



MEMORANDUM

DATE: October 18, 2024

TO: **Governing Board**
San Francisco Bay Restoration Authority

FROM: Jessica Davenport, Acting Program Manager
Sara Haugen, Grant Program Coordinator
San Francisco Bay Restoration Authority

SUBJECT: Plan to Achieve the Measure AA Campaign Goals and Distribution of Funding by Region

Background

At the March 22, 2024, meeting of the San Francisco Bay Restoration Authority (Authority) Governing Board, staff presented an overview of Measure AA’s Grant Round 7. The agenda item covered staff’s anticipated recommendations on projects to be considered for funding in Grant Round 7 and a summary of the Authority’s progress towards the 20-year targets set by Measure AA for distribution of funding across the four regions of the Bay Area. The staff report noted that we would expect each region to be at least 35% of the way toward its target after seven out of twenty years of the Measure AA parcel tax period, and the table below showed that all regions were on track. However, funding for the South Bay and North Bay regions was much further along toward their 20-year targets.

At the same meeting, staff presented the Authority’s draft Annual Report, which showed progress toward the Measure AA Campaign Goals¹, which include habitat, flood protection, and public access metrics. The Annual Report indicated that progress toward achieving the Campaign Goals was lagging in three areas:

- Restore 500 acres of shellfish habitat (12 acres, 2%);
- Restore 150 acres of submerged aquatic vegetation habitat (3 acres, 2%); and
- Construct 25 miles of the Bay Trail (3.3 miles, 13%).

In response to these two presentations, board members asked staff to assess the potential to meet both the funding distribution targets and the Measure AA Campaign Goals, and to determine

¹ Goals related to habitat restoration, flood protection, and public access were set during the campaign to pass Measure AA. The Authority tracks progress toward these goals, along with other performance measures, in its annual reports and on the Authority’s EcoAtlas Dashboard, located at <https://www.ecoatlas.org/dashboard/sfbraDashboard.php>.

whether there is a need to actively seek out projects that address those indicators that are further behind the others.

Staff agreed to provide an update on a report from June 18, 2021, on the potential to reach Measure AA’s geographic funding distribution goals by meeting the future funding needs of known projects. In the current version of the 2021 report, staff has compiled projections of future design and implementation costs for planning projects currently funded by the Authority, as well as funding needs of projects that would help meet the Measure AA campaign goals regarding improving subtidal habitats for shellfish and submerged aquatic vegetation and constructing more Bay Trail miles. This information is intended to support the Board’s efforts to ensure that the Authority supports projects in regions that need to receive more funding to reach their funding targets over the 20-year period of Measure AA, as well as projects that achieve the campaign goals.

Geographic Distribution of Funds

Measure AA requires that revenue be allocated to projects throughout the region, with 50% of funds allocated to the four Bay Area regions in proportion to each region’s share of the Bay Area’s population, as determined in the 2010 census, and 50% allocated without regard to region. The minimum percentages that will be allocated to each of the four Bay Area regions are listed below:

- North Bay (Sonoma, Marin, Napa and Solano Counties) = 9% minimum allocation;
- East Bay (Alameda and Contra Costa Counties) = 18% minimum allocation;
- West Bay (City and County of San Francisco and San Mateo County) = 11% minimum allocation; and
- South Bay (Santa Clara County) = 12% minimum allocation.

The 20-year targets for minimum allocations were calculated assuming that Measure AA generates approximately \$500 million over twenty years. The table below shows progress towards these targets.

	North Bay	East Bay	West Bay	South Bay
Rounds 1-7 Projects	\$32,314,318	\$35,165,710	\$20,903,733	\$66,636,079
20-Year Target	\$45,000,000	\$90,000,000	\$55,000,000	\$60,000,000
% of 20-Year Target	72%	39%	38%	Over 100%
At 35% of target? (Year 7 out of 20)	Yes	Yes	Yes	Yes

As noted in the table, we would expect each region to be at least 35% of the way toward its target after seven out of twenty years of the Measure AA parcel tax period, and the table shows that all regions are on track.

Projections of Future Project Costs

To ensure that funding will be distributed in proportion to each of the four regions’ share of the Bay Area population over the 20-year period of Measure AA, staff are continuing to track funding needs by region. Specifically, staff compiled information about future funding needs

from grantees funded by the Authority for the planning phase of their projects. In addition, staff sought information about funding needs of other significant forthcoming projects, including those that address the Measure AA Campaign Goals of improving habitat for shellfish and submerged aquatic vegetation, such as oysters and eelgrass. In addition, the San Francisco Bay Joint Venture provided information on the funding needs of other shoreline habitat restoration projects, and several of those were also included in the table. Most of the figures in the table are very rough estimates, as many projects have not yet initiated their design phases. In addition, staff included only projects with the greatest funding needs. See **Attachment 1 for details**.

