

4. Alternatives Considered

This chapter describes the process by which the RCHCA developed and considered alternate conservation strategies for this HCP through its implementation of the SKR Short-Term HCP. The identification process for permanent SKR reserves also is described, as are alternatives to taking of SKR which were considered by the RCHCA during the HCP development process. The establishment, expansion, and management of the core reserve system is addressed in Chapter 5. SKR Conservation and Mitigation Measures. Environmental documentation presented in Volume III contains additional information concerning the formulation of conservation alternatives and an evaluation of the core reserve system as mitigation for the impacts of SKR incidental take.

A. Formulation of Alternatives

The formulation of alternate SKR conservation strategies for this plan was shaped by the experiences gained by the RCHCA through five years of Short-Term HCP implementation. Seven factors influenced the development and consideration of alternative conservation approaches for this HCP:

1. Evaluation of SKR Study Areas for their potential suitability as permanent reserves based upon biological, land use, and economic factors;
2. Difficulties encountered in administering USFWS and CDFG permit conditions which prohibited incidental take in Study Areas and imposed additional requirements on land use approvals in those locations;
3. Conflicts between incidental take restrictions and the need for public agencies to conduct emergency response and ongoing public facility operation and maintenance activities;
4. Conflicts between incidental take restrictions and the performance of fire prevention activities required under State and local law;
5. Accommodation of the special needs of agricultural operations in the SKR habitat conservation process;
6. Limitations of available funding sources, and;
7. Comments received from the public through regular meetings of the RCHCA Board of Directors, scoping sessions, and numerous public hearings conducted during the development of this HCP and the Joint EIS/EIR presented in Volume

1. Evaluation of Reserve Study Areas

The creation of permanent reserves for the SKR was a stated goal of the Short-Term HCP approved in 1990. Since neither adequate biological knowledge nor sufficient funding was available at that time to establish permanent reserves, the Short-Term HCP defined ten Study Areas as candidate reserve sites. The Study Areas included the largest known concentrations of SKR occupied habitat in the HCP area and excluded lesser and isolated patches considered to be too small or fragmented to have significant conservation value. The original Study Area boundaries were based upon: 1) existing data concerning the species and its distribution in the HCP area; 2) personal knowledge of biologists serving on a Technical Advisory Committee (TAC) established to advise the HCP development process, and; 3) results of the O'Farrell and Uptain study performed for CDFG.

Based on the best information available at the time, it was estimated that the ten Study Areas contained approximately 80% of the SKR occupied habitat remaining in the plan area. Due to the incidental take prohibition and land use restrictions discussed in the next section, the Study Areas were deemed adequate to minimize risk to SKR while the final reserve system was being designed. The Short-Term HCP explicitly recognized that the final configuration of permanent reserves would be a subset of the Study Areas due to the fact that conservation of all SKR habitat in the Study Areas would be economically infeasible.

The Short-Term HCP was intended to produce a systematic evaluation of the permanent reserve potential of each Study Area based on biological, land use, and economic considerations. The RCHCA conducted this evaluation using the following sources of information: 1) data produced by SKR biological research projects sponsored by the RCHCA (detailed in Volume II) combined with site-specific SKR surveys; 2) data concerning existing and planned land uses obtained from RCHCA member agencies, and; 3) financial data including funding available from the RCHCA and other sources, and projected costs of land acquisition in each of the Study Areas. The Study Area evaluation process was expected to conclude in 1992, two years after the final approval of RCHCA's existing permit and agreement and more than three years after the planning process for the Short-Term HCP was initiated. However, a combination of circumstances prolonged the process of defining SKR reserves (See "B. Reserve Design Process" and Chapter 5. SKR Conservation and Mitigation Measures for results of the review process).

The Study Area evaluation process was generally successful as a vehicle for identifying a permanent SKR reserve system. The most notable problem was the HCP boundary modification process, which forced the RCHCA, USFWS, and CDFG to decide upon individual requests to remove property from Study Areas outside of the context of overall reserve planning. This was especially problematic in the first round of boundary modifications, when large tracts were proposed for removal from Study Areas before the RCHCA had an opportunity to assimilate the results of biological research projects. This put the RCHCA in a position of selecting between two undesirable options: 1) deny requests to remove property from Study Areas and potentially face inverse condemnation law suits from affected land owners, or; 2) recommend that USFWS and

CDFG approve such requests without the benefit of all information possibly needed to make these decisions.

Property owner patience with the Study Area evaluation process steadily declined over the course of the Short-Term HCP. Although the process was useful in defining appropriate permanent reserves, it was clear that the public wished to see it concluded as soon as possible. During the development of this HCP, the RCHCA was repeatedly urged to designate permanent reserves immediately in order to eliminate the cloud of uncertainty affecting owners of property within the Study Areas.

The difficulties posed by a prolonged Study Area evaluation process led the RCHCA to the conclusion that this HCP must define a permanent reserve system for the SKR. Accordingly, this HCP proposes to establish, manage, and provide for the expansion of permanent SKR reserves. More specifically, this HCP:

- a. Designates seven core SKR reserves encompassing 12,460 acres of SKR occupied habitat within a total area of approximately 41,221 acres;
- b. Includes provisions for expanding the amount of SKR occupied habitat in those core reserves to 15,000 acres through trades involving federal lands pursuant to an Assembled Land Exchange Agreement between BLM and the RCHCA (included in Appendix A)';
- c. Coordinates the management and expansion of SKR habitat in the reserve system through cooperative efforts with other public agencies having land management responsibilities.

2. Conditions Imposed on the Short-Term HCP Permit and Agreement

The RCHCA's existing permit and agreement were approved by USFWS and CDFG on the condition that specific constraints be placed on the location and amount of SKR occupied habitat subject to incidental take. These constraints took the form of the following conditions placed upon the RCHCA's permit and agreement:

- a. Incidental take was prohibited within the Study Areas except for the "installation and maintenance of essential public utility pipelines and transmission lines, and ancillary improvements" subject to the concurrence of USFWS and CDFG;
- b. For all development projects (e.g., land divisions and permits for building, grading, conditional uses, mobile home installation, and surface mining) proposed within Study Areas RCHCA member jurisdictions must:
 - i. Require the submission of a SKR biological survey prepared by an individual having a USFWS permit to trap the species;
 - ii. Make an initial determination whether the project may lead to significant impacts to potential habitat necessary for species persistence, or buffer/corridor lands, or would increase the difficulty of reserve management. If significant impacts may occur, an EIR must be prepared, and;
 - iii. As a prerequisite of project approval, make a finding by the local governing body of "no significant environmental effect" on the establishment of a SKR reserve in a Study Area. If such a finding cannot be made the project must be denied;
- c. The maximum amount of incidental take authorized was limited to 4,400 acres or 20% of the SKR occupied habitat within the HCP area, whichever is less.

