

MEMORANDUM
OFFICE OF THE
BOARD OF SUPERVISORS
COUNTY OF PLACER

TO: HONORABLE BOARD OF SUPERVISORS

FROM: District 2 Supervisor Robert Weygandt
District 4 Supervisor Kirk Uhler

DATE: September 13, 2011

SUBJECT: Placer County Conservation Plan (PCCP) – Work Program Update and Request for Participation from the City of Roseville

SUMMARY

Provide an update on the status of the Placer County Conservation Plan (PCCP) from Ad-Hoc Committee members Supervisors Weygandt and Uhler. Also, provide the Board with background information that supports a policy discussion on land use in western Placer County. Lastly, discuss the potential for the City of Roseville to participate in the preparation and implementation of the PCCP.

BACKGROUND

The PCCP is a comprehensive, landscape-scale plan that seeks to conserve sensitive species and their habitat in western Placer County and to mitigate the impacts of new growth over the next fifty years on those same species. The PCCP will also address impacts to wetlands as they are separately regulated by the U.S. Army Corps of Engineers. Once developed and approved by a number of state and federal agencies, the PCCP will provide regulatory coverage for 32 species and wetlands and will provide the foundation for compliance with the State/Federal Endangered Species Act, the Federal Clean Water Act and the State Fish and Game Code. Four major natural communities (oak woodlands, riparian/streams, grasslands and agricultural lands) will be conserved in a large reserve area that would be funded for in perpetuity management.

The PCCP effort is unique in that it seeks to fully intergrate the myriad of state and federal regulations that affect endangered species and wetlands. In particular, the PCCP will be able to integrate the federal Clean Water Act regulations for wetland fills with the permitting activities associated with state and federally-listed endangered species. This fully integrated approach will insure that the County and City of Lincoln will have a significant amount of local control over the outcome of our environmental and entitlement review process, and the state and federal agencies will be assured that our mitigaition and conservation actions are implementing an agreed-upon plan. To date, this level of integration has not be achieved and the model that is being developed in Placer County, with the full participation of the agencies, is being closely evaluated for its potential to serve similar efforts through the United States.

The PCCP is being developed within a landscape of predictable, long-term change. The City of Lincoln recently completed a comprehensive update to their General Plan, which includes a

substantial expansion in a westerly direction from the existing City limits. The City of Roseville continues to expand its boundaries to the west of its existing City limits. The County has recently approved two urban specific plans (Regional University and Placer Vineyards) west of the City of Roseville. The Placer Parkway project continues to move forward, linking Highway 65 with Highway 99/70. Lastly, the County will be initiating an update to its General Plan policy document and land use diagram once the PCCP Conservation Strategy is complete.

This report examines key questions on how the PCCP can be developed in this era of change including who should ultimately make key land use decisions on the expansion of urban development and services and on the conservation and management of the protected landscape that results from the PCCP's implementation.

DISCUSSION

This report will focus on a number of key discussions that are occurring and potential policy-level decisions that will affect governance over land use and conservation in western Placer County. These discussions and policy-level decisions will define how the PCCP is ultimately completed and implemented.

Cities of Roseville and Lincoln - Regional Issues

The County, City of Lincoln, and City of Roseville (referred to as the Cities) have been regularly involved in discussions and negotiations on matters related to growth in western Placer County for >25 years. There are issues that require regional coordination with the Cities in western Placer County, particularly in the areas of land use and transportation planning. Equally as important are negotiations and agreements on financial matters related to the provision of public services resulting from new growth. These discussions often result in formal agreements for revenue sharing. In other instances, such as the 1997 memorandum of understanding with the City of Roseville, there are agreements that seek to "better promote interagency communication, cooperation and efficiency".

Recently, Supervisors Weygandt and Uhler have had a number of informal discussions with representatives of the City of Roseville about the potential to initiate a discussion on land use, finance, and, given the challenges of the securing regulatory permits, landscape-level conservation planning (i.e., the PCCP) in the area south of the Placer Parkway. In general, the informal discussions have focused on the potential for the County to acknowledge that future urban growth on the valley floor would largely result from land use decisions made by the two Cities. The County and City of Lincoln have been in similar, more formal discussions, as a part of the PCCP Ad-Hoc Committee's deliberations.

