

**Joint Powers Agency  
Service Review  
for the**

**Yolo Habitat Conservancy  
LAFCo No. 21-03**



Adopted May 27, 2021



Joint Powers Agency Service Review for the Yolo Habitat Conservancy (LAFCo No. 21-03)

**SUBJECT AGENCY:**

Yolo Habitat Conservancy  
625 Court Street, Suite 202  
Woodland, CA 95695  
(530) 666-8150  
[www.yolohabitatconservancy.org](http://www.yolohabitatconservancy.org)

Date last JPA Service Review adopted: N/A

Board Members:

Will Arnold, City of Davis CHAIR  
Matt Dulcich, UC Davis  
Chris Ledesma, City of West Sacramento  
Pierre Neu, City of Winters  
Victoria Fernandez, City of Woodland  
Gary Sandy, Yolo County Supervisor VC  
Don Saylor, Yolo County Supervisor

Staff Contact(s):

Alexander Tengolics, Executive Director  
Charlie Tschudin, Associate Planner

**CONDUCTED BY:**

Yolo Local Agency Formation Commission  
625 Court Street, Suite 107  
Woodland, CA 95695  
(530) 666-8048  
[www.yololafco.org](http://www.yololafco.org)

Commissioners:

Olin Woods, Chair, Public Member  
Don Saylor, Vice Chair, County Member  
Norma Alcala, City Member  
Tom Stallard, City Member  
Gary Sandy, County Member

Commission Alternates:

Richard DeLiberty, Public Member  
Angel Barajas, County Member  
Wade Cowan, City Member

Staff:

Christine Crawford, Executive Officer  
Terri Tuck, Admin Specialist/Commission Clerk  
Mark Krummenacker, Financial Analyst  
Eric May, Counsel

## YOLO LOCAL AGENCY FORMATION COMMISSION

### Resolution № 2021-04

#### Adopting the Joint Powers Agency/Authority (JPA) Service Review for the Yolo Habitat Conservancy (YHC) (LAFCo No. 21-03)

**WHEREAS**, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, set forth in Government Code Sections 56000 et seq., governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code Sections 56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and

**WHEREAS**, Section 56378(a) provides for a local agency formation commission to initiate and make studies of existing governmental agencies, including inventorying those agencies and determining their maximum service area and service capacities requesting studies, joint powers agreements, and plans of joint powers agencies and joint powers authorities; and

**WHEREAS**, the cities within Yolo County and the County of Yolo adopted the Yolo Local Government Transparency and Accountability Program at the meeting of each respective governing body in fall 2017, which requested that the Yolo Local Agency Formation Commission (LAFCo) add selected types of joint powers authorities/agencies (JPA) to its municipal service review process; and

**WHEREAS**, the Yolo Local Government Transparency and Accountability Program implementation requests LAFCo conduct Municipal Service Reviews every five years of selected types of JPAs whose service area is mostly within the county and includes: (1) JPAs that provide municipal services; (2) JPAs that employ staff; and/or (3) JPAs with boards comprised of agency staff; and

**WHEREAS**, in 2020/21, LAFCo conducted a JPA Service Review of YHC; and

**WHEREAS**, staff has reviewed the JPA Service Review pursuant to the California Environmental Quality Act (CEQA) and determined that a JPA Service Review is not a “project” per CEQA Guidelines Section 21065 because it is not an activity which may cause a direct or indirect physical change to the environment; and

**WHEREAS**, the Executive Officer set a public hearing for May 27, 2021, for consideration of the draft JPA Service Review and caused notice thereof to be posted, published, and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and

**WHEREAS**, on May 27, 2021, the draft JPA Service Review came on regularly for hearing before LAFCo, at the time and place specified in the Notice; and

**WHEREAS**, at said hearing, LAFCo reviewed the draft JPA Service Review, and the Executive Officer's Report and Recommendations, and all other matters presented as prescribed by law; and

**WHEREAS**, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and

**WHEREAS**, the Commission received, heard, discussed, and considered all oral and written testimony related to the JPA Service Review, including but not limited to protests and objections, the Executive Officer's report and recommendations, and determinations and the service review.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** that the Yolo Local Agency Formation Commission hereby adopts Resolution 2021-04 adopting the JPA Service Review for the Yolo Habitat Conservancy (YHC) dated May 27, 2021, and incorporated herein by this reference, subject to the following finding and recommendations:

### **FINDING**

Finding: Approval of the JPA Service Review is consistent with all applicable state laws and local Yolo Local Government Transparency and Accountability Program.

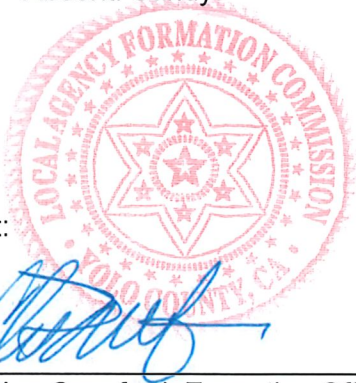
Evidence: The JPA Service Review was prepared consistent with the requirements in the Cortese-Knox-Hertzberg Act for requesting information from and furnishing studies for government agencies. Staff followed the steps outlined in the Program including: Compiling publicly and readily available information; requesting any additional information from the JPA, minimizing JPA staff time; developing JPA recommendations regarding each of the determinations; completing an administrative draft report for preview by JPA management; responding to any comments and preparing a draft report available for public review; publishing a hearing notice for public review and comment of the draft JPA Service Review; adopting the JPA Service Review at a public hearing, finalizing the report, and posting it online; and sharing findings with city/county managers, including any cumulative recommendations on ways to streamline and improve efficiencies with the governance structures countywide.

### **RECOMMENDATIONS**

1. Consider establishing separate revenue accounts to record revenue in a more meaningful way. Currently, mitigation fees, cost reimbursements, special participating entity fees, and other revenues are often grouped into "Other Miscellaneous Revenue."
2. Consider separating the principal portion of endowments from the interest income to protect the principal from inadvertently being spent.
3. Review the annual financial statements and compare the reported numbers to the balances in the accounting system. Any differences should be documented and understood by agency staff.
4. Consider increasing reserves for use during years when little or no mitigation fees are received to ensure the ongoing operation of YHC.

**PASSED AND ADOPTED** by the Yolo Local Agency Formation Commission, State of California, this 27<sup>th</sup> day of May, 2021, by the following vote:

Ayes: Alcalá, Cowan, Saylor, Woods  
Noes: None  
Abstentions: None  
Absent: Sandy



A handwritten signature in blue ink, appearing to read "Olin Woods", is written above a horizontal line.

Olin Woods, Chair  
Yolo County Local Agency Formation Commission

Attest:

A handwritten signature in blue ink, appearing to read "Christine Crawford", is written above a horizontal line.

Christine Crawford, Executive Officer  
Yolo County Local Agency Formation Commission

Approved as to form:

A handwritten signature in blue ink, appearing to read "Eric May", is written above a horizontal line.

Eric May, Commission Counsel

**Contents**

**BACKGROUND**.....2

    ROLE AND RESPONSIBILITY OF LAFCO .....2

    PURPOSE OF A JPA SERVICE REVIEW .....2

**AGENCY PROFILE**.....3

**JPA SERVICE REVIEW** .....6

    POTENTIALLY SIGNIFICANT DETERMINATIONS.....6

**LAFCO JPA SERVICE REVIEW:**.....6

    1. GROWTH AND POPULATION .....6

    2. CAPACITY AND ADEQUACY OF PUBLIC FACILITIES AND SERVICES .....7

    4. FINANCIAL ABILITY .....8

    5. SHARED SERVICES AND FACILITIES .....12

    6. ACCOUNTABILITY, STRUCTURE AND EFFICIENCIES.....13

    7. OTHER ISSUES .....15

**ATTACHMENTS** .....15

**BACKGROUND**

**ROLE AND RESPONSIBILITY OF LAFCo**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (“CKH Act”) (California Government Code §§56000 et seq.), is LAFCo’s governing law and outlines the requirements for preparing Municipal Service Reviews (MSRs) for periodic Sphere of Influence (SOI) updates. MSRs and SOIs are tools created to empower LAFCo to satisfy its legislative charge of “discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (§56301). CKH Act Section 56301 further establishes that “one of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.”

Based on that legislative charge, LAFCo serves as an arm of the State; preparing and reviewing studies and analyzing independent data to make informed, quasi-legislative decisions that guide the physical and economic development of the state (including agricultural uses) and the efficient, cost-effective, and reliable delivery of services to residents, landowners, and businesses. While SOIs are required to be updated every five years, they are not time-bound as planning tools by the statute, but are meant to address the “probable physical boundaries and service area of a local agency” (§56076). SOIs therefore guide both the near-term and long-term physical and economic development of local agencies, and MSRs provide the near-term and long-term time-relevant data to inform LAFCo’s SOI determinations.

**PURPOSE OF A JPA SERVICE REVIEW**

LAFCo has broad discretion in conducting informational studies, including geographic focus, scope of study, and the identification of alternatives for improving the efficiency, cost-effectiveness, accountability, and reliability of public services. In 2017, the cities and the County requested LAFCo apply its MSR process to some of the local joint power authorities/agencies (JPAs) in order to provide additional oversight<sup>1</sup>. The intent of the JPA Services Review is to provide a comprehensive inventory and analysis of the services provided by local JPAs, service areas, and evaluation of the finances, structure and operation of the local agency and discuss possible areas for improvement and coordination. From the state required MSR determinations, the following determinations remain relevant to the comprehensive inventory and analysis of local JPAs:

1. Growth and population projections for the service area;
2. Present and planned capacity of any public facilities, adequacy of services, and infrastructure needs or deficiencies;
3. Financial ability of agencies to provide services;
4. Status of, and opportunities for, shared services and facilities; and
5. Accountability for community service needs, including governmental structure and operational efficiencies.

The JPA Service Review is organized according to these determinations listed above. Information regarding each of the above issue areas is provided in this document. This report has been organized in a checklist format to focus the information and discussion on key issues that may be particularly relevant to the subject agency.

---

<sup>1</sup> Yolo Local Government Transparency and Accountability Program adopted by the cities and County Oct/Nov 2017

**AGENCY PROFILE**

The Yolo County Habitat / Natural Community Conservation Plan Joint Powers Agency, now referred to as the Yolo Habitat Conservancy (YHC), was created in 2002 pursuant to the Joint Exercise of Powers Act and is a public agency separate from its members. YHC was formed to (1) assist in the planning, preparation, and subsequent administration of the Yolo Habitat Conservation Plan / Natural Community Conservation Plan (Yolo HCP/NCCP or Plan) and the Yolo Local Conservation Strategy; and (2) to facilitate acquisition of conservation easements to mitigate adverse effects on the Swainson’s hawk habitat during the planning process.

YHC Mission:

*“To conserve natural and working landscapes, and the species on which they depend, by working with local communities and conservation partners to coordinate mitigation and implement regional habitat conservation.”*

The Plan provides a process for landowners and developers to comply with the requirements of federal and state endangered species laws without having to work directly with federal and state conservation agencies. In exchange for obtaining the Plan’s benefits, landowners and developers must pay a fee to the YHC for mitigation of the adverse effects of their development on the Plan’s 12 covered species and their habitat.

In 2005, the YHC entered into a Planning Agreement with the California Department of Fish and Wildlife (CDFW) and the United States Fish and Wildlife Service (USFWS) that defined the initial scope of the Yolo HCP/NCCP program as well as the roles and responsibilities of the parties involved in the development of the Yolo HCP/NCCP. The YHC prepared the Yolo HCP/NCCP, a model conservation plan to provide incidental take permits pursuant to the federal Endangered Species Act and the Natural Communities Conservation Planning Act for infrastructure (e.g. roads, bridges, and levees) and development activities (e.g. agricultural facilities, housing, and commercial buildings), identified for construction over the next 50 years in Yolo County.