An additional condition placed on the permit and agreement concerned the modification of Study Area and HCP area boundaries. All proposed changes to these areas were subject to a processing procedure involving the following steps:

- a. Requests for boundary modifications must be submitted in writing to the RCHCA and must be accompanied by a SKR biological survey of the property in question;
- b. The RCHCA must prepare appropriate NEPA and CEQA environmental documentation for the boundary modification requests. Such documentation must include a detailed evaluation of pertinent biological, land use, and economic factors associated with the proposed modifications, and;
- c. The RCHCA Board of Directors must consider boundary modification requests, and those receiving Board endorsement are recommended to USFWS and CDFG for their approval.

The above conditions were imposed on the RCHCA's permit and agreement for the purpose of minimizing impacts to SKR and to ensure that lands essential to the species' survival would not be eliminated or fragmented before permanent reserves could be established. In retrospect it is fair to state that while these conditions did indeed provide interim conservation benefits to SKR, at times they also posed problems for property owners, most specifically those desiring to develop land within Study Areas. In regard to the cap on incidental take, the intended benefit to SKR conservation was a strong assurance that sufficient numbers of the species would continue to exist even if RCHCA member agencies fully

exhausted their take allocations. In actuality this assurance was rendered somewhat moot due to the dramatic slowdown of the western Riverside County economy during the Short-Term HCP period. As discussed in Chapter 2. Plan Area Profile, the striking reversal of the previously inflated HCP area real estate market and related decline in construction activity served to greatly suppress the demand for incidental take. As of March 1, 1996, during the Short-Term HCP period only 1,975 acres of SKR occupied habitat were incidentally taken, less than 45% of the total amount authorized by the permit and agreement. That situation certainly would not have occurred if the permit and agreement had been received in 1988, when Riverside was among the fastest growing counties in the nation.

Of far greater benefit to SKR conservation during the Short-Term HCP was the incidental take prohibition imposed on properties within the Study Areas. The principal benefit to SKR was the fact that the largest and most viable blocks of occupied habitat were not destroyed by urbanization. Although some acreage was removed from Study Areas through the boundary modification process, no SKR occupied habitat or buffer/corridor areas deemed essential for permanent reserves were lost. Thus, the Study Areas did achieve their primary biological purpose of ensuring that the best candidates for permanent reserves would not be compromised by incidental take authorized under the RCHCA's permit and agreement. However, while these Short-Term HCP constraints benefitted SKR they also proved highly problematical to the RCHCA conservation planning effort due to their unpopularity with local property owners. Opinions expressed by this group are extremely important to the RCHCA, since over 47% of all land within the Study Areas is privately owned. Over the past five years the RCHCA has heard continual expressions of dissatisfaction from property owners in Study Areas. The most commonly stated objections are summarized below:

- a. Virtually all people offering comment felt the designation of Study Areas unfairly placed thousands of privately owned properties under a cloud of uncertainty. Since the HCP required land within the Study Areas to be evaluated for potential inclusion in permanent SKR reserves, affected owners were placed in the anxious position of not knowing when or if their land would be acquired or its use restricted;
- b. Some land owners testified that properties in Study Areas could not be sold at prevailing market prices since buyers (other than the RCHCA) were very reluctant to purchase property subject to special land use restrictions and potential RCHCA acquisition. As a result, these land owners felt their property value was depressed by the existence of the Study Areas. The RCHCA also was viewed by many as the sole potential buyer for Study Area property, thus placing owners in an inferior negotiating position;
- c. The prohibition against incidental take, combined with SKR survey requirements and additional environmental review, were perceived by Study Area land owners as unfair and unduly restrictive. In fact, the RCHCA received public testimony on a regular basis from those who claimed to have been inversely condemned by regulations placed on Study Area properties;
- d. Despite its intention to provide a mechanism for those seeking removal from Study Areas, the boundary modification process was the subject of heated criticism from property owners. This resulted from the protracted time period (an average of 18 months) required to complete the mandated process. Although the RCHCA received ample criticism over this situation, USFWS and CDFG were the targets of the most vehement objections due to their failure to meet decision deadlines specified in agreements with the RCHCA. As delays with both the first and second set of boundary modifications mounted, the RCHCA, USFWS, and CDFG experienced an erosion of public confidence which undermined support for both the SKR HCP and the ESA. 81

In the context of weighing alternatives for this HCP, both the positive and negative aspects of the Study Areas and cap on incidental take prompted consideration of other ways to minimize impacts and the risk of foreclosing conservation options. Alternatives considered by the RCHCA included the following:

- a. Increasing or eliminating the cap on incidental take or conversely, if conservation and mitigation measures are not working, decreasing or suspending it;
- b. Replacing the cap with a quantified habitat conservation goal, either in the form of a habitat replacement ratio and/or standards for conserved habitat in a permanent reserve system, and;
- c. Eliminating the Study Area boundary modification process, either by eliminating the Study Areas altogether, defining final boundaries for permanent reserves, and/or changing temporary restrictions into permanent ones. Public reaction to Short-Term HCP Study Area restrictions significantly influenced the development of a conservation strategy for this HCP. It is quite evident that public opposition precludes the pursuit of any strategy based upon a continuation of Study Areas or similar interim habitat protection controls on private property. Additionally, the RCHCA must be mindful of its exposure to inverse condemnation claims. Continuation of Study Areas as part of this HCP certainly would increase that exposure, placing the RCHCA in a precarious position likely to compromise its ability to implement this HCP. In light of the preceding discussion, this HCP proposes a conservation strategy based upon the designation and expansion of permanent SKR reserves.

Specifically, the plan:

- a. Identifies the boundaries of seven permanent SKR core reserves and provides for their conservation, management and expansion;

- b. Replaces a numeric cap on incidental take with a 1:1 habitat replacement requirement until land acquisitions or other conservation actions necessary to complete the core reserves have been accomplished;
- c. Provides for a SKR monitoring program tied to an adaptive management strategy to gauge the effectiveness of the conservation program, and;
- d. Includes provisions to suspend authorizations of incidental take if the habitat replacement requirement is not met.

3. Emergency Response and Ongoing Public Facility Operation and Maintenance Activities

During the course of the Short-Term HCP restrictions imposed within Study Areas created problems for public agencies and utility companies responsible for responding to emergency situations. Over this five year period western Riverside County experienced several emergencies due to fires, flooding, and earthquakes. When such conditions occurred, police and fire departments, flood control districts, other public agencies, and utility companies responded quickly and were obligated to take whatever actions were deemed necessary to protect lives and property. However, when emergencies affected lands within Study Areas these entities found themselves in a position of potentially violating the RCHCA's incidental take permits. To the extent that land disturbance was necessary to respond to emergencies in Study Areas (e.g., use of heavy equipment for fire suppression), public agencies and utility companies were potentially liable for violating the prohibition against incidental take of SKR.

