others the California Environmental Quality Act and National Environmental Policy Act, and Coastal Zone Management Act and to State regulation pursuant to the California Coastal Act and Federal regulation pursuant to the Clean Water Act and the Rivers and Harbors Act, as well as the State and Federal Endangered Species Acts; and

VI. WHEREAS, the BOARDS anticipate the need for the construction of new landfills that will permanently eliminate marine fish and wildlife habitat and other aquatic functions that FWS, NMFS, USACE, EPA, RA, and CDFG recommend be compensated by creation or restoration of equivalent functions that would be maintained on a permanent basis; and

VII. WHEREAS, the parties intend that compensation for the unavoidable, authorized
losses of marine habitat and aquatic functions be provided to the extent possible in advance
of or concurrently with the habitat losses predicted from harbor landfills; and

VIII. WHEREAS, the parties concur that advance planning of appropriate compensatory
mitigation requires a procedure whereby a) habitat gains and losses are identified, b)
completion of mitigation is reasonably assured, and c) credits and debits are accounted; and

IX. WHEREAS, the parties concur that creation or restoration of habitat and aquatic
functions within the Harbor Districts to offset large-scale functional losses from landfills
envisioned in this agreement within the Harbor Districts (onsite mitigation) is not feasible;
and

X. WHEREAS, NMFS, CDFG, EPA, RA, and FWS are of the collective opinion that
compensation for unavoidable adverse impacts upon the marine ecosystem from Harbor
District projects should emphasize the creation of shallow water, tidally influenced coastal
embayment habitats to the extent practical, consistent with competing ecological priorities as
set out below; and

XI. WHEREAS, Bolsa Chica is considered a unique public resource because it represents
one of the few remaining large wetland areas in southern California, because portions of it
provide a variety of valuable habitats to a variety of fish and wildlife resources and
endangered species, and because the potential to increase its value to fish and wildlife
through restoration and enhancement to a variety of habitat types is high, and

XII. WHEREAS, given these unique resource values, there is a compelling public interest
in maximizing the habitat values for a variety of fish and wildlife resources at Bolsa Chica,
including but not limited to endangered species, and Bolsa Chica is an appropriate location to
offset future, unavoidable habitat losses within the Harbor Districts, including allowing offset
credit for some creation, restoration, and enhancement of habitat types different from those
affected by the Harbor Districts’ projects and some deviation from accepted port mitigation
practices; and

XIII. WHEREAS, the current private owners of Bolsa Chica are pursuing necessary
approvals to construct a housing development in a portion of the wetlands; and

XIV. WHEREAS, if the Bolsa Chica low-elevation lands between the Huntington Mesa and
Bolsa Chica Mesa (Lowland) should become available for restoration, FWS, CDFG, EPA,
RA, USACE, NMFS, and Conservancy contemplate a project for its physical alteration to
restore fish and wildlife habitat by restoring tidal influence, contouring portions of the
wetland, maintaining the wetland as altered, and other actions as generally and conceptually
described in the Bolsa Chica Restoration Concept Plan (Plan, attached hereto as Exhibit "A"
and incorporated herein by this reference); and
XV. WHEREAS, acquisition of private property in the Bolsa Chica Lowlands would facilitate public agency implementation of the Plan; and

XVI. WHEREAS, none of the parties, independently, has the necessary financial resources to accomplish the purchase and restoration of Bolsa Chica; and

XVII. WHEREAS, the parties find that a joint project to purchase and restore Bolsa Chica by combining financial and other resources and expertise would assist the parties in carrying out their missions, and would be mutually advantageous; and

XVIII. WHEREAS, the parties have determined that entering into this Agreement does not constitute an adoption of the Project or a commitment to carry out the Plan as those terms are used in the California Environmental Quality Act, Public Resources Code Section 21000 et seq. ("CEQA") and the National Environmental Policy Act, 42 U.S.C. Section 4321 et seq. ("NEPA") and that prior CEQA and NEPA compliance is a condition precedent to any party being committed to carry out any obligations set forth in this Agreement for which such compliance is required; and

XIX. WHEREAS, on ________, 1995, the Conservancy authorized the preparation of preliminary and final designs, environmental documents, permit applications and other preconstruction activities necessary to implementation of a resource enhancement plan
pursuant to Chapter 6 of Division 21 of the Public Resources Code and the terms and
conditions of this Agreement (the Plan), subject to the condition that final design and
environmental documentation be completed and approved prior to the implementation of the
Plan; and

