COASTAL CONSERVANCY

Staff Recommendation
February 19, 2026

SOUTH BAY SALT POND RESTORATION PROJECT PHASE 2:
MOUNTAIN VIEW IMPLEMENTATION AND ADAPTIVE MANAGEMENT - AUGMENTATION

Project No. 02-070-05
Project Manager: Laura Cholodenko

RECOMMENDED ACTION: Authorization to disburse up to $941,000 to Ducks Unlimited, Inc. to augment a previously authorized Conservancy grant for the restoration of tidal marsh and creation of public access at the Mountain View Ponds (Ponds A1 and A2W) and to disburse $559,000 to the California Wildlife Foundation to conduct monitoring and adaptive management, both of which are part of Phase 2 of the South Bay Salt Pond Restoration Project in Santa Clara, San Mateo, and Alameda Counties.

LOCATION: San Francisco Bay Shoreline in Santa Clara County

EXHIBITS

Exhibit 1: Project Location Maps

Exhibit 2: Restoration Designs

Exhibit 3: June 1, 2023 Staff Recommendation

Exhibit 4: April 18, 2024 Staff Recommendation

Exhibit 5: February 13, 2025 Staff Recommendation

Exhibit 6: Project Letters

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of up to nine hundred forty one thousand dollars ($941,000) to Ducks Unlimited, Inc. to augment the previously authorized Conservancy grant for the restoration of tidal marsh and creation of public access at the Mountain View Ponds (Ponds A1 and A2W) as part of Phase 2 of the South Bay Salt Pond Restoration Project and a grant of up to five hundred fifty nine thousand dollars ($559,000) to

the California Wildlife Foundation to conduct monitoring and adaptive management (collectively, the "project"), in Santa Clara, San Mateo, and Alameda Counties.

The disbursement to Ducks Unlimited, Inc. remains subject to the same conditions as the Conservancy's prior grant authorizations for the project.

The grant to California Wildlife Foundation is subject to condition that prior to commencement of the project, the California Wildlife Foundation shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

1. A detailed work program, schedule, and budget.
2. Names and qualifications of any contractors to be retained in carrying out the project.
3. A plan for acknowledgement of Conservancy funding.
4. Evidence that all permits and approvals required to implement the project have been obtained.
5. Evidence that the grantee has entered into agreements sufficient to enable the grantee to implement, operate, and maintain the project.

Findings:

Based on the accompanying staff recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 3 of Division 21 of the Public Resources Code, regarding the impacts of climate change.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
3. Ducks Unlimited, Inc. and the California Wildlife Foundation are nonprofit organizations organized under section 501(c)(3) of the U.S. Internal Revenue Code.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy authorize disbursement of up to $940,000 to Ducks Unlimited, Inc. (DU) to augment a previously authorized Conservancy grant for the restoration of tidal marsh and creation of public access at the Mountain View Ponds (Ponds A1 and A2W), and $559,000 to the California Wildlife Foundation to conduct adaptive management and monitoring (collectively the "project") as part of Phase 2 of the South Bay Salt Pond Restoration (SBSPR) Project (Exhibit 1). The project will result in approximately 710 acres of restored tidal marsh habitat and 1.2 miles of San Francisco Bay Trail spur with three viewing areas and adaptive management of sensitive resources through-out the SBSPR Project area in accordance with the SBSPR Project's Adaptive Management Plan.

Construction at Pond A2W started in 2023 and will be complete in early 2026. Construction will result in restoration of 435 acres of tidal marsh habitat, 5 islands for nesting birds, and 1 mile of trail (Exhibit 3, 4, and 5). The islands will provide nesting and roosting substrate for Forster's

terns, American avocets, and black-necked stilts. Monitoring data indicates that these species are declining in the SBSPR Project area, which may be due to loss of managed ponds that have levees and other earthen features that support nesting. Therefore, having these islands in the restored tidal marsh will help ensure that populations of these waterbird species are sustained, while also expanding tidal marsh habitat for critically endangered species such as Ridgway's rail and salt marsh harvest mouse.

After the perimeter levees are breached, marsh vegetation will begin establishing in areas of the pond where elevations are suitable. Other areas of the pond will need to accrete sediment before marsh vegetation can become established. The habitat transition zone needs to be actively planted so that it does not become dominated by weeds. The project includes planting of the transition zone at both ponds, with the planting for Pond A2W to start in spring 2026. The planting effort will include planting native grasses and shrubs that will provide high tide refuge for marsh wildlife and will increase the overall habitat complexity of the site. The planting effort will include multiple local non-profit organizations, the San Jose Conservation Corps, and local volunteers, providing an opportunity for work force development and learning about nature-based adaptations to the effects of climate change.

