

Thurston County Board Briefing

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| <u>Briefing Date/Time:</u> | July 26, 2017 2:30 to 3:00 PM. |
| <u>Office/Department & Staff Contact:</u> | Resource Stewardship – Long Range Planning Christina Chaput, Associate Planner, ext. 5486 Cynthia Wilson, Long Range Planning Manager, ext. 5475 Andrew Deffobis, Associate Planner, ext. 5467 Brent Butler, Director, ext. 3005 |
| | Habitat Conservation Plan |
| <u>Purpose:</u> (check all that apply) | <input type="checkbox"/> Information only <input checked="" type="checkbox"/> Decision needed <input checked="" type="checkbox"/> Follow up from previous briefing |
| <u>Synopsis/Request/Recommendation:</u> <i>(One or two sentences identifying your primary objective for this session)</i> | |
| <ul style="list-style-type: none"> • The purpose of this briefing is to follow-up from previous Board discussion regarding coverage options for the scope of the Habitat Conservation Plan (HCP) and request a decision. | |
| <u>1. Recent Briefings</u> | |
| <p>Briefings have been conducted periodically for the HCP and associated processes, from 2010 to the present. Recent past briefings on the HCP (not including briefings on the Interim permitting process) include:</p> <ul style="list-style-type: none"> • July 26, 2017 HCP Coverage Options Follow up • June 14, 2017 HCP Focus Group Meeting (May 25th) Follow up • April 20, 2017 HCP Follow up Coverage Options • April 13, 2017 HCP Follow up Coverage Options • April 6, 2017 HCP Coverage Options Cost Estimates • February 22, 2017 HCP Financing • February 9, 2017 HCP Review with U.S. Fish and Wildlife • January 4, 2017 HCP Overview • October 19, 2016 HCP and Involvement of Conservation Futures • January 20, 2016 Second Briefing on Financing HCP • October 28, 2015 Initial Briefing on Financing HCP and Estimated Costs | |

2. Benefits of a Habitat Conservation Plan

A HCP is an economic development tool that forecasts, manages, and mitigates defined impacts to endangered species. The HCP provides:

- 1) Predictable permit process for developers and residents;
- 2) Streamlines permitting – easier to get permits;
- 3) Local control of permitting activities with no surprises for life of HCP (est 30 years); and
- 4) Helps our permit applicants comply with state and federal rules.

A Habitat Conservation Plan (HCP) will provide umbrella authorization under the Incidental Take Permit (ITP) for activities that would otherwise require an individual permit from US Fish and Wildlife Service (USFWS). The authorization will protect the county and private property owners for activities and development permitting covered by the plan. Most importantly, a HCP provides for a predictable permitting process which sustains economic growth in the County. A HCP, once approved, will replace the interim permitting process whose goal is to minimize the county's liability while also continuing development on parcels throughout the county.

The HCP is a 'pay-as-you-go' system—the County is only required to provide mitigation for the impacts that actually occur. There will be no mitigation cost associated with any projected impacts that do not occur.

The ITP issued through the Endangered Species Act (ESA) (section 10(a)(1)(B)) provides “No Surprises” assurances by the federal government to non-federal landowners. If “unforeseen circumstances” arise, no additional commitment of land, water, or financial compensation or additional restrictions will be requested on the use of land, water or other natural resources beyond the level otherwise agreed to in the HCP and ITP without the consent of the permittee. The permittee must be implementing the terms and conditions in the HCP, the ITP, and other associated documents in good faith.

3. Permit Processes Without a County HCP

Without a County HCP, each permittee, where their activities may cause a “take” of a listed species, will be required to develop an HCP on their own so that an ITP may be issued by USFWS with the steps shown below:

1. Complete project site survey following USWFS appropriate protocol for detecting the ESA listed species.
2. Complete an HCP & environmental review documentation, and be issued an incidental take permit by USFWS.
3. Mitigation required by USFWS.
4. Apply for and receive County permit.

The above process will take approximately 24 months to three years depending on when the application process begins, the time of year species surveys may be conducted, and the workload of the local USFWS office. Costs associated with the development of the HCP and associated environmental review are borne by the applicant. Mitigation requirements may vary depending on if there is an available mitigation bank or if there is an available mitigation site that meets federal requirements.

4. Permit Processes With an County HCP

With a County HCP, the local permit process may go much faster depending on the type of habitat review necessary under the HCP and the ITP. Currently, a process for review of prairie habitat that does not require an individual species survey is being evaluated for the County's HCP. With the aforementioned process, there should be no time delays to wait for the correct season to determine species presence, or to wait for multiple rounds of surveys to be completed. Under the proposed HCP process, the permit process would include:

1. Use GIS to detect if the permit is located in the HCP coverage area
2. Determine the impacts and mitigation needed, calculate mitigation fee.
3. Permittee pays mitigation fee.
4. Permittee receives incidental take permit coverage under the County HCP.
5. Permittee proceeds with County permit process.

