

COASTAL CONSERVANCY

Staff Recommendation
February 19, 2026

SAN FRANCISCO BAY SHORELINE FLOOD RISK MANAGEMENT FUNDING STUDIES

Project Nos. 25-013-01 & 25-014-01
Project Manager: Laura Cholodenko

RECOMMENDED ACTION: Authorization to: 1) enter into a Federal Cost Share Agreement with the U.S. Army Corps of Engineers for the purpose of investigating the region's flood adaptation needs, identifying priority locations and stakeholders, and supporting capacity building for San Francisco Bay shoreline multi-benefit flood risk management projects; and disburse up to \$150,000 to the U.S. Army Corps of Engineers for the Conservancy's contribution to the Federal Cost Share Agreement, and 2) disburse up to \$693,000 to the Bay Area Council Foundation to conduct an economic analysis of the potential for local governments to use policy tools to direct a portion of private sector redevelopment funding to San Francisco Bay shoreline multi-benefit flood risk management projects and to conduct outreach about federal and regional funding for along the Bay shoreline in the 9-county Bay Area.

LOCATION: The San Francisco Bay shoreline in the nine-county Bay Area

EXHIBITS

- Exhibit 1: [Project Location Map](#)
- Exhibit 2: [Map of U.S. Army Corps San Francisco District Projects](#)
- Exhibit 3: [Planning Cost Share Agreement between U.S. Army Corps of Engineers and State Coastal Conservancy](#)
- Exhibit 4: [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 the Executive Officer to:

- (1) Enter into a Federal Cost Share Agreement with the U.S. Army Corps of Engineers for the purpose of investigating the region's flood adaptation needs, identifying priority locations and stakeholders, and supporting capacity building for San Francisco Bay shoreline multi-benefit flood risk management projects; and disburse up to \$150,000 to the U.S. Army Corps of Engineers for the Conservancy's contribution to the Federal Cost Share Agreement (the "Corps project"); and
- (2) Grant an amount not to exceed \$693,000 to the Bay Area Council Foundation to conduct an economic analysis of the potential for local governments to use policy tools to direct a portion of private sector redevelopment funding to San Francisco Bay shoreline multi-benefit flood risk management projects and to conduct outreach about federal and regional funding for along the Bay shoreline (the "BACF project").

Collectively, the Corps project and BACF project are referred to as the "projects."

Prior to commencement of the BACF project, Bay Area Council 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.

Notwithstanding the foregoing, this Conservancy resolution is effective only if legislation is enacted that exempts program guidelines and selection criteria for the disbursement of funds from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 ("Proposition 4"), Public Resources Code Sections 90000-95015, from the requirements of the Administrative Procedure Act at Government Code sections 11340-11361.

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 Conservancy's mandate to address the impacts and potential impacts of climate change on resources within the Conservancy's jurisdiction.
2. The proposed projects are consistent with the current Conservancy Project Selection Criteria.
3. The Bay Area Council Foundation is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy: 1) enter into a Federal Cost Share Agreement with the U.S. Army Corps of Engineers (Corps) for the purpose of investigating the region's flood adaptation needs, identifying priority locations and stakeholders, and supporting capacity building for San

Francisco Bay shoreline multi-benefit flood risk management projects; and disburse up to \$150,000 to the U.S. Army Corps of Engineers for the Conservancy's contribution to the Federal Cost Share Agreement (the "Corps project"), and 2) disburse up to \$693,000 to the Bay Area Council Foundation (BACF) to conduct an economic analysis of the potential for local governments to use policy tools to direct a portion of private sector redevelopment funding to San Francisco Bay shoreline multi-benefit flood risk management projects and to conduct outreach about federal and regional funding for along the Bay shoreline in the 9-county Bay Area (the "BACF project"). Collectively, the Corps project and BACF project are referred to as the "projects." Please see Exhibit 1 for the projects' location.