Under the scenario discussed by Supervisors Weygandt and Uhler, the County would not consider urban land uses in western Placer County and would acknowledge that future growth would be City-centered growth as follows: 1) Roseville - south of Placer Parkway and 2) Lincoln - the new City of Lincoln General Plan Area and Sphere of Influence Area; and all land south to the Placer Parkway. If future urban growth were proposed in either of these two areas, it would fall under the Cities' jurisdiction for entitlements and future City services (including sewer infrastructure for western Placer County). The County would continue to exercise its land use authority and provide municipal services where it has traditionally provided those services. Also under this scenario, the County would provide the essential support services for the implementation of the PCCP on behalf the joint powers authority that governs the program.

In order to advance this discussion it would be necessary for the County and the Cities to be engaged in an active conversation about this initiative. It would also be appropriate to conduct one or more workshops specifically focusing on the implications of this initiative. In the long term, it would be necessary for the County and Cities to reach new agreements on revenue sharing to insure that County services and facilities are adequately provided for in the new growth areas. Agreements similar to those about to be concluded for Sierra Vista and Creekview would likely serve as a model for a regional tax sharing agreement. It would also be necessary to discuss land use, air quality and transportation matters (e.g., agricultural buffering, PCCP reserve area buffering, and regional transportation planning) and the provision of new or expanded infrastructure including sewer facilities. Lastly, it will be necessary to determine where conservation actions occur to implement the PCCP including the identification of reserve lands that account for the impacts caused by the Cities' expansion.

At a future date, additional details can be brought back to the Board on this substantive policy issue (e.g., one or more workshops that address land use, transportation, flood control, provision of public services, fiscal implications, etc.). This will allow the Board to focus specifically on the feasibility of this overall approach to manage growth and the financial implications of growth in southwestern Placer County. For purposes of this report, the balance of this discussion is focused on the role the City of Roseville would play in the completion of the PCCP.

City of Roseville - PCCP Participation

One of the reasons that the County has considered a fifty-year permit term is to account for the potential to address the residential buildout of western Placer County. While growth estimates differ, the majority of the urban residential land uses will be near buildout in the 2060-2080 timeframe. Non-residential land uses will likely take longer to reach buildout as well as the significant amount of land dedicated to rural residential land uses. These assumptions are particularly relevant when the City of Roseville's growth is included in the projections. Irrespective of the jurisdiction, the majority of the land development activities that will impact endangered species and wetlands are on the vernal pool complexes, grasslands, streams, and agricultural lands west of Highway 65 in the unincorporated County and Cities of Lincoln and Roseville. Participation in the PCCP would assist in addressing the challenges facing the City in securing regulatory permits

Table 3 depicts the allocation of growth, by jurisdiction, out to the year 2060. In the table, all of the non-participating Cities are depicted in the orange color. The City of Roseville is in red and the unincorporated County and City of Lincoln are collectively represented by blue. Table 3 depicts that the non-participating cities will have a decreasing allocation of growth over time, and the unincorporated area and the City of Lincoln will see a substantial increase in the amount of growth by 2060.

Table 4 depicts a scenario wherein the policy initiative, described above, is implemented. The consequence is that there is a very significant population shift from the County to the City of Roseville. The actual footprint of growth would still include a large unincorporated area because of the low population densities associated with rural residential development.

Table 3
Land Conversion by Jurisdiction
Land Conversion by PCCP Zone, 2007 - 2060
 (acres by time period)

