

COASTAL CONSERVANCY

Staff Recommendation

October 5, 2006

**YOSEMITE SLOUGH RESTORATION—NORTHERN AREA CONSTRUCTION**

File No. 02-097-02

Project Manager: Joan Cardellino

**RECOMMENDED ACTION:** Authorization to disburse up to \$3,316,911 to the California State Parks Foundation (CSPF) to restore and enhance tidal wetlands and other bay shoreline habitat and provide public access and a public environmental education facility at Yosemite Slough in Candlestick Point State Recreation Area, San Francisco, and authorization for the Association of Bay Area Governments to disburse to CSPF up to \$172,000 in previously authorized Conservancy funds for construction of the Bay Trail along the perimeter of Yosemite Slough.

**LOCATION:** Yosemite Slough, Candlestick Point Recreation Area, San Francisco County

**PROGRAM CATEGORY:** San Francisco Bay Conservancy

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**EXHIBITS**

Exhibits 1: Project Location and Site Map

Exhibit 2a: Mitigated Negative Declaration

Exhibit 2b: Mitigation Monitoring Reporting Program

Exhibit 3: Phase 1 Site Plan

Exhibit 4: Letters of Support

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**RESOLUTION AND FINDINGS:**

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31165 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed three million three hundred sixteen thousand nine hundred eleven dollars (\$3,316,911) to the California State Parks Foundation (CSPF) for the purposes of implementation of Phase 1 of the Yosemite Slough Restoration Project involving habitat restoration and construction of environmental education and public access facilities at Yosemite Slough, Candlestick Point State Recreation Area. The State Coastal Conservancy also hereby authorizes the Association of Bay Area Governments (ABAG) to disburse to CSPF an amount not to exceed one hundred seventy-two thousand dollars (\$172,000) of the Conservancy funds authorized on September 15, 2004 to

construct 1,130 feet of Bay Trail along the perimeter of Yosemite Slough. These authorizations are subject to the following conditions:

1. Prior to disbursement of any funds under this authorization:
  - a. There shall be in place a fully executed Memorandum of Understanding between the Conservancy and the Wildlife Conservation Board (WCB) authorizing the project as an “approved project” under WCB Agreement Number WC-3032BT.
  - b. CSPF shall provide documentation that all funds required for the completion of Phase 1 of the Yosemite Slough Restoration Project have been secured.
2. Prior to the disbursement of funds to CSPF for the habitat restoration and environmental education facilities components of the project, CSPF shall submit the following for the review and written approval of the Executive Officer of the Conservancy:
  - a. The names and qualifications of any contractors to be retained to carry out the project components.
  - b. A detailed work plan for the project components, including a final budget and schedule.
  - c. The proposed revegetation plan - for consideration of consistency with the Conservancy’s Invasive Spartina Project.
  - d. Documentation that all permits and approvals necessary to the completion of the project components have been obtained.
  - e. A signing plan acknowledging the Conservancy’s funding of the project components.
3. Prior to the disbursement of funds to CSPF for the habitat restoration and environmental education facilities components of the project, CSPF and the California Department of Parks and Recreation (DPR), the owner of the project site, have entered into and recorded an agreement sufficient to protect the public interest in the project under Public Resources Code Section 31116(c) and providing access to the project site and authorizing the project work.
4. Prior to the disbursement of funds by ABAG for the Bay Trail component of the project, ABAG shall submit the following for the review and written approval of the Executive Officer:
  - a. The names and qualifications of any contractors to be retained to carry out the project component.
  - b. A detailed work plan, including a final budget and schedule.
  - c. Documentation that all permits and approvals necessary to the completion of the project component have been obtained.

- d. A signing plan acknowledging the Conservancy's and WCB's funding of the project component.
5. Prior to the disbursement of funds by ABAG for the Bay Trail component of the project, ABAG and DPR, the owner of the project site, have entered into and recorded an agreement, providing access to the project site and authorizing the project work, and by which DPR agrees to maintain in perpetuity the portion of the Bay Trail constructed under the project.
6. All project work shall be undertaken in full compliance with the requirements of all permits and approvals and CSPF and ABAG shall assure implementation of all relevant mitigation measures and the relevant portions of the mitigation monitoring and reporting program contained in the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the project (attached to the accompanying staff recommendation as Exhibits 2a and 2b), adopted by DPR on June 5, 2006."

