



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Conduct a Public Hearing to Consider Adoption of Resolution Setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Development Fees For 2014

**MEETING DATE:** October 16, 2013

**PREPARED BY:** Community Development Department

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**RECOMMENDED ACTION:** Conduct a Public Hearing to consider adoption of resolution setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan Development Fees for 2014.

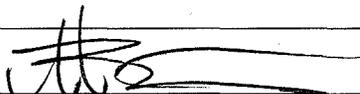
**BACKGROUND INFORMATION:** On February 21, 2001, the City of Lodi adopted the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). The Plan includes a schedule of fees to be paid by property owners who propose to develop their property with non-agricultural uses. These fees are used to mitigate for the cumulative impacts of new development on habitat lands within Lodi and San Joaquin County. According to the Plan, it is necessary for all jurisdictions covered by the Plan to approve the Habitat Conservation Plan (HCP) fees in order for the jurisdiction to continue to participate in the Plan. The fees are reviewed on an annual basis.

According to the San Joaquin Council of Governments (SJCOG), it is necessary for all jurisdictions covered by the Plan to adopt the annual Habitat Conservation Plan (HCP) fees in order for those jurisdictions to continue to participate in the Plan. SJCOG adopted financial analysis model in late 2006 to calculate development fees. The Financial Analysis Model also established a formula method that provides for future annual adjustments of the fee schedule based on the established criteria. Utilizing this formula, the SJCOG has established a new fee schedule for 2014 (Exhibit A). For 2014, the per acre fees for all categories of habitat land have increased. Open Space lands have increased from \$6,364 to \$6,656 (by 4.59 percent). Agriculture and Natural lands (the two largest categories) have increased 4.59 percent from \$12,711 to \$13,295. Fees for Vernal Pool (grasslands) habitat lands increased by 5.28 percent from \$37,087 to \$39,047 and Vernal Pool (wetted lands) increased by 3.40 percent from \$78,311 to \$80,972. An explanation of the analysis methodology is included in the SJCOG staff report (Exhibit B).

On Thursday, August 22, 2013, The SJCOG Board unanimously approved the attached HCP fee schedule for 2014. All local jurisdictions are now being asked to adopt the new fee schedule that will take effect on January 1, 2014. These new development fee changes will take effect on January 1, 2014 and expire December 31, 2014. The fees will be paid by land owners who develop their property with projects that are subject to the fees.

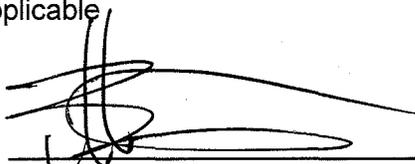
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APPROVED: \_\_\_\_\_

  
Konradt Bartlam, City Manager

**FISCAL IMPACT:** Not Applicable

**FUNDING AVAILABLE:** Not Applicable



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Konrad Bartlam  
Community Development Director

KB/IB/kjc

Attachments:

- 1) Fee Schedule for 2014
- 2) SJCOG Staff Report w/Fee Analysis Update summary



**SJCOG, Inc.**

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

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

*Jeff Laugero*  
CHAIR

*Sara Dresser*  
VICE CHAIR

*Andrew T. Chesley*  
PRESIDENT

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

**2014 Updated Habitat Fees\***

Habitat Type	Fee Per Acre
Multi-Purpose Open Space	\$6,656
Natural	\$ 13,295
Agriculture	\$ 13,295
Vernal Pool - uplands	\$ 39,047
Vernal Pool - wetted	\$ 80,972

\* Effective January 1, 2014 – December 31, 2014

**2014 Endowment Fees with In-lieu Land\*\***

Type of Preserve	Enhancement Cost/acre	Land Management Cost/acre	TOTAL PER ACRE ENDOWMENT
Agricultural Habitat Lands	\$3,189.59	\$1,816.28	\$5,005.87
Natural Lands	\$3,189.59	\$1,816.28	\$5,005.87
<b>Vernal Pool Habitat</b>			
<i>Vernal Pool Grasslands</i>	\$600.65	\$6,598.69	\$7,199.34
<i>Vernal Pool Wetted</i>	\$42,525.33	\$6,598.69	\$49,124.02

\*\* Effective January 1, 2014 – December 31, 2014 in lieu of fees to be used as the endowment for the dedicated land preserves (Category B + C)