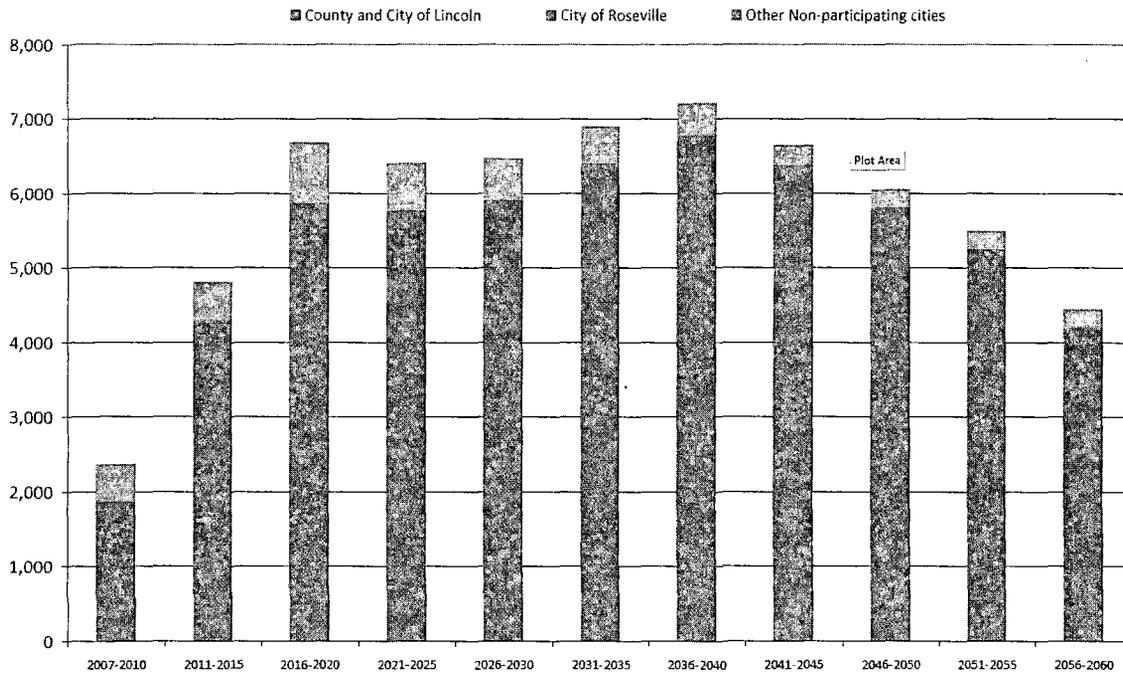
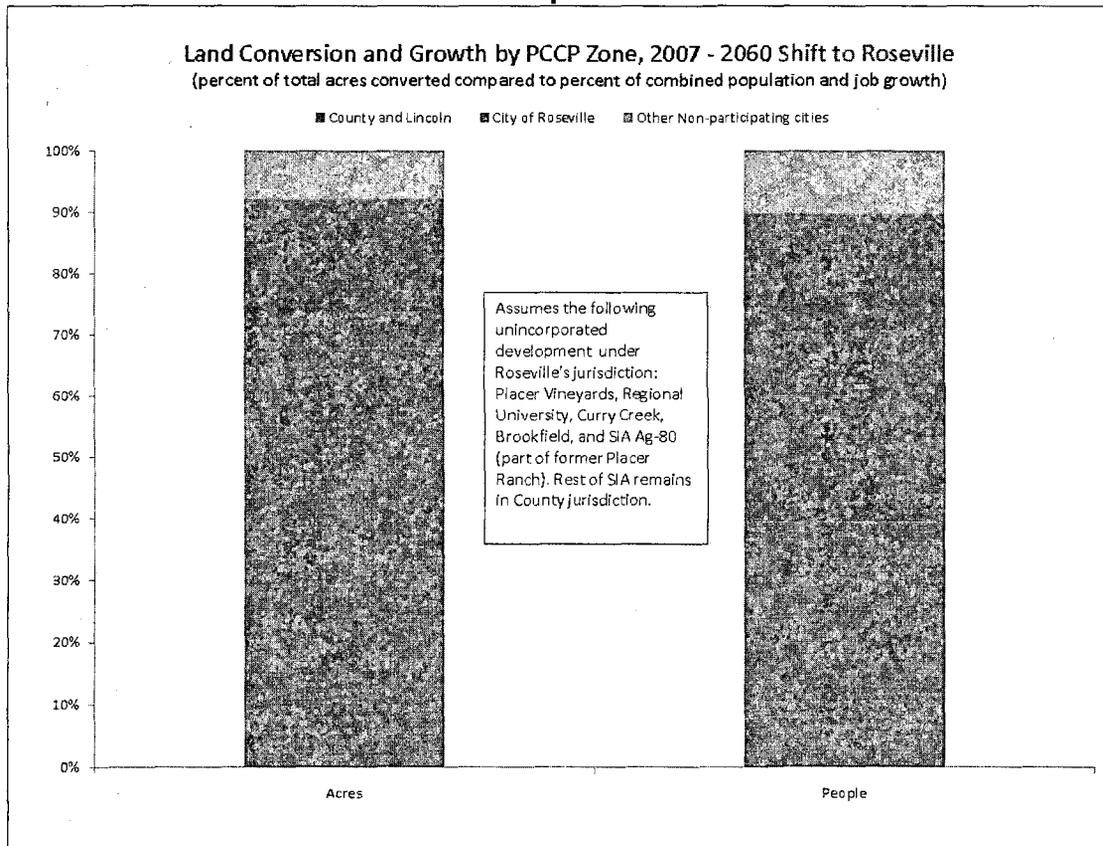


