AGENDA ITEM I-2

CITY OF LODI
COUNCIL COMMUNICATION

AGENDA TITLE: Conduct a Public Hearing to adopt a Resolution amending the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Development Fees.

MEETING DATE: February 7, 2007

PREPARED BY: Randy Hatch, Community Development Director

RECOMMENDED ACTION: Conduct a Public Hearing to adopt a Resolution amending the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Development Fees.

BACKGROUND INFORMATION: On February 21, 2001 the City of Lodi adopted the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). The Plan included a schedule of fees to be paid by land-owners who propose to develop their property with non-agricultural uses. These fees are used to mitigate for the cumulative impacts of new development on habitat lands within Lodi and San Joaquin County. According to the San Joaquin Council of Governments (SJCOG), it is necessary for all jurisdictions covered by the Plan to approve the increase in Habitat Conservation Plan (HCP) fees in order for those jurisdictions to continue to participate in the Plan. SJCOG has prepared a SJMSCP Financial Analysis Update in 2006 that provides the justification for the fee increase (attachment). The original fee study and economic analysis conducted for SJCOG are also available for the Council's review. Based on the Financial Analysis Update, SJCOG has determined that a significant increase in the fee structure is necessary in order for the SJMSCP to fulfill it's obligation to purchase permanent habitat land or easements to mitigate for the loss of existing habitat land to urban development. The price of land in San Joaquin County has increased substantially in the past 5-years and this has affected the ability of SJCOG to purchase habitat acreage, whether in fee title or as an easement.

On November 30, 2006 the SJCOG Board unanimously approved the HCP fee increase. All local jurisdictions are asked to now approve the new fee schedule that will take effect on April 1, 2007. Given that this development fee increase will not be effective until 60 days after adoption, it is essential that the City adopt the new fees at the earliest possible date in order for the City to remain a participant in the Plan. With the adoption of this fee increase, the fee per acre will be $6,511.00 for Multi-Purpose Open Space land (276% increase), $13,022 for Natural and Agriculture land (276% increase) and between $34,958.00 - upland (231% increase) and $69,858 - wetted (10% increase) for Vernal Pool land. The fees will be paid by land owners who develop their property with projects that are subject to the fees.

FISCAL IMPACT: No fiscal impact on the City.

APPROVED: _____
Blair King, City Manager

FUNDING AVAILABLE: None required.

Randy Hatch, Community Development Director

Attachments: 1) Memo from SJCOG w/Fee Analysis Update summary
2) Fee schedule

RH/dm/kjc

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JAN 10 2007

COMMUNITY DEVELOPMENT DEPT
CITY OF LODI

Economic &
Planning Systems
Real Estate Economics
Regional Economics
Public Finance
Land Use Policy

MEMORANDUM

To: Steve Mayo, San Joaquin Council of Governments

From: Teifion Rice-Evans and Jason Moody

Subject: San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Financial Analysis Update; EPS #15126

Date: January 10, 2007

Economic & Planning Systems, Inc. (EPS) and Jones & Stokes (J&S) were retained by the San Joaquin Council of Governments (SJCOG) to update the financial analysis determining the mitigation fees charged under the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). The results of this update are included in the attached financial model. The completion of this fee update included three public workshops as well as several meetings of the SJMSCP's Habitat Technical Advisory Committee (HTAC) financing subcommittee. This memorandum summarizes the purpose, approach, and results of the financial update.

PURPOSE AND APPROACH

- **Update Purpose**. The original financial analysis was completed in 1997 and established a fee schedule to cover mitigation requirements and costs. Since that time, changes in costs have rendered the current fees too low. The purpose of the update was to establish a new fee schedule that could cover costs based on current conditions and provide a fee updating process that would tie annual fee adjustments more closely with cost changes through time.

- **Mitigation Ratios and Conservation Requirements**. The original financial analysis was based on several key components of the SCMSCP, including the amount of take permitted, the required mitigation ratios, and the associated conservation requirements. These key components were approved by the relevant regulatory agencies as part of SJMSCP adoption in 2001. This financial update maintains these key components of the SJMSCP and does not alter the SJMSCP's linkage between land conversion and the mitigation required.

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- **Financial Model and Cost Updates.** The financial update provides revised estimates of mitigation costs based on current conditions and integrates these costs into the original financial model to identify the new set of fees required to cover mitigation costs. The attached financial model shows the new unit costs and their application to the SCMSCP's original mitigation requirements. Cost estimates and the associated fee calculations are divided into the three major cost categories: (1) acquisition costs, (2) assessment and enhancement costs, and (3) management and administrative costs.

- **Updated Cost Estimates.** The updated cost estimates are based on current information concerning the three cost components. Acquisition costs, the majority of mitigation costs, are based on recent land sales in San Joaquin County. Relevant sales comparables were identified based on conversations with appraisers, real estate brokers, and others active in the San Joaquin County land market.

  Assessment and enhancement costs are based on the current costs of assessing and enhancing habitat both in San Joaquin County and elsewhere. Management and administration costs are based on the current SJCOG, Inc., costs of managing and administering the Conservation Plan as well as estimates of endowment contributions required to ensure continued SJMSCP implementation beyond the acquisition phase of the plan.

- **Fee Structure.** Consistent with the SJMSCP and the original financial analysis, different fees are charged for the conversion of four different land types: natural/agricultural lands, vernal pool grasslands, vernal pool wetted, and other open space.

- **Annual Fee Adjustments.** An appropriate approach to updating fees is critical to avoid funding shortfalls. The original financial analysis included annual fee updates based on the California Construction Cost Index. This index has not reflected changes in mitigation costs. As a result, a new approach to annual fee adjustments was developed.

RESULTS

FEE SCHEDULE

The table below shows the new fee schedule. In addition, it shows the fee schedule when originally estimated in 1996 and the current fee schedule, adopted in January 2006, which incorporated the annual fee adjustments as well as a correction concerning the level of non-mitigation funding available. The new fee schedule represents the fees required at the current time to generate sufficient funding to cover mitigation costs.

Habitat Type	Original Fees (1997)	2006 Interim Fees	Updated Fees
Other Open Space	$750	$1,651	$6,511
Natural/Agricultural	$1,500	$3,304	$13,022
Vernal Pool (Grassland)	$5,000	$10,081	$34,958
Vernal Pool (Wetted)	$30,000	$60,379	$69,858

ANNUAL FEE ADJUSTMENTS

Annual fee adjustments that reflect the relevant drivers of mitigation costs are a critical part of the fee program. To reflect the different factors driving changes in the different components of mitigation costs, the following updated approach was developed:

- **Acquisition Costs.** The acquisition cost component of the fee will be adjusted by tracking relevant, recent land sales. Specifically, on an annual basis, SJCOG, Inc., will develop a list of its own acquisitions in addition to other arms-length acquisitions in the County that are between 40 and 500 acres in size, represent suitable mitigation under the SJMSCP, and are not improved with vineyards or orchards. Combining this data with data from the prior year, new per acre land cost estimates will be estimated and used to adjust the acquisition cost component of the fee. A minimum of ten acceptable comparables will be required for this calculation. If ten comparables are unavailable within the last two years, the time frame will be shifted back in three month intervals until ten comparables are identified.

- **Other Costs.** The other cost components of the fee, including the assessment and enhancement costs and the management and administration costs, will be adjusted annually using the Consumer Price Index (CPI). At the end of each fiscal year (July through June), the fees will be adjusted based on the change in the CPI over the fiscal year.

Table 1
Fee Results
SJCMSCP Fee Update, EPS#15126

Fee	% of Land Preservation	Acquisition Costs (1) A	Assessment & Enhancement (2) B	Management and Admin. (3) C	TOTAL A + B + C	TOTAL (rounded) A + B + C
Other Open Space (4)		$4,435.03	$1,327.58	$748.45	$6,511.06	**$6,511**
Percent of Total		68%	20%	11%	100%	
Natural/ Agricultural Lands (4)	82% (5)	$8,870.05	$2,655.16	$1,496.90	$13,022.11	**$13,022**
Percent of Total		68%	20%	11%	100%	
Vernal Pool Grasslands (4)	16% (6)	$28,980.00	$500.01	$5,478.00	$34,958.01	**$34,958**
Percent of Total		83%	1%	16%	100%	
Vernal Pool Wetted (4)	2% (7)	$28,980.00	$35,400.03	$5,478.00	$69,858.03	**$69,858**
Percent of Total		41%	51%	8%	100%	

(1) Includes land acquisition and transaction costs. See Exhibit A.
(2) Includes biological assessment, preserve management plan preparation, and restoration and enhancement costs. See Exhibit B.
(3) Includes monitoring endowment, SJCOG project management, SJCOG administration, and administrative endowment. See Exhibit C.
(4) Figures are rounded to the nearest $0.01 throughout this analysis and as a result may not compute precisely.
(5) Fees associated with other open space and natural/ agricultural lands fees will contribute to 82.361 percent of the overall land preservation under the plan, specifically 82,560 acres of natural/ agricultural lands.
(6) Fee associated with vernal pool grasslands conversion will contribute to 15.523 percent of the overall land preservation under the plan or 15,561 acres.
(7) Fee associated with vernal pool wetted conversion will contribute to 2.116 percent of the overall land preservation under the plan or 2,121 acres.

Sources: Jones & Stokes; Economic & Planning Systems, Inc.

Table 2
Detailed Breakdown of Fees
SJCMSCP Fee Update, EPS#15126

	Fee Per Acre									
	Acquisition Costs				Management & Administration					
Fee	Land Acquisition a	Transaction Costs (5 %) b	Total Acquisition Costs A = a + b	Assessment & Enhancement B	Monitoring Endowment d	Project Management e	Administration f	Administrative Endowment g	Total Mgt. and Admin. C = d + e + f + g	TOTAL A + B + C
Other Open Space Percent of Total	$4,223.84 65%	$211.19 3%	$4,435.03 68%	$1,327.58 20%	$467.64 7%	$165.76 3%	$95.56 1%	$19.50 0%	$748.45 11%	**$6,511.06** 100%
Natural/ Agricultural Lands Percent of Total	$8,447.67 65%	$422.38 3%	$8,870.05 68%	$2,655.16 20%	$935.28 7%	$331.52 3%	$191.11 1%	$39.00 0%	$1,496.90 11%	**$13,022.11** 100%
Vernal Pool Grasslands Percent of Total	$27,600.00 79%	$1,380.00 4%	$28,980.00 83%	$500.01 1%	$3,750.00 11%	$1,020.00 3%	$588.00 2%	$120.00 0%	$5,478.00 16%	**$34,958.01** 100%
Vernal Pool Wetted Percent of Total	$27,600.00 40%	$1,380.00 2%	$28,980.00 41%	$35,400.03 51%	$3,750.00 5%	$1,020.00 1%	$588.00 1%	$120.00 0%	$5,478.00 8%	**$69,858.03** 100%

Sources: Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit A-1
Land Conversion through Development in San Joaquin County, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

Activity	Habitat Type			
	Natural Lands	Ag. Habitat Lands	Other Open Space	Total Development
Urban Development	4,100	47,453	24,217	75,770
Aggregate Mining	1,769	1,813	7,317	10,899
Public Agency Activities	488	2,132	1,095	3,715
Non-Ag Activities on Ag-Zoned Land	2,030	4,457	2,428	8,915
Ag Activities Triggering Sec. 404	5,000	--	--	5,000
Contingency	812	1,780	2,408	5,000
Total Acres	**14,199**	**57,635**	**37,465**	**109,299**
Percent of Total Acres	**13%**	**53%**	**34%**	**100%**

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit A-2
SJCMSCP Preserve Land Requirement, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

Habitat Type	Ratio (Preserve Acres: 1 Acre Conversion)	Total Preserve Acres	Percent Total Acres
Natural Lands	3		
Riparian		19,185	19%
Delta Aquatic		10	0%
Other Water's Edge		1,584	2%
Southwest Grasslands		4,146	4%
Vernal Pool Grasslands (incl. vernal pool wetted)		17,682	18%
Subtotal Natural Lands (1)		42,607	43%
Agricultural Habitat Lands	1	57,635	57%
Total		**100,242**	100%

(1) Approximately equal to total natural lands converted (14,199 acres) times 3 (=42,597). Discrepancy due to 10 acres of land associated with levees.