**VELB Mitigation**

A special fee category shall apply when removal of elderberries occurs. The fee shall be paid to SJCOG, Inc. or a VELB mitigation bank approved by the Permitting Agencies. The current fee, as established in the VELB Conservation Fund Account managed by the Center for Natural Lands Management, and approved by the USFWS, is \$1,800 per VELB Unit (one unit= one stem over 1" in diameter at ground level which is removed). Fees shall be established by the JPA during preconstruction surveys (i.e., counts of stems to be removed with and without exit holes shall be completed during preconstruction surveys) and shall be paid to the JPA prior to ground disturbance or stem removal, whichever comes first.

## Staff Report

**SUBJECT:** 2014 SJMSCP Development Fees

**RECOMMENDED ACTION:** Motion to Approve the 2014 SJMSCP Development Fees as Adjusted Pursuant to Land Sale Comparables and Consumer Price Index

**DISCUSSION:**

**SUMMARY:**

Following the procedures in the SJCOG, Inc. Board-adopted financial analysis for establishing the SJMSCP development fees for the various habitat categories, SJCOG, Inc. staff and the Habitat Technical Advisory Committee (HTAC) Financial Subcommittee completed the 2014 SJMSCP Fee Analysis. The outcome is a slight increase of just over 4% to the habitat development fees from the prior year.

The result was a slight increase in the fees from 2013 to 2014 as shown in the table 1 and 2 below.

**Table 1 - 2014 SJMSCP Development Fees**

Habitat Type	Category A	Category B	Category C	Total Fee	Rounded Fee
<b>Open Space</b>	\$4,144.37	\$1,591.66	\$915.38	\$6,651.41	<b>\$6,656</b>
<b>AG/Natural</b>	\$8,288.74	\$3,183.31	\$1,812.71	\$13,284.76	<b>\$13,295</b>
<b>Vernal Pool (grasslands)</b>	\$31,847.76	\$599.47	\$6,585.72	\$39,032.95	<b>\$39,047</b>
<b>Vernal Pool (wetted)</b>	\$31,847.76	\$42,441.70	\$6,585.72	\$80,875.17	<b>\$80,972</b>

*Table 2 - 2013 SJMSCP Development Fees*

Habitat Type	Category A	Category B	Category C	Total Fee	Rounded Fee
<i>Open Space</i>	<i>\$3,894.21</i>	<i>\$1,568.14</i>	<i>\$901.85</i>	<i>\$6,364.19</i>	<i>\$6,364</i>
<i>AG/Natural</i>	<i>\$7,788.41</i>	<i>\$3,136.27</i>	<i>\$1,785.92</i>	<i>\$12,710.60</i>	<i>\$12,711</i>
<i>Vernal Pool (grasslands)</i>	<i>\$30,008.16</i>	<i>\$590.61</i>	<i>\$6,488.39</i>	<i>\$37,087.16</i>	<i>\$37,087</i>
<i>Vernal Pool (wetted)</i>	<i>\$30,008.16</i>	<i>\$41,814.48</i>	<i>\$6,488.39</i>	<i>\$78,311.03</i>	<i>\$78,311</i>

Projects which participate under the SJMSCP benefit from a pre-determined streamlined processing of the project rather than navigating through a very long and cumbersome regulatory process led by local jurisdiction staff outside the habitat plan. By opting for participation, the project can choose any number of ways to provide mitigation for the impacts of the project through the plan:

1. Pay a fee;
2. Redesign the project to avoid/minimize impacts;
3. Provide land in lieu of the SJMSCP fee which the project will negotiate the easement/fee title costs; or
4. Any combination of the above options.

Or, the project proponent can chose to not participate in the plan and fulfill mitigation requirements on their own with state and federal permitting agencies.

## **RECOMMENDATION:**

That SJCOG, Inc. staff and the HTAC recommend to the SJCOG, Inc. Board adoption of the 2014 SJMSCP Development Fees, as adjusted pursuant to the land sale comparables and consumer price index.

## **FISCAL IMPACT:**

Development fees will provide funding for SJCOG, Inc. to mitigate project impacts covered under the SJMSCP permits.

