



**SAN FRANCISCO BAY**  
RESTORATION AUTHORITY

San Francisco Bay Restoration Authority  
Independent Citizens Oversight Committee  
**DRAFT** Annual Review Letter FY 2020/21  
**April 18, 2022**

**Committee Members**

*Paul Jones, Chair, At-Large Representative, San Mateo County*  
*Terry Young, Vice Chair At-Large Representative, Alameda County*  
*Don Arnold, South Bay Representative, Santa Clara County*  
*Nancy Cave, West Bay Representative, San Francisco County*  
*Jim Fiedler, East Bay Representative, Contra Costa County*  
*Doug Wallace, North Bay Representative, Marin County*

Governing Board  
San Francisco Bay Restoration Authority  
1515 Clay Street, 10<sup>th</sup> Floor  
Oakland, CA 94612

Dear Governing Board Members,

This letter constitutes the annual conformance review undertaken by the Independent Citizens Oversight Committee (Oversight Committee) of the San Francisco Bay Restoration Authority (Authority) during the period of July 1, 2020 to June 30, 2021. The Oversight Committee has six members from around the Bay with over 150 years of combined experience tackling the challenges of aquatic resource regulation, habitat restoration and enhancement of the Bay's recreational resources. Individual committee members have a range of expertise in wetlands, restoration, water quality and supply, flood control, environmental and project monitoring, trail projects, and how best to select and

implement projects. We have a breadth of experience managing government funding programs. Due to Covid 19 restrictions, we have operated virtually again this year, and while this has allowed the Oversight Committee to continue its oversight mandate, we look forward to meeting in person again someday. Paul Jones remains our current Chair and Dr. Terry Young has continued as our Vice Chair.

## FINANCIAL MANAGEMENT

**As in past years, the Committee concludes that the Authority's financial management is sound, the staff workplan and budget are appropriate, and the project-based budget is well-managed.**

The Authority's financial reports for the fiscal year ending June 30, 2021 are clearly presented and once again have received a clean and unmodified audit. Collections of tax revenue are performed in accordance with Measure AA and the resulting funds are kept in appropriate, minimum-risk accounts until expended.

The Committee reviewed not only the Authority's Fiscal Year 2020-21 Operating Budget, which details administrative expenses, but also the staff workplan. We note that the workload related to grant management has increased dramatically during these five start-up years, and that it can be expected to increase yet further before leveling off at some point in the future when new restoration projects are balanced by the completion of earlier projects. Moreover, the staff recently was tasked with new aspects of operations related to equity, including the new Community Grants, which it has managed successfully. Given these growing needs for staff resources, the Committee concludes that the allocation of income (5% of tax revenue as well as interest earnings) to the Operating Budget was appropriate in Fiscal Year 2020-21 and may continue to be appropriate even after ballot costs are repaid.

With respect to the Authority's fiscal year 2020-21 Project-based Budget, the Committee finds that the Measure AA funds are well-managed. The funds available from current tax proceeds as well as carryovers from past years meet or exceed the commitments made for project funding and continued Authority operations. As of the end of the fiscal year, the cost to complete existing grants was \$59.7 million compared with \$63.9 million of funds available for this purpose. The Authority is not sitting on taxpayer funds, having awarded or spent about 95% of the available funds over the course of its first four years.

## PROJECT SELECTION, MANAGEMENT, AND IMPLEMENTATION

**The Committee concludes that the restoration projects have been selected in accordance with Measure AA goals, and that procedures for project management and implementation are fundamentally sound. In addition, innovations in project management, such as the Bay**

**Restoration Regulatory Integration Team, not only increase the efficiency with which Measure AA funds can be used, but also benefit the smooth permitting of other restoration projects in the Bay Area.**

The Authority has developed criteria for project selection that appropriately evaluate a project's eligibility and consistency with Measure AA objectives, as well as consider the nature of a given project's long-term impact. As a result, the collection of funded projects is on its way to meeting Measure AA's Campaign Goals and related performance measures (see Annual Report).

The type of grants awarded this year deserves mention. Many of the new projects added this fiscal year fund the design and regulatory documentation of potential future projects. Three of the newly-funded projects remove ecosystem stressors – that is, components of the existing Bay system that harm or otherwise disrupt the natural system. Three of the projects focus primarily on building capacity for community engagement in planning and decision-making. The Committee recognizes the importance of providing support for each of these types of projects using Measure AA Funds.

In its Annual Review Letter from last year, this Committee recommended that the criteria used to score proposed projects be supplemented in order to more explicitly evaluate the way that an individual project would contribute to landscape-scale ecological (and human) values. We stand by that recommendation and incorporate here by reference the detailed explanation that we provided at that time (see "Tracking Campaign goals, Performance Measures, and Beyond"). Until that recommendation can be implemented, however, we have an interim suggestion. As part of the current scoring system, project reviewers assess a project's "greatest positive impact", "greatest long-term impact", and consistency with a list of studies and policies that relate to landscape-scale planning (e.g., the Baylands Ecosystem Habitat Goals Science Update 2015, the Sonoma Creek Baylands Strategy, various ecosystem and species recovery plans, and the like). The assessments of these three criteria provide valuable information as to how the project will benefit Bay-wide values and should not be buried as they are now: go to the website; go to the individual project page; click on the link to the staff recommendation; read to the bottom. Instead, we recommend that this discussion be summarized prominently on the website and in the annual report. It is important information for the public to know about project selection and the wise use of taxpayer funds.