A similar situation occurred in connection with activities necessary to operate and maintain public facilities located within Study Areas. Of particular concern was road maintenance, which necessarily involves regular grading of road shoulders and resurfacing, paving, and occasional reconstruction of streets and highways. In the performance of such necessary activities within Study Areas, local road departments were occasionally impeded by the incidental take prohibition. This was especially true in rural areas where dirt roadways are known to be used by SKR as movement corridors. Landfill and flood control facility maintenance activities shared this problem due to the large amount of grading and earth movement necessary to properly maintain these facilities.

Utility agencies and companies faced similar challenges in conducting necessary activities within Study Areas. Since the three largest Study Areas were established around reservoirs, the incidental take prohibition became a significant concern to MWD, whose activities required access to operational and project sites in locations suitable for SKR. Southern California Edison, The Gas Company, and the Eastern and Western Municipal Water Districts encountered similar problems in working with their facilities.

It is now clear to the RCHCA that the Short-Term HCP would have functioned more successfully if it had explicitly provided for the performance of these necessary emergency and public facility maintenance activities. In considering alternative conservation strategies for this HCP the RCHCA was urged to ensure that any limitations on the location of incidental take would not apply to actions taken for emergency response or public facility operation and maintenance purposes.

Accordingly, this HCP provides that actions taken inside of core reserves by public agencies for the purposes of responding to emergency conditions or operating and maintaining existing public facilities will be permitted and will not be subject to prior approval by USFWS and CDPG.

4. Resolution of Conflicts Between HCP Incidental Take Restrictions and the Performance of Fire Prevention Activities Required under State and Local Laws

The regulation of incidental take outside of Study Areas and prohibition of incidental take within them imposed under the Short-Term HCP resulted in another significant problem which influenced the conservation program proposed in this HCP. This concerns a serious conflict between the incidental take prohibition and the performance of fire prevention activities required under State and local laws. Due to its relatively arid climate, frequency of Santa Ana winds, and extensive distribution of flammable vegetation, most non-urbanized portions of the HCP area are extremely susceptible to fire.

Section 4291 of the California Public Resources Code establishes standards for firebreaks, vegetation clearance, and structures. Section 4291 (a) requires all owners of property in brush and grass covered lands (encompassing most of the HCP area) to maintain a firebreak of not less than 30 feet around buildings and structures; this is to be achieved through the removal and clearing away of "all flammable vegetation or other combustible growth." Section 4291 (b) requires that a firebreak be maintained by removing all brush, flammable vegetation, or combustible growth which is located from 30 feet to 100 feet of buildings and structures if the local fire department determines that a firebreak of 30 feet is not adequate due to hazardous conditions.

Prior to the implementation of the Short-Term HCP, property owners in the HCP area normally complied with these requirements of State law by discing land to clear flammable vegetation. This is generally deemed the most effective method of vegetation clearance by fire experts since it completely removes flammable materials down to bare mineral soil. However, since it also disturbs land in a manner which can destroy SKR burrows, if conducted in SKR occupied habitat it normally results in the taking of the species.

Since the RCHCA's permit and agreement for the Short-Term HCP prohibited take of SKR in Study Areas and regulated it in SKR occupied habitat, property owners in those locations found themselves unable to disc their land for fire prevention purposes. In an effort to avoid violations of the RCHCA's permit, the Riverside County Fire Department developed an agreement with USFWS to notify Study Area residents and those in areas of known SKR occupied habitat that weed abatement and removal of flammable vegetation should be accomplished by mowing or scraping. Weed abatement notices issued to Study Area property owners within RCHCA member jurisdictions indicated that those portions of the property

requiring abatement should be mowed during daylight hours and that cut weeds should be removed.

Many local property owners objected to the use of mowing for fire protection purposes, feeling that to be ineffective and, for large or rocky properties, completely infeasible. Residents preferred to employ discing for firebreak maintenance. However, such activity was not deemed acceptable in Study Areas due to the incidental take which sometimes resulted.

This situation became a focus of attention on October 26, 1993, when a fire broke out in the Lake Skinner Study Area. Stoked by 70 mph Santa Ana winds, the fire destroyed 29 homes and 77 accessory buildings. Total property losses were estimated at more than \$2.6 million. Subsequent investigations by the Riverside County Fire Department revealed that of the 30 homes lost, 23 had no surrounding firebreaks. Lake Skinner Study Area residents reacted to the fire with anger, stating that property losses were exacerbated by their inability to adequately clear brush due to regulations which afforded more protection to SKR than human beings. This story received widespread national television and newspaper coverage as a particularly egregious example of the ESA running amok. The resulting criticism was damaging to the ESA, USFWS, and the RCHCA's SKR conservation effort.

In order to prevent another occurrence of this situation, the RCHCA met with fire department personnel, Lake Skinner Study Area residents, and representatives of the USFWS Carlsbad Field Office in December of 1993. The purpose of the meeting was to determine how necessary tire protection measures could be taken by property owners without violating the ESA.

Fire experts in attendance all agreed that while the standards established in State law are adequate, firebreaks of 100 feet would provide a greater margin of safety. They also agreed that vegetation should be cleared down to bare mineral soil, and the most effective method of accomplishing that is discing. The USFWS representatives indicated that SKR generally are not found in close proximity to buildings; therefore, the creation and maintenance of firebreaks around buildings and structures is unlikely to result in significant amounts of incidental take or destruction of habitat. The USFWS agreed to support a change in policy to permit 100 foot firebreaks down to bare soil around buildings and structures. It was further agreed that SKR biological surveys would not be required for land clearance conducted for fire protection purposes.

In 1994 a Cooperative Agreement was executed among the USFWS and all RCHCA member agencies. This Agreement provided authorization for incidental take of SKR resulting from activities conducted by property to clear land down to bare mineral soil within 100 feet of structures and property lines for fire prevention purposes. As described in Chapter 5. SKR Conservation and Mitigation Measures, this HCP contains provisions for fire prevention activities which are consistent with the terms of the Cooperative Agreement.

5. Agricultural Operations in the HCP Area

Significant portions of the HCP area are still under active agricultural use. Much of this agricultural land is dedicated to dryland farming and other activities requiring ongoing land disturbance. The Short-Term HCP was geared toward those land uses requiring local land use permits. Since most agricultural operations in the plan area do not require such permits, the Short-Term HCP did not adequately address the issue of ongoing agricultural land cultivation.

