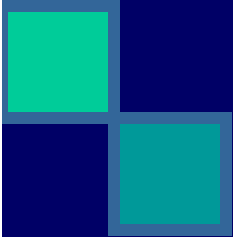



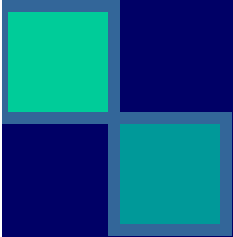



Why is RCS faster than HCP?

- 
- Still somewhat unknown
 - HCP requirements more strict
 - RCS more flexible
 - Less on predicting take
 - Less on changed circumstances
 - RCS based on Section 7:
 - 135-day requirement
- 

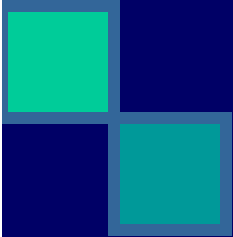



Why is RCS Cheaper than HCP?

- 
- Still somewhat unknown
 - HCP requirements more strict
 - RCS more flexible
 - Less on predicting take
 - Less on changed circumstances
 - RCS based on Section 7:
 - Less time = less \$
- 




What is a Mitigation Bank?

- 
- Willing land-owner sells a mitigation easement or credits to a developer
 - Larger area, ideal for species
 - Managed by “banker”
 - Used by projects that must mitigate
 - More efficient to manage
 - Better for species
- 




Why do this?

- The law requires a plan anyway
 - A one-time, comprehensive plan is better
 - Protects biodiversity, enhances life quality
 - Economic benefit to region:
 - less restraints on development
 - decreased mitigation costs
 - Simplified permitting process
- 




Why do this? (cont.)

- For the endangered species:
 - Provides better chance of survival
 - Provides better chance of recovery
- 




Why do this? (cont.)

- For the developer:
 - Provides predictability in permit process
 - Reduces mitigation costs
 - Provides streamlined permit processing
 - Reduces time to obtain permits
- 

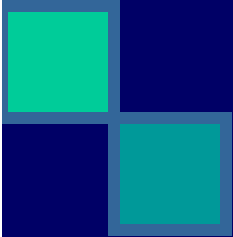



Why do this? (cont.)

- For the farmer:
 - Provides predictability in permit process
 - Reduces mitigation costs
 - Provides streamlined permit processing
 - Reduces time to obtain permit
- 




Why do this? (cont.)

- 
- For Ranchers and some landowners:
 - Provides mitigation banking opportunity
 - Provides predictability in permit process
 - Reduces mitigation costs
 - Provides streamlined permit processing
 - Reduces time to obtain permit
- 





Why do this? (cont.)

- For USFWS and CDFG:
 - Better chance of species survival
 - Better chance of species recovery
 - Reduced load on agency resources
- 




Why do this? (cont.)

- 
- For the local jurisdictions (city/county):
 - Better chance of species survival
 - Better chance of species recovery
 - Better service to citizens
 - Better management of local economy
- 



Why do this now?

- All stakeholders benefit from plan
 - The sooner, the better for all
 - There will always be changes in laws
 - No one can predict how laws may change
 - Waiting only provides more losses
 - More loss to species, more loss to owners
- 



Why is RCS better than HCP?



Why is RCS better than HCP? (cont.)

