

COASTAL CONSERVANCY

Staff Recommendation  
October 23, 2003

**YOSEMITE CANAL WETLAND  
RESTORATION AND PUBLIC ACCESS PLAN: PHASE II**

File No. 02-097  
Project Manager: David Hayes

**RECOMMENDED ACTION:** Authorization to disburse up to \$650,000 to the California State Parks Foundation to complete Phase II of the design for the Yosemite Canal Wetland Restoration and Public Access Project at Candlestick State Recreation Area. Phase II includes detailed designs, engineering specifications, technical studies and field tests, and CEQA compliance and permitting for approximately 34 acres of restored tidal marsh and public access improvements, and engineering for a nature center.

**LOCATION:** Bayview–Hunters Point in the southeast section of the City and County of San Francisco (Exhibits 1 and 2)

**PROGRAM CATEGORY:** San Francisco Bay Area Conservancy

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**EXHIBITS**

- Exhibit 1: Location Map
  - Exhibit 2: Aerial Photograph
  - Exhibit 3: Letters of Support
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**RESOLUTION AND FINDINGS:**

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31164 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed six hundred fifty thousand dollars (\$650,000) to the California State Parks Foundation (Foundation) to complete detailed plans, designs, specifications, environmental compliance documents, and permits for wetland restoration and public access improvements in and around Yosemite Canal; and for engineering and site planning a nature center in the Candlestick Point State Recreation Area, subject to the condition that, prior to the disbursement of any Conservancy funds, the Foundation shall submit for review and written approval by the Conservancy’s Executive Officer a work program, including scope of work, budget and schedule, and the names of any contractors it intends to use to complete the work.”

Staff further recommends that the Conservancy adopt the following findings:

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

1. The proposed project is consistent with Public Resources Code Sections 31160-31164, regarding the Conservancy’s mandate to address the resource and recreational goals of the San Francisco Bay Area.
  2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
  3. The California State Parks Foundation is a private nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code, and subject to the Nonprofit Public Benefit Corporation Law (commencing with Section 5000 of the California Corporations Code), and whose purposes are consistent with Division 21 of the California Public Resources Code.”
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**PROJECT SUMMARY:**

The proposed project would allow the California State Parks Foundation (Foundation) to develop detailed designs, engineering specifications, CEQA documents, and permit documentation for wetland restoration and public access improvements, and for siting and soils engineering for a nature center at Candlestick Point State Recreation Area (Recreation Area). These project elements meet the objectives of the State Parks General Development Plan for the Recreation Area and include restoration of approximately 34 acres along the Yosemite Canal to tidal mudflats, marsh, a nesting island, an upland transition zone, new and enhanced public access trails, and a nature center for environmental education.

The project has been designed with significant input and is supported by community groups and environmental organizations, because when implemented, portions of the property will be cleaned up of heavy metals, petroleum hydrocarbons, and other substances and the wetland will further improve water quality and provide habitat for wildlife. In addition, the nature center will provide an environmental education resource to a local community historically isolated from such opportunities. Restoration of tidal marshes in the project area is also recommended in the *Baylands Ecosystem Habitat Goals Report*.

The State Parks Foundation is a 501(c)(3) nonprofit organization with the expressed purpose of assisting the California Department of Parks and Recreation (DPR) to achieve their mission and goals by fund raising and supporting enhancement of California’s 277 State Parks. Since 1969, the Foundation has provided more than \$110 million to benefit State Parks. The Foundation and its Board of Directors support the proposed project as it addresses the organization’s core strategies for natural resource protection and promoting environmental justice. The Foundation funded a feasibility study in 2002 that examined a number of restoration and public access alternatives. After several meetings with interested stakeholder, DPR selected the alternative that includes the greatest amount of restored tidal action with an isolated nesting island and an nature center.

The Foundation is now seeking funding sources to complete Phase II of the design, including final engineering plans and specifications, environmental documentation, and permitting. The Foundation has prepared a scope of work for required technical services, solicited bids from prospective consultants, and obtained some of the needed funding for Phase II. The proposed Con-

servancy grant would fill the funding gap and allow the project to proceed. The Foundation will manage selected contractors and DPR staff will maintain project oversight to ensure their agency goals will be met.