## **BACKGROUND:**

In accordance with the SJMSCP and the updated financial analysis model adopted by the SJCOG, Inc. Board for current and future fee updates, SJCOG, Inc. staff shall notify each local jurisdiction regarding proposed annual adjustments to the SJMSCP development fees. The development fees are calculated using a formula method which will be adjusted annually as shown in the table below [FEE = Category A (acquisition) + Category B (assessment & enhancement) + Category C (management & admin)]. Each component of the formula is adjusted using a specific mechanism which relates to the individual component in the fees. The development fees established must be adopted by each of the jurisdictions and would become effective on January 1<sup>st</sup> of the subsequent year for projects using the SJMSCP.

### ***Category A (acquisition) - Comparables***

This category is directly related to land valuation based on comparables which occur in specific zones of the plan. This category is evaluated on a yearly basis by taking all qualified comparables in each zone, including SJCOG, Inc. easements, to set a weighted cost per acre using the same methodology as in the 2006 Financial Analysis Update created by EPS and recently updated in 2013 by the Habitat Technical Advisory Financial Sub-Committee, HTAC and SJCOG, Inc. approval. The SJCOG, Inc. easements are evaluated using the appraised value

of the property in the before condition to be included with the fee title sales of other property occurring in San Joaquin County meeting specific criteria below. The final weighted cost per acre of each zone is calculated into a blended rate under SJMSCP Fee Category A (acquisition) figure for each habitat type (*Attachment 1-Tables A-D*).

The criteria to determine valid comparables used in the weighted calculation are:

1. All SJCOG, Inc. transactions (fee title and appraised value of unencumbered property)
2. Sales not less than 40 acres
3. Sales not greater than 500 acres
4. No parcels with vineyard or orchard (except SJCOG, Inc. transactions for special needs)
5. Must be land which would fulfill mitigation under the plan
6. Comparable sales reviewed by Habitat Technical Advisory Financial Sub-committee
7. Not greater than 2 years old from the date of June 30<sup>th</sup> of each year with all acceptable comparables included (criteria 1-5). A minimum of 10 acceptable comparables are required for analysis. If the minimum of 10 transactions are not available, the time period will extend at 3 month intervals prior to the beginning date until 10 comparables are gathered.

The calculation results in an increase to the Agricultural/Natural Habitat type of Category A (acquisition) component to be **\$8,288.74**.

### ***Category B (assessment & enhancement) - Consumer Price Index***

This category is a straight forward use of an average of the California Consumer Price Index (CPI) calculator, as reported by the California Department of Finance, for a 12 month period following a fiscal year (June – June) to keep up with inflation on a yearly basis. The California CPI calculation was an increase of **1.7%**.

The calculation results in an increase of the Agricultural/Natural Habitat type Category B (Assessment & Enhancement) component to be **\$3,189.59**.

### ***Category C (management & administration) - Consumer Price Index***

This category is a straight forward use of an average of the California Consumer Price Index (CPI) calculator, as reported by the California Department of Finance, for a 12 month period following a fiscal year (June – June) to keep up with inflation on a yearly basis. The California CPI calculation was an increase of **1.7%**.

The calculation results in an increase of the Agricultural/Natural Habitat type Category C (Management & Administration) component to be **\$1,816.28**.

SJCOG, Inc. staff calculated the fees using the SJMSCP Financial Analysis formula model [FEE = Category A (acquisition) + Category B (assessment & enhancement) + Category C (management & admin)] which is shown in Table 1-8 and final fee table in *attachment 2*. The overall result in the calculations is a slight increase in the fees for 2014 shown in the table below.

**2014 SJMSCP Development Fees**

<b>Habitat Type</b>	<b>Category A</b>	<b>Category B</b>	<b>Category C</b>	<b>Total Fee</b>	<b>Rounded Fee</b>
<b>Open Space</b>	\$4,144.37	\$1,591.66	\$915.38	\$6,651.41	<b>\$6,656</b>
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<b>Vernal Pool (wetted)</b>	\$31,847.76	\$42,441.70	\$6,585.72	\$80,875.17	<b>\$80,972</b>

The SJMSCP process allows projects which participate under the county-wide habitat plan to realize pre-determined streamlined processing of the project through an otherwise cumbersome regulatory process in a much shorter period of time and cost than navigating outside the plan. By opting for participation and realizing the benefits of the SJMSCP, the project can choose any number of ways to mitigate the impacts of the project through the plan. The SJMSCP allows projects to choose one or multiple mitigation options like simply pay a fee, redesign the project to avoid/minimize impacts, provide land in lieu of the SJMSCP fee which the project will negotiate the costs on their own, or a combination of the options.

