



February 6, 2017

To: Regional Planning and Highways Committee

From: Darrell Johnson, Chief Executive Officer 

Subject: Measure M2 Environmental Mitigation Program Request to Approve the United States Forest Service Restoration Project and Program Update

Overview

Measure M2 includes a program to deliver comprehensive mitigation for the environmental impacts of freeway projects in exchange for streamlined project approvals from the state and federal resources agencies. To date, the Environmental Mitigation Program has acquired conservation properties and provided funding for habitat restoration projects. A new restoration project has been identified to help meet the remaining needs of the Orange County Transportation Authority Measure M2 Natural Community Conservation Plan/Habitat Conservation Plan and has been endorsed by the Environmental Oversight Committee. Additionally, a status report on the program, restoration projects, and the endowment fund establishment is presented.

Recommendations

- A. Approve the United States Forest Service Restoration Project, taking into consideration the recommendations of the Environmental Oversight Committee, as discussed herein.
- B. Authorize the Chief Executive Officer to negotiate and execute a grant agreement consistent with the scope and funding amount of \$185,000.

Background

Measure M2 (M2) includes an innovative, comprehensive Environmental Mitigation Program (EMP) to address the biological impacts of M2 freeway projects. This is achieved through the development of a Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP), approved by the California Department of Fish and Wildlife, and the United States Fish and Wildlife Service (Wildlife Agencies). These documents demonstrate that the conservation properties (Preserves) and habitat restoration projects have largely met the

mitigation needs for the M2 freeway projects. The draft NCCP/HCP and associated draft environmental impact report/environmental impact statement (EIR/EIS) were made available for public review from November 2014 through February 2015. These documents were finalized and approved by the Orange County Transportation Authority (OCTA) Board of Directors (Board) in November 2016.

As part of the Early Action Plan (EAP), approximately \$55 million was authorized by the Board to fund conservation property acquisitions, habitat restoration projects, and to provide support/development for the NCCP/HCP. This translates to approximately \$42 million, and \$10.5 million for acquisitions and restoration, respectively. To date, two rounds of restoration funding have been approved by the Board, totaling just over \$10 million. Currently, there is approximately \$1.5 million, and \$300,000 remaining for acquisitions and restoration, respectively.

Discussion

To date, the acquisition of seven Preserves, as well as the funding of 11 habitat restoration projects (Attachment A), have largely met the mitigation needs (through the NCCP/HCP) for the M2 freeway projects. However, two outstanding mitigation needs remain. These needs include mitigation for a native fish (arroyo chub), as well as a rare plant (many-stemmed dudleya), as documented in the NCCP/HCP and EIR/EIS. Attachment A also includes an overview of the previously funded M2 restoration projects.

As part of the May 14, 2012 Board action to fund the second round of restoration projects, the Board also authorized staff to issue a call for projects and conduct general outreach to prospective entities that may be able to assist OCTA in fulfilling outstanding restoration needs. Through coordination with prospective entities, the United States Forest Service (USFS) noted that they had been developing a dam removal project within San Juan Creek in Orange County that would provide benefits to the arroyo chub by enhancing aquatic organism passage and the stream habitat. However, the project is not fully funded.

OCTA staff presented the USFS San Juan Creek Restoration Project to the Environmental Oversight Committee (EOC), and the EOC endorsed the project on May 4, 2016. The Wildlife Agencies also concurred with the scope of this project. Since then, the USFS has further defined the needs and budget of the restoration project (Attachment B). The USFS updated the project cost (\$185,000) for the removal of fewer dams, which is less than what was presented at the May EOC meeting and is within the remaining funding available for habitat restoration projects as part of the EAP. This project has the necessary design,

environmental documentation, and permits in place to proceed with implementation which minimizes delays and would immediately assist in fulfilling remaining NCCP/HCP mitigation needs. If this funding is provided, removal of the dams could begin by early 2018, and be completed by mid-2019. In addition, a status report on the EMP can be found in Attachment C.

Next Steps

Since the NCCP/HCP were approved and the EIR/EIS were certified by the Board, the Wildlife Agencies are in the process of issuing the respective state and federal permits. These permits will allow for the take of threatened and endangered species and their habitats as assessed for the M2 freeway projects within the NCCP/HCP. The permits are anticipated to be issued during first quarter 2017.

OCTA will continue to work with the Wildlife Agencies to finalize the Preserves resource management plans (RMPs). Staff will focus on executing conservation easements on the Preserves, coordinating with the endowment fund manager, and the following actions:

- Release the Aliso Canyon and Hayashi RMPs.
- Designate appropriate long-term land managers for the Preserves.
- Identify potential entities to assume the title of the Preserves.
- Identify and fund new restoration projects to satisfy remaining mitigation requirements of NCCP/HCP.
- Implement the process for the M2 freeway projects during the implementation phase to utilize the NCCP/HCP mitigation.
- Develop annual reports to document M2 freeway projects and Preserves activities, restoration projects status, and endowment budget summary.

Staff will continue to manage the Preserves until a long-term manager(s) is established. Additionally, staff will monitor the progress of all restoration projects and provide status updates to the EOC until each project is implemented.

Summary

The M2 includes an EMP that provides funding for programmatic mitigation to off-set impacts of the 13 freeway projects. To expedite the delivery of the freeway projects, this program was initiated in 2007, to implement early project mitigation through property acquisition and habitat restoration. This program is administered through a NCCP/HCCP, which was completed in 2016. Staff requests the Board to approve a new restoration project to help meet the remaining needs of the NCCP/HCP. Additionally, a status report on the program is presented.

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Attachments

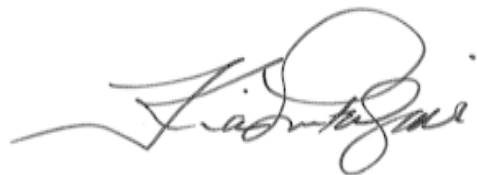
- A. Acquisition Properties and Funded Restoration Projects Summary
- B. United States Forest Service San Juan Creek Restoration Project Summary
- C. Orange County Transportation Authority Measure M2 Environmental Mitigation Program Status Report

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