COMPARISON MATRIX


⊕

	#1 – R-HCP	#2 – Sonoma Strategy	#3 - Do Nothing (HCPs)
1. Topics Addressed	a) Project Description b) Species Description c) Predicted Take d) Changed Circumstances e) Adaptive Management f) Mitigation g) Funding h) Implement Agreement i) NEPA Assessment	a) Project Description b) Species Description c) d) e) Adaptive Management f) Mitigation g) Funding h) Implement Agreement i) NEPA Assessment	a) Project Description b) Species Description c) Predicted Take d) Changed Circumstances e) Adaptive Management f) Mitigation g) Funding h) Implement Agreement i) NEPA Assessment
2. Species Protection	5	5	3
3. Development Cost	<u>Appx.</u> \$3 - \$5 million once	<u>Appx.</u> \$2 - \$4 million once	<u>Appx.</u> \$3-\$6 mil. in 30 yrs
4. Implemented Cost	Perhaps \$3 - \$6 million/yr	Perhaps \$3 - \$6 million/yr	Perhaps \$3 - \$8 million/yr
5. Development Time	4 to 10 years, one time	4 to 6 years, one time	1 to 5 years, each project
6. Experience	22 years	none	22 years
7. Local Independence	90-95%	Unknown	0%
8. Legal Defensibility	Moderate to good	Unknown	Moderate to good
9. No Surprises Rule	Provided	Not provided	Provided
10. Critical Habitat	No impact	Some impact	No impact
11. Commitment	Unlimited (<u>typ.</u> 30 - 75 yrs)	Unknown	Unlimited
12. Grant Monies	Available (up to several %)	Not currently available	Available (up to several %)


How was development time/cost determined?



Jurisdiction	Development Time	Cost	Species Included	Area Covered acres	Acres Preserved
County of San Diego	6 years for R-HCP	\$6M	86	580,000	172,000
County of Riverside	6 years for R-HCP	\$6M	146	1,260,000	500,000
For perspective, here are the scopes of Sonoma and Santa Barbara Counties:					
Sonoma County	4 years, possibly 6	\$1-4M	4	80,000	4,000
Santa Barbara	1.5 to 3.5 years	\$1-3M	2 or 3	190,000	undetermined

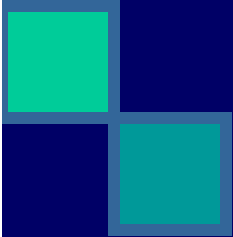



How was existing cost determined?

- Cost for RCS less than \$6 million
 - Assume development occurs next 30 years
 - Assume avg HCP/permit cost = \$50,000 ea
 - Need only 4 HCP's per year to = \$6 million
 - Consider there are 2,500 acres in Range:
 - undeveloped
 - zoned residential
 - unincorporated area alone
- 





What is Cost to Implement?

- 
- Typical to consider 30-year period
 - Cost estimated at \$3 to \$6 Million per year
 - Mitigation of potential development can provide this
 - Cost of doing nothing estimated at \$8 Million per year
- 






How do you get \$3-6M?

- 
- Can't be determined until preserve area known
 - Assume potential preserve area = 12,000 acre
 - Based on known breeding sites as of August 2001
 - Uses 2,200-foot radius for desired habitat
 - Approach used by others
- 

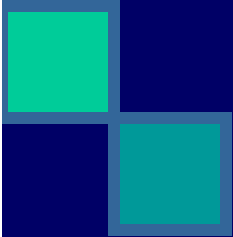



How do you get \$3-6M? (cont.)

- 
- 
- Assume this acreage costs \$30,000/acre
 - 12,000 acres @ \$30,000 = \$360 million
 - Use 30-yr sinking fund w/disc. rate of 6%
 - Thus annual cost = \$4.6 million per year
 - Est. preserve manage./monitor = \$1M/yr
 - $\$4.6 + \$1 = \underline{\$5.6 \text{ million/year}}$
- 



How do you cover the \$3-6M/yr?

- 
- There are appx. 2,500 acres that are:
 - within the CTS Range
 - undeveloped
 - zoned residential
 - in unincorporated areas alone
 - Assume new average mitigation ratio = 2:1
 - That provides 5,000 acres
- 



(cont.)

- 
- Need 7,000 acres more
 - Get from combination of:
 - Existing public lands
 - Undeveloped city lands
 - Other land use projects
 - e.g. potential agricultural conversions
- 




(cont.)


