



**BOARD TRANSMITTAL
MEMORANDUM**

TO: BOARD OF SUPERVISORS

FROM: MICHAEL J. JOHNSON, AICP, DIRECTOR OF PLANNING

SUBJECT: PLACER COUNTY CONSERVATION PLAN – Consideration of the Selection of a Preferred Alternative Reserve Map

DATE: January 23, 2007

SUMMARY/ACTION REQUESTED

Pursuant to the direction of the Board of Supervisors at its November 20, 2006 meeting, staff is providing the Board with a status report on the preparation of the Placer County Conservation Plan (PCCP). Staff is seeking direction from the Board on whether or not to proceed with the PCCP that also qualifies as the "Least Environmentally Damaging Practicable Alternative" (or LEDPA). A LEDPA-qualifying PCCP would provide the most regulatory relief and, in particular, assist in the attainment of necessary permits for the Placer Parkway and the Sacramento River Water Diversion project. As noted in this report, staff has identified four alternative reserve maps that appear to meet the LEDPA requirement, while at the same time meet the needs of both Placer County and the City of Lincoln.

Based upon staff's analysis, staff recommends that the Board take the following actions:

1. Provide direction as to whether or not staff should proceed with the PCCP program.
2. Should the Board decide to proceed with the PCCP program, the Board will need to select a preferred alternative reserve map as the basis to commence negotiations with State and Federal agencies. Based upon the analysis in this report, staff has concluded that Alternative Map 4 (with the exclusion of the "purple area" within Placer Ranch and the Sunset Industrial Area), Alternative Map 6 (with the exclusion of the "purple areas" within the Placer Vineyards project area, the Placer Ranch project area, and the Sunset Industrial Area), Alternative Map 12 and Alternative Map 14 (with the exclusion of the Rockwell and Mariner properties that were previously acquired for mitigation) are the best alternative reserve maps that meet the current and future needs of Placer County and the City of Lincoln, while still meeting the LEDPA requirement.

BACKGROUND

In June 2000, the Board directed staff to initiate the implementation of the Placer Legacy Program. As part of that direction, staff initiated the preparation of a Natural Communities Conservation Plan and Habitat Conservation Plan to comply with the State and Federal Endangered Species Act and the Federal Clean Water Act related to wetlands. That effort, now referred to as the Placer County Conservation Plan (PCCP), is the subject of this report.

On November 20, 2006, staff conducted a workshop with the Board regarding the PCCP to discuss the anticipated costs associated with implementing the PCCP, as well as consideration of a staff recommendation on a preferred reserve map alternative. After receiving public testimony, the Board directed the staff to provide stakeholders and the public with an opportunity to review all of the alternatives prepared to date and report back to the Board on the feedback that was received. The Board took no action as it related to the selection of a preferred reserve map alternative.

FISCAL IMPACTS

Implementation of the PCCP is predicted to entail costs associated with land preservation and land restoration in order to mitigate development impacts to endangered species and wetlands over the next 50 years. If early estimates hold firm, approximately 57,000 acres of land must be preserved to mitigate impacts associated with urban/suburban development. This land is estimated to have a market value of approximately \$1 billion. At 2050, annual management costs to manage and monitor the mitigation land will be approximately \$7 to 8 million a year once the land has been acquired. Most, if not all of these costs, will be borne by individual property owners/developers who choose to develop their property. A smaller percentage of the overall burden for the ongoing costs will be attributed to local government for the mitigation associated with their capital improvement projects (e.g., Placer Parkway)

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BACKGROUND

Direction Established with the General Plan

With the adoption of the County's General Plan in 1994, several actions were included which provided the foundation for future development and land conservation in the Western Placer County area. As stated in Part III (General Standards for the Consideration of Future Amendments to the General Plan) of the General Plan, the area bounded by Pleasant Grove Creek to the north, Baseline Road to the south, Fiddymont Road to the east, and the Sutter County line to the west, was identified as a 'Future Study Area' (refer to Exhibit A). As stated on Page 146 of the General Plan, the document acknowledges that, as the County continues to grow, additional areas may be identified as being suitable for development at urban or suburban densities and intensities. The General Plan states that the most appropriate location for such additional growth is the 'Future Study Area'. The General Plan states that future growth in this area may occur in the unincorporated area or as a result of annexation to an adjacent city. The General Plan states that any future development in this area would not be considered until the West Placer Specific Plan has been adopted by the County (which is described in more detail below).