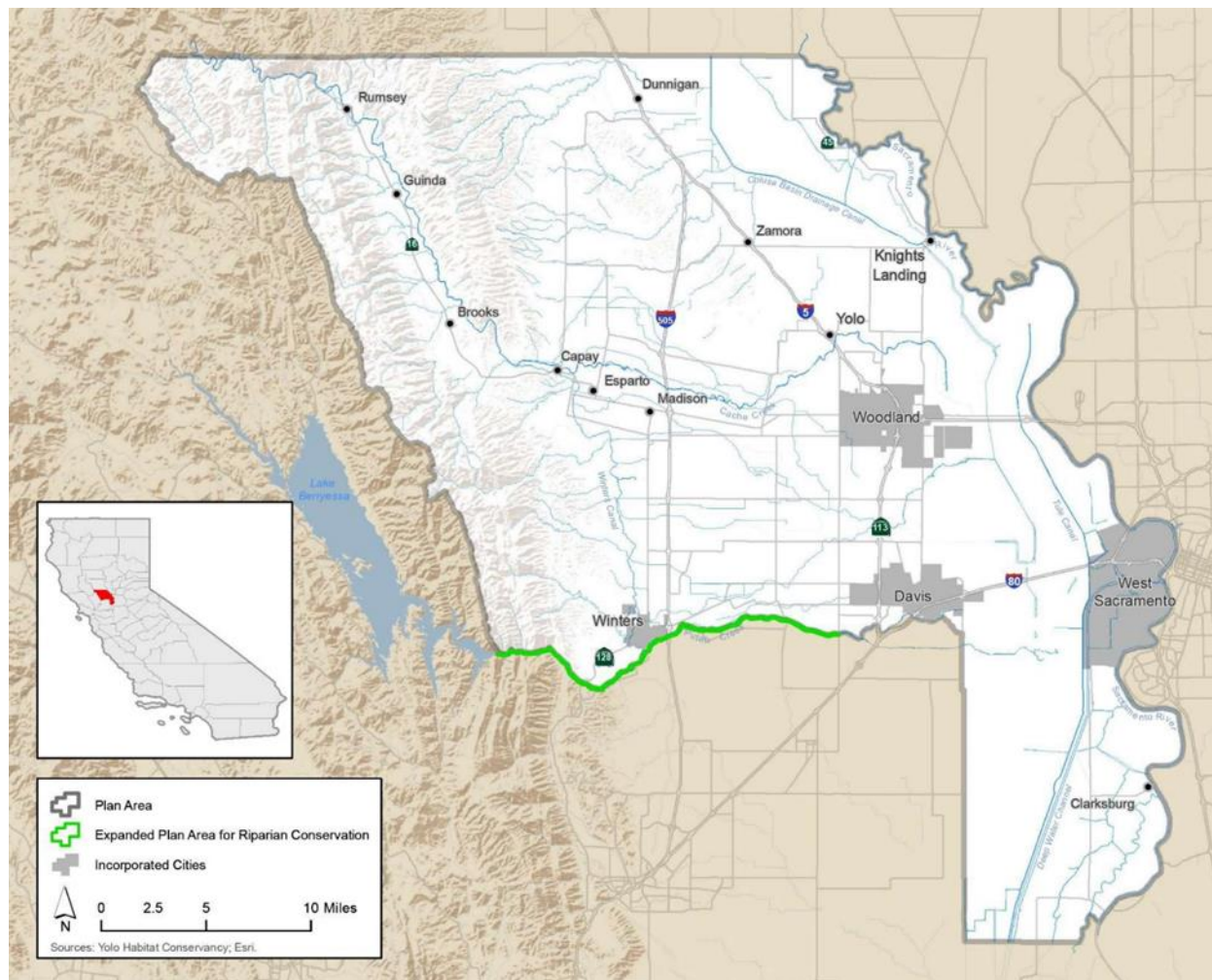
In June 2018, the member agencies amended and restated the original agreement as a means of affirming the Conservancy’s role as the local agency responsible for Yolo HCP/NCCP implementation and to ensure that it has adequate legal authority to carry out its duties as the implementing entity, including but not limited to the adoption of mitigation fees for development projects within the plan area.

The Plan was fully approved and permitted as of January 11, 2019. Implementation of the Plan has proceeded from that date. The 2019-2020 Grand Jury found that the Plan as developed and approved is well-constructed to accomplish its species and habitat conservation goals. The Plan provides a centralized process for the coordinated establishment of contiguous conservation land reserves in Yolo County, which effectively benefits the Plan’s 12 covered species.

The YHC also developed a voluntary, non-regulatory, Yolo Regional Conservation Investment Strategy/Local Conservation Plan (RCIS/LCP) that provides a framework for the conservation of natural communities and certain sensitive species, including those not covered by the Yolo HCP/NCCP. The Yolo HCP/NCCP was approved by the CDFW in November 2020.

The Plan area coincides with the Yolo County boundary, excepting an expanded area for riparian conservation along Putah Creek as shown below.





### JPA Governance

YHC is governed by a Board of Directors of its member agencies; two members of the Yolo County Board of Supervisors, one member each from the city councils of the cities of Davis, West Sacramento, Winters, and Woodland, and one nonvoting, ex officio member from the University of California, Davis (UCD). Upon formal request of UCD and subject to concurrence of a majority of the governing body of each member agency, UCD may join the Board as a regular voting member. The Board typically meets every other month on the third Monday from 5:30-7:30 p.m. in the Yolo County Board of Supervisors Chamber, although meetings have been held virtually during the pandemic.

#### *Science and Technical Advisory Committee*

The biologists of the Science and Technical Advisory Committee (STAC) provide scientific and technical guidance to the YHC on the selection of proposed conservation easement properties and mitigation receiving sites (e.g. regarding species biology, species habitat requirements, and habitat restoration actions). The STAC may also advise the YHC on other issues as requested by the Executive Director, such

## YOLO LAFCo JOINT POWERS AGENCY SERVICE REVIEW

---

as site-specific management and monitoring plans, habitat management and/or enhancement opportunities, and easements that benefit covered species eligible for grants.

### *HCP/NCCP Advisory Committee*

In 2004, the YHC created the Advisory Committee to provide public input and expert advice during the development of the Yolo HCP/NCCP and the Yolo Local Conservation Plan. The Advisory Committee consisted of representatives of the primary groups with an interest in the Plan, including YHC member agency staff, landowners, the agricultural community, conservation organizations, citizens' groups, and land developers. The YHC Board appointed members based on their expertise and interest in Yolo HCP/NCCP planning efforts. YHC Board, member agency, and wildlife agency liaisons also attended the Advisory Committee meetings.

During the planning of the Yolo HCP/NCCP, the group held open meetings on a regular basis to review relevant materials and documents; evaluate and synthesize ideas, data, and information; and discuss and resolve complex issues related to the planning process. The Advisory Committee provided recommendations to the YHC Board on a range of matters pertinent to the HCP/NCCP and the Local Conservation Strategy.

Advisory Committee appointments ended in April 2018, once the Yolo HCP/NCCP was in its final form.

### *Implementation Advisory Committee*

Notice and recruitment is currently in process to form an Implementation Advisory Committee in accordance with the Yolo HCP/NCCP. The Yolo Habitat Conservancy Implementation Advisory Committee will advise the Conservancy Board of Directors on the development and management of the reserve system of public and private lands consistent with the biological goals and objectives of the Yolo HCP/NCCP.

### **JPA Staff**

YHC evaluates and forecasts its organizational needs as part of its annual budget process. Accordingly, at the present time and for the foreseeable future, agency staffing (including consultant support) will adjust from time to time to match revenues and needs.

Since approval of the HCP/NCCP, the operational model for YHC has changed as efforts shifted from plan preparation to implementation. As of July 1, 2020, YHC has contracted with Yolo County for general administration and day to day operation of YHC. The Executive Director and the Associate Planner are County employees who provide services to the YHC on a part-time basis through this contract. The contract term is July 1, 2020 to June 30, 2021. YHC is also developing an easement monitoring and land management program and is talking to other public sector partners.

### **Consultants**

In addition to County staff, the following subject matter experts have been hired to provide support as needed:

- Alford Environmental – acquiring conservation easements
- Jim Estep – permitting issues, Swainson's hawk expertise
- ICF – permitting issues
- Consero Solutions – historically provided Executive Director services, but now limited to certain project functions

**JPA SERVICE REVIEW**

**POTENTIALLY SIGNIFICANT DETERMINATIONS**

The JPA Service Review determinations checked below are potentially significant, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages. If most or all of the determinations are not significant, as indicated by “no” answers, the Commission may find that a JPA Service Review update is not warranted.

- |  |  |
|--|--|
| <input type="checkbox"/> Growth and Population                                   | <input type="checkbox"/> Shared Services |
| <input type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input type="checkbox"/> Accountability  |
| <input checked="" type="checkbox"/> Financial Ability                            | <input type="checkbox"/> Other           |

**LAFCO JPA SERVICE REVIEW:**

- On the basis of this initial evaluation, the required determinations are not significant and staff recommends that a comprehensive JPA Service Review is NOT NECESSARY. The subject agency will be reviewed again in five years per the Commission adopted review schedule.
- The subject agency has potentially significant determinations and staff recommends that a comprehensive JPA Service Review IS NECESSARY and has been conducted via this checklist.

**1. GROWTH AND POPULATION**

Growth and population projections for the affected area.	YES	MAYBE	NO
a) <i>Will development and/or population projections over the next 5-10 years impact the subject agency's service needs and demands?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

- a) *Will development and/or population projections over the next 5-10 years impact the subject agency's service needs and demands?*

No. The Yolo HCP/NCCP, administered by YHC, provides incidental take permits and associated mitigation for infrastructure (e.g. roads, bridges, and levees) and development activities (e.g. agricultural facilities, housing, and commercial buildings), identified for construction over the next 50 years in Yolo County. Therefore, YHC is prepared to accommodate development and population growth for the next 50 years. YHC has recently reduced its staffing levels to be proportionate to lower than anticipated development countywide, so it has been able to remain nimble and respond to actual agency demand.

**Growth and Population MSR Determination**

The Yolo HCP/NCCP, administered by YHC, anticipates construction over the next 50 years in Yolo County. Therefore, YHC is prepared to accommodate development and population growth and is structured so that

**YOLO LAFCo JOINT POWERS AGENCY SERVICE REVIEW**

it can adjust to cycles in development activity. YHC has recently reduced its staffing levels to be proportionate to lower than anticipated development countywide, so it has been able to remain nimble and respond to actual development demand.

**2. CAPACITY AND ADEQUACY OF PUBLIC FACILITIES AND SERVICES**

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies.

	YES	MAYBE	NO
a) <i>Are there any deficiencies in agency capacity to meet <u>existing</u> service needs for which the agency does not have a plan in place to resolve (including deficiencies created by new state regulations)? Also note how services are provided (i.e. number of staff and/or contracts).</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Are there any issues regarding the agency's capacity to meet the service demand of reasonably foreseeable <u>future</u> growth?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

a-b) *Are there any deficiencies in agency capacity to meet existing service needs for which the agency does not have a plan in place to resolve (including deficiencies created by new state regulations)? Also note how services are provided (i.e. number of staff and/or contracts). Are there any issues regarding the agency's capacity to meet the service demand of reasonably foreseeable future growth?*

No. The nature of YHC is such that it created a 50-year plan to provide required mitigation for project-related potential environmental impacts countywide, therefore it is prepared for existing and future growth. Now that the HCP/NCCP has been approved, the YHC can scale with its contract staff model and remain nimble to fluctuations in development trends. YHC is tracking development projects in the pipeline so that it can stay ahead of upcoming mitigation needs, can plan for it and include it in its annual work plan.

c) *Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?*

No. The Yolo HCP/NCCP Annual Report documents changed circumstances due to climate change. Under the Yolo HCP/NCCP, an increase in temperature of up to 2.5°C (4.5°F), measured as a 10-year running average for three baseline periods (i.e., average annual temperature, average summer temperature [June, July, and August], and average winter temperature [December, January, and February]) is considered a changed circumstance. The Yolo HCP/NCCP anticipates up to four catastrophic fires (each more than 10,000 acres) within the study area over the course of the permit term. In addition, the Yolo HCP/NCCP anticipates flooding and will fund remedial actions for up to five droughts that occur during the permit term. Of the five droughts, only one is anticipated to be more than six years in duration.

