

Santa Clara Valley Habitat Plan

City Council
August 4, 2009
Item 4.5



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SANTA CLARA VALLEY HCP/NCCP PARTNERSHIP



Key Issues

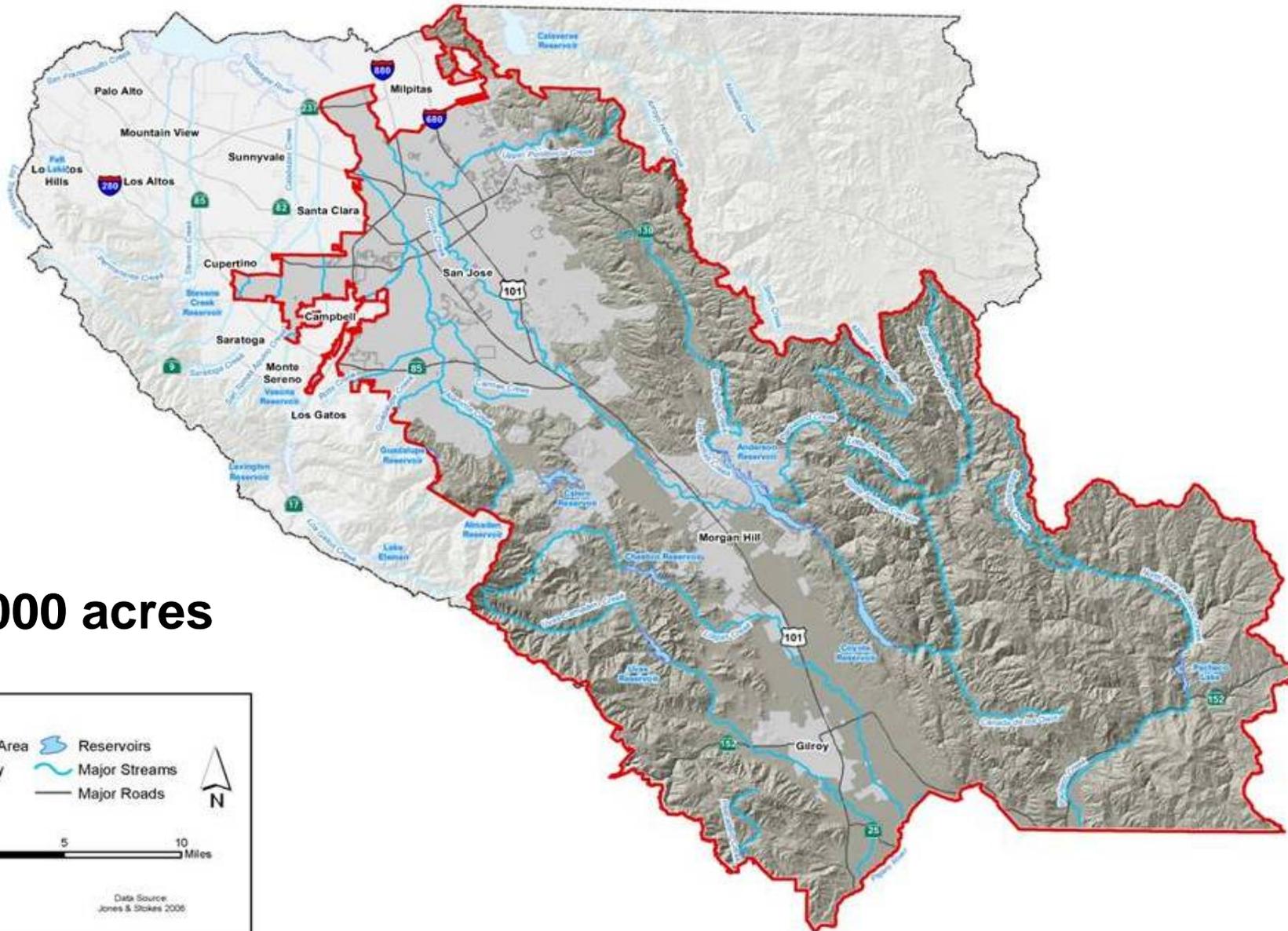
- Is Zone 'D' fee acceptable?
- Approach to fund Plan start-up costs?
- What Implementing Entity Structure?
- Include Burrowing Owl as covered species?

