



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

701 OCEAN STREET, SUITE 310, SANTA CRUZ, CA 95060
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ALVIN JAMES, DIRECTOR

Agenda Date: September 18, 2001

Date: September 6, 2001

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Subject: Habitat Conservation Planning for the Zayante Sand Hills Area

Dear Members of the Board:

As your Board is aware, Santa Cruz County is home to a number of species listed as threatened or endangered under the federal and State Endangered Species Acts. These same species are also protected under the County Sensitive Habitat Protection Ordinance (County Code Chapter 16.32). The purpose of this letter is to apprise your Board of a number of issues which have arisen in one area of the county relative to local, State, and Federal land-use permitting when an endangered species is encountered, and to seek your authorization to discuss a potential remedy to these areas of concern with the City of Scotts Valley and the U.S. Fish and Wildlife Service (USFWS).

A number of State and federally listed endangered species are restricted in their occurrence to the Zayante sand hills ecosystem. According to the USFWS, over 40 percent of Zayante sand hills habitat is estimated to have been lost or altered as a result of human activities. This habitat, associated with the Zayante sand soil type, is found within the City of Scotts Valley, the San Lorenzo Valley, and in Bonny Doon. A map depicting the location of this soil type is included with this letter for your review as Attachment 1.

Building Permit applications received by the County Planning Department are reviewed to determine whether the site in question is likely to support species covered under the Sensitive Habitat Protection Ordinance. If State or federally protected species are known to inhabit the site or the likelihood for their occurrence is high, Planning staff consults with representatives from the USFWS to determine the types of mitigation those agencies may require. Over the past one to two year period, consultations with the USFWS regarding development in Zayante sand hills habitat have increasingly resulted in the need for the private property owner to prepare a Habitat Conservation Plan in order to satisfy the requirements of the federal Endangered Species Act.

The federal Endangered Species Act prohibits the "take" of a threatened or endangered species unless an "incidental take" permit is obtained. The Act defines the "take" of a listed species as any action which may harass or harm an individual of the species. Harm may include habitat modification resulting in death of, or injury to, an individual of the listed species through

impairment of essential behavior (e.g., nesting or reproduction). An “incidental take” permit for a non-federal project must be supported by a Habitat Conservation Plan (HCP) approved by the Service.

As indicated previously, an increasing number of individual property owners are finding that they must prepare an HCP in order to obtain permits for their development proposals, ranging from residential additions to construction of new single family dwellings. This requirement results in a significant regulatory burden for the applicant, as the process for preparing an HCP and obtaining an “incidental take” permit can be extremely expensive and time consuming.

Planning Department staff recently attended a meeting hosted by the USFWS for local agency representatives and owners of affected property in the Zayante sand hills habitat to discuss issues and concerns generated by the endangered species-related regulatory requirements discussed above. During that meeting, USFWS representatives indicated that they had identified three possible options for meeting the requirements of the Endangered Species Act: 1) Continue to have individual property owners prepare project-specific HCP's in order to support the issuance of “incidental take” permits; 2) Form a coalition of property owners for the purpose of preparing an HCP covering a wider area, thereby reducing costs to participating individuals; or 3) Seek participation by the County of Santa Cruz and the City of Scotts Valley to prepare an HCP covering the entire Zayante sand hills area. The property owners in attendance at this meeting, as well as the USFWS, felt that this latter option would likely have the greatest chance of being successfully completed and yield the most beneficial results, both for the affected individuals and for the conservation of the listed species.

If a joint HCP were prepared, the resulting document would provide the basis for an Implementation Agreement between the USFWS, the County, and the City of Scotts Valley. This Implementation Agreement would create a “regulatory umbrella,” under which the local jurisdictions could issue permits for development without the need for the applicant to obtain a separate “incidental take” permit, as long as the project incorporated mitigations contained in the approved HCP. In addition to cost and time savings which would accrue to permit applicants, preparation of an “area wide” HCP such as this would result in a coordinated approach to species conservation, an approach which is far superior to current attempts to preserve already fragmented habitat on a parcel-by-parcel basis.

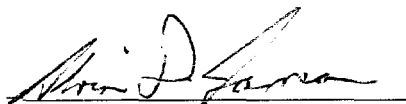
Subsequent to the meeting hosted by the USFWS, Planning Department staff attended a meeting convened by Supervisor Almquist with City of Scotts Valley representatives, including two City Council members, the City Manager, and the Planning Director. These representatives voiced support for preparation of an HCP for the Zayante sand hills by the County and the City of Scotts Valley. The Scotts Valley City Council will consider a report from their Planning Department on September 19th containing a recommendation to enter into more detailed discussions with the County and USFWS on this topic. Similarly, we are requesting that your Board authorize the Planning Department to participate in these discussions and to report back to your Board regarding the overall costs, cost sharing options, time line, and other pertinent information

regarding preparation of an HCP for the Zayante sand hills area in conjunction with the City of Scotts Valley.

On a related matter, your Board may recall that during budget hearings a year ago and again this year, the Planning Department submitted a supplemental budget request for \$15,000 to support a feasibility analysis relative to a county-wide HCP planning effort. Staff has been working with local groups concerned with fire safety issues. These issues involved a need to define a strategy for meeting local fire department requirements for vegetation clearance for fire safety purposes, while minimizing impacts on sensitive habitat. Out of that effort came a commitment to explore preparation of a "Fire Safe" HCP to address fire clearance activities in areas which support federally protect species (Attachment 2). A grant application, in the amount of \$90,525, has been submitted to the USFWS for their consideration. The funding application has been preliminarily approved by that agency's regional office and has been forwarded to Washington, D.C. for a final determination regarding eligibility. Should this grant application be approved for funding, we will return to your Board to obtain authorization to execute the agreement and initiate preparation of the "Fire Safe" HCP.