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 the purposes and criteria set forth in Chapter 4.5 (Sections 31160-31165) of Division 21 of the Public Resources Code regarding the enhancement of natural resources of, and improvement of public access to, the San Francisco Bay Area.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 25, 2001.
3. The proposed authorization will serve greater than local needs, by providing for public access to the shoreline and by restoring critical habitat for special status wildlife species that are of national concern.
4. The California State Parks Foundation is a statewide nonprofit organization existing under Internal Revenue Service Code Section 501(c)(3) whose purposes are consistent with Division 21 of the California Public Resources Code.
5. The Conservancy has independently reviewed the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program, attached to the accompanying staff recommendation as Exhibit 2a and 2b, which was adopted by the California Department of Parks and Recreation on June 5, 2006, and finds that there is no substantial evidence that the project, as mitigated, will have a significant effect on the environment, as defined in 14 California Code of Regulations Section 15382."

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**PROJECT SUMMARY:**

Staff recommends the Conservancy authorize disbursement of \$3,316,911 to the California State Parks Foundation (CSPF) for the purpose of implementing Phase 1 of the Yosemite Slough

Restoration Plan (the Plan). Phase 1 of the Plan involves restoring and enhancing 11.5 acres of tidal wetland, providing a visitor center and public trails and interpretive signage at Yosemite Slough, located in the Candlestick Point State Recreation Area (Candlestick Point SRA). Phase 1 covers the northern areas of the project site, depicted in Exhibit 1b as areas "A" and "B". Candlestick Point SRA is owned and managed by the California State Parks Department (DPR).

Additionally, the proposed authorization would enable the Association of Bay Area Governments (ABAG) and the Bay Trail Project to fund the construction of 1130 feet of Bay Trail along Yosemite Slough connecting Candlestick Point SRA to Hunters Point using \$172,000 in Conservancy funds previously authorized for San Francisco Bay Trail projects.

When complete, the *full* restoration project would increase the existing tidally influenced area from nine acres to 20 acres. It would create two isolated bird nesting islands (including one designed specifically for special status species), provide nursery areas for fish and benthic organisms, transitional and upland areas to buffer sensitive habitats, create more than 5,000 feet of new interpretive trails with five vista points, an approximately 1,200 square foot multi-use interpretive center with restroom facilities, 2.5 acres of passive public use areas, parking for 30 vehicles and 2 buses, new access to the restored area, and additional amenities including fencing, lighting, benches and drinking fountains. The restoration design, which would include re-vegetation, would also address soil contamination issues arising from previous fill activities that could affect human and wildlife health. (See Site Plan, Exhibit 3.)

Because restoration of the entire site is expected to cost in the range of \$21 million to \$28 million, a phasing plan has been developed. Depending on available funding, the project could be implemented in one, two or three phases. Based on fundraising results and current expectations for additional funding, Phase 1 of work under the Plan, for which funding is proposed under this authorization, will be comprised of restoration of the northern area. Phase 1 includes the following elements: creation of the sandy beach nesting island, native wetland habitat, and transitional and upland areas; construction of public access parking, a segment of the Bay Trail, and an outdoor environmental education facility; and creation of the open grassy public recreation area. It also contains the area at the most westerly end of Yosemite Slough, which is scheduled for removal of debris and non-native plant species, and enhancement of existing habitats. (Exhibit 3)

Beginning in the northern area will allow the best coordination with other projects immediately adjacent to the southern end of the project site, which may include the building of a new football stadium and mall. Construction on the northern site is estimated to begin in the spring of 2007 and will be completed by the spring of 2008.

In addition to habitat enhancement, the proposed project would construct a segment of the Bay Trail, connecting Yosemite Slough and Candlestick Point Recreation Area to the Bayview and Hunters Point neighborhoods. Although Yosemite Slough is located in a state park that was set aside for environmental protection and public enjoyment, approximately 30 percent of the park's waterfront is completely inaccessible to park visitors. The proposed project is part of a comprehensive effort to restore wetlands and wildlife habitat and clean up chemically impacted areas in the park, while providing greater access to the park's waterfront. In addition to increasing access, the project will create high quality recreational and educational experiences for all park visitors and increase economic opportunities in the Bayview and Hunters Point neighborhoods.

The restoration site is part of the Pacific Flyway and serves as important foraging habitat for migrating and wintering shorebirds. According to a wildlife study of Yosemite Slough conducted by Arc Ecology, Golden Gate Audubon and the University of San Francisco between January 2003 and April 2004, a total of 148 species inhabit the Yosemite Slough watershed, including 118 bird species. On any given day, it is possible to see more than 2,300 birds at the site, including uncommon Bay Area bird species including the red-throated loon (*Gavia stellata*), red-necked grebe (*Podiceps grisegena*), white-winged scoter (*Melanitta fusca*), black oystercatcher (*Haematopus bachmani*), solitary sandpiper (*Tringa solitaria*), wandering tattler (*Heteroscelus incanus*), and spotted sandpiper (*Actitis macularia*).

