



November 8, 2007

To: Coastal Conservancy Members

From: Sam Schuchat, Executive Officer
Amy Hutzler, San Francisco Bay Area Program Manager

cc: Legislative Representatives

Re: Consideration and possible concurrence with the goals included by Save The Bay in its report, [Greening the Bay: Financing Wetland Restoration in San Francisco Bay](#).

BACKGROUND:

Save San Francisco Bay Association (“Save the Bay”), a California nonprofit organization, released *Greening the Bay: Financing Wetland Restoration in San Francisco Bay* in August of 2007 (Exhibit 1). The report identifies the lack of steady, reliable funding as the major obstacle to achieving the goals for restoring and enhancing wetlands around San Francisco Bay. In its report, Save the Bay cites the 1999 *Baylands Ecosystem Habitat Goals*, a blueprint developed by nearly 100 Bay Area scientists and resource managers that calls for expanding the existing 40,000 acres of tidal wetlands to achieve a goal of 100,000 acres of tidal wetlands around San Francisco Bay.

Greening the Bay describes the importance of wetland restoration projects for wildlife, flood management, erosion control, carbon sequestration, the economy, and clean water; tallies the estimated cost of the 13 largest restoration projects on 36,176 acres of land acquired for restoration and enhancement; describes the current challenges to securing adequate funds; documents the public support for Bay restoration and willingness to bear the cost; and presents three specific policy recommendations to address funding challenges.

Greening the Bay estimates that implementing wetland restoration and enhancement, monitoring the results, and operations and maintenance over the next fifty years on the 36,176 acres of land already acquired will cost about \$1.43 billion. Save the Bay notes that over 80 percent of the estimated expense is a one-time investment for planning, construction and monitoring of the restoration projects. The remaining amount is for operations and maintenance, security, public access facilities and protecting infrastructure at restored wetlands. The cost estimate does not include the future cost of purchasing, planning, restoring, and managing the additional 22,912 acres needed to reach the 100,000-acre goal. Approximately \$370 million has already been dedicated to wetland restoration around the

Bay, with \$254,140,000 for land acquisition and \$116,324,000 for planning and implementation. At least \$167 million of the \$370 million has come from state resource bonds, according to the report.

The report states that \$1.43 billion is equivalent to \$4 annually over 50 years for each Bay Area resident. In 2006, Save the Bay retained EMC Research to conduct a poll on public attitudes regarding paying taxes for wetlands restoration. The poll found that 83 percent of Bay Area residents would be willing to pay \$10 per year in taxes or fees to restore wetlands that would result in cleaner Bay water, provide flood control benefits, enlarge the San Francisco Bay National Wildlife Refuge and increase shoreline public access.

The Conservancy is leading or facilitating the restoration planning for four of the largest restoration projects in the San Francisco Bay: South Bay Salt Ponds, Napa-Sonoma Marsh, Hamilton Field/Bel Marin Keys, and Dutch Slough. These four projects total over 26,000 acres and have an estimated cost for implementation, monitoring, and operations and maintenance of over \$1.2 billion. Conservancy staff recognizes that a wide array of funding sources is needed to ensure the successful implementation and management of these restoration projects.

POLICY RECOMMENDATIONS:

Save The Bay makes three policy recommendations in *Greening the Bay*:

Recommendation 1: “Establish a regional special district to oversee Bay wetland restoration funding.”

Save the Bay recommends that a regional Bay special district “be established immediately to explore, promote and coordinate local and regional public fundraising mechanisms, and to develop priorities and sequencing for allocating funds.” While there are several ways for a special district to obtain funding, *Greening the Bay* states that “[a] promising option would be for the district to establish benefit assessments in communities adjacent to all or parts of the Bay.”

Save the Bay suggests that “[i]t would be efficient and appropriate to establish this special district with the California Coastal Conservancy’s San Francisco Bay Area Conservancy Program serving as the foundation. That program already has defined boundaries that encircle the Bay to include all nine Bay Area Counties, its mission and priorities emphasize restoring San Francisco Bay wetlands, it makes grants for these purposes from state bond funds and it already manages several large Bay restoration projects.”

Recommendation 2: “Target state and local resource bonds and other public sources to provide significant funds for Bay restoration.”

Save the Bay recommends that “future statewide natural resource bonds provide significantly more funding for San Francisco Bay restoration....” and that “local and regional entities consider raising funds to enhance their Bay shoreline, provide public access for their residents and create vital habitat.”

Recommendation No. 3: “The San Francisco Bay Area congressional delegation should make full funding of the San Francisco Bay National Wildlife Refuge Complex a high priority, so the nation’s largest urban wildlife refuge can meet its increasing land management and restoration responsibilities.”

Save the Bay recommends that greater federal funding be provided to the San Francisco Bay National Wildlife Refuge complex because, “funding...has not kept pace with the massive increase in its size and land management needs...” and “[t]his funding shortfall threatens the Refuge Complex’s ability to manage large, priority restoration projects within its boundaries, including the South Bay Salt Ponds...”

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 et seq. of the Public Resources Code:

“The State Coastal Conservancy hereby supports the goals noted in Save The Bay’s 2007 report, *Greening the Bay: Financing Wetland Restoration in San Francisco Bay*: specifically, examining the potential for establishing a regional special district to oversee Bay wetland restoration funding; obtaining additional public funds for Bay restoration; and informing the San Francisco Bay Area congressional delegation of the need for additional funds for the San Francisco Bay National Wildlife Refuge Complex.”

Staff further recommends that the Conservancy adopt the following finding:

“Based on the accompanying memorandum and attached exhibit, the State Coastal Conservancy hereby finds that this resolution is consistent with and will support implementation of the Conservancy’s statutory responsibilities under Chapter 4.5 of Division 21 of the California Public Resources Code.”

COMPLIANCE WITH CEQA:

Under the California Environmental Quality Act (“CEQA”) Guidelines, 14 Cal. Code of Regulations Sections 15378, a “project,” in relevant part, consists of an action that can cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change; and that is an activity directly undertaken or funded by a public agency, or an activity that involves the issuance of a permit or other entitlement. Under Section 15382, a “significant effect on the environment means a substantial or potentially substantial adverse change in land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance.”

Greening the Bay: Financing Wetland Restoration in San Francisco Bay states objectives for wetland restoration and the associated costs, and recommends possible funding sources. The report is descriptive and general, and the Conservancy’s support for the goals of the report does not provide for or authorize specific projects. The specific restoration projects described in the report may require extensive CEQA analysis and compliance; however, support for the objectives of the report does not constitute a project for purposes of CEQA.