**Capacity and Adequacy of Public Facilities and Services MSR Determination**

The nature of YHC is such that it created a 50-year plan to provide required mitigation for project-related potential environmental impacts countywide, therefore it is prepared for existing and future growth. Now that the HCP/NCCP has been approved, the YHC can scale with its contract staff model and remain nimble to fluctuations in development trends. The HCP/NCCP has made assumptions for future climate change events and Annual Report documents changed circumstances due to climate change.

**4. FINANCIAL ABILITY**

Financial ability of agencies to provide services.

	YES	MAYBE	NO
a) <i>Is the subject agency in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Can the subject agency improve its use of generally accepted accounting principles including: summaries of all fund balances, summaries of revenues and expenditures, general status of reserves, and any un-funded obligations (i.e. pension/retiree benefits)? Does the agency have accounting and/or financial policies that guide the agency in how financial transactions are recorded and presented?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) <i>Does the agency staff need to review financial data on a more regular basis and are discrepancies identified, investigated and corrective action taken in a timely manner? The review may include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. If the agency uses Yolo County's financial system and the County Treasury, does the agency review monthly the transactions in the County system to transactions the agency submitted to the County for processing?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) <i>Does the agency board need to receive more regular financial reports (quarterly or mid-year at a minimum) that provide a clear and complete picture of the agency's assets and liabilities, fully disclosing both positive and negative financial information to the public and financial institutions?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) <i>Is there an issue with the organization's revenue sources being reliable? For example, is a large percentage of revenue coming from grants or one-time/short-term sources?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) <i>Is the organization's rate/fee schedule insufficient to fund an adequate level of service, necessary infrastructure maintenance, replacement and/or any needed expansion? Is the fee inconsistent with the schedules of similar local agencies? Does the rate/fee schedule include a specific amount identified for capital asset replacement (tied to a capital improvement plan with implementation policies)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) <i>Is the organization needing additional reserves to protect against unexpected events or upcoming significant costs (excluding capital asset replacement, see 4f)? Has the agency identified and quantified what the possible significant risks and costs of infrastructure or equipment failure? Does the agency have a reserve policy?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) <i>Does the agency have any debt, and if so, is the organization's debt at an unmanageable level? Does the agency need a clear debt management policy, if applicable?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**YOLO LAFCo JOINT POWERS AGENCY SERVICE REVIEW**

**YOLO HABITAT CONSERVANCY  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Revenue</b>					
Member contributions	\$ 264,900	\$ 214,900	\$ 164,900	\$ -	\$ -
Mitigation fees	-	172,553	-	483,022	533,768
Pre-payment of mitigation fees	-	-	-	126,186	-
Governmental grants	741,477	452,361	521,679	191,326	177,368
Charges for services	5,099	4,218	8,257	93,626	7,746
Interest	14,101	10,586	20,072	49,529	41,937
Special participating entities fees	-	-	-	25,556	19,045
Other revenue	-	14,525	-	-	45,379
Long-term debt proceeds	-	-	-	213,523	-
<b>Total Revenue</b>	<b>1,025,577</b>	<b>869,143</b>	<b>714,908</b>	<b>1,182,768</b>	<b>825,243</b>
<b>Expenditures</b>					
Salaries and benefits	62,071	58,496	65,089	66,768	62,685
Accounting and auditing	11,406	12,300	15,140	19,224	15,404
Legal	19,650	32,350	22,332	13,965	10,614
Other professional services	819,949	579,246	694,015	543,837	662,949
IT services	1,620	1,846	4,023	4,860	3,783
Insurance	2,509	2,511	2,510	2,536	2,519
Facility expenditures	11,960	11,334	12,180	12,607	12,180
Office expenditures	10,204	18,107	18,083	10,857	5,351
Easements	-	-	-	452,450	-
<b>Total Expenditures</b>	<b>939,369</b>	<b>716,190</b>	<b>833,372</b>	<b>1,127,104</b>	<b>775,485</b>
<b>Net income (loss)</b>	<b>86,208</b>	<b>152,953</b>	<b>(118,464)</b>	<b>55,664</b>	<b>49,758</b>
<b>Beginning Fund Balance</b>	<b>1,513,218</b>	<b>1,599,426</b>	<b>1,752,379</b>	<b>1,633,915</b>	<b>1,689,579</b>
Restatements	-	-	-	-	(164,620)
<b>Beginning Fund Balance, restated</b>	<b>1,513,218</b>	<b>1,599,426</b>	<b>1,752,379</b>	<b>1,633,915</b>	<b>1,524,959</b>
<b>Ending Fund Balances</b>	<b>\$1,599,426</b>	<b>\$1,752,379</b>	<b>\$1,633,915</b>	<b>\$1,689,579</b>	<b>\$1,574,717</b>
<b>Fund Balances</b>					
Restricted	\$1,375,894	\$1,590,931	\$1,553,700	\$1,137,875	\$1,238,175
Assigned	52,166	137,862	60,087	60,087	60,087
Unassigned	171,366	23,586	20,128	491,617	276,455
<b>Total Fund Balances</b>	<b>\$1,599,426</b>	<b>\$1,752,379</b>	<b>\$1,633,915</b>	<b>\$1,689,579</b>	<b>\$1,574,717</b>
<b>Y-T-Y Change in total Fund Balances</b>					
Amount Increase (Decrease)	223,532	152,953	(118,464)	55,664	(114,862)
Percentage Increase (Decrease)	16.25%	9.56%	-6.76%	3.41%	-6.80%

**Discussion:**

a) *Is the subject agency in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues?*

No.

**Pre-plan financial analysis (2016 – 2018):**

Through fiscal year 2018, while YHC was completing the Plan, the agency was funded primarily from member contributions and state and federal grants, which were 25% and 66% of total revenue, respectively. During this time total revenue decreased from a high of \$1,025,577 in 2016 to \$714,908 in 2018, while total annual expenditures decreased some. The decrease in revenue was as a result of

## YOLO LAFCo JOINT POWERS AGENCY SERVICE REVIEW

---

decreasing State and Federal grants and a reduction in member contributions. Total fund balance increased by \$120,697, however the increase was attributable to receipt of \$172,553 of restricted mitigation fees, while the difference of \$54,263 was a decrease to unrestricted fund balance.

### **Post-plan financial analysis (2019-2020):**

Beginning with FY 2019 the agency implemented a new financing structure that corresponds to the implementation of the Plan. YHC will primarily be funded through mitigation fees, grants, cost recovery services and other operating revenues. Staffing and contractor services were adjusted to achieve a model that will expend resources as funds are received or can be billed. For example, there are no longer permanent employees, external contractors are used on an as-needed basis. Day to day management of the agency has been contracted with the County.

For FY 2019 and 2020 the primary revenues consisted of the following, mitigation fees (57%), grants (18%), charges for services (5%) and debt proceeds (11%). Of these revenues, \$126,186 of the mitigation fees were prepaid by member agencies and \$213,523 was a loan from the County. As of June 30, 2020 there was a balance of \$217,232 of prepaid mitigation fees and the loan from the County was still outstanding. In addition to funding ongoing operating costs primarily from mitigation fees, the pre-paid mitigation fees and County balances will need to be liquidated. Total fund balance from the beginning of 2019 to the end of 2020 decreased by a total of \$59,198. Restricted fund balance decreased by \$315,525, due to an easement purchase, while unrestricted fund balance increased by \$256,327, primarily due to the receipt of the loan from the County.

While the current financial status of the agency looks good, YHC still needs to liquidate mitigation fee prepayments and repay the County loan while operating in the new financial environment of being dependent on revenue derived from mitigation fees as a result of new development which can vary greatly from year to year. The FY 2021 budget does not contemplate additional loans or prepayments from member agencies.

- b) *Can the subject agency improve its use of generally accepted accounting principles including: summaries of all fund balances, summaries of revenues and expenditures, general status of reserves, and any unfunded obligations (i.e. pension/retiree benefits)? Does the agency have accounting and/or financial policies that guide the agency in how financial transactions are recorded and presented?*

Maybe. YHC undergoes an annual financial audit performed by independent auditors and has received a clean opinion each year. However, review of the agency's audited financial statements and the underlying accounting data recorded in the County's financial system indicate revenues have not been consistently recorded in the financial system in accordance to the State Controller's manual of Accounting Standards and Procedures. Mitigation fees, cost reimbursements, special participating entity fees and other revenues are often grouped to one account, "Other Miscellaneous Revenue". Reports generated from the accounting system need more timely and closer review (i.e. accounting errors are not being detected and corrected prior to the close of the fiscal year). Agency staff should review the draft financials in a comprehensive manner to avoid transactions being misclassified and mislabeled in the published audited financial statements.

- c) *Does the agency staff need to review financial data on a more regular basis and are discrepancies identified, investigated and corrective action taken in a timely manner? The review may include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. If the agency uses Yolo County's financial system and the County Treasury, does the agency review monthly the transactions in the County system to transactions the agency submitted to the County for processing?*

No. Agency staff prepares various reports for reporting to the Board and to grantors on a monthly basis. If errors are found, corrections are processed in a timely manner.

- d) *Does the agency board need to receive more regular financial reports (quarterly or mid-year at a minimum) that provide a clear and complete picture of the agency's assets and liabilities, fully disclosing both positive and negative financial information to the public and financial institutions?*

No. The board receives the following financial reports:

- A monthly financial report that presents the current year budget, expenditure and revenue data by month, with year-to-date totals;
- Quarterly grant report which presents inception to end of quarter expenditure totals and grant balances;
- Mid-year budget status report; and
- Annual endowment fund report.

- e) *Is there an issue with the organization's revenue sources being reliable? For example, is a large percentage of revenue coming from grants or one-time/short-term sources?*

Maybe. Since the Plan's implementation in 2019, mitigation fees received were significantly below the current fiscal year budget and far below the annualized projections in the 50-year model. Under the Plan, a portion of the mitigation fees received is allocated to the YHC's administrative costs. If revenue from mitigation fees are less than expected, fewer dollars are available to pay administrative expenses.

- f) *Is the organization's rate/fee schedule insufficient to fund an adequate level of service, necessary infrastructure maintenance, replacement and/or any needed expansion? Is the fee inconsistent with the schedules of similar local agencies? Does the rate/fee schedule include a specific amount identified for capital asset replacement (tied to a capital improvement plan with implementation policies)?*

No. Revenue provided in the form of Yolo HCP/NCCP fees depends on new development. Project applicants/landowner payment of fees to the Yolo Habitat Conservancy is a one-time expense. The methodology and primary assumptions used to establish the standard Yolo HCP/NCCP land cover and wetlands fees are described in Chapter 8 of the Yolo HCP/NCCP. The cost model developed to calculate these fees was developed by an economist with extensive experience evaluating costs associated with HCPs. The underlying cost model calculations and inputs are included in Appendix H of the Yolo HCP/NCCP. The Yolo HCP/NCCP utilizes two methods for making fee adjustments to ensure that funds collected are adequate to implement the Yolo HCP/NCCP. The first is an automatic annual adjustment, which uses a fee calculator that takes into account inflation and fluctuating land costs. The second fee adjustment method is a periodic assessment and adjustment of fees, which is completed every 5 years and involves the review of the costs and underlying assumptions developed as part of the funding plan as well as an estimate of the remaining costs to implement the Yolo HCP/NCCP. Consistency with the fees of other HCP/NCCP's is not directly relevant in this case because land costs for easement acquisition vary widely in different regions. YHC fees go directly to capital assets (i.e. land/easement acquisition).

- g) *Is the organization needing additional reserves to protect against unexpected events or upcoming significant costs (excluding capital asset replacement, see 4f)? Has the agency identified and quantified what the possible significant risks and costs of infrastructure or equipment failure? Does the agency have a reserve policy?*

No. The agency has an adopted contingency appropriation policy and a general reserve of \$60,087. A contingency appropriation of 3%-10% is recommended in the annual budget based on the level of assessed risk. Due to the nature of the agency infrastructure and equipment failure is not applicable.

