



Making San Francisco Bay Better

February 5, 2009

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SUBJECT: 2008 Annual Report

I am pleased to provide you with the 2008 annual report of the San Francisco Bay Conservation and Development Commission (BCDC). This report summarizes the activities we have carried out to implement the McAteer-Petris Act, the Suisun Marsh Preservation Act, the federal Coastal Zone Management Act and the California Oil Spill Prevention and Response Act. We hope this brief report demonstrates how BCDC is aggressively addressing the impacts of climate change as we fulfill our dual goals of making San Francisco Bay a more productive estuarine ecosystem and advancing the economic vitality of the region that surrounds the Bay.

BCDC was established in 1965 as the nation's first state coastal management agency. Under the Commission's stewardship, the century-long diking, draining and filling that had reduced the Bay's size by one-third has ended. Over the past 43 years over 24 square miles of Bay habitat have been restored, public trails and parks have been opened along 117 miles of the Bay shoreline, and over \$16 billion in productive waterfront development has been built. Last year alone we approved \$552 million in new development, which will make another 6.5 miles of the Bay's waterfront available for public use and enjoyment. The wetland restoration projects we approved in 2008 will enlarge the Bay by 961 acres.

Although BCDC was created primarily to prevent the Bay from getting still smaller from unneeded landfill projects, global warming has presented a new challenge for us: accelerated sea level rise will make the Bay larger. To illustrate this problem, we have produced maps showing that more than 200 square miles of low-lying filled land along the Bay shoreline is vulnerable to flooding. Our efforts have helped inspire the Bay region to take a leadership role in addressing climate change by both embracing aggressive measures to reduce greenhouse gases and preparing to adapt to the unavoidable impacts of global warming. To provide the legal underpinning needed for BCDC to meet the challenges of the 21st century, state legislation was enacted in 2008 that directs us to work with other agencies and organizations to develop a comprehensive climate change strategy for the Bay Area.

Despite the long-term strength and resiliency of the Bay Area's economy, our region has not been able to escape the impacts of the worldwide economic recession. The pace of development around the Bay has slowed markedly. As a result, last year we processed only 73 regulatory applications, the second lowest annual level in our history.

To supplement the attached statistical summary of our work in 2008, following are some of our most important accomplishments last year.

- We continued our well-received and much publicized transformation of BCDC from an agency that deals primarily with Bay management into an international leader in the development of a regional strategy for dealing with climate change and particularly sea level rise. As part of this initiative in 2008 we accomplished the following:
 - We sponsored state legislation that was carried by Assemblymembers Mark DeSaulnier and John Laird to give us the explicit authority to address climate change and sea level rise in our planning work. The enactment of this legislation (AB 2094) also made BCDC a voting member of the Joint Policy Committee, which is coordinating efforts of the four Bay Area regional agencies that have responsibility for air quality, transportation and land use planning and Bay management in developing a regional climate change strategy.
 - We initiated a wholesale revision of our *San Francisco Bay Plan* to address climate change. This revision is part of our ongoing program to keep the Plan, which guides us in making our regulatory decisions, up-to-date and based on the best scientific information.
 - In partnership with the Association of Bay Area Governments, the San Francisco Bay National Estuarine Reserve and the Bay Area Air Quality Management District, we hosted a successful, well-attended local government forum where we demonstrated an approach for determining which areas and resources are vulnerable to the impacts of climate change.
 - We worked with our sister agencies in the California Natural Resources Agency in formulating an ocean and coastal climate change adaptation strategy.
 - In cooperation with our colleagues at the San Francisco Estuary Project, we were able to secure the U.S. Environmental Protection Agency's designation of the Bay as one of six pilot projects in the EPA's Climate Ready Estuaries Program. As a result of this designation, EPA will provide research and assistance in developing programs for addressing the impacts of climate change on the Bay. EPA has also made a \$600,000 grant for scientific and engineering studies of innovative wetland restoration and shoreline protection strategies.
 - We convened a forum of scientists and agency staff to discuss Bay-related climate change research needs and reach consensus on research priorities.
 - We accepted an invitation to become a partner in the San Francisco Business Council on Climate Change, which is advancing the goal of reducing greenhouse gas emissions in the Bay Area.
 - Our staff partnered with the National Oceanic and Atmospheric Administration, the Danish International Development Assistance Program and the World Wildlife Fund to develop a curriculum for teaching coastal and marine resource managers and coastal hazard professionals in developing nations how to begin the process of developing strategies for addressing climate change. Our staff traveled to Vietnam to present this curriculum to that nation's coastal managers.
 - To take advantage of Holland's centuries of experience in protecting low-lying areas from flooding, we entered into a unique partnership with The Netherlands. With funding provided by the Dutch government, experts from Holland and the United States will meet at a symposium in San Francisco to discuss climate adaptation strategies.

