SAN FRANCISCO BAY RESTORATION AUTHORITY

Staff Recommendation

December 4, 2020

HAYWARD MARSH RESTORATION PROJECT

Project No. RA-022 Project Manager: Erica Johnson

RECOMMENDED ACTION: Authorization to disburse up to \$500,000 to the East Bay Regional Parks District to conduct environmental studies and prepare environmental documentation under CEQA, conduct community engagement, develop design alternatives, prepare a 35% conceptual design of the preferred alternative, and prepare permit applications for the Hayward Marsh Restoration project.

LOCATION: Hayward Marsh, Hayward, Alameda County; East Bay Region.

MEASURE AA PROGRAM CATEGORY: Vital Fish, Bird and Wildlife Habitat Program; Shoreline Public Access Program.

EXHIBITS

Exhibit 1: <u>Project Location</u> Exhibit 2: <u>Project Area Images</u> Exhibit 3: <u>Project Letters</u>

RESOLUTION AND FINDINGS:

Staff recommends that the San Francisco Bay Restoration Authority adopt the following resolution pursuant to The San Francisco Bay Restoration Authority Act, Gov. Code Sections 66700-66706:

"The San Francisco Bay Restoration Authority hereby authorizes the disbursement of an amount not to exceed five-hundred thousand dollars (\$500,000) to the East Bay Regional Parks District to conduct environmental studies and prepare environmental documentation under CEQA, conduct community engagement, develop design alternatives, prepare a 35% conceptual design of the preferred alternative, and prepare permit applications for the Hayward Marsh Restoration project, located in the City of Hayward in Alameda County. Prior to commencement of the project, the grantee shall submit for the review and written approval of the Executive Officer of the Authority the following:

- 1. A detailed work program, schedule, and budget.
- 2. Names and qualifications of any contractors to be employed in carrying out the project.
- 3. A plan for acknowledgement of Authority funding.
- 4. Staff further recommends that the Authority adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the San Francisco Bay Restoration Authority hereby finds that:

- 1. The proposed authorization is consistent with The San Francisco Bay Restoration Authority Act, Gov. Code Sections 66700-66706.
- 2. The proposed authorization is consistent with The San Francisco Bay Clean Water, Pollution Prevention and Habitat Restoration Measure (Measure AA)."

PROJECT SUMMARY:

Staff recommends the disbursement of up to \$500,000 to the East Bay Regional Park District (EBRPD) to conduct environmental studies and prepare environmental documentation under CEQA, conduct community engagement, develop design alternatives, prepare a 35% conceptual design of the preferred alternative, and prepare permit applications for the Hayward Marsh Restoration Project (the project), located in the City of Hayward (Exhibit 1). The grantee will conduct the environmental studies necessary to inform the development of restoration design alternatives and will engage the community in the selection of a preferred alternative. A 35% conceptual design for restoration from brackish marsh to salt marsh will be prepared as well as permit applications for the restoration.

The project will plan for the restoration of Hayward Marsh by changing the managed brackish marsh into more natural seasonal wetlands, managed perennial wetlands, muted tidal marsh, fully tidal marsh, or a combination thereof that will rely solely on Bay waters and is optimal to supporting a diversity of wildlife. The project will also include planning for construction of new levees and/or improvement of existing levees to protect the marsh's western boundary from sea level rise. Levee improvement will also include improvement of the Bay Trail which runs atop the levee and to the Hayward Shoreline Interpretive Center, which is operated by the Hayward Area Recreation and Park District.

EBRPD is qualified to carry out this project because EBRPD has been conducting habitat restoration work and maintaining parks and trails for more than 80 years. Today EBRPD manages nearly 125,000 acres of parks, trails, and community spaces. A recent example of a project successfully carried out by EBRPD is the Dotson Family Marsh Restoration and Public Access Project in Richmond, Contra Costa County, at Point Pinole Regional Shoreline. EBRPD designed and restored 150 acres of marsh to provide high quality habitat for threatened and endangered species, such as the Ridgway's rail and the salt marsh harvest mouse. EBRPD also constructed public access features including a 1.5-mile extension of the San Francisco Bay Trail, a new parking lot with restrooms, a picnic area, and a spur trail.