- h) *Does the agency have any debt, and if so, is the organization's debt at an unmanageable level? Does the agency need a clear capital financing and debt management policy, if applicable?*

No. The only debt the agency has is a \$213,523 loan from the County. This was loaned to the agency in 2019 during the transition to the new financial model. The Conservancy anticipates repaying these loans as part of its FY21-22 budget.

### **Financial Ability MSR Determination**

YHC financial status currently looks secure. However, the new financial model may present challenges during years with little mitigation fee revenue. Staffing and use of contractor services were modified to



**YOLO LAFCo JOINT POWERS AGENCY SERVICE REVIEW**

control expenditures under this new model. As long as expenditures are controlled within available resources, the agency should remain viable. YHC should consider increasing reserves to cover management of the program during years when little or no mitigation fees are received.

**Financial Ability MSR Recommendation(s)**

- Consider establishing separate revenue accounts to record revenue in a more meaningful way. Currently, mitigation fees, cost reimbursements, special participating entity fees, and other revenues are often grouped into “Other Miscellaneous Revenue.”
- Consider separating the principal portion of endowments from the interest income to protect the principal from inadvertently being spent.
- Review the annual financial statements and compare the reported numbers to the balances in the accounting system. Any differences should be documented and understood by agency staff.
- Consider increasing reserves for use during years when little or no mitigation fees are received to ensure the ongoing operation of YHC.

**5. SHARED SERVICES AND FACILITIES**

Status of, and opportunities for, shared facilities.

	YES	MAYBE	NO
a) <i>Are there any opportunities for the organization to share services or facilities with neighboring, overlapping or other organizations that are not currently being utilized?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

- a) *Are there any opportunities for the organization to share services or facilities with neighboring, overlapping or other organizations that are not currently being utilized?*

No. YHC is, by its very nature, an agency created for more efficient habitat conservation collectively in Yolo County. Members include Yolo County, the cities of Davis, West Sacramento, Winters, and Woodland, and the University of California, Davis (UCD). YHC is also supported by a Science and Technical Advisory Committee comprised of biologists and planners to provide scientific and technical guidance to the YHC on the selection of proposed conservation easement properties and mitigation receiving sites (e.g. regarding species biology, species habitat requirements, and habitat restoration actions). Therefore, YHC is already taking full advantage of shared services and collaboration.

Now that the Plan is adopted, no new members outside the Plan area can join in. It provides a “one-stop shop” for landowners/farmers to meet environmental and conservation requirements established by various local, state and federal agencies. Landowners can also sell conservation easements or establish mitigation receiving sites on their property to help fulfill the goals of the Plan.

**Shared Services MSR Determination**

YHC is, by its very nature, an agency created for more efficient habitat conservation collectively in Yolo County. Members include Yolo County, the cities of Davis, West Sacramento, Winters, and Woodland, and the University of California, Davis (UCD). Now that the Conservation Plan is adopted, no new members outside the Plan area can join in. It provides a “one-stop shop” for landowners/farmers to meet environmental and conservation requirements established by various local, state and federal agencies.

**6. ACCOUNTABILITY, STRUCTURE AND EFFICIENCIES**

Accountability for community service needs, including governmental structure and operational efficiencies.

	YES	MAYBE	NO
a) <i>Are there any recommended changes to the organization's governmental structure or operations that will increase accountability and efficiency (i.e. overlapping boundaries that confuse the public, service inefficiencies, and/or higher costs/rates)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Are there any issues with filling board vacancies and maintaining board members? Is there a lack of board member training regarding the organization's program requirements and financial management?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) <i>Are there any issues with staff capacity and/or turnover? Is there a lack of staff member training regarding the organization's program requirements and financial management?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) <i>Does the agency need adequate policies (as applicable) relating to personnel/payroll, general and administrative, board member and meetings, and segregating financial and accounting duties among staff and/or board to minimize risk of error or misconduct (see suggested policies list)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) <i>Does the agency need to secure independent audits of financial reports that meet California State Controller requirements? Are the same auditors used for more than six years? Are audit results <u>not</u> reviewed in an open meeting?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) <i>If the agency is not audited annually, does the agency need to have a qualified external person review agency finances each year (at a minimum), comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) <i>Does the organization need to improve its public transparency via a website (see <a href="https://www.yololafco.org/yolo-local-government-website-transparency-scorecards">https://www.yololafco.org/yolo-local-government-website-transparency-scorecards</a>)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

- a) *Are there any recommended changes to the organization's governmental structure or operations that will increase accountability and efficiency (i.e. overlapping boundaries that confuse the public, service inefficiencies, and/or higher costs/rates)?*

No. HCP/NCCPs take considerable time to formulate and JPAs are a common structure to prepare an HCP/NCCP. The YHC obtained state and federal approval in 2019 and currently is in the implementation process. No different organizational structure is recommended for YHC's implementation.

The YHC was criticized by the 2015-2016 Yolo County Grand Jury for both the length of time it was taking to develop a plan and plan preparation costs incurred to that point<sup>2</sup>. Several decades of

<sup>2</sup> 2016-17 Yolo County Grand Jury Final Report June 30, 2017

## YOLO LAFCo JOINT POWERS AGENCY SERVICE REVIEW

---

expenditures in excess of the current \$15 million have been spent to develop a long-term plan to address compliance with state and federal Endangered Species Act regulations in Yolo County. Based on responses reported in the media and citizen concerns regarding the functioning of the YHC, the 2016-2017 Grand Jury decided to reopen the investigation to review lingering concerns. However, over the course of the investigation and after reviewing the current development of the long-term HCP/NCCP, all concerns of the 2016-17 Grand Jury were resolved.

The YHC has since implemented a Performance Measurement Matrix. This matrix shows Adopted Organizational Goals, Sub goals, Performance Measure, Outcome, Performance Measure Met and Pending Actions. The Yolo HCP/NCCP uses best practices found and/or implemented by other HCP/NCCPs within California to establish common practices and save on development costs.

- b) *Are there any issues with filling board vacancies and maintaining board members? Is there a lack of board member training regarding the organization's program requirements and financial management?*

No. Board members are elected officials who are appointed to the YHC board by the member agencies, therefore, there are no issues with filling vacancies. Staff sets up individual meetings with new Board members to provide information regarding program issues, easement acquisitions, and financial management.

- c) *Are there any issues with staff capacity and/or turnover? Is there a lack of staff member training regarding the organization's program requirements and financial management?*

No. Since approval of the HCP/NCCP, the operational model for YHC has changed as efforts shifted from plan preparation to implementation. As of July 1, 2020, YHC has contracted with Yolo County for general administration and day to day operation of YHC. The contract term is July 1, 2020 to June 30, 2021. YHC evaluates and forecasts its organizational needs as part of its annual budget process. Accordingly, at the present time and for the foreseeable future, agency staffing (including consultant support) will adjust from time to time to match revenues and needs. Monthly financial updates, annual audits, budgets reviewed by member Chief Financial Officers.

- d) *Does the agency needing adequate policies (as applicable) relating to personnel/payroll, general and administrative, board member and meetings, and segregating financial and accounting duties among staff and/or board to minimize risk of error or misconduct?*

No. The YHC follows Yolo County's Administrative Policy and Procedures Manual.

- e) *Are any agency officials and designated staff not current in making their Statement of Economic Interests (Form 700) disclosures?*

No. YHC officials are current with their Statement of Economic Interests disclosures with the County Clerk.

- f) *Does the agency need to secure independent audits of financial reports that meet California State Controller requirements? Are the same auditors used for more than six years? Are audit results not reviewed in an open meeting?*

No. The YHC is audited annually and reports are posted on the JPA's website. The same auditors are not repeatedly used. Reports are presented and reviewed in an open, public meeting.

- g) *If the agency is not audited annually, does the agency need to have a qualified external person review agency finances each year (at a minimum), comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable?*

Not applicable.

- h) *Does the organization need to improve its public transparency via a website (see <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards>)?*

No. YHC received a 95% website transparency score in 2020.

**Accountability, Structure and Efficiencies MSR Determination**

The YHC obtained state and federal approval in 2019 and currently is in the implementation process. No different organizational structure is recommended for YHC’s implementation. Board members are elected officials who are appointed to the YHC board by the member agencies, therefore, there are no issues with filling vacancies. Staff sets up individual meetings with new Board members to provide information regarding program issues, easement acquisitions, and financial management.

Since approval of the HCP/NCCP, the operational model for YHC has changed as efforts shifted from plan preparation to implementation. As of July 1, 2020, YHC has contracted with Yolo County for general administration and day to day operation of YHC. Monthly financial updates, annual audits, budgets reviewed by member Chief Financial Officers. YHC is current on its officers’ Statements of Economic Interests, annual independent audits and is highly transparent and accountable with the public providing access to its records on its website.

<b>7. OTHER ISSUES</b>			
Any other matter related to effective or efficient service delivery, as required by commission policy.			
	<b>YES</b>	<b>MAYBE</b>	<b>NO</b>
a) <i>Are there any recommendations from the agency’s previous JPA Service Review that have not been implemented?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

a) *Are there any recommendations from the agency’s previous JPA Service Review that have not been implemented?*

No. This is YHC’s first JPA Service Review conducted by LAFCo.

**Other Issues MSR Determination**

There are no other matters related to effective or efficient service delivery, nor previous LAFCo JPA Service Review recommendations to check status of.

**ATTACHMENTS**

- A. Yolo HCP/NCCP Annual Report for Fiscal Year 2019/2020



Habitat Conservation Plan / Natural Community Conservation Plan



# **Yolo HCP/NCCP Annual Report for Fiscal Year 2019/2020**

# Yolo HCP/NCCP Annual Report

## for Fiscal Year 2019/2020

### Yolo Habitat Conservancy Board Members during FY19/20

Jim Provenza, Yolo County

Don Saylor, Yolo County

Gary Sandy, Yolo County

Will Arnold, City of Davis

Martha Guerrero, City of West Sacramento

Pierre Neu, City of Winters

Xochitl Rodriguez, City of Woodland

Matt Dulcich, UC Davis

### Prepared By:

Yolo Habitat Conservancy & Alford Environmental



March 2021

# Table of Contents

<b>Table of Contents</b>	<b>i</b>
<b>List of Tables</b>	<b>ii</b>
<b>List of Figures</b>	<b>ii</b>
<b>Acronyms and Abbreviations</b>	<b>iii</b>
<b>Chapter 1: Introduction and Overview</b>	<b>1</b>
Overview	3
<b>Chapter 2: Covered Activities and Impacts</b>	<b>5</b>
Reporting Period Activities	5
Urban Projects and Activities	5
Public and Private Operations and Maintenance	7
Conservation Strategy Implementation	7
<b>Chapter 3: Acquisition and Restoration</b>	<b>13</b>
Acquisition	13
Restoration	16
<b>Chapter 4: Reserve Management</b>	<b>18</b>
Enhancement Measures	18
Schedule	19
<b>Chapter 5: Monitoring, Research, and Adaptive</b>	
<b>Management</b>	<b>20</b>
Effectiveness Monitoring	20
Targeted Studies	21
Adaptive Management	21
Stay-Ahead Provision Compliance Monitoring	21
Unforeseen and Changed Circumstances Compliance	24
<b>Chapter 6: Program Administration</b>	<b>27</b>
Administrative Changes	27
Minor Modifications	27
Amendments	29
Other Activities	29
<b>Chapter 7: Finances</b>	<b>30</b>
Financial Structure	30
Annual Budget	31
Revenue Sources	32
Endowment Funding	32
Mitigation Fee Act Annual Reporting	33
<b>References</b>	<b>35</b>
<b>Appendix A: Updated STAC Evaluation Criteria</b>	<b>A-1</b>
<b>Appendix B: Updated Conservation Easement</b>	
<b>Template</b>	<b>B-1</b>