This situation resulted in problems for a few specific agricultural operations located both inside and outside of Study Areas. Within the HCP Area most farming activities were unaffected by the incidental take issue due to the fact that they were subject to no grading, building, or other permits which require the submission of SKR biological surveys. No knowledge of SKR occupied habitat existed on the majority of these lands and thus, SKR incidental take was not perceived as an issue of concern. However, during the course of the Short-Term HCP it became a more urgent issue when a SKR biological survey performed for a specific farming operation revealed the presence of some SKR occupied habitat. Under the provisions of the HCP incidental take resulting from agricultural land disturbance could not be authorized without a take allocation from a RCHCA member agency. The situation was ultimately resolved through the issuance of such a take allocation, but it resulted in delay and lost income for the farmer. It also raised concern among RCHCA members that the agency's incidental take authorization potentially could be consumed by having to make allocations throughout the HCP area every time a fallow field is disced prior to planting.

An even greater problem for local agriculture potentially existed in the Study Areas due to the incidental take prohibition. During the course of the Short-Term HCP one large agricultural operation located in a Study Area was hindered by the presence of SKR on fallow fields scheduled for re-cultivation. This resulted in significant income losses for the affected individuals.

These experiences, combined with concerns raised by the Riverside County Farm Bureau, have led the RCHCA to ensure that the needs of bona fide agricultural operations are accommodated by the provisions of this HCP. Agriculture is an important component of the western Riverside County economy and its continued existence is supported by the RCHCA. It is clear that the imposition of SKR mitigation fee assessments and SKR biological survey requirements on agricultural land disturbance would adversely affect the economic viability of this industry in the plan area. Therefore, this HCP provides that bona fide agricultural activities will not be subject to SKR mitigation fees or SKR biological surveys.

6. Funding Limitations

Implementation of the Short-Term HCP has been a very expensive proposition for affected portions of western Riverside County. The RCHCA expended approximately \$30 million to implement the Short-Term HCP and develop this HCP, and an additional \$11.7 million in local contributions will be made pursuant to this HCP (See Chapter 5. SKR Conservation and Mitigation Measures). To date, almost all of the funds required to finance SKR HCP expenses have been raised from local sources. In establishing the SKR mitigation fee RCHCA member agencies created the largest local habitat conservation

funding program of its type in the nation. This is a local funding effort of unprecedented magnitude.

However, although more than \$40 million has been raised to date by the RCHCA through the SKR mitigation fee and other revenue sources, the costs of providing an optimal habitat conservation program for this species are beyond the purchasing power of the RCHCA. Despite aggressive pursuit of available funding sources and Congressional lobbying, during the five year period of the Short-Term HCP the RCHCA received no financial assistance from the federal government for implementation of the SKR conservation effort. Greater success was achieved with the State of California, which contributed approximately \$2.7 million in grants and land purchases.

In the months prior to the adoption of this HCP by its Board of Directors, the RCHCA received commitments from the U.S. Department of Interior, State of California, and BLM for financial assistance to implement this conservation plan. These commitments are reflected in the HCP implementation budget presented in Chapter 5. SKR Conservation and Mitigation Measures. Unfortunately, these offers of assistance came only after local elected officials expressed their intent to abandon the SKR HCP if the federal and State governments failed to participate in its funding. In the development of this HCP it is impossible to overestimate the importance of the policy debate concerning who properly bears financial responsibility for local conservation efforts undertaken for the sole purpose of complying with the federal and California Endangered Species Acts. During the numerous public hearings held by the RCHCA concerning this HCP and its accompanying EIS/EIR, the majority of those commenting expressed strong objections to their perception that those levels of government whose laws create the need for this HCP were leaving the RCHCA and its constituents to their own devices to find money to pay for it.

This situation is not well received by local citizens playing the role of financier. The funding limitations faced by the RCHCA have been very influential in determining the conservation strategies of this HCP. From the RCHCA's necessarily pragmatic perspective, the level of conservation provided under this HCP reflects the best that can be achieved in western Riverside County for a single species using local funds as the primary funding source. While the RCHCA is committed to ensuring long-term survival of SKR through this HCP, it is the clear desire of its member agencies to redirect its habitat conservation funding toward multi-species purposes. In the context of this HCP, that means defining an appropriate end point to the practice of acquiring land for the benefit of one species, in order to allocate scarce local conservation funds more effectively through a multi-species HCP which will serve to resolve all ESA problems in western Riverside County.

7. Public Comments

As described in Chapter 2. Plan Area Profile, this HCP is the product of an extensive public review process. Including formal scoping meetings, public workshops, hearings, and meetings of the RCHCA Board of Directors, this HCP was subject to comment at more than 50 public meetings. The volume and intensity of public opinion was considerable, and it undeniably shaped the content of this plan. Several of the most important issues raised by the public, and their effect on this HCP, already have been discussed, e.g. opposition to Study Areas. Two additional public concerns were highly significant to the development of conservation strategies for this HCP. These include: 1) comments urging an end to SKR habitat acquisition and mitigation fees at the conclusion of the Short-Term HCP, and; 2) opposition to expansion of this HCP to encompass multi-species habitat conservation activities.

As a vehicle for soliciting comment at public scoping sessions for this HCP, the RCHCA distributed a proposed series of conservation alternatives for public review. During a six-month scoping period in 1993, six preliminary HCP conservation alternatives were presented in concept to the public. Comments received during the scoping process produced six additional alternatives and variations for consideration by the RCHCA Board of Directors. In addition, over 300 issues were raised in written comments, primarily expressing concerns regarding biological and socioeconomic matters (see Volume III).

The scoping process prompted a consideration of alternate methods of implementing the SKR conservation program. Options considered included:

1. Terminating the SKR mitigation fee and the RCHCA's habitat acquisition program at the end of the Short-Term HCP;
2. Establishing a market-based system for establishing reserves and fulfilling project-specific habitat impact mitigation requirements (as described in Appendix D), and;
3. Incorporating the SKR conservation program into a multiple species approach and/or a federal permit application for incidental take of the California gnatcatcher in the plan area.

In terms of the total volume of public comments addressed to the RCHCA, the first HCP conservation alternative listed above received far more support than any other identified. At virtually every public meeting the RCHCA heard public comments from a group of Study Area property owners reflecting their belief that more than enough land had been set aside for the SKR already, and additional efforts were unnecessary and burdensome. Over the course of the RCHCA's numerous public meetings concerning this HCP the cumulative significance of this sentiment was substantial; it became clear that many property owners shared a strong desire for this HCP to include no commitments to acquire additional SKR habitat or provide additional local funding.

This sentiment manifested most clearly in public comments received on the first draft of this HCP dated November 4, 1993. That document called for the RCHCA to continue SKR habitat acquisition until 2,500 acres of SKR occupied habitat had been added to the core reserve system. At that point, the USFWS, RCHCA, and CDFG would reevaluate the 1:1 habitat replacement requirement; the draft HCP did not specify future actions to result from the evaluation. Following its issuance

of the draft HCP the RCHCA received a large volume of public comments recommending that the HCP be modified to specifically define a conclusion to the SKR habitat acquisition process.