EBRPD, with support from a consultant team, will carry out the project tasks below:

- 1. Environmental Studies: A consultant team will complete studies that will inform conceptual alternatives and regulatory processes. Studies may include biological surveys, hydrology and sediment studies, sediment characterization, and a cultural resource review for required permits.
- 2. Environmental Documentation under CEQA: EBRPD will prepare or hire a consultant to help prepare a draft and a final CEQA Project Description, a Notice of Preparation and Initial Study, and an Environmental Impact Report.
- **3.** Consultation with Regulatory Agencies and Application for Permits: EBRPD will seek regulatory review of the project's preferred alternative design to determine which permits are required and will prepare applications for necessary permits. EBRPD has scheduled a preliminary consultation meeting with the Bay Restoration Regulatory Integration Team (BRRIT) in November to plan for the permitting process. The BRRIT consists of staff from six state and federal regulatory agencies with jurisdiction over habitat restoration projects in San Francisco Bay.
- 4. Conceptual Design: A consultant will develop conceptual restoration alternatives and a 35% conceptual design of the preferred alternative. The restoration design will include a mosaic of habitat types so that the project area will sustain a diversity of wildlife. Habitat types may include seasonal wetlands, managed perennial wetlands, muted tidal marsh, and/or a fully tidal marsh. The conceptual design will also include new levee construction and/or improvement plans for existing levees to protect the western boundary of the site and Bay trail from sea level rise.
- **5. Community Engagement**: The goals of EBRPD's community engagement are to raise awareness of the project and the policy framework guiding project development, provide opportunities for input throughout project development, and provide opportunities for stakeholders to participate in decision-making dialogue in planning and formulating the project. EBRPD will accomplish these goals by developing a project website, distributing newsletters and brochures to stakeholders, posting social media content, hosting meetings online via video and phone or in person if or when it is safe to do so. EBRPD has committed to hosting at least three stakeholder meetings and two public workshops during the planning project.

Site Description:

In the early 19th century Hayward Marsh was a 172-acre marsh that was diked for salt production. After salt production ceased, 145 acres of the diked marsh were converted into a fresh and brackish water marsh and 27 acres were converted to a preserve for the salt marsh harvest mouse as a result of the Hayward Marsh Expansion Project. The expansion project was designed and completed in 1985 to receive treated wastewater from the Union Sanitary District's (USD) Alvarado Wastewater Treatment Plant (Alvarado WWTP) and to provide brackish habitat for wildlife. The project area includes Hayward Marsh and the adjacent Salt Marsh Harvest Mouse Preserve. Hayward Marsh and the Salt Marsh Harvest Mouse Preserve are located within EBRPD's Hayward Regional Shoreline, a park consisting of 1,841 acres of salt, fresh, and brackish water marshes, seasonal wetlands, and public trails. Hayward Marsh is bounded by Cogswell Marsh to the north, the Hayward Area Recreation District (HARD) Marsh to the south, and the Salt Marsh Harvest Mouse Preserve to the east. To the west of Hayward marsh, before Bay waters, is the Bay Trail, which runs along western border of the marsh, then south of HARD Marsh to the Hayward Shoreline Interpretive Center which is adjacent to the Salt Marsh Harvest Mouse Preserve (Exhibit 2).

Hayward Marsh itself is made up of five managed ponds, within which the flow is managed by USD using culverts, weirs, and channels to optimize marsh habitat. The ponds have 15 islands that support nesting for endangered least terns and snowy plovers, and habitat for a diversity of other water birds. Hayward Marsh currently relies on secondary treated effluent from the Alvarado WWTP as the freshwater source. However, USD intends to cease treated wastewater discharge to the ponds and EBRPD is exploring habitat restoration designs for Hayward Marsh that would rely exclusively on Bay waters. USD has agreed to coordinate the end of marsh operation with the EBRPD's restoration plans. EBRPD has also included the Salt Marsh Harvest Mouse Preserve in this design project to explore how the two marshes can interact with each other ecologically.

PROJECT FINANCING:

San Francisco Bay Restoration Authority	\$500,000
East Bay Regional Park District	\$470,000
Project Total	\$970,000

EBRPD will leverage Measure WW Bond funds to partially fund the environmental studies, permitting, conceptual designs, and community engagement and will fully fund the environmental documentation under the California Environmental Quality Act (CEQA) and the permitting process for this restoration project.