SCV Habitat Plan Origins

- USFWS Sect. 7 Biological Opinion (2001) requires regional HCP
 - Hwy 101 widening (San Jose to Morgan Hill)
 - Bailey Avenue interchange
 - Hwy 85/101 interchange
 - Coyote Valley Research Park
- Local Partners sign MOU (June 2004)
 - Santa Clara County
 - City of San Jose
 - Santa Clara Valley Water District
 - Santa Clara Valley Transportation Authority
 - City of Gilroy and City of Morgan Hill (2005)
 - Santa Clara County Open Space Authority (2009)
- NCCP Planning Agreement signed by all (October 2005)
- Participating Agencies:
 - CA Dept. Fish & Game (CDFG), US Fish & Wildlife Service (USFWS), National Marine Fisheries Service (NMFS), CA State Parks



Study Area



~ 520, 000 acres

What the Habitat Plan Will Do

- **Provide permits.** USFWS, CDFG, NMFS issue permits for “take” of listed species to Local Partners.
- **Streamline projects.** Local Partner jurisdictions will extend this take authorization to applicants who meet requirements of 50 year Habitat Plan.
- **Improve mitigation.** Provide large-scale habitat and species conservation in areas of high biological value—avoid project-by-project approach.
- **Provide new money.** Attract new sources of state and federal funding for conservation in Santa Clara County. Potential for foundation grants.

Benefits to San Jose

- Protects species habitat and open space
 - Creates new recreation opportunities
- Streamlined permitting process for developers and City
- Local control over endangered species permits
- Helps protect watersheds feeding City streams
- Helps implement City General Plan policies
 - Helps solidify Greenline
- Helps implement local flood control and water supply projects

Impact Estimates

- Based on a 50-year permit term
- Total permanent impacts = ~ 25,000 acres
 - ~15,000 acres = Urban development; most in Gilroy and Morgan Hill (1,400 acres in San Jose)
 - ~3,500 acres = Public infrastructure projects
 - ~6,500 acres = Rural development (County)
- Temporary impacts per year = ~2,000 acres (many in same locations)
- **Total estimated direct impact = ~27,000 acres**

Habitat Plan Costs & Funding

Costs

- Plan costs refined during 2009, approx. \$20-22m/yr, including \$8m annual operating costs.
- Estimated costs for 50 yr permit term, in 2008 dollars, are \$1-\$1.1 billion.

Funding

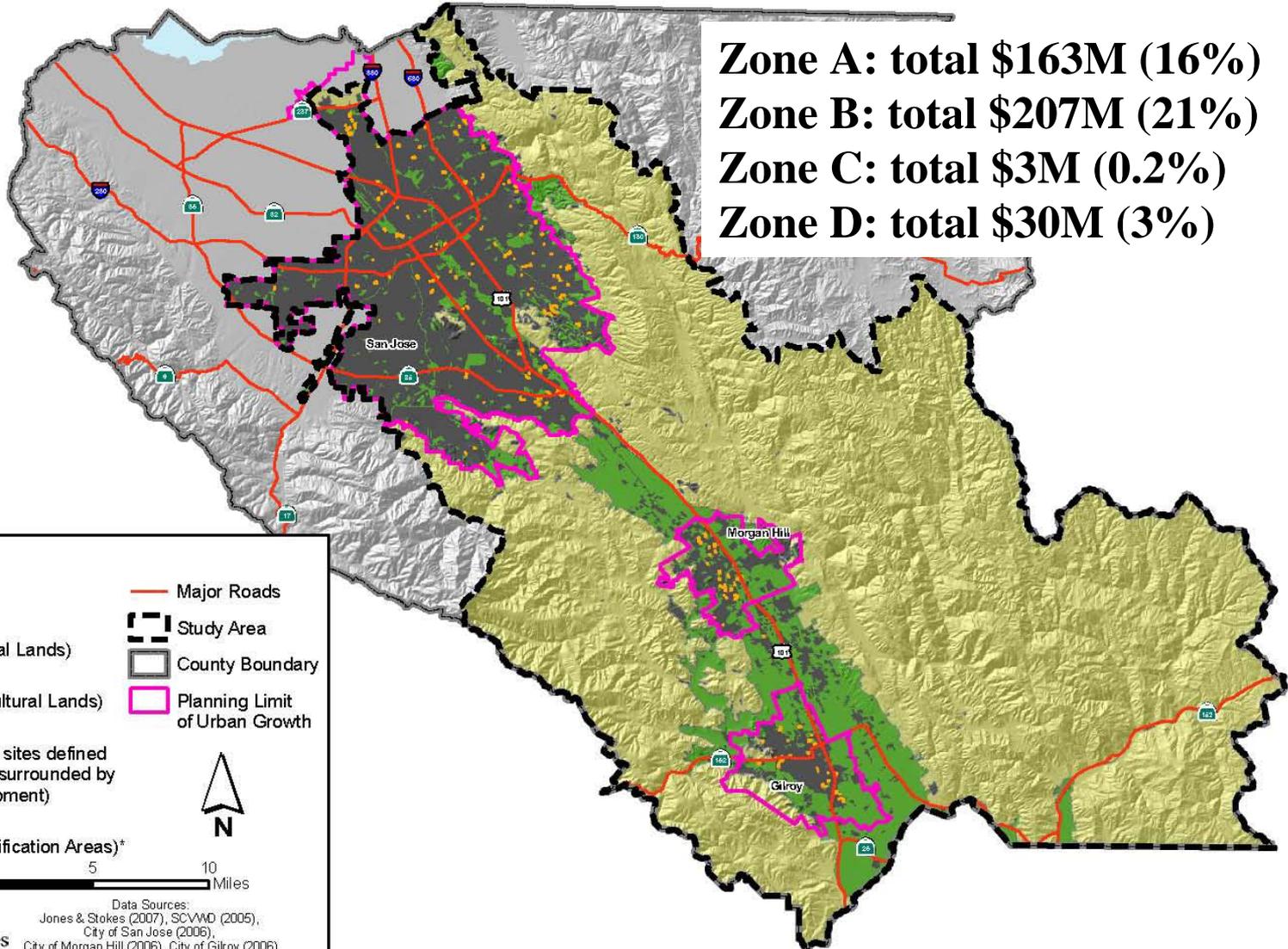
- Public & private sector impact fees (~50% of costs)
- Some land acquisition by existing park/open space agencies (~20% of costs)
- SCVWD funding 3 Creeks HCP activities (~15% of costs)
- State and federal grants (~15% of costs)
- Potential for foundation grants