- There are appx. 126,000 acres that are:
 - within CTS range
 - zoned rural
 - undeveloped or currently used for grazing
 - **For demonstration only:**
 - Assume mitigation ratio for ag conv = 0.5:1
 - Need convert only appx 10% to get 7,000 ac
- 

How do you get \$8M?

- USFWS currently requires 3:1 typically
- 2,500 ac @ 3:1 = 7,500 ac => \$2.8M/yr
- Assume ag currently mitigated at 2:1 on avg
- 7,000 ac @ 2:1 = 14,000 ac => \$5.3M/yr
- Total cost over 30 years = \$8 million/year

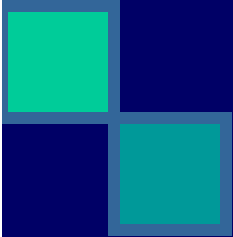



Why Re-Evaluate RCS Approach?

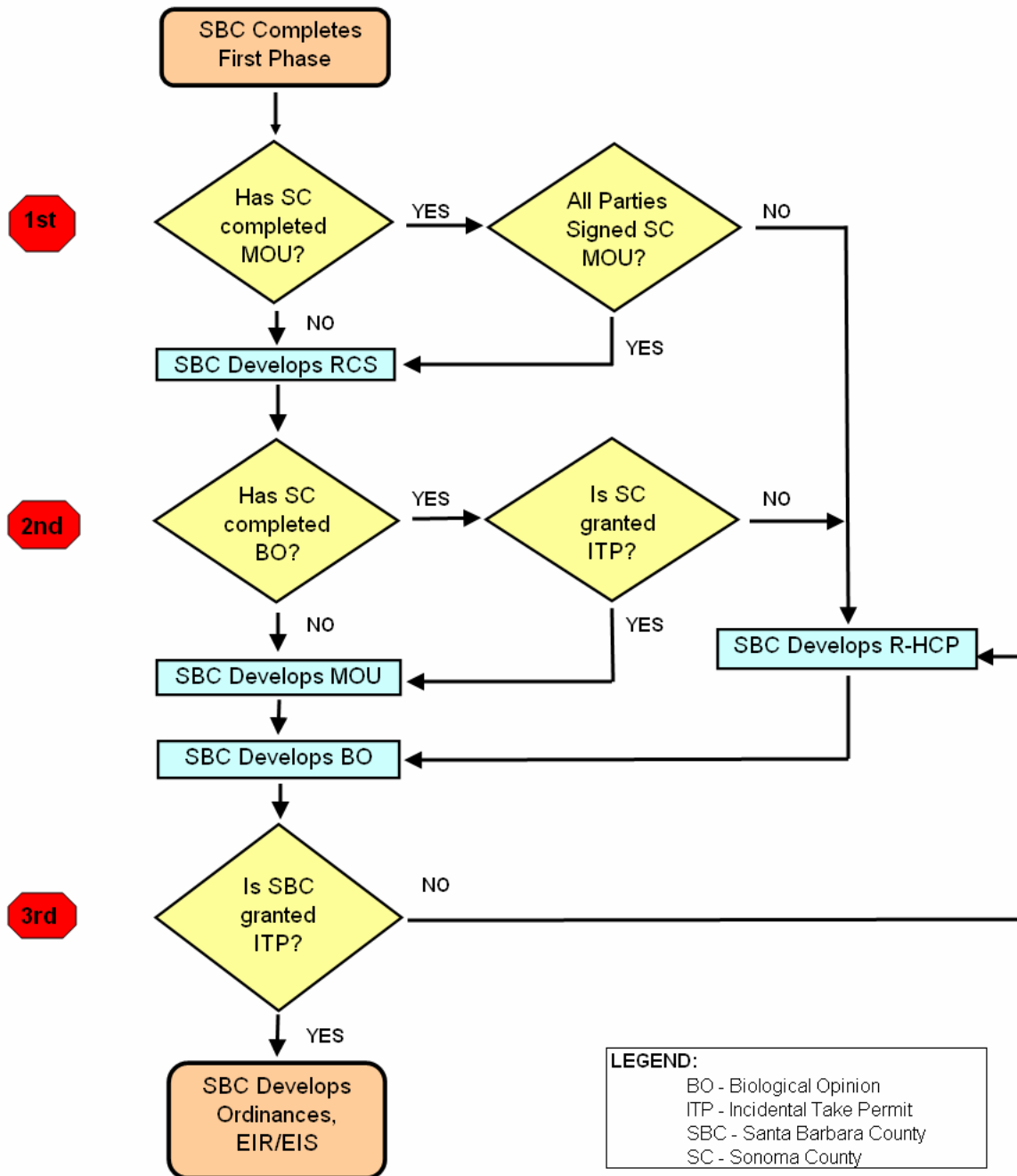
- Sonoma method unproven
 - US Fish & Wildlife Service evaluating
 - Sonoma has contingency to divert to HCP
 - Prudent for Santa Barbara to have same
-
- But early phases of RCS and HCP identical
- 