In the Bay Area, where sea levels at the Golden Gate have already risen by eight inches since 1900, the Ocean Protection Council estimates sea levels will likely rise an additional 10 inches by 2050 and 2-7 feet by 2100. Planning and implementation of flood risk management projects along the San Francisco Bay (the Bay) shoreline is constrained by limited resources of time and funding. It is challenging to create cohesive solutions to manage sea level rise in the Bay because it includes many different local jurisdictions with differing priorities, staff capacity, and expertise. The Metropolitan Transportation Commission and the San Francisco Bay Conservation and Development Commission (BCDC) estimate that protecting Bay Area communities and infrastructure from the impacts of sea level rise by 2050 will cost \$110 billion, involving a diversity of interventions from restored wetland habitat to new seawalls and levees. The State and the Bay Area have been leaders in funding sea level rise adaptation through major programs like the Ocean Protection Council's Senate Bill (SB) 1 grants, the Governor's Climate Package, the 2024 California Climate Bond (Proposition 4), and the regional San Francisco Bay Restoration Authority's Measure AA grants. But existing state programs, as well as local, regional, and federal programs will cover only a fraction of the total amount of funding needed to effectively prepare the region for the effects of sea level rise and other flood hazards. The region must both secure funding through existing programs and develop new funding sources to achieve its shoreline resilience goals. Together, the projects will complete an analysis of sea level rise adaptation needs in the Bay with potential for long-term federal partnerships and will obtain an economic analysis for innovative policy tools to leverage private investment and redevelopment. These projects will pave the way to help fill the projected funding gap in the region needed to prepare for the effects of climate-change induced flooding.

1. Planning Assistance to States Partnership Between the Conservancy and the Corps

The Corps project consists of the Conservancy entering into a Federal Cost Share Agreement with the Corps under the Corps' Planning Assistance for States (PAS) authority for the purpose of conducting analysis of proposed and potential flood risk reduction projects in the Bay (the "PAS flood analysis"). The Corps is an important partner in the region that already leads several key planning and implementation projects (Exhibit 2) and brings critical federal funds to the region for flood protection and climate adaptation.

The Corps has secured a \$200,000 authorization of federal funds for this work as described in the Financing section below. The PAS flood analysis will allow the Corps, the Conservancy, and BCDC— as key agencies (referred to herein as "project partners") leading shoreline resilience planning efforts for the region— to coordinate efforts, begin investigating the region's

adaptation needs together, and build regional capacity for future shoreline adaptation projects, whether they are led locally or by federal partners. The PAS flood analysis will create maps, resources, and a final summary report that identifies geographic priorities, projects, and local stakeholders, which will be helpful for regional adaptation planning and potential future Corps-led flood risk management studies and projects.

The PAS flood analysis will start by selecting 2-6 priority shoreline locations where federal investment could potentially align with local and state efforts. Sites will be selected based on flood risk, community vulnerability, and potential for nature-based solutions. For each of the locations, existing data will be compiled on shoreline conditions, natural resources, existing and planned infrastructure, and populations at risk. With this data collected, the project partners will convene meetings with local jurisdictions and regional entities in the priority shoreline locations to support capacity building for developing flood risk management projects that can potentially be implemented through federal partnerships. The PAS flood analysis will help local jurisdictions with the development of Subregional Shoreline Adaptation Plans, which are required by California law (Senate Bill 272). BCDC created the Regional Shoreline Adaptation Plan Guidelines for these plans and has the authority to approve or deny them based on consistency with the Guidelines. Plans must be submitted for approval by January 1, 2034, but several plans are already underway and are expected to be approved in the next few years. Adaptation projects and strategies within approved plans will be prioritized for state funding. In addition to convening meetings with entities developing these subregional plans, the project partners will help identify local needs for technical assistance to move potential projects forward and will develop informational resources on aligning subregional plans with federal studies and projects.

2. Bay Area Council Foundation’s Strong Shoreline Initiative

The BACF project, called the Strong Shoreline initiative, consists of coordination and outreach for the Corps’ PAS flood analysis described above, preliminary outreach to secure Congressional funding authorizations for a General Investigation (GI) Study, a study by BACF and its working groups to address funding needs for multi-benefit sea level rise adaptation projects along the San Francisco Bay Shoreline by exploring private sector funding, and public polling to gauge public opinion about shoreline adaptation needs and support of a regional tax measure.