CONSISTENCY WITH AUTHORITY'S ENABLING LEGISLATION, THE SAN FRANCISCO BAY RESTORATION AUTHORITY ACT:

The proposed project is consistent with Government Code Section 66704.5 of the Authority's enabling legislation and is therefore eligible for grant funding from the Authority. Consistent with Government Code Section 66704.5(a), EBRPD is a public entity and the project is located in Alameda County, along the shoreline, in the Authority's jurisdiction.

Consistent with Government Code Section 66704.5(b) the project will restore and protect the Hayward Marsh, changing the managed brackish marsh into more natural seasonal wetlands, managed perennial wetlands, muted tidal marsh, fully tidal marsh, or combination thereof that is

optimal to supporting a diversity of wildlife. Also consistent with Government Code Section 66704.5(b), public access will also be integrated into the design where appropriate for the educational and recreational value provided by Hayward Marsh, such as the Bay Trail along the western boundary of the site which allows for wildlife viewing of Hayward Marsh.

Funding this planning project is consistent with Section 66704.5(e), which allows the Authority to award grants for "all phases of planning, construction, monitoring, operation, and maintenance" of eligible projects.

CONSISTENCY WITH MEASURE AA PROGRAMS AND ACTIVITIES:

The project is consistent with Measure AA's *Vital Fish, Bird and Wildlife Habitat Program's* purpose of providing clean water for fish, birds, wildlife and people, through the restoration and enhancement of a wetland which will to benefit Ridgway's Rail, the salt marsh harvest mouse, and to maintain and protect nesting habitat for California least terns, Western snowy plover, and other waterfowl using the site.

The project is consistent with Measure AA's *Shoreline Public Access Program*'s purpose of enhancing quality of life for Bay residents and improving public access by preparing for sea level rise and improving Bay Trail access through levee construction and/or improvements in the restoration design.

CONSISTENCY WITH MEASURE AA PRIORITIZATION CRITERIA:

- 1. **Greatest positive impact:** The project will have a major positive impact for the wildlife that inhabit the marsh because the project will plan for habitat enhancement to support current or greater population levels. This optimized habitat will allow these species' populations to recover and spread throughout the Bay. In addition, the project site is visible from the Bay Trail and would enhance trail users' experience and support educational activities of the EBRPD.
- 2. Greatest long-term impact: The project will be designed to be resilient to sea level rise so that it can provide long-term wildlife and public access benefits. EBRPD recently completed an East Bay regionwide Community Survey in four languages (English, Spanish, Chinese, Korean) in which 1,071 respondents identified themselves as Hayward Shoreline users. When asked which climate change impacts users experience during their park visits, the survey results included sea level rise (351 of respondents), flooding (275 of respondents), and drought (828 of respondents). The project addresses shoreline users concern about sea level rise and flooding, which may affect public access to the area in the long term. For example, a portion of the Bay Trail runs along the western boundary of the project site and, as currently constructed with sea level rise impacts, this portion of the trail may become unusable. The project design will take sea level rise into consideration and include plans for new levee construction and/or plans for improvement of existing levees in coordination with

public access along the Bay Trail and public access to the Hayward Shoreline Interpretive Center.