# Tables

Table 1-1: Yolo HCP/NCCP covered species	4
Table 2-1: All covered activities for which take coverage was granted during FY19/20	9
Table 2-2: Permanent and temporary acreages disturbed by land cover type for the collective covered activities in the reporting period and cumulatively	11
Table 2-3: Permanent and temporary acreages disturbed by modeled habitat for the collective covered activities in the reporting period and cumulatively	12
Table 3-1: Status of reserve system site acquisitions through FY19/20	15
Table 7-1: Adopted budget, actual revenue, and actual expenses for FY19/20	31
Table 7-2: State and federal grant revenue and expenditures for FY19/20	32
Table 7-3: Mitigation Fee Fund revenue and expenditures for FY19/20	32
Table 7-4: Yolo HCP/NCCP fees at the end of FY19/20	33
Table 7-5: Transfers that occurred in FY19/20	34

# Figures

Figure 1-1: Yolo HCP/NCCP Plan Area	2
Figure 2-1: Covered Activities FY19/20	8
Figure 3-1: Candidate reserve system sites FY19/20	14
Figure 5-1: Nest site locations surveyed in 2020	21



# Acronyms and Abbreviations

AMM	Avoidance and Minimization Measure
CCRMP	Creek Resources Management Plan
CDFW	California Department of Fish and Wildlife
CE	Conservation Easement
CNLM	Center for Natural Lands Management
Conservancy	Yolo Habitat Conservancy
CRA	Conservation Reserve Area
FY19/20	Fiscal Year 2019/2020
HCP	Habitat Conservation Plan
NCCP	Natural Community Conservation Plan
PBBB	palmate-bracted bird's-beak
Permits	incidental take permits
Permittees	Yolo Habitat Conservancy, County of Yolo, and the Cities of Davis, Winters, West Sacramento, and Woodland
Plan Area	all lands within the boundary of Yolo County and an expanded area consisting of 1,174 acres for riparian conservation along Putah Creek in Solano County
SPE	Special Participating Entity
STAC	science and technical advisory committee
USFWS	U.S. Fish and Wildlife Service
VELB	valley elderberry longhorn beetle
WCB	Wildlife Conservation Board

# 1. Introduction and Overview

This is the second Annual Report for the Yolo Habitat Conservation Plan/Natural Community Conservation Plan (Yolo HCP/NCCP or Plan). This Annual Report summarizes activities undertaken by the Yolo Habitat Conservancy (Conservancy) and its partners between July 1, 2019 and June 30, 2020, which was the first full year of Yolo HCP/NCCP implementation. The content of this report provides information per the Plan, the Implementing Agreement, and permits. It also provides the Conservancy Board of Directors, U.S. Fish and Wildlife Service (USFWS), California Department of Fish and Wildlife (CDFW), and the general public the opportunity to review the Conservancy's actions and progress toward Yolo HCP/NCCP implementation.

The components of this annual report include:

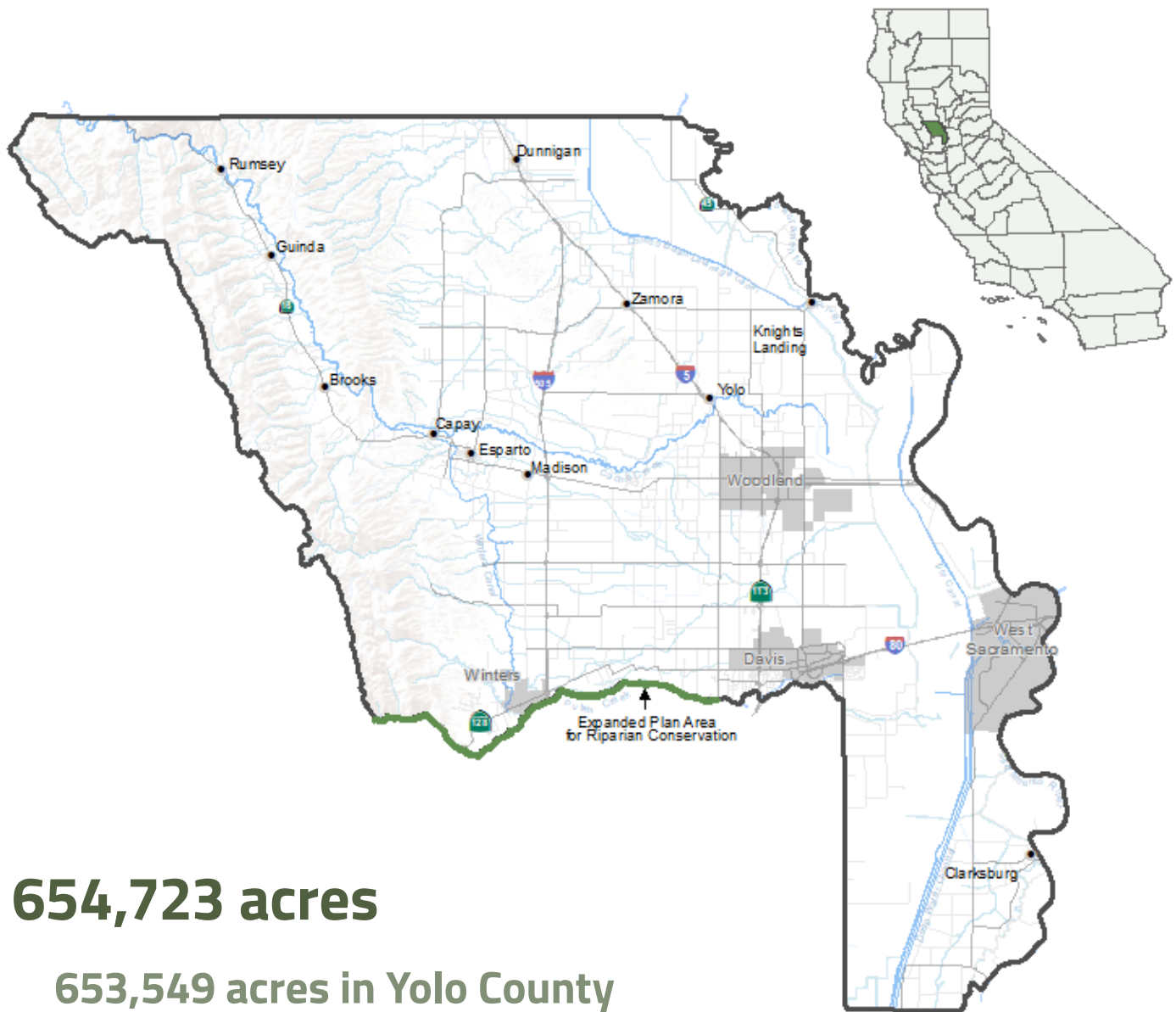
- **Covered Activities and Impacts**
- **Acquisition and Restoration**
- **Reserve Management**
- **Monitoring, Research, and Adaptive Management**
- **Stay-Ahead Provisions**
- **Changed and Unforeseen Circumstances**
- **Program Administration**
- **Finances**

## Yolo Habitat Conservation Plan / Natural Community Conservation Plan



*The Yolo HCP/NCCP is a locally developed plan that offers a streamlined permitting process for development activities while implementing a regional conservation strategy that protects, enhances, and restores valuable natural resources in Yolo County and contributes to the recovery of 12 covered plant and wildlife species. The Yolo HCP/NCCP strikes a sensible balance between natural resource conservation and economic growth in the region.*

Figure 1-1: **Yolo HCP/NCCP Plan Area**



**654,723 acres**

**653,549 acres in Yolo County**

Primary Plan Area that encompasses Yolo County and defines the area where the Yolo HCP/NCCP can provide permit coverage for development and other covered activities.

**1,174 acres in Solano County**

Expanded Plan Area that encompasses the riparian habitat on the southern half of Putah Creek that is included in the Yolo HCP/NCCP conservation strategy.

# Overview

The Yolo HCP/NCCP is a 50-year regional plan to protect endangered species and natural resources while allowing for orderly development in Yolo County consistent with local General Plans. The Yolo HCP/NCCP is both a Habitat Conservation Plan (HCP) and Natural Community Conservation Plan (NCCP). This means that the Conservancy and the member agencies (County of Yolo, City of Davis, City of West Sacramento, City of Winters, and City of Woodland), known together as the Permittees, have obtained permits issued by USFWS and CDFW that allow the Permittees to comply with Section 10 of the federal Endangered Species Act and California's Natural Community Conservation Planning Act. The Permittees received permits from USFWS on September 26, 2018. The permits issued by CDFW were signed on January 10, 2019, which is the effective start date of the 50-year term of the Yolo HCP/NCCP.

Over the 50-year permit term of the Yolo HCP/NCCP, impacts from urban and rural projects, including operations and maintenance activities, will be offset by the creation of a reserve system managed for the benefit of 12 covered species (See Table 1-1), as well as the natural communities that they—and hundreds of other species—depend upon for habitat. Unlike individual site mitigation efforts, the Yolo HCP/NCCP reserve system takes a regional approach to species conservation that includes the protection of a network of habitat areas that support the life cycle and population needs of covered species to aid in the recovery of these species. The Yolo HCP/NCCP also commits to providing 8,231 acres of new conservation and the enrollment of 8,000 acres of existing conservation land in addition to the 16,175 acres of mitigation for development activities covered by the Yolo HCP/NCCP permits.

Through the Permittees, the Yolo HCP/NCCP provides local public agencies, private developers, consultants, and property owners a streamlined and cost-effective approach for requesting and receiving incidental take coverage for development projects. Prior to the Yolo HCP/NCCP, an applicant for any development that involved loss of federally or state protected plants, wildlife, or their habitats was, in many cases, required to obtain permits directly from state or federal agencies—a process that could take several years and incur high costs.

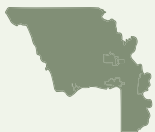
Yolo HCP/NCCP permit coverage applies only to eligible projects, known as covered activities, undertaken within the Yolo HCP/NCCP Plan Area (Plan Area). The Yolo HCP/NCCP covers a total of 21,559 acres of activities within five categories, including: urban and rural projects (17,550 acres), public/private operations and maintenance (706 acres), conservation strategy implementation (956 acres), and neighboring landowner agreements (2,347 acres). The Plan Area is 654,723 acres, including 653,549 acres contained within Yolo County and 1,174 acres in the expanded area for riparian conservation in Solano County on the south side of Putah Creek (See Figure 1-1).

**Table 1-1: Yolo HCP/NCCP covered species**

Common Name	Scientific Name	Status <sup>a</sup> Federal/State
<b>Plants</b>		
Palmete-bracted bird’s beak	<i>Chloropyron palmatum</i>	E/E
<b>Invertebrates</b>		
Valley elderberry longhorn beetle	<i>Desmocerus californicus dimorphus</i>	T/-
<b>Amphibians</b>		
California tiger salamander (Central California DPS)	<i>Ambystoma californiense</i>	T/T
<b>Reptiles</b>		
Western pond turtle	<i>Actinemys marmorata</i>	-/CSC
Giant garter snake	<i>Thamnophis gigas</i>	T/T
<b>Birds</b>		
Swainson’s hawk	<i>Buteo swainsoni</i>	-/T
White-tailed kite	<i>Elanus leucurus</i>	-/FP
Western yellow-billed cuckoo	<i>Coccyzus americanus occidentalis</i>	T/E
Western burrowing owl	<i>Athene cunicularia hypugaea</i>	-/CSC
Least Bell’s vireo	<i>Vireo bellii pusillus</i>	E/E
Bank swallow	<i>Riparia riparia</i>	-/T
Tricolored blackbird	<i>Agelaius tricolor</i>	-/T

<sup>a</sup>. Status: C=Candidate for listing, CSC=California species of special concern, E=Endangered, FP=Fully protected under California Fish and Game Code, T=Threatened, - = no designation

## Benefits of the Yolo HCP/NCCP



### Local control.

The Yolo HCP/NCCP moves compliance with state and federal endangered species laws for public and private activities from state and federal agencies to the local level. The Yolo Habitat Conservancy administers the permits and implements the Yolo HCP/NCCP in coordination with the member agencies (Yolo County, City of Davis, City of West Sacramento, City of Winters, and City of Woodland) with oversight from the CDFW and the USFWS to streamline the existing process while still providing comprehensive regulatory coverage for currently listed species and those that may be listed in the future.



