

COASTAL CONSERVANCY

Staff Recommendation
February 3, 2022

SOUTH SAN FRANCISCO BAY SHORELINE STUDY, PHASE II

Project No. 02-070-07
Project Manager: Evyan Sloane

RECOMMENDED ACTION: Authorization to amend the Feasibility Cost Share Agreement authorized by the Coastal Conservancy on August 22, 2019 with the U.S. Army Corps of Engineers and the Santa Clara Valley Water District for a federal feasibility study for the Santa Clara County shoreline between San Francisquito Creek and Guadalupe River.

LOCATION: Cities of Palo Alto, Mountain View, Sunnyvale, and Santa Clara, Santa Clara County

EXHIBITS

- Exhibit 1: [August 22, 2019 Staff Recommendation](#)
Exhibit 2: [Original Feasibility Cost Share Agreement \(FCSA\)](#)
Exhibit 3: [Project Location Map](#)
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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 amend the existing Feasibility Cost Share Agreement (FCSA) with the U.S. Army Corps of Engineers and Santa Clara Valley Water District regarding a study of the Santa Clara County shoreline between San Francisquito Creek in the City of Palo Alto and the Guadalupe River in San José to increase the total budget, extend the study duration, and allow for advancement of funds.

Findings:

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

1. The proposed authorization remains consistent with Chapter 4.5 of Division 21 of the Public Resources Code, regarding the Conservancy's mandate to address the resource and recreational goals of San Francisco Bay Area.

2. The proposed project remains consistent with the Conservancy Project Selection Criteria and Guidelines.

STAFF RECOMMENDATION

PROJECT SUMMARY:

In 2006, the Conservancy, Santa Clara Valley Water District (formerly SCVWD, now referred to as Valley Water), and the U.S. Army Corps of Engineers (Corps) embarked on the South San Francisco Bay Shoreline Study (Shoreline Study). The purpose of this Study was to analyze the existing flood threat, potential for restoration or enhancement of wetland resources, and opportunities for public recreation along the Santa Clara County shoreline, and to develop recommended actions that could be federally funded. The Conservancy participated in the Shoreline Study because the Shoreline Study's geographic scope overlapped with the South Bay Salt Pond (SBSP) Restoration Project; completing this Study with the Corps and Valley Water created an opportunity for the Corps to provide federal funding for implementation of the restoration, flood protection, and public recreation goals of the South Bay Salt Pond (SBSP) Restoration Project in the geographic area of the Study. In 2016, the Shoreline Study moved into the implementation phase in the Alviso-San Jose sub-area and is now referred to as the Shoreline Project.

On August 22, 2019, the Conservancy authorized (Exhibit 1) entering a Feasibility Cost Share Agreement (FCSA, Exhibit 2) with the Corps and Valley Water for a federal feasibility study for the Santa Clara County shoreline between San Francisquito Creek and Guadalupe River (designated Economic Impact Area or "EIA" 11 in the attached Exhibit 3). This study is referred to as the South San Francisco Bay Shoreline Phase II Feasibility Study (Shoreline Study, Phase II). The Conservancy and Valley Water are the joint non-federal sponsors under the FCSA, coordinating and splitting costs with the Corps. The Shoreline Study, Phase II will outline a set of actions, eligible for federal cost sharing, that will address habitat restoration and enhancement, flood risk reduction and recreation. It is likely that the Shoreline Study, Phase II will recommend implementation of actions that help implement the SBSP Restoration Project's long-term restoration plan or habitat goals outlined in other regional wetland planning efforts.

The deadlines and budget in the FCSA require amendment. Additional time and funds are needed to coordinate with many stakeholders (City of Palo Alto, City of Mountain View, Federal Aviation Administration, San Francisco Bay Restoration Regulatory Integration Team, and the public); conduct hydraulic, economic, and geotechnical modeling and analyses; and complete a higher level of environmental analysis and engagement to satisfy the rigorous regulatory requirements for Bay Area projects. The Corps has received official approval to increase the total study budget to \$6 million and to extend the total study duration to approximately six years. The Shoreline Study, Phase II's new scheduled completion date is April 2025, which includes a 12-month pause in study activities due to lack of federal funding.

Staff recommends the Conservancy authorize an amendment to the original FCSA with the Corps and Valley Water. The updated FCSA reflects the increase in the Shoreline Study, Phase II's cost from \$3 million to \$6 million with the non-federal sponsors contributing half (i.e. \$3

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million). Although the FCSA obligates both non-federal sponsors, Valley Water and the Conservancy, to pay the non-federal share of the Shoreline Study, Phase II, the Conservancy is not contributing to the required non-federal share at this time. Valley Water will provide the \$3 million required non-federal share using funds generated by a 2012 local funding measure: Clean Safe Water and Natural Flood Protection. However, as planning proceeds, if Conservancy staff determine that some of the technical analyses required by the Study are a high Conservancy priority, staff will seek Conservancy authorization to fund those technical analyses at that time. This would reduce Valley Water's required contribution to the non-federal cost share.

The amended FCSA also allows the Coastal Conservancy and Valley Water to advance non-federal sponsor funds.

Site Description: The Shoreline Study, Phase II is focused on the Santa Clara County shoreline from San Francisquito Creek to Alviso Mountain View Slough and Permanente Creek in Mountain View and includes the Palo Alto Flood Basin.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:

The proposed project remains consistent with the October 2, 2014 version of the Conservancy's Project Selection Criteria and Guidelines, as detailed in the August 22, 2019 staff recommendation (see Exhibit 1).

PROJECT FINANCING

Coastal Conservancy	\$0
Santa Clara Valley Water District	\$3,000,000
U.S. Army Corps of Engineers	\$3,000,000
Project Total	\$6,000,000

The Conservancy does not anticipate contributing directly to the Shoreline Study, Phase II costs other than in-kind staff costs to participate in planning efforts. If the need for Conservancy funding arises, Conservancy staff will seek Conservancy authorization for funding.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project remains consistent with the Conservancy's enabling legislation, as detailed in the August 22, 2019 staff recommendation (see Exhibit 2).

CONSISTENCY WITH CONSERVANCY'S [2018-2022 STRATEGIC PLAN](#) GOAL(S) & OBJECTIVE(S):

The proposed project remains consistent with **Goal 12, Objective C** of the Conservancy's 2018-2022 Strategic Plan, to develop plans for restoration of tidal wetlands and other bay habitats.

CONSISTENCY WITH SAN FRANCISCO BAY PLAN:

The Shoreline Study, Phase II is under the permit jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC). The proposed project remains consistent with the BCDC's San Francisco Bay Plan (Reprinted March 2012), as detailed in the August 22, 2019 staff recommendation (see Exhibit 2).

CEQA COMPLIANCE:

As a feasibility study, this project is exempt from CEQA review under 14 California Code of Regulations Sections 15262, which exempts planning and feasibility studies for future actions that have not yet been approved and 15306, which exempts basic data collection, research, and resource-evaluation activities which do not result in a serious or major disturbance to an environmental resource.

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