



**June 6, 2022**

**To:** Regional Highways and Planning Committee  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** Measure M2 Environmental Mitigation Program Update

### **Overview**

Measure M2 includes a program to deliver comprehensive mitigation for biological impacts of 13 freeway projects in exchange for streamlined project approvals from state and federal resource agencies. The Environmental Mitigation Program has acquired conservation properties and provided habitat restoration projects funding as part of the Natural Community Conservation Plan/Habitat Conservation Plan. Updates on program activities for the first half of 2022 are provided.

### **Recommendation**

Receive and file as an information item.

### **Background**

Measure M2 (M2) includes the Environmental Mitigation Program (EMP) intended to mitigate biological resources impacts of 13 M2 freeway projects and streamline the approval process with state and federal resource agencies. This was achieved through the development of a Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan), approved by the California Department of Fish and Wildlife (CDFW), and the United States Fish and Wildlife Service (collectively referred to as Wildlife Agencies) in 2017. Consistent with the Conservation Plan, the Orange County Transportation Authority (OCTA) has acquired seven conservation properties (Preserves) and funded 12 habitat restoration projects, depicted in Attachment A. An endowment has been established for the long-term management of the Preserves. On a parallel path, the United States Army Corps of Engineers (ACOE) and the State Water Resources Control Board (SWRCB), commonly referred to as the Regulatory Agencies, have also established a framework to expedite the permitting process.

The aforementioned investments made to date have largely met the intent of the EMP. Many of the restoration projects are close to or have obtained approvals from the Wildlife Agencies.

### ***Discussion***

#### **Restoration Projects Update**

In November 2021, the Wildlife Agencies provided their sign off on the OCTA funded University of California Irvine (UCI) restoration project (Project). This 8.5-acre Project was funded by OCTA in April 2011 and is located on the UCI campus. This is the fourth OCTA-funded restoration Project to meet its success criteria. The project success criteria established specific goals that needed to be met within a set timeframe for native and non-native plant and animal species and was approved by the Wildlife Agencies.

The Natural Communities Coalition (NCC) has been responsible for the planning and implementation of the restoration of native habitat for the Project since November 2011. The goal of the Project was to increase breeding habitat for coastal California gnatcatcher and cactus wren. The restoration area will continue to be monitored and managed by the NCC.

#### **OCTA Preserves' Fire Management Plans Update**

As required by the OCTA M2 Conservation Plan, OCTA is developing fire management plans (Plans) for each of the Preserves. The Plans will provide guidelines for decision-making at all stages, including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible with conservation and stewardship responsibilities. Due to delays related to easement information, external agency staff turnover, and the inclusion of new 2021 species data, these plans are now anticipated to be completed in 2022. The delay of completing these plans will not have any material impact to the Conservation Plan or related permits. Drafts have been completed for the seven Preserves, and reviews are underway with the respective fire agency and the Wildlife Agencies. Once completed, the Plans will be provided to the Environmental Oversight Committee (EOC) and posted on OCTA's website.

#### **Southern California Association of Government (SCAG) Award**

The OCTA-funded 53-acre City Parcel (2C Ranch) Habitat Restoration Project was awarded the 2022 SCAG Sustainability Award for the Green Region Initiative: Resource Conservation & Climate Action category. The awards program was held at the annual SCAG Regional Conference & General Assembly in May. In 2018, the Wildlife Agencies signed off on this project. The restoration project is within and sponsored by the City of San Juan Capistrano. As one measure of success, wildlife surveys have documented that two endangered bird species

(coastal California gnatcatcher and least Bell's vireo) are utilizing the restored areas.

#### Clean Water Act Permits Update

The M2 freeway projects are anticipated to impact waters of the State or jurisdictional waters that are subject to regulation by the ACOE, the SWRCB, and the CDFW, and will require mitigation. Before construction activities can occur, OCTA must obtain permits from the aforementioned Regulatory Agencies. The Conservation Plan's mitigation was also utilized to obtain these permits, streamlining the processes. These efforts are the result of years of collaboration between OCTA and the Regulatory Agencies, and constitute another groundbreaking milestone for the M2 EMP. The success of the partnership that this program has garnered is evident with the recent recognition from Federal Highway Administration, as well as the ACOE's swift response to the projects below and other OCTA project needs.

#### Freeway Projects Update

The following OC Go freeway projects have benefited from the EMP. Without the EMP's established process, additional mitigation-related requirements could have been incurred, resulting in increased project cost and schedule risks.

- Project C (Interstate 5 Improvement Project from State Route 73 [SR-73] to El Toro Road); and
- Project F (State Route 55 Improvement Project between Interstate 405 and Interstate 5); and
- Project K (Interstate 405 Improvement Project from SR-73 to the Los Angeles County Line).

#### Environmental Mitigation Program Endowment Fund Investment Report

The Conservation Plan requires the establishment of an endowment to fund the long-term management of the Preserves. Current projections indicate that OCTA remains on track to meet the endowment target of \$46.2 million (inclusive of interest earnings) by fiscal year 2027-28. To date, OCTA has made six endowment deposits. A separate quarterly investment report was last provided to the Board of Directors (Board) in March 2022 and the EOC. Staff will continue to assess market conditions and provide regular endowment updates to the Board, Finance and Administration Committee, and the EOC.

#### Hikes and Equestrian Rides

Three hikes and two equestrian rides have occurred on the OCTA Preserves so far this year. The next equestrian ride will take place on July 16 at the Trabuco Rose Preserve, and the next hike will occur on July 23 at the Pacific Horizon

Preserve. More information on the Preserves and the OCTA hikes and rides are available at <http://preservingourlegacy.org/>.

**Summary**

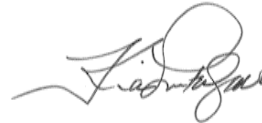
M2 includes an EMP that provides funding for programmatic mitigation to offset certain impacts of the 13 M2 freeway projects. To expedite the delivery of the M2 freeway projects, this program was initiated to implement early project mitigation through preservation and habitat restoration. This program is administered through a Conservation Plan, which was approved by the Wildlife Agencies in mid-2017. To maximize the benefits of the investments, OCTA has utilized some of that same mitigation to obtain Clean Water Act permits.

**Attachment**

- A. OCTA Preserves and Funded Restoration Projects

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