XX. WHEREAS, the parties have determined that (1) FWS is the appropriate agency to hold
the necessary property rights, (2) the Conservancy is the appropriate agency to take the lead
to design the wetland restoration in consultation with FWS, CDFG, NMFS, USACE, and
EPA, and to administer funds for that purpose, (3) The Conservancy is the appropriate lead
agency for preparation of CEQA documents, (4) FWS is the appropriate lead agency and
USACE is an appropriate Cooperating Agency for preparation of NEPA documents, (5) the
Conservancy is the appropriate agency to oversee construction measures, (6) FWS is the
appropriate agency to manage, operate, maintain and monitor the Project upon completion of
construction;

XXI. WHEREAS, USACE, EPA, NMFS, CDFG, RA, and BOARDS shall cooperate with
FWS and Conservancy in processing applications for permits and approvals for the Project.
By participating in this Agreement, no participating agency waives or yields to any other
party to the Agreement any regulatory authority or duty that is necessary to the proper
exercise of that agency's discretion or otherwise imposed by law.
NOW, THEREFORE, IT IS AGREED THAT:

1. **Short Description of Project.** In entering into this Agreement, the parties generally intend to carry out the acquisition, restoration, and enhancement of the Bolsa Chica Lowlands in substantial conformance with the goals of the concept plan shown in Exhibit A, unless NEPA, CEQA, or 404 (b)(1) Guidelines dictate otherwise. The Project shall include:
   (1) the acquisition of private property interests in the Bolsa Chica Lowland (as described in Section 2 below); (2) planning, design and restoration of wetlands and habitat areas in the Bolsa Chica Lowland, subject to all necessary permits and approvals and upon completion of appropriate environmental analysis pursuant to Section 4 below; (3) monitoring activities to determine the condition of the restored habitats on a regular basis, and (4) necessary maintenance and land management activities. The Project does not intend any modification of the CDFG Ecological Reserve Property of Outer Bolsa Chica currently under full tidal influence or Inner Bolsa under muted tidal influence.

Consistent with the general goals and project description set forth above, and subject to such modifications (if any) as are determined to be necessary to mitigate adverse environmental impacts of the Project, the parties agree that the Project shall provide mitigation for new landfills to be constructed by the BOARDS as described in Section 10.
2. **Property Acquisition.** FWS, through a nongovernmental agent and utilizing designated funds from the Escrow Account provided for under Section 9(b)(1) and any other necessary funds secured from other sources, will accept title in fee over Bolsa Chica Lowland acreage necessary for implementation of the Plan. Funds identified in Sections 9(b)(2) and 9(b)(3) shall only be used for the purposes described therein and under no circumstances be used for acquisition purposes. In the event that transfer of title to the property necessary to complete the project cannot be completed by December 1, 1995 March 29, 1996, FWS shall notify all the parties that this agreement shall be terminated and all the funds deposited by the BOARDS in the Escrow Account provided for under Section 9(a), including interest, shall be returned to the BOARDS. FWS and BOARDS may agree to extend this acquisition date upon notice to the other parties.

Any land interest acquired and capital improvements constructed thereon as well as all other capital improvements constructed as part of the Plan shall be held for the benefit of the People of the United States without regard to the source of the monies used for their acquisition or construction, and legal title to such assets shall become vested in the United States. The parties acknowledge it is their intent that the Project provide, in perpetuity, fish and wildlife habitats in the Bolsa Chica Lowland consistent with the Plan.

3. **Lead Agency for Restoration Plan Design.** The Conservancy shall be the lead agency for refining the Concept Plan to a Final Design Plan. The Conservancy shall consult closely
with FWS, CDFG, NMFS, USACE, and EPA in preparing any necessary studies, designs, and engineering, in order to refine the Plan.

4. **Lead Agency for NEPA/CEQA Compliance and Permits.** FWS shall be the lead agency and USACE shall be a Cooperating Agency for compliance with the National Environmental Policy Act ("NEPA") and shall be responsible for obtaining all permits and approvals necessary for Project's implementation, in consultation with the Conservancy. Conservancy shall be lead agency for compliance with the California Environmental Quality Act ("CEQA"). The parties agree to prepare and process joint NEPA and CEQA documents.

5. **Lead Agency for Project Construction.** The completion of any sediment sampling, appropriate archaeological survey, environmental documentation, design and engineering services, and construction, shall be the responsibility of FWS and Conservancy in consultation with CDFG, NMFS, EPA, and USACE, and shall be in substantial conformance with the Plan. Construction of the Project is expressly conditioned upon obtaining all necessary permits and approvals; compliance with all legally imposed conditions of such permits and approvals; and approval of the Plan, and authorization of its implementation pursuant to this Agreement, by FWS and the Conservancy, including approval of all necessary environmental documentation and findings. The Conservancy shall have no obligation to commence construction activities unless and until all funds have been deposited...
in the escrow and other accounts as provided in Section 9, and unless and until the property
has been acquired pursuant to Section 2 of this Agreement. The Conservancy shall have no
obligation to provide any additional funding.