Why Re-Evaluate? (cont.)

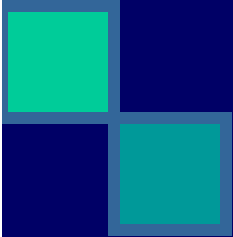

- 
- RCS and HCP give equal species protection
 - Thus consider goal of streamlined process
 - Obtaining programmatic take permit is key
- 

Evaluation Process For RCS Development



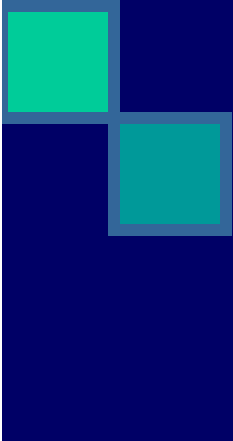


What is the Sonoma Approach?

- 
- ESA has two methods; Section 7 and Section 10
 - **Section 7** aimed at authorizing for federal actions
 - **Section 10** (HCP) aimed at non-federal activities
 - Similarity has triggered debate about application
 - Over time, difference between them has blurred
- 

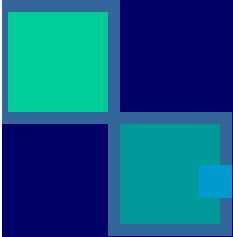



Sonoma Approach? (cont.)

- 
- MOU between USFWS & non-fed party provides nexus
 - Section 7 often desirable – faster and less expensive
 - practice has not been routinely or uniformly adopted
 - legal considerations not entirely settled with Solicitor
 - But unequivocal support of the courts

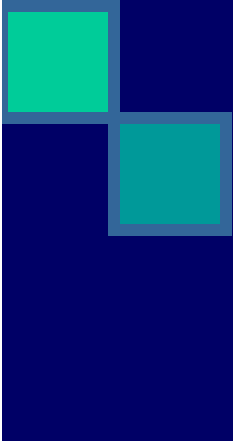



Sonoma Approach? (cont.)

- 
- regional, comprehensive plan using Section 7
 - initiated by developers
 - supported by environmentalists
 - Sonoma completed mitigation and preserve areas
 - currently preparing main document
- 

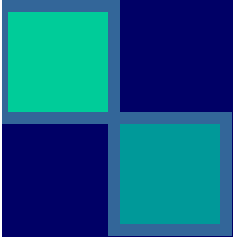



Sonoma Approach? (cont.)

- 
- Some issues remain on scope of the plan
 - They hope to finalize their approach this summer
 - Anticipate completing implementation in 2008
 - Approach appears to be applicable to the CTS Range in Santa Barbara
- 



How is Public Involved?


- 
- Public workshop to be held early on in process
 - Meeting minutes, other issues to be on internet
 - Draft document to be available on internet
 - Second public workshop on Draft RCS
 - Public review and comment on final RCS & EIR
- 



What Activities Covered by RCS?