**Site Description:** Yosemite Canal is within Candlestick Point State Recreation Area. (Exhibits 1 and 2). Located on the shoreline of South San Francisco, Candlestick Point State Recreation Area was historically within a wide band of tidal salt marshes and mud flats that extended south to Coyote Point. The history of Yosemite Canal has been of gradual habitat loss due to filling for residential and industrial use. Today, fill material, utilities, and buildings now occupy most of this area, with only the Yosemite Canal itself remaining tidally influenced. No special status wildlife associated with tidal marsh are currently known to use this area; however, the intertidal mudflats are regularly used by migratory and wintering shorebirds as foraging habitat. Diving ducks and grebes are known to forage on benthic organisms and fish within the canal.

The Yosemite Canal, like many parts of San Francisco Bay, has also experienced significant degradation of water quality due to landfill, siltation from soil erosion, industrial contamination, non-point source pollution, wastewater overflows, and illegal dumping. These largely unchecked influences have adversely affected the remaining habitat and wildlife, degraded the fisheries resulting in the necessity for warning postings in the area, complicated recreational and park planning, and limited recreational opportunities. Preliminary investigations of soils, benthic sediments, and groundwater have been completed and some low solubility heavy metals (lead and copper) were detected. Additional investigations were recommended and would be completed as part of Phase II of this project.

**Project History:** In 1987, California Department of Parks and Recreation developed an amended General Plan for the Candlestick Point State Recreation Area, and identified the Yosemite Canal as a high priority for restoration. Subsequently, numerous technical, design, and pre-project feasibility studies were completed. The Foundation developed three principal alternatives for the restoration and enhancement of Yosemite and updated the general plan in 2001. DPR adopted the new general plan in 2002 and, with input from interested persons, selected the maximum tidal habitat restoration alternative.

Community input during the initial planning process helped shape the conceptual project design for the selected alternative. Staff of the San Francisco Bay Area Conservancy Program assisted the Foundation in developing a Request for Proposal for Phase II planning that is now needed. A proposed scope of work has been peer reviewed and suggested changes were incorporated. The Foundation now requests funding for Phase II of the design as described herein.

**PROJECT FINANCING:**

Coastal Conservancy	\$ 650,000
San Francisco Airport	450,000
Bay West Cove LLC	200,000
State Parks (in-kind services)	<u>74,000</u>
<b>Total Project Cost</b>	<b>\$1,374,000</b>

The anticipated source of funds for this project is the Conservancy's FY 03/04 appropriation from the "Water Security, Clean Drinking Water, Coastal and Beach Protection Bond Act of 2002" (Proposition 50). Proposition 50 authorizes the use of these funds for the purpose of pro-

tecting coastal watersheds through projects to restore land and water resources. Funds may be used for planning and permitting associated with restoration, as well as the restoration activities. (Water Code Section 79570). The proposed project will accomplish these purposes by assisting in the development of the design plans and the permitting that will allow for the restoration of the coastal watershed and associated wetlands located at Yosemite Canal. As required by Proposition 50, the proposed project is consistent with local and regional plans (Water Code Section 79507) The *Baylands Ecosystem Habitat Goals Report (Report)* is a multi-jurisdictional local planning document providing guidance for watershed protection activities for the San Francisco Bay. Proposition 50 recognizes the *Report* as appropriate to guide the selection of restoration projects within the Bay region. Water Code Section 79572. The *Report* concludes that in the “Central Bay Subregion” (within which the project is located) “there are many opportunities to restore relatively small tidal marches and other habitats and these should be pursued” and specifically identifies Hunters Point and Candlestick Point as “unique restoration opportunities.” (*Report*, pages 118-9). The project is also consistent with the San Francisco Bay Regional Water Quality Control Board’s goal to protect beneficial resources, as described in the Water Quality Control Plan (Basin Plan) for the San Francisco Bay Basin (1995).

Conservancy funds will be leveraged against mitigation funds from the San Francisco Airport (\$450,000) and from Bay West Cove LLC (\$200,000), and with in-kind services from the State Department of Parks and Recreation (\$74,000).

**CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:**

The proposed project is consistent with the San Francisco Bay Area Conservancy Program enabling legislation, adopted in 1997 as Chapter 4.5 of Division 21 of the Public Resources Code (Sections 31160-31164). The focus of this project is to advance implementation of the Candlestick Point State Recreation Area General Plan recommendations for tidal restoration of Yosemite channel, improved public access and development of a nature center. Under §31162(b) the Conservancy may help protect, restore, and enhance natural habitats and open space resources of regional importance.

