

Cynthia L. Shaffer

#29
Draft
owmp

December 11, 2007

El Dorado County Planning Commission
2850 Fairlane Court, Building "C"
Placerville, CA 95667

Re: Draft Oak Woodland Management Plan

Gentlemen:

I have been asked to submit the following comments on behalf of the Community Coalition. We appreciate the opportunity to review and comment on the Public Review Draft of the Oak Woodland Management Plan. As you know, we have closely monitored the County's progress in developing this program for some time. Accordingly, we submit the following comments for your consideration.

1. **Option B "In-Lieu" Fee.** Our analysis of the Option B fee calculation indicates that the fee is substantially higher than necessary to support the OWMP objectives.

A. **Acquisition Costs.** The estimated cost of a Conservation Easement is based on the underlying land valuation. The land valuation assumptions in the OWMP include properties which are *listed for sale, rather than closed sales transactions*. Listings represent the "asking price" of a property and should not be included in your analysis of the actual value. Additionally, the land valuation analysis has not been updated to reflect the value of lands identified as Priority Conservation Areas ("PCAs"). Rather, the analysis includes higher value lands within more urbanized areas of the County.

At Supervisor Sweeney's request, the County Assessor provided an analysis of recent sales transactions near the PCAs. (See copy attached.) Those land sales (fee title) ranged between \$1,000 and \$6,000 per acre. Assuming an average of \$5,000 per acre (at the high end of the range), and the value of a conservation easement of 25% of the value of the fee title, (consistent with the assumptions in the OWMP draft) a cost of \$1,250 per acre for the easement is more reasonable. This value is further supported by recent actual conservation easement acquisitions in El Dorado County.

B. **Habitat Restoration.** The Option B Fee Calculation assumes habitat restoration at a rate of *100 trees per acre for every acre acquired*. This assumption is simply unrealistic. The recommended spacing for planting oak seedlings/saplings would

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require about one-half acre of ground to plant 100 trees. The long-term effect of such an intensive planting program would be to alter the character of the woodland in a way that would ultimately impair the biological diversity of the habitat. Planting large numbers of oak trees effectively substitutes one habitat type for another at the expense of species diversity.

We recognize that, under certain circumstances, tree planting might be appropriate. Accordingly, we recommend the fee calculation be adjusted to \$100 per acre which would allow for either a reduced level of replanting on all lands acquired, or a more intensive level of replanting on a portion of the acreage. This approach would allow adaptive management strategies which would permit intensive replanting on 10% of the acreage (at 100 trees per acre), or moderate levels of replanting (such as 25 trees per acre on 40% of the acreage), or lower levels of replanting (10 trees per acre for every acre).

C. Maintenance & Management. Initial fuel management of \$950 per acre for every acre is included in the fee calculation. Once again, intensive fuel management of the entire conservation easement area is neither necessary nor desirable, because it would change the character of the habitat.

We believe a more reasonable approach would be to assume that 30% of the lands will require intensive fuel management (at \$950 per acre), that an additional 30% of the lands would require moderate levels of initial fuel management (at \$475 per acre), and that the remaining 40% would be left in its natural state, resulting in an average cost per acre of about \$425. This approach would allow conservation areas to be managed to provide defensible space buffers adjacent to existing developed areas while preserving primary habitat values in more remote areas.

D. Economies of Scale. The OWMP and the oak portion of the INRMP direct the County to focus on acquisitions of large expanses of oak woodlands, which are described as contiguous areas of 500 acres or larger. Consequently, to assume that acquisitions will occur in blocks of 40 acres overestimates the costs for many administrative, management and monitoring functions, and fails to take advantage of economies of scale.

For example, the Draft OWMP assumes the cost of legal review of a conservation easement would be \$2,500 for 40 acres. Applied to 500 acres, however, the budgeted cost jumps to \$31,250. Add the 10% contingency and 20% administrative costs, and the total cost, just for legal review, is \$40,625. This same concern applies to other components of acquisition, maintenance, management and monitoring costs.