Table 4
Land Conversion Impact Shift to Roseville



As a consequence of this growth pattern, the actions of one jurisdiction will have an impact on the actions of another on matters related to transportation, finance, air quality, and compliance with endangered species and wetland requirements. With Roseville's direct participation in the PCCP, the region will have one common vision for the balance between land use and conservation, one common outcome, and one overall integrated conservation plan that is jointly implemented by the County and the Cities of Roseville and Lincoln (via a joint powers authority).

Criteria for Roseville's Participation

In order for the City of Roseville to participate, it is important that the City become an equal partner in the work program. There is a potential for a significant amount of regulatory coverage for the City and they would benefit from a work program. Participation would be predicated on the following elements:

- It will be necessary for the City to pay a fair share and enter into a cost-share agreement for Roseville for those costs incurred to date and the anticipated costs to complete the plan.
- A memorandum of understanding should be executed similar to that which was completed with the City of Lincoln regarding interagency coordination and the cost-sharing agreement.
- The City's participation should not alter the work program in terms of the scope of regulatory coverage both in terms of geography and covered activities. The covered activities in the plan should be sufficient to address the City's potential to grow into the unincorporated area. The geographic scope, as proposed by the County, would be to allow the City to receive coverage on areas already covered by the plan.
- The City's participation would not detrimentally impact the ability of the County, and its existing partners (Lincoln and PCWA) to complete and implement the plan.
- The City's participation should not appreciably impact the timing of completing the plan.

If the City of Roseville elected to obtain regulatory coverage for areas within the existing City limits and/or projects under review it would be necessary to have an additional discussion about the ramifications to the work program; particularly timing.

The Wildlife Agencies have stated their support for an increased level of participation because all of the landscape-level impacts will fall under the permits issued under the PCCP. From the Agency's perspective, the predictability of a viable sustainable reserve area is increased when all of the parties who are causing large-scale impacts are all adhering to one single plan and set of conservation actions.

The potential for Roseville to participate in the PCCP has been an item of discussion, with the City of Lincoln Ad-Hoc Committee members (Council members Short and Cosgrove) and City staff. It would be necessary for Councilmembers Short and Cosgrove to similarly address their full Council in order to insure that Roseville's participation was the result of a joint agreement of the current Ad-Hoc Members.

Status of the Work Program:

On November 3, 2009, a draft Reserve Map was finalized (Exhibit A) which addressed the collective consensus of the four elected members of the Ad-Hoc Committee. This completed a multi-year exercise (initiated in the summer of 2005) to prepare a reserve map that was acceptable to the County and City of Lincoln. This has allowed the staff and consultant team to complete the preparation of the draft PCCP conservation strategy in January of this year. Exhibit A includes a copy of the PCCP Conservation Strategy Map and explanation of the various areas depicted on the Map.

On January 25, 2011, the Board directed staff to submit the Agency-Review Draft PCCP document to the Wildlife Agencies (CA Department of Fish and Game, US Fish and Wildlife Service, National Marine Fisheries Service) for review. Additionally, staff has prepared documents related to the County Aquatic Resources Program (CARP) that addresses impacts to wetlands and other waters. CARP documents are being reviewed by the U.S. Army Corps of Engineers, U.S. Environmental Protection Agency, and State Regional Water Quality Control Board. County Staff and the PCCP consultant team have been in discussions with the Wildlife Agencies since April of 2011 on the draft document. Substantive comments have been received on both sets of documents. An overview of the issues raised has been discussed with the Ad-Hoc Committee.

A summary of the substantive issues raised by all of the state/federal agencies includes the following:

- Conservation Strategy - The Wildlife Agencies have commented that the PCCP's mitigation strategy should be nested within an overall conservation strategy. The emphasis should be on an overall strategy to conserve and protect sensitive resources in the PCCP area and that there should be measureable biological goals and objectives to support that strategy.
- Fifty-year permit term - The County and City of Lincoln need to justify why the permit term should run for fifty years.

