

COASTAL CONSERVANCY

Staff Recommendation
November 19, 2020

**PRIORITY CONSERVATION AREA GRANT PROGRAM
ROUND 2**

Project Manager: Brenda Buxton

RECOMMENDED ACTION: Recommend to the Metropolitan Transportation Commission that five resource protection and public access projects be included in the Priority Conservation Area (PCA) Grant Program.

LOCATION: Counties of Alameda, San Mateo, and San Francisco (Exhibit 1)

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: [Project Location Map](#)

Exhibit 2: [October 17, 2019 Staff Recommendation](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31113 and 31160-31165 of the Public Resources Code:

“The State Coastal Conservancy hereby recommends to the Metropolitan Transportation Commission that the following projects (in geographic order) and recommended grant amounts totaling \$2,072,900 be included in the Priority Conservation Area Grant Program:

1. One million dollars (\$1,000,000) to the San Francisco County Transportation Authority for preliminary engineering and environmental documentation of Yerba Buena Island Multi-use Pathway in San Francisco County.
2. Five hundred thousand dollars (\$500,000) to the City and County of San Francisco to realign and improve existing trail network, including 1,226 linear feet of Ridge Trail, in order to control erosion, increase public safety, restore native plants, and provide interpretive and directional signs at Twin Peaks in San Francisco County.

3. One hundred thirty-five thousand one hundred dollars (\$135,100) to the City of South San Francisco to create a conservation and trail master plan for the 65-acre Sign Hill site in San Mateo County.
4. One hundred thirty-seven thousand nine hundred dollars (\$137,900) to the County of San Mateo for the San Bruno Habitat Conservation Grazing Pilot Program at San Bruno Mountain in San Mateo County.
5. Three hundred thousand dollars (\$300,000) to the West Oakland Environmental Indicators Project to plant trees and vegetation along transportation routes to buffer the community from air quality impacts, improve aesthetics, and reduce urban heat effects in the City of Oakland, Alameda County.”

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:

The proposed authorization is consistent with Section 31113 and Chapter 4.5 of Division 21 of the Public Resources Code, regarding the Conservancy’s authority to address the potential impacts of climate change and the resource and recreational goals of the San Francisco Bay Area Conservancy Program.”

PROJECT SUMMARY:

On October 17, 2019, the Conservancy adopted a resolution recommending that the Metropolitan Transportation Commission (MTC) include sixteen projects (see Exhibit 2 for October 17, 2019 staff recommendation) in the second round of the Priority Conservation Area (PCA) Grant Program, a program for which up to \$10 million was budgeted between MTC and the Conservancy. MTC accepted the Conservancy’s recommendation on November 20, 2019, and MTC and the Conservancy are pursuing grant authorization for these projects in accordance with their respective grant processes. Since the 2019 authorization did not expend the entire \$10 million budgeted, the Conservancy and MTC staff invited applicants who met the eligibility requirements but had not submitted full proposals to resubmit. Staff have reviewed these additional submittals and now recommend adding an additional five projects for inclusion into the second round of the PCA Grant Program (see Exhibit 1 for project locations).

This recommendation to MTC does not commit the Conservancy to funding any of these projects, but it indicates that at a future date, the Conservancy will consider funding some of these projects. The basis for recommending these five additional projects for inclusion in the PCA Grant Program is that each project will help further the goals of the San Francisco Bay Area Conservancy Program or address the potential impacts of climate change.

The PCA Grant Program was initiated by MTC in 2013 to provide funding to cities, counties, park districts, utility districts, and other agencies and non-profits to acquire, enhance, or improve designated PCAs. MTC has sought to take advantage of the Conservancy’s expertise in funding

projects that enhance or improve open space resources by requesting that the Conservancy recommend projects for inclusion in the program. In 2014, the Conservancy recommended 13 resource protection and public access projects for inclusion in the PCA Grant Program. MTC subsequently provided \$4,500,000 in federal transportation funds for these projects and the Conservancy provided \$2,450,000 in state bond funds. Additional background and history of the PCA Grant Program is described in the October 17, 2019 staff recommendation attached as Exhibit 2.

The purpose of the recommended projects is to acquire, enhance, or improve open space areas identified as PCAs in Plan Bay Area 2040. PCAs are areas through-out the Bay Area that provide agricultural, natural resource, scenic, recreational, public health and/or ecological values and ecosystem functions. PCAs were identified through a public planning effort that involved many Bay Area agencies, including the Conservancy. Plan Bay Area 2040 is the integrated long-range transportation and land-use plan for the San Francisco Bay Area. Administration of the PCA Grant Program in the North Bay counties (Marin, Napa, Solano, and Sonoma counties) is via their respective Congestion Management agencies. This staff recommendation focuses on the remaining Bay Area Counties (Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara Counties), for which the PCA Grant Program is anticipated to be jointly funded by both the Conservancy and the MTC. The Conservancy is working with MTC to implement this program because it furthers the San Francisco Bay Area Conservancy Program statutory goals of addressing the Bay Area’s resource and recreational goals in a coordinated, comprehensive, and effective way.

