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 Commission Action:
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STAFF REPORT: CONSENT CALENDAR

APPLICATION NUMBER: 5-09-035

APPLICANT: City of Los Angeles Department of Public Works

AGENT: William Jones, Environmental Specialist

- **PROJECT LOCATION:** East bank of Grand Canal (on City-owned property, between Washington Blvd. and Driftwood Street), Venice, City of Los Angeles, Los Angeles County.
- **PROJECT DESCRIPTION:** Habitat restoration project, including removal of old pipes and concrete from the canal bank, weed removal, maintenance of the existing native vegetation (primarily pickle weed and salt grass), soil amendment, installation of a temporary irrigation system, and the planting of additional plants that are native to the Ballona ecosystem.
- **LOCAL APPROVAL:** City of Los Angeles Approval in Concept, 2/4/2009.

SUMMARY OF STAFF RECOMMENDATION

The proposed habitat restoration project is situated on the east bank of Grand Canal, an environmentally sensitive habitat area (ESHA). Staff is recommending that the Commission <u>APPROVE</u> a coastal development permit for the proposed project with special conditions to protect public access along Grand Canal and to minimize adverse impacts to sensitive habitat areas. The special conditions would require the permittee to implement specific measures to minimize adverse impacts to water quality and sensitive habitat areas. The recommended special conditions begin on Page Three. See Page Two for the motion to carry out the staff recommendation. The applicant agrees with the recommendation.

SUBSTANTIVE FILE DOCUMENTS:

- 1. City of Los Angeles certified Land Use Plan for Venice, 6/14/2001.
- 2. Coastal Development Permit 5-91-584 & amendments (City of LA Venice Canals).
- 3. Coastal Development Permit 5-82-479 (Goldrich & Kest, 3405 Via Dolce).
- 4. Coastal Development Permit 5-01-289/A5-VEN-01-280 (City of LA Grand Canal)
- 5. Coastal Development Permit 5-05-319/A5-VEN-05-320 (LNR-Lennar Lee).
- Coastal Development Permit 5-06-236/A5-VEN-07-397 (City of LA Grand Canal Pump Sta.).
- 7. Coastal Development Permit 5-08-294 (City of LA Ballona Lagoon).
- 8. Coastal Development Permit 5-08-158-W (City of LA Grand Canal Non-Native Removal).
- Grand Canal Restoration Report Phase I: City and Lennar Urban Lands and Other City Lands Adjacent to Los Angeles County Residential Facility, by Maser Consulting P.A. (Project No. 05001547A), July 2008.

STAFF RECOMMENDATION:

The staff recommends that the Commission adopt the following resolution to <u>APPROVE</u> the coastal development permit application with special conditions:

MOTION: "I move that the Commission approve the coastal development permit applications included on the consent calendar in accordance with the staff recommendations."

Staff recommends a <u>YES</u> vote. Passage of this motion will result in approval of all the permits included on the consent calendar. An affirmative vote by a majority of the Commissioners present is needed to pass the motion.

I. <u>Resolution: Approval with Conditions</u>

The Commission hereby <u>APPROVES</u> a coastal development permit for the proposed development and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act and will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3 of the Coastal Act. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

II. Standard Conditions

- 1. <u>Notice of Receipt and Acknowledgment.</u> The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
- 2. <u>Expiration.</u> If development has not commenced, the permit will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- 3. <u>Interpretation.</u> Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 4. <u>Assignment.</u> The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- 5. <u>Terms and Conditions Run with the Land.</u> These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. Special Conditions

1. Public Access along Grand Canal

The permittee shall not interfere with public pedestrian access along the east bank of Grand Canal except for the temporary disruptions that will occur during the construction of the public path connection between the northern (DG) and southern (concrete) segments of the east bank Grand Canal public access path.

2. Protection of Native Plants and Revegetation

Prior to the commencement of the approved development, a qualified biologist shall survey the project site and identify with flags all areas of existing native vegetation. The permittee shall ensure that the areas of existing native vegetation are protected from disturbance during the implementation of the approved project, and that adequate water is provided to keep the plants healthy.

Under the supervision of a qualified biologist, the permittee shall remove all non-native plants from the canal banks using only hand-held tools while taking care to avoid disturbance of native plants. No herbicides may be employed. No grading is permitted. No heavy machinery may be used, except on existing paved roads. Smaller mechanized vehicles with rubber tires (e.g. Bobcats) may be used to transport heavy loads between paved roads and work areas. No dead plants shall be left on site (unless deemed necessary by a biologist to prevent erosion of the banks) and no persistent chemicals shall be employed. The permittee shall landscape the east bank of Grand Canal in conformance with the following requirements:

- A. Prior to weed abatement and removal of any plant material, a qualified biologist or ornithologist shall survey the project site to detect bird nests and submit a survey report to the permittee and the Executive Director of the Coastal Commission. The survey report shall include identification of all known nests. No bird nests shall be disturbed. Weed abatement and removal of any plant material may not proceed within 300 feet of a nest where evidence of courtship or nesting behavior is observed. In the event that any birds continue to occupy nests during the non-nesting season (November through January), work shall not take place until a qualified biologist or ornithologist has assessed the site, determined that courtship and nesting behavior has ceased, and given approval to proceed within 300 feet of any nest.
- B. All revegetation and development shall conform to the project plans approved by the Executive Director. All vegetation planted on the site shall consist of native plants typically found in the Ballona wetlands ecosystem. The seeds and cuttings employed shall be from local sources adjacent to Ballona Lagoon, the Venice Canals, and the Ballona wetlands. Prior to the first planting cycle, the permittee shall provide the Executive Director with the quantities and sources of all plants used in the project.
- C. No plant species listed as problematic and/or invasive by the California Native Plant Society (<u>http://www.CNPS.org/</u>), the California Invasive Plant Council (formerly the California Exotic Pest Plant Council) (<u>http://www.cal-ipc.org/</u>), or as may be identified from time to time by the State of California shall be employed or allowed to naturalize or persist on the site. No plant species listed as a 'noxious weed' by the State of California or the U.S. Federal Government shall be utilized within the property.
- D. Erosion Control. Prior to removing the non-native plants and preparation of the soil, the permittee shall install silt curtains along the entire length of the water's edge to prevent siltation of the canal. Jute or coconut matting (with no plastic netting) shall be placed on all slopes immediately following the removal of the existing plant cover. In addition, the permittee shall implement the following temporary erosion control measures during the restoration project: temporary sediment basins (including debris basins, desilting basins or silt traps), temporary drains and swales, wattles, and additional silt fencing as needed.
- E. Revegetation shall commence as soon as possible following removal of non-native plants and preparation of the soil. The existing native vegetation and all required plantings shall be maintained in good growing condition throughout the life of the project, and whenever necessary, shall be replaced with new plant materials to ensure continued compliance with the landscape plan. Revegetation activities may continue during the least tern nesting season
- F. Disposal of plant matter. All cut plant material shall be disposed of at an appropriate off-site location within ten days of cutting. A separate coastal development permit will be required prior to the placement of any cut plant material in the coastal zone unless the Executive Director determines that no permit is required pursuant to the requirements of the Coastal Act and the California Code of Regulations.

- G. Planting shall maintain views of the water from the public areas.
- H. Monitoring. The permittee shall actively monitor the site, remove non-natives and reinstall plants that have failed for at least five years following the initial planting. The permittee shall monitor and inspect the site no less than once each thirty days during the first year that follows the initial planting. Thereafter, the permittee shall monitor the site at least once every ninety days or on the City's regular landscape maintenance schedule, whichever is more frequent. Each year, for a minimum of five years from the date of permit issuance, the permittee shall submit for the review and approval of the Executive Director, an annual revegetation monitoring report, prepared by a licensed Landscape Architect or qualified Resource Specialist that certifies the revegetation is in conformance with the approved revegetation plan. The annual monitoring report shall include photographic documentation of plant species and plant coverage. If the annual revegetation monitoring report indicates the revegetation is not in conformance with or has failed to meet the performance standards specified in the revegetation plan approved pursuant to this permit, the permittee shall submit a revised or supplemental revegetation plan for the review and approval of the Executive The revised revegetation plan must be prepared by a licensed Director. Landscape Architect or a qualified Resource Specialist and shall specify measures to remediate those portions of the original plan that have failed or are not in conformance with the original approved plan. The permittee shall implement the supplemental revegetation plan approved by the Executive Director and/or seek an amendment to this permit if required by the Executive Director.

The permittee shall undertake development in accordance with the final plans approved by the Executive Director. To ensure compliance, the City shall include the requirements of this condition on all plans and contracts issued for the project. Any proposed changes to the approved final plans shall be reported to the Executive Director. No changes to the approved final plans shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is required pursuant to the requirements of the Coastal Act and the California Code of Regulations.

3. <u>Resource Agencies</u>

The permittee shall comply with all requirements, requests and mitigation measures from the California Department of Fish and Game, Regional Water Quality Control Board, U.S. Army Corps of Engineers, and the U.S. Fish and Wildlife Service with respect to preservation and protection of water quality and marine environment. Any change in the approved project that may be required by the above-stated agencies shall be submitted to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations.

IV. Findings and Declarations

The Commission hereby finds and declares:

A. <u>Project Description</u>

The proposed project is the revegetation and habitat restoration along one thousand linear feet of the east bank of Grand Canal, south of Washington Boulevard (Exhibit #2). The proposed project, which is located entirely on City property, covers approximately one-half acre of intertidal and transitional upland area situated between the water and the public access path that runs along the east bank (Exhibits #4&5). The proposed project includes the removal of old pipes and concrete from the project area, weed removal, maintenance of the existing native vegetation (primarily pickle weed and salt grass), soil amendment, installation of a temporary irrigation system, and the planting of additional plants that are native to the Ballona ecosystem (Exhibit #3). Coconut netting and straw wattles will be used to control erosion of the canal bank.

The only part of the proposed project that affects the east bank Grand Canal public access path is the construction of a 57-foot long dirt (DG) path to connect the concrete walkway that runs inland of the southern segment¹ of the project with the new DG path in the northern segment that was constructed on an easement dedicated pursuant to Coastal Development Permit 5-05-319/A5-VEN-05-320 (LNR-Lennar). The old concrete sidewalk that exists on City property in the northern segment of the project area will be removed, as it has been replaced by the new path constructed ten feet inland pursuant to Coastal Development Permit 5-05-319/A5-VEN-05-320 (LNR-Lennar). In addition, a new 42-inch high decorative fence is proposed to be installed on the water side of the concrete walkway that runs along the southern segment of the project site (Exhibit #5). The proposed project is scheduled to commence May 2009.

The project staging area is the LNR-Lennar project site (3100-3210 Grand Canal) on the inland side of the northern segment. The City of Los Angeles removed non-native trees, weeds and encampments from the project site in late 2008 pursuant to Coastal Development Permit 5-08-158-W.

B. Grand Canal

The Venice Canals are a unique cultural, historic and scenic resource of Southern California. The canals, which were created out of marshland as part of the "Venice of America" subdivision in 1905, provide a sense of character and history for the Venice community. They also provide public access, recreation, and wildlife habitat. The canals, along with adjacent Ballona Lagoon, support some of the last remaining pockets of coastal wetland habitat in Los Angeles County.

¹ The east bank project site is divided into two 500-foot long segments, referred to in this report as the northern and southern segments. The northern segment, which fronts the LNR-Lennar project site (Permit 5-05-319/A5-VEN-05-320), is the 500 feet of east bank immediately south of Washington Boulevard. The southern segment fronts the Los Angeles County residential facility (Permit 5-82-479 -3405 Via Dolce).

The canals system fell into disrepair in the 1920s, and many of the original canals were filled by the City in 1927. The residents in the area have been attempting to restore the remaining canals since the 1960s. The Venice Canals located north of Washington Boulevard were rehabilitated in the mid-1990s (see Coastal Development Permit 5-91-584 & amendments). The section of Grand Canal located south of Washington Boulevard is a remnant of an original tidal lagoon (Ballona Lagoon), and is the only segment of the remaining canals that has yet to be rehabilitated. A sewer line runs down part of the center of this segment of Grand Canal, buried beneath its muddy bottom.

Grand Canal, designated in the certified Venice LUP as an Environmentally Sensitive Habitat Area (ESHA), is an integral part of the larger Venice Canals/Ballona Lagoon wetlands system and the Ballona Creek watershed. Grand Canal is connected to the northern end of Ballona Lagoon (Exhibit #2). Seawater enters the wetlands system through tidal gates which control the flow from the Marina del Rey entrance channel into Ballona Lagoon. The seawater then flows through Ballona Lagoon and into Grand Canal to another set of tidal gates located beneath Washington Boulevard. Grand Canal is the only hydrologic connection between Ballona Lagoon and the canals located north of Washington Boulevard (Exhibit #1).

As stated above, the certified Venice LUP designates the wetland habitat in Grand Canal as an Environmentally Sensitive Habitat Area (ESHA). Unfortunately, the wetland habitat in Grand Canal (i.e., salt marsh, sidebanks, mudflats, and marine habitat) is negatively affected by the canal's proximity to human activity, urban runoff, abundance of invasive non-native vegetation, and the scattered isolated pocket nature of the wetlands. Despite this, Grand Canal provides habitat for a variety of benthic invertebrates, fish and shorebirds [Grand Canal Wetland Enhancement Assessment, by Michael Josselyn, PhD, February 24, 1998.].

California hornshells are the dominant epifaunal organisms, although it is expected that polycheates and mollusks live in the mud bottom of the canal. Seven species of fish have been documented and are known to inhabit the canals: Topsmelt is the most abundant species, followed by California killifish, bay pipefish, longjaw mudsuckers, halibut, arrow goby, and diamond turbot. Fish eating birds such as pelicans, egrets and green herons are often seen foraging at the water's edge. Willets, dowitchers and dabbling ducks also forage on the mud banks, while domesticated ducks are attracted by food and water left by nearby human residents. Grand Canal is a critical habitat area for the brown pelican and California least tern, <u>Sterna antillarum browni</u>. No other Federal or State listed endangered species are known to inhabit or to visit the Venice Canals.

Grand Canal is located approximately one mile north of the Venice Beach California least tern colony, one of the largest and most productive colonies of California least terns remaining in the state (Exhibit #2). The California least tern, <u>Sterna antillarum browni</u>, is a Federal and State listed endangered species. The least tern is migratory and generally arrives in the project area each year in early April, and departs in early autumn. Least terns capture small fish for their newly hatched chicks in the nearby ocean, wetlands, lagoons, and canals. These fish include northern anchovies, gobies, topsmelt, various surf perch, killifish, mosquitofish, and other lagoon and estuarine fish species.

The area surrounding the Venice Canals is developed with a variety of residential uses and visitor-serving commercial uses that cater to local residents and the thousands of coastal visitors who are attracted to Venice Beach. The Grand Canal neighborhood located south of

Washington Boulevard is a residential community consisting of multi-family and single family homes located along the open waterway. The neighborhood is located about four blocks from Venice Beach, one of the most popular visitor destinations in Los Angeles. Most of the residences front on the canals and are accessed from the rear by alleys which run behind the homes. Public walkways, which are currently severely damaged or completely deteriorated, run along both sides of Grand Canal and separate the private residences from the canal. The Venice Canals system is a popular visitor destination in Southern California.

C. Protection of Sensitive Habitat Areas and Marine Resources

The one thousand-foot long section of Grand Canal south of Washington Boulevard, where the proposed project is located, is a remnant of an original tidal lagoon (Ballona Lagoon). The canal's bottom and banks, for the most part, are comprised of soft sand and mud. Native wetland vegetation competes along the banks with introduced weeds and escaped cultivars. The certified Venice Land Use Plan (LUP) designates both Ballona Lagoon and Grand Canal as Environmentally Sensitive Habitat Areas (ESHAs - Exhibit #2).

The Commission's responsibility to protect Grand Canal and Ballona Lagoon is established by the habitat protection policies of the Coastal Act. These policies are also incorporated into the certified Venice LUP.

Section 30240 of the Coastal Act states:

- (a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on such resources shall be allowed within such areas.
- (b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade such areas, and shall be compatible with the continuance of such habitat areas.

In addition, the wetland protection policies of the Coastal Act require the protection of the biological productivity of wetland areas.

Section 30230 of the Coastal Act states:

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231 of the Coastal Act states:

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible,

restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

The certified Venice LUP also sets forth the following policies that require the protection of the marine resources in the Venice Canals.

• <u>Policy IV. A. 2. Permitted Uses.</u> Uses permitted in or adjacent to the canals shall be implemented in a manner to protect the biological productivity of marine resources and maintain healthy populations of marine organisms. Such uses as open space, habitat management, controlled nature study and interpretation, and passive public recreation use of walkways for birdwatching, photography, and strolling shall be encouraged and promoted.

The certified Venice LUP and the Coastal Act require that all development adjacent to Grand Canal shall be compatible with the continuance of the ESHA. The Coastal Act policies of the certified LUP require that the development maintain healthy populations of marine organisms or that development shall be sited and designed to prevent impacts that would significantly degrade such areas, and that development shall be compatible with the continuance of such habitat areas.

The proposed habitat restoration project will maintain and enhance marine resources in Grand Canal and on its banks as required by the above-stated policies of the Coastal Act. Biological productivity and habitat values on the east bank will be increased by the proposed removal of all invasive and non-native vegetation and the landscaping of the bank with native vegetation. The native vegetation provides valuable habitat for native insects on which the native birds and other animals are dependent for food. Non-native vegetation has displaced many of the native plants and provides very little biological value for native animals. Therefore, only native plants typically found in the Ballona ecosystem shall be used for revegetation.

It is important that the City meticulously weed out the non-native plants in order to preserve the native plants that are already growing along the canal. This means using hand tools for vegetation removal rather than heavy equipment, grading and herbicides. Heavy machinery could also interfere with the use of the canal by foraging least terns. Preservation of the existing native plants will allow the native vegetation to re-establish itself more quickly and more successfully than it would using all imported plants from another location. Preservation of the existing native plants will also reduce the amount of new plants that the City must obtain for the revegetation of the canal bank. Therefore, in order to protect the existing native plants and reduce erosion, Special Condition Two prohibits the use of heavy machinery on the canal banks (no grading bulldozers) and herbicides.

Special Condition Two also requires the use of erosion controls, such as jute matting and silt curtains, in order to protect the waters of the canal from siltation caused by erosion of the bank. Special Condition Two requires a minimum of five years of monitoring and maintenance of the restored habitat in order to ensure that the project meets the standards and goals set forth in the "Grand Canal Restoration Report – Phase I: City and Lennar Urban Lands and Other City Lands Adjacent to Los Angeles County Residential Facility," by Maser Consulting

P.A. (Project No. 05001547A), July 2008. Only as conditioned, is the proposed project consistent with Sections 30230 and 30231 of the Coastal Act.

Pursuant to Section 30240(b) of the Coastal Act, development adjacent to ESHAs must be compatible with the habitat and must be designed to prevent impacts that would significantly degrade the ESHA. In this case, the proposed project, as conditioned, is consistent with Section 30240 of the Coastal Act because it involves the restoration of habitat within and adjacent to the ESHA without any significant disruption of the ESHA. As conditioned, the proposed restoration project will be implemented in a manner that minimizes impacts to the existing habitat areas. Therefore, the proposed project, as conditioned, is compatible with the habitat and has been designed to prevent impacts that would degrade the ESHA.

Section 30233 of the Coastal Act permits the diking, filling or dredging of wetlands only in very limited circumstances. In this case, the proposed project involves no filling of wetlands or displacement of any habitat. In conclusion, the proposed project, as conditioned by the permit, is compatible with the habitat and has been designed to prevent impacts that would significantly degrade the ESHA.

D. Public Access and Recreation

One of the basic goals stated in the Coastal Act is to maximize public access and recreation along the coast. The public access and recreation policies of the Coastal Act require that maximum access and recreational opportunities be provided and that development shall not interfere with public access. The certified Venice LUP protects public access along the banks of all of the Venice Canals. Therefore, the proposed development must be designed to preserve and enhance existing access opportunities along Grand Canal. The proposed project is conditioned to conform with the following Coastal Act policies that protect and encourage public access and recreational use of coastal areas.

Section 30210 of the Coastal Act states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211 of the Coastal Act states:

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30213 of the Coastal Act states, in part:

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

The certified Venice LUP contains the following policies that specifically protect the existing Grand Canal public trail system:

Policy II. C. 2. Grand Canal Pedestrian Access. The three existing public rights-ofway from the Grand Canal to Strongs Drive and Pacific Avenue shall be improved and appropriately signed. South of Washington Boulevard, the public walkways that provide public pedestrian access along both sides of Grand Canal shall be improved and appropriately signed.

Policy II. C. 4. Venice Canals. The Venice Canals Walkways have been fully rehabilitated and shall be maintained for public access. The Department of Transportation shall provide signs on Venice Boulevard which direct the public to the Venice Canals Historic District and the existing Venice Canals Walkways.

The only part of the proposed project that affects the east bank Grand Canal public access path is the construction of a 57-foot long dirt (DG) path to connect the concrete walkway that runs inland of the southern segment of the project with the new DG path in the northern segment that was constructed on an easement dedicated pursuant to Coastal Development Permit 5-05-319/A5-VEN-05-320 (LNR-Lennar). The old concrete sidewalk that exists on City property in the northern segment of the project area will be removed, as it has been replaced by the new path constructed ten feet inland pursuant to Coastal Development Permit 5-05-319/A5-VEN-05-320 (LNR-Lennar). In addition, a new 42-inch high decorative fence is proposed to be installed on the water side of the concrete walkway that runs along the southern segment of the project site (Exhibit #5).

Special Condition One of the permit prohibits the City form interfering with public use of the east bank Grand Canal public access path except for the temporary disruptions that will occur during the construction of the public path connection between the northern (DG) and southern (concrete) segments of the east bank Grand Canal public access path. Only as conditioned does the proposed project comply with the public access and recreation policies of the Coastal Act.

E. Local Coastal Program

Section 30604(a) of the Coastal Act provides that the Commission shall issue a coastal development permit only if the project will not prejudice the ability of the local government having jurisdiction to prepare a Local Coastal Program (LCP) that conforms with Chapter 3 policies of the Coastal Act:

(a) Prior to certification of the Local Coastal Program, a coastal development permit shall be issued if the issuing agency, or the commission on appeal, finds that the proposed development is in conformity with the provisions of Chapter 3 (commencing with Section 30200) of this division and that the permitted development will not prejudice the ability of the local government to prepare a Local Coastal Program that is in conformity with the provisions of Chapter 3 (commencing with Section 30200). A denial of a coastal development permit on grounds it would prejudice the ability of the local government to prepare the ability of the local government to prepare the ability of the local government to prepare a Local Coastal Program that is in conformity with the provisions of Chapter 3 (commencing with Section 30200). A denial of a coastal development permit on grounds it would prejudice the ability of the local government to prepare a Local Coastal Program that is in conformity with the provisions of Chapter 3 (commencing with Section 30200) shall be accompanied by a specific finding which sets forth the basis for such conclusion.

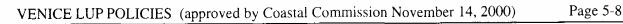
The City of Los Angeles does not have a certified Local Coastal Program for the Venice area. The City of Los Angeles Land Use Plan (LUP) for Venice was effectively certified on June 14, 2001. The proposed project, as conditioned, conforms to the policies of the certified Venice LUP. Therefore, approval of the project, as conditioned, will not prejudice the ability of the local government to prepare an LCP that is in conformity with the provisions of Chapter 3 of the Coastal Act.

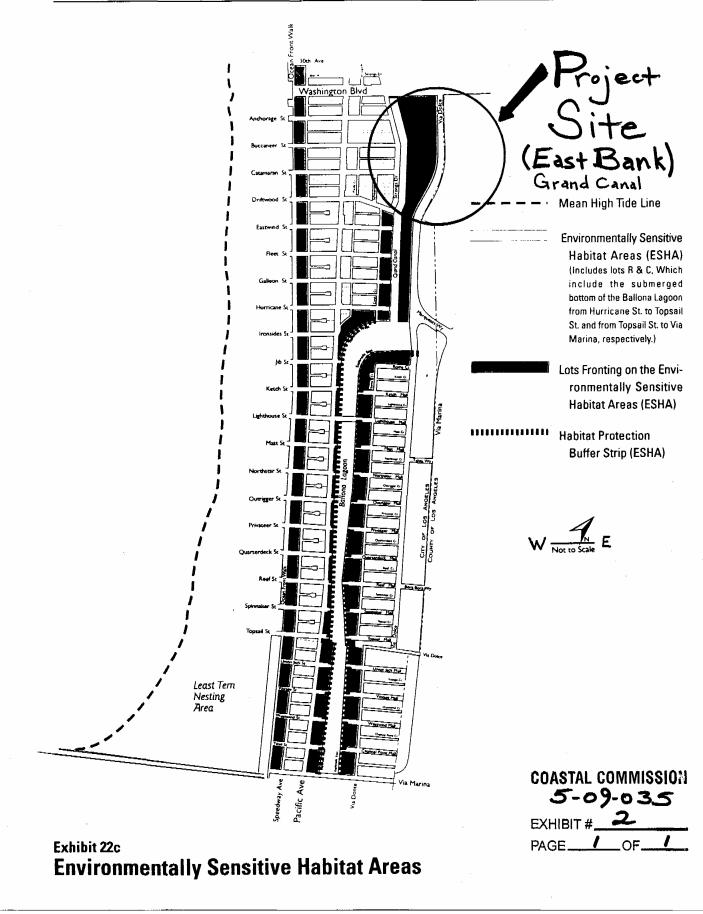
F. California Environmental Quality Act (CEQA)

Section 13096 Title 14 of the California Code of Regulations requires Commission approval of a coastal development permit application to be supported by a finding showing the application, as conditioned by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

The proposed project, as conditioned, has been found consistent with the Chapter 3 policies of the Coastal Act. All adverse impacts have been minimized by the recommended conditions of approval and there are no feasible alternatives or additional feasible mitigation measures available which would substantially lessen any significant adverse impact that the activity may have on the environment. Therefore, the Commission finds that the proposed project, as conditioned, can be found consistent with the requirements of the Coastal Act to conform to CEQA.







Grand Canal Restoration Project – Phase I Proposed Plant Palette* for Restoration Area

Eastside, Washington Blvd to Proposed City Park opposite Driftwood St.

Upland Habitat (Upper Bank and Top of Bank)

Artemisia californica Artemisia douglasiana Atriplex lentiformis Ericameria ericoides

Eriogonum parvifolium Gnaphalium canescens Grindelia campora Isocoma menziesii Leymus triticoides Lotus scoparius Phacelia ramosissima

Transition Habitat (Mid-Bank)

Anemopsis californica Arthrocnemum subterminale Distichlis spicata Euthamia occidentalis Heliotropium curassavicum Hordeum depressum Juncus acutus Leymus triticoides Malvella leprosa Spergularia marina Suaeda calceoliformis Suaeda taxifolia

Salt Marsh Habitat (Lower Bank)

Distichlis spicata Frankenia salina Jaumea carnosa Limonium californicum Sarcocornia pacifica (Salicornia virginica) Spergularia marina California Sagebrush Mug Wort Brewer's Saltbush Mock-heather

Sea-cliff Buckwheat Pearly Everlasting Gumplant Coast Goldenbush Alkali Ryegrass Deerweed Coastal Phacelia

Yerba Mansa Parish's Glasswort Saltgrass Western Goldenrod Seaside Heliotrope Alkali Barley Spiny Rush Alkali Ryegrass Alkali-Mallow Salt Marsh Sand-Spurrey Annual Sea-blite Wooly Seepweed

Saltgrass Frankenia, Alkali Heath Jaumea California Sea Lavender Pickleweed Salt Marsh Sand-Spurrey

* All donor plants are to be from populations known to be native to the Ballona Ecosystem.

5-09-035 COASTAL COMMISSION

All plant material will be grown from species and genotypes local to the Ballona Ecosystem.

EXHIBIT # 3PAGE___OF__