Also, as a separate action in conjunction with the adoption of the General Plan, the Board of Supervisors adopted Resolution No. 94-238, which amended the Dry Creek/West Placer Community Plan to include the 'West Placer Specific Plan'. The Specific Plan area, which correlates with the boundaries of the currently-proposed

Placer Vineyards Specific Plan, established parameters for development in the area, including:

- The construction of up to 14,132 residential units
- 80 acres of commercial development
- 160 acres of office/professional development
- Up to 300 acres of professional/light industrial development

As outlined above, it was the intent of the Board of Supervisors, through the adoption of the General Plan, to provide the opportunity for urban/suburban densities and intensities of development throughout most of the southwest corner of the county either through development in the unincorporated area or through annexation. At the same time, the need to protect and preserve the County's natural resources was identified as a key priority for the General Plan as noted by the numerous programs and policies that specifically addressed this need. Of particular note is Program 6.11 which encourages the County to prepare a "cooperative effort to develop, adopted, and implement a comprehensive habitat management plan." As noted in the General Plan, the goal was to provide sufficient land to accommodate the needed growth in the County, while at the same time assuring that the natural resources of the area were properly maintained.

As an expansion of this direction in the General Plan, the Board of Supervisors, at its May 24, 2005 meeting, directed staff to commence a public outreach effort and other steps necessary for the preparation of a Community Plan for the Curry Creek Community Plan Area (located in the Future Study Area identified in the General Plan). As part of the effort, it was the Board's direction to have staff coordinate the preparation of an environmental analysis for the proposed Community Plan.

Placer Legacy - Commencement of the PCCP

In June 2000, consistent with the programs and policies set forth in the General Plan, the Board directed staff to initiate the implementation of the Placer Legacy Open Space and Agricultural Conservation Program. One of the objectives of Placer Legacy was to prepare a Natural Communities Conservation Plan and Habitat Conservation Plan. That effort, now referred to as the Placer County Conservation Plan (PCCP), is the subject of this report. The first phase of the PCCP, which encompasses the western part of Placer County (refer to Exhibit B), is intended to provide 50 years of compliance for the following State and Federal regulations:

1. Incidental Take Permit - Federal Endangered Species Act
2. Natural Communities Conservation Plan - California Endangered Species Act and Natural Communities Conservation Act
3. Sections 404 and 401 of the Federal Clean Water Act related to wetlands and water quality

4. Section 1600 Fish and Game Code - Master streambed modification agreements

Collectively, these permits represent all of the major wetland and endangered species act regulations that are required on public and private property to accommodate new development. The regulatory coverage would account for the impacts associated with the growth anticipated in Western Placer County, including the Loomis Basin and the North Auburn area. It is estimated that, over the next 50 years, approximately 54,000 acres of land will be converted to developed land in the unincorporated County and the City of Lincoln (refer to Exhibit C).

In addition, the South Placer Regional Transportation Authority (SPRTA) and the Placer County Water Agency are seeking regulatory coverage for direct and indirect impacts to natural resources associated with construction of their respective projects. SPRTA is seeking coverage for the proposed Placer Parkway transportation facility, while PCWA is seeking coverage for the proposed Sacramento River Water Diversion project. Without a program such as the PCCP, including a program that meets the LEDPA requirements, the ability for these regionally-needed projects to proceed is greatly limited.

November 20, 2006 Board Workshop

On November 20, 2006, staff conducted a workshop with the Board to discuss the anticipated cost associated with implementing the PCCP, as well as consideration of a staff recommendation on a preferred reserve map alternative. After receiving public testimony, most of which expressed concern with the limited amount of time that was provided to review the extensive material, the Board concluded that additional public outreach was necessary prior to any formal action on the PCCP. The Board directed staff to provide stakeholders and the public with an opportunity to review all of the alternatives prepared to date and report back to the Board on the feedback that was received. The Board took no action as it related to the selection of a preferred reserve map alternative.

Public Outreach Efforts / Stakeholder Input

Pursuant to the Board's direction, the Planning Department prepared information on the 16 different reserve map alternatives that have been prepared over the past one and half years. As directed by the Board, staff held five separate meetings in December to update stakeholders and the general public on the status of the PCCP, as well as to discern the general sentiments for proceeding with the PCCP program. Meeting notice was provided by e-mail, the County's website and through a press release.