Those grantees currently funded for planning projects provided rough estimates of their future funding needs. In cases in which the estimate was provided in the form of a range, staff used the upper end of the range. Inclusion of projects in the table does not mean that these projects will necessarily be funded by the Authority, and exclusion from the table does not mean projects will not be funded, as each project would need to be evaluated based on the Authority’s criteria at the time of submission of an application.

The table indicates that all regions are expected to have funding needs that exceed the 20-year targets for Measure AA’s geographic distribution of funds; thus, it will be possible to meet these targets.

A high-level summary of the table is provided here:

	North Bay	East Bay	West Bay	South Bay
Rounds 1 - 7 Projects	\$32,314,318	\$35,165,710*	\$20,903,733	\$66,636,079
Estimated Need	\$263,325,500	\$251,108,000	\$265,049,371	\$101,294,364
20-Year Target	\$45,000,000	\$90,000,000	\$55,000,000	\$60,000,000
% of 20-Year Target	657%	318%	520%	280%

*The East Bay Projects total does not include the recommended amount of \$25 million for the Newark Baylands Acquisition, which staff anticipates bringing to the board for authorization in December 2024.

Projection of Bay Trail Miles to be Constructed

As noted above, progress toward the Measure AA Campaign Goals to date includes:

- Construct 25 miles of the Bay Trail (3.3 miles, 13%).

Staff has reviewed Authority-funded projects that currently include the design and construction of Bay Trail segments. The Authority has funded one project, the South San Francisco Bay Shoreline Project, that is expected to result in the design and construction of 3.3 miles of Bay Trail. Including this project, the Authority has funded ten projects that are expected to result in the design of 16.2 miles of Bay Trail. If all the design projects were funded through the construction phase, this would result in 16.2 miles of Bay Trail, leaving a gap of 8.8 miles to reach the goal of 25 miles.

Project Name	Miles Bay Trail to be Designed	Miles of Bay Trail to be Constructed
South San Francisco Bay Shoreline Project	3.3	3.3
South Bay Salt Ponds Restoration Project (Eden Landing)	4	
Tiscornia Marsh Restoration and Sea Level Rise Adaptation Project	0.4	
Hayward Marsh Restoration Project	2	
Calabazas/San Tomas Aquino Creek - Marsh Connection Project	1	
Colma Creek Restoration and Adaptation Project	0.7	
Evolving Shorelines Project at Bothin Marsh	1	
De-Pave Park Project	0.3	
SAFER Bay Project	2.5	
Berkeley North Basin Project	1	
Total	16.2	3.3

Authority staff intend to work with San Francisco Bay Trail staff at the Metropolitan Transportation Commission (MTC) to assess additional opportunities for the design and construction of Bay Trail segments that are part of habitat restoration projects. It should be noted that MTC and the State Coastal Conservancy have a long history of funding Bay Trail segments, some of which are associated with restoration projects and some of which are not. The Authority’s legislation states that a project to provide or improve public access or recreational amenities needs to be part of a project to restore, enhance, or protect tidal wetlands, managed ponds, or natural habitats. Projects that are solely Bay Trail planning or construction would not be eligible for Authority funding.

In July 2024, MTC released the [Bay Trail Gap Closure Implementation Plan](#) (Bay Trail Gap Plan). The plan notes that the ultimate vision for the Bay Trail is a continuous, 500-mile trail around San Francisco and San Pablo Bays, serving 47 cities in all nine Bay Area counties and crossing seven toll bridges. As of 2024, 352 miles (70%) of the 500-mile vision have been constructed.

Building on a 2005 Bay Trail gap study, the purpose of the new plan was to evaluate existing missing segments of Bay Trail (trail gaps) and prioritize their construction in the remaining build-out of the Bay Trail. In this updated gap analysis study, a greater emphasis was placed on Equity Priority Community engagement and needs, along with aligning the prioritization criteria with Plan Bay Area 2050. Finally, the study updated cost estimates for closing gaps and conducted sea level rise analysis to begin the discussion about how certain segments of the Bay Trail may need to consider adaptation strategies in the future.

The Bay Trail Gap Plan focused on working with the San Francisco Bay Trail Board and Steering Committee, partner agency stakeholders, and the community to identify new criteria for prioritizing gap closures and assessing the projects identified to address existing gaps.

This process involved a working group with agency staff and advocates from throughout the region, including more than 100 participants from cities, counties, state, federal, transit and advocacy organizations. It also included paid partnerships with nine community-based organizations (CBOs) who work within and represent communities within Equity Priority Communities. The CBO partners hosted nine public engagement events throughout the region with over 200 participants.

The Bay Trail Gap Plan identified the following priorities:

- Center Equity Priority Communities in building out future segments of the Bay Trail.
- Connect segments that create the greatest length of continuous miles of trail.
- Link employment centers with housing.
- Increase access to transit-rich and connected communities.
- Enhance access to parks and open space.
- Preserve the shoreline environment and access to the shoreline.