Based upon available funding, Conservancy priorities, and project management needs, Conservancy staff and MTC staff have tentatively divided the five additional projects between MTC and the Conservancy for future funding consideration. Four projects would be considered for funding solely with MTC’s local revenues or federal transportation dollars and one project would be considered for funding that combines the Conservancy’s state bond dollars and MTC funding. All projects, including the sixteen recommended on October 17, 2019 and the five described in this staff recommendation, taken together, will help implement the public access and trail improvements, open space protection, and natural resource enhancement goals of the Conservancy and MTC.

The four projects that MTC would consider for funding are below. If these projects are included in the PCA Grant Program, MTC will review and possibly approve grants for the projects. MTC staff will work with grantees to ensure the projects meet the requirements of the federal and state transportation funds.

1. One million dollars (\$1,000,000) to the San Francisco County Transportation Authority for preliminary engineering and environmental documentation of Yerba Buena Island Multi-use Pathway in San Francisco County.
2. One hundred thirty-five thousand one hundred dollars (\$135,100) to the City of South San Francisco to create a conservation and trail master plan for the 65-acre Sign Hill site in San Mateo County.

3. One hundred thirty-seven thousand nine hundred dollars (\$137,900) to the County of San Mateo for the San Bruno Habitat Conservation Grazing Pilot Program at San Bruno Mountain in San Mateo County.
4. Three hundred thousand dollars (\$300,000) to the West Oakland Environmental Indicators Project to plant trees and vegetation along transportation routes to buffer the community from air quality impacts, improve aesthetics, and reduce urban heat effects in the City of Oakland, Alameda County.

MTC and Conservancy staff identified one project that best met the Conservancy’s selection criteria and strategic plan objectives and would be the most suitable for direct Conservancy funding. This project is the Twin Peaks Trail realignment and improvement project which will construct 1,226 linear feet of Ridge Trail and control erosion, increase public safety, restore native plants, and provide interpretive and directional signs at Twin Peaks in the City of San Francisco. The Twin Peaks Project will be presented to the Conservancy for future funding authorization in a staff recommendation that will describe the project in greater detail; describe consistency with enabling legislation, strategic plan objectives, and project selection criteria; and include CEQA findings. Since the Conservancy does not have sufficient funding remaining in its PCA Program cost-share commitment to fully fund this project, it is anticipated that the grantee will obtain funding through MTC as well as the Conservancy after approval of the respective agencies.

Conservancy and MTC staff anticipate that funding recommendations will be presented to their respective organizations for authorization starting in early 2021.

PROJECT FINANCING

Coastal Conservancy	\$426,000
Coastal Conservancy (Oct. 2019)	\$1,374,000
Metropolitan Transportation Commission	\$1,647,000
Metropolitan Transportation Commission (Oct. 2019)	\$6,023,000
Grantee Matching Funds	\$19,144,800
PCA Round 2 Grants Total	\$28,614,800

A total of \$7,397,00 was recommended for PCA projects in October 2019 (Exhibit 2). A total of \$2,073,000 is proposed in this staff recommendation. Conservancy staff currently anticipate that the projects recommended for Conservancy funding will be scheduled for consideration in early 2021. Of the projects recommended for MTC funding, four projects have entered into a funding agreement and the remainder are currently under negotiation.

The anticipated sources of Conservancy funding for PCA Grant Program projects (to be authorized in subsequent Conservancy actions) are FY17 and FY19 appropriations of “Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act

of 2006” (Proposition 84, Public Resources Code Division 43, Chapters 1-13, Sections 75001-75130); and FY18 and FY19 appropriations to the Conservancy from the “California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018” (Proposition 68, Public Resources Code Division 45, Chapters 1-13, Sections 80000-80173).

Proposition 84 funds are available for San Francisco Bay Area Conservancy Program projects that protect and restore the natural habitat values of coastal waters and lands, and projects that promote access to and enjoyment of the coastal resources of the state (Section 75060(c)). Participation in the PCA Grant Program leverages Conservancy funding and enables the Conservancy, as provided in the San Francisco Bay Area Conservancy Program, to “address the resource and recreational goals of the San Francisco Bay area...in a coordinated, comprehensive, and effective way” (Pub. Res. Code Section 31160).

Proposition 68 allocates funds for projects that enhance and protect coast and ocean resources including projects that are consistent with the purposes of the San Francisco Bay Area Conservancy Program at Division 21 of the Public Resources Code. (Pub. Res. Code sections 80120(d)). As defined by Proposition 68, the term “protection” includes actions that will improve access to public open-space areas and actions to allow the continued use and enjoyment of property and natural, cultural, and historic resources. (Section 80002(l)). Thus, Proposition 68 can be used for proposed trail projects that are consistent with the San Francisco Bay Area Conservancy Program and that will improve public access to, and enjoyment of, San Francisco Bay.