Reserve Area - The Wildlife Agencies have expressed a number of concerns related to the Reserve Area: 1) the amount of vernal pool grassland available for conservation, 2) the timing of conservation, 3) the commitment to a minimum reserve area, and 4) the need to avoid a conservation landscape that is highly fragmented at the end of the permit term.

- Occurrence data - There is a limited amount of actual data available on the presence or absence of species in the County. Obtaining occurrence data at the time of impact and/or when property is purchased for conservation can help alleviate the concern but can come at the expense of delays in terms of project processing and acquisitions.
- Ratios - The Wildlife Agencies are concerned that habitat preservation and mitigation ratios, particularly for vernal pool species (plants and animals), are too low.
- Levels of Take (Impact) - The Wildlife Agencies are concerned that the amount of take proposed over fifty years, combined with the size of the reserve area is out of balance.

- Mitigation outside the plan area - The County, Wildlife Agencies, Army Corps of Engineers, and the Environmental Protection Agency have had numerous discussions on the use of mitigation areas outside the boundaries of Placer County, including the potential to implement some conservation activities in Sutter County within the Cross Canal watershed and the Coon Creek floodplain.

Next Steps

Substantive comments have been received from the Wildlife Agencies on Chapters 1-6 of the PCCP Conservation Strategy. The balance of the chapters is largely focused on implementation measures, which are directly tied to the outcome of the discussion on Chapters 1-6. Consequently, discussions on the remaining chapters are on hold.

Staff also has placed a hold on the preparation of the EIR/EIS, Finance Plan, and Implementation Agreement, until such time that there is a general concurrence on the conservation strategy. If the City of Roseville elects to participate for potential future growth in the unincorporated area it will be necessary to examine the overall work program.

In conclusion, the Ad-Hoc Committee will continue to deliberate on the issues raised by the Wildlife Agencies. Staff will also continue to work with the Biological Stakeholders Working Group and the various state/federal agencies. When deliberations have concluded, the Board will be further advised on the status of the effort including the potential consequences of Roseville's participation.

RECOMMENDATIONS: Supervisors Uhler and Weygandt recommend that the Board of Supervisors take the following actions:

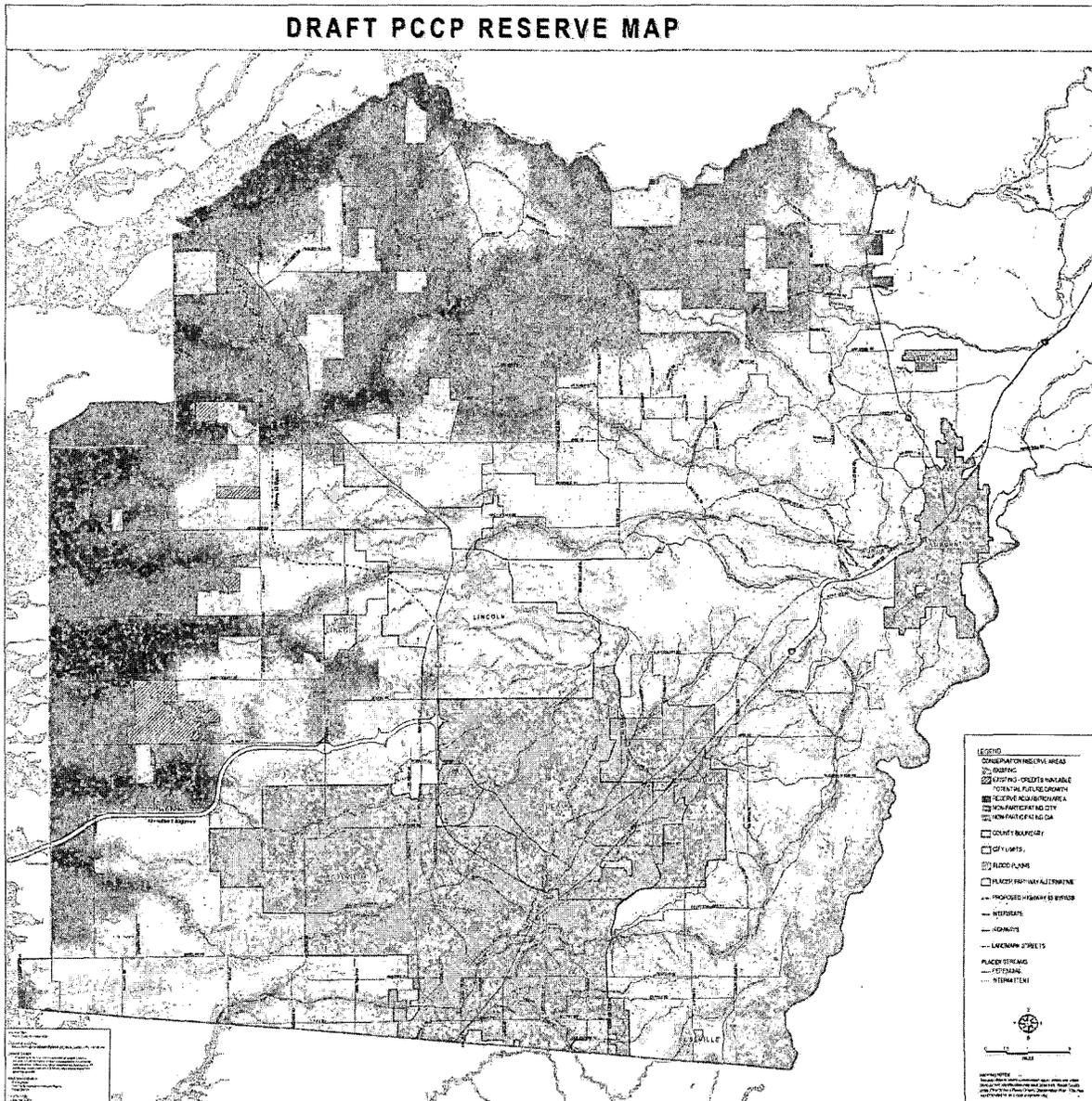
1. Direct staff to return to the Board to further discuss issues related to land use, finance, and conservation planning with the Cities of Roseville and Lincoln.
2. Authorize the Chairman of the Board to sign a letter to the Mayor of the City of Roseville encouraging their participation in the completion of the PCCP.

The following exhibits are provided for the Board's consideration:

- Exhibit A: PCCP Conservation Strategy - Reserve Map February 2011
- Exhibit B: Summary of background information
- Exhibit C: Summary of Wildlife Agency Concerns

cc: Jim Estep, City of Lincoln
Ray Kerridge, City of Roseville
Einar Maisch, PCWA
Wildlife Agencies
Biological Stakeholder Working Group
Conservation Strategy Group
Resources Law Group

Exhibit A
Conservation Strategy - Reserve Map



The Draft Ad-Hoc Reserve Map consists of three basic elements: 1) The Reserve Area, 2) the County Aquatic Resources Permit Area (CARP), and 3) the Potential Future Area. A fourth area, depicted in gray, represents the boundaries of the non-participating Cities of Roseville, Rocklin, Auburn, and the Town of Loomis. The County is proposing to provide coverage for the PCCP in the Spheres of Influence for Roseville for the Sunset Industrial Area and Auburn for the North Auburn/Bowman Area.

Reserve Area:

The "Reserve Area" (depicted as light and dark green) consists of two elements: 1) The Existing conserved area (light green) which are lands already protected in perpetuity as a consequence of local, state, federal and private sector conservation activities, and 2) the proposed reserve acquisition area (dark green) for future conservation actions that implement the PCCP.

Potential Future Growth Area:

The Potential Future Growth Area (depicted in cream) receives the majority of regulatory relief through the implementation of the PCCP. The Development Opportunity Area includes areas depicted for rural residential, suburban and urban development in the County and City of Lincoln General Plans. It also includes areas where growth may occur between now and the expiration of the permit term (2060).

Non-Participating Cities

The non-participating cities are depicted in the map in two shades of gray, 1) dark gray for existing city limits and 2) light gray for sphere of influence areas not covered by the PCCP. In some instances, a city's sphere of influence is proposed for coverage by the PCCP.