Yosemite Slough was historically a biologically diverse wetland ecosystem, as was much of San Francisco Bay, and it suffered much the same fate as many other wetland areas that were converted to urban uses. In the 1950s and 1960s fill was placed over the project site to provide space for industrial and residential development. Yosemite Slough consists of a remnant channel within the original tidal marsh. Much of the fill material was contaminated with heavy metals and other hazardous materials and, as part of the project restoration activities, will need to be excavated and disposed off-site. The community of Bayview-Hunters Point lies immediately to the north and northeast of Yosemite slough, and is heavily impacted by the contaminated soil and water on the project site and on and around the adjacent former Hunters Point Naval Shipyard property. For the benefit of both humans and wildlife, these contaminated bay lands need to be remediated and restored to functioning ecosystems.

The California State Parks Foundation is the only statewide non-profit organization dedicated to protecting, enhancing and advocating for California's State Parks. The California State Parks Foundation is an independent, non-profit 501(c)(3) membership organization. The Foundation raises funds from members, corporations and foundations to improve and expand park programs and facilities, with special emphasis on environmental education, diversity, volunteerism and stewardship. CSPF and the California Department of Parks and Recreation (DPR) jointly plan and collaborate on park improvement projects. CSPF raises funds and obtains and manages grants for projects on DPR property in coordination with DPR staff.

**Site Description:** Yosemite Slough is located in the northern section of Candlestick Point State Recreation Area (Candlestick Point SRA) and is flanked by industrial uses. As mentioned above, the slough has been subjected to gradual filling for residential and industrial uses over the years, starting in the mid-1800s until about 1972 when the current shoreline became established. Fill material at the site is likely partially derived from Franciscan bedrock in the site vicinity. Soils common in the Franciscan Complex, are known to contain higher concentrations of chromium and nickel than soils developed from other rock types. The historical, industrial, and commercial uses of the project site and surrounding vicinity may have also contributed to contaminants in the soil and groundwater.

The site contains utility corridors for several sewer lines and the slough is a discharge location for storm/sanitary water overflow via three outfalls, or combined sewer outfalls. The current Yosemite Slough consists of a remnant channel within the original tidal marsh.

Candlestick Point SRA, a 252-acre park, is located on the southern boundary of San Francisco County. (See site location map, Exhibit 1.) Candlestick Point SRA provides a variety of

recreation opportunities, such as hiking, bicycling, fishing, windsurfing, and picnicking, which are primarily offered in the southern portion of the park. Existing facilities in the SRA include the DPR offices, community gardens, walking trails, open lawns, fishing access, and a restroom. The park provides structured programs such as intertidal walks, bird walks, and fishing instruction programs to schools and other groups on request.

The park is adjacent to industrial and urban neighborhoods. The decommissioned Hunters Point Naval Shipyard is immediately to the north of the SRA, and the Bayview and Hunters Point neighborhoods lie to the northwest. Monster Park (formerly Candlestick Park and 3Com Park) sits to the immediate southwest of the SRA. Efforts are currently underway to negotiate an agreement with the U.S. Navy to clean up the heavily contaminated waterfront parcels immediately adjacent to Yosemite Slough.

**Project History:** In 1987 the California Department of Parks and Recreation developed an amended General Plan for the Candlestick Point SRA, and identified Yosemite Slough as a high priority for restoration, and recommended that Yosemite Slough be restored to natural habitat. The updated General Plan was completed by the CSPF in 2001 and adopted by DPR in 2002.

In the fall of 2002 the CSPF completed a feasibility study of restoring habitat on the site. The Yosemite Wetland Restoration Feasibility Study was published in January 2002. The purpose of the report was to examine the potential and feasibility for wetland restoration at and around the Yosemite Slough area. Three alternatives were developed that provided various levels of contaminated soils and nonnative vegetation removal, as well as restoration of natural habitats. The alternatives included: 1) Alternative A: Seasonal / Brackish Water Ponds, 2) Alternative B: Mixed Tidal Wetlands and Seasonal Ponds, and 3) Alternative C: Tidal Salt Marsh with Isolated Nesting Island. The plan reviewed constraints associated with contaminated fill, existing infrastructure (utilities and buildings), non-native plants and feral animals, debris, tidal hydrodynamics, and storm water discharge for each alternative.