The conservation strategy presented in Chapter 5. SKR Conservation and Mitigation Measures acknowledges the desire of the public for a defined conclusion to land acquisition solely for the purpose of conserving SKR. The RCHCA has endeavored to define a configuration for a SKR core reserve system which represents the maximum commitment of local funds deemed acceptable by RCHCA member agencies and the citizens of western Riverside County. Expansion of the reserves beyond the boundaries shown in this HCP will be accomplished through a program of land trades involving BLM properties.

Another commonly expressed sentiment having significant influence on the conservation approach taken by the RCHCA was the opposition to expanding this HCP to encompass multi-species issues. During the scoping and hearing process RCHCA staff had proposed an approach whereby the RCHCA would seek to use the SKR HCP as a platform for a multi-species conservation plan. More specifically, the HCP would have provided for conservation of not only SKR, but other listed and sensitive species as well.

The vast majority of those offering public testimony concerning this conservation alternative expressed opposition. The primary reason was a belief that incorporation of habitat conservation for other species would have delayed the completion of the SKR program. It was felt that by expanding the conservation effort to include other species, the RCHCA would be complicating the SKR HCP and causing it to continue indefinitely. Although none of the public comments offered any substantiation for this sentiment, it was expressed with sufficient fervor to ensure that this HCP will cover only SKR.

Details regarding the conservation program for this HCP are discussed in Chapter 5. SKR Conservation and Mitigation Measures. In addition, a market-based habitat transaction system designed by Olson Policy Consulting is presented in Appendix D.

B. Evaluation of Alternatives to Incidental Take

As required by Section 10(a) approval criteria, alternatives to the incidental take proposed by this HCP have been considered by the RCHCA. These include:

1. Not seeking the permit and agreement and therefore not receiving authorization for the level of take proposed;
2. Implementing a "no incidental take" conservation strategy that would completely avoid take of SKR and therefore not require the permit or agreement;
3. Imposing a "no net loss of habitat" mitigation standard;
4. Requiring the relocation of SKR from all or some sites prior to removal or modification of occupied habitat;
5. Requiring that a portion of existing occupied habitat be conserved on-site for all or some projects in the plan area;
6. Designating areas where incidental take would be absolutely prohibited, and/or;
7. Setting a numeric cap on the total amount of incidental take that may occur under the permit and agreement.

The "no permit" option was eliminated from further consideration by the RCHCA Board of Directors due to its failure to address problems resulting from FESA and CESA prohibitions against take of SKR. The RCHCA acts on behalf of the citizens in western Riverside County, whose health and welfare require that a permit and agreement be secured in order to allow certain activities resulting in incidental take of SKR to proceed. However, the "no permit" option remains a possible choice since the decision to seek the permit and agreement is a voluntary action by the RCHCA. In fact this option is evaluated in the Joint EIS/EIR included as Volume III of this HCP.

The "no incidental take" option was eliminated as infeasible due to the distributional characteristics of the species and the lack of definitive understanding of how impacts of human activity may be completely avoided. Even if direct take of occupied habitat could be completely avoided, incidental take of SKR still would be likely to occur due to the effects of development surrounding occupied habitat. Consequently, this option would not truly avoid incidental take.

The "no net habitat loss" option would require that one acre of new SKR habitat be created for every acre incidentally taken under the permit and agreement. The feasibility of this option is limited by the relative paucity of information concerning actions necessary to establish viable SKR habitat under varying conditions. Additionally, the RCHCA has determined it more effective both biologically and financially to acquire existing SKR habitat than to attempt create it through land manipulation. From a biological perspective, actions taken to create SKR habitat are likely to result in the destruction of habitat suitable for other species. Financially, it is less costly to purchase land already occupied by SKR than to modify habitat, relocate SKR to the site, and conduct active ongoing management programs. As a final note, neither the RCHCA's existing permit and agreement nor SKR mitigation requirements imposed by USFWS and CDFG for other projects have ever mandated this type of mitigation standard. Consequently, although habitat enhancement and restoration is an important part of the RCHCA's habitat management goals, this alternative to incidental take was eliminated.

The "SKR relocation" option would require the live trapping, removal, and relocation of SKR from one site to another as a method of avoiding the destruction of individual animals. Technically, such activities also constitute take under the federal and State ESA, but the impacts of such actions presumably would do less harm to the species than allowing animals to be destroyed. As noted in Chapter 3. Summary Profile of the SKR, several studies are being conducted in the plan area regarding SKR relocation, and the results of these studies will be incorporated into the RCHCA's ongoing conservation program. However,

it must be recognized that relocation is a tool, not a conservation strategy. Moreover, depending on the size of the project, it can be prohibitively expensive. Relocation therefore is not proposed as a practical alternative to incidental take in this HCP.

The "on-site conservation" option potentially could result in more SKR habitat being permanently conserved in the plan area and therefore, fewer acres of habitat removed and presumably fewer SKR directly taken. However, given the movement patterns and habitat needs of the species, habitat conserved in small patches within individual development sites would not sustain SKR over the long term and consequently would delay but not avoid take. Such a strategy also would be disruptive to sound land use planning by hindering efficient and cost-effective site development. As previously noted, on-site conservation on agricultural and public lands outside of core reserves could contribute to the survival of the species and the viability of the reserves. For these reasons, on-site conservation measures are included in this plan but are not proposed as a primary conservation strategy or as a restriction on the location of incidental take.

The "no take zone" option would involve defining and enforcing areas within which constraints would be imposed on specific properties in order to conserve SKR by not allowing the species to be taken. That type of approach was followed in the Short-Term HCP for the explicit purpose of not precluding conservation options while the reserve system was being designed. As discussed in earlier in this Chapter however, the resultant regulation of private property was vigorously opposed by plan area citizens and also exposed the RCHCA to significant risk of inverse condemnation claims. Additionally, as an alternative to the proposed taking this option has many of the same drawbacks as the "no take" and "on-site conservation" strategies in that the conservation it provides is only temporary. For these reasons the RCHCA elected not to pursue a strategy of continuing "no take zones". Instead, this HCP provides controls on incidental take through a requirement for USFWS and CDPG approval of incidental take occurring within core reserves for purposes other than those relating to the maintenance of public health, safety, and welfare.

The "cap on take" option is based on the assumption that incidental take below a certain number of acres will have significantly less of an adverse effect on SKR than take above that number. Within the context of the Short-Term HCP that strategy, combined with additional constraints on the location of incidental take, was justified for the purposes of ensuring that: a) the persistence of the species would be assured pending completion of minimum viable population analyses, and; b) viable permanent preserves could be identified and established. However, as an alternative to incidental taking that would occur over the 30-year period of this HCP, a numeric cap on take would have to be tied to a meaningful biological threshold in order to have conservation value for SKR. This plan proposes a mitigation and acquisition standard that focuses on the conservation value of core reserves rather than a cumulative total of allowable take.