Authority staff will work with MTC Bay Trail staff to identify areas of overlap between their priorities and those of the Authority to ensure that the Measure AA Campaign Goal of 25 miles of new Bay Trail associated with restoration projects is met. Bay Trail projects that are not part of a restoration project would be better suited for Coastal Conservancy and/or MTC funding, which may not contribute towards meeting the Campaign Goals, but will help achieve the larger goal of completing priority Bay Trail segments.

Projection of Subtidal Habitat Acres

As noted above, progress toward the Measure AA Campaign Goals to date includes:

- Restore 500 acres of shellfish habitat
 - Progress to date: 12 acres, 2%
 - Heron’s Head Park Shoreline Resilience Project: 11 acres
 - Terminal Four Wharf Removal Project: 1 acre
- Restore 150 acres of submerged aquatic vegetation habitat
 - Progress to date: 3 acres, 2%
 - Terminal Four Wharf Removal Project: 3 acres

Staff has reviewed Authority-funded projects that include the design of shellfish habitat and submerged aquatic vegetation habitat, including the Regionally Advancing Living Shorelines (RALS) Project, De-Pave Park, Eden Landing, and Greenwood Gravel Beach. If all these projects were funded through the construction phase, this would result in an estimated 250 acres of shellfish habitat enhancement and 75 acres of submerged aquatic vegetation habitat.²

² Estimating habitat acreage is complex, especially for subtidal habitats. This is because project components (such as the installation of reef balls) are often small in size, but provide a large host of indirect (providing seed stock) and direct (wave attenuation, habitat creation) benefits that are

RALS is expected to play a major role in helping to advance restoration of subtidal habitats in multiple ways. This project will not only result in the design of ten projects along the shorelines of the East Bay, San Francisco, and Marin, most of which are expected to include subtidal habitat acreage, but also aims to produce guidance on incorporating nature-based solutions for local agencies working on shoreline protection and sea level rise adaptation and develop programmatic permitting. Because the ten RALS projects have not yet been designed, the acreage amounts are rough estimates.

In addition, Attachment 1 includes several potential projects, shown in green, that focus on subtidal habitat restoration. For example:

- East Bay
 - Oyster Restoration – recommended sites from Richmond to Alameda
 - Oyster Reefs to Protect Albany Mudflats – Pilot Approaches at Codornices Creek
 - Eelgrass Restoration – recommended sites from Carquinez Strait to Eden Landing
- West Bay
 - Oyster Restoration – Mission Creek to Candlestick Point/San Francisco Shoreline
 - Living Seawall Pilot Projects, other vertical structure assessments
 - Oyster Restoration – Sierra Point, Coyote Point, Bair Island, South Bay Salt Pond Restoration Project
- North Bay
 - Oyster Restoration – recommended sites from San Rafael to Tiburon Shoreline
 - Eelgrass Restoration – recommended at multiple sites

These projects are at a very preliminary conceptual stage, and it is not yet possible to estimate the associated acreage.

Implementation of RALS and the three additional projects listed above should achieve at least 50% of our Campaign Goals for shellfish and submerged aquatic vegetation. RALS is also supporting programmatic improvements to improve the environmental review, permitting, and design of subtidal projects in San Francisco Bay, which should aid in planning and implementation of additional projects.

challenging to measure in terms of acreage. For some projects, components, like reef balls and eelgrass plantings, are grouped together into a project polygon. That polygon can then be buffered by 3 meters (or sometimes more) and the total area of the polygon and buffer can be used for the net footprint. For oyster reef balls and eelgrass plantings, we use a 1:5, 1:10, 1:25, or even 1:100 conversion ratio from the net footprint of reef balls/planting area to the area of influence or enhancement that results from the reef balls/planting area, taking the various project considerations into account. While converting from the net footprint of the project area to the total area of influence/enhancement provides a reasonable estimate for direct benefits to habitat recruitment, there is scientific evidence showing that oyster recruitment from one site extends far beyond that site and can be used to repopulate other sites if there is die off at that site from an extreme weather event such as an atmospheric river. Thus, our ratio quantification methods are likely conservative estimates.

Many of the shellfish and submerged aquatic vegetation projects are located in the Central Bay, which also helps the Authority achieve its East Bay and West Bay goals.

Authority staff will increase outreach and support to local jurisdictions and other organizations that are engaged in or have an interest in shellfish and submerged aquatic vegetation projects. Support could include connecting organizations with technical experts or with regulators.

Conclusion

There is ample demand for project funding in all four Bay Area regions and all regions are currently on track to achieve the 20-year targets. Therefore, staff does not recommend explicitly prioritizing specific regions in the 2025 Request for Proposals, application, and scoring criteria to achieve the targets for geographic distribution of funds. In the future, if one or more regions begin to lag significantly behind the others, the Authority can revisit this issue.

However, staff concludes that more effort is needed to meet the Measure AA Campaign Goals related to restoring shellfish habitat and submerged aquatic vegetation habitat and constructing Bay Trail associated with habitat projects. We intend to conduct outreach to groups that are developing them, encourage them to apply for Authority grants, and provide support that could help move projects forward with design and implementation.