In total, including the October 2019 recommended projects (Exhibit 2) and the projects identified in this recommendation, there will be twenty projects in the second round of the PCA program. Three projects are anticipated to be entirely funded by the Conservancy and are described in Exhibit 2. One project, the Twin Peaks Ridge Trail, is anticipated to be mostly funded by the Conservancy, with the balance of the funding from MTC. The Twin Peaks project is described above. The Conservancy’s contribution for these four projects will total \$1.8 million once all funds are authorized.

MTC’s funding totals \$7,670,000 for 16 projects plus the additional Twin Peaks project which MTC is partly funding. MTC’s funds are derived from local revenues provided through MTC’s regional exchange program. (MTC originally budgeted \$8.2 million but has reserved \$500,000 for administrative costs and \$30,000 for enhancements of the [Bay Area Greenprint](#).) In addition, federal transportation funding may be provided to qualified projects. PCA projects receiving federal transportation funds will work with Caltrans’ Local Assistance Program to access and meet the requirements of those funds. MTC will work with PCA project sponsors to determine the appropriate source of funding.

MTC and the Conservancy required a 2:1 minimum match requirement for PCA grant program funds, with any non-PCA funding being an eligible source of match, including Conservancy funds provided outside of this PCA grant program. For any project using federal funds, there is also a requirement that at least 11.47 percent of total project costs be funded by non-federal sources. Both of these minimum match requirements have been met by the grantees and have resulted

in a highly leveraged grant program, with a total of over \$19 million in matching funds applied to the twenty-one projects funded by the Conservancy and MTC.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

Four of the recommended projects for the PCA Grant Round 2 will help achieve the Conservancy’s goals for the nine-county San Francisco Bay Area as set forth in Sections 31160-31165 of the Public Resources Code, and one of the projects will address the impacts of climate change as authorized by Section 31113.

Three of the projects are either planning or implementation projects that will create or enhance public access, such as through the San Francisco Bay Trail or Bay Area Ridge Trail. These projects will help achieve two of the Conservancy’s goals under Section 31162. These two goals are to improve public access to, within, and around the bay, coast, ridgetops, and urban open spaces, consistent with the rights of private property owners, and without having a significant adverse impact on agricultural operations and environmentally sensitive areas and wildlife; and to promote, assist, and enhance projects that provide open space and natural areas that are accessible to urban populations for recreational and educational purposes. The proposed public access planning or construction projects are located entirely within the nine-county San Francisco Bay Area and are consistent with the rights of private property owners because the improvements are on publicly owned lands. The projects will improve public access to and around the bay and several will provide access to open space and natural areas. Thus, the public access projects will directly accomplish the two goals or, in the case of planning projects, makes significant progress in the planning and design stage that proceeds construction.

Another project, the San Bruno Habitat Conservation Grazing Pilot Program will use cattle grazing to reduce brush and tall grass in order enhance critical habitat for the federally endangered mission blue and callippe silverspot butterfly species. San Bruno Mountain provides some of the last available habitat available for these butterflies as well as rare and endangered plant species. This will help achieve the Section 31162 goal to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional importance.

The urban greening project in West Oakland is consistent with Section 31113 goals. This project will plant trees and vegetation along the freeway and other transportation corridors in order to reduce air pollution and heat island effects, absorb carbon, and improve community aesthetics, helping the community better withstand the impacts of climate change, including extreme heat events.

All of the proposed projects are appropriate for prioritization under the selection criteria set forth in Section 31163(c) for the following reasons:

- (1) All of the proposed projects are supported by adopted local and regional plans. In the grant application, each project was required to identify local plans and policies in order to be eligible.

- (2) The proposed projects serve regional constituencies by enhancing Priority Conservation Areas, which are resources of regional significance in the nine counties of the San Francisco Bay Area.
- (3) The proposed projects can be implemented in a timely manner. Applicants have demonstrated that their projects can be commenced immediately after funding and can be completed within three years.
- (4) The proposed projects provide benefits that could be lost if the project is not quickly implemented.
- (5) The proposed projects leverage matching fund since the applicants met the 2:1 matching requirement.

CEQA COMPLIANCE:

The proposed resolution recommends projects for inclusion in a grant program. The recommendation does not commit the Conservancy or MTC to fund any project and does not foreclose alternatives or mitigation measures for any particular project. CEQA review will occur before MTC or the Conservancy authorizes funding for any particular project. Therefore, considering the balancing described in the CEQA Guidelines at California Code of Regulations, title 14, section 15004, it is appropriate to undertake CEQA compliance at the time of a decision to fund a project rather than at the time of this recommendation.