At the public workshops, a summary narrative was provided for each of the reserve map alternatives including a map, an acreage breakdown and a written narrative. No particular emphasis was placed on one map over another map. No recommendations were given, although support and/or non-support of the maps by

the wildlife agencies was identified when input had been previously received from the agencies or could be inferred from agency input.

The purpose of the December meetings was to provide the public with information on each of the reserve map alternatives and to discuss the overall work program. The objective of staff was to distribute information and receive input from the public. While most of the meetings focused on one of the previously established working groups, all meetings were open to the public, and notices for each meeting were sent to persons on the County's established e-mail registries. The December meetings included:

- December 7, 2006 – Community Forum
- December 8, 2006 – Interagency Working Group
- December 12, 2006 – Environmental Stakeholder Working Group
- December 12, 2006 – Biological Stakeholder Working Group
- December 15, 2006 – Landowner/property owner Stakeholder Working Group

In addition to the workshops in December, staff conducted follow-up workshops in January to report back on the previous meetings. Staff also made a presentation to the Agricultural Commission on January 8, 2007. All totaled, more than 200 persons attended the December and January meetings.

The purpose of the January meetings was to report back to the public on the information that was collected in December, to receive additional comments and suggestions, and to consider any additional alternative maps that stakeholders may have prepared. The January meetings included:

- January 4, 2007 – Biological Stakeholder Working Group
- January 5, 2007 – Landowner/property owner Stakeholder Working Group
- January 8, 2007 – Agricultural Commission

In addition to the above interactive meetings with the public, the November 20, 2006 staff report has made available on the County's website. The presentation materials that were used at each of the stakeholder discussions and additional background information on each of the reserve map alternatives were distributed by e-mail, were made available at each meeting and on the County's website. This staff report was distributed on January 12, 2007 via e-mail notification that the report could be downloaded at the County's website.

Lastly, staff also coordinated with the City of Lincoln, the Placer County Water Agency and the South Placer Regional Transportation Authority, in that each of these entities has requested regulatory coverage through the PCCP.

Over 200 individuals participated in the various meetings to provide input, including representatives from property owners, environmental groups, State and Federal agencies, and the general public. While most of the questions focused on a

consistent set of themes, other comments were unique or property-specific. The following is a summary of the major themes that were discussed at each of the meetings. A full accounting of all questions that were asked, including staff responses to each of the questions, is including in Exhibit G.

Clarification of the Reserve Maps

There were a number of general questions about the reserve map boundary (i.e., the 'purple area'). Property owners and other stakeholders sought general information on the reserve boundary, how it was selected, what factors were used to prepare the various alternative maps, and how the maps are to be used for future decision-making.

Changes in Zoning or General Plan Land Use Designations

There was some degree of confusion about the reserve/purple area boundary and how it relates to existing zoning and General Plan land use designations. In particular, concerns were raised as to whether or not properties located within the reserve/purple area boundary would see their zoning district or General Plan land use designation changed. No zoning or land use designations would change if a property were located within the in a reserve area boundary.

"De Facto" Taking

Many property owners expressed a concern that being located within the reserve/purple area boundary results in a "taking" of their property. As was emphasized during the meetings, no General Plan land use changes or rezonings are being proposed in conjunction with the PCCP. Property owners will retain all rights and privileges they currently enjoy on their property, with or without the PCCP. Only those property owners who elect to sell their property or sell a conservation easement over their property would relinquish some or all of the rights and privileges' afforded by their land use designations. Property owners would be compensated for the land or the rights that they elect to sell at a fair market value.

Impact on Agricultural Production

Some concerns were raised regarding the impact of the reserve/purple area boundary and the viability of ongoing agricultural production should a reserve map be adopted and mitigation lands are acquired.

Permanence of the Reserve System

A number of questions were raised regarding the permanence of the reserve system. As explained in the various meetings, the PCCP reserve area (i.e., the 'purple area') would be managed in perpetuity as habitat for the covered species. There was also confusion over the term of the permit, which is 50-years versus the obligation to manage the reserve area which is in perpetuity. This condition was of some concern to property owners who did not want to preclude the potential for future entitlements in the area or were unsure about the affect of the reserve on the ability to use or sell their property in the future.