As of January 2026, over 60,000 cubic yards of upland soil have been imported to Pond A1 at no cost to the project; this represents approximately 30% of the total needed for work at this pond. This imported soil will be used to create a habitat transition zone along the southern edge of Pond A1–along the City of Mountain View's closed landfill–and to create another 5 bird nesting islands and to raise and improve existing pond berms to maintain current levels of flood protection provided by the berms (Exhibit 2, 3 and 5). A rock slope will be constructed above the habitat transition zone on the City's landfill containment levee to prevent erosion and scour due to wave action that is expected to intensify once tides are restored to the pond. The rock slope and underlying levee will be resilient to more than 3 feet of sea level rise. Once all of the upland soil has been delivered to Pond A1, construction can begin, which will be followed by planting of the habitat transition zone.

The cost to complete the entire Mountain View portion of the project is now higher than shown in the February 2025 staff recommendation (Exhibit 5) because it includes the cost of planting the habitat transition zones at Pond A1 and A2W (which costs were not included in the original project cost estimates) and a small increase in the cost of construction due to delays in implementing the work at Pond A1. It is anticipated that the Conservancy's funding will cover the cost of planting the habitat transition zone at Pond A2W and that private funding recently secured (see Financing section), in addition to Conservancy funding previously authorized, will cover the cost of planting the habitat transition zone, and remaining construction work, at Pond A1.

The SBSPR Project is being implemented through an adaptive management framework that relies on the results of scientific studies and monitoring to help direct each phase of project implementation and help manage the existing project sites. On April 18, 2024, the Conservancy authorized a grant to California Wildlife Foundation to conduct studies and monitoring as called for the in SBSPR Project Adaptive Management Plan (Exhibit 4). The results of that monitoring as well as other monitoring done to date indicates that the SBSPR Project is on track to meeting

most of the restoration targets included in the Adaptive Management Plan, including targets for vegetation establishment and colonization of restored sites by endangered species. However, monitoring also indicates that several species of waterbirds, such as the nesting waterbird species listed above and several species of ducks and small shorebirds, have declined to levels that warrant further evaluation and management actions to prevent additional declines. It is difficult to determine the exact reasons for the observed declines because these species are wide-ranging and their populations fluctuate naturally from year to year. Declines may also be caused by a combination of factors, including reduced prey resources due to the effects of climate change, loss of habitat within and outside the SBSPR Project area, and increased predation from other birds and mammals. Predation has been identified as a major factor affecting the population status of several species, including the federally threatened western snowy plover. Yearly monitoring indicates that snowy plover populations are slowly increasing in the SBSPR project area; however, the population remains vulnerable because it only nests on a few ponds and the number of breeding pairs is only slightly above the target set in the Adaptive Management Plan. Foxes, skunks, crows, hawks, and gulls are regularly observed depredating plover eggs and chicks and this accounts for nearly half of the annual loss of eggs or chicks on average. The SBSPR Project Management Team has identified the need to reduce predation of snowy plover and other nesting birds as a key adaptive management action that should be taken to help meet the SBSPR Project's restoration targets for nesting birds. For the monitoring and adaptive management component of this project, the California Wildlife Foundation will implement predator management actions and potentially other adaptive management actions in the SBSPR Project area. CWF will also continue to monitor populations of waterbirds consistent with the SBSPR Project Adaptive Management Plan for one to two years.

SITE DESCRIPTION AND GRANT APPLICANT QUALIFICATIONS

See Site Description and Grant Applicant Qualifications descriptions in Exhibit 4.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA

The proposed project remains consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, as described below.

1. **Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.**

See the "Consistency with Conservancy's Strategic Plan" below.

2. **Project is a good investment of state resources.**

Increasing the amount and quality of tidal marsh with transitional upland habitat has several long-term benefits to San Francisco Bay including helping to recover threatened and endangered species populations, such as the Ridgway's rail and salt marsh harvest mouse, and improving Bay water quality by absorbing nutrients and contaminants and increasing tidal circulation. Tidal marshes are also highly effective at sequestering greenhouse gases that cause climate change.

Clean upland soil is beneficially reused from upland excavation/construction areas to enhance the project levees and build habitat transition zones. This no-cost method of securing clean upland soil continues to be successfully implemented at the Mountain View project site as well as in other parts of the SBSPR Project area where it is used for levee maintenance.