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit A-3
Per-Acre Land Value Summary
SJCMSCP Fee Update, EPS #15126

Land Use		Central Zone	Primary Zone of the Delta	Southwest Zone
Fee Title	a	$11,821 (1)	$8,285 (2)	$1,500
Row Crops/ Grazing	b	$2,591 (3)	$2,341 (3)	$500
Easement Cost	a - b	$9,230	$5,944	$1,000 (4)

(1) See Exhibit A-5.
(2) See Exhibit A-6.
(3) See Exhibit A-7. Comparable sales of properties encumbered by natural features are used as a proxy, as comparable sales of land encumbered by easement are not available. Estimate for encumbered land in the primary zone of the delta is $250 lower than that of the central zone based on lower market rents for row crop land.
(4) Based on recent 2005/ 2006 SJCOG land transactions.

Sources: SJCOG, Inc; Individual Appraisers Data; Economic & Planning Systems, Inc.

Exhibit A-4
Per-Acre Acquisition Cost Summary
SJCMSCP Fee Update, EPS #15126

Land Use Category		SJCMSCP Zone: Central Zone A	Primary Zone of the Delta B	Southwest Zone C	Total Weighted Acquisition Cost A + B + C
Easement Cost by Zone (1)	d	$9,230	$5,944	$1,000	
Natural Lands					
Riparian					
Percent in Zone (2)	e	89%	11%	0%	
Weighted Cost (3)	d * e	$8,214.70	$653.84	$0.00	**$8,868.54**
Delta Submerged Aquatic					
Percent in Zone (2)	f	0%	100%	0%	
Weighted Cost (3)	d * f	$0.00	$5,944.00	$0.00	**$5,944.00**
Other Water's Edge					
Percent in Zone (2)	g	100%	0%	0%	
Weighted Cost (3)	d * g	$9,230.00	$0.00	$0.00	**$9,230.00**
Southwest Grasslands					
Percent in Zone (2)	h	0%	0%	100%	
Weighted Cost (3)	d * h	$0.00	$0.00	$1,000.00	**$1,000.00**
Vernal Pool Wetted (4)		n/a	n/a	n/a	**$9,200.00**
Vernal Pool Grasslands (4)		n/a	n/a	n/a	**$9,200.00**
Agricultural Lands					
Percent in Zone (2)	i	97%	3%	0%	
Weighted Cost (3)	d * i	$8,953.10	$178.32	$0.00	**$9,131.42**

(1) See Exhibit A-3.
(2) Percent of total lands in each category assumed to be in a given zone. Based on 1996 Economic Analysis.
(3) Weighted average cost based on proportion of total land in each zone. Assumes easement acquisition for lands categorized as agricultural, riparian, delta submerged, other water's edge, and southwest grasslands.
(4) Assumes fee title acquisition for vernal pool lands. Vernal pools fee title land costs assumed to be about 80 percent of average Central Zone fee title costs.

Sources: 1996 Economic Analyses for the SJMSCP; SJCOG, Inc; Individual Appraisers Data; Economic & Planning Systems, Inc.

Exhibit A-5.1
Sales Comparables, Central Zone Unencumbered Properties (1)
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/Ac. (2)
Wentworth/ Popescu	1	East side of Cherokee Ln. S/O Liberty Rd.	AG-40	Pasture, Crop Land	3/26/2004	78.00	$630,000	$8,077	$9,773
Nakagawa Trust/ Costa	1	S/O Woodbridge Rd, E/O Dustin Rd	AG-80	Crop land	10/21/2003	90.48	$810,000	$8,952	$11,915
Leffler/ Origone	2	N/S Eight Mile Rd, E/O Hwy 99	AG-40	Pasture, Crop Land	6/6/2003	95.50	$859,500	$9,000	$11,979
Mart Family Partnership	1	NWC Tredway & Neeley Rds	AG-40	Pasture, Crop Land	6/30/2003	39.92	$450,000	$11,273	$15,004
Spenker Ranch/ Franmar	2	N/S Eight Mile Rd near Davis Rd	AG-40	Pasture, Crop Land	5/16/2003	331.40	$3,806,500	$11,486	$15,288
Ferdun Trust/ Vien	1	N/O Highway 12, E/O Kennison Rd	AG-40	Pasture	8/22/2005	115.30	$1,650,000	$14,310	$15,742

Exhibit A-5.2
Sales Comparables, Central Zone Unencumbered Properties (1)
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/Ac. (2)
Sprowl/ Hall	1	N/O Highway 12, W/O McInteire Road	AG-40	Pasture	7/13/2004	41.48	$680,000	$16,393	$19,836
Virtue/ Dewit	1	S/S Liberty Rd, E/O Bruella Rd	AG-80	Pasture	10/16/2004	183.94	$1,045,000	$5,681	$6,874
Teselle	1	S/End Johnson @ E. Acampo Rd.	AG-80	Pasture	NA (listed at time of appraisal - 9/05)	69.00	$1,050,000	$15,217	$16,739
Farias	1	N/O Brandt Rd, W/O Clements Rd	AG-40	Pasture	NA (sale pending at time of appraisal - 9/05)	40.31	$675,000	$16,745	$18,420
Applin Trust/ Old Homestead Rd LLC	1	S/S of Homestead Rd, E/S Kasson Rd	AG-40	Crop land	6/20/2005	206.63	$1,900,966	$9,200	$10,120

Exhibit A-5.3
Sales Comparables, Central Zone Unencumbered Properties (1)
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/Ac. (2)
Richland B2	2	W side of Kasson Rd north of Lorentzen Rd	AG-40	Irrigated field crops	6/1/2006	240.56	$1,575,000	$6,547	$6,547
Total						**1,533**			
Weighted Average (3)								**$9,874**	**$11,821**

(1) Includes all available comparables except for vineyard properties.
(2) Appreciated at 10 percent per annum.
(3) Weighted average calculated by dividing sum of all sale prices by sum of all acreage.

Sources: Various San Joaquin County Appraisals; Economic & Planning Systems, Inc.

Exhibit A-6
Sales Comparables, Primary Zone of the Delta Unencumbered Properties
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/ Ac. (1)
Rodgers/ Rodriguez	1	S/S Undine Rd @ Willow Glen	AG-80	Crop land	12/5/2003	103.86	$500,000	$4,814	$6,408
Foppiano/ Tran	7	E/ & W/S Blossom Rd, N/O Beaver Slough	AG-40	Crop land	10/15/2004	346.00	$2,500,000	$7,225	$8,743
Azia/ L&O Farms	1	S/S of Howard Rd, E/O Tracy Blvd	AG-80	Crop land	2/25/2005	112.72	$1,000,000	$8,872	$9,759
Saunders/ Chiu & Ngo	1	E/S of Roberts Rd, N/O Howard Rd	AG-80	Row Crop	3/11/2005	167.56	$960,000	$5,729	$6,302
Axland/ Sarale	1	E/S of Roberts Rd @ Carlin Rd.	AG-80	Row Crop	11/15/2005	260.00	$1,508,000	$5,800	$6,380
Van Loben Sels 1	1	S/S of Walnut Grove	AG-40	Row Crop	2006	133.00	$1,368,570	$10,290	$10,290
Van Loben Sels 2	1	S/S of Walnut Grove	AG-40	Row Crop	2006	270.00	$2,667,600	$9,880	$9,880
Total						**1,393**			
Weighted Average (2)								**$7,540**	**$8,285**

(1) Appreciated at 10 percent per annum.
(2) Weighted average calculated by dividing sum of all sale prices by sum of all acreage.

Sources: SJCOG, Inc; Various San Joaquin County Appraisals; Economic & Planning Systems.

Exhibit A-7
Sales Comparables, Central Zone and Primary Zone of the Delta Proxies for Encumbered Properties *
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	SJMSCP Zone	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/ Acre (1)
Hammer Trust/ Morais	1	S/S of Guard Rd, N/O White Slough	AG-40	Pasture, crop land	Central Zone	6/25/2004	388.89	$854,000	$2,196	$2,330
Nature Conservancy/ DeSnayers	1	N/S Walnut Grove Thornton Rd, W/O Vail Rd	AG-40	Crop Land	Primary Zone of the Delta	7/22/2004	328.80	$658,000	$2,001	$2,123
Caffese Trust/ Leventini	1	S/O Eight Mile Rd, Empire Tract	AG-80	Crop land (row crops)	Primary Zone of the Delta	10/17/2003	179.91	$550,000	$3,057	$3,341
Rurup Trust/ Surprenant	1	S/S of Eight Mile Road at west end of road	AG-40	Pasture, Crop land	Primary Zone of the Delta	1/9/2004	195.00	$425,000	$2,179	$2,312
Heritage Land Co./ Olagaray Bros PTP	1	S/O Highway 12, W/O Guard Rd	AG-80	Row crops	Primary Zone of the Delta	4/13/2005	215.64	$712,000	$3,302	$3,401
Total							**1,308**			
Weighted Average (2)									**$2,445**	**$2,591**

* Most properties not encumbered by easement, though good proxies as limited potential for uses other than row crops.
(1) Appreciated at 3 percent per annum. Encumbered properties are assumed to appreciate at a lower rate than properties with greater development potential.
(2) Weighted average calculated by dividing sum of all sale prices by sum of all acreage.

Sources: SJCOG, Inc; Various San Joaquin County Appraisals; Economic & Planning Systems.