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We recognize that acquisitions will often involve more than one owner or parcel as large expanses of conservation areas are assembled. To compensate for this, we increased the initial or unit cost. Again using legal review of the conservation easement as an example, we increased the total cost to \$7,500, and then allocated that cost over 500 acres. We retained the 10% contingency and 20% administration assumptions throughout.

E. Summary. Attached is a spreadsheet ("Alternative Option B Fee Calculation") identifying the alternative fee with modifications described above. We believe the program objectives of the OWMP can be met by setting the fee at \$3,250 per acre. Under Option B, this number would be multiplied by two, for a total cost per acre of oak canopy removed of \$6,500, rather than the \$14,600 proposed in the Draft OWMP.

2. Option A – Alternatives to Onsite Replanting. General Plan Policy 7.4.4.4 provides two alternative methods of mitigation for impacts to oak canopy. Option A requires retention of a minimum percentage of oak canopy onsite as one component of the mitigation and replacement of canopy removed at a 1:1 ratio as the other. Option B contains no minimum retention requirement, but requires payment of an in-lieu fee at a 2:1 ratio based on oak canopy impacted.

Following considerable discussion, the Interim Interpretive Guidelines for Policy 7.4.4.4 (Option A) adopted November 9, 2006 identified five alternative methods for satisfaction of the canopy replacement requirement, including dedication of an off-site conservation easement to protect existing oak woodland in lieu of replacement. This alternative provides for dedication of a conservation easement on property with healthy oak woodland canopy equivalent to 100 percent of the oak canopy removed, or a 1:1 ratio.

This alternative was included in recognition that, under certain circumstances, onsite replanting might be infeasible or undesirable. One example would be where replanting of oak woodland canopy would replace other habitat types, such as grasslands, thereby reducing the diversity of habitats existing onsite.

The 1:1 replacement ratio under Option A recognizes that onsite retention of a minimum percentage of oak canopy substantially avoids fragmentation of the oak woodland. Where the minimum retention standard cannot be met, Option B requires that oak woodland removed be mitigated by payment of an in-lieu fee at a 2:1 ratio *to compensate for fragmentation* of the woodland.

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We believe that the appropriate ratio for off-site dedication of a conservation easement under Option A is 1:1 oak woodland canopy replacement for oak tree canopy removed.

3. **Fire Safe Plan.** The defensible space zone around an existing structure or a proposed structure is 100 feet *or to the property line, whichever is closer*. The language of this section (pages 4 & 5) should be revised to incorporate this definition of defensible space.

4. **Trees subject to canopy retention and replacement.** Clarification is needed to confirm that the OWMP is intended to apply to *oak tree canopy* within areas meeting the definition of oak woodland. Shrub species including scrub oak (*Quercus berberidifolia*), leather oak (*Quercus durata*), Brewer oak (*Quercus garryana* var. *breweri*), Huckleberry oak (*Quercus vaccinifolia*) and non-oak tree species are not considered oak tree canopy.

5. **On-Site Mitigation – Replanting and Replacement.** This section (pages 7 & 8) brought to light several issues about which further information is needed. The last sentence on Page 7 mentions “A method of ensuing [probably meant to say “ensuring”] oak planting mitigation compliance.” What is contemplated here?

The second bullet at the top of Page 8 requires “An estimation of the total costs associated with oak planting.” Absent a good reason for requiring this information, we think this is inappropriate.

6. **Mitigation Program Flexibility.** This section provides (page 8) that when “dedication of off-site conservation easements is proposed by a developer, a biological study shall be required for the off-site mitigation location to demonstrate that the site is of equal or greater biological value...” This provision should not apply where the conservation easement to be dedicated is located on lands located within the PCAs.

7. **Section 4.B. – “Management of PCAs”.** The meaning of the first sentence (page 10) is unclear. Perhaps that sentence should be modified to read “Existing native oak trees ~~on or off the project site~~ within the PCAs offered as mitigation will be protected from further development through a conservation easement...”

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El Dorado County Planning Commission
December 11, 2007
Page 5

Thank you for your consideration of our comments concerning the Draft OWMP.
Should you have any questions or need further information, please let us know.