The Feasibility Report concluded that Alternative C is the preferred alternative as it meets most of the goals and objectives of the *Candlestick Point SRA GP* and provides the greatest benefits to local and regional natural resources, including providing the greatest area of tidally influenced wetlands. The creation of an isolated nesting island for special status species and refuge island would benefit those species and local wildlife. The nursery areas for fish, increased areas for benthic organisms, and transitional and upland areas to buffer sensitive habitats would result in increased habitat diversity. The public interpretive trails and passive public use areas with an environmental education center would be beneficial to the surrounding community while having the least impact on the restored habitat.

The feasibility study concluded that a Phase 2 Environmental Site Assessment (ESA) would need to be undertaken to assess the level of hazardous materials on the site. In 2003 the Conservancy approved a grant to CSPF to prepare the Phase 2 ESA, create a hydrologic model of Yosemite Slough and South Basin, and develop the plan for wetland and other habitat restoration on the site. The Phase 2 ESA and hydrologic modeling was completed in summer 2005, and that information, along with extensive community input, formed the plan for restoring Yosemite slough. The plan is now complete and CSPF is ready to begin construction in the spring of 2007.

The Yosemite Slough site covers a total of 34 acres. The northern area, which is the area proposed to be improved as Phase 1, covers 24 acres. Of those 24 acres, 7 will be restored to tidal wetlands and the remaining 17 acres will be restored to transitional and upland areas, including riparian habitat. Yosemite Slough has been colonized by non-native *Spartina* and has been treated to eradicate the infestation through the Conservancy's Invasive *Spartina* Project. Revegetation of the site will be closely coordinated with the Invasive *Spartina* Project.

Extensive soil testing and analysis done in the Phase 2 ESA indicated the types of contaminants and their locations. As a result of that testing, 200,000 cubic yards of material will need to be excavated. Approximately one-third of the excavated material can be remediated on-site using bioremediation techniques, and another third can be treated and capped and left on the site, but sequestered from human contact. The remaining one-third of excavated materials needs to be disposed of off-site. Half of it is debris such as concrete, deteriorated cars and household items that have been dumped on the site, and the other half is hazardous waste that will be removed to a Class I landfill which is licensed to handle such materials.

**PROJECT FINANCING:**

Coastal Conservancy (this authorization)	\$ 3,242,700
Coastal Conservancy (previously approved for Bay Trail)	\$172,000
S.F. Clean Water Program Fees (deposited into SCC acct.)	<u>\$74,211</u>
<b>Total Conservancy Funds</b>	<b>\$3,488,911</b>

Other funds raised to-date:

City/County of San Francisco	<u>\$2,400,000</u>
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**Total Funds Secured** **\$5,888,911**

**Phase 1 (North Area) Restoration Total** **\$11,735,558**

**Balance Needed** **\$5,846,647**

Anticipated funding from other sources:

Consolidated Grant Program of Regional Water Quality Control Board	\$1,000,000
Integrated Waste Management Board	\$500,000
Private Funders	\$5,000,000

The bulk of the Conservancy's contribution to the restoration component of the project (\$3,000,000) is expected to come from funding provided to the Conservancy through a grant from the Wildlife Conservation Board (WCB). Under the grant agreement with WCB, the Conservancy may use these funds for wetland habitat restoration projects within the nine-county San Francisco Bay Area that implement the restoration goals of the San Francisco Bay Joint Venture ("SFBJV") and the *San Francisco Baylands Ecosystem Habitat Goals Report* ("Goals Report") and that meet the priorities of the Conservancy as described in Section 31162 of the Public Resources Code. In addition, any proposed project must, under the WCB grant

agreement, be a “high priority” project as identified in the grant agreement or otherwise authorized as a priority project by WCB in the “Memorandum of Understanding” between WCB and the Conservancy that is required before any project may move forward.

The WCB grant funding, in turn, is derived from an appropriation from the Water Security, Clean Drinking Water, Coastal Beach Protection Fund of 2002 (Proposition 50), The Proposition 50 funds were appropriated under the specific authorization found in Section 79572(c) of the Water Code and may be used for the general purpose of acquisition, protection and restoration of coastal wetlands and adjacent upland areas and specifically for projects in the San Francisco Bay Area that accomplish the objectives of the Conservancy as specified in Section 31162 of the Public Resources Code.

The project meets the criteria of the WCB grant agreement and the related requirements of Proposition 50 in all respects. As required by the WCB grant agreement and Proposition 50, the proposed project serves to restore habitat adjacent to the San Francisco Bay through restoration of coastal wetlands and adjacent areas and the construction of associated educational facilities. Further, the project is one that implements the goals of the SFBJV Goals Report and squarely meets the priorities and objectives of the Conservancy found in Section 31662 of the Public Resources Code, as detailed under the heading “Consistency with Conservancy’s Enabling Legislation”, below. The project is also specifically conditioned on the execution of a Memorandum with WCB by which WCB authorizes the project as an “approved high priority project” under the existing WCB grant agreement.