Through passage of the 2024 Water Resources Development Act (WRDA), Congress authorized the GI study to investigate impacts and solutions to coastal flooding along the shoreline of the 9-county Bay Area. Work on this study will only begin once federal funds are appropriated and non-federal funds are secured, possibly in 2026. Conservancy staff would seek Board authorization to be the non-federal sponsor for this study once the federal funds have been appropriated, with BCDC as a close partner. As described in WRDA, the GI study will consider the needs of the communities and public infrastructure that are most vulnerable to flooding, develop adaptation measures that include use of natural features and the beneficial use of dredged materials, and will focus on disadvantaged or historically excluded communities where support is most needed. BACF will work with local nonprofit partner, Save The Bay, to help coordinate outreach and engagement for the Corps’ PAS flood analysis described above, as well as conduct preliminary outreach for a potential future GI study.

Additionally, BACF will work with the Bay Area Council's Economic Institute (BACEI), a working group of BACF, to conduct a study on how redevelopment of waterfront sites can generate new funding streams for multi-benefit shoreline flood risk management projects. By quantifying redevelopment potential across multiple Bay Area subregions, modeling the financial value that could be captured, and assessing the benefits of tying redevelopment to funding flood risk management projects, the report will deliver actionable policy recommendations. These include innovative financing models such as climate resilience districts, tax increment financing, and public-private partnerships. The study will provide the Bay Area with a blueprint for how private investment can complement public resources to deliver resilient shorelines, restored wetlands, and equitable growth. BACEI will engage Greenbelt Alliance, a nonprofit partner, to ensure that balanced perspectives on development and climate resilience planning are incorporated into the study.

Finally, BACF will also support generation of future regional investments by developing and executing public polling. It will engage a group of regional funding stakeholders, including Save the Bay, in creating a polling plan that will gauge public opinion about shoreline adaptation needs and support of a regional tax measure that could get placed on a future ballot. It will then execute polling to inform evaluation of funding options.

Site Description: These projects cover the San Francisco Bay shoreline in the nine-county Bay Area, with specific study locations to be determined as described in the Project Summary above. The region is comprised of roughly 7.7 million people in the 9 counties of the San Francisco Bay Area: Alameda, Contra Costa, Marin, Napa, Santa Clara, San Mateo, San Francisco, Solano, and Sonoma. Significant infrastructure, housing and commercial development is at risk of flooding along much of the 400 miles of shoreline and effectively managing that risk across multiple factors is extremely complex. While some jurisdictions have adaptation planning and solutions well underway, there are several historically excluded, frontline communities that especially need assistance studying flood risk and developing approaches to reducing those risks.

Grant Applicant Qualifications:

The Corps is a federal agency and long-time partner of the Conservancy. With environmental sustainability as a guiding principle, the Corps strengthens our nation's security by building and maintaining America's infrastructure, including flood risk management projects. The Corps' San Francisco District and the Conservancy have a successful history of collaboration on projects including the South San Francisco Bay Shoreline Project and the Hamilton-Bel Marin Keys Wetland Restoration Project, among others.

BACF is the funding arm of the Bay Area Council (BAC) and is a public policy organization that includes hundreds of the region's largest employers that is committed to keeping the Bay Area the world's most competitive economy and best place to live. BACF has extensive experience managing grants from the state and federal government for complex planning and research projects. Current projects include studies funded by the US Forest Service and the California Assembly Select Committee on Permitting Reform. BACEI has been a leading think tank focused on the economic and policy issues facing the San Francisco Bay Area. BACEI is housed at and supported by BACF; it serves a dual purpose as both an economic think tank and public policy

analysis consultancy, utilizing publicly available data, connections to the private and public sector, and BAC's policy advocacy team to inform our work.