Size of the Reserve System

Questions were raised regarding the size of the reserve/purple area and why such a large area would be required for mitigation. Some questions were focused on why a large reserve area is depicted on the various alternative maps when only 75 percent of the area (on average) is likely to be required. Some speakers wanted the reserve maps to only depict those areas that will actually be needed for mitigation.

“Status Quo” versus the PCCP

Many inquiries were made on the essential purpose of the PCCP and why the County is interested in the conservation plan when the regulatory requirements of the State and Federal agencies will exist with or without the PCCP. The questions ranged from general inquiries about the regulatory environment to specific questions that evaluated the choice of continuing under a status quo alternative versus complete implementation of the PCCP. In many instances, concerns were raised that the PCCP has the potential to affect property owner expectations whereas status quo would not. Questions were also raised as to the costs/benefits of status quo versus concluding and implementing the PCCP. Some properties owners stated support for “leaving things just as they are” while other landowner, developer and environmental interests stated their reasons for supporting the PCCP’s objectives.

Some individuals questioned the need for such a large reserve area, and others suggested that if open space conservation was an objective of the County, the status quo approach to regulatory compliance may yield more acreage than the PCCP.

Growth Assumptions

Because many landowners were concerned about their properties being considered as future conservation land, thus possibly precluding development opportunities, numerous questions were raised about the amount of land that would be dedicated to urban/suburban growth over the next 50 years (the term of the PCCP permits) and whether or not the PCCP would create a condition where land for development would be scarce.

Development within the Reserve Boundary

Numerous questions were asked on what development restrictions would be imposed on property located within the reserve/purple area boundary. Issues were raised about what a property owner may want to do on a day-to-day basis to maintain their land or to engage in farming practices. More comments were directed at whether or not being located within the boundary of the PCCP reserve area would be restrictive in and of itself.

PCCP Implementation Costs

Comments and questions were directed at how the estimated costs of protecting and managing PCCP reserve lands were to be identified. A number of questions were related to concerns about having to bear those costs as individual property owners, particularly those located within the reserve area boundary.

Questions were also posed about opportunities for funding from sources other than new development (e.g., State and Federal funding for acquisitions).

Recommendations on Reserve Map Alternatives

A number of questions were directed at whether or not staff would be recommending a reserve map alternative to the Board of Supervisors at the January 23, 2007 workshop. The environmental stakeholders stated the need to initiate negotiations starting with either Reserve Map Alternative 4 or 14.

Should the Work Program Proceed?

Staff posed this question in order to provide the Board with feedback from the various stakeholders who participated. Comments were received that the status quo condition was acceptable, and other comments were received that the regulatory environment needs to be improved.

Those in vocal support for status quo tended to be associated with properties within the reserve boundary that were not associated with a particular land development project. Those in vocal support for the PCCP tended to represent property owners who are presently seeking or expect to be pursuing entitlements. Support for the PCCP also came from the Building Industry Association (BIA) and the environmental stakeholders.

General Plan/Zoning versus PCCP Reserve Map

On numerous occasions, staff needed to describe how the PCCP does not change the zoning or General Plan designation of any property within the reserve boundary. Property owners will continue to enjoy the same rights and privileges that they currently enjoy with the existing General Plan and zoning designations.

Regulatory Obligations

A number of questions were posed about the regulatory environment in Placer County and regulations as they relate to vernal pools specifically. Most of the questions were general in nature, related to the discussion of status quo versus the regulatory environment through the PCCP.

WILDLIFE AGENCY INPUT

In addition to the stakeholder meetings, staff also met with the wildlife agencies on December 8 (the “interagency working group”). One or more of the wildlife agencies’ staff also participated in the other public meetings.

The primary concern raised at the interagency working group was the need for the County to select a reserve map that can serve as the basis for refinement and more importantly to serve as the basis of a conservation strategy. This reiterates the position the agencies took when they wrote their June 2005 letter regarding the need for a reserve map that specifically depicted where conservation and mitigation was to occur and where development was anticipated. Comments were also provided on

the reserve map alternatives as well in terms of what is required in order to have a satisfactory map that can serve as the basis for the conservation strategy.

PCCP RESERVE MAP ALTERNATIVES

Reserve Map Alternatives Summary

The series of maps included in this summary represent potential reserve system configurations that have been prepared by County staff, City of Lincoln staff, and/or stakeholder groups that have been involved in the PCCP planning process to date. For each map alternative, an acreage summary and alternative description are provided.