- Using financial support provided by the National Oceanic and Atmospheric Administration, we are sponsoring an international design competition to generate innovative design solutions, effective ideas and strategies for adapting to the impacts of sea level rise when building communities and managing natural resources along the San Francisco Bay shoreline.
- We dealt with the following significant regulatory issues last year:
 - We authorized the initiation of two components of the massive South Bay Salt Pond Restoration Project: the restoration of wetlands by the California Department of Fish and Game on a 5,500-acre property in Hayward and Union City; and the restoration of wetlands on 9,600 acres of property owned by the U.S. Fish and Wildlife Service located within five cities and three counties in the South Bay.
 - In a separate action, we released \$488,000 from a special fund we control so the money can be used to support the creation of wildlife habitat in the South Bay Salt Pond Restoration Project.
 - We approved a permit for the construction of 158 houses, an elementary school, a neighborhood park and a wetland restoration project in the Redwood Shores community of Redwood City.
 - We authorized modifications to a natural gas production well in the Suisun Marsh.
 - We authorized maintenance dredging at the San Francisco Marina.
 - To overcome a legal challenge against a private property owner that his facilities were not fully accessible to people with disabilities, we allowed the private dock, gangway and supporting pilings to be removed from Richardson Bay in Mill Valley.
 - Finding that an appeal of a Suisun Marsh Development Permit did not raise a substantial issue, we sustained Solano County's decision allowing the continued operation of a pet cemetery in the secondary management area of the Suisun Marsh.
 - We voted to support a proposal by the Metropolitan Transportation Commission that would allow the roadway shoulder of the westbound lane of the Richmond-San Rafael Bridge to be used as a pathway for pedestrians and non-motorized vehicles during non-commute hours. We found that separating the pathway from the roadway by a moveable safety barrier would advance our goals of expanding the Bay Trail system and furthering alternatives to auto commuting. The California Department of Transportation believes the shoulder should continue to be reserved for future use as a travel lane.
 - We approved a stipulated agreement with the Golden Gate Bridge, Highway and Transportation District to resolve a series of violations at the District's Larkspur ferry terminal. In addition to correcting the violations and making substantial public access improvements, the District will provide free ferry rides for bicyclists on the weekends and Memorial Day in May 2009.
 - We approved a stipulated agreement with Pacific Marine Yachts to resolve violations at Pier 9 on the San Francisco waterfront.
 - We amended an agreement we reached in 2007 to settle a lawsuit dealing with the tardy completion of a marina construction project in Marin County. The settlement used financial incentives and penalties to hasten the completion of the project. The amendment allowed a short extension of time for the completion of a harbormaster building.

- We provided \$172,500 to the City of Benicia for the removal of four derelict barges from Benicia's waterfront. The funding was part of a mitigation package Caltrans created as a condition of our approval of the Interstate 80 bridge across the Carquinez Strait.
- We issued an emergency permit so a wharf at the Tesoro petroleum refinery in Martinez could be quickly repaired after it had been struck by a tug boat.
- ❑ We advanced a commitment we made to the regulated community to make our regulatory program as efficient, effective and expeditious as possible through the following:
 - We revised our permit fee schedule to make the fees more equitable in a manner that will generate more revenue for the state General Fund.
 - We revised our regulations that govern how we process dredging projects.
 - We amended our regionwide permits so they pre-authorize a wider range of projects and activities.
 - We redesigned our Web site so the public can more easily get information about our regulatory process, as well as all our other activities.
- ❑ We continued the many partnerships we have with other organizations to leverage our capabilities and integrate our programs with complementary efforts. Among the most important of these efforts were the following:
 - We agreed to add representatives from Sacramento, San Joaquin and Monterey counties to the Regional Airport Planning Committee, which we, the Metropolitan Transportation Commission and the Association of Bay Area Governments rely upon to guide our regional airport planning activities. This expansion will allow us to explore whether some air traffic can be accommodated at airports in outlying counties rather than building additional capacity at the Bay region's airports.
 - As part of the annual update of our strategic plan, which we use to guide the development of our budget and to set the work program for our staff, we agreed to partner with the Bay Planning Coalition in developing a strategy for assuring that adequate waterfront land remains available in the future for industry, maritime transportation and goods movement purposes.
- ❑ We began the difficult process of trimming our expenditures and reducing our staff as part of the state's overall effort to address California's budget crisis. General Fund support for four of our staff positions ended in mid-2008, but we were able to secure grants, reimbursements and other special funding so we could absorb this loss without having to lay off any of our staff. We have also instituted a proactive expenditure reduction plan that will generate \$100,000 in savings this fiscal year.
- ❑ Recognizing that San Francisco Bay and the Sacramento-San Joaquin Delta are a single estuarine system that requires an integrated management approach, we intensified our efforts to coordinate our planning for the Bay with those underway to plan for the Delta by offering extensive recommendations on governance that were incorporated into the final strategic plan adopted by the Delta Vision Task Force.
- ❑ We continued our program of receiving briefings that provide the Commission with a better understanding of other initiatives and programs with which we interact and a better grasp of the scientific research that we rely upon in making our policy and regulatory decisions. In 2008 some of the most important briefings were provided by:

- Dr. D. Ian Austin of URS Corporation on the feasibility of extracting renewable power from tidal flows in the Bay and wave action in the Pacific Ocean.
- Dr. Jeffrey Haltiner, an expert on new approaches to reduce water pollution through low impact development strategies.
- Joseph Grindstaff, the executive director of the CALFED program, on the planning activities in the Delta.
- Dr. Andrew Gunther, the executive director of the Center for Ecosystem Management and Restoration, on the current scientific research on global climate change.
- Marilyn Latta, the manager of the Subtidal Habitat Goals Project, on the status of this cooperative effort to formulate more definitive environmental objectives for the Bay.
- BCDC Commissioner Joan Lundstrom, the chair of the San Francisco Bay Harbor Safety Committee, on the steps that have been taken to improve vessel safety in the Bay since the oil spill that resulted when the container ship *Cosco Busan* struck the Bay Bridge in November 2007.
- Clifford Rechtschaffen, Special Assistant Attorney General, on the legal strategies being pursued by the California Attorney General's Office to address climate change.
- Dr. Stuart Siegel, the science advisor to the Delta Vision Task Force and the Suisun Marsh Charter Group, on the most recent scientific information about the Delta ecosystem.
- Bruce Wolfe, the executive officer of the San Francisco Bay Regional Water Quality Control Board, on the initiatives of the Board to improve water quality in the Bay.
- Representatives from the California Department of Transportation on the results of a pilot project to restore eelgrass habitat along the Berkeley shoreline. The project was undertaken to mitigate the impacts on eelgrass caused by the construction of the new eastern span of the San Francisco-Oakland Bay Bridge.

We look forward to the challenges and opportunities we will face in 2009 as we continue to work to make the Bay better for future generations.