If, after completion of the Plan and all necessary environmental documentation, the
Conservancy does not authorize its implementation, or if the Conservancy at any time finds
that it is unable to proceed, then the Conservancy shall transfer the balance of funds in the
Special Deposit Fund Account described in Section 9(b)(2) to FWS for the purpose of
completing the restoration of the Bolsa Chica Lowlands or other appropriate site pursuant to
Section 10, below.

6. Project Maintenance and Management Responsibility. Upon completion of
construction and transfer of title to the United States or its designee of Bolsa Chica lowland
acreage necessary to implement the project, FWS agrees to assume responsibility for
monitoring, maintenance, and management of the Project, as further defined in Section 13,
for the primary purpose of preserving in perpetuity, fish, wildlife, and wetland habitat values
to the extent funds are available pursuant to the Maintenance Annuity identified in Section
9(b)(3) below. FWS also agrees to manage the Project as a unit of the National Wildlife
Refuge system pursuant to Title 50 of the Code of Federal Regulations. FWS and CDFG
agree to cooperate in said monitoring and maintenance of the Project property and the
existing Ecological Reserve.
7. **Project Funding.** The BOARDS are responsible for funding the part of the Escrow Account identified in Section 9(a) below. The BOARDS shall share the funding of the Escrow Account identified in Section 9(a) below. Funds shall be deposited within ninety (90)-days of after the Coastal commission’s adoption of findings satisfactory to the BOARDS supporting its approval of this Agreement but not later than February 29, 1996. The parties shall present the Agreement to the Coastal Commission for approval after signature by all parties. The Coastal Commission findings shall reflect its approval of the use of the Agreement credits for Port landfills consistent with the conditions of this Agreement. Upon fully funding the Escrow Account amount specified in Section 9(a), no further funding by the BOARDS is required by this Agreement. Nothing in this Agreement shall be construed to prohibit other agencies or entities, including USACE or the Conservancy, from funding restoration of those portions of the Lowland that do not provide mitigation for BOARD projects.

8. **Project Schedule.** All parties hereto shall perform their obligations hereunder with all due diligence so as to facilitate progress and completion of the Project in substantial conformance to the Plan. All parties desire that the implementation of the Project shall be undertaken in an expeditious manner. All parties recognize that some BOARD projects may involve impacts to fish and wildlife resources in advance of the compensatory mitigation provided by the Project. However, all parties anticipate that the BOARDS will use the mitigation credits generated by the Project over a number of years, and that the Project will
provide compensatory mitigation values in advance of much of the BOARDS' impacts. All parties recognize that the BOARDS may undertake port projects which affect fish and wildlife resources only after the land necessary to restore Bolsa Chica has been obtained and transferred to FWS to assure its preservation and restoration. So long as port projects involving fills are not in wetland as defined in FWS/OBS 79/31, the parties agree that, the BOARDS shall be entitled to use the mitigation credits as set forth in Section 11. Project construction shall be deemed complete by unanimous agreement of all the parties.

9. **Escrow Account.** Upon execution of this Agreement, the BOARDS and FWS shall open an Escrow Account shall be opened with a title company or financial institution acceptable to agreed upon by both the BOARDS and FWS, for purposes of receiving, holding and disbursing funds deposited by the BOARDS in accordance with provisions of this Section 9. Escrow instruction shall be prepared by the BOARDS and FWS, in consultation with NMFS, CDFG, USACE, and Conservancy, and shall provide for BOARDS to deposit the sum of $61,750,000 to be held and disbursed as follows: Funds received from all sources for the Bolsa Chica Project shall be deposited into said Escrow Account.

(a) **Contributions by the BOARDS.** The BOARDS shall deposit the sum of $61,750,000 into said Escrow Account, which shall constitute the entirety of their financial obligation under this agreement. No funds shall be disbursed directly to an escrow established by the FWS for the acquisition of property pursuant to Section 2 of this Agreement, but other cash and resources may be used by and at the direction
(b) Disbursements. All the parties agree that there shall be no disbursements from the Escrow Account for any purpose until FWS verifies to the other parties that sufficient funds are present in the Escrow Account to accomplish property acquisition and to fully fund the other accounts described in this section. Funds deposited into the Escrow Account from all sources shall be disbursed for the following purposes:

(1) Land Acquisition. Funds necessary for acquiring the three parcels making up the Bolsa Chica Project shall be disbursed from the Escrow Account to the American Land Conservancy (ALC) for direct purchase of the FWS approved parcels.