Major Funding Sources

1. Total Fee Funding \$450M (45.4%)
 2. Total Non-fee Funding \$541M (54.6%)
 3. Funding from non-profit organizations (TBD)
- Study Area broken into Fee Zones based on land cover:
 - Zone 'A': \$18,500/ac (natural land)
 - Zone 'B': \$12,900/ac (agriculture)
 - Zone 'C': \$4,600/ac (small vacant)
 - Zone 'D': \$6.17/trip (urban emissions)

Impact Fees

Zone A: total \$163M (16%)
Zone B: total \$207M (21%)
Zone C: total \$3M (0.2%)
Zone D: total \$30M (3%)



Legend

Fee Structure

- Fee Zone A (Mostly Natural Lands)
 - Fee Zone B (Mostly Agricultural Lands)
 - Fee Zone C (Small vacant sites defined as <10 acres surrounded by urban development)
 - Fee Zone D (Urban Intensification Areas)*
- Major Roads
 - Study Area
 - County Boundary
 - Planning Limit of Urban Growth



5 2.5 0 5 10 Miles

Prepared by:

Jones & Stokes

Data Sources:

Jones & Stokes (2007), SCVWD (2005),

City of San Jose (2006),

City of Morgan Hill (2006), City of Gilroy (2006)

*Development within the Zone D is only subject to the Urban Intensification Fee if it will increase residential dwelling units or increase commercial square feet by over 20%. See the Habitat Plan for more details.

Zone 'D' Fee

- Council's 2008 fee concerns relayed to Wildlife Agencies
- Original Plan goal to protect serpentine species habitat, incl. Bay Checkerspot butterfly
- Fund acquisition/management of serpentine habitat to mitigate nitrogen emissions impacts
- 2009 emissions modeling to identify 'fair-share' cost
- Fee only covers vehicular emissions impacts within Plan boundary
- Other funding sources for 50% of emissions from outside Plan area and stationary sources
- Beneficial to address with Local Partners in HCP rather than San Jose in 2040 GP Update

Zone 'D' Fee (cont.)

- Avg. \$600K/year, San Jose share \$300-400K/year
- One time fee \$62 for single-family, \$43 for multi-family
- One time fee \$0.10 per sq.ft. commercial/industrial, \$0.40 per sq.ft. for retail
- Trip reduction credit for mixed-use, transit-oriented use or electric vehicles
- Reduce trip rates as non-auto trips increase, VMT drops with new General Plans and Climate Action Plan
- Fee may allow HCP/NCCP to function as mitigation program for projects with vehicle GHG emissions.
- 48,000 acre Habitat Reserve system allows for species redistribution and adaptation as climate changes.

Plan Start-up Costs

- Fee revenues to start slowly with weak economy
- Cash flow shortfall in early years (\$1-4M annually)
- Options:
 - Defer land acquisition
 - Monetary contribution from Local Partners
 - Prepayment of public agency impact fees
 - Reduced operating costs

Implementing Entity Options

- Potential Organizational Structures:
 - One Local Partner
 - Special District
 - Joint Powers Authority (JPA)
 - Private nonprofit tax-exempt public benefit corporation
 - State-chartered conservancy
- Liaison Group preference for combination JPA with other functions
- Implementing Entity formed by 2010

Burrowing Owls

- South Bay Owl population in steep decline
- Likely soon listed as CA Endangered Species
- Goal to include in Habitat Plan
- Two main populations (Mineta Airport, WPCP) not covered in Plan
- High priority for DF&G, stakeholders
- Continue discussion with Wildlife Agencies in 2009

Next Steps

- August 20: Feedback to Liaison Group
- August 31: Comments due on 2nd Admin Draft Plan
- Oct-Nov: Update on Implementing Entity and Owls
- Late 2009: Public review of Draft Habitat Plan and EIR/EIS
- Late 2010: City Council and other Local Partners approve Habitat Plan and EIR/EIS
- Early 2011: Wildlife Agency Permits issued

Council Direction

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