BACF will work with two Bay Area nonprofits to ensure diverse voices get incorporated into its study and outreach – Save The Bay and Greenbelt Alliance. Save The Bay is a regional Bay Area organization that integrates political advocacy, mobilization of people, wetland restoration, and education to shape a resilient region. Greenbelt Alliance has a 60-year history of stewarding the region's beautiful natural landscapes while promoting the growth needed for thriving communities for generations to come. They leverage their expertise in land-use policy advocacy and regional collaboration to realize a climate-resilient Bay Area that prioritizes equitable and nature-based solutions.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:

The proposed projects are consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following respects:

Selection Criteria

- 1. Extent to which the projects help the Conservancy accomplish the objectives in the Strategic Plan.**

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

- 2. Projects are a good investment of state resources.**

These projects represent a good investment of state resources because they address one of California's most pressing climate risks—sea level rise—while leveraging federal and private sector partnerships to stretch state dollars further. By initiating a Federal Cost Share Agreement with the Corps and supporting BACF's work to generate federal and private funding, the projects build regional capacity for shoreline adaptation that is both feasible and cost-effective. The budget is reasonable relative to the \$110 billion in estimated regional adaptation needs, and the projects will provide immediate planning products while laying the foundation for a federally cost-shared GI study and future private sector contributions that could unlock much larger investments. The coordinated approach aims to ensure benefits flow to frontline and historically-excluded communities that are most vulnerable to flooding, while also advancing statewide goals for climate adaptation, equity, and resilience.

The projects support subregional shoreline adaptation planning required by state law (Senate Bill 272) and align with statewide initiatives such as California's 30x30 Executive Order by prioritizing nature-based solutions, wetland restoration, and beneficial use of dredged material where feasible. The financing study led by BACF also provides important demonstration value, as it will explore innovative models such as climate resilience districts and tax increment financing that could be replicated in other parts of California.

3. Projects include 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 projects' area.

As part of the regional planning efforts in this authorization, community and stakeholder engagement will include outreach to tribes. In the Corps project, the team will include tribes when identifying key contacts for each shoreline location, and invite the tribes to the table at hosted convenings. For the BACF project, BACF recognizes the essential role of tribes in shoreline stewardship and resilience, and will reach out to tribal governments and intertribal organizations to solicit input on site selection, value capture frameworks, and adaptation priorities.

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

The benefits of these projects will be sustainable and resilient over time because they are designed to anticipate and plan for adaptation to the long-term impacts of sea level rise and other climate stressors. By identifying priority shoreline locations based on flood risk, community vulnerability, and opportunities for nature-based solutions, the PAS flood analysis will position the region to embark on more adaptive, multi-benefit climate resilience projects. The planning process will explicitly integrate expected sea level rise and climate impacts, helping local jurisdictions prepare for a range of future scenarios and set themselves up for future funding partnerships with federal partners and other entities.

One core purpose of the BACF-led study is to explore and generate policies to create sustainable new revenue streams for long-term shoreline protection. The study is intended to help diversify the funding portfolio for coastal flood adaptation projects by connecting local land use policy to climate adaptation needs and finding ways to harness funding from the private sector. Policy recommendations will emphasize solutions and strategies that promote investment in equitable and sustainable housing transportation development, public access, alongside flood protection. These benefits and policy tools will remain relevant and usable well beyond the project period.

5. Projects deliver multiple benefits and significant positive impact.

The proposed authorization for the Corps project is intended specifically to help advance multi-benefit coastal flood risk reduction projects. Funding through the authorization for the BACF project will support the region's interconnected housing, climate, and economic goals by identifying policy tools that will help finance shoreline adaptation needs through redevelopment.

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

Through the Corps project, project partners will convene a series of meetings in 2-6 priority shoreline locations to share data, gather local input, and build the capacity of jurisdictions and communities to participate in federal partnerships for flood protection. These convenings ensure that community leadership, knowledge and priorities directly inform the identification of risks, needs, and potential solutions, anchoring adaptation planning in lived experience as well as technical expertise.

BACF will further support community co-visioning on upcoming regional Corps planning efforts by conducting stakeholder outreach and engagement activities tied to both the PAS flood analysis process and the future GI study. By partnering with local nonprofits, BACF will engage broad community representation, with an emphasis on historically excluded and frontline communities that face the greatest flood risks. This inclusive approach builds regional support while ensuring that project concepts reflect community needs, desires, and expertise—helping to co-create solutions that are equitable, feasible, and widely supported.