Exhibit A-9
Total Per-Acre Costs
SJCMSCP Fee Update, EPS #15126

Preserve Type	Land Acquisition	% of Total Preserve Lands (1)
Agricultural Lands	$9,587.99	57%
Natural Lands		
Riparian	$9,311.97	19%
Delta	$6,241.20	--
Other Water's Edge	$9,691.50	2%
Southwest Grasslands	$1,050.00	4%
Avg. Natural/ Agricultural Lands	**$9,097.01**	82%
Vernal Pool Wetted	$9,660.00	2%
Vernal Pool Grasslands	$9,660.00	16%
		100%

(1) See Exhibit A-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit A-10
Total Preserve Costs, Breakdown by Category
SJCMSCP Fee Update, EPS #15126

Preserve Type	Total Acres Preserve Lands	Acquisition Costs Per Acre	Acquisition Costs Total
Vernal Pool Wetted	2,121	$9,660.00	$20,488,860.00
Vernal Pool Grasslands	15,561	$9,660.00	$150,319,260.00
Natural/ Agricultural Lands, Avg.	82,560	$9,097.01	$751,049,145.60
Total (1)	**100,242**		**$921,857,265.60**

(1) See Exhibit A-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc.; Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit A-8
Total Acquisition Costs
SJCMSCP Fee Update, EPS #15126

Preserve Type	Cost per Acre (1)	Transaction Costs (2) 5%	Total Land Acquisition Cost
Agricultural Lands	$9,131.42	$456.57	$9,587.99
Natural Lands			
Riparian	$8,868.54	$443.43	$9,311.97
Delta Submerged Aquatic	$5,944.00	$297.20	$6,241.20
Other Water's Edge	$9,230.00	$461.50	$9,691.50
Southwest Grasslands	$1,000.00	$50.00	$1,050.00
Vernal Pool Wetted	$9,200.00	$460.00	$9,660.00
Vernal Pool Grasslands	$9,200.00	$460.00	$9,660.00

(1) See Exhibit A-4. Assumes easement purchases in all cases except fee title purchases for vernal pool lands.
(2) Transaction costs include biological baseline, appraisal, escrow, and survey costs.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc; Economic & Planning Systems, Inc.

Exhibit A-11
Updated 2006 Fee Calculations, Vernal Pool Surface and Grasslands
SJCMSCP Fee Update, EPS #15126

Preserve Type	Acres Converted (1)	Acquisition Costs (2)
Vernal Pool Wetted	707	
Total Cost		$20,488,860.00
Fee per Acre		**$28,980.00**
Vernal Pool Grasslands	5,187	
Total Cost		$150,319,260.00
Fee per Acre		**$28,980.00**

(1) From 1996 Economic Analyses for the SJCMSCP.
(2) See Exhibit A-10.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit A-12
Updated 2006 Fee Calculations, Natural/ Agricultural Land and Open Space*
SJCMSCP Fee Update, EPS #15126

Preserve Type	Land Acquisition		
	Land Acquisition	Transaction	Total
Cost associated with Natural/ Agricultural Lands Conversion (1)	$715,284,979.20	$35,764,166.40	$751,049,145.60
Natural/ Agricultural Land conversion (acres) (2)	65,940	65,940	65,940
Other Open Space conversion (acres)	37,465	37,465	37,465
Multiplier for Natural/ Agricultural Land Conversion	1	1	1
Multiplier for Other Open Space	0.5	0.5	0.5
Land Acquisition Component of Natural/ Agricultural Lands Fee	$8,447.67	$422.38	**$8,870.05**
Acquisition Fee Component = Acquisition Cost / ((65,940 * 1.0) +(37,465 * 0.5))			

(1) See Exhibit A-10.

(2) Sum of Natural and Agricultural Land Conversion, less total Vernal Pool Surface and Grassland conversion acreage, i.e., 14,199 + 57,635 - 707 - 5,187. See Exhibit A-1 and Exhibit A-11.

* Open space fee calculated as 0.5 * $8,870, or $4,435.

Sources: SJCOG, Jones and Stokes, Economic & Planning Systems, Inc.

Exhibit B-1
Land Conversion through Development in San Joaquin County, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

	Habitat Type			
Activity	Natural Lands	Ag. Habitat Lands	Other Open Space	Total Development
Urban Development	4,100	47,453	24,217	75,770
Aggregate Mining	1,769	1,813	7,317	10,899
Public Agency Activities	488	2,132	1,095	3,715
Non-Ag Activities on Ag-Zoned Land	2,030	4,457	2,428	8,915
Ag Activities Triggering Sec. 404	5,000	--	--	5,000
Contingency	812	1,780	2,408	5,000
Total Acres	**14,199**	**57,635**	**37,465**	**109,299**
Percent of Total Acres	**13%**	**53%**	**34%**	**100%**

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit B-2
SJCMSCP Preserve Land Requirement, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

Habitat Type	Ratio (Preserve Acres: 1 Acre Conversion)	Total Preserve Acres	Percent Total Acres
Natural Lands	3		
Riparian		19,185	19%
Delta Aquatic		10	0%
Other Water's Edge		1,584	2%
Southwest Grasslands		4,146	4%
Vernal Pool Grasslands (incl. vernal pool wetted)		17,682	18%
Subtotal Natural Lands (1)		42,607	43%
Agricultural Habitat Lands	1	57,635	57%
Total		**100,242**	100%

(1) Approximately equal to total natural lands converted (14,199 acres) times 3 (=42,597). Discrepancy due to 10 acres of land associated with levees.

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit B-3
Assessment and Enhancement Costs
SJCMSCP Fee Update, EPS #15126

	Biological Site Assessment		Preserve Mgt. Plan Preparation			Restoration & Enhancement			Total
	Cost per Acquisition (1)	Cost per Acre	Cost per Acquisition (1)	Cost per Acre		Cost per Acquisition (1)	Cost per Acre		Costs per Acre
Agricultural Lands	$1,000	$8.33	$7,500	$62.50		$37,500	$312.50		$383.33
Natural Lands									
Riparian	$2,000	$16.67	$14,000	$116.67	(2)	$1,130,400	$9,420.00	(4)	$9,553.34
Delta Aquatic	$2,000	$16.67	$14,000	$116.67	(2)	$1,800,000	$15,000.00		$15,133.34
Other Water's Edge	$1,000	$8.33	$7,500	$62.50	(3)	$1,380,000	$11,500.00	(3)	$11,570.83
Southwest Grasslands	$1,200	$10.00	$7,500	$62.50		$22,848	$190.40	(5)	$262.90
Vernal Pool Wetted	$2,000	$16.67	$14,000	$116.67	(2)	$1,400,000	$11,666.67	(6)	$11,800.01
Vernal Pool Grasslands	$2,000	$16.67	$12,000	$100.00		$6,000	$50.00	(7)	$166.67

(1) Assumes average preserve size of 120 acres and blended hourly rate of $100 for biological assessment and preserve management plan preparation.
(2) Assumes detailed preserve management plan required.
(3) Assumes riparian restoration in matrix of agricultural land.
(4) Assumes 80 percent of total riparian reserve area is restored.
(5) Assumes 1 acre of riparian restoration per Southwest Grasslands acquisition, 2 to 4 artificial owl burrows per acquisition, and fencing required around restoration area.
(6) Per-acre cost to create/ enhance vernal pools. Assumes one out of every three vernal pool preserve acres must be created/ enhanced.
(7) Assumes 2 to 4 artificial owl burrows per acquisition.

Sources: SJCOG, Inc.; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit B-4
Total Per-Acre Costs
SJCMSCP Fee Update, EPS #15126

Preserve Type	Assessment & Enhancement Costs/ Acre (1)	% of Total Preserve Lands (2)
Agricultural Lands	$383.33	57%
Natural Lands		
Riparian	$9,553.34	19%
Delta	$15,133.34	--
Other Water's Edge	$11,570.83	2%
Southwest Grasslands	$262.90	4%
Avg. Natural/ Agricultural Lands	**$2,723.10**	82%
Vernal Pool Wetted	$11,800.01	2%
Vernal Pool Grasslands	$166.67	16%
		100%

(1) Includes biological assessment, preserve management plan preparation, and restoration & enhancement costs. See Exhibit B-3.
(2) See Exhibit B-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit B-5
Total Preserve Costs, Breakdown by Category
SJCMSCP Fee Update, EPS #15126

Preserve Type	Total Acres Preserve Lands	Assessment & Enhancement Per Acre	Assessment & Enhancement Total
Vernal Pool Wetted	2,121	$11,800.01	$25,027,821.21
Vernal Pool Grasslands	15,561	$166.67	$2,593,551.87
Natural/ Agricultural Lands, Avg.	82,560	$2,723.10	$224,819,136.00
Total (1)	**100,242**		**$252,440,509.08**

(1) See Exhibit B-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc.; Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit B-6
Updated 2006 Fee Calculations, Vernal Pool Surface and Grasslands
SJCMSCP Fee Update, EPS #15126

Preserve Type	Acres Converted (1)	Assessment & Enhancement Costs (2)
Vernal Pool Wetted	707	
Total Cost		$25,027,821.21
Fee per Acre		**$35,400.03**
Vernal Pool Grasslands	5,187	
Total Cost		$2,593,551.87
Fee per Acre		**$500.01**

(1) From 1996 Economic Analyses for the SJCMSCP.
(2) See Exhibit B-5.

Sources: SJCOG; 1996 Economic Analyses for the SJCMSCP; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit B-7
Updated 2006 Fee Calculations, Natural/ Agricultural Land and Open Space*
SJCMSCP Fee Update, EPS #15126

Item	Assessment & Enhancement Costs
Cost associated with Natural/ Agricultural Lands Conversion (1)	$224,819,136.00
Natural/ Agricultural Land conversion (acres) (2)	65,940
Other Open Space conversion (acres)	37,465
Multiplier for Natural/ Agricultural Land Conversion	1
Multiplier for Other Open Space	0.5
Assessment & Enhancement Component of Natural/ Agricultural Lands Fee	**$2,655.16**
Assessment & Enhancement Fee Component = $224,819,136/ ((65,940 • 1.0) +(37,465 • 0.5))	

(1) See Exhibit B-5.

(2) Sum of Natural and Agricultural Land Conversion, less total Vernal Pool Surface and Grassland conversion acreage, i.e., 14,199 + 57,635 - 707 - 5,187. See Exhibit B-1 and Exhibit B-6.

* Open space fee calculated as 0.5 * $2,655, or $1,328.

Sources: SJCOG, Jones and Stokes, Economic & Planning Systems, Inc.

Exhibit C-1
Land Conversion through Development in San Joaquin County, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

	Habitat Type			
Activity	Natural Lands	Ag. Habitat Lands	Other Open Space	Total Development
Urban Development	4,100	47,453	24,217	75,770
Aggregate Mining	1,769	1,813	7,317	10,899
Public Agency Activities	488	2,132	1,095	3,715
Non-Ag Activities on Ag-Zoned Land	2,030	4,457	2,428	8,915
Ag Activities Triggering Sec. 404	5,000	--	--	5,000
Contingency	812	1,780	2,408	5,000
Total Acres	**14,199**	**57,635**	**37,465**	**109,299**
Percent of Total Acres	**13%**	**53%**	**34%**	**100%**

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit C-2
SJCMSCP Preserve Land Requirement, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

Habitat Type	Ratio (Preserve Acres: 1 Acre Conversion)	Total Preserve Acres	Percent Total Acres
Natural Lands	3		
Riparian		19,185	19%
Delta Aquatic		10	0%
Other Water's Edge		1,584	2%
Southwest Grasslands		4,146	4%
Vernal Pool Grasslands (incl. vernal pool wetted)		17,682	18%
Subtotal Natural Lands (1)		42,607	43%
Agricultural Habitat Lands	1	57,635	57%
Total		**100,242**	100%

(1) Approximately equal to total natural lands converted (14,199 acres) times 3 (=42,597). Discrepancy due to 10 acres of land associated with levees.