The remainder of the funding (\$74,211) for the restoration component of the project is expected to be derived from Bay Conservation and Development Commission (BCDC) permit mitigation fees. Pursuant to a BCDC permit for the construction of a sewage transport facilities near Candlestick Point, the City and County of San Francisco’s Clean Water Program was required to pay for mitigation of environmental impacts caused by that construction. According to the permit, the mitigation fee must be used for the “...creation of 20,000 square feet of tidal marsh or mudflat along the San Francisco or San Mateo County Bay shoreline.” Pursuant to agreement with the Conservancy, BCDC will transfer these funds to the Conservancy for use in this project, which is consistent with the required use of the funds.

Funding for the educational facilities component of the project (\$242,700) is expected to come from a Fiscal Year 2004-2005 appropriation to the Conservancy from Proposition 50. Proposition 50 authorizes the use of these funds for development of facilities to promote public access and participation in the conservation of land, water and wildlife. Eligible projects under Proposition 50 include nature centers, like the proposed project, that are in or adjacent to watersheds and wetlands and provide wildlife viewing, outdoor experiences, and conservation education programs (California Water Code, Section 79571).

The source of the previously-authorized Conservancy funds for the Bay Trail component of the project (\$172,000) is an appropriation to the Conservancy from the “California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002” (Proposition 40). This funding source may be used for the deployment and development of land and water resources in accordance with the provisions of the Conservancy’s enabling legislation, Division



21 of the Public Resources Code. As discussed below, the Bay trail component of the project is consistent with Chapter 4.5 of Division 21.

The Conservancy funding is matched by almost \$2.4 million in funding already secured by the City of San Francisco. The additional funding needed for completion of Phase 1 is expected to be provided from a combination of public and private grants, as indicated in the funding breakdown above. CSPF is vigorously pursuing these funding opportunities and expects confirmation this fall. Full funding is expected to be in place by winter, 2007.

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

The proposed project is undertaken pursuant to Chapter 4.5 of Division 21 of the Public Resources Code (Sections 31160-31165), which authorizes the Conservancy to undertake projects and award grants in the nine-county San Francisco Bay Area to public and private agencies and organizations.

Consistent with §31162, the proposed project, located along the shores of San Francisco Bay, will help to achieve several of the primary goals of the San Francisco Bay Area Conservancy Program by: providing public access to and along the shoreline without adversely affecting wildlife (31162(a)); protecting, restoring and enhancing natural habitat areas (31162 (b)); assisting in implementing the Bay Plan and DPR's General Plan for Candlestick Point SRA (31162 (c)); and providing open space to an urban population for recreational and educational purposes (31162 (d)). In addition, the project satisfies all of the five criteria for determining project priority under §31163(d), as follows: (1) The proposed project will help implement Candlestick Point SRA's General Plan; and help implement the Bay Trail plan; (2) The project is located on the Bay Trail and next to a state park, both of which serve regional visitors; (3) The project is ready to begin construction in spring 2007; (5) Funding is currently available from both public and private sources and the Conservancy's funds will be leveraged by over 300 percent through funding from other sources.

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

Consistent with **Goal 10, Objective A**, this project will restore and enhance 20 acres of wetlands.

Consistent with **Goal 11, Objective A**, this project will provide recreational facilities and an interpretive center.

Consistent with **Goal 11, Objective B**, this project will add a segment to the Bay Trail and connect to urban open space.

## **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 supported by San Francisco Mayor Gavin Newsom, Assemblymember Mark Leno, and Congressional Representative Nancy Pelosi. Additional letters of support are included in Exhibit 4.
4. **Location:** The project is located on San Francisco Bay, within the jurisdiction of the San Francisco Bay Area Conservancy Program.
5. **Need:** This project includes wetland restoration, public access via the Bay Trail, an interpretive center and support facilities such as a parking lot and restrooms. The Conservancy is uniquely positioned to assist with the funding of any of these elements of the project, whereas many other funders will focus on only one. Without Conservancy assistance, the full complement of project elements will not be implemented.
6. **Greater-than-local interest:** This project is located on property owned and managed by DPR as part of a functioning state park, Candlestick Point SRA, and is located on the regional Bay Trail., both of which will attract regional and national visitors.