(2) Restoration Account. At least $57,750,000 shall be disbursed from the Escrow Account to the Conservancy, and deposited by the Conservancy into a Special Deposit Fund Account in the California State Treasury. Such funds shall to be held in trust and used only for purposes of planning, design, and construction of the Full Tidal and ocean inlet portions of the Project, together with any mitigation measures or other necessary actions directly related to the Full Tidal and ocean inlet portions of the Project. Such costs of planning, design and construction include (but are not necessarily limited to) the costs of refining the Plan, preparation of environmental documents, processing of
permits and other regulatory approvals necessary to construction of the project; preparation of working drawings specifications, and bid documents; actual costs of construction; and directly related administrative costs. Prior to depositing any funds into the Special Deposit Fund Account in accordance with this Section 9(b)(2), the Conservancy shall obtain authorization from the State Pooled Money Investment Board for the payment to the Special Deposit Fund Account of interest accruing to the monies deposited in the Special Deposit Fund Account be credited to the Special Deposit Fund Account. If payment of interest is not authorized, the funds disbursed under this Section 9(b)(2) shall not be deposited in the State Treasury, but instead shall be deposited into an interest-bearing account or accounts acceptable to the Conservancy and FWS and used only for purposes of this section 9(b)(2).

(e) (3) Maintenance Annuity Account. $4,000,000 shall be disbursed from the Escrow Account into an to the annuity account ("Maintenance Annuity") or other restricted endowment fund established in the name of FWS in a financial institution selected by FWS, and the accrued interest from such account or fund shall be withdrawn annually by FWS from which the FWS shall annually withdraw the accrued interest to pay the costs of long-term maintenance, monitoring, and management of the completed Project as described in Section 13 below; account principal shall be available as necessary to ensure the preservation of fish, wildlife and wetland habitat values.
in the event of a natural disaster or other catastrophic event of a non-recurring nature which would otherwise significantly reduce or eliminate such values.

Disbursement of funds from Escrow as set forth above shall be expressly contingent upon acquisition of property pursuant to Section 2 of this Agreement; if escrow fails to close title to the properties cannot be transferred for any reason, then all funds deposited in Escrow Account by the BOARDS shall be returned to BOARDS together with any accrued interest.

Withdrawals by the Conservancy from the Restoration Account established pursuant to subsection (b)(2) above shall be made in accordance with a work program and budget prepared by the Conservancy in consultation with FWS, NMFS, and CDFG. The Conservancy shall provide the FWS, NMFS, and CDFG with quarterly reports of its expenditures during the period of project planning and construction, and with a final accounting of expenditures upon completion of project construction. At project completion, any unexpended construction funds provided under Section 9(b)(2) will be conveyed to the "Maintenance Annuity" account provided under Section 9(b)(3) and will be used by FWS for operations and maintenance pursuant to Section 14, but may, in consultation with CDFG, NMFS, and Conservancy to complete coastal ecosystem restoration projects at Bolsa Chica.

Withdrawals by the FWS from the Maintenance Annuity account established pursuant to subsection (e) (b)(3) above shall be made following completion of project construction in accordance with a work program and budget prepared by the FWS in
consultation with the Conservancy, CDFG, and NMFS. The FWS shall provide NMFS, and
CDFG with quarterly reports of its expenditures for monitoring, maintenance and
management of the Project through year five following completion of the full tidal and ocean
inlet portion of the Project, and of any withdrawals of the principal amount including the
justification therefor.

All records, invoices, vouchers and ledgers, correspondence and all written
documents of any kind developed during the course of the project which document the
expenditure of these funds by any party for project purposes shall be retained for a period of
four (4) years following completion of construction and shall be available to the extent
provided under applicable law (such as the Public Records Act and Federal Freedom of
Information Act), for audit by any party to this agreement. Nothing in this section shall be
deemed a waiver of the attorney client privileges of any party. If this Agreement or a
related project results in a legal challenge in which any party to this Agreement is
challenged, each party shall bear its own legal fees and expenses. To preserve the Eserow
Section 9(b)(2) Restoration Account Funds for environmental restoration, legal fees and
expenses payable shall not be payable or reimbursable from the Eserow Restoration
Account, except for Conservancy costs directly related to project litigation, which may
be paid from the Special Deposit Fund Account pursuant to Section 9(b)(2), in an
amount not to exceed $500,000.