New Activities.


- residential, commercial and industrial development
 - public projects and infrastructure (including linear ones)
 - agricultural conversion on undeveloped land, and
 - new recreational facilities.
- 



What Activities Covered by RCS?



Existing or Ongoing Activities.


- public & private operations and maintenance of
 - facilities
 - infrastructure
 - development
- 



What Activities Covered by RCS?



Compatible and Exempt Activities.

- minor development
 - certain existing agriculture and grazing activities
 - conversion to new, compatible agricultural uses
 - habitat management and passive recreation
- 

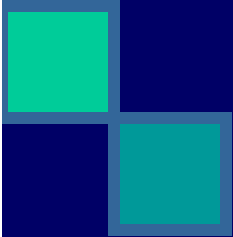



How is Preserve Area Acquired?

- RCS will identify measures to preserve habitat
- Jurisdictions adopt policies, procedures, and/or regulations to implement minimization and mitigation measures of the plan

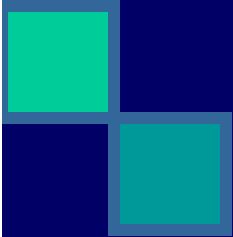


How is Preserve Area Acquired? (cont.)

- 
- Four typical ways to acquire:
 - Mitigation for development projects and other activities
 - Land set-asides for compatible activities (e.g. farmland for grazing), whereby a willing land-owner sells a mitigation easement to a developer
 - Publicly owned lands, if available (minor source)
 - Federal and State grants (minor source)
- 



How is Preserve Area Acquired? (cont.)


- 
- In any case, whenever land or easement must be purchased, it will be done so **only from a willing seller.**



How is Preserve Area Acquired? (cont.)



- San Diego's Approach:


- Needed 172,000 acres of preserve land
 - Distributed cost equally between three sources:
 - Lands already in public ownership
 - Acquisition from willing sellers, and
 - Developer contributions through development regulations and mitigation of impacts
 - Performed over 30 year period
- 



How is Preserve Area Acquired? (cont.)





- Sonoma's Approach

- Need 4,000 acres of preserve land
 - Current approach is to acquire through mitigation of development
 - Determined mitigation ratios based on:
 - number of acres that can be developed
 - Number of acres needed for preservation
 - Local jurisdictions pledge 20% of needed land
- 



What will RCS Plan Contain?

- 
- Potential Document Outline:
- 

- 
- Project Description
 - Species Description
 - Potential Take
 - Biological Goals and Objectives
 - Approach to Developing a Preserve System
 - Identification of the Preserve System
 - Basis for Identifying Preserve System
 - Biological Criteria
 - Selection of Listed Species to Include
 - Land Use Criteria
 - Preservation Goals
- 



Assembling the Preserve System

- Summary of policies and methods of preserve assembly
- Establishment of Designated Conservation Strategy Areas
 - Targeted Mitigation Areas
 - Identified Habitat Areas
 - Potential Habitat Areas
 - "No Effect" Areas
- Mitigation Obligations within Designated Conservation Strategy Areas
 - Activities occurring within Targeted Mitigation Areas
 - Activities occurring within an Identified Habitat Area (including within the urban growth boundary)
 - Activities occurring within Potential Habitat Areas
 - Activities occurring within "No Effect" Areas
 - Mitigation Obligations for Activities Not Subject to Local Discretionary Approval

- 
- **Likely Exemptions from Mitigation Requirements**
 - Single family homes
 - Operations and Maintenance Activities
 - Passive Recreation
 - Use and Maintenance of Trails
 - Compatible Agricultural Activities
 - **Role of Mitigation Banks**
 - **Preserve Assembly by Local Jurisdictions and Special Districts**
 - **Preserve Assembly by Federal and State Governments**
 - **Options for Non-financial Methods of Habitat Acquisition**
 - Private Land Donation / Land Trusts
 - Conservation Easements on lands used for compatible activities
- 