As mentioned above, the Authority recently added a Community Grants Program that empowers communities to have a greater voice in the design of large restoration projects as well as greater access to funding for smaller projects. We commend the Authority for its implementation of this important program.

The Bay Restoration Regulatory Integration Team (BRRIT) continues to provide a crucial, organized interagency forum to assist applicants to work through permitting issues that might otherwise seriously delay or scuttle the implementation of restoration projects. The BRRIT has created a process for elevating issues to the agency management levels best able to provide

solutions; has developed useful metrics to track its own performance; is continuing to assess and potentially add to those metrics (e.g., supplementing or replacing the time required to obtain permits with completion of the permit on the timeline needed for the project to proceed); and is measuring up well against those metrics. In addition, the BRRIT already has a track record of identifying and providing tools to respond to challenging permitting issues, such as the complications of decreasing the extent of one type of natural habitat in order to create a different type of natural habitat. We note that wrestling with this “type conversion” issue was aided by funding from EPA for an outside consultant to assist the BRRIT, and we support continued use of such consultants, as needed. In sum, the Committee continues to enthusiastically support the BRRIT, and we are optimistic that these early successes will result in shortened timelines for permitting in the future.

**Based on our review, the Committee recommends that the BRRIT not only be continued, but scaled up in order to meet the escalating demands for permitting of both restoration and related climate change adaptation projects.**

**The Committee last year recommended that the Authority seek to improve the efficiency of project-related monitoring requirements imposed by multiple agencies, perhaps using the resources of both BRRIT and the Wetlands Regional Monitoring Program. We reiterate that recommendation here.**

## PROJECT TRACKING AND COMMUNICATIONS

**The Annual Report and the Authority website provide fundamental information to the public about the projects it has funded and the cumulative benefits of the visionary restoration program that the voters launched with Measure AA.**

The Annual Report and the website, supplemented by the EcoAtlas, track consistent metrics from year to year so that the public can measure progress towards restoration goals. In addition, the Annual Report this year described the Authority’s efforts with regard to equity and its Community Grants program, which is important public information that otherwise might be overlooked. Similarly, the Annual Report contained excellent text and graphics (see “Interconnected Bay Ecosystems”) that explained the interdependence of the suite of Bay habitats that are being restored. We applaud this use of the Annual Report as an educational tool, and recommend that similar graphic tools be included in upcoming digital annual reports or in a special 5-year interim report that summarizes progress by the Authority to date.

Although the current suite of performance measures is a good beginning, the Committee reiterates its recommendations from last year’s Annual Review Letter regarding the development of a more robust set of performance measures for the restoration of the ecological system as well as for community benefits. Rather than repeat these here, we again incorporate them by reference (see Tracking Campaign Goals, Performance Measures, and

Beyond). The Committee respectfully suggests that the use of such system-wide, spatially-relevant metrics could improve the targeting of Measure AA expenditures.

Similarly, the Committee recommended last year that, as a subset of the above-referenced effort, selected metrics be developed to assess ecosystem function as well as ecosystem extent. We are pleased that the Wetland Regional Monitoring Program is developing new performance goals related to wetland condition and distribution.

**In sum, the Committee reiterates its 2021 recommendation that the Authority supplement its current performance measures with a more robust suite of measures that reflect important ecological characteristics (such as landscape pattern and ecosystem functioning), as well as measures that reflect additional community values. In addition, we recommend that the Authority continue to improve its ability to communicate these benefits to the public.**

## LOOKING TO THE FUTURE

Substantial additional funding from the state and federal governments for projects related to restoration and climate change resiliency will become available during the next few years, complementing the funds available from Measure AA. In light of this development, it is more important than ever to update the overall restoration goals for San Francisco Bay – not just those directly related to Measure AA – and to report on the Authority’s work with reference to this larger context. The Committee raised this issue in its previous letter, and we reiterate it here.

**Accordingly, the Committee recommends that the Authority work cooperatively with other salient Bay Area entities to communicate to the public both the long-term restoration needs of the Bay and the benefits of Measure AA funds as a component of that effort.**

In conclusion, the ICOC finds the Authority is expending public funds in a responsible manner that significantly is contributing to the restoration of wetland and associated Bay habitats, while providing jobs, recreational opportunities, and societal benefits for the citizens of the San Francisco Bay Area.

This report was approved by the Independent Citizens Oversight Committee at its meeting held on \_\_\_\_\_ .

Respectfully Submitted,

Paul Jones  
Independent Citizens Oversight Committee, Chair