The authorized funding will also support monitoring and adaptive management to sustain populations of endangered species in the SBSPR Project area and help meet restoration targets outlined in the SBSPR Project's Adaptive Management Plan. The results of monitoring and management actions will be provided on the SBSPR Project website and will be shared broadly with the research community to support regional efforts to recover endangered species in the San Francisco Bay estuary.

3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.

On March 17, 2017, the Coastal Conservancy reached out to nine Native American Tribes in writing to inform them about the SBSPR Project Phase 2 actions occurring on properties owned by the U.S. Fish and Wildlife Service, including Ponds A1 and A2W at Mountain View. The letter provided a brief description of the SBSPR Project and invited Tribes to provide information or concerns specific to the project area. No responses were received.

On September 17, 2025, the Coastal Conservancy reached out to 11 Native American Tribes about the SBSPRP Project Phase 2 actions at Mountain View and adaptive management. The 2025 letters provided another opportunity for interested tribes to learn about the SBSPR Project, and to reach new tribes that were not contacted in 2017. No responses were received.

4. Project benefits will be sustainable or resilient over the project lifespan.

The primary climate change risk to the SBSPR Project is sea-level rise that may impact the ability of restoring sites to become vegetated. The project is on track to establishing vegetated marsh before rates of sea-level rise are predicted to rise substantially and the transition zones will increase the longevity of the restored marsh by providing space for the marsh to migrate upslope as sea levels continue to rise. The habitat transition zones will be planted with native vegetation by sourcing local seed and plant material so that the plantings are adapted to local conditions and therefore have better chances of survival. The plantings will be monitored and maintained for three years as part of the project to help ensure that this area provides high quality habitat for endangered species and other wildlife. The habitat transition zones also protect the levees behind them from scour and erosion, adding to a levee's useful life and reducing short-and long-term maintenance needs. Marshes are also more resilient to sea-level rise than managed pond levees, which – if near open bay waters – would need ever more maintenance and improvement to keep pace with higher tides.

Monitoring and adaptive management conducted as part of the SBSPR Project Adaptive Management Plan will also help ensure that restoration actions are durable and benefits sustained long-term.

5. Project delivers multiple benefits and significant positive impact.

Increasing the amount and quality of wetland habitats is necessary to recover many threatened and endangered species whose populations have been severely reduced due to widespread habitat loss throughout San Francisco Bay. The proposed authorization would facilitate the return of these lost habitats by restoring over 700 acres of tidal marsh habitat and 17 acres of transition zone that is resilient to sea level rise. Restoring broad healthy transition zones adjacent to the marsh provides habitat for ecologically important plant and wildlife species including endangered species, Pacific Flyway migratory bird species and common marsh species as well as nutrient processing, wildlife movement corridors, and landscape complexity. The rock slope placed above the habitat transition zone will provide additional sea level rise protection to the shoreline and the City's infrastructure.

The local communities around Mountain View, as well as visitors to the area, will also benefit from increased public access to the shoreline with the development of new trails and interpretive features at both Pond A1 and Pond A2W. The public access features will be particularly valuable additions to the existing network of facilities in the neighboring Shoreline Park and will expand public and local community access to nature. The project will provide workforce development for young adults and expand the reach of the SBSPR Project by including the San Jose Conservation Corps in the habitat transition zone planting effort.

6. Project planned with meaningful community engagement and broad community support.

Since its inception over 20 years ago, the SBSPR Project has used a collaborative approach to include external partners, stakeholders, and the interested public in planning and implementation. The initial SBSPR Project goals and decision-making processes were developed through more than 40 meetings and workshops involving many local officials, scientists, stakeholders and the public. The SBSPR Project initially set up a Stakeholder Forum, representing 25-30 interested local governments, neighboring landowners, utilities, environmental groups, community-based organizations, flood management agencies, business groups, and other interests. That Stakeholder Forum continues to meet regularly to review and provide input to the internal management team. A stakeholder tour of the Mountain View project site was conducted on October 5, 2025 to provide members and the public an opportunity to get updates on construction activities and project schedule.

The requested funding would support DU, which will partner with Save the Bay, a non-profit organization, to plant the transition zone at the Mountain View project site. Save the Bay's team of staff scientists will create the planting layout and oversee volunteer labor. Save the Bay's involvement in restoration projects provides a platform to engage residents and improve awareness of Bay ecology, sensitive species ecology, human impact on the environment, and climate change. Volunteer activities also provide exceptional opportunities for local residents to explore natural areas that are within miles of their homes, but are often unseen and little understood. This enrichment is particularly valuable to low-income students who participate in Save the Bay education programs.