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit C-3
Ongoing Monitoring and Administrative Costs
SJCMSCP Fee Update, EPS #15126

	Annual Monitoring (1)						
	Cost per Acquisition	Cost per Acre	Monitoring Endowment/ Ac. (2) a	Project Management (3) b	Administration (3) c	Administrative Endowment (4) d	Total Per-Acre Monitoring and Admin Costs a + b + c + d
Agricultural Lands	$2,000	$16.67	$833.50	$340.00	$196.00	$40.00	$1,409.50
Natural Lands							
Riparian	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Delta Aquatic	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Other Water's Edge	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Southwest Grasslands	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Vernal Pool Wetted	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Vernal Pool Grasslands	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00

(1) Assumes average preserve size of 120 acres.
(2) Assumes 2% interest rate.
(3) Total annual administration costs of $536,000 for acquisition of approx. 1,000 acres (i.e., $536 per acre) based on SJCOG Annual Reports. Does not include SJCOG legal costs.
(4) Administrative endowment is calculated to generate annual interest equivalent to $80,000 once all conversion has occurred. This is about half of estimated administrative costs during the preserve acquisition phase of the plan.

Sources: SJCOG, Inc., Annual Reports; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit C-4
Total Per-Acre Costs
SJCMSCP Fee Update, EPS #15126

Preserve Type	Mgt. and Admin Costs / Acre (1)	% of Total Preserve Lands (2)
Agricultural Lands	$1,409.50	57%
Natural Lands		
Riparian	$1,826.00	19%
Delta	$1,826.00	--
Other Water's Edge	$1,826.00	2%
Southwest Grasslands	$1,826.00	4%
Avg. Natural/ Agricultural Lands	**$1,535.21**	82%
Vernal Pool Wetted	$1,826.00	2%
Vernal Pool Grasslands	$1,826.00	16%
		100%

(1) Includes Monitoring Endowment, Project Management Administration, and Overhead Administration. See Exhibit C-3.
(2) See Exhibit C-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit C-5
Total Preserve Costs, Breakdown by Category
SJCMSCP Fee Update, EPS #15126

Preserve Type	Total Acres Preserve Lands	Monitoring & Admin. Per Acre	Monitoring & Admin. Total
Vernal Pool Wetted	2,121	$1,826.00	$3,872,946.00
Vernal Pool Grasslands	15,561	$1,826.00	$28,414,386.00
Natural/ Agricultural Lands, Avg.	82,560	$1,535.21	$126,746,937.60
Total (1)	**100,242**		**$159,034,269.60**

(1) See Exhibit C-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc.; Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit C-6
Total Preserve Costs - Detailed Breakdown, Natural and Agricultural Lands Average
SJCMSCP Fee Update, EPS #15126

Item	Natr'l/ Agricultural Lands Cost per Acre	Natr'l/ Agricultural Lands Total Cost	Vernal Pool Grasslands Cost per Acre	Vernal Pool Grasslands Total Cost	Vernal Pool Wetted Cost per Acre	Vernal Pool Wetted Total Cost
Total Acres Preserved		82,560 acres		15,561 acres		2,121 acres
Monitoring and Administration Costs						
Monitoring Endowment	$959.21	$79,192,114.57	$1,250.00	$19,451,250.00	$1,250.00	$2,651,250.00
Project Management	$340.00	$28,070,400.00	$340.00	$5,290,740.00	$340.00	$721,140.00
Administration	$196.00	$16,181,760.00	$196.00	$3,049,956.00	$196.00	$415,716.00
Administrative Endowment	$40.00	$3,302,400.00	$40.00	$622,440.00	$40.00	$84,840.00
Total	$1,535.21	$126,746,674.57	$1,826.00	$28,414,386.00	$1,826.00	$3,872,946.00

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc.; Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit C-7
Updated 2006 Fee Calculations, Vernal Pool Grasslands and Vernal Pool Wetted
SJCMSCP Fee Update, EPS #15126

	Monitoring and Administration (1)				
Preserve Type	**Monitoring Endowment**	**Project Management**	**Administration**	**Admin. Endowment**	**Total**
Cost associated with Vernal Pool Grasslands (1)	$19,451,250.00	$5,290,740.00	$3,049,956.00	$622,440.00	$28,414,386.00
Vernal Pool Grasslands conversion (acres) (2)	5,187	5,187	5,187	5,187	5,187
Monitoring & Administration Component of Vernal Pool Grasslands Fee	$3,750.00	$1,020.00	$588.00	$120.00	**$5,478.00**
Cost associated with Vernal Pool Wetted (1)	$2,651,250.00	$721,140.00	$415,716.00	$84,840.00	$3,872,946.00
Vernal Pool Wetted conversion (acres) (2)	707	707	707	707	707
Monitoring & Administration Component of Vernal Pool Wetted Fee	$3,750.00	$1,020.00	$588.00	$120.00	**$5,478.00**

(1) See Exhibit C-6.
(2) From 1996 Economic Analyses for the SJMSCP.

Sources: SJCOG, Jones and Stokes, Economic & Planning Systems, Inc.

Exhibit C-8
Updated 2006 Fee Calculations, Natural/ Agricultural Land and Open Space*
SJCMSCP Fee Update, EPS #15126

	Monitoring and Administration				
Preserve Type	**Monitoring Endowment**	**Project Management**	**Administration**	**Admin. Endowment**	**Total**
Cost associated with Natural/ Agricultural Lands Conversion (1)	$79,192,114.57	$28,070,400.00	$16,181,760.00	$3,302,400.00	$126,746,674.57
Natural/ Agricultural Land conversion (acres) (2)	65,940	65,940	65,940	65,940	65,940
Other Open Space conversion (acres)	37,465	37,465	37,465	37,465	37,465
Multiplier for Natural/ Agricultural Land Conversion	1	1	1	1	1
Multiplier for Other Open Space	0.5	0.5	0.5	0.5	0.5
Monitoring & Administration Component of Natural/ Agricultural Lands Fee	$935.28	$331.52	$191.11	$39.00	**$1,496.90**
Monitoring & Admin. Fee Component = Monitoring & Admin. Cost / ((65,940 * 1.0) +(37,465 * 0.5))					

(1) See Exhibit C-6.
(2) Sum of Natural and Agricultural Land Conversion, less total Vernal Pool Surface and Grassland conversion acreage, i.e., 14,199 + 57,635 - 707 - 5,187. See Exhibit B-1 and Exhibit C-7.

* Open space fee calculated as 0.5 * $1,497, or $748.

Sources: SJCOG, Jones and Stokes, Economic & Planning Systems, Inc.

S J C O G, Inc.

555 East Weber Avenue • Stockton, CA 95202

(209) 468-3913 • FAX (209) 468-1084

John Harris
CHAIR

Victor Mow
VICE CHAIR

Andrew T. Chesley
PRESIDENT

Member Agencies
CITIES OF
ESCALON,
LATHROP,
LODI,
MANTECA,
RIPON,
STOCKTON,
TRACY,
AND
THE COUNTY OF
SAN JOAQUIN

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

2007 Interim Habitat Fees*

Habitat Type	Fee Per Acre
Multi-Purpose Open Space	$1,731
Natural	$3,463
Agriculture	$3,463
Vernal Pool - uplands	$10,565
Vernal Pool - wetted	$63,277

* Fees effective January 1, 2007 through December 31, 2007 or until adoption of fees resulting from updated Financial Analysis of the SJMSCP

2007 Updated Habitat Fees**

Habitat Type	Fee Per Acre
Multi-Purpose Open Space	$6,511
Natural	$ 13,022
Agriculture	$ 13,022
Vernal Pool - uplands	$ 34,958
Vernal Pool - wetted	$ 69,858

** Estimated Effective date: April 1, 2007 based on Financial Analysis Update adoption

RESOLUTION NO. 2007-23

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING AMENDMENTS TO THE SAN JOAQUIN
COUNTY MULTI-SPECIES HABITAT CONSERVATION AND
OPEN SPACE PLAN DEVELOPMENT FEES

==========

WHERES, on February 21, 2001, the City of Lodi adopted the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP), which included a schedule of fees to be paid by landowners who propose to develop their property with non-agricultural uses; and

WHEREAS, these fees are used to mitigate for the cumulative impacts of new development on habitat lands within Lodi and San Joaquin County; and

WHEREAS, according to the San Joaquin Council of Governments (SJCOG), it is necessary for all jurisdictions covered by the Plan to approve an increase in Habitat Conservation Plan (HCP) fees in order for those jurisdictions to continue to participate in the Plan; and

WHEREAS, SJCOG has prepared a SJMSCP Financial Analysis Update in 2006 that provides the justification for the fee increase, and based on the Financial Analysis Update, SJCOG has determined that a significant increase in the fee structure is necessary in order for the SJMSCP to fulfill it's obligation to purchase permanent habitat land or easements to mitigate for the loss of existing habitat land to urban development; and

WHEREAS, on November 30, 2006, the SJCOG Board unanimously approved the HCP fee increase, and all local jurisdictions must now approve the new fee schedule that will take effect on April 1, 2007.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves amendments to the SJMSCP development fees, as shown Exhibit A attached.

Dated: February 7, 2007

==========

I hereby certify that Resolution No. 2007-23 was passed and adopted by the City Council of the City of Lodi in a regular meeting held February 7, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

RANDI JOHL
City Clerk

S J C O G, Inc.

