MEMORANDUM

DATE: August 29, 2019

TO: Governing Board
   San Francisco Bay Restoration Authority

FROM: Moira McEnespy, Program Manager; Jessica Davenport, Deputy Program Manager
       San Francisco Bay Restoration Authority

SUBJECT: Amendment of Grant Program Guidelines; and Authorization to Release the 2019 Proposal Solicitation and Grant Application Form

Staff recommends that the San Francisco Bay Restoration Authority (Authority) amend the Grant Program Guidelines (Grant Guidelines) and authorize the release of the 2019 Proposal Solicitation and Grant Application Form (Application). These documents include the proposed edits that were discussed in draft form at the June 7, 2019 meeting of the Authority’s Governing Board, plus a few additional minor changes. The revisions reflect feedback from the Authority’s Independent Citizens Oversight Committee (OC) at its May 30, 2019 meeting and were presented to and discussed with the Authority’s Advisory Committee (AC) at its June 28, 2019 meeting. The June and September 2019 Governing Board meetings, along with the OC and AC public meetings, constitute four public opportunities for comment over four months of review of the coming year of grantmaking activities.

Background

The Authority last adopted amendments to the Grant Guidelines in September 2018. The Grant Guidelines are a summary of the requirements of the San Francisco Bay Restoration Authority Act (Restoration Act) and the language included in the San Francisco Bay Clean Water, Pollution Prevention, and Habitat Restoration Measure (Measure AA), as well as some explanation of how the Authority will apply them.

The Authority released a Proposal Solicitation and Application for Round 2 of the Measure AA grant program in September 2018. The Proposal Solicitation and Application provide additional guidance on project eligibility and evaluation criteria.

The Measure AA grant program has now gone through two grant cycles. Project proponents submitted applications, staff and members of the AC reviewed applications, staff prepared recommendations, and the Governing Board approved grant awards for Round 1 in April 2018.
and February 2019. Staff recommendations for grant Round 2 are being brought to the Governing Board for approval from June through December of 2019.

During the past year, staff recognized the need to better serve and engage economically disadvantaged communities, provide more information about beneficial reuse of dredged material in habitat restoration projects as an eligible activity, and capture performance measures in the application. Proposed revisions based on these are shown in the three attached, updated redline versions of the documents.

- Draft Grant Program Guidelines (Attachment 1, Exhibit A)
- Draft 2019 Proposal Solicitation (Attachment 2, Exhibit A)
- Draft 2019 Grant Application (Attachment 2, Exhibit B)

A brief summary of key issues and suggested edits is provided below.

1. Key Issues

   **Equity Improvements**

   The Governing Board and the AC have both expressed a strong commitment to achieving the Measure AA goal of prioritizing projects that benefit economically disadvantaged communities (EDCs). Staff hired an equity consultant in February 2019 to assist staff and the AC in gathering more input from community representatives in EDCs and other equity experts. The consultant worked with the AC to frame the issues, conducted several interviews with community-based equity experts and AC members, and conducted focus groups. Meanwhile, at its June 2019 meeting, AC members suggested adding a pre-proposal phase to the grant cycle and providing technical assistance to proponents of projects that would benefit EDCs. Staff looks forward to working with the AC to use the consultant’s newly released report to develop a comprehensive recommendation on equity improvements by the end of this year. This recommendation is expected to include actions that can be initiated in early 2020, as well as changes to the grant program that will affect Grant Round 4 in the fall of 2020.

   In the interim, staff proposes extending the application due date for Round 3 to give applicants more time, as suggested by equity experts, and adding a reference to tips for meaningful community engagement.

   **Use of Dredged Material in Restoration Projects and Channel Design**

   The Authority received several applications in Round 1 and one application in Round 2 for funding some or all of the cost of bringing dredged material to subsided restoration sites, but reviewers encountered difficulty in evaluating the efficacy, suitable costs, and eventual benefits of these proposals. Staff recommends adding guidance for such projects to the Grant Guidelines, including clarifying the need for an application to be tied to a specific restoration site and describing the ecological benefits of using the dredged material on that site.

   The suggested additional text related to dredging was provided by AC member Roger Leventhal, who pointed out that, because dredging has ecological impacts, using a design approach to
creating a channel that works with the tides to become more self-sustaining over time would result in much lower impact to the aquatic environment.