### Improved and increased species conservation.

Coordinated conservation planning through the Yolo HCP/NCCP will provide significant benefits to endangered and threatened species in Yolo County during and beyond the 50-year permit term as it replaces piecemeal mitigation with a regional conservation strategy and adds conservation beyond mitigation.



### Streamlined permitting process.

The Yolo HCP/NCCP replaces a project-by-project mitigation process characterized by uncertainties associated with timing, costs, and litigation. This efficiency provides an economic benefit to public agencies and other projects in the form of streamlined Endangered Species Act permitting.



### Preservation of working agricultural lands.

The Yolo HCP/NCCP recognizes that many agricultural working landscapes provide habitat. The premise of habitat and species conservation through preserved and carefully managed agriculture is foundational to the HCP/NCCP and integral to the values of Yolo County.

## 2. Covered Activities and Impacts

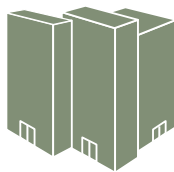
- This chapter provides an overview of the covered activities to which Permittees granted a certificate of approval, compliance, or inclusion during the reporting period.

### Reporting Period Activities

Between July 1, 2019 and June 30, 2020, a total of eleven projects received permit coverage through the Yolo HCP/NCCP. The projects include five urban projects and activities, four rural projects and activities, and two conservation strategy implementation projects. Table 2-1 provides a list of all covered activities for which a Permittee granted take coverage during the reporting period. Information provided for each project includes a brief description of the covered activity, the Permittee extending the coverage, and permanent and temporary acreages disturbed. Figure 2-1 provides a map showing the location of covered activities. Table 2-2 provides a summary of permanent and temporary acreages disturbed by land cover type for the collective covered activities in the reporting period and cumulatively. Table 2-3 provides a summary of permanent and temporary acreages disturbed by modeled habitat for the collective covered activities in the reporting period and cumulatively. A total of 14 projects have received permit coverage between the start of Yolo HCP/NCCP implementation and the end of FY19/20.

No Permittee, applicant, or Special Participating Entity (SPE) reported observations of harassment or mortality of covered species occurred during the reporting period.

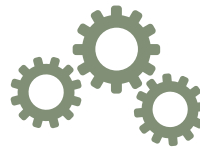
#### Covered Activity Categories



Urban Projects and Activities



Rural Projects and Activities



Public/Private Operations and Maintenance



Conservation Strategy Implementation

### Urban Projects and Activities

Urban projects and activities include covered activities that consist of general urban development, urban public services, infrastructure, and utilities within urban planning units (Planning Units 19, 20, 21, and 22). During the reporting period, five urban projects received streamlined permits through the Yolo HCP/NCCP. These projects included two hotels, residential roads and stormwater

collection associated with a residential housing site, and public trails within city owned open space areas providing a range of benefits for the communities in the Plan Area. Highlights of these approved projects are provided below.

### **General Urban Development:**

The City of Woodland issued permits for two hotel projects, the Staybridge Hotel and Avid Hotel. Both of these projects are on developed or barren land cover so no natural community land cover types were impacted by these projects.

### **General Urban Development and Public Services:**

The Yolo Habitat Conservancy issued a permit to the Yocha Dehe Wintun Nation for the construction of new residential roads and supporting stormwater collector channel associated with the Kisi Community project. This project is not subject to the jurisdiction of the Permittees due to its location on tribal lands; however, the Yolo Dehe Wintun Nation requested coverage under the Yolo HCP/NCCP as a SPE. The other two general urban development and public services projects covered by the Yolo HCP/NCCP during the reporting period included trails on parks managed by the City of Woodland and City of Davis. These projects are classified as urban projects due to the location of the project sites being within urban planning units.



*Woodland Regional Park Trail project construction.  
Photo Credit: Lars Anderson*

## Public and Private Operations and Maintenance

Operations and maintenance activities include activities that are necessary for the ongoing operations and maintenance of existing and planned land uses, facilities, and services in both urban and rural planning units throughout the Plan Area. Activity types that are eligible for coverage for operations and maintenance include: general urban and rural development operations and maintenance; public services, infrastructure, and utilities operations and maintenance; roads, bridges, bike lanes, and multi-use pathways; flood control facilities; general utilities; and activities associated with the Cache Creek Resources Management Plan. No operations and maintenance activities received permit coverage under the Yolo HCP/NCCP during FY19/20.

## Conservation Strategy Implementation Projects

The Yolo HCP/NCCP provides take authorization for the actions described in Chapter 6, Conservation Strategy, of the Plan. The activity types include all the habitat modification, management and monitoring activities undertaken for the purposes of implementing this HCP/NCCP, as well as projects implemented by other groups that build on and support decades of local, state, and federal conservation efforts in the Plan Area, including conservation activities within the Yolo Bypass Wildlife Area, implementation of the Cache Creek Resources Management Plan (CCRMP) and Willow Slough Watershed Integrated Resources Management Plan, and the efforts of the Lower Putah Creek Coordinating Committee.

### **Public Access and Recreation in the Reserve System:**

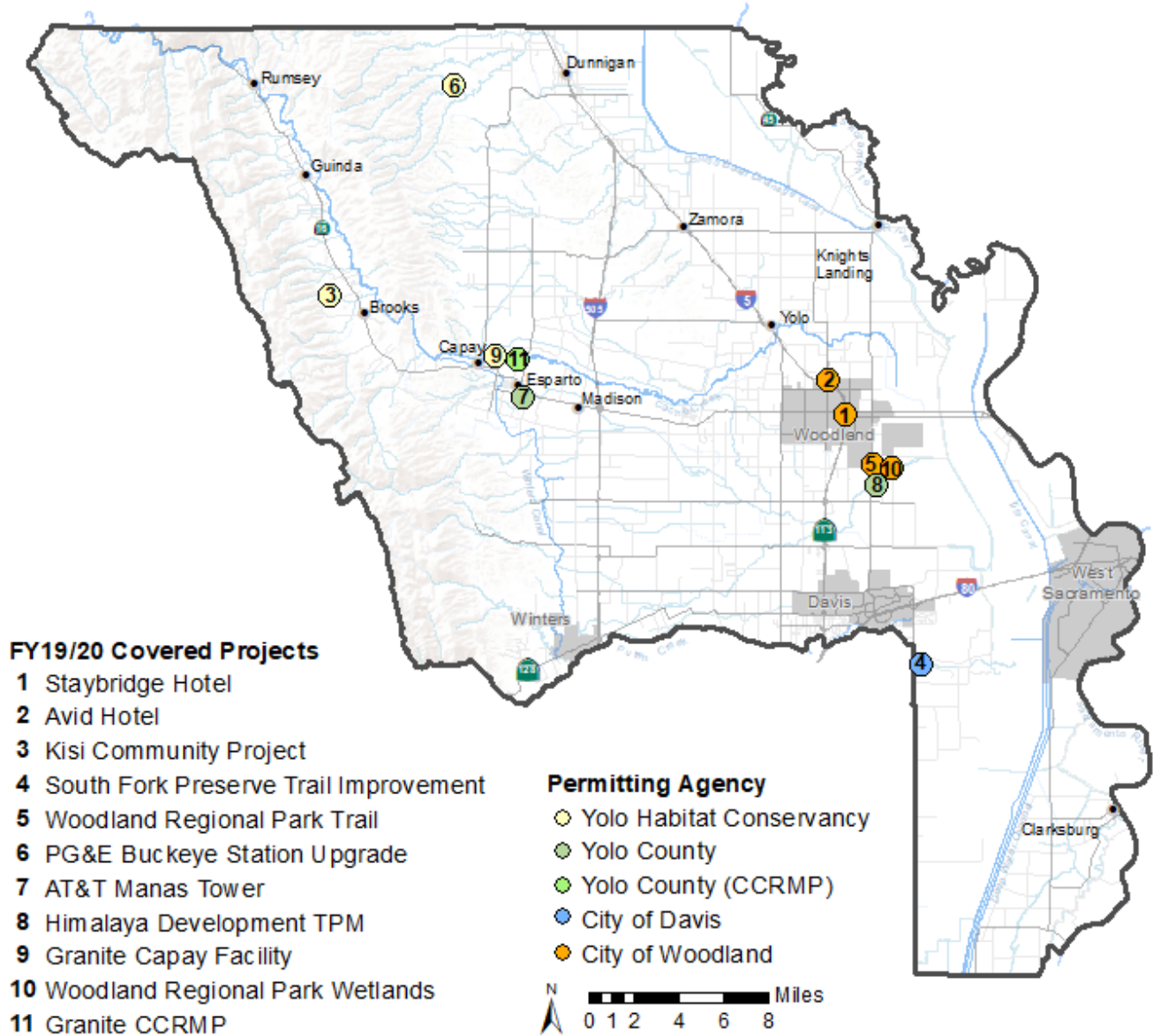
The City of Woodland issued itself permits to cover the habitat restoration activities associated with the creation of the Woodland Regional Park wetlands. The acreages of restored habitat will count directly towards the HCP/NCCP Conservation Strategy goals once the site is enrolled in the reserve system.

### **Habitat Enhancement, Restoration, and Creation:**

The Conservancy issued permits to Granite Construction Company to implement a CCRMP activity consistent with the HCP/NCCP Conservation Strategy. The project involved skimming a gravel bar within Cache Creek to improve the downstream flow that will result in improved creek health and net benefits to covered species.



Figure 2-1: **Covered Activities FY19/20**



**Table 2-1: All covered activities for which take coverage was granted during FY19/20**

Project ID	Project Name	Activity Type	Covered By	Description	Perm. Impacts (acres)	Temp. Impacts (acres)
<b>Urban Projects and Activities</b>						
(1) 2018_05	Staybridge Hotel	General Urban Development	City of Woodland	The project consists of the construction of a 109 room, 4-story, 75,286 square foot hotel.	0	0
(2) 2018_10	Avid Hotel	General Urban Development	City of Woodland	The project consists of the construction of a 79 room, 4-story, 37,003 square foot hotel.	0	0
(3) 2019_09	Kisi Community Project	General Urban Development and Public Services	YHC (SPE)	The project consists of construction of new residential roads and supporting stormwater collector channel.	1.19	0
(4) 2019_11	South Fork Preserve Trail Improvement	General Urban Development, Public Service	City of Davis	The project enhances the public accessibility of the preserve in an effort to increase access and protect the habitat.	1.82	0
(5) 2019_22	Woodland Regional Park Trail	General Urban Dev., Public Services, Public Access and Recreation in the Reserve System	City of Woodland	The project consists of construction of a 1,600-foot pedestrian trail along a constructed wetland within a regional park.	0.9	0
<b>Rural Projects and Activities</b>						
(6) 2019_04	PG&E Buckeye Station Upgrade	Rural Public Service, Infrastructure and Utilities	YHC (SPE)	The project consists of replacing and/or upgrading the control valves and control hardware at Buckeye Creek Pressure Limiting Station for significantly improved reliability and performance.	9	0
(7) 2019_19	AT&T Manas Cell Tower	Rural Public Service, Infrastructure and Utilities	Yolo County	The project consists of the construction of a cellular tower.	0	0
(8) 2019_21	Himalaya Development TPM	General rural development and agricultural economic development	Yolo County	A parcel map to divide an approximately 157-acre agricultural parcel into a 43-acre parcel and a 113.5-acres parcel.	2.5	0
(9) 2019_23	Granite Capay Facility	Aggregate Mining	YHC (SPE)	The project consists of removal of one isolated elderberry shrub to facilitate mining activities as a part of an approved mining and reclamation plan.	0.3	0

**Table 2-1 (continued)**

Project ID	Project Name	Activity Type	Covered By	Description	Perm. Impacts (acres)	Temp. Impacts (acres)
<b>Urban Projects and Activities</b>						
<b>Public and Private Operations and Maintenances</b>						
none						
<b>Conservation Strategy Implementation<sup>a,b</sup></b>						
(10) 2019_22	Woodland Regional Park Wetlands	Conservation Strategy	City of Woodland	The project consists of converting an approximately 22-acre landfill borrow pit to a wetland.	0	22.2
(11) ---	Granite CCRMP	CCRMP and Conservation Strategy Implementation	Yolo County (CCRMP)	The project consists of skimming an in-channel gravel bar to support CCRMP activities covered by the HCP/NCCP, "erosion control and channel maintenance" and "channel stabilization."	0.0	58

<sup>a</sup> The Yolo HCP/NCCP take limits do not apply to area of impact on natural communities or covered species habitat when the impacts result from conservation measures because the Yolo HCP/NCCP assumes conservation measures will have substantial net benefits to covered species. The limits imposed by the permits only apply to acres of natural communities or habitat for covered species that are lost to covered activities that are not conservation measures.