Sincerely,

R. SEAN RANDOLPH
Chair

SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

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2008 ANNUAL REPORT

SUMMARY OF PERMITS, FILL AND MITIGATION ¹									
Year	Major Permits ¹		Minor Permits ²		Permit amend- ments	Net change in Bay surface ³ (acres)	Total Project cost ⁴ (\$000,000)	Public access ⁵ (acres)	Public access ⁵ (miles)
	granted	denied	granted	denied					
1970	12	1	66	0		- 72.0			
1971	26	4	61	0		- 25.1			
1972	12	3	80	0		- 7.0			
1973	17	1	71	0		- 4.4			
1974	20	0	107	1		+ 274.0			
1975	10	0	87	0		+ 5.0	100		
1976	14	0	110	0		- 2.2	43		
1977	20	0	116	0	104	+ 16.8	100	21.4	
1978	23	1	104	4	90	- 1.9	152	46.1	9.6
1979	34	0	120	2	103	+ 3.4	93	25.1	
1980	19	1	105	1	101	+ 30.0	470	134.0	
1981	23	0	134	0	125	+ 44.5	130	42.2	
1982	26	0	104	0	115	+ 262.0	379	27.0	5.0
1983	23	0	105	0	131	+ 5.0	395	26.0	6.0
1984	15	3	135	0	130	+ 12.0	97	12.0	7.0
1985	15	1	98	0	104	+ 60.0	200	35.0	6.3
1986	20	0	108	0	112	+ 11.0	639	35.0	5.1
1987	16	2	108	0	104	- 2.0	68	6.0	1.1
1988	17	1	119	2	137	+ 152.2	125	3.3	0.9
1989	17	0	114	1	144	+ 1.7	107	12.7	1.5
1990	17	1	112	0	151	- 1.5	127	12.7	2.0
1991	8	1	61	0	163	- 0.7	400	4.0	5.6
1992	10	1	84	0	140	- 1.6	97	10.4	1.9
1993	8	1	89	0	122	+ 50.1	26	0.2	0.3
1994	11	1	114	0	96	+ 1.6	383	264.0	6.9
1995	15	0	72	0	107	+ 549.6	136	2.8	0.9
1996	7	0	93	0	97	- 1.0	60	3.1	2.2
1997	14	2	109	0	94	+ 75.0	733	14.1	2.9
1998	15	1	109	0	130	+ 38.5	518	16.4	3.3
1999	10	0	103	0	124	+ 258.0	828	67.2	8.4
2000	21	0	85	0	141	+ 112.4	4,640	40.0	1.9
2001	14	0	67	0	67	+ 5,649.3	2,770	34.8	11.1
2002	6	0	75	0	103	+ 1.1	118	2.5	0.5
2003	11	0	59	0	79	+ 118.7	471	28.8	3.8
2004	7	0	74	0	95	+ 493.0	408	11.2	1.5
2005	8	0	57	0	93	+ 3,807.0	382	3.4	4.5
2006	1	0	35	0	114	+ 70.0	169	0.7	0.4
2007	8	0	52	0	71	+ 2,560.0	459	3.5	9.7
2008	5	0	39	0	73	+961.0	552	12.7	6.5
TOTAL	575	26	3,541	11	3,560	+ 15,503.5	\$16,375	958.3	116.8

¹Projects authorized by permits and federal consistency concurrences. Some authorized projects have not been built, and some projects may have been changed pursuant to subsequent permit amendments.

²Smaller projects approved administratively or under regionwide permits.

³The area of the Bay created or restored, including salt ponds converted to tidal action, less the area of the Bay authorized to be filled in major permits and major consistency determinations through 1987 and significant administrative permits and amendments thereafter.

⁴Major and minor permits only.

⁵Major permits only.

**SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION
2008 ANNUAL REPORT**

SUMMARY OF ENFORCEMENT ACTIVITIES	
Caseload at the beginning of 2008:	151
New cases opened in 2008:	37
Cases closed in 2008:	52
Caseload at the end of 2008:	136
Cease and Desist Orders issued:	1
Cases referred to the Attorney General:	0
Civil penalties received:	\$113,000

WORK PROGRAM AND BUDGET				
WORK PROGRAM	FY 07-08		FY 08-09	
	PY	\$000	PY	\$000
Core Program				
Permits/Consistency Determinations	11.2	1,385	10.1	1,211
Enforcement	2.5	276	2.0	246
General Planning	5.9	688	5.9	680
Executive, Legal and Legislative Support	5.6	769	5.6	764
Administration, Commission and Clerical Support	10.5	1,288	10.0	1,228
Total, Core Program	35.7	\$4,406	33.6	\$4,129
Special Fund Projects				
Enforcement (Bay Fill Clean-up Fund)	0.2	20	0.7	217
Permits (Federal Coastal Act Grant)	1.0	148	1.0	148
Enforcement (Federal Coastal Act Grant)	0.3	49	0.3	49
Assessment and Strategy (Federal Coastal Act Grant)	0.5	85	0.1	85
Climate Change (Federal Coastal Act Grant)	0.4	40	0.8	125
Water Quality (Federal Coastal Act Grant)	0.0	0	0.0	10
Federal Coastal Impact Assistance Program	0.0	0	0.0	170
Transportation Planning (Metropolitan Transportation Commission)	0.9	170	0.9	170
Oil Spill Prevention and Response Planning (Department of Fish and Game)	0.9	209	0.9	183
Transportation Project Review (Caltrans)	0.8	222	1.6	368
Wetland Restoration Planning (State Coastal Conservancy)	0.0	10	0.0	10
Total, Special Fund Projects	5.0	953	6.3	1,535
TOTAL PROGRAM	40.7	\$5,359	39.9	\$5,664
BUDGET				
Expenditures				
Personal Services		3,754		3,802
Operating Expenses and Equipment		1,605		1,862
Total Expenditures		\$5,359		\$5,664
Revenue				
General Fund		4,406		4,129
Bay Fill Clean-up and Abatement Fund		20		217
Reimbursements from Federal Grants		322		417
Reimbursements from Other Sources		611		901
Total Revenues		\$5,359		\$5,664