**Performance Measures**

Although Measure AA does not require reporting on performance measures (expected project outcomes), staff implemented the AC recommendations on performance measures when developing the annual report for FY 2017-18 (presented to the Governing Board at the February 2019 meeting). Staff realized during report preparation that it would be more efficient to use the application to collect performance measure data, rather than contacting grantees later to request the data, and so recommends adding several additional fields to the application. This has the added benefit of enabling application reviewers to consider performance measure data in the context of the project purpose. (It will not directly influence scoring.)

The additional performance measures shown in underlined text below are intended to capture data that will be used to report on progress toward the strategic outcomes identified and publicized during the Measure AA campaign. The goal is to engage the public in the same way they were engaged during the campaign by using the same measures of success, as well as showing progress toward the 20-year targets. This approach was suggested by AC members Mike Mielke and Adrian Covert, as well as Peggy McNutt of the Resources Legacy Fund, and was endorsed by the Oversight Committee in its report to the Governing Board.

2. **Summary of Edits Proposed in June 2019, with Additional Minor Changes**

The majority of proposed edits are the same as those presented in draft form to the Governing Board in June 2019. In the list of proposed edits below, additions proposed since June are indicated with underlined text and deletions since June are shown with struckthrough text.

**Proposed Edits to the Grant Program Guidelines:**

- Adjusted release date.
- Added reference to the State Coastal Conservancy’s *Tips for Meaningful Community Engagement*.
- Added information about beneficial use of dredged sediment in habitat restoration projects as an eligible project activity.
- Added information about the potential for the Authority to fund the dredging costs of restoration projects that incorporate dredging into the design of a restoration or enhancement effort, and where the design approach creates sustainable geomorphic processes that reduce the need for future dredging of a creek or tidal channel.
- Added an explanation of the Authority’s use of performance measures, including performance measure data collection in the grant application.
- Moved the information about mitigation project eligibility from “Greatest Positive Impact” section to the section on additional eligibility considerations.
Proposed Edits to the Proposal Solicitation:
- Extended the time period from the release of grant program materials to the application due date from two to three months.
- Added reference to the State Coastal Conservancy’s *Tips for Meaningful Community Engagement*.
- Added reference to information about beneficial use of dredged sediment in habitat restoration projects as an eligible project activity.
- Added statement that the Authority may also consider funding projects that incorporate dredging into the design of a restoration or enhancement effort, where the dredge design approach is based on sustainable geomorphic processes using best available science.
- Added instructions related to providing performance measure data in the application.

Proposed Edits to the Application:
- Adjusted release and due dates.
- Changed the Project Type box to Measure AA Program Areas.
- Added the following boxes to collect performance measure data:
  - Acres of subtidal habitat to be restored
  - Acres of baylands habitat to be restored
  - Acres of upland habitat to be restored
  - Acres of beach habitat to be restored, maintained and/or enhanced
  - Acres of managed ponds to be maintained and/or enhanced
  - Acres of tidal marsh complex (includes tidal marsh and associated tidal flat and shallow bay) to be restored
  - Acres of other bayland habitat to be restored
  - Acres of seasonal wetlands to be restored, maintained and/or enhanced
  - Acres of shellfish beds to be restored
  - Acres of submerged aquatic vegetation to be restored
  - Acres of other subtidal habitat to be restored
  - Acres of upland habitat to be restored
  - Miles of levee to be constructed
  - Miles of Bay Trail expected to be designed
  - Miles of Bay Trail expected to be constructed
  - Miles of other trail expected to be designed (non-Bay Trail)
  - Miles of other trail expected to be constructed (non-Bay Trail)
  - Number of Water Trail sites expected to be designed
  - Number of Water Trail sites expected to be constructed
  - Species targeted for restoration
  - Number of youth expected to be engaged
  - Number of public access facilities expected to be completed (non-trail facilities, such as picnic areas, piers, parking lots, restrooms, and natural play spaces)
  - Number of volunteer hours expected to be contributed
  - Number of unique volunteers expected to participate in restoration
- Added a box for Assessor’s Parcel Number (Acquisitions Only)
Recommendation

Staff recommends the Authority adopt Resolution 60, approving amendments to the Grant Guidelines, Proposal Solicitation, and Application; and Resolution 61, authorizing the release of the 2019 Proposal Solicitation and Application.