555 East Weber Avenue • Stockton, CA 95202

(209) 468-3913 • FAX (209) 468-1084

John Harris
CHAIR

Victor Mow
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SAN JOAQUIN

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

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Agriculture	$3,463
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Vernal Pool - wetted	$63,277

* Fees effective January 1, 2007 through December 31, 2007 or until adoption of fees resulting from updated Financial Analysis of the SJMSCP

2007 Updated Habitat Fees**

Habitat Type	Fee Per Acre
Multi-Purpose Open Space	$6,511
Natural	$ 13,022
Agriculture	$ 13,022
Vernal Pool - uplands	$ 34,958
Vernal Pool - wetted	$ 69,858

** Estimated Effective date: April 1, 2007 based on Financial Analysis Update adoption

Please immediately confirm receipt of this fax by calling 333-6702

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: **NOTICE OF PUBLIC HEARING TO CONSIDER ADOPTING A RESOLUTION AMENDING THE SAN JOAQUIN COUNTY MULTI-SPECIES HABITAT CONSERVATION AND OPEN SPACE PLAN DEVELOPMENT FEES**

LEGAL AD

PUBLISH DATE: **SATURDAY, JANUARY 27, 2007**

TEAR SHEETS WANTED: **Three (3) please**

SEND AFFIDAVIT AND BILL TO:
RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: TUESDAY, JANUARY 23, 2007

ORDERED BY:

RANDI JOHL
CITY CLERK

Jennifer M. Perrin

JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

DANA R. CHAPMAN
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

Faxed to the Sentinel at 369-1084 at 3:45p (time) on 1/23/07 (date) 2 (pages)
LNS _____ Phoned to confirm receipt of all pages at _____(time) ____JLT ____DRC____JMP (initials)

forms\advins.doc

DECLARATION OF POSTING

NOTICE OF PUBLIC HEARING TO CONSIDER ADOPTING A RESOLUTION AMENDING THE SAN JOAQUIN COUNTY MULTI-SPECIES HABITAT CONSERVATION AND OPEN SPACE PLAN DEVELOPMENT FEES

On Wednesday, January 24, 2007, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider adopting a resolution amending the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Development Fees (attached and marked as Exhibit A) was posted at the following locations:

Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 24, 2007, at Lodi, California.

ORDERED BY:

RANDI JOHL
CITY CLERK

JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

DANA R. CHAPMAN
ADMINISTRATIVE CLERK

N:\Administration\CLERK\Forms\DECPOST.DOC

CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: February 7, 2007

Time: 7:00 p.m.

For information regarding this notice please contact:
Randi Johl
City Clerk
Telephone: (209) 333-6702

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, February 7, 2007**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

a) adopting a resolution amending the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan development fees

Information regarding this item may be obtained in the Community Development Department, 221 West Pine Street, Lodi, (209) 333-6711. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 W. Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

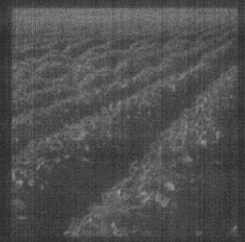
By Order of the Lodi City Council:

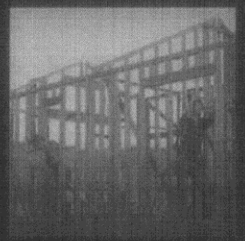
Randi Johl
City Clerk

Dated: January 23, 2007

Approved as to form:

D. Stephen Schwabauer
City Attorney





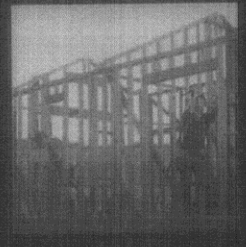
San Joaquin County Multi-Species Habitat Conservation & Open Space Plan Financial Analysis Update

Workshop #3

Thursday, November 9, 2006 1:30pm

SJCOG Regional Center

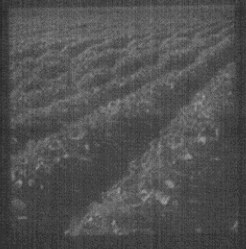
Stockton, CA

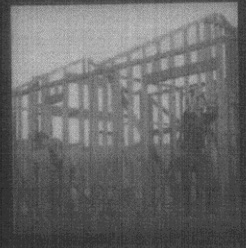


WHY THE ANALYSIS UPDATE?

- SJMSCP Financial/Permit Sustainability
- Funding Shortfall
  - Adopted Fees Lower Than Original Financial Analysis
  - 30% Funding from "Soft Money"
    - Grants (Federal, State or Private)
  - California Construction Cost Index (CCCI) Falls Short of Inflation

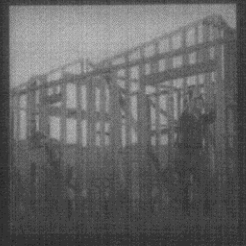
SJCOG, Inc.





EXSISTING PLAN UPDATE

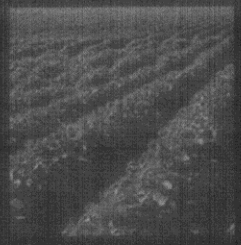
- Original Financial Analysis Assumptions Maintained
- Evaluate All Costs of SJMSCP
  - No Shortfall
- Annual Adjustments & Updates to Fees

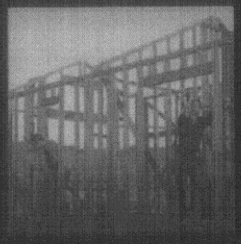


KEEPING THE PARAMETERS

- Blended Rate Approach
  - Agricultural & Natural Lands Combined Into One Fee Rate
  - Open Space Fee
- Ratio for Mitigation

SJCOG, Inc.



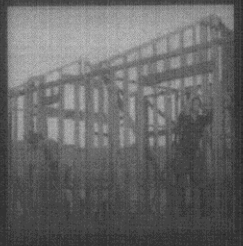


AREAS OF FOCUS FOR UPDATE

A. Acquisition Costs
- Agricultural Land Sales / Easement Value
- Keeping Pace with Market Conditions

B. Assessment & Enhancement

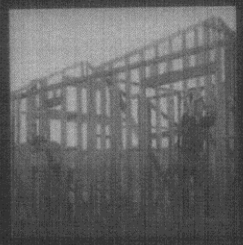
C. Management & Administration
- Preserve Endowments
- Development Projects
- Administration of HCP



ACQUISITION "A"

Actual Cost per Acre

- Criteria for Comparables
  - Weighted vs. Unweighted
  - Open Market Transactions & SJMSCP
  - Discard Outliers
- SJMSCP Mitigation
  - Ratio (Ag = 1:1 & Nat. = 3:1)
  - Zone Specific



ASSESSMENT & ENHANCEMENT "B"

Requirements Under SJMSCP:

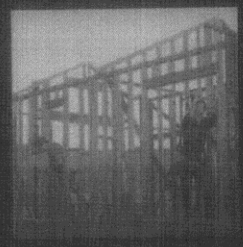
- Biological Site Assessment
- Preserve Management Plan Preparation
- Restoration & Enhancement

SJCOG, Inc.

MANAGEMENT & ADMINSTRATION "C"

Costs for SJMSPC

- Monitoring & Endowment of Preserves
  - Funding for Preserve in Perpetuity
- Specific Project Management
  - Development Project
  - Acquisition Project
- Administration of SJMSCP

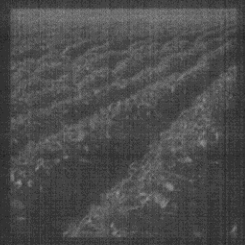


FINAL NUMBERS

(PRICE PER ACRE)

Other Open Space	$6,511
Natural / Agricultural	$13,022
Vernal Pool (Grasslands)	$34,958
Vernal Pool (Wetted)	$69,858

SJCOG, Inc.



ACQUISITION COST SPREADSHEETS "A"

SJCOG, Inc.

Exhibit A-1
Land Conversion through Development in San Joaquin County, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

	Habitat Type			
Activity	Natural Lands	Ag. Habitat Lands	Other Open Space	Total Development
Urban Development	4,100	47,453	24,217	75,770
Aggregate Mining	1,769	1,813	7,317	10,899
Public Agency Activities	488	2,132	1,095	3,715
Non-Ag Activities on Ag-Zoned Land	2,030	4,457	2,428	8,915
Ag Activities Triggering Sec. 404	5,000	--	--	5,000
Contingency	812	1,780	2,408	5,000
Total Acres	**14,199**	**57,635**	**37,465**	**109,299**
Percent of Total Acres	**13%**	**53%**	**34%**	**100%**

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit A-2
SJCMSCP Preserve Land Requirement, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

Habitat Type	Ratio (Preserve Acres: 1 Acre Conversion)	Total Preserve Acres	Percent Total Acres
Natural Lands	3		
Riparian		19,185	19%
Delta Aquatic		10	0%
Other Water's Edge		1,584	2%
Southwest Grasslands		4,146	4%
Vernal Pool Grasslands (incl. vernal pool wetted)		17,682	18%
Subtotal Natural Lands (1)		42,607	43%
Agricultural Habitat Lands	1	57,635	57%
Total		**100,242**	100%

(1) Approximately equal to total natural lands converted (14,199 acres) times 3 (=42,597). Discrepancy due to 10 acres of land associated with levees.

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit A-3
Per-Acre Land Value Summary
SJCMSCP Fee Update, EPS #15126

Land Use		Central Zone	Primary Zone of the Delta	Southwest Zone
Fee Title	a	$11,821 (1)	$8,285 (2)	$1,500
Row Crops/ Grazing	b	$2,591 (3)	$2,341 (3)	$500
Easement Cost	a - b	$9,230	$5,944	$1,000 (4)

(1) See Exhibit A-5.
(2) See Exhibit A-6.
(3) See Exhibit A-7. Comparable sales of properties encumbered by natural features are used as a proxy, as comparable sales of land encumbered by easement are not available. Estimate for encumbered land in the primary zone of the delta is $250 lower than that of the central zone based on lower market rents for row crop land.
(4) Based on recent 2005/ 2006 SJCOG land transactions.

Sources: SJCOG, Inc; Individual Appraisers Data; Economic & Planning Systems, Inc.

Exhibit A-4
Per-Acre Acquisition Cost Summary
SJCMSCP Fee Update, EPS #15126

Land Use Category		SJCMSCP Zone: Central Zone A	Primary Zone of the Delta B	Southwest Zone C	Total Weighted Acquisition Cost A + B + C
Easement Cost by Zone (1)	d	$9,230	$5,944	$1,000	
Natural Lands					
Riparian					
Percent in Zone (2)	e	89%	11%	0%	
Weighted Cost (3)	d * e	$8,214.70	$653.84	$0.00	$8,868.54
Delta Submerged Aquatic					
Percent in Zone (2)	f	0%	100%	0%	
Weighted Cost (3)	d * f	$0.00	$5,944.00	$0.00	$5,944.00
Other Water's Edge					
Percent in Zone (2)	g	100%	0%	0%	
Weighted Cost (3)	d * g	$9,230.00	$0.00	$0.00	$9,230.00
Southwest Grasslands					
Percent in Zone (2)	h	0%	0%	100%	
Weighted Cost (3)	d * h	$0.00	$0.00	$1,000.00	$1,000.00
Vernal Pool Wetted (4)		n/a	n/a	n/a	$9,200.00
Vernal Pool Grasslands (4)		n/a	n/a	n/a	$9,200.00
Agricultural Lands					
Percent in Zone (2)	i	97%	3%	0%	
Weighted Cost (3)	d * i	$8,953.10	$178.32	$0.00	$9,131.42

(1) See Exhibit A-3.
(2) Percent of total lands in each category assumed to be in a given zone. Based on 1996 Economic Analysis.
(3) Weighted average cost based on proportion of total land in each zone. Assumes easement acquisition for lands categorized as agricultural, riparian, delta submerged, other water's edge, and southwest grasslands.
(4) Assumes fee title acquisition for vernal pool lands. Vernal pools fee title land costs assumed to be about 80 percent of average Central Zone fee title costs.