10. Mitigation Credits Created by Project. The Project is expected to create habitat
value, as determined in Exhibit B, sufficient to offset 454 acres of landfill in the outer harbor areas of the Harbor Districts. This is based on implementation of the Plan as described in Exhibit A. That Plan is proposed to include a new ocean inlet and habitat areas subject to full tidal action in the following approximate proportions: not less than 50 percent below -3 feet Mean Lower Low Water (MLLW), 35 percent between -3 and +2.5 feet MLLW, and 15 percent between +2.5 and +5.5 feet MLLW. If implementing the final plan at Bolsa Chica as developed pursuant to Section 4 does not generate sufficient habitat values to warrant the granting of all 454 acres of landfill mitigation credit, FWS, NMFS, CDFG, EPA, RA, and Conservancy shall, with good faith and due diligence, identify, plan, design, and implement an appropriate tidal restoration project at another location within the Southern California Bight to generate sufficient additional credits using unexpended funds of Section 9.

11. **Use of Mitigation Credits.** If transfer to the FWS or its designee of title to Bolsa Chica Lowland acreage necessary to implement the project has been completed, and the Eserew Construction Account provided by Section 9(b)(2) of this Agreement has been fully funded by the BOARDS pursuant to Section 9, and the Maintenance Annuity provided by Section 9(b)(3) has been fully funded, the BOARDS shall be entitled to use up to 454 acres of outer harbor landfill mitigation credits to offset impacts of permitted projects. Half of said credits are allocated to each of the two BOARDS, and neither BOARD shall use more than its allocation of credits without express written permission of the other BOARD.

One acre of inner harbor landfills (inner and outer harbor areas are shown in Exhibit C) shall
be debited from this account at half the rate of outer harbor landfills since the inner harbor has less habitat value per acre than the outer harbor. Should biological surveys indicate revision of the inner harbor definition shown in Exhibit C is warranted, Boards, CDFG, NMFS, and USACE may mutually agree to modify Exhibit C accordingly. Each BOARD shall maintain complete records and produce on demand for the other parties a current account of credits expended and remaining. If either BOARD is prevented from using its credits or has credits in excess of its landfill needs, such BOARD may sell and transfer such credits to each other at the cost each paid into the Escrow Fund (prorated as necessary).

Projects within the Harbor Districts that may be regulated by any party to this agreement and which may require compensatory mitigation of marine habitat losses, shall be considered when submitted by the BOARDS. Nothing in this agreement shall alter or replace the obligation of any party to follow the normal procedures and requirements for processing permits for projects proposed by the BOARDS. If a port landfill project for which BOARDS are seeking permits has followed said normal procedures and is otherwise approvable, the parties to this agreement acknowledge that the biological mitigation credits established by this agreement will constitute acceptable compensatory mitigation provided a positive balance of credits established herein exists.

The parties agree that they have had their respective counsel review this Agreement and the applicable laws and regulations within their respective jurisdictions and authorities
which govern dredge and fill projects in coastal waters and, as to the Port of Los Angeles, "Deep Draft Navigation Project EIR/EIS and related documentation". Based on this review and consistent with the above paragraphs, the parties concur that BOARD'S', deposit of the funds described above for the acquisition, preservation, and restoration of Bolsa Chica satisfies all applicable requirements for the use of these credits.

12. **Endangered Species Considerations.** All parties agree that construction of the Project will be scheduled and completed taking into account any State or Federal endangered species which may utilize the Project area. Terms and conditions of a Biological Opinion for the Project, prepared pursuant to section 7 of the Endangered Species Act (16 U.S.C. Sec. 1531 et seq.) shall be implemented.

13. **Allowable Maintenance, Monitoring, and Management Costs.** It is agreed that any funds from the Maintenance Annuity shall be used only to pay all costs associated with monitoring and maintenance of all physical Project features as described in Exhibit A, including removal of any blockage that may occur in the ocean inlet, and direct management and support costs necessary to maintain the Project's habitat values. Following Project completion, the FWS shall carry out biological monitoring to document the fish and wildlife value of the Project shall be conducted throughout years 1 through 3, year five and year ten.
14. **Term and Termination/Withdrawal.** This Agreement shall be effective as of the date first written above, which is the last signature date of the Agreement, and shall continue in full force and effect until fully performed, except as otherwise provided herein. This Agreement shall be terminated (a) by action of the FWS, at any time prior to the transfer of title to the property, if FWS notifies the other parties that available funds are insufficient, or that FWS or its agent is otherwise unable to obtain interest in the property necessary to implement the Project by March 29, 1996; or (b) if the BOARDS have not funded the Escrow Account pursuant to Section 9(a) above by November 1, 1995 February 29, 1996.