### **Additional Criteria**

7. **Urgency:** Yosemite Slough is severely contaminated and should be cleaned up as soon as possible for the sake of human and wildlife health.
8. **Resolution of more than one issue:** This project will restore wetlands and provide other valuable wildlife habitat as well as create a recreation destination point.
9. **Leverage:** See the "Project Financing" section above.
12. **Readiness:** This project is ready to move into the first phase of construction by spring 2007
13. **Realization of prior Conservancy goals:** "See "Project History" above."

## **CONSISTENCY WITH SAN FRANCISCO BAY PLAN:**

The proposed project is consistent with Bay Plan policies 3 and 4 regarding public access in that the Bay Trail has been aligned in keeping with the planned restoration of the site to avoid any negative impacts to wildlife. Bay Plan policies regarding fish, other aquatic organisms and wildlife stress the importance of tidal wetlands and other wildlife habitat and encourage their restoration whenever possible. This project is also consistent with those policies.

## COMPLIANCE WITH CEQA:

The California Environmental Quality Act (CEQA), Public Resources Code Sections 21000 *et seq.*, requires consideration of potential environmental effects of agency actions and approvals, unless exempt. Under CEQA, a responsible agency that will fund project activities considers potential environmental effects of the project activities that the agency will approve. 14 California Code of Regulations, Section 15096(d).

In December 2005, DPR, acting as lead agency, circulated an Initial Study and Mitigated Negative Declaration (Exhibit 2a) for the Yosemite Slough Restoration Project. After responding to comments, the California State Parks Commission certified the Mitigated Negative Declaration for the Yosemite Slough Restoration Project (MND), consistent with CEQA. The final MND incorporates public comments and responses to those comments by DPR.

Under the proposed authorization, the Conservancy, a CEQA responsible agency, will provide funding for three project activities: the first phase of wetland restoration, the development and construction of the Bay Trail segment, and construction of the public interpretive center.

The project will restore 12 acres of tidally influenced area, and enhance 9 acres of degraded tidal wetland; create two isolated nesting islands and nursery areas for fish and benthic organisms; create transitional and upland areas to buffer sensitive habitats; provide 5,000 feet of trail with interpretive vista points; construct an interpretive center of approximately 1,200 square feet, including restrooms; create approximately 2.5 acres of passive recreation area; re-vegetate designated areas with native species; provide parking to accommodate approximately 30 vehicles and 2 buses; provide access to the restored area; install perimeter fencing, security/safety lighting, benches, and drinking fountains; and remediate contaminated soil areas.

The MND concludes that the restoration project may have potentially adverse environmental effects in the areas of aesthetics, air quality, biological resources, hazards and hazardous materials, hydrology and water quality, transportation and traffic, and utilities and service systems and identifies required mitigation measures to reduce those effects. The most extensive mitigation measures have to do with protecting biological resources, handling hazardous materials, and protecting water quality as discussed below. Proposed mitigation that will avoid, reduce, or minimize the possible effects of the project activities to a level of insignificance is as follows:

Aesthetics: In response to concerns about visual impacts to the area as a result of the construction of the visitor center and parking areas, DPR will design structures in keeping with the general character of the area and minimize visual impacts and glare.

Air Quality: To limit potential exposure of workers to toxic contaminants contained in fugitive dust particles, DPR or its contractors will develop a Risk Management Plan to guide soil-disturbing activities at the project site to ensure that chemically-impacted soils will not be exposed and pose a risk to people working and living in the area. Qualified DPR staff and/or its contractors will prepare a Health and Safety Plan that includes project-specific monitoring procedures for dust, and specific actions to be implemented if these action levels are exceeded. Qualified DPR staff or consultants will prepare a Soil Handling and Materials Management Plan (SHMMP), which will be incorporated into the Risk Management Plan. The SHMMP will identify the proper procedures for excavation,

handling, treatment, reuse and disposal of both chemically impacted and non-chemically impacted soils at the project site. In addition, best management practices for dust control will be utilized, in accordance with Bay Area Air Quality Management District rules and regulations.

Biological Resources:

With the exception of the burrowing owl, which was recently introduced to the site by the Audubon Society, the potential for presence of any special-status wildlife species within the Yosemite Slough project area is presently low, because of unsuitable site conditions. Nonetheless, upland and wetland habitat areas will be surveyed prior to the commencement of construction in order to avoid loss of any nesting special-status or migratory bird species.

No special-status plant species were observed within the project site during field reconnaissance surveys. Of the habitat types identified on the project site, only tidal salt marsh represents a sensitive, federally-protected habitat type, which will be increased substantially by the restoration. A small amount of existing tidal salt marsh will be temporarily displaced in locations where the existing slough margins are breached to connect to the proposed new embayments. This would result in an impact of approximately 0.05 acre, and would be self-mitigated by the project design. In addition, long-term biological monitoring of the project site will be required to ensure the protection and successful establishment of new habitats and associated species.