A complete description of the SKR core reserves and other features of the RCHCA's SKR conservation program is presented in Chapter 5. SKR Conservation and Mitigation Measures.

C. Reserve Design Process

The evolution of the SKR Study Areas into the reserves defined in this HCP was the result of a balancing of biological, land use, and economic factors. The RCHCA seeks to design individual reserves and a regional reserve system that:

- Will ensure to a reasonable degree of probability the continued existence of SKR in the HCP area:
- Are in a manageable configuration and land use framework;
- Are feasible to acquire or otherwise conserve within the constraints of available resources;
- Utilize existing publicly owned lands and conservation areas to the fullest extent possible, and;
- Will, within the context of a single species HCP, serve to conserve the broadest range of sensitive species and habitats possible.

These goals necessitated the formulation of a strategy combining general conservation principles, results of specific SKR biological research, land use planning policies, and cost/benefit analyses. Since SKR reserve design has occurred concurrent with implementation of the Short-Term HCP, it has also required consideration of a third round of HCP boundary modification requests submitted by individual property owners.

1. Starting Point and Basic Units

The Study Areas established under the Short-Term HCP, as modified by two sets of approved boundary modifications and by the expansion and establishment of multispecies reserves, were used as the starting point for SKR reserve design. The nine Study Areas defined by the Short-Term HCP cover 79,177 acres including approximately 19,403 acres of SKR occupied habitat. (See [Table 14](#) and [Figure 20](#))

In its baseline comparison of Study Areas, acres of SKR occupied habitat (irrespective of densities) was chosen by the RCHCA as the basic biological design unit. This was selected in recognition of the significant year-to-year variability of SKR distribution in the HCP area. Assessor parcels were used as the basic land use unit in order to accurately delineate property boundaries and identify land ownerships; they also reflect the level at which regulatory and acquisition programs are implemented. See [Table 15](#) for a summary of parcel and land ownership characteristics in the defined Study Areas.

2. General Conservation Principles

Of primary importance to the RCHCA in its development of the SKR reserve system was that boundary delineations be consistent with current biological conservation theory and practice (Thomas et al. 1990, Moss 1991, and Brussard, et al. 1993). The following general conservation principles were used to guide SKR reserve design for this HCP:

- a. Reserves that are well distributed across a species' native range will be more successful in preventing extinction than reserves confined to small portions of a species' range;
- b. Large blocks of habitat, containing large populations of the target species, are superior to small blocks of habitat containing small populations;
- c. Blocks of habitat located in close proximity to each other are superior to blocks far apart;
- d. Habitat occurring in contiguous blocks is preferable to habitat which is fragmented;
- e. Habitat patches that minimize edge-to-area ratios are superior to those that do not;
- f. Interconnected blocks of habitat are superior to isolated blocks, and corridors or linkages function better when the habitat within them includes protected, preferred habitat for the target species, and;
- g. Blocks of habitat without roads or other means of human access are superior to those traversed by roads or otherwise accessible.

General conservation principles also guided the following additional goals for the SKR reserve system:

- a. Inclusion of the best remaining examples of SKR habitat in the plan area;
- b. Protection of the ecosystem on which SKR and other species depend;
- c. Inclusion of heterogeneous terrain and vegetation, and;
- d. Inclusion of some geographically isolated populations to reduce the potential for catastrophic losses of SKR due to localized diseases, natural disasters, or other effects.

Research studies of SKR presented in Volume II provided field level data essential to the design of SKR reserves. Specific conservation principles developed through that research include the following:

- a. Due to the high level of genetic similarity among and low level of variability within SKR populations, the reserve system need not focus on conservation of unique gene pools, and;
- b. Limited dispersal distances of this species will make the conservation of corridors connecting habitat patches within the reserves very important to reserve viability.

All of the above conservation principles were employed by the RCHCA to guide the biological component of the reserve design process. That process employed the following evaluation criteria to assess the biological suitability of each Study Area for permanent reserves:

Use by SKR

- Occupied Habitat
- SKR population density
- Landscape unit acreage
- Connectivity between habitat patches
- Buffer characteristics

Potential Habitat

- Vegetation (type and coverage)
- Soil characteristics
- Slope

Relative Importance in Landscape Scale of Design

- Contribution to reserve assembly (e.g., acreage, patch connections)
- Effect on edge ratio

- Projected contribution to SKR population persistence
- Contribution to ecological diversity of reserve system

3. Land Use Planning Policies

Land use planning policies employed in the reserve design process reflect the broad distribution of SKR occupied habitat on public and private lands in the HCP area. In general, these embody the General Plan policies of RCHCA jurisdictions concerning open space, conservation, and environmental impact assessment. Land use planning policies employed in this HCP are summarized below:

- Conservation of SKR occupied habitat is properly considered an "open space" land use which, pursuant to General Plan requirements, must be planned in the context of all other uses of land;
- To the degree that conservation of SKR occupied habitat provides a public service to the region as a whole and to individual jurisdictions, it is comparable to other public works important to the environmental and economic quality of life in the HCP area, and;
- Agriculture is an essential component of the regional open space system which contributes to the economic and environmental quality of life in the region, and is capable of creating and maintaining conditions which sustain SKR. Where compatible with SKR habitat conservation goals, the continuation of agricultural land uses in the plan area should be encouraged by this HCP.

4. Cost/Benefit Considerations

A fundamental component of reserve design is the projection of costs for the acquisition of land necessary to accomplish the biological objectives of this HCP. This includes an analysis of land ownership patterns and development of cost estimates for specific groups of target parcels. Cost estimates for such parcels are then compared to the benefits resulting from their conservation, i.e., their estimated effect on SKR viability and persistence. These cost/benefit characteristics were examined in each of the Study Areas by assessing:

- The amount and quality of SKR occupied habitat on public lands;
- The amount and quality of SKR occupied habitat on private lands considered for inclusion in the reserves, and;
- The projected acquisition cost for private lands ([Table 16](#)) based upon land prices actually paid by the RCHCA during the implementation of the Short-Term HCP, and analysis of current local real estate market conditions.

5. Short-Term HCP Third Round Boundary Modification Requests

Due to the receipt of numerous applications, a third round of boundary modification requests from individual property owners was reviewed by the RCHCA during the reserve design process. These included requests from the first two rounds which were withdrawn from consideration at the property owner's request. Proposed boundary modifications submitted to but not approved by USFWS or CDFG in the previous rounds also were reviewed.