- 3. Leveraging resources and partnerships: EBRPD is working closely with USD, which is ready to cease treated wastewater discharge to the ponds and is exploring habitat restoration designs for the marsh that would rely exclusively on Bay waters. The project will be implemented by leveraging funding from EBRPD's Measure WW Bond (see "Project Financing" above).
- 4. Economically disadvantaged communities: This project is located adjacent to an unincorporated disadvantaged community called Russel City with a significant pollution burden, according to CalEnviroScreen, a tool that identifies communities that are disproportionately burdened by multiple sources of pollution. As such, this site is located adjacent to two toxic release facilities DuPont and Heat & Control Inc. The disadvantaged community and other stakeholders will be involved in selecting the preferred alternative design plan for the project.
- 5. **Coastal Conservancy's San Francisco Bay Area Conservancy Program:** The project is consistent with the Conservancy Program's criteria because it is supported by local and regional plans, including the EBRPD Master Plan and Hayward Area Shoreline Land Use Plan and others listed below. The project will serve a regional constituency including Alameda and Contra Costa county residents who visit EBRPD's regional parks and shoreline areas. The planning and permitting phase of the Hayward Marsh Restoration project can be implemented immediately by EBRPD and is supported by matching funds from EBRPD. The project is urgently needed because Hayward Marsh will soon stop receiving freshwater from the wastewater treatment plant and requires a new design that relies solely on Bay waters. The opportunity to optimize habitat while reconnecting the site to the Bay will be lost if the project is not quickly implemented.
 - a. **California Water Action Plan (2016 update):** The project advances California Water Action Plan Action 4 Protect and Restore Important Ecosystems; Restore Coastal Wetlands by planning to enhance Hayward Marsh habitat to rely only on Bay waters, optimizing habitat for existing wildlife, and creating high tide refuge for and nesting habitat for endangered and threatened species.
 - b. **CA Wildlife Action Plan (2015 update):** This project will contribute to the Bay-Delta and Central Coast regional goals of achieving by 2025 a 5% increase from 2015 levels in acres with desired structural diversity and enhancing acres of habitat that provide high-tide refugia habitat restoration and enhancement.
 - c. **Baylands Ecosystem Habitat Goals Report (1999):** The goals report presents goals and recommendations to restore vital habitat in the Bay area. The project will support the Central Bay region goal "to protect and restore tidal marsh, seasonal wetlands, beaches, dunes, and islands", in particular its emphasis on protecting and restoring tidal salt marsh in urban areas such as Hayward.

- d. **Baylands Ecosystem Habitat Goals Science Update (2015):** The update documents the progress made toward achieving the 1999 Baylands Goals and outlines strategies for continuing restoration progress in face of climate change and sea-level rise. The project is consistent with the update's recommendations to design and restore complete tidal wetland systems that include tidal marshes, active revegetation, and high-tide-refuge islands.
- e. USFWS Recovery Plan for Tidal Marsh Ecosystems of Northern and Central CA (2013): The plan addresses the federally endangered California Ridgway's rail and salt marsh harvest mouse, as well as several plant species present in the Estuary. The proposed project supports objectives to delist species by protecting tidal salt marsh habitat that is crucial for their survival.
- f. **State Coastal Conservancy's 2018-2022 Strategic Plan:** The project is consistent with Objective 12 "Protect and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional importance in the Bay Area" which calls for the development of plans (12C) and the enhancement (12D) of tidal wetlands, managed wetlands, seasonal wetlands, upland habitat, and subtidal habitat.
- 6. San Francisco Bay Conservation and Development Commission's Coastal Management **Program:** The project is consistent with and meets the following priorities of the plan:

<u>Tidal Marshes and Mudflats Policy 5:</u> Restore tidal action to tidal marshes and tidal flats that have been diked to the Bay and/or manage historic wetlands to provide important Bay habitat for resting, foraging, breeding.

<u>Water Quality Policy 1:</u> Restore the Bay's tidal marshes and conserve water surface area and volume to protect and improve water quality.

<u>Fish, Other Aquatic Organisms and Wildlife Policy 1:</u> Conserve and restore the Bay's tidal marshes, tidal flats, and subtidal habitat to assure benefits to fish and other aquatic organisms and wildlife for future generations.

<u>Public Access Policy 4</u>: To ensure the optimum use of the Bay for recreation, enhancing access of waterfront parks by improving Bay trail segments that connect to the waterfront and interpretive programs that inform visitors about the wildlife and habitat values present in the park.

7. San Francisco Bay Joint Venture's Implementation Strategy: The San Francisco Bay Joint Venture supports the Hayward Marsh Restoration Project. The project is referenced in the November 2019 Priority Projects List as the "Hayward Regional Shoreline – Habitat Restoration" project. Consistent with the Implementation Strategy, the project will enhance wetland habitat.

COMPLIANCE WITH CEQA: The proposed project is categorically exempt from CEQA under 14 Cal. Code Regulation Section 15306 for information collection because it consists of basic data collection and resource evaluation activities that will not result in a serious or major

disturbance to an environmental resource. The proposed project is a part of a study leading to an action which a public agency has not yet approved, adopted, or funded. The project is also statutorily exempt under 14 Cal. Code Regulation Section 15262 in that the proposed project will result in technical studies for future actions that have not yet been approved, adopted, or funded.

Upon approval of the project, staff will file a Notice of Exemption.