Very truly yours;

(sent via email)

Cynthia L. Shaffer

CLS/rlk

cc: Oak Woodland Management Plan Comments, Attn: Monique Wilber
oaks@edcgov.us

Option B Fee Calculation
 Scenario #1 (Low)
 Assumes 100% Rural/Conservation Easement
 Acquisitions in larger (500 acre) increments; with higher initial or unit costs

| Expenditure | Specification | Unit Type | Unit Count | Unit Cost | Initial & Capital Costs | Cost per Acre | Ongoing Costs | Frequency (in years) | Ongoing Costs (per Year) | Ongoing Costs/Acre/Year |
|--|------------------------------|-----------|------------|-----------|-------------------------|---------------|---------------|----------------------|--------------------------|-------------------------|
| Acquisition Costs | | | | | | | | | | |
| Conservation Easement | Parcel | Acre | 500 | \$1,250 | \$625,000 | \$1,250 | | | | |
| Attorney Review of CE | Attorney Review | Item | 1 | 7,500 | 7,500 | 15 | | | | |
| Site Inspection/Coordination | Preserve Manager | Hourly | 60 | 85 | 5,100 | 10 | | | | |
| Land Surveyor | Legal Description of CE | Item | 1 | 4,500 | 4,500 | 9 | | | | |
| Appraiser | Appraisal Report | Item | 1 | 4,500 | 4,500 | 9 | | | | |
| Courty Survey Map Processing | Review Legals | Hourly | 36 | 80 | 2,880 | 6 | | | | |
| Subtotal Acquisition | | | | | \$649,480 | \$1,299 | | | | |
| Contingency @ 10% | | | | | \$64,948 | \$130 | | | | |
| Administration @ 20% | | | | | \$129,896 | \$260 | | | | |
| TOTAL ACQUISITION COSTS | | | | | \$844,324 | \$1,689 | | | | |
| Habitat Restoration | | | | | | | | | | |
| Tree Planting/Replanting ¹ | Seedling/Acorn Planting | Item | 5000 | \$10 | \$50,000 | \$100 | | | | |
| Subtotal Restoration | | | | | \$50,000 | \$100 | | | | |
| Contingency @ 10% | | | | | \$5,000 | \$10 | | | | |
| Administration @ 20% | | | | | \$10,000 | \$20 | | | | |
| TOTAL RESTORATION COSTS | | | | | \$65,000 | \$130 | | | | |
| Maintenance & Management | | | | | | | | | | |
| Qualified Professional | Initial Biological Survey | Hourly | 120 | \$80 | \$9,600 | \$19 | | | | |
| Project Management | Supervision/Coordination | Hourly | 48 | \$85 | \$4,080 | \$8 | | | | |
| Survey Equipment | Equipment | Item | 1 | \$3,000 | \$3,000 | \$6 | \$3,000 | 10 | \$300 | \$0.60 |
| Initial Fuel Management ² | Fire Prevention | Acre | 500 | \$428 | \$213,750 | \$428 | | | | |
| Weed Control | Spraying | Hourly | 400 | \$35 | | | \$14,000 | 5 | \$2,800 | \$5.60 |
| Weed Control | Herbicide | Gallon | 60 | \$20 | | | \$1,200 | 5 | \$240 | \$0.48 |
| Subtotal Maintenance & Management | | | | | \$230,430 | \$461 | | | | |
| Contingency @ 10% | | | | | \$23,043 | \$46 | | | | |
| Administration @ 20% | | | | | \$46,086 | \$92 | | | | |
| TOTAL MAINTENANCE & MANAGEMENT | | | | | \$299,559 | \$599 | | | | |
| Reporting & Monitoring | | | | | | | | | | |
| Aerial Photos | Baseline Aerial Photography | Item | 1 | \$3,000 | \$3,000 | \$6 | \$3,000 | 5 | \$600 | \$1.20 |
| Database Management/Reporting | Baseline Report | Hourly | 72 | \$35 | \$2,520 | \$5 | \$2,520 | 1 | \$2,520 | \$5.04 |
| Photodocumentation | Field Survey/Site Evaluation | Hourly | 100 | \$35 | \$3,500 | \$7 | \$3,500 | 10 | \$350 | \$0.70 |
| Photodocumentation (Year 1) | Field Survey/Site Evaluation | Hourly | 100 | \$35 | \$3,500 | \$7 | | | | |
| Photodocumentation (Year 3) | Field Survey/Site Evaluation | Hourly | 100 | \$35 | \$3,500 | \$7 | | | | |
| Photodocumentation (Year 5) | Field Survey/Site Evaluation | Hourly | 100 | \$35 | \$3,500 | \$7 | | | | |
| Photodocumentation (Year 7) | Field Survey/Site Evaluation | Hourly | 100 | \$35 | \$3,500 | \$7 | | | | |
| Photodocumentation (Year 9) | Field Survey/Site Evaluation | Hourly | 100 | \$35 | \$3,500 | \$7 | | | | |
| Qualified Professional | Follow-up Biological Survey | Hourly | 120 | \$80 | | | \$9,600 | 10 | \$960 | \$1.92 |
| Project Management | Supervision/Coordination | Hourly | 48 | \$85 | | \$0 | \$4,080 | 10 | \$408 | \$0.82 |