<sup>b</sup> The Yolo HCP/NCCP incorporated the CCRMP restoration and enhancement actions into its conservation strategy to help meet the HCP/NCCP's biological objectives for ecosystem processes, natural communities and covered species, as described in Section 6.5.8.1.1 of the HCP/NCCP. Implementation of the CCRMP is both a covered activity and a conservation measure. The exception to this rule is for bank swallow nesting habitat, the HCP/NCCP provides for no more than 37 acres of barren floodplain to be permanently affected by bank stabilization activities along Cache Creek to protect property or valuable resources (Yolo HCP/NCCP, Section 5.7.11.1.1).

**Table 2-2: Permanent and temporary acreages disturbed by land cover type for the collective covered activities in the reporting period and cumulatively.**

	Reporting Period Impacts (acres)		Cumulative Impacts (acres)		Total Allowed Impacts (acres)		Cumulative Impacts (% toward cap)	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
<b>Natural Communities</b>								
Rice	--	--	--	--	87	--	0.00%	NA
Cultivated Lands (non-rice)	--	--	18.9	--	9,910	203	0.19%	NA
Grassland	7	--	8.8	1.9	1,734	28	0.51%	6.78%
Blue Oak Woodland	0.4	--	0.4	0	3	--	13.30%	NA
Alkali Prairie	--	--	0	0	4	4	0.00%	NA
Fresh Emergent Wetland	--	--	0.20 <sup>a</sup>	--	88	--	0.22%	NA
Valley Foothill Riparian	2.23	--	2.33	--	588	--	0.40%	NA
Lacustrine and Riverine	0.78	--	0.88	0.4	236	31	0.37%	1.29%
Barren Floodplain	--	--	--	--	37	--	0.00%	NA
<b>Total Natural Communities<sup>b,c</sup></b>	<b>10.41</b>	<b>0</b>	<b>31.51</b>	<b>2.3</b>	<b>12,649</b>	<b>266</b>	<b>0.25%</b>	<b>0.86%</b>

<sup>a</sup> The Annual Report prepared for FY18/19 documented 0.1-acres of temporary loss of Fresh Emergent Wetland. Because Table 5-1 of the HCP/NCCP does not identify any acres of temporary loss for that land cover type the acreages were shifted to the permanent column for the cumulative impacts and the percentage towards the total allowed impacts were recalculated.

<sup>b</sup> The totals for natural community loss do not match total impacts in Table 2-1 because some of the impacts consisted of land cover types that provide covered species habitat but do not belong to any natural communities with maximum allowable loss as listed in Table 5-1 of the HCP/NCCP (e.g., barren land that may support covered species).

<sup>c</sup> The Yolo HCP/NCCP take limits do not apply to area of impact on natural communities or covered species habitat when the impacts result from conservation measures because the Yolo HCP/NCCP assumes conservation measures will have substantial net benefits to covered species. The temporary impact acres resulting from Conservation Strategy Implementation are not included in Table 2-2 because by definition, any temporary loss of natural communities or habitat as a result of conservation measures is assumed to have substantial net benefits to the covered species. The exception to this rule is for bank swallow nesting habitat. The HCP/NCCP provides for no more than 37 acres of barren floodplain to be permanently affected by bank stabilization activities along Cache Creek to protect property or valuable resources (Yolo HCP/NCCP, Section 5.7.11.1.1).

**Table 2-3: Permanent and temporary acreages disturbed by modeled habitat for the collective covered activities in the reporting period and cumulatively.**

Covered Species	Reporting Period Impacts (acres except where noted)		Cumulative Impacts (acres except where noted)		Total Allowed Impacts (acres except where noted)		Cumulative Impacts (% toward cap)	
	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary	Permanent	Temporary
<b>Valley elderberry longhorn beetle</b>								
Riparian habitat	3	0	3	0	523	0	0.57%	NA
Non-riparian habitat	0	0	0	0	61	1	0%	0%
<b>Total</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>584</b>	<b>1</b>	<b>0.51%</b>	<b>0%</b>
<b>California tiger salamander</b>								
Aquatic breeding habitat	0	0	0	0	12	1	0%	0%
Upland habitat	6.2	0	6.2	0	398	1	1.56%	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>6.2</b>	<b>0</b>	<b>410</b>	<b>2</b>	<b>1.50%</b>	<b>0%</b>
<b>Western pond turtle</b>								
Aquatic habitat	0.78	0	0.98	0.41	369	31	0.27%	1.32%
Nesting and overwintering habitat	6.84	0	6.84	0	3,133	112	0.22%	0.00%
<b>Total</b>	<b>7.62</b>	<b>0</b>	<b>7.82</b>	<b>0.41</b>	<b>3,502</b>	<b>143</b>	<b>0.22%</b>	<b>0.29%</b>
<b>Giant garter snake</b>								
Rice habitat	0	0	0	0	87	0	0.00%	NA
Aquatic habitat	0	0	0.2	0.36	109	1	0.18%	36.00%
Freshwater emergent habitat	0	0	0	0.05	76	0	0.00%	NA
Active season upland movement	0	0	0.8	0.42	441	3	0.18%	14.00%
Overwintering habitat	0	0	0.06	0	1,235	5	0.00%	0.00%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1.06</b>	<b>0.83</b>	<b>1,948</b>	<b>9</b>	<b>0.05%</b>	<b>9.22%</b>
<b>Swainson's hawk</b>								
Nesting habitat	2.63	0	2.64	0	651	0	0.40%	NA
Natural foraging habitat	6.7	0	8.37	1.85	1,407	22	0.59%	8.41%
Cultivated lands foraging habitat	0	0	17.83	0	9,399	202	0.19%	0.00%
<b>Total</b>	<b>9.33</b>	<b>0</b>	<b>28.84</b>	<b>1.85</b>	<b>10,806</b>	<b>224</b>	<b>0.27%</b>	<b>0.83%</b>
Nest trees	0	0	0	0	20 <sup>a</sup>	0	0.00%	NA
<b>White-tailed kite</b>								
Nesting habitat	3.41	0	3.42	0	661	0	0.52%	NA
Primary foraging habitat	6.7	0	8.37	1.85	2,609	29	0.32%	6.38%
Secondary foraging habitat	0	0	17.83	0	7,969	205	0.22%	0.00%
<b>Total</b>	<b>10.11</b>	<b>0</b>	<b>29.62</b>	<b>1.85</b>	<b>10,578</b>	<b>234</b>	<b>0.22%</b>	<b>0.79%</b>
<b>Western yellow-billed cuckoo</b>								
Nesting/foraging habitat	0	0	0	0	59	0	0%	0%
<b>Western burrowing owl</b>								
Primary habitat	9.5	0	9.5	0	861	1	1.10%	0%
Other habitat	0	0	0	0	2,311	218	0%	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,172</b>	<b>219</b>	<b>0.30%</b>	<b>0%</b>
<b>Least Bell's vireo</b>								
Nesting/foraging habitat	1.82	0	1.82	0	39	0	4.66%	0%
<b>Bank swallow</b>								
Nesting habitat	0	0	0	0	37	0	0%	0%
<b>Tricolored blackbird</b>								
Nesting habitat	0	0	0	0	86	0	0%	0%
Foraging habitat	5.8	0	5.8	0	8,942	230	0.06%	0%
<b>Total</b>	<b>5.8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,028</b>	<b>230</b>	<b>0.06%</b>	<b>0%</b>
<b>Palmate-bracted bird's beak</b>								
Habitat	0	0	0	0	4	0	0%	0%

<sup>a</sup> The Swainson's hawk nest tree take limit is set at 20 to account for the implementation of avoidance and minimization measures. The number of nest trees per planning unit will not exceed those provided in Table 5-5 and the total will not exceed 20 nest trees.

# 3. Acquisition and Restoration

- This chapter describes Yolo HCP/NCCP land acquisition and restoration activities that occurred during the reporting period.

## Acquisition

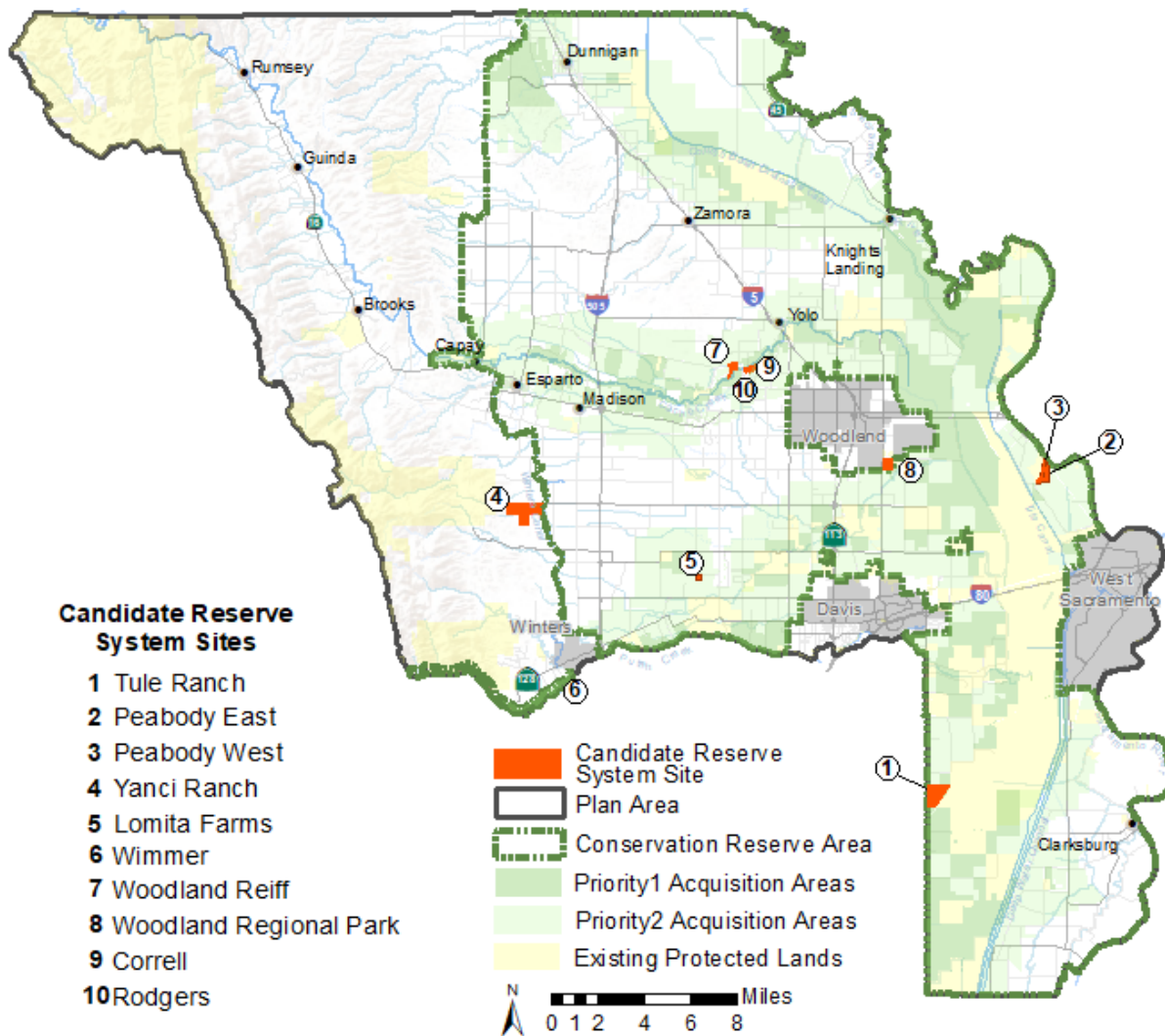
The heart of the Yolo HCP/NCCP conservation strategy is the creation of a reserve system that will include at least 33,406 acres (and up to 956 acres of additional restored natural community if loss of all allowable acres occurs) for the benefit of covered species, natural communities, biological diversity, and ecosystem function. The Conservancy will select lands for the reserve system based on reserve system assembly principles, criteria, and guidelines described in Yolo HCP/NCCP Section 6.4.1 Conservation Measure 1: Establish Reserve System. Of the 32,406 acres, 24,406 acres will consist of newly protected lands and 8,000 acres will consist of pre-permit reserve lands that the Conservancy enrolls into the reserve system and manages and monitors consistent with the Yolo HCP/NCCP.