Five colors are represented on each map alternative:

- **Gray** - Areas in gray represent jurisdictions within the County that are not participating in the proposed conservation plan.
- **White** - The areas shown in white reflect locations where future growth and urban infill could occur over the permit's 50-year time frame.
- **Green** - Areas shown in green represent parcels that have been set aside in perpetuity for open space/natural resource conservation.
- **Orange** - Areas shown in orange represent locations where property owners have indicated to County staff that their property could potentially be available for conservation.
- **Purple** - The purple areas on the maps identify where future land conservation activities could occur should the PCCP be implemented.
- **Urban Edge** - The "urban edge" is that area where developed land interfaces with protected land. The desire of the State and Federal agencies is to minimize the amount of urban edge, as the potential for long-term impacts increases as the amount of interface area increases.

In arriving at these various alternative reserve maps, staff, in concert with representatives from State and Federal agencies and City of Lincoln staff, have been trying to identify a preferred alternative that creates a balance between development in southwest Placer County and the proposed expansion of the City of Lincoln, especially to the west of their current City Limits, while at the same time preserving the vernal pools, grasslands, riparian corridors, and wetland areas that are scattered throughout the area.

This task has been much more difficult than originally thought, as each modification to the reserve area has a ripple effect on other properties in the area. For example, while vernal pool resources are located in the area west of the City of Lincoln, this is also the same area where the City would like to expand its boundaries. Accordingly, a policy decision that that Board will need to address is the merit of accommodating the City of Lincoln's objective of expanding their sphere of influence versus allowing development to proceed in other less sensitive areas.

Based upon a modeling exercise utilizing the GIS developed for this work program, staff has estimated that approximately 55,000-60,000 acres of land could be required to establish the PCCP reserve system. This number is likely to be modified once a preferred reserve map has been selected and final decisions have been made on the scope of the regulatory coverage requested. For now, the 60,000-acre estimate is a common baseline figure upon which each alternative is compared.

Based upon current estimates, staff has designed each alternative reserve map in a manner that the actual area required for the PCCP reserve (i.e., the “purple area”) will be smaller than the boundary identified on the maps. For planning purposes, the potential reserve areas were defined so that the mitigation land requirement would represent approximately 75 percent of the reserve/purple area. This leaves a 25 percent land supply buffer to allow for reserve acquisition options during plan implementation. This also allows for some amount of flexibility in the real estate market place (i.e., we don’t create a condition of scarcity at the outset of the acquisition phase). It is important to note that the reserve system would be established on a willing seller/willing buyer basis. No property owners will be required to sell their land for mitigation.

The major differences between alternatives occur in the westernmost portion of the proposed PCCP planning area (the Valley). In the oak woodland areas (the Foothills), the reserve system identified for each alternative map is identical. Stream buffers will also be a component of the ultimate reserve system; however, these features are not represented on the enclosed maps as the stream buffer area is too small to be represented at the mapping scale included in this report.

One of the key elements of the PCCP is to identify a reserve system-mapping alternative that can be considered the “least environmentally damaging practicable alternative” (or LEDPA) for purposes of avoiding impacts to federally-regulated wetlands. If the PCCP reserve system can meet the federal guidelines of a regional LEDPA, a more comprehensive wetland-permitting program would be administered by the County, creating a potential savings in time, an increase in certainty, an increase in PCCP utility, and an assurance that wetland resources are protected in perpetuity within the reserve system. A LEDPA discussion summarizing staff’s opinion of whether the specified alternative could achieve a regional LEDPA (based upon input from the State and Federal agencies) is provided for each map.

Lastly, the map appears to depict a hard edge between the reserve (purple) and development (white) areas, implying that development will be located immediately adjacent to reserve areas. The more likely outcome would be a transition between the future urban areas and the final reserve boundaries at 2050. A hard line urban edge presents concerns to the wildlife agencies because of the incompatible nature of the two land uses. The light, odor, noise, dust, introduction of non-native species, changes in hydrology, and other human-related activities is detrimental to many species including some of the covered species included with this plan. The conservation strategy to be proposed once a reserve alternative map is prepared will

include a set of standards for development located near or adjacent to properties being protected in the final reserve boundary.

Furthermore the hard edge on the maps is an outline that simply represents the area from within which reserve parcels would be acquired. The actual PCCP reserve area would be defined over time by the assemblage of acquired of reserve parcels consistent with the conservation strategy and its biological objectives.