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Option B Fee Calculation
 Scenario #1 (Low)
 Assumes 100% Rural/Conservation Easement
 Acquisitions in larger (500 acre) increments; with higher initial or unit costs

| | | | | | | |
|--|-----------------------------|---------|-----|---------|---------|----------------|
| Office Equipment | Office Equipment/Computers | Item | 1 | \$2,000 | \$1,000 | \$2 |
| Field Equipment (Vehicle) | Fuel & Maintenance | Mileage | 450 | \$0 | \$203 | \$0 |
| Binoculars | Binoculars | Item | 1 | \$400 | \$400 | \$1 |
| Chemical Sprayer | 5 Gallon | Item | 1 | \$107 | \$107 | \$0 |
| Endowment Processing | Initial Set-up of Endowment | Item | 1 | \$2,500 | \$2,500 | \$5 |
| Subtotal Reporting & Monitoring | | | | | | \$61 |
| Contingency @ 10% | | | | | | \$6 |
| Administration @ 20% | | | | | | \$12 |
| Endowment³ | | | | | | \$744 |
| TOTAL REPORTING & MONITORING | | | | | | \$824 |
| TOTAL | | | | | | \$3,241 |
| ROUNDED TO: | | | | | | \$3,250 |

| | | | |
|-------------------------------|---|-----------------|-------------|
| \$500 | 5 | \$100 | \$0.20 |
| \$203 | 1 | \$203 | \$0.41 |
| \$400 | 5 | \$80 | \$0.16 |
| \$107 | 5 | \$21 | \$0.04 |
| Subtotal Ongoing Costs | | \$8,582 | \$17 |
| Contingency @ 10% | | 858 | 2 |
| Administration @ 20% | | 1,716 | 3 |
| TOTAL ONGOING COSTS | | \$11,156 | \$22 |

| Endowment Calculation | | |
|---------------------------------|------------------|---------------|
| Annual Costs | \$11,156 | \$22 Per Acre |
| Inflation | 3.00% | |
| Capitalization Rate | 3.00% | |
| | Year 1 | Per Acre |
| Starting Endowment | \$371,882 | \$744 |
| Investment Earnings | 22,313 | 45 |
| Annual Expenditure | 11,156 | 22 |
| Inflation re-invested | 11,156 | 22 |
| Ending Endowment Balance | \$383,039 | \$766 |

¹Assumes Restoration/Replanting within 10% of Acquisition area; at rate of 100 sapplings (or 300 acorns) per acre

²Assumes high level of fuel management on 30% of Acquisition areas within "buffer zone" at \$950/acre; moderate level of fuel management at \$475.00/ac on 30% of Acquisition areas; no fuel management on remaining acreage.

³Calculation of Endowment includes Contingency at 10% & Administration at 20%.