A DPR Environmental Scientist and/or a qualified biologist will conduct preconstruction surveys to verify the presence or absence of birds and their nests. If nesting raptors or protected passerines are found on-site, construction workers will adhere to existing California Department of Fish and Game avoidance guidelines.

Hazards and Hazardous Materials:

The proposed restoration project would involve inland excavation only, and no dredging would occur within the Slough. Limited grading along the slough banks would be undertaken to make the connection to the new embayments. This excavation along the margins of the Slough would occur with the least intrusion of existing canal habitat areas as possible. This design is intended to avoid disturbing any existing polychlorinated biphenyls (PCB) contamination in sediments within the slough.

The goal for soil concentrations in the wetland cover layer is to achieve mean concentrations that are near-ambient concentrations in San Francisco Bay sediments. Soils that do not currently meet the proposed screening criteria in the wetland cover layer would be excavated and removed and replaced either with soils that can be bioremediated or that meet established screening criteria. Screening criteria were established from various sources (e.g., Regional Water Quality Control Board (RWQCB) and the National Oceanic and Atmospheric Administration (NOAA)). Cut soils that do not meet appropriate criteria for reuse as wetland or upland cover would be placed in the uplands and covered with cut soils that meet appropriate uplands cover criteria, or would be disposed off-site in accordance with the SHMMP.

Construction of the proposed wetland is expected to generate approximately 263,000 cy of cut soils which would need to be classified and managed. An estimated excess of approximately 110,000 cy of cut soils would be generated that would be hauled off-site for disposal. During construction activities, soils for on-site reuse as wetland or upland cover would be screened to remove debris, stockpiled, and segregated for confirmation testing prior to reuse on-site.

To ensure that the deeper, chemically-impacted soil below the wetland layer soils (which would be left in place due to the infeasibility of removing all chemically impacted soils) would not be exposed in the restored wetland (e.g., through erosion from tidal action), prior to construction DPR will conduct an engineering analysis, including hydrodynamic modeling, to assess the wetland cover thickness necessary to protect against potential erosion due to tidal currents, rainfall, and runoff. The engineering design documents will also provide final details on the analysis of potential erosion processes, such that the wetlands and nesting islands will be designed and placed in a manner that would reduce erosion potential.

To ensure that chemically-impacted upland soils are not exposed to human contact (e.g., due to runoff of surface soils), DPR will prepare and implement an Erosion Control Monitoring Plan (ECMP). The ECMP will be prepared in accordance with the National Pollution Discharge Elimination System (NPDES) permits requirements and the RWQCB non-point source control standards and will include established “best management practices”, such as silt fences, use of temporary sedimentation basins, and erosion control fabrics and hydroseeding during the winter season.

To ensure that there would not be any long-term disturbance and exposure of chemically impacted soils, DPR will prepare a Risk Management Plan (RMP) and require that all future contractors implement the RMP. The RMP will identify potential risks from chemicals of potential concern (COPCs) to future construction workers and site users and establish management practices to be followed during operation of the site as a park and during future site maintenance work. The RMP will specify measures to prevent exposure to potential receptors from COPCs.

Construction of the proposed project would require the use of certain potentially hazardous materials such as fuels, oils, and solvents which will be contained within vessels engineered for safe storage. Spills during onsite fueling of equipment or an upset condition (e.g., puncture of a fuel tank through operator error or slope instability) could result in a release of fuel or oils into the environment, including Yosemite Slough and subsequently San Francisco Bay. Implementation of a Spill Prevention and Response Plan will ensure the safe handling of potentially hazardous materials and provide containment procedures in the event of a spill.

During construction activities (e.g., grading), soil that contains hazardous materials would be disturbed and handled. To ensure protection of workers from exposure to concentrations of hazardous materials that could potentially cause adverse health effects, a Health and Safety Plan (HSP) will be prepared and implemented. The HSP will identify the policies and procedures to protect workers and the public from potential hazards posed by the handling of hazardous materials and will comply with applicable requirements of Title 8, California Code of Regulations, Section 5192, and the requirements of applicable regulations established by the California Occupational Safety and Health Administration.

Although soils containing hazardous materials will be handled within a quarter mile of a school (Harte Elementary School) during construction activities, mitigation measures requiring management of chemically-impacted soils in accordance with the SHMMP and HSP will ensure that construction activities will not generate hazardous emissions that would expose nearby school children to toxic levels of hazardous materials. Trucks carrying contaminated soils will not be hauled on roadways next to the school. Therefore, impacts would be reduced to a less-than significant level.