In total, the third round modifications (including reactivated requests) would add approximately 934 acres to the HCP Fee Area and remove approximately 6,112 acres from Study Areas ([Table 17](#)). The proposed additions to the Fee Area include approximately 145 acres of SKR occupied habitat; the Study Area modifications would reduce the total amount of occupied habitat within those areas by approximately 1,923 acres.

Of the earlier proposals that were reviewed, the one most pertinent to reserve design concerns the Potrero Study Area. As part of the first round of boundary modifications, that Study Area had been proposed for temporary removal from the plan area to allow time to resolve issues regarding the potential inclusion of a larger area of occupied SKR habitat on property owned by the Lockheed Corporation. The RCHCA's request was not approved by USFWS, and subsequently development plans have been approved for the area. Lockheed has received approval from the City of Beaumont for a Specific Plan covering property both within and outside of the Study Area.

As previously discussed, the Potrero area also has been identified by BLM as a preferred site for expansion of a SKR ACEC. With active support and participation by the RCHCA, BLM and Lockheed have worked cooperatively to explore the possibility of a land exchange for that purpose. All of the boundary modification requests have been incorporated into the conservation and mitigation plan proposed in this HCP. Requests for removal of land from Study Areas are accommodated through the exclusion of those properties from the core reserves defined in this HCP. Requests for addition of land to the HCP area are reflected in the boundaries established for this plan.

D. Study Areas Not Selected as Core Reserves

The reserve design process resulted in the elimination of the Kabian Park and Santa Rosa Plateau Study Areas from further consideration as core reserves. The Potrero Study Area also has been eliminated with the recommendation that the RCHCA

continue to facilitate discussions between BLM and Lockheed to accomplish a land trade in the area. Finally, the RCHCA has eliminated from consideration as a core reserve all private property within the Steele Peak Study Area. It must be emphasized that elimination of these Study Areas from reserve consideration does not mean they have no biological value for SKR, or that the areas have no potential role in the SKR reserve system. This means only that the RCHCA does not consider their inclusion either feasible or prudent within the legal, financial, and institutional context of this HCP. The primary reasons for eliminating these Study Areas from reserve consideration are summarized below.

1. Santa Rosa Plateau

The Santa Rosa Plateau was not selected as a SKR core reserve for the simple biological reason that SKR do not occur there. The area has tremendous biological value for other sensitive species and habitats found on site, e.g., vernal pools, native grasslands, and Engelmann oak forest. Those values have prompted its acquisition and management as a 7,000 acre wildlife reserve. Designation of this area as a SKR reserve is felt to be inappropriate due to the potentially deleterious impacts management for SKR may have on the resident sensitive species and habitats intended for conservation. Additionally, designation of this area as a SKR reserve would result in a misallocation of scarce SKR management funds away from reserves of far greater importance to the species.

The elimination of the Santa Rosa Plateau Study Area as a SKR core reserve candidate will have no effect on the status of this area as a wildlife reserve.

2. Kabian Park

The Kabian Park Study Area was eliminated from further consideration as a SKR core reserve due to a combination of biological, land use, and economic factors.

Excluding the Santa Rosa Plateau and Motte Reserve, Kabian Park contains the least amount of SKR occupied habitat (1,153 acres) among the Study Areas. The extent of development in this area has resulted in significant habitat fragmentation, and also precludes the establishment of habitat patch connections deemed necessary to achieve an acceptable degree of viability in an area of such relatively small size. For these reasons, projections of long-term SKR persistence produced by the Gilpin model show Kabian Park to have by far the lowest conservation value and probability of 100-year survival of the Study Areas, even if all remaining occupied habitat is conserved. Additional details concerning the Gilpin model output are presented in Volume II.

The land use characteristics of the Kabian Park area also make it a poor candidate for a SKR reserve. Existing residential development occurs throughout the area, and with recent municipal annexations and planned improvements to Highway 74, prospects for future growth are quite favorable. Additionally, Kabian Park is located in an area subject to the combined effects of development in the Cities of Canyon Lake, Lake Elsinore, and Perris. Although future development in Perris and Lake Elsinore will be consistent with the provisions of this HCP, the same cannot be guaranteed within Canyon Lake due to the fact that it is not a member of the RCHCA. However, development occurring within its borders could have an adverse impact on a SKR reserve if one were to be established in Kabian Park.

From an economic perspective the projected cost of assembling land for a SKR reserve in Kabian Park is prohibitive. Most of the SKR occupied habitat in the existing Study Area occurs on small, privately owned parcels; many of these are developed with single residences. A total of 339 privately owned parcels exist in the Kabian Park Study Area, encompassing 2,888 acres. Due to the small size of this area, the long-term viability of SKR would depend upon the acquisition of almost all of those parcels. At an estimated average cost of \$7,000 per acre, the total purchase price for all private parcels would exceed \$20.2 million. Such acquisition probably would necessitate condemnation actions, since many parcels are home to full-time residents unlikely to sell their land voluntarily.

In summary, the establishment of a SKR reserve in Kabian Park would: a) cost more than the total amount of RCHCA funds currently available for land acquisition; b) result in severe political problems due to the probable need to acquire land through eminent domain, and; c) produce a reserve having a very poor probability of sustaining the species into the future. In light of these factors the RCHCA has eliminated Kabian Park from consideration as a permanent SKR reserve.

3. Potrero

As previously noted, the exclusion of private lands in the Potrero Study Area as a reserve candidate is accompanied by a RCHCA commitment to work cooperatively with BLM and the Lockheed Corporation to effectuate a land trade for the purpose of expanding a proposed ACEC in the area. This desire results from the high biological value of SKR habitat on the Lockheed property. Given the amount and density of SKR populations on site, absence of surrounding development, and proximity to large blocks of conserved public land, from a biological perspective Potrero may be considered among the very best potential candidates for a permanent SKR reserve. In fact, the Potrero Creek Specific Plan Environmental Impact Report (EIR) notes that the area includes some of the largest blocks of contiguous SKR occupied habitat remaining, and also features the greatest densities of the species known to exist.

However, several factors limit the RCHCA's ability to facilitate the formation of a Potrero reserve. These include:

- a. The annexation of the Lockheed Potrero Creek Specific Plan site into the City of Beaumont, a non-RCHCA member agency;

- b. Land values for the Lockheed property, estimated by various sources to range between \$40 million and \$100 million. Purchase prices within this range would preclude any reasonable possibility of timely acquisition by the RCHCA, and;
- c. The right of Lockheed to seek its own SKR incidental and management take authorization from USFWS and CDFG for lands within the Specific Plan boundaries. The Potrero Creek Specific Plan EIR states that mitigation for SKR impacts will be accomplished by the project applicant either through Sections 7 or 10(a) of the ESA. No intention to use the RCHCA's SKR incidental take permits is expressed.