Sources: 1996 Economic Analyses for the SJMSCP, SJCOG, Inc; Individual Appraisers Data; Economic & Planning Systems, Inc.

Exhibit A-5.1
Sales Comparables, Central Zone Unencumbered Properties (1)
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/Ac. (2)
Wentworth/ Popescu	1	East side of Cherokee Ln. S/O Liberty Rd.	AG-40	Pasture, Crop Land	3/26/2004	78.00	$630,000	$8,077	$9,773
Nakagawa Trust/ Costa	1	S/O Woodbridge Rd, E/O Dustin Rd	AG-80	Crop land	10/21/2003	90.48	$810,000	$8,952	$11,915
Leffler/ Origone	2	N/S Eight Mile Rd, E/O Hwy 99	AG-40	Pasture, Crop Land	6/6/2003	95.50	$859,500	$9,000	$11,979
Mart Family Partnership	1	NWC Tredway & Neeley Rds	AG-40	Pasture, Crop Land	6/30/2003	39.92	$450,000	$11,273	$15,004
Spenker Ranch/ Franmar	2	N/S Eight Mile Rd near Davis Rd	AG-40	Pasture, Crop Land	5/16/2003	331.40	$3,806,500	$11,486	$15,288
Ferdun Trust/ Vien	1	N/O Highway 12, E/O Kennison Rd	AG-40	Pasture	8/22/2005	115.30	$1,650,000	$14,310	$15,742

Exhibit A-5.2
Sales Comparables, Central Zone Unencumbered Properties (1)
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/Ac. (2)
Sprowl/ Hall	1	N/O Highway 12, W/O McInteire Road	AG-40	Pasture	7/13/2004	41.48	$680,000	$16,393	$19,836
Virtue/ Dewit	1	S/S Liberty Rd, E/O Bruella Rd	AG-80	Pasture	10/16/2004	183.94	$1,045,000	$5,681	$6,874
Teselle	1	S/End Johnson @ E. Acampo Rd.	AG-80	Pasture	NA (listed at time of appraisal - 9/05)	69.00	$1,050,000	$15,217	$16,739
Farias	1	N/O Brandt Rd, W/O Clements Rd	AG-40	Pasture	NA (sale pending at time of appraisal - 9/05)	40.31	$675,000	$16,745	$18,420
Applin Trust/ Old Homestead Rd LLC	1	S/S of Homestead Rd, E/S Kasson Rd	AG-40	Crop land	6/20/2005	206.63	$1,900,966	$9,200	$10,120

Exhibit A-5.3
Sales Comparables, Central Zone Unencumbered Properties (1)
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/Ac. (2)
Richland B2	2	W side of Kasson Rd north of Lorentzen Rd	AG-40	Irrigated field crops	6/1/2006	240.56	$1,575,000	$6,547	$6,547
Total						**1,533**			
Weighted Average (3)								**$9,874**	**$11,821**

(1) Includes all available comparables except for vineyard properties.
(2) Appreciated at 10 percent per annum.
(3) Weighted average calculated by dividing sum of all sale prices by sum of all acreage.

Sources: Various San Joaquin County Appraisals; Economic & Planning Systems, Inc.

Exhibit A-6
Sales Comparables, Primary Zone of the Delta Unencumbered Properties
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/ Ac. (1)
Rodgers/ Rodriguez	1	S/S Undine Rd @ Willow Glen	AG-80	Crop land	12/5/2003	103.86	$500,000	$4,814	$6,408
Foppiano/ Tran	7	E/ & W/S Blossom Rd. N/O Beaver Slough	AG-40	Crop land	10/15/2004	346.00	$2,500,000	$7,225	$8,743
Azia/ L&O Farms	1	S/S of Howard Rd, E/O Tracy Blvd	AG-80	Crop land	2/25/2005	112.72	$1,000,000	$8,872	$9,759
Saunders/ Chiu & Ngo	1	E/S of Roberts Rd, N/O Howard Rd	AG-80	Row Crop	3/11/2005	167.56	$960,000	$5,729	$6,302
Axland/ Sarale	1	E/S of Roberts Rd @ Carlin Rd.	AG-80	Row Crop	11/15/2005	260.00	$1,508,000	$5,800	$6,380
Van Loben Sels 1	1	S/S of Walnut Grove	AG-40	Row Crop	2006	133.00	$1,368,570	$10,290	$10,290
Van Loben Sels 2	1	S/S of Walnut Grove	AG-40	Row Crop	2006	270.00	$2,667,600	$9,880	$9,880
Total						**1,393**			
Weighted Average (2)								**$7,540**	**$8,285**

(1) Appreciated at 10 percent per annum.
(2) Weighted average calculated by dividing sum of all sale prices by sum of all acreage.

Sources: SJCOG, Inc; Various San Joaquin County Appraisals; Economic & Planning Systems.

Exhibit A-7
Sales Comparables, Central Zone and Primary Zone of the Delta Proxies for Encumbered Properties *
SJMSCP Fee Update, EPS #15126

Transaction	No. of Parcels	Location	Zoning	Existing Use	SJMSCP Zone	Recording Date	Parcel Size (ac)	Sale Price	Price/ Acre	Appreciated Price/ Acre (1)
Hammer Trust/ Morais	1	S/S of Guard Rd, N/O White Slough	AG-40	Pasture, crop land	Central Zone	6/25/2004	388.89	$854,000	$2,196	$2,330
Nature Conservancy/ DeSnayers	1	N/S Walnut Grove Thornton Rd, W/O Vail Rd	AG-40	Crop Land	Primary Zone of the Delta	7/22/2004	328.80	$658,000	$2,001	$2,123
Caffese Trust/ Leventini	1	S/O Eight Mile Rd, Empire Tract	AG-80	Crop land (row crops)	Primary Zone of the Delta	10/17/2003	179.91	$550,000	$3,057	$3,341
Rurup Trust/ Surprenant	1	S/S of Eight Mile Road at west end of road	AG-40	Pasture, Crop land	Primary Zone of the Delta	1/9/2004	195.00	$425,000	$2,179	$2,312
Heritage Land Co./ Olagaray Bros PTP	1	S/O Highway 12, W/O Guard Rd	AG-80	Row crops	Primary Zone of the Delta	4/13/2005	215.64	$712,000	$3,302	$3,401
Total							**1,308**			
Weighted Average (2)									**$2,445**	**$2,591**

* Most properties not encumbered by easement, though good proxies as limited potential for uses other than row crops.
(1) Appreciated at 3 percent per annum. Encumbered properties are assumed to appreciate at a lower rate than properties with greater development potential.
(2) Weighted average calculated by dividing sum of all sale prices by sum of all acreage.

Sources: SJCOG, Inc; Various San Joaquin County Appraisals; Economic & Planning Systems.

Exhibit A-8
Total Acquisition Costs
SJCMSCP Fee Update, EPS #15126

Preserve Type	Cost per Acre (1)	Transaction Costs (2) 5%	Total Land Acquisition Cost
Agricultural Lands	$9,131.42	$456.57	$9,587.99
Natural Lands			
Riparian	$8,868.54	$443.43	$9,311.97
Delta Submerged Aquatic	$5,944.00	$297.20	$6,241.20
Other Water's Edge	$9,230.00	$461.50	$9,691.50
Southwest Grasslands	$1,000.00	$50.00	$1,050.00
Vernal Pool Wetted	$9,200.00	$460.00	$9,660.00
Vernal Pool Grasslands	$9,200.00	$460.00	$9,660.00

(1) See Exhibit A-4. Assumes easement purchases in all cases except fee title purchases for vernal pool lands.
(2) Transaction costs include biological baseline, appraisal, escrow, and survey costs.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc; Economic & Planning Systems, Inc.

Exhibit A-9
Total Per-Acre Costs
SJCMSCP Fee Update, EPS #15126

Preserve Type	Land Acquisition	% of Total Preserve Lands (1)
Agricultural Lands	$9,587.99	57%
Natural Lands		
Riparian	$9,311.97	19%
Delta	$6,241.20	--
Other Water's Edge	$9,691.50	2%
Southwest Grasslands	$1,050.00	4%
Avg. Natural/ Agricultural Lands	**$9,097.01**	82%
Vernal Pool Wetted	$9,660.00	2%
Vernal Pool Grasslands	$9,660.00	16%
		100%

(1) See Exhibit A-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit A-10
Total Preserve Costs, Breakdown by Category
SJCMSCP Fee Update, EPS #15126

Preserve Type	Total Acres Preserve Lands	Acquisition Costs Per Acre	Acquisition Costs Total
Vernal Pool Wetted	2,121	$9,660.00	$20,488,860.00
Vernal Pool Grasslands	15,561	$9,660.00	$150,319,260.00
Natural/ Agricultural Lands, Avg.	82,560	$9,097.01	$751,049,145.60
Total (1)	**100,242**		**$921,857,265.60**

(1) See Exhibit A-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc.; Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit A-11
Updated 2006 Fee Calculations, Vernal Pool Surface and Grasslands
SJCMSCP Fee Update, EPS #15126

Preserve Type	Acres Converted (1)	Acquisition Costs (2)
Vernal Pool Wetted	707	
Total Cost		$20,488,860.00
Fee per Acre		**$28,980.00**
Vernal Pool Grasslands	5,187	
Total Cost		$150,319,260.00
Fee per Acre		**$28,980.00**

(1) From 1996 Economic Analyses for the SJCMSCP.
(2) See Exhibit A-10.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit A-12
Updated 2006 Fee Calculations, Natural/ Agricultural Land and Open Space*
SJCMSCP Fee Update, EPS #15126

Preserve Type	Land Acquisition		
	Land Acquisition	Transaction	Total
Cost associated with Natural/ Agricultural Lands Conversion (1)	$715,284,979.20	$35,764,166.40	$751,049,145.60
Natural/ Agricultural Land conversion (acres) (2)	65,940	65,940	65,940
Other Open Space conversion (acres)	37,465	37,465	37,465
Multiplier for Natural/ Agricultural Land Conversion	1	1	1
Multiplier for Other Open Space	0.5	0.5	0.5
Land Acquisition Component of Natural/ Agricultural Lands Fee	$8,447.67	$422.38	**$8,870.05**
Acquisition Fee Component = Acquisition Cost / ((65,940 * 1.0) +(37,465 * 0.5))			

(1) See Exhibit A-10.

(2) Sum of Natural and Agricultural Land Conversion, less total Vernal Pool Surface and Grassland conversion acreage, i.e.,
14,199 + 57,635 - 707 - 5,187. See Exhibit A-1 and Exhibit A-11.

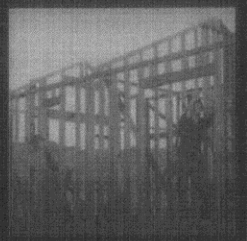
* Open space fee calculated as 0.5 * $8,870, or $4,435.

Sources: SJCOG, Jones and Stokes, Economic & Planning Systems, Inc.