STAC site evaluation at Correll Site.  
Photo Credit: Chris Alford

No sites were enrolled in the Yolo HCP/NCCP reserve system in, or prior to, FY19/20. However, as shown in Table 3-1, the Conservancy has been actively working on making progress towards the enrollment of 10 sites. The Yolo HCP/NCCP has a two-step approval process for enrolling reserve system sites that is described along with the rest of the acquisition process in Yolo HCP/NCCP Section 7.5.2 Acquisition Process. The initial step involves determining whether the site is an appropriate site for inclusion in the reserve system based on information provided in an initial evaluation conducted by Conservancy representatives and a site and species evaluation conducted by the Yolo HCP/NCCP Science and Technical Advisory Committee (STAC). Once the Conservancy, CDFW, and USFWS all approve of a site as a candidate reserve system site, the Conservancy conducts remaining due diligence steps and works with the landowner, CDFW, and USFWS to develop a conservation easement and site-specific management plan using the Yolo HCP/NCCP

Figure 3-1: **Candidate reserve system sites FY19/20**



approved templates. Conservancy representatives then seek approval from the Conservancy's board of directors, CDFW, and USFWS to finalize these documents and enroll the site as a reserve system site. The dates in which approvals are granted are used by the Conservancy to identify the status of a site as an application site, candidate site, or reserve system site. The sites in Table 3-1 are all sites that have been approved as candidate sites either during or prior to FY19/20. The Tule Ranch site received its final approvals for reserve system enrollment during FY19/20; however, due to COVID, fires, and other factors the landowner opted to postpone recording the easement on the property. Since the easement for Tule Ranch was recorded in FY20/21, the Conservancy will document the acquisition of the site and the amount of natural and semi-natural community land cover and covered species habitat it provides in the FY20/21 annual report.

**Table 3-1: Status of reserve system site acquisitions through FY19/20**

Site Name	Approximate Area (acres)	Primary Land Cover Type(s)	Candidate Site Approvals			Final Enrollment Approval		
			YHC	CDFW	USFWS	YHC	CDFW	USFWS
<b>Tule Ranch</b>	433.01	cultivated lands (pasture)	5/18/15 <sup>a</sup>	<b>3/25/20</b>	<b>3/26/20</b>	<b>1/27/20</b>	<b>3/25/20</b>	<b>3/26/20</b>
<b>Peabody East</b>	101.1	cultivated lands (field crops)	11/16/15 <sup>b</sup>	4/15/19	4/15/19	-	-	-
<b>Peabody West</b>	101.17	cultivated lands (field crops)	11/16/15 <sup>b</sup>	4/15/19	4/15/19	-	-	-
<b>Yanci Ranch</b>	795	grassland	2/22/16	<b>8/6/19</b>	<b>8/6/19</b>	-	-	-
<b>Lomita Farms</b>	40	grassland	<b>9/16/19</b>	<b>12/5/19</b>	<b>12/5/19</b>	-	-	-
<b>Wimmer</b>	20	valley foothill riparian, riverine	<b>9/16/19</b>	<b>12/5/19</b>	<b>12/5/19</b>	-	-	-
<b>Woodland Reiff</b>	115	grasslands, valley foothill riparian, riverine, seasonal wetland	<b>1/27/20</b>	<b>12/5/19</b>	<b>12/5/19</b>	-	-	-
<b>Woodland Regional Park</b>	167	grasslands, fresh emergent wetland, lacustrine	<b>1/27/20</b>	<b>1/8/20</b>	<b>1/8/20</b>	-	-	-
<b>Correll</b>	38.9	valley foothill riparian, grasslands, riverine, seasonal wetland	<b>5/18/20</b>	<b>6/4/20</b>	<b>6/4/20</b>	-	-	-
<b>Rodgers</b>	30	valley foothill riparian, grasslands, riverine, seasonal wetland	<b>5/18/20</b>	<b>6/4/20</b>	<b>6/4/20</b>	-	-	-

a. Site was initially approved as a Swainson's hawk foraging habitat mitigation program mitigation receiving site.

b. Site was initially approved as a Swainson's hawk foraging habitat conservation easement site.



# Restoration

Restoration is an important part of the overall Yolo HCP/NCCP conservation strategy. The Conservancy will restore riparian, wetland, and aquatic land cover types at a ratio of one acre restored for each acre lost. If all allowable loss occurs, the Conservancy will restore up to 956 acres of riparian woodland and scrub, fresh emergent wetlands, and lacustrine and riverine natural communities. Two restoration efforts were initiated during FY19/20 as described below. The Conservancy is in the process of enrolling the sites where these projects are located in the Yolo HCP/NCCP reserve system and will count this restoration towards the conservation commitments of the Yolo HCP/NCCP when conservation easements are recorded on each site.

## Woodland Regional Park Wetlands Restoration

The City of Woodland, Tuleyome, and the California Waterfowl Association, with input from the Conservancy and a variety of project partners, developed a restoration plan for the former borrow pit located at Woodland Regional Park. The restoration was constructed in 2020 and included excavating deeper open water areas to provide lacustrine habitat; leveling and grading portions of the site to create seasonal wetlands to provide fresh emergent wetland habitat; enhancing and restoring riparian habitat; constructing disturbance-free habitat islands and features that provide



*Woodland Regional Park wetlands construction site.  
Photo Credit: Lars Anderson*

shelter, nesting, or foraging habitat for various life stages of the covered species; and planting a variety of native riparian and wetland plants. A new well was drilled on site, equipped with a variable speed pump to provide groundwater with which the pond water level can be raised. This dedicated water supply system is critical to managing late-summer water levels for aquatic and wetland habitat and will be used to help ensure aquatic habitat is available even during periods of drought. Overall, the restoration project provides 1.23 acres of enhanced riparian habitat, 0.8 acres of restored riparian habitat, 7.26 acres of restored seasonal wetland habitat, and 6.56 acres of restored lacustrine habitat (ICF, 2020).

### Woodland Reiff Elderberry Planting

The Woodland Reiff site is along Cache Creek. The site is held in fee title by Yolo County and is the process of being enrolled as a reserve system site. The Conservancy hired Triangle Properties to clear an approximately 5-acre portion of the site that was previously a mesic grassland area dominated by yellow starthistle and subsequently plant approximately 3.14 acres within that area with elderberries (both seedlings and transplants) as well as a variety of other native species as part of an HCP/NCCP VELB mitigation effort in 2019. This effort included transplanting elderberry (*Sambucus nigra*, ssp. *cerulea*) shrubs in 24 locations, planting 327 elderberry seedlings, and planting 567 other associated native plant seedlings. The native plants that were planted within the area in addition to elderberry include: 17 California blackberry (*Rubus ursinus*), 55 California box elder (*Acer negundo*), 42 California wild grape (*Vitis californica*), 78 California wild rose (*Rosa californica*), 55 Coyote brush (*Baccharis pilularis*), 59 Fremont cottonwood (*Populus fremontii*), 18 mule fat (*Baccharis salicifolia*), 33 Oregon ash (*Fraxinus latifolia*), 29 red willow (*Salix laevigata*), 23 sandbar willow (*S. exigua*), 118 valley oak (*Quercus lobata*), and 40 western sycamore (*Platanus racemosa*) (Triangle Properties, Inc. 2020). Temporary irrigation was installed within this area of the site and water is pumped from Cache Creek with a portable stream pump to this area during dry months (April through October) while seedlings are getting established.



*Transplanted elderberries at Woodland Reiff VELB planting site.  
Photo Credit: Chris Alford*

# 4. Reserve Management

- This chapter provides a summary of all land management activities, including specific enhancement measures, undertaken on Yolo HCP/NCCP reserve lands and discusses the overall and site-specific management issues encountered by the Conservancy during the reporting period. This chapter also identifies enhancement actions the Conservancy has not implemented in accordance with the implementation schedule (i.e., behind or ahead of schedule) and an explanation for the deviation from the schedule.

## Enhancement Measures

### Tule Ranch Tree Planting:

The Tule Ranch site is an existing Swianson’s hawk foraging habitat mitigation site that went through the review and approval process for becoming an HCP/NCCP reserve system site (See Chapter 3 for more information about the site). Per the recommendation of the STAC, the Conservancy required that the landowner of Tule Ranch commit to plant at least ten cottonwood trees around the existing pond as a condition of enrollment of the site in the Yolo HCP/NCCP reserve system



*Tule Ranch tree planting.  
Photo Credit: Scott Stone*



*Tule Ranch tree planting site.  
Photo Credit: Scott Stone*

in an effort to increase the future availability of nest tree sites. The landowner planted twelve cottonwood trees in March 2020 that were each approximately 16 feet tall and 4 inches in diameter. The day after the landowner planted them, a beaver cut down one of the trees. The landowner placed protective wiring around the remaining eleven trees and have not had any additional issues. This enhancement effort contributes towards HCP/NCCP Objective SH1.5 by establishing trees suitable for Swainson's hawk nesting within the cultivated lands reserve system.

## Schedule

FY19/20 was the first full year of Yolo HCP/NCCP implementation and no sites are currently enrolled in the reserve system so the majority of efforts associated with the reserve system involved initial efforts to evaluate and enroll sites into the reserve system and conduct species baseline monitoring efforts. The Conservancy is not behind schedule on any enhancement actions.

# 5. Monitoring, Research, and Adaptive Management

■ This chapter summarizes the monitoring, research, and adaptive management activities the Conservancy and partners conducted during the reporting period. For monitoring activities, information provided includes a description of monitoring activities undertaken during the reporting period, a summary of monitoring results, data analysis results, and any knowledge gained from monitoring that is valuable to adaptive management. For directed studies, information provided includes a description of each study conducted during the reporting period, a summary of study results to date, and a description of how these results were or will be integrated into implementation. For adaptive management, information provided includes a description of the adaptive management decisions made during the reporting period, including how existing information was used to guide these decisions and the rationale for the actions; description of the use of independent scientists or other experts in the adaptive management decision-making processes; and a description of adopted and recommended changes to the conservation measures, avoidance and minimization measures, and monitoring plan(s).

This chapter also includes key components of the Yolo HCP/NCCP’s compliance monitoring requirements for the stay-ahead provision and for changed and unforeseen circumstances.

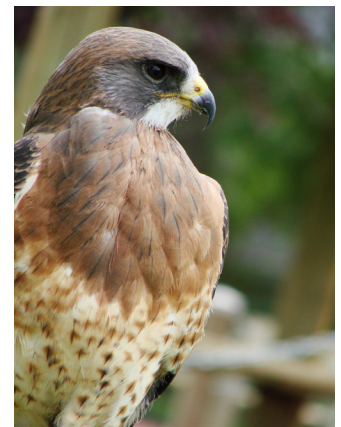
## Effectiveness Monitoring

During FY19/20, two different species-level monitoring efforts were undertaken to establish the baseline status of covered species. On

monitoring effort was a Plan Area survey of the Swainