



GAVIN NEWSOM  
GOVERNOR



JARED BLUMENFELD  
SECRETARY FOR  
ENVIRONMENTAL PROTECTION

---

## Central Coast Regional Water Quality Control Board

December 17, 2021

Meg Henry  
California Department of Transportation  
Caltrans District 5  
50 Higuera Street  
San Luis Obispo, California 93401-5415  
Email: [meg.henry@dot.ca.gov](mailto:meg.henry@dot.ca.gov)

### VIA ELECTRONIC MAIL

Reg. Measure ID: 393173  
Place ID: 798713  
USACE ID: SPL-2013-00512-TS

Dear Meg Henry:

### **CONCEPTUAL REVISED MITIGATION STRATEGY AT SANI-WELSH AND TORO CREEK FOR THE PIEDRAS BLANCAS REALIGNMENT PROJECT, SAN LUIS OBISPO COUNTY – WATER QUALITY CERTIFICATION NO. 34013WQ14**

Caltrans recently provided the Central Coast Regional Water Quality Control Board (Central Coast Water Board) with a conceptual revised mitigation strategy for the Piedras Blancas Realignment Project. The conceptual strategy proposes to implement mitigation at the Sani-Welsh and Toro Creek sites, both located in San Luis Obispo County, California. Caltrans has developed the conceptual mitigation strategy because the previous mitigation plan approved by the Central Coast Water Board was determined to be unimplementable due to lack of access being granted to Caltrans within the Arroyo de la Cruz watershed. The purpose of this letter is to express the Central Coast Water Board's support for Caltrans' conceptual revised mitigation proposal that addresses "onsite" mitigation requirements at the Sani-Welsh property site and "offsite" mitigation requirements along Toro Creek.

The Central Coast Water Board supports Caltrans' conceptual revised mitigation proposal because it appears the proposed mitigation locations are well-suited for the future protection and preservation of wetland, riparian, coastal prairie, and coastal prairie wetland habitats. We appreciate for the dedication, creativity, and flexibility of Caltrans staff in the preparation of the conceptual revised mitigation proposal, and we support the proposal's continued development. An amendment to Water Quality Certification No. 34013WQ14 will be necessary after a final revised mitigation proposal is approved by the Central Coast Water Board.

If you have any questions, please contact Genevieve Safi at (805) 542-3372 or via email at [Genevieve.Safi@waterboards.ca.gov](mailto:Genevieve.Safi@waterboards.ca.gov), or Diane Kukol at [Diane.Kukol@waterboards.ca.gov](mailto:Diane.Kukol@waterboards.ca.gov).

Sincerely,

*for*  
Matthew T. Keeling  
Executive Officer

---

DR. JEAN-PIERRE WOLFF, CHAIR | MATTHEW T. KEELING, EXECUTIVE OFFICER

cc:

Jennifer Moonjian, Caltrans District 5, [jennifer.moonjian@dot.ca.gov](mailto:jennifer.moonjian@dot.ca.gov)

Katherine Brown, Caltrans District 5, [katherine.brown@dot.ca.gov](mailto:katherine.brown@dot.ca.gov)

Diane Kukol, Central Coast Water Board, [Diane.Kukol@waterboards.ca.gov](mailto:Diane.Kukol@waterboards.ca.gov)

Genevieve Safi, Central Coast Water Board, [Genevieve.Safi@Waterboards.ca.gov](mailto:Genevieve.Safi@Waterboards.ca.gov)

Jackson Welsh, Central Coast Water Board, [Jackson.Welch@waterboards.ca.gov](mailto:Jackson.Welch@waterboards.ca.gov)

**CALIFORNIA COASTAL COMMISSION**

CENTRAL COAST DISTRICT  
725 FRONT STREET, SUITE 300  
SANTA CRUZ, CA 95060  
PHONE: (831) 427-4863  
FAX: (831) 427-4877  
WEB: WWW.COASTAL.CA.GOV



**December 15, 2021**

Meg Henry, Project Manager  
California Department of Transportation  
Caltrans District 5  
50 Higuera Street  
San Luis Obispo, CA 93401-5415

**Subject: Support for Revised Habitat Mitigation Proposal for CDP 3-13-012  
(Piedras Blancas Highway 1 Realignment)**

Dear Ms. Henry,

Thank you for the recent correspondence and documentation regarding the California Department of Transportation's (Caltrans') revised habitat mitigation proposal to satisfy coastal development permit (CDP) requirements associated with the Highway 1 realignment at Piedras Blancas in northern San Luis Obispo County.

As you are aware, the California Coastal Commission approved CDP 3-13-012 for the highway realignment project in 2014. The CDP requires significant habitat mitigation as part of the approved project, including on-site restoration of temporary disturbances, on-site compensatory mitigation, and off-site compensatory mitigation. The off-site mitigation described in the CDP is comprised primarily of habitat restoration and enhancement at Arroyo de la Cruz on land owned by the Department of Parks and Recreation (DPR). The CDP also contemplates restoration on the formerly private parcels colloquially referred to as "Sani 1" and "Sani 2," which had recently been acquired by Caltrans, as well as potentially on the former Welsh parcel, which Caltrans had not yet acquired at the time of the CDP approval.

Since issuance of the CDP in 2014, Caltrans and Coastal Commission staff have worked collaboratively to ensure compliance with various aspects of the approved CDP and project. We are aware that Caltrans has suffered repeated setbacks in pursuing the off-site mitigation required by the CDP, and these setbacks have delayed compliance with CDP requirements. Most recently, Caltrans has determined that, despite diligent attempts with various agencies to identify a feasible plan to restore ecosystem functions of Arroyo de la Cruz as long-envisioned, it does not appear possible to reach consensus with DPR for the timely completion of a restoration project at that site. Thus, Caltrans has determined that the most productive path for meeting the necessary CDP terms and conditions at this juncture is to pivot to an alternative package of off-site mitigation.

With this context in mind, we understand that Caltrans is currently in the process of developing a revised off-site mitigation proposal, which currently consists of two

proposed components. The first would restore and establish approximately 7.5 acres of coastal prairie and coastal prairie wetland habitats on the former Sani 1, Sani 2, and Welsh parcels, as contemplated by the approved CDP. On-site improvements would also include construction of the California Coastal Trail through these properties, as required by the CDP and as previously agreed to by Caltrans and DPR. For the second component, Caltrans is exploring potentially contributing funds toward the purchase by San Luis Obispo County of two parcels along Toro Creek in San Luis Obispo County between Morro Bay and Cayucos, immediately inland of Highway 1 (at postmile 32.6). While the details of this latter proposal are still in development, Commission staff understands that such purchase would be intended to allow for restoration of the creek bank and adjacent grassland along the southeastern boundary of these properties, which has been eroded and deteriorated by historical grazing activities.

While we are disappointed that the Arroyo de la Cruz restoration project could not be brought to timely fruition, we understand and support Caltrans' efforts to identify an alternative mitigation package that can satisfy CDP requirements. Toward that end we look forward to seeing the restoration plans for the Sani 1 and 2 and Welsh parcels continue to develop, including because restoring these properties can return a previously developed portion of the realignment corridor to its natural state, presenting both ecological and scenic resource benefits, and can fulfill the intent of the approved CDP for those parcels. Any opportunities for expanding the comprehensiveness of restoration in this area should be fully evaluated. Additionally, although the Toro Creek properties are not in the immediate vicinity of the realignment project, we also look forward to understanding more details about a potential off-site mitigation component there. Clearly, acquisition and underwriting streambank/habitat restoration at that location have the potential to provide substantial ecological uplift to sensitive coastal stream and related resources.

Please know that we are committed to continuing collaborations aimed at developing a package of high-value off-site mitigation that can meet Caltrans' requirements under the highway realignment CDP, and we look forward to better understanding how these components, and others, may be able to provide the necessary compensatory mitigation for the project. Please do not hesitate contact Sean Drake in our Transportation Program if you have any further questions.

Sincerely,

DocuSigned by:  
  
E6E6330F9F9C4F4...

Dan Carl  
Central Coast District Director  
California Coastal Commission