If any agency including but not limited to one of the parties or any court or if new or existing legislation prevents BOARDS from using the credits granted by this Agreement in the manner provided by this Agreement (including provisions of Section 10), either BOARD shall be entitled, upon thirty (30) days advance written notice to the parties, to withdraw from this Agreement and recover its share of monies remaining in the accounts established pursuant to Section 9 of this Agreement plus its share of remaining accrued interest on such monies. Such withdrawal will only be allowed to occur prior to the award of contracts for the major construction elements (defined as a value of at least $5,000,000) of the restoration project or of any BOARD landfill that would have been mitigated by the Bolsa Chica Project. If only one BOARD withdraws its funds, the other BOARD shall have the right to purchase all of the mitigation credits of the withdrawing BOARD by depositing into escrow within 90 calendar days of the
other BOARDS withdrawal an amount of money equal to the amount withdrawn, in
which event this Agreement shall terminate with respect to the rights and obligations of
the withdrawing BOARD but shall otherwise continue in full force and effect. If one
BOARD withdraws and the other does not purchase the other BOARDS’ mitigation
credits, this Agreement will be terminated, unexpended funds deposited by the BOARDS
shall be returned to the BOARDS in an amount proportionate to their respective
contribution, and no mitigation credits shall be allowed. In the event of a BOARD
withdrawal pursuant to this Section, the unexpended balance of funds to which
BOARDS are entitled shall be limited to those funds for which no reasonable,
noncancellable obligations have been incurred as of the date BOARDS’ notice is received
by the party controlling the funds, and interest accruing to such unexpended balance as
of the date of withdrawal. This provision supplements the BOARDS’ withdrawal rights
set forth in Sections 2 and 7.

15. **Substantial Conformance.** The term "in substantial conformance", as used herein,
shall mean not differing in any way that results in a reduction in habitat values anticipated
from the Project and not in conflict with the requirements of state and federal law.
16. Communications Points of Contact

Port of Los Angeles
P.O. Box 151
425 S. Palos Verdes St.
San Pedro, CA 90733
(310) 732-3497

Fish and Wildlife Service
2730 Loker Ave. W.
Carlsbad, CA 92008
(619) 431-9440

Corps of Engineers
P.O. Box 2711
300 N. Los Angeles St.
Los Angeles, CA 90053-2425
(213) 894-5606

State Coastal Conservancy
1330 Broadway
Oakland, CA 94612
(510) 286-4180

California Department of Fish and Game
330 Golden Shore
Long Beach, CA 90802
(310) 590-5174

Port of Long Beach
P.O. Box 570
925 Harbor Plaza
Long Beach, CA 90802
(310) 590-4156

National Marine Fisheries Service
501 W. Ocean Blvd
Long Beach, CA 90802
(310) 980-4043

Environmental Protection Agency
75 Hawthorne
San Francisco, CA 94105
(415) 744-1969

California Resources Agency
1416 Ninth St., Suite 1311
Sacramento, CA 95814
(916) 654-2753
IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first written above.

PORT OF LOS ANGELES

PORT OF LONG BEACH

CALIFORNIA DEPARTMENT OF FISH AND GAME

STATE COASTAL CONSERVANCY

RESOURCES AGENCY, STATE OF CALIFORNIA

U.S. ARMY CORPS OF ENGINEERS

NATIONAL MARINE FISHERIES SERVICE, NOAA

U.S. FISH AND WILDLIFE SERVICE

ENVIRONMENTAL PROTECTION AGENCY

EXECUTIVE DIRECTOR

EXECUTIVE DIRECTOR

DIRECTOR

EXECUTIVE OFFICER

SECRETARY

DISTRICT ENGINEER

REGIONAL DIRECTOR

REGIONAL DIRECTOR

REGIONAL ADMINISTRATOR
EXHIBIT A
CONCEPT PLAN FOR FISH AND WILDLIFE HABITAT RESTORATION
AT BOLSA CHICA

Bolsa Chica Restoration Goals:
The goal of the Bolsa Chica restoration plan is to provide for the retention of existing fish and wildlife resources, and as much as desirable and feasible, the enhancement thereof. Further, it is intended that the ecosystem resulting from the implementation of the plan be naturalistic, biologically diverse, productive, and estuarine in nature. That is, it shall be predominantly salt water influenced, but incorporating biologically beneficial freshwater influence. In addition, the acreage of waters and wetlands in the lowland shall not be diminished.