Exhibit B Background Summary

Regulatory Coverage

The PCCP is intended to provide 50 years of compliance for the following state and federal regulations:

1. Incidental Take Permit - Federal Endangered Species Act – administered by: U.S. Fish and Wildlife Service (FWS) and National Marine Fisheries Service.
2. Natural Communities Conservation Plan - California Endangered Species Act and Natural Communities Conservation Act – administered by: California Department of Fish and Game.
3. Section 404 and 401 of the Federal Clean Water Act related to wetlands and water quality – administered by: U.S. Army Corps of Engineers (COE) and the Regional Water Quality Control Board.
4. Section 1600 Fish and Game Code - Streambed Alteration Agreements administered by: California Department of Fish and Game (DFG)

Participating Entities and Permitting Agencies

Permittees are the entities that will receive permits under the ESA, the Natural Communities Conservation Planning Act, Section 404 of the Clean Water Act, and Section 1602 of the Fish and Game Code. Because they will receive the state and federal permits, Permittees will have the ultimate responsibility for implementing the PCCP. The two chief responsibilities of the Permittees will be to ensure that the PCCP's conservation program is implemented successfully and to ensure that projects covered by the PCCP fulfill PCCP mitigation and conservation requirements. The Participating Entities are:

- ◆ Placer County
- ◆ City of Lincoln
- ◆ Placer County Water Agency (PCWA)

The *permitting agencies* are the state and federal regulatory agencies that will review the Participating Entities' permit applications. The permitting agencies involved with the PCCP program are:

- ◆ The U. S. Fish and Wildlife Service (FWS)
- ◆ The National Marine Fisheries Service (NMFS)
- ◆ The U. S. Army Corps of Engineers (USACE)
- ◆ The U.S. Environmental Protection Agency (EPA)
- ◆ The California Department of Fish and Game (DFG)
- ◆ Central Valley Regional Water Quality Control Board (CVRWQCB)

Existing Conditions

Current land use in the PCCP plan area is a mixture of a developed landscape comprised of urban, suburban and rural residential. A larger area (77 percent of the total PCCP coverage area) consists of agriculture, rangeland, and other natural land (see Table 1).

Table 1

Current Land Use in Plan Area		
Land Use Type	Area (acres)	% of Total
Urban and Rural Residential	48,165	23%
Agriculture, Cropland	25,840	13%
Rangeland	79,349	37%
Forested/Natural Land	53,504	25%
Open Water and Other	5,075	2%
Total	211,933	100%

The 2060 projection shows a total of 290,000 housing units in Placer County in 2060, an increase of 172,000 from 2007. Placer County captures about one-quarter of the housing units and employment projected to be added to the six-county Sacramento Area Council of Governments (SACOG) region between 2007 and 2060. This represents an increase in the region's share of the housing inventory being allocated to Placer County —from 16 percent in 2007 to 19 percent in 2060.

Table 2 presents projections for the PCCP area that were prepared in 2008.

TABLE 2
Projection of Employment, Population, Housing Units and Households for
the PCCP Area: 2007 – 2060

PCCP Area Projections	2007	2060	2007-2060	
			Net Growth	Annual Growth Rate
Jobs by Place of Work ¹	149,000	445,000	296,000	2.1%
Housing Units	118,000	290,000	172,000	1.7%
Total Population	294,000	748,000	454,000	1.7%
Household Population	291,000	740,000	449,000	1.8%
Households	116,000	276,000	160,000	1.6%
Persons-per-household	2.51	2.68		
PCCP Area Percentage of County Totals				
Jobs by Place of Work	95%	97%	98%	
Housing Units	82%	90%	97%	
Total Population	90%	92%	94%	
Household Population	90%	92%	94%	
<p>NOTE: The projections include growth in the Non-Participating Cities (Auburn, Loomis, Rocklin, and Roseville), as well as the growth in the City of Lincoln and unincorporated Placer County proposed to be covered by the PCCP. The projections represent one possible scenario for long-term growth in Placer County, assuming continuation of regional growth trends and development patterns. The projections reflected current assessments of future economic and population growth potential and development plans and proposals under consideration in Placer County and in cities in the county as of August 2008.</p> <p>SOURCE: December 5, 2008 Hausrath Economics Group for the purposes of the Placer County Conservation Plan economic analysis.</p>				

Exhibit C Summary of Wildlife Agency Concerns

- Conservation Strategy - The Wildlife Agencies have commented on the conservation strategy contained in the draft PCCP document. Modifications are sought that will emphasize the preparation of an overall conservation strategy for western Placer County. A secondary emphasis would be on a mitigation strategy for impacts to sensitive habitats in western Placer County. In other words, the mitigation strategy should be nested within an overall conservation strategy. As a part of the strategy is the need for a reserve area, and the location and design of the reserve area is as important as its size. The agencies also want further definition in the plan in terms of measureable biological goals and objectives (e.g., specific number of acres to be acquired for a given plant or animal).