It is estimated that the above process may take two-four weeks, which can be done simultaneously with other County permitting processes. For properties outside of the HCP habitat area, or where the habitat is clearly avoidable, the applicant would proceed with the regular County permit process.

5. HCP Cost Components

The HCP allows impacts to occur to the covered species due to actions (development and building permits) permitted by Thurston County or actions completed by the County (such as capital improvement projects). In order for U.S. Fish and Wildlife Service (USFWS) to agree to these impacts under the Endangered Species Act, there needs to be a conservation design in place that proposes how to mitigate the potential impacts. The mitigation is required to keep pace with the impacts. A plan must also be in place that shows there will be responsible management of plan implementation.

What the funding is required for:

- Management and administration of plan implementation
- Securing new conservation lands (e.g., through 15-year working lands agreements, fee title acquisition, easements, or donations of land)
- Enhancing conservation lands to high quality habitat
- Long-term management and monitoring funds (e.g., endowments)

6. HCP Cost Estimates Planning Basics

Developing a financing plan for a Habitat Conservation Plan (HCP) is a challenging process that requires thorough analysis. This requires identification of the scope of the project, cost components, a reasonable estimate of all costs for implementing the plan in its entirety, and determining a viable set of funding sources. County leadership will decide how to finance the HCP. However, a HCP is a 'pay-as-you-go' system; therefore, mitigation costs are associated only with actual impacts. The cost per year and overall cost of a HCP may be less than currently estimated, as the estimated costs assumes the total amount of predicted impacts will occur. Additionally, as the HCP program is implemented there may be cost savings found in the individual cost components described in section 5 above.

Documents Attached:

N/A

Summary & Financial Impact:

A HCP is an economic development tool that forecasts, manages, and mitigates defined impacts to endangered species. Thurston County is developing a HCP to offset impacts to listed and other sensitive species that may be listed from development and county activities. A HCP provides the following benefits to county residents

- 1) Predictable permit process for developers and residents;
- 2) Streamlines permitting – permits from only one agency;
- 3) No surprises for life of the HCP (est 30 years); and
- 4) Creates development certainty.

The funding plan needs to account for the total projected cost to mitigate the total predicted impacts. However, the HCP is a ‘pay-as-you-go’ system. Only paying for mitigation of actual impacts. Also, it does not require those total funds to be available on day one of implementation of the HCP, but a plan for sufficient funds to mitigate as impacts occur must be demonstrated.

Affected Parties:

E.g. County residents, community organizations, other County offices/departments, etc.

All county residents may be affected in some way because of the extent of the coverage for the Thurston County Prairie Habitat Conservation Plan.

Options with Pros & Cons:

Below ~ List all viable options. Begin with underlined option title, then add pros and cons, financial impact of each, as well as affected parties (e.g. County residents, community organizations, etc.)

1. Modified Scope - to continue to build a county Habitat Conservaiton Plan

An assumed buildout of 88% over the next 30 years. Projected impacts are reduced from original estimates by assuming rural residential impacts will only average 1 acre of impact rather than the 2 acre estimate in the current draft of the HCP. Additionally, impacts from the area annexed by Tumwater will be removed. Activities covered would remain same as in the initial draft HCP from May 2016.

Pros:

- Projects will have streamlined permitting and predictable process.
- This plan is closest to being completed.
- No screening season for Gopher.

Cons:

- Financial participation by applicants.
- May need financial participation by county

2. Start the HCP development from scratch “Do Over”

In this option the county would develop a new and different habitat assessment method model, re-do the conservation strategies and redefine the covered species, area of the county and activities.

Pros:

- Cost of HCP could potentially be reduced.

Cons:

- Permitting continues to be unpredictable for applicants.
- Addition of 24-36 months to current timeframe to rework and complete the HCP.
- Would require additional funding outside the current grants.
- MPG review seasons would continue for foreseeable future .

3. No Habitat Conservation Plan

Pros:

- Conservation Futures can be used to fund other conservation projects.
- Staff available to advance other Board priorities.

Cons:

- No permit predictability for applicants.
- Gopher review seasons would continue (in some form).
- Applicant s on their own to develop an HCP and mitigate project by project.
- Potential ESA liability
- May have to repay grant funds (up to \$609,000).

Board Direction:

The Board to provide direction to staff with their selected option for the Habitat Conservation Plan.

Next Steps/Timeframe:

Based on the Board’s recommendation, describe the next steps required in order to bring this item to conclusion. Include the time frame for each step, and when the Board should expect to see this issue before them again.