DPR or its consultants will be responsible for preparing the Erosion Control and Monitoring Plan, the Risk Management Plan, the Health and Safety Plan, the Emergency Spill Prevention and Response Plan, and the Soil Handling and Materials Management Plan. These plans will be developed prior to the beginning of construction, and monitoring will continue through the construction period, and in some cases, beyond.

Hydrology and Water Quality:

Stormwater facilities, including screens, filters and/or settling devices will be installed under the proposed parking lot and the existing, re-graded parking lot, which would collect and discharge stormwater from these areas into Yosemite Slough (associated with operation of the proposed project). These facilities will be designed in accordance with the State Water Resources Control Board's Nonpoint Source Pollution Control Program and with waste discharge requirements issued by and subject to the standards of the RWQCB, which will ensure that potentially significant impact associated with water quality degradation of Yosemite Slough and San Francisco Bay would be reduced to less than significant levels.

The proposed project would alter the existing drainage pattern of the project site through the restoration of tidal wetlands. Three new embayments and two nesting islands would be developed as part of the proposed project (see Figure 2-3 in Appendix B). The restoration would open up elevated lands recently unaffected by tides (since filling occurred) to tidal action and as such the new shoreline areas would be susceptible to erosion. In addition, it would create new islands that would similarly be exposed to tidal action, and new upland areas that would be exposed to rainfall and runoff. To the extent feasible, the restoration area would be designed to minimize erosion, through siting within stable areas (e.g., sandy nesting island) and planting of vegetation where possible (e.g., upland areas).

Construction activities would involve mass grading which could contribute to water quality degradation through sediment runoff. In addition, construction activities on the edges of Yosemite Slough may contribute to soil erosion directly into the slough or accidental release of fuels, oils, or grease from construction equipment. A temporary water intrusion barrier between the construction area and the slough, which would limit some of the construction-related sedimentation into Yosemite Slough, and implementation of standard best management erosion and sedimentation control techniques, and limitations on construction activities (e.g., restrict construction to non-rainy season) would reduce potential water quality impacts to Yosemite Slough to less than significant levels.

To avoid water quality degradation through sediment runoff during construction, contractors will not work along the shoreline (during connection of restored area to the slough) during high tides or rainy season (October 31 to May 1). DPR will be required to prepare a Storm Water Pollution Prevention Plan (SWPPP), which would specify best management practices to prevent construction pollutants from contacting storm water.

Transportation/Traffic:

Traffic conditions in the vicinity of the proposed project would be affected during construction by the introduction of increased truck traffic. These potential affects will be reduced to less than significant levels by requiring construction-related haul traffic to avoid Carroll Avenue and 3<sup>rd</sup> Street on Monday football game days.

Potential conflicts between bicyclists and trucks will be avoided by detouring bicycle routes during construction activities to ensure safety.

Utilities and Service Systems:

Approximately 110,000 cy of soil would be disposed of off-site. Nonhazardous wastes, including debris from the existing fill, would be disposed off-site at a permitted Class II or III waste disposal facility. Contaminated soils that would be disposed of off-site would be taken to an appropriate Class I or Class II waste management disposal facility. All facilities will be contacted prior to disposal to ensure that sufficient capacity is available to accommodate the construction waste.

Non-contaminated soils would be reused to the extent feasible or delivered to a Class III waste disposal facility, consistent with U.S. Department of Transportation (DOT), Office of Hazardous Materials Safety regulations related to handling and disposal of solid waste.

Prior to the start of construction, contractors will disclose the name and location of the permitted waste disposal facility that will accept the proposed project's Class I, Class II or Class III wastes.

Mitigation Monitoring and Reporting Program

In order to ensure proper implementation of the mitigation measures described above, DPR also adopted a Mitigation Monitoring and Reporting Program ("MMRP"). See Exhibit 2b. The MMRP outlines procedures and schedules for implementation of the mitigation measures, and requires compliance by DPR and its contractors. Under the Conservancy's resolution, CSPF and ABAG are required to assure implementation of the relevant mitigation measures and the relevant portions of the MMRP.

With these proposed mitigation measures and the MMRP, DPR concluded that potential environmental effects of the project activities would be avoided or reduced to less than significant. Conservancy staff has reviewed the MND and the MMRP adopted by DPR, and believes that the project to be funded by the Conservancy will not have a significant adverse effect on the environment. Thus, staff recommends that the Conservancy find that there is no evidence that the project has the potential for a significant effect on the environment as defined in 14 Cal. Code of Regulations Section 15382.

Upon approval, staff will file a Notice of Determination.