Letters of support for the Mountain View project are included in Exhibit 6. The letters describe support for the Conservancy to fund construction of Pond A1, which is part of the project but is now expected to be constructed using funds provided by a recent private donation, in addition to previously authorized Conservancy funds, as shown in the Project Financing section below.

PROJECT FINANCING

Mountain View Implementation

Coastal Conservancy (this authorization)	**$941,000**
Coastal Conservancy (February 2025 authorization)	$7,700,000
Coastal Conservancy (April 2024 authorization)	$1,500,000
Coastal Conservancy (June 2023 authorization)	$2,000,000
Coastal Conservancy (May 2016 authorization)	$1,000,000
San Francisco Bay Restoration Authority	$2,000,000
US Environmental Protection Agency	$1,500,000
California Department of Water Resources (May 2016 authorization)	$4,681,318
U.S. Fish and Wildlife Service (May 2016 authorization)	$956,260
Pacific Gas and Electric Company (May 2016 authorization)	$40,685
U.S. Fish and Wildlife Service	$2,000,000
Private Donation	$10,000,000
Total Mountain View Construction Costs	**$34,319,263**

Monitoring and Adaptive Management

Coastal Conservancy (this authorization)	**$559,000**

It is anticipated that funds for the recommended authorization will come from an FY 2023/2024 appropriation of general funds to the Conservancy for "urgent sea level rise adaptation and coastal resilience needs using nature-based strategies and other solutions" (Budget Act 2023, Chapter 38, Statutes of 2023 (AB102)). The coastal resilience funds are available as described in Section 52 of Chapter 258 of the Statutes of 2021, which sets forth a detailed description of the purposes of the coastal resilience funds, including projects that protect coastal watersheds and increase the resilience of coastal ecosystems to climate change impacts. The proposed authorization qualifies for use of these funds because it will restore habitat transition zones that are resilient to the effects of sea level rise and will provide shoreline protection for infrastructure and communities by dampening waves and storm surge. Furthermore, the project will implement monitoring and adaptive management that will support future actions taken to ensure that this ecosystem restoration project is durable in the face of sea level rise.

Unless specifically identified as "Required Match," the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from

other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This project will be undertaken pursuant to Chapter 3 of the Conservancy's enabling legislation at Public Resources Code Sections 31113, which authorizes the Conservancy's Climate Ready Program.

Pursuant to Sections 31113(b) and (c), the Conservancy may award grants to nonprofit organizations for projects that reduce greenhouse gas emissions, address sea level rise, storm surge, and flooding that threatens coastal communities, infrastructure, and natural resources. The recommended authorization is to grant funds to two nonprofit organizations for the project, which will restore tidal marsh habitat that has been shown through research to be highly effective at sequestering greenhouse gases that cause climate change. The restored marshes will also buffer shorelines, helping reduce flood and erosion impacts that will be exacerbated by sea level rise and that will affect the nearby community and its infrastructure.

Consistent with Section 31113(c), the project is a priority for funding because it has multiple benefits and will restore coastal wetlands, conserve biodiversity, and provide recreational opportunities. The project will restore tidal marsh with adjacent habitat transition zones, habitats that have been significantly reduced in area throughout the San Francisco Bay Estuary over the past century. The project includes monitoring and adaptive management actions as part of the SBSPR Project's Adaptive Management Program to ensure ongoing benefits to people and wildlife. The project also helps manage flood risk for communities.

The project is consistent with Section 31113(d) because it: (A) uses natural infrastructure to protect a community in that it will restore tidal marsh with broad upland transition slopes that protect levees and adjacent shorelines from erosion that will be exacerbated by the effects of climate change; (B) provides multiple benefits including habitat for numerous native species, flood risk management, and recreational opportunities along newly created trails; and (C) will restore 710 acres of tidal marsh with areas of shallow water habitat that provide critical feeding and nursery habitat for juvenile fish such as steelhead.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN

The proposed project remains consistent with the Conservancy's Strategic Plan as described in the June 1, 2023, staff recommendation (Exhibit 4).

Additionally, the project is consistent with **Goal 3.2.3 Wildlife Corridors**, because it will revegetate habitat transition zones that facilitate wildlife movement between wetland and upland habitats.

CEQA COMPLIANCE:

The project was evaluated as part of the Final Environmental Impact Statement/Report, Phase 2 South Bay Salt Pond Restoration Project, April 2016 (Final Phase 2 EIS/R). The Conservancy made findings based on the Final Phase 2 EIS/R at its May 16, 2016 meeting as part of an

authorization that provided construction funding for the Phase 2 projects at Alviso and Ravenswood. The project remains the same as described in the Final Phase 2 EIS/R and there are no changed circumstances or new information that require additional CEQA documentation.