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TIM HOLCOMB
EL DORADO COUNTY ASSESSOR

Board of Supervisors
Item #
October 30, 2007
Oak Woodlands

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MEMORANDUM

October 12, 2007

TO: Jack Sweeney, Supervisor, District III
FROM: Karl Weiland, Assistant Assessor ✓
SUBJECT: Option B Fee Land Comparables and Review

RECEIVED
BOARD OF SUPERVISORS
EL DORADO COUNTY
2007 OCT 12 PM 3:28

As you requested, we have reviewed the Property Prices used in the development of the option B Fee listed in Table 1 of the OWMP Revision Memo dated October 1, 2007. We have also developed our own opinion of sales prices in the areas identified as Important Oak Woodland Habitat.

Review

- ✓ In several places, the Appendices document states that the land price data is derived from researching Metro Listing Service (MLS). We point out that listing price only represents what the seller is asking. The asking price does not represent market value. Even agreed upon sales prices have to be examined for cash equivalency, terms and exigencies.
- ✓ We were unable to confirm any of the data presented in the Appendix D-1. Sample Acquisition Costs. There were only prices listed, no references to identify the sale or the property.
- ✓ We also noted that geographical areas used to aggregate "Average Land Prices" in D-1 are residential centers, El Dorado Hills, Cameron Park, Diamond Springs, Placerville and Garden Valley. This over represents land along the highway 50 corridor and under represents more rural property.
- ✓ We confirmed the majority of listing prices shown in Appendix D-2. Sample Land Prices. The data is from November 2006. We observed that a large number of the properties listed in November 2006 are either still listed, have expired listings or listed at a reduced price.
- ✓ We were unable to follow from the conclusions reached in Appendix E to the recommendation in the Memo.
- ✓ We also reviewed the information presented on the conservation easements in D-3 on page B-62. From our perspective, drawing any conclusion from these types of deeded restriction transactions is difficult. Our experience has been that each of these is unique to the owner, the property and the goal of the organization. The terms and restrictions also vary widely. These disparate factors render these agreements too diverse to be of any assistance in value determination. We also did not see the Garramendi & EBMUD conservation easement listed. This was a 2000 agreement which preserved EBMUD's

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Pardee reservoir watershed for consideration of about \$1,350 per acre.

Comparables

We have analyzed all rural land sales in the county below 4,000 ft. and found the following range of average Price per Acre (PPA).

| Parcel Size | Low | High |
|------------------------|----------|----------|
| Less than 20 acres | \$27,000 | \$66,000 |
| 20 - 60 acres | \$11,000 | \$23,000 |
| 60 - 120 Acres | \$3,000 | \$15,000 |
| Greater than 120 Acres | \$2,000 | \$6,000 |

These averages were developed by use of the following steps

- 1) We divided the County into four regions, separated by Highway 50 and Highway 49.
- 2) We sorted, by acreage, approximately 600 sales of rural land that have occurred since January 2005 and determined the PPA, which we averaged.
- 3) We also separately analyzed sales within the area designated as Primary Conservation Area (PCA). There were only 14 sales of rural vacant land.

The high prices tend to be found along the Highway 50 corridor and in the west end of the county. Conversely, the low prices are found in the more rural regions. As with any property, amenities such as view, access, topography and the availability of utilities will influence the price.

Large parcels are also subject to price variation because of participation in a program such as the Williamson Act, TPZ designation or other zoning/map/development rights.

We also analyzed sales in the more rural area of the County. We defined this as the area north of Chili Bar and west to Rattlesnake bar, east of Camino , and south of about Sly park, east of Highway 49 (in South County). Essentially, we excluded the Highway 50 corridor east to Placerville and the area South of Hwy 50 and west of Hwy 49.

| Parcel Size | Low | High |
|------------------------|----------|----------|
| Less than 20 acres | \$23,000 | \$43,000 |
| 20 - 60 acres | \$10,000 | \$13,000 |
| 60 - 120 Acres | \$3,000 | \$8,000 |
| Greater than 120 Acres | \$1,000 | \$6,000 |

Hope this helps. Let me know if there is anything else we can provide.