**COMMITTEE ACTIONS:**

- HTAC FINANCIAL SUB-COMMITTEE: Recommended
- HTAC: Recommended
- EXEC COMMITTEE: Recommended
- SJCOG, Inc. Board: Approved

*Prepared by: Steven Mayo, Program Manager*

RESOLUTION NO. 2013-185

A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF LODI SETTING THE SAN JOAQUIN COUNTY MULTI-  
SPECIES HABITAT CONSERVATION AND OPEN  
SPACE PLAN DEVELOPMENT FEE SCHEDULE

=====

WHEREAS, the City Council of the City of Lodi adopted an ordinance establishing the authority for collection of a Development Fee for the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP) for all new developments pursuant to the SJMSCP within the City of Lodi; and

WHEREAS, a "Fee Study" dated July 16, 2001, was prepared, which analyzed and identified the costs, funding, and cost-benefit of the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan; and

WHEREAS, the purpose of the SJMSCP Development Fee is to finance the goals and objectives of the SJMSCP that include, but are not limited to, preserve land acquisition, preserve enhancement, land management, and administration that compensate for such lands lost as a result of future development in the City of Lodi and in San Joaquin County; and

WHEREAS, after considering the Fee Study and the testimony received at the public hearing, the Lodi City Council approved said report; and further found that the future development in the City of Lodi will need to compensate cumulative impacts to threatened, endangered, rare, and unlisted SJMSCP Covered Species and other wildlife and compensation for some non-wildlife related impacts to recreation, agriculture, scenic values and other beneficial Open Space uses; and

WHEREAS, an "Updated Fee Study" dated November 2, 2006, was prepared, which analyzed and identified the costs, funding, and indexing of the SJMSCP; and

WHEREAS, the SJMSCP Development Fees are divided into four categories: multi-purpose open space conversion; natural land and agricultural habitat land; and vernal pool habitat; and

WHEREAS, the SJMSCP Development Fees for these three categories will be increased consistent with the Updated Fee Study findings for the year 2014; and

WHEREAS, to ensure that the SJMSCP development fees keep pace with inflation, annual adjustments, based on the method set forth in this resolution, shall be made to the fees annually; and

WHEREAS, the Updated Fee Study with the SJMSCP and the fee amendment were available for public inspection and review in the office of the City Clerk for more than ten days prior to the date of this Public Hearing.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi as follows:

1. The City Council finds and declares that the purposes and uses of the Development Fee, and the determination of the reasonable relationship between the fees' uses and the type of development project on which the fees are imposed, are all established in Ordinance 1701, and remain valid, and the City Council therefore adopts such determinations.
2. The City Council finds and declares that since adoption of Ordinance 1707, the cost of land has decreased in San Joaquin County; and that in order to maintain the reasonable relationship established by Ordinance 1701, it is necessary to decrease the Development Fee for the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan.
3. The Development Fee for natural lands, agricultural land, vernal pool habitat and multi-purpose open space conversion shall be consistent with the table identified in Exhibit "A" and attached hereto.
4. The Fee provided in this resolution shall be effective on January 1, 2014.

NOW, THEREFORE, BE IT DETERMINED AND RESOLVED that the City of Lodi City Council does hereby approve the proposed Habitat Conservation and Open Space fee adjustment.

Dated: October 16, 2013

=====  
I hereby certify that Resolution No. 2013-185 was passed and adopted by the City Council of the City of Lodi in a regular meeting held October 16, 2013, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, and Mounce  
NOES: COUNCIL MEMBERS – None  
ABSENT: COUNCIL MEMBERS – Katakian and Mayor Nakanishi  
ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL-OLSON  
City Clerk



**SJCOG, Inc.**

555 East Weber Avenue • Stockton, CA 95202 • (209) 235-0600 • FAX (209) 235-0438

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

*Jill Laugero*  
CHAIR

*Sally Dwyer*  
VICE CHAIR

*Andrew T. Cusky*  
PRESIDENT

*Member Agencies*  
CITIES OF  
ESCALON,  
LATHROP,  
LODI,  
MANTECA,  
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THE COUNTY OF  
SAN JOAQUIN