For the BACF project, throughout the research process, the project team will be advised by multiple steering committees consisting of staff representatives from relevant public agencies as well as community and nonprofit stakeholders. Additionally, the project team will conduct engagement with a wide variety of stakeholders including community organizations representing shoreline residents, local jurisdictions, business and industry representatives, and more.

PROJECT FINANCING

Coastal Conservancy (to Corps)	\$150,000
Coastal Conservancy (to BACF)	\$693,000
U.S. Army Corps of Engineers	\$200,000
Resources Legacy Fund	\$50,000
Project Total	\$1,093,000

Conservancy funds are anticipated to come from the fiscal year 2025/2026 appropriation to the Conservancy from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (“2024 Climate Bond” or “Proposition 4”), codified at Public Resource Code Sections 90000-95015. These funds are available as described in Section 92015 of the Public Resource Code. The funds are made available for the purpose of coastal and combined flood management projects and activities for developed shoreline areas, including areas with critical community infrastructure, including, but not limited to, transportation and port infrastructure at risk of current flooding and flooding due to sea level rise. The proposed projects are consistent with Section 92015 because they will generate the information, and support the capacity building, needed to plan and construct multi-benefit shoreline resilience projects that will address coastal flooding along the Bay shoreline. Such projects are necessary to protect infrastructures and communities along the Bay shoreline and thus are expected to improve public safety.

For the Corps project, the State is required to provide an additional \$50,000 in the form of in-kind staff hours. These hours will be met by Conservancy staff as well as BCDC staff.

The Corps will match Conservancy contributions with \$200,000 of federal funds for the Corps project. For the BACF project, Resources Legacy Fund will provide \$50,000 of matching funds to pay for a regional polling effort.

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:

These projects will be undertaken pursuant to Chapter 3 (regarding the Climate Ready Program) of Division 21 of the Public Resources Code. The proposed projects will be undertaken pursuant to Section 31113 of Chapter 3 of Division 21 of the Public Resources Code, which authorizes the Conservancy to address the impacts and potential impacts of climate change on resources within the Conservancy’s jurisdiction (Section 31113(a)).

Pursuant to Section 31113(b), the Conservancy may undertake projects that address extreme weather events, sea level rise, flooding, and other coastal hazards that threaten coastal communities, infrastructure, and natural resources. Pursuant to Section 31113(c), the Conservancy must prioritize projects that maximize public benefits and either reduce greenhouse gas emissions, reduce hazards to harbors and ports, preserve and enhance coastal wetlands and natural lands, conserve biodiversity, and provide recreational opportunities, or reduce flood risk and enhance fish and wildlife habitat. Consistent with these provisions the proposed projects will maximize public benefits by identifying priority locations and potential funding sources and providing technical assistance for shoreline areas of the Bay that are priority for multi-benefit coastal adaptation projects that will reduce flood risk while enhancing fish and wildlife habitat.

Consistent with Section 31113(d), the proposed projects will prioritize sites with potential for natural infrastructure projects to help adapt to climate change, provide multiple benefits including capacity building for local communities, planning for protection of natural resources, recreational opportunities, protection of coastal estuary that provides critical habitat.

CONSISTENCY WITH CONSERVANCY’S 2023-2027 STRATEGIC PLAN:

Consistent with **Goal 4.1, Sea Level Rise Adaptation Projects**, the proposed projects will identify potential funding sources for proposed and potential sea level rise adaptation projects in the region by conducting a study on private funding policy tools, and identifying key locations for potential federal partnerships on shoreline flood protection projects.

CEQA COMPLIANCE:

The proposed projects are statutorily and categorically exempt from the California Environmental Quality Act (CEQA) pursuant to the following sections of 14 Cal. Code of Regulations: (1) Section 15262 in that they involve only feasibility or planning studies for possible future actions which the Conservancy has not approved, adopted, or funded; and (2)

Section 15306 in that they involve basic data collection, research, and resource evaluation activities which will not result in any disturbance to an environmental resource, and which will be undertaken as part of a study leading to an action which the Conservancy has not yet approved, adopted, or funded.

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