The Riverside County Local Agency Formation Commission has approved a request from Lockheed to annex its Potrero Creek property to the City of Beaumont. That action effectively removed the Lockheed property from the RCHCA's Short-Term HCP since the City of Beaumont is not a member of the RCHCA and thus is not covered under the RCHCA's Implementation Agreement, 2081 Agreement, or incidental take permits. Similarly, the RCHCA has no authority to include land within a non-member jurisdiction in this Long-Term HCP.

However, prior to the annexation the RCHCA had examined the Potrero issue in the context of its Study Area evaluation process. In considering the manner in which this HCP should address the Potrero issue the RCHCA examined the possibility of including this territory in the plan area without a permanent reserve designation. Under that approach all SKR occupied habitat in the Potrero Study Area would be subject to incidental take upon satisfaction of applicable mitigation conditions. The RCHCA reviewed this possibility in the context of findings which must be made by the Secretary of Interior prior to approving a HCP. Findings applicable to the Potrero consideration, as set forth in Section 10(a)(2)(B) of the ESA, are as follows:

1. The applicant (RCHCA) will, to the maximum extent practicable, minimize and mitigate the impacts of incidental taking;
2. The applicant will ensure that adequate funding for the plan will be provided, and;
3. The taking will not appreciably reduce the likelihood of the survival and recovery of the species in the wild.

In the opinion of the RCHCA, inclusion of the Potrero site within an area subject to incidental take would seriously imperil the ability of this HCP area to pass the first "findings test" listed above. The Potrero Creek EIR indicates that 1,709 acres or 88% of SKR occupied habitat would be directly taken by the proposed development; a maximum of 229 occupied acres would remain. However, as stated in the Potrero Creek Specific Plan EIR Appendix E (Biological Assessments), ".even the largest remaining habitat areas (48 acres) would very likely be lost after a long period of time, again due to both stochastic factors intrinsic to small populations and expected deleterious habitat changes." Thus, the EIR contemplates the eventual extirpation of all SKR occupied habitat on site.

Of specific relevance to the RCHCA in meeting the incidental take impact minimization criterion for HCP approval are the conclusions of the EIR concerning impacts resulting from take of the Potrero Creek SKR population:

"The expected large-scale loss of occupied SKR habitat would constitute a significant adverse impact. The Potrero Creek Specific Plan would effectively remove from consideration an SKR preserve study area exhibiting some of the largest and most contiguous tracts of higher-end abundance of the species long-term survival. The positive value of the Potrero SKR Study Area is augmented even further by the fact that it is the only preserve study area not fragmented by internal development or surrounded by development. The site is one of the only preserve study areas exhibiting a relatively contained ecosystem that is and for many years has been largely free of major human impacts other than farming and grazing. Most of the site remains in a relatively undisturbed and natural state, and is surrounded by large tracts of federal lands with native habitats that are managed for their natural resources. A take of SKR of this magnitude as proposed by Lockheed would be the largest in the region since the SKR was classified as endangered by the Federal government in 1989 (sic)."

If this HCP designates the Potrero Creek site as an area subject to incidental take of SKR, the resulting impacts to the species would be the same as those described by the EIR statements quoted above. The HCP would be in effect facilitating the incidental taking of the largest contiguous populations of SKR known in the plan area. Given that situation, the RCHCA does not believe a HCP authorizing incidental take of the Potrero Creek SKR population would meet the ESA requirement for minimizing species impacts to the maximum extent practicable.

The RCHCA also is mindful of the ESA standard for mitigating the impacts of incidental take to the maximum extent practicable. The conservation program described in this chapter and Chapter 5. SKR Conservation and Mitigation Measures is felt by the RCHCA to constitute a satisfactory level of mitigation for the impacts of incidental take occurring within a HCP area which does not include the Potrero Creek site. However, if the HCP was modified to encompass Potrero and provide for incidental take of all SKR present upon satisfaction of applicable mitigation requirements, impacts of the aggregate level of take could not be considered mitigated to the maximum extent practicable. In the opinion of the RCHCA, in order to meet that standard the amount of SKR conservation provided by this HCP would have to be substantially greater than that proposed. It is financially infeasible for the RCHCA to provide such an increased level of conservation. Funding required to acquire substantial amounts of additional SKR habitat cannot be realistically committed within the context of this HCP.

For the reasons described above the RCHCA has determined that inclusion within the HCP area of privately owned properties in the Potrero Study Area is not appropriate. However, as described in Chapter 5. SKR Conservation and Mitigation Measures, this HCP does designate 995 acres under federal ownership as a core reserve. This territory was recently established as an Area of Critical Environmental Concern (ACEC) by BLM through its Record of Decision on the South Coast RMP.

4. Steele Peak

Non-federal lands included in the Steele Peak Study Area were not selected for inclusion in a core reserve at this time due to the: 1) relatively high cost of land acquisition, and; 2) difficulty of assembling the requisite number of parcels within a reasonable time period.

Steele Peak includes almost twice as many parcels in private ownership as any other Study Area (1,078); almost 80% of all land is privately held. Although a significant amount of SKR occupied habitat in the Study Area is located on BLM property, much is in private ownership. Of the occupied habitat occurring on such lands, the largest and perhaps most viable blocks are located on the site of an approved Specific Plan development.

These facts make the inclusion of private properties in a core reserve highly problematical. Conservation of much of the SKR occupied habitat in the existing Study Area would require the RCHCA to purchase a considerable amount of land having existing development approvals; obviously, acquisition of such properties would be a very expensive endeavor. Despite the currently depressed real estate market conditions it is not unreasonable to expect acquisition costs in many portions of Steele Peak to exceed \$8,000 per acre. Even using an average purchase price of \$5,000 per acre, acquisition of all privately held property in the Steele Peak Study Area would cost over \$44.8 million. At the current rate of development in member jurisdictions the RCHCA may need several decades to amass the funding necessary to purchase these privately owned lands.

Beyond the sheer expense however, lies the very daunting task of negotiating the purchase of so many privately held parcels. If even as few as half of the private parcels in Steele Peak were to be acquired for a core reserve, the RCHCA would be facing the prospect of conducting more than 500 property negotiations before a reserve is finally assembled. That process would require years to complete, and in the absence of Study Area protections there would be no guarantee that essential SKR occupied habitat would not be developed before RCHCA could acquire it.

In light of the tremendous cost and difficulty of land acquisition in the area, the RCHCA has eliminated private lands in Steele Peak from consideration as a permanent reserve candidate. As described in Chapter 5. SKR Conservation and Mitigation Measures, the 1,544 acres under BLM ownership and 209 acres under RCHCA ownership in the Steele Peak Study Area are designated as a core reserve. This area is likely to expand in the future through BLM land trades conducted pursuant to Assembled Land Exchange Agreement included in Appendix A.