Staff will coordinate with the Ad-Hoc Committee and key stakeholders to insure that Chapter 5 of the PCCP, which is the core of the conservation strategy, is modified to account for the concerns of the agencies.

- Fifty-year permit term - The County and City of Lincoln need to justify why the permit term should run for fifty years.

The County will be preparing a comprehensive justification to the request for a fifty-year permit term as a part of the next submittal.

- Reserve Area - The Wildlife Agencies have expressed a number of concerns related to the Reserve Area (depicted on Exhibit A). These concerns include: 1) the amount of vernal pool grassland available for conservation, 2) the timing of when key, high priority conservation areas are protected, 3) the need to commit to a high priority area that will be conserved in the event the take projections are not met and consequently mitigation revenues are limited, and 4) concerned that at the end of the permit term the conservation landscape could be highly fragmented with a significant amount of urban edge. Increasing the reserve area can address a number of these issues but it will reduce the amount of land available for economic development activities.

The Ad-Hoc Committee will begin deliberations on issues related to the Reserve Map starting on September 13, 2011.

- Occurrence data - Western Placer County has very little public land and very little research has been done on the endangered species that are expected to be present. Consequently, there is a limited amount of actual data available on the presence or absence of species in the County. Obtaining occurrence data at the time of impact and/or when property is purchased for conservation can help alleviate the concern but can come at the expense of delays in project processing and acquisitions.

Staff will continue to coordinate with the Wildlife Agencies on issues related to occurrence data. Staff may recommend that some species be removed from the covered species list because of the potential burdens associated with obtaining occurrence data. Also, some species may be so rare in Placer County that it is unlikely that species take would be permitted even if it was found following an extensive survey protocol.

- Ratios - The Wildlife Agencies are concerned that habitat preservation and mitigation ratios, particularly for vernal pool species (plants and animals), are too low. Increasing the ratios would insure more land is brought into conservation and would create more certainty. Conversely, less land would be available for economic development activities.

Staff will continue to coordinate with the Wildlife Agencies on the ratios. Changes to the ratios may come as the direct result of Ad-Hoc deliberations on the amount of take that is projected and/or any changes to the PCCP Reserve Map.

- Levels of Take - "Take" is the term used by the Wildlife Agencies to generally describe impacts to endangered species or their habitat. In order to determine take, the County and City of Lincoln have prepared population and employment projections to the year 2060, which include a land conversion estimate. The amount of land conversion is based upon a variety of factors including the total amount of growth and, as important, the form that the growth takes (low density versus high density). The amount of take that is currently being applied to the conservation plan trends conservatively to the high side in order to insure that the amount of take that is possible in the western County landscape is appropriately considered when the plan is prepared. Less growth or more intensive forms of development have the potential to reduce the amount of take contemplated.

Staff will continue to coordinate the projected levels of take with the Ad-Hoc Committee and the County's financial consultant, Hausrath Economics Group.

- Mitigation outside the plan area - The County, Wildlife Agencies and COE/EPA have had numerous discussions on the use of mitigation areas outside the boundaries of Placer County, including the potential to implement some conservation activities in Sutter County within the Cross Canal watershed and the Coon Creek floodplain.

Similarly, the County is concerned about the sale of mitigation credits from mitigation/conservation banks located within Placer County to areas outside the PCCP Coverage Area.

County staff and consultants will continue to coordinate with the various agencies affected by this issue. Staff will also coordinate closely with key stakeholders including bank development interests and Sutter County.

- Vernal pool grasslands - The Wildlife Agencies continue to seek the conservation of a larger percentage of high quality vernal pool grasslands. The PCCP should deemphasize the restoration of vernal pool grasslands on a large scale, particularly when restoration activities establish wetlands in densities greater than historic conditions. Creation of vernal pools on lands that previously contained no vernal pools has been generally discouraged.