Specific objectives of the Bolsa Chica Restoration Plan are that:
@ overwintering habitat value for migratory shorebirds, seabirds, and waterfowl shall not be diminished and shall be enhanced where feasible.
@ nesting habitat for migratory shorebirds and seabirds shall not be diminished and shall be expanded where feasible.
@ habitat value for estuarine fishes shall not be diminished and shall be expanded and diversified where feasible.
@ nesting and foraging conditions for State and Federal endangered species shall not be adversely impacted. Also, implementation of the plan shall especially contribute to the recovery of these species: light-footed clapper rail, California least tern, western snowy plover, and Belding’s savannah sparrow.
@ the mix of habitat types shall include perennial brackish ponds, seasonal ponds/salt flats, pickleweed dominated flats, cordgrass dominated intertidal zone, unvegetated intertidal mudflat, subtidal seawater volume with low residence times.
@ modifications to the hydraulic regime, necessary to achieving the above objectives, shall emphasize minimalized requirements for manipulations and maintenance, no degradation of existing flood protection levels.
@ interests of contiguous property owners will be protected.
@ once completed, maintenance and management of the area shall be to maximize native, estuarine fish and wildlife habitat value of the Bolsa Chica lowland, in perpetuity, to include active removal and exclusion of detrimental, nonnative biota.
@ allowable public uses shall include passive and non-intrusive recreation activities, focused on peripheral areas, interpretive foci, and trails.
@ total removal of oil extraction activities and their past effects shall be conducted in a phased, cost effective, and environmentally sensitive manner.
@ monitoring and evaluation of the success of biological objectives shall be conducted.
Description of the Bolsa Chica Restoration Concept Plan:

No change is contemplated to the Full Tidal part of Outer Bolsa Chica or the muted tidal portion of the State Ecological Reserve. No rerouting of the Garden Grove-Wintersburg Flood Channel is contemplated although relocating the existing flapgate outlet about 0.5 miles upstream is contemplated. An area of about 120 acres in the southeasterly corner of the Bolsa Chica lowland is also contemplated to be left unchanged and is depicted on the enclosed figure as Seasonal Ponds.

Reestablishing additional areas of full tidal habitat in the Bolsa Chica Lowland is considered highly desirable for biological diversity and productivity reasons. Bolsa Chica was historically full tidal and had its own ocean inlet. Improving tidal influence is widely recognized as the principle method of restoring missing components of this coastal wetland ecosystem. However, engineering and biological constraints are expected to limit the size and location of contemplated tidal restoration. Some of the areas planned for full tidal restoration already have existing wetlands values, the loss of which will be compensated either through enhancing these values when full tidal action is restored (designated Full Tidal areas), or by introducing managed tidal waters into other areas of the site (designated Managed Tidal areas).

Preliminary engineering indicates that significant increases in the tidal prism (the volume of seawater between the high and low tides) necessary to achieve the biological benefits in the lowland cannot be conveyed through the existing channels of outer Bolsa Chica, through Huntington Harbour and Anaheim Bay without damaging tidal flats and incurring erosion and safety problems. Therefore, an ocean inlet, to reestablish the historic connection to the sea, is contemplated. Avoidance of further beach erosion or water quality problems, encouragement of human recreational access, retention of public safety access, and the public transportation thoroughfare requirements are related factors to be considered in contemplating reestablishment of a Bolsa Chica ocean inlet.

The enclosed figure depicts a contemplated ocean inlet connecting to an area shown as Full Tidal (approximately 384 gross acres). Levee reinforcements are contemplated to be necessary primarily along the inland side of this area, as the Ecological Reserve dike and flood channel levees may already be sufficient for the purpose. A full tidal range (extreme tides are about +7.5 to -1.5 feet Mean Lower Low Water, MLLW) would be expected in this entire area. Most of this area, but for the upland sand dune area known as Rattlesnake Island, already lies between +3 and -3 feet MLLW. Excavation within the contemplated Full Tidal area would be the minimum necessary to achieve: an inlet bottom depth and subtidal slough (shown as a thin dashed line) about -4 feet MLLW. The areas adjacent to this shallow subtidal slough would become intertidal mudflats and vegetated saltmarsh, especially cordgrass. Some deposition of dredge spoil in these areas may be appropriate in order to achieve sufficient acreage at tidal elevations suitable for cordgrass (+2.5 to +4 feet
EXHIBIT B
Explanation of the Proposed Habitat Value Tradeoff Ratio

Habitat evaluations of Los Angeles/Long Beach outer harbor landfills impacts and tidal wetland mitigations have been previously completed. Subsequently, landfill projects and their mitigation projects have been permitted and undertaken, in consideration of these habitat evaluations. Specifically, Port of Long Beach Pier J landfill is now complete and its mitigation at Anaheim Bay is also complete, including the required biological follow-up monitoring. In addition, a portion of the Port of Los Angeles Pier 400 landfill has been permitted and is under construction, just as its mitigation at Batiquitos Lagoon is permitted and under construction.

The mitigation goal for outer harbor landfills has been and continues to be "no net loss of in-kind habitat value". This means that mitigation habitats may be a different type than that filled, providing it offsets the habitat value for the evaluation species of the filled habitat. Therefore, while the mitigation goal requires a value for value (1:1) tradeoff, the variable habitat benefits of different types of offsetting mitigation works can result in greater or less than acre for acre tradeoffs.

In the case of the Pier J-Anaheim Bay evaluation and project, restoration of tidal flow to non-tidal areas equally offsets the habitat values eliminated by the Pier J landfill and resulted in an acreage tradeoff ratio of 1.32 acres of landfill for each acre of mitigation (inversely, 0.76 acres of mitigation for each acre of landfill). Since the outer LA/LB Harbor biological baseline habitat value is considered to be the same as that established by the baseline studies and the previous habitat evaluations, and since the Anaheim Bay mitigation project type (tidal restoration near the ocean) is similar to the concept type contemplated for Bolsa Chica and its biological benefits have been verified through follow-up investigations, the same habitat evaluation and tradeoff ratio is adopted in this agreement. The complete "Anaheim Bay-Pier J" habitat evaluation report is available upon request. The habitat value of one acre of this type of mitigation is higher than the habitat value of an acre of outer harbor water area deeper than 20 feet, so that less than one acre of mitigation is needed to offset one acre of harbor landfill. That is, for each acre of Bolsa Chica restored to full tidal influence near the ocean, 1.32 acres of outer harbor landfill shall be considered mitigated.

Aquatic habitats of the main channels and interior slips of both Los Angeles and Long Beach Harbors (the Inner Harbor) have been documented to be of lower fish and bird diversity and abundance than the outer harbor (from the seaward edge of Terminal Island to the main breakwaters). Consequently, offsetting an acre of inner harbor landfill habitat loss has required less (half) compensation than an acre of outer harbor habitats deeper than 20 feet.

The Bolsa Chica Concept plan contemplates about 344 acres of full tidal habitats, which would offset the habitat value loss of about 454 acres of outer harbor landfill (more inner harbor landfill acres).
For example, 1.0 acres of restoration offsets 1.32 acres of outer harbor or 2.64 acres of inner harbor. Conversely, 1.0 acres of outer harbor landfill cost 0.76 acres of mitigation; an inner harbor landfill acre costs about 0.38 mitigation acres.

<table>
<thead>
<tr>
<th>Port of Los Angeles outer harbor landfills</th>
<th>Bolsa Chica Restored Full Tidal Habitat</th>
</tr>
</thead>
<tbody>
<tr>
<td>227 acres</td>
<td>172 acres</td>
</tr>
<tr>
<td>Port of Long Beach inner harbor landfills</td>
<td></td>
</tr>
<tr>
<td>60 acres</td>
<td>23 acres</td>
</tr>
<tr>
<td>outer harbor</td>
<td>197 acres</td>
</tr>
<tr>
<td>Total harbor landfill</td>
<td>484 acres</td>
</tr>
<tr>
<td></td>
<td>mitigated by restoring</td>
</tr>
<tr>
<td></td>
<td>344 acres</td>
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MLLW). Oil wells, water injection wells, well pads and access roads would all be removed from within the Full Tidal area.

Two adjacent areas depicted on the enclosed figure as Managed Tidal (about 220 gross acres) are not contemplated to be physically modified directly but would have seawater readmitted to them in an intermittent or very muted manner through culverts or water control structures through the reinforced levee or flood channel levee. Pickleweed dominated saltmarsh and shallow saltponds-saltflats are the contemplated habitat types. Existing pickleweed in this managed tidal area as well as the tidal and muted tidal portions of the Ecological reserve would remain intact and well exceed 200 acres in extent. Oil well pads and roads could be removed or revegetated upon inactivation of the wells in this area.

The remaining area depicted on the enclosed figure is labelled as Future Full Tidal (about 275 gross acres). This area includes the highest concentrations of active oil wells but much of the lowest elevations in the lowland. It is therefore contemplated that upon depletion of the oil field in 15-20 years and removal of the wells and any contamination, it may be feasible to simply breach the dike and allow a large portion of it to become slough, tidal flats, and saltmarsh without extensive earthwork.

Enhancement of suitable nesting areas for Belding’s savannah sparrow would be achieved in the Managed Tidal areas, while other existing valuable areas are retained intact in the Muted Tidal and Seasonal Pond areas. Seasonal pond habitats in all areas would not be less than 150 acres. Significant enhancement of suitable nesting habitat for the light-footed clapper rail would be achieved in the cordgrass expansion part of the Full Tidal area. Nesting area for the California least tern and western snowy plover would be achieved by creation and retention of sparsely vegetated sandflat and saltflat areas protected from disturbance or water imundation.