THE NUMBERS

(PRICE PER ACRE)

	A		B		C		TOTAL
Other Open Space	$4,435.03	+		+		=	
Agriculture/ Natural	$8,870.05	+		+		=	
Vernal Pool (Grasslands)	$28,980.00	+		+		=	
Vernal Pools (Wetted)	$28,980.00	+		+		=	



ASSESSMENT & ENHANCEMENT COSTS SPREADSHEETS "B"

SJCOG, Inc.

Financial Analysis Workshop #3

November 9, 2006

Exhibit B-1
Land Conversion through Development in San Joaquin County, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

	Habitat Type			
Activity	Natural Lands	Ag. Habitat Lands	Other Open Space	Total Development
Urban Development	4,100	47,453	24,217	75,770
Aggregate Mining	1,769	1,813	7,317	10,899
Public Agency Activities	488	2,132	1,095	3,715
Non-Ag Activities on Ag-Zoned Land	2,030	4,457	2,428	8,915
Ag Activities Triggering Sec. 404	5,000	--	--	5,000
Contingency	812	1,780	2,408	5,000
Total Acres	**14,199**	**57,635**	**37,465**	**109,299**
Percent of Total Acres	**13%**	**53%**	**34%**	**100%**

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit B-2
SJCMSCP Preserve Land Requirement, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

Habitat Type	Ratio (Preserve Acres: 1 Acre Conversion)	Total Preserve Acres	Percent Total Acres
Natural Lands	3		
Riparian		19,185	19%
Delta Aquatic		10	0%
Other Water's Edge		1,584	2%
Southwest Grasslands		4,146	4%
Vernal Pool Grasslands (incl. vernal pool wetted)		17,682	18%
Subtotal Natural Lands (1)		42,607	43%
Agricultural Habitat Lands	1	57,635	57%
Total		**100,242**	100%

(1) Approximately equal to total natural lands converted (14,199 acres) times 3 (=42,597). Discrepancy due to 10 acres of land associated with levees.

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit B-3
Assessment and Enhancement Costs
SJCMSCP Fee Update, EPS #15126

	Biological Site Assessment		Preserve Mgt. Plan Preparation		Restoration & Enhancement		Total
	Cost per Acquisition (1)	Cost per Acre	Cost per Acquisition (1)	Cost per Acre	Cost per Acquisition (1)	Cost per Acre	Costs per Acre
Agricultural Lands	$1,000	$8.33	$7,500	$62.50	$37,500	$312.50	$383.33
Natural Lands							
Riparian	$2,000	$16.67	$14,000	$116.67 (2)	$1,130,400	$9,420.00 (4)	$9,553.34
Delta Aquatic	$2,000	$16.67	$14,000	$116.67 (2)	$1,800,000	$15,000.00	$15,133.34
Other Water's Edge	$1,000	$8.33	$7,500	$62.50 (3)	$1,380,000	$11,500.00 (3)	$11,570.83
Southwest Grasslands	$1,200	$10.00	$7,500	$62.50	$22,848	$190.40 (5)	$262.90
Vernal Pool Wetted	$2,000	$16.67	$14,000	$116.67 (2)	$1,400,000	$11,666.67 (6)	$11,800.01
Vernal Pool Grasslands	$2,000	$16.67	$12,000	$100.00	$6,000	$50.00 (7)	$166.67

(1) Assumes average preserve size of 120 acres and blended hourly rate of $100 for biological assessment and preserve management plan preparation.
(2) Assumes detailed preserve management plan required.
(3) Assumes riparian restoration in matrix of agricultural land.
(4) Assumes 80 percent of total riparian reserve area is restored.
(5) Assumes 1 acre of riparian restoration per Southwest Grasslands acquisition, 2 to 4 artificial owl burrows per acquisition, and fencing required around restoration area.
(6) Per-acre cost to create/ enhance vernal pools. Assumes one out of every three vernal pool preserve acres must be created/ enhanced.
(7) Assumes 2 to 4 artificial owl burrows per acquisition.

Sources: SJCOG, Inc.; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit B-4
Total Per-Acre Costs
SJCMSCP Fee Update, EPS #15126

Preserve Type	Assessment & Enhancement Costs/ Acre (1)	% of Total Preserve Lands (2)
Agricultural Lands	$383.33	57%
Natural Lands		
Riparian	$9,553.34	19%
Delta	$15,133.34	--
Other Water's Edge	$11,570.83	2%
Southwest Grasslands	$262.90	4%
Avg. Natural/ Agricultural Lands	**$2,723.10**	82%
Vernal Pool Wetted	$11,800.01	2%
Vernal Pool Grasslands	$166.67	16%
		100%

(1) Includes biological assessment, preserve management plan preparation, and restoration & enhancement costs. See Exhibit B-3.
(2) See Exhibit B-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit B-5
Total Preserve Costs, Breakdown by Category
SJCMSCP Fee Update, EPS #15126

Preserve Type	Total Acres Preserve Lands	Assessment & Enhancement Per Acre	Assessment & Enhancement Total
Vernal Pool Wetted	2,121	$11,800.01	$25,027,821.21
Vernal Pool Grasslands	15,561	$166.67	$2,593,551.87
Natural/ Agricultural Lands, Avg.	82,560	$2,723.10	$224,819,136.00
Total (1)	**100,242**		**$252,440,509.08**

(1) See Exhibit B-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc.; Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit B-6
Updated 2006 Fee Calculations, Vernal Pool Surface and Grasslands
SJCMSCP Fee Update, EPS #15126

Preserve Type	Acres Converted (1)	Assessment & Enhancement Costs (2)
Vernal Pool Wetted	707	
Total Cost		$25,027,821.21
Fee per Acre		**$35,400.03**
Vernal Pool Grasslands	5,187	
Total Cost		$2,593,551.87
Fee per Acre		**$500.01**

(1) From 1996 Economic Analyses for the SJCMSCP.
(2) See Exhibit B-5.

Sources: SJCOG; 1996 Economic Analyses for the SJCMSCP; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit B-7
Updated 2006 Fee Calculations, Natural/ Agricultural Land and Open Space*
SJCMSCP Fee Update, EPS #15126

Item	Assessment & Enhancement Costs
Cost associated with Natural/ Agricultural Lands Conversion (1)	$224,819,136.00
Natural/ Agricultural Land conversion (acres) (2)	65,940
Other Open Space conversion (acres)	37,465
Multiplier for Natural/ Agricultural Land Conversion	1
Multiplier for Other Open Space	0.5
Assessment & Enhancement Component of Natural/ Agricultural Lands Fee	**$2,655.16**
Assessment & Enhancement Fee Component = $224,819,136/ ((65,940 * 1.0) +(37,465 * 0.5))	

(1) See Exhibit B-5.
(2) Sum of Natural and Agricultural Land Conversion, less total Vernal Pool Surface and Grassland conversion acreage, i.e., 14,199 + 57,635 - 707 - 5,187. See Exhibit B-1 and Exhibit B-6.

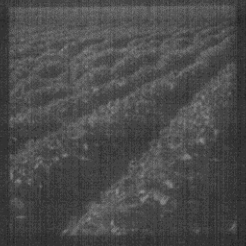
* Open space fee calculated as 0.5 * $2,655, or $1,328.

Sources: SJCOG, Jones and Stokes, Economic & Planning Systems, Inc.

THE NUMBERS

(PRICE PER ACRE)

	A		B		C		TOTAL
Other Open Space	$4,435.03	+	$1,327.58	+		=	
Agriculture/ Natural	$8,870.05	+	$2,655.16	+		=	
Vernal Pool (Grasslands)	$28,980.00	+	$500.01	+		=	
Vernal Pools (Wetted)	$28,980.00	+	$35,400.00	+		=	



MANAGEMENT AND ADMINISTRATION COSTS SPREADSHEETS "C"

SJCOG, Inc.

Financial Analysis Workshop #3

November 9, 2006

Exhibit C-1
Land Conversion through Development in San Joaquin County, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

	Habitat Type			
Activity	Natural Lands	Ag. Habitat Lands	Other Open Space	Total Development
Urban Development	4,100	47,453	24,217	75,770
Aggregate Mining	1,769	1,813	7,317	10,899
Public Agency Activities	488	2,132	1,095	3,715
Non-Ag Activities on Ag-Zoned Land	2,030	4,457	2,428	8,915
Ag Activities Triggering Sec. 404	5,000	--	--	5,000
Contingency	812	1,780	2,408	5,000
Total Acres	**14,199**	**57,635**	**37,465**	**109,299**
Percent of Total Acres	**13%**	**53%**	**34%**	**100%**

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit C-2
SJCMSCP Preserve Land Requirement, 1997 - Buildout
SJCMSCP Fee Update, EPS #15126

Habitat Type	Ratio (Preserve Acres: 1 Acre Conversion)	Total Preserve Acres	Percent Total Acres
Natural Lands	3		
Riparian		19,185	19%
Delta Aquatic		10	0%
Other Water's Edge		1,584	2%
Southwest Grasslands		4,146	4%
Vernal Pool Grasslands (incl. vernal pool wetted)		17,682	18%
Subtotal Natural Lands (1)		42,607	43%
Agricultural Habitat Lands	1	57,635	57%
Total		**100,242**	100%

(1) Approximately equal to total natural lands converted (14,199 acres) times 3 (=42,597). Discrepancy due to 10 acres of land associated with levees.

Source: 1996 Economic Analyses for the SJCMSCP.

Exhibit C-3
Ongoing Monitoring and Administrative Costs
SJCMSCP Fee Update, EPS #15126

	Annual Monitoring (1)						
	Cost per Acquisition	Cost per Acre	Monitoring Endowment/ Ac. (2) a	Project Management (3) b	Administration (3) c	Administrative Endowment (4) d	Total Per-Acre Monitoring and Admin Costs a + b + c + d
Agricultural Lands	$2,000	$16.67	$833.50	$340.00	$196.00	$40.00	$1,409.50
Natural Lands							
Riparian	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Delta Aquatic	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Other Water's Edge	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Southwest Grasslands	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Vernal Pool Wetted	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00
Vernal Pool Grasslands	$3,000	$25.00	$1,250.00	$340.00	$196.00	$40.00	$1,826.00

(1) Assumes average preserve size of 120 acres.
(2) Assumes 2% interest rate.
(3) Total annual administration costs of $536,000 for acquisition of approx. 1,000 acres (i.e., $536 per acre) based on SJCOG Annual Reports. Does not include SJCOG legal costs.
(4) Administrative endowment is calculated to generate annual interest equivalent to $80,000 once all conversion has occurred. This is about half of estimated administrative costs during the preserve acquisition phase of the plan.