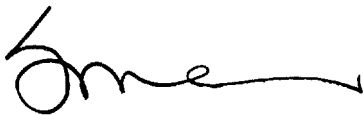
It is therefore RECOMMENDED that your Board authorize the Planning Department to explore various issues associated with the preparation of a Habitat Conservation Plan for the Zayante sand hills area with the City of Scotts Valley and the U.S. Fish and Wildlife Service and to report to your Board on the results of those discussions on or before November 6, 2001.

Sincerely,



Alvin D. James
Planning Director

RECOMMENDED



SUSAN A. MAURIELLO
County Administrative Officer

Attachments: 1. Map
 2. Supplemental Budget Request Report





PLANNING DEPARTMENT

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ALVIN D. JAMES, DIRECTOR

June 6, 2001

AGENDA: FY 2001- 02 BUDGET HEARINGS

Board of Supervisors
 County of Santa Cruz
 701 Ocean Street
 Santa Cruz, CA 95060

SUPPLEMENTAL BUDGET REQUEST FOR PLANNING

Members of the Board:

The following are the supplemental requests for the Planning Department. Certain items included in our Estimated/Actual expenditures will not occur this fiscal year and need to be re-budgeted to 2001-02. In addition, there is one grant which was received this year and was inadvertently excluded from the 2001-02 Request. Lastly, we are transferring 1 FTE position out to General Services to accommodate a reorganization and adding 1 FTE position to staff the Aptos Permit Center. Each of these requested changes is explained in detail below.

RE-BUDGETS

- 1 Global Positioning System (GPS) for Water Resources - The Water Resources staff need a GPS unit for field work associated with locating wells, gaging stations, culverts, and other physical features for analytical and computer modeling purposes. Staff solicited vendor information on available units and tested a model unit this fiscal year, but had not completed their evaluation prior to the cut-off date for fixed asset purchases for the current fiscal year. The E/A's included \$10,000 in the Flood Control District budget, an amount which needs to be re-budgeted to support the purchase of the GPS unit for the Water Resources Program in the 2001-02 fiscal year.
- 2 Watsonville Sloughs Grant - This project involves contract expenditures over a two year period. The full contract amount is included in our E/A's and next year's Request; however, the contractor is proceeding at a faster rate than we anticipated which requires a realignment between the two fiscal years. The changes reflect an increase of \$30,370 in this year's estimated expenditures for professional services, and a corresponding decrease in our professional services request for the 2001-02 fiscal year.

3. Habitat Conservation Plan Feasibility Study - An appropriation of \$15,000 was included in our 2000-01 fiscal year budget to fund a feasibility study for a County-wide Habitat Conservation Plan (HCP). The purpose of the feasibility study is to identify the cost and policy issues associated with the preparation of an area-wide HCP for consideration by your Board. As reported to your Board last October, this work program item was deferred pending the completion of other policy projects which were already underway and, because of staffing constraints described at the time. A few months ago, we received notification of the availability of competitive federal grant funds for local HCP's. Since we had not yet completed the feasibility study for a countywide HCP, we submitted a preliminary HCP proposal to address fire clearance issues as a first phase planning effort. We are awaiting further direction on the formal application process from U.S. Fish and Wildlife Service (USFWS). We anticipate a local match requirement, and suspect the \$15,000 in our E/A's may be needed to satisfy it. We included an additional \$15,000 in our 2001-02 fiscal year budget request to allow for both the feasibility study and the fire safe HCP planning effort to proceed next fiscal year.

If available, the grant could support development of a focused HCP to address an emerging problem associated with vegetation removal for fire safety purposes on individually developed properties and along common access roads. We have been working with fire agencies, property owners, environmental groups, and state and federal agency staff for several months to identify an appropriate method for resolving the conflict which arises from the removal of vegetation to abate a potential fire hazard, but which may also adversely impact habitat for a federally and/or state listed species.

We have not yet received any additional information from USFWS regarding our preliminary HCP proposal. Therefore, it is clear that we will not incur any grant related expenses as anticipated this fiscal year. In order to preserve the funds which were included in E/A's for the feasibility study, the \$15,000 should be re-budgeted. Of course, if we are successful in obtaining grant funding for this proposal, we will return to your Board for authorization to accept the grant and appropriate the grant funds. If notice of such occurs after the start of the new fiscal year, your Board will have had the opportunity to consider the additional \$15,000 budget request which, if granted, will allow both the fire safe planning effort and the feasibility study to proceed.

4. Re-budget Air Board Grant for Aptos Permit Center - The Department opened the Aptos Permit Center this fiscal year. As all of the grant funds were included in our E/A's, but not fully expended, we recommend re-budgeting the grant balances so they may be fully realized in fiscal year 2001-02.
5. Lompico Bridge Repair - This project specifically involves improvements to be made by the Department of Public Works to existing culverts under Lompico Road at Mill Creek. The improvements will reduce the occurrence of flooding on adjacent properties and the roadway. Funds for this project were included in the 2000-01 Santa Cruz Flood and Water Conservation District - Zone 4 budget and E/As. As the work was not performed in fiscal year 2000-01, we recommend that the funds be re-budgeted to fiscal year 2001-02.

VENUE CHANGES

1. Oil Spill Contingency Grant - The State Office of Oil Spill Recovery allocates funds to coastal communities to participate in oil spill response planning efforts. The County received