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\* Effective January 1, 2014 - December 31, 2014

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**Request for the City Council:**

**Adoption of Resolution Amending the San Joaquin County  
Multi-Species Habitat Conservation and Open Space Plan  
Development Fees For 2014**

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# Habitat Fees Schedule

2013 Habitat Fees	
Habitat Type	Fee Per Acre
Multi-Purpose Open Space	\$6,364
Natural	\$ 12,711
Agriculture	\$ 12,711
Vernal Pool - uplands	\$ 37,087
Vernal Pool - wetted	\$78,311

2014 Habitat Fees	
Habitat Type	Fee Per Acre
Multi-Purpose Open Space	\$6,656
Natural	\$ 13,295
Agriculture	\$ 13,295
Vernal Pool - uplands	\$ 39,047
Vernal Pool - wetted	\$80,972



*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:** PUBLIC HEARING TO CONSIDER ADOPTING A RESOLUTION SETTING  
THE SAN JOAQUIN COUNTY MULTI-SPECIES HABITAT  
CONSERVATION AND OPEN SPACE PLAN DEVELOPMENT FEES FOR  
2014

**PUBLISH DATE:** SATURDAY, OCTOBER 5, 2013

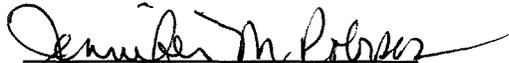
**LEGAL AD**

**TEAR SHEETS WANTED:** One (1) please

**SEND AFFIDAVIT AND BILL TO:** RANDI JOHL-OLSON, CITY CLERK  
**LNS ACCT. #0510052** City of Lodi  
P.O. Box 3006  
Lodi, CA 95241-1910

**DATED:** THURSDAY, OCTOBER 3, 2013

**ORDERED BY:** RANDI JOHL-OLSON  
CITY CLERK

  
JENNIFER M. ROBISON, CMC  
ASSISTANT CITY CLERK

\_\_\_\_\_  
MARIA DITMORE  
ADMINISTRATIVE CLERK

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

LNS Faxed to the Sentinel at 369-1084 at \_\_\_\_\_ (time) on \_\_\_\_\_ (date) \_\_\_\_\_ (pages)  
Phoned to confirm receipt of all pages at \_\_\_\_\_ (time) \_\_\_\_\_ JMR \_\_\_\_\_ MD (initials)



## DECLARATION OF POSTING

### **PUBLIC HEARING TO CONSIDER ADOPTING A RESOLUTION SETTING THE SAN JOAQUIN COUNTY MULTI-SPECIES HABITAT CONSERVATION AND OPEN SPACE PLAN DEVELOPMENT FEES FOR 2014**

On Thursday, October 3, 2013, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider adopting a resolution setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan development fees for 2014 (attached and marked as Exhibit A) was posted at the following locations:

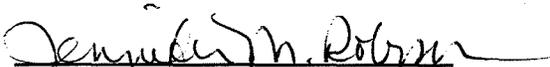
Lodi City Clerk's Office  
Lodi City Hall Lobby  
Lodi Carnegie Forum

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

Executed on October 3, 2013, at Lodi, California.

ORDERED BY:

**RANDI JOHL-OLSON  
CITY CLERK**

  
JENNIFER M. ROBISON, CMC  
ASSISTANT CITY CLERK

\_\_\_\_\_  
MARIA DITMORE  
ADMINISTRATIVE CLERK



# CITY OF LODI

Carnegie Forum  
305 West Pine Street, Lodi

## NOTICE OF PUBLIC HEARING

Date: October 16, 2013

Time: 7:00 p.m.

For information regarding this notice please contact:

**Randi Johl-Olson**  
City Clerk  
Telephone: (209) 333-6702

**EXHIBIT A**

### NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, October 16, 2013**, 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 item:

- a) **Adopting a resolution setting the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan development fees for 2014.**

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 West Pine Street, 2<sup>nd</sup> 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:

  
Jennifer M. Robison  
Assistant City Clerk

Dated: **October 2, 2013**

Approved as to form:



D. Stephen Schwabauer  
City Attorney