Sources: SJCOG, Inc., Annual Reports; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit C-4
Total Per-Acre Costs
SJCMSCP Fee Update, EPS #15126

Preserve Type	Mgt. and Admin Costs / Acre (1)	% of Total Preserve Lands (2)
Agricultural Lands	$1,409.50	57%
Natural Lands		
Riparian	$1,826.00	19%
Delta	$1,826.00	--
Other Water's Edge	$1,826.00	2%
Southwest Grasslands	$1,826.00	4%
Avg. Natural/ Agricultural Lands	**$1,535.21**	82%
Vernal Pool Wetted	$1,826.00	2%
Vernal Pool Grasslands	$1,826.00	16%
		100%

(1) Includes Monitoring Endowment, Project Management Administration, and Overhead Administration. See Exhibit C-3.
(2) See Exhibit C-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc; Jones and Stokes; Economic & Planning Systems, Inc.

Exhibit C-5
Total Preserve Costs, Breakdown by Category
SJCMSCP Fee Update, EPS #15126

Preserve Type	Total Acres Preserve Lands	Monitoring & Admin. Per Acre	Monitoring & Admin. Total
Vernal Pool Wetted	2,121	$1,826.00	$3,872,946.00
Vernal Pool Grasslands	15,561	$1,826.00	$28,414,386.00
Natural/ Agricultural Lands, Avg.	82,560	$1,535.21	$126,746,937.60
Total (1)	**100,242**		**$159,034,269.60**

(1) See Exhibit C-2.

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc.; Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit C-6
Total Preserve Costs - Detailed Breakdown, Natural and Agricultural Lands Average
SJCMSCP Fee Update, EPS #15126

Item	Natr'l/ Agricultural Lands		Vernal Pool Grasslands		Vernal Pool Wetted	
	Cost per Acre	Total Cost	Cost per Acre	Total Cost	Cost per Acre	Total Cost
Total Acres Preserved		82,560 acres		15,561 acres		2,121 acres
Monitoring and Administration Costs						
Monitoring Endowment	$959.21	$79,192,114.57	$1,250.00	$19,451,250.00	$1,250.00	$2,651,250.00
Project Management	$340.00	$28,070,400.00	$340.00	$5,290,740.00	$340.00	$721,140.00
Administration	$196.00	$16,181,760.00	$196.00	$3,049,956.00	$196.00	$415,716.00
Administrative Endowment	$40.00	$3,302,400.00	$40.00	$622,440.00	$40.00	$84,840.00
Total	$1,535.21	$126,746,674.57	$1,826.00	$28,414,386.00	$1,826.00	$3,872,946.00

Sources: 1996 Economic Analyses for the SJCMSCP; SJCOG, Inc.; Jones & Stokes; Economic & Planning Systems, Inc.

Exhibit C-7
Updated 2006 Fee Calculations, Vernal Pool Grasslands and Vernal Pool Wetted
SJCMSCP Fee Update, EPS #15126

	Monitoring and Administration (1)				
Preserve Type	**Monitoring Endowment**	**Project Management**	**Administration**	**Admin. Endowment**	**Total**
Cost associated with Vernal Pool Grasslands (1)	$19,451,250.00	$5,290,740.00	$3,049,956.00	$622,440.00	$28,414,386.00
Vernal Pool Grasslands conversion (acres) (2)	5,187	5,187	5,187	5,187	5,187
Monitoring & Administration Component of Vernal Pool Grasslands Fee	$3,750.00	$1,020.00	$588.00	$120.00	**$5,478.00**
Cost associated with Vernal Pool Wetted (1)	$2,651,250.00	$721,140.00	$415,716.00	$84,840.00	$3,872,946.00
Vernal Pool Wetted conversion (acres) (2)	707	707	707	707	707
Monitoring & Administration Component of Vernal Pool Wetted Fee	$3,750.00	$1,020.00	$588.00	$120.00	**$5,478.00**

(1) See Exhibit C-6.
(2) From 1996 Economic Analyses for the SJMSCP.

Sources: SJCOG, Jones and Stokes, Economic & Planning Systems, Inc.

Exhibit C-8
Updated 2006 Fee Calculations, Natural/ Agricultural Land and Open Space*
SJCMSCP Fee Update, EPS #15126

		Monitoring and Administration			
Preserve Type	**Monitoring Endowment**	**Project Management**	**Administration**	**Admin. Endowment**	**Total**
Cost associated with Natural/ Agricultural Lands Conversion (1)	$79,192,114.57	$28,070,400.00	$16,181,760.00	$3,302,400.00	$126,746,674.57
Natural/ Agricultural Land conversion (acres) (2)	65,940	65,940	65,940	65,940	65,940
Other Open Space conversion (acres)	37,465	37,465	37,465	37,465	37,465
Multiplier for Natural/ Agricultural Land Conversion	1	1	1	1	1
Multiplier for Other Open Space	0.5	0.5	0.5	0.5	0.5
Monitoring & Administration Component of Natural/ Agricultural Lands Fee	$935.28	$331.52	$191.11	$39.00	**$1,496.90**
Monitoring & Admin. Fee Component = Monitoring & Admin. Cost / ((65,940 * 1.0) +(37,465 * 0.5))					

(1) See Exhibit C-6.
(2) Sum of Natural and Agricultural Land Conversion, less total Vernal Pool Surface and Grassland conversion acreage, i.e.
14,199 + 57,635 - 707 - 5,187. See Exhibit B-1 and Exhibit C-7.

* Open space fee calculated as 0.5 * $1,497, or $748.

Sources: SJCOG, Jones and Stokes, Economic & Planning Systems, Inc.

THE NUMBERS

(PRICE PER ACRE)

	A		B		C		TOTAL
Other Open Space	$4,435.03	+	$1,327.58	+	$748.45	=	$6,511.06
Agriculture/ Natural	$8,870.05	+	$2,655.16	+	$1,496.90	=	$13,022.11
Vernal Pool (Grasslands)	$28,980.00	+	$500.01	+	$5,478.00	=	$34,958.01
Vernal Pools (Wetted)	$28,980.00	+	$35,400.00	+	$5,478.00	=	$69,858.03

Table 1
Fee Results
SJCMSCP Fee Update, EPS#15126

Fee	% of Land Preservation	Acquisition Costs (1) A	Assessment & Enhancement (2) B	Management and Admin. (3) C	TOTAL A + B + C	TOTAL (rounded) A + B + C
Other Open Space (4)		$4,435.03	$1,327.58	$748.45	$6,511.06	**$6,511**
Percent of Total		68%	20%	11%	100%	
Natural/ Agricultural Lands (4)	82% (5)	$8,870.05	$2,655.16	$1,496.90	$13,022.11	**$13,022**
Percent of Total		68%	20%	11%	100%	
Vernal Pool Grasslands (4)	16% (6)	$28,980.00	$500.01	$5,478.00	$34,958.01	**$34,958**
Percent of Total		83%	1%	16%	100%	
Vernal Pool Wetted (4)	2% (7)	$28,980.00	$35,400.03	$5,478.00	$69,858.03	**$69,858**
Percent of Total		41%	51%	8%	100%	

(1) Includes land acquisition and transaction costs. See Exhibit A.
(2) Includes biological assessment, preserve management plan preparation, and restoration and enhancement costs. See Exhibit B.
(3) Includes monitoring endowment, SJCOG project management, SJCOG administration, and administrative endowment. See Exhibit C.
(4) Figures are rounded to the nearest $0.01 throughout this analysis and as a result may not compute precisely.
(5) Fees associated with other open space and natural/ agricultural lands fees will contribute to 82.361 percent of the overall land preservation under the plan, specifically 82,560 acres of natural/ agricultural lands.
(6) Fee associated with vernal pool grasslands conversion will contribute to 15.523 percent of the overall land preservation under the plan or 15,561 acres.
(7) Fee associated with vernal pool wetted conversion will contribute to 2.116 percent of the overall land preservation under the plan or 2,121 acres.

Sources: Jones & Stokes; Economic & Planning Systems, Inc.

Table 2
Detailed Breakdown of Fees
SJCMSCP Fee Update, EPS#15126

	Fee Per Acre									
	Acquisition Costs				Management & Administration					
Fee	Land Acquisition a	Transaction Costs (5 %) b	Total Acquisition Costs A = a + b	Assessment & Enhancement B	Monitoring Endowment d	Project Management e	Administration f	Administrative Endowment g	Total Mgt. and Admin. C = d + e + f + g	TOTAL A + B + C
Other Open Space	$4,223.84	$211.19	$4,435.03	$1,327.58	$467.64	$165.76	$95.56	$19.50	$748.45	$6,511.06
Percent of Total	65%	3%	68%	20%	7%	3%	1%	0%	11%	100%
Natural/ Agricultural Lands	$8,447.67	$422.38	$8,870.05	$2,655.16	$935.28	$331.52	$191.11	$39.00	$1,496.90	$13,022.11
Percent of Total	65%	3%	68%	20%	7%	3%	1%	0%	11%	100%
Vernal Pool Grasslands	$27,600.00	$1,380.00	$28,980.00	$500.01	$3,750.00	$1,020.00	$588.00	$120.00	$5,478.00	$34,958.01
Percent of Total	79%	4%	83%	1%	11%	3%	2%	0%	16%	100%
Vernal Pool Wetted	$27,600.00	$1,380.00	$28,980.00	$35,400.03	$3,750.00	$1,020.00	$588.00	$120.00	$5,478.00	$69,858.03
Percent of Total	40%	2%	41%	51%	5%	1%	1%	0%	8%	100%

Sources: Jones & Stokes; Economic & Planning Systems, Inc.

FINAL NUMBERS

(PRICE PER ACRE)

Other Open Space	$6,511
Natural / Agricultural	$13,022
Vernal Pool (Grasslands)	$34,958
Vernal Pool (Wetted)	$69,858

SJCOG, Inc.

ANNUAL FEE ADJUSTMENTS

- In order to keep fees current with actual costs of Acquisition
- California Construction Cost Index has not adequately represented changes in market
- Components A, B, C will be adjusted independently

SJCOG, Inc.

ANNUAL FEE ADJUSTMENTS

A. Acquisition Costs Annual Adjustments

(Similar Process to Financial Plan Update, Evaluating Comparables Ag Sales within the County)

Criteria for Evaluating Comparable Ag Sales:

ALL SJCOG, Inc. Transactions (regardless of sale type or size)

Other Comparables that are:

- Over 40 acres in size
- Under 500 acres in size
- Not Orchard or Vineyard properties
- Consistent as mitigation under SJMSCP

Minimum of 10 acceptable comps within 2 years prior (or 3 Month Intervals)

ANNUAL FEE ADJUSTMENTS

B. Assessment & Enhancement Adjustments

C. Management & Administration Adjustments

Both B & C will be adjusted annually using the Consumer Price Index (CPI)

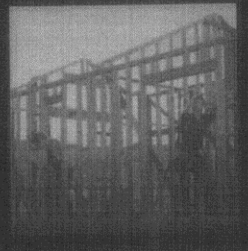
- Reported by the California Department of Finance
- 12 month period following a fiscal year (July – June)
- CPI appropriate regarding costs for these categories

PROPOSED IMPLEMENTATION SCHEDULE

HTAC	November 15th
SJCOG, Inc.	November 30th
BOS, City Councils	December - February

Effective:

April 1, 2007



QUESTIONS or COMMENTS?

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