The proposed project also meets the criteria for project priority under §31163(d) in the following respects: (1) the proposed project is part of the Candlestick Point State Recreational Area and will help implement its General Development Plan; 2) the project will involve Federal, State and local agencies, and will help implement regional goals for habitat restoration; 3) the planning process is ready to begin upon Conservancy Board approval; 4) this project will take advantage of funding opportunities that could be lost if not quickly implemented; and 5) matching funds have been made available for this work.

**CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOAL (S) & OBJECTIVE (S):**

Consistent with **Goal 11 Objectives A, B, and C** of the Conservancy’s Strategic Plan, the proposed project will result in essential design and permits to needed to develop public access opportunities, including parking lots, the Bay Trail, and interpretive programs which are available to urban populations.

Consistent with **Goal 10 Objective B** of the Conservancy's Strategic Plan, the proposed project will result in development of plans for restoration of tidal wetlands on 34 acres in the Yosemite Canal area.

**CONSISTENCY WITH CONSERVANCY'S  
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

**Required Criteria**

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public** This project is widely supported by local and state agencies, non-governmental organizations, and elected officials including: Assemblyman Mark Leno, Planning and Conservation League, State Parks Director Ruth Coleman, San Francisco Supervisor Sophie Maxwell, Citizens for a Clean Waterfront, San Francisco Redevelopment Agency and Public Works Department, Port of San Francisco, McLaren Park Watershed Committee, Bay-View Hunters Point Advocates, Golden Gate Audubon, Literacy for Environmental Justice, Sierra Club, California Regional Water Quality Control Board, San Francisco Commission on the Environment, and San Francisco Bay Conservation and Development Commission. Letters of support are attached as Exhibit 3.
4. **Location:** The project site is located in the Southeast quadrant of San Francisco City and County, within the San Francisco Bay Area Conservancy Program jurisdiction.
5. **Need:** Conservancy funding for planning, engineering, environmental review, and regulatory permits is needed before construction of wetland restoration and public access improvements can take place. It is anticipated that construction funding will be available from the San Francisco International Airport mitigation funds. If the detailed design and permitting is delayed, airport mitigation funds may be used on another site.
6. **Greater-than-local interest:** The restoration of wetlands is of regional importance because it will benefit a diverse wildlife population and improve water quality. Restoration of Yosemite Canal has been listed in the *Baylands Ecosystem Habitat Goals Report* as one of the sites that should be restored to tidal marsh. The Bay Trail and habitat education facilities will be readily accessible to regional visitors from public transportation and a major freeway.

**Additional Criteria**

8. **Resolution of more than one issue:** The proposed project will provide detailed designs to (1) resolve shoreline stabilization problems, (2) identify trails including a preferred alignment of the San Francisco Bay Trail, and (3) enhance wetlands and transitional upland areas of the Candlestick Point Recreation Area.
9. **Leverage:** See the "Project Financing" section above.

12. **Readiness:** Conservancy funds would provide the necessary documents and permits so implementation can take place. The State Parks Foundation has selected consultants who are ready and available to begin project work. Pre-project matching funds are also in place.
13. **Realization of prior Conservancy goals:** The Conservancy's funding would further its goals of restoring significant natural resources, and improving regionally significant public access.
15. **Cooperation:** The Foundation is working cooperatively with local community organizations such as Citizens for a Clean Waterfront, Arc Ecology, and Bay View Advocates, City of San Francisco Departments, and State agencies including the Regional Water Quality Control Board, San Francisco Bay Conservation and Development Commission, and Calfed.

**CONSISTENCY WITH SAN FRANCISCO BAY PLAN:**

If authorized, the proposed project will be consistent with San Francisco Bay Conservation and Development Commission's *San Francisco Bay Plan*, with respect to its findings and policies related to (1) Marshes and Mudflats, and (2) Development of the Bay and Shoreline: Recreation.

**COMPLIANCE WITH CEQA:**

This project is statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15262, because it involves only planning and feasibility and field studies for a project not yet approved, adopted or funded. The project includes funding for preparation of an Environmental Impact Report, which will assess impacts pursuant to the requirements of CEQA, of future park development and restoration and the proposed improvements. Staff will file a Notice of Exemptions upon approval of the project by the Board.