

Implementation Policy of the East Contra Costa County Habitat Conservancy (Conservancy) regarding calculating Contribution to Recovery charges related to Participating Special Entities seeking take authorization from the Conservancy

Background: As set forth in the East Contra Costa County HCP/NCCP, the Conservancy may charge a Participating Special Entity supplemental fees to aid the Conservancy in covering costs associated with the implementation of the HCP/NCCP that are not included in the impact fees. As explained in the following excerpt from Chapter 8.4 of the HCP/NCCP, charging Participating Special Entities (PSEs) a Contribution to Recovery (CTR) was an approach to funding the Conservancy's requirement to contribute to the recovery of covered species and other costs not covered by the fees:

The Implementing Entity may require Participating Special Entities to pay fees over and above those specified in Chapter 9 to cover indirect costs of extending permit coverage under the HCP/NCCP, including the costs of Implementing Entity staff time to assist with permit coverage, a portion of the costs of the initial preparation of the Plan, and a portion of the costs of conservation actions designed to contribute to species recovery.

Below please find additional information on costs not covered by standard mitigation fees.

Additional Conservation Actions: Under the Natural Community Conservation Planning Act¹ a Natural Community Conservation Plan (NCCP) provides a method for conserving species on a large geographic scale and must contribute to recovery of covered species. The HCP/NCCP requires the Conservancy to assemble a Preserve System that not only mitigates impacts to covered activities (mitigation) but to also contributes to the recovery of covered species (conservation). As described in Chapter 5 and Appendix H of the Plan, 52% of the Preserve System is required for mitigation and 48% is required for conservation. The development and wetland mitigation fees are used to pay for the mitigation component where as other sources such as public funds and CTR from PSEs are used to pay for the conservation component.

Post-Permit Preserve System Management: In addition to the above costs associated with the Plan, the responsibility for funding post-permit management and monitoring of the Preserve System rests solely with the local participating agencies. Current HCP/NCCP mitigation fees are based on the estimated costs of management during the permit term and do not reflect the costs of post permit term management. The HCP/NCCP envisions these costs being covered through alternative mechanisms. The CTR charges will be used to supplement other revenue sources for funding post-permit term Preserve System management.

Plan Preparation: The initial cost to prepare the HCP/NCCP was over 1.8 million dollars. This cost was covered mainly by grants secured by the local agency Plan Permittees in order to develop an effective framework to protect natural resources in eastern Contra Costa County and improve and streamline the environmental permitting process for impacts on endangered species.

¹ Cal. Fish and Game Code § 2800 and following.

PSEs did not contribute to the plan preparation cost. CTR charges will be used to assist in relieving a portion of this initial cost to the Permittees that are extending incidental take coverage.

Staff Time: Participating Special Entities reimburse the Conservancy for staff time expenses related to processing applications on a time and materials basis. These fees are separate from CTR charges.

Guidelines for Calculating the Contribution to Recovery

1. For projects with cumulative permanent development fees, temporary development fees and wetland mitigation fees less than or equal to \$1,000 the Conservancy will require a minimum contribution to recovery charge of \$1,000.
2. For projects with cumulative permanent development fees, temporary development fees and wetland mitigation fees greater than \$1,000 and less than or equal to \$10,000, the Conservancy will require a contribution to recovery charge equal to the development and/or wetland mitigation fee total (100%).
3. For projects with cumulative permanent development fees, temporary development fees and wetland mitigation fees greater than \$10,000 the Conservancy will require a contribution to recovery charge that is equal to the first \$10,000 (100%) plus one half of the remaining development and/or wetland mitigation fee total (50%).
 - For example, if the permanent or temporary development and/or wetland mitigation fee is \$20,000, the applicant would be required to pay a total of \$15,000 for the contribution to recovery charge. This is calculated based on charging \$10,000 on the first \$10,000 (100%) and \$5,000 on the remaining \$10,000 (50%).
4. Projects with cumulative development and wetland mitigation fees greater than \$50,000 which are paying *permanent* development and/or wetland mitigation fees are for *temporary* impacts, the Conservancy will require a contribution to recovery charge that is equal to the development and/or wetland mitigation fee up to \$10,000, plus one half of the remaining mitigation fee up to \$50,000, and an additional 10% charge on the remaining balance of the development and/or wetland mitigation fee.
 - For example, if the applicant's permanent development and/or wetland mitigation fee for temporary impacts is \$80,000 the applicant would be required to pay a total of \$33,000 for the contribution to recovery charge. This is calculated based on charging \$10,000 on the first \$10,000 (100%), \$20,000 on the remainder up to \$50,000 (50% of \$40,000), and \$3,000 for the remaining \$30,000 (10%).
5. For projects where the applicant is a joint exercise of powers authority composed of two or more agencies which are also members of the Conservancy, the same calculation up to \$50,000 will be applied (1-3). However, for *permanent and temporary* development

and/or wetland mitigation fees greater than \$50,000 the CTR on the portion of the fee above \$50,000 will be 10%.

- For example, if the permanent or temporary development and/or wetland mitigation fee is \$80,000 the applicant would be required to pay a total of \$33,000 for the contribution to recovery charge. This is calculated based on charging \$10,000 on the first \$10,000 (100%), \$20,000 on the remainder up to \$50,000 (50% of \$40,000), and \$3,000 for the remaining \$30,000 (10%).
6. For projects that impose unique or challenging mitigation measures on the Conservancy, staff will recommend adjusting the Contribution to Recovery charge to address the increased costs of fulfilling mitigation and species recovery obligations. Staff will recommend all Contribution to Recovery charge adjustments to the Conservancy Governing Board for approval.
- For example, additional CTR charges should be required for projects with impacts to vernal pool invertebrates, giant garter snake, Swainson's hawk nest trees or other species with unique mitigation requirements in the HCP/NCCP. The Plan requires the Conservancy to mitigate such impacts with occupied habitat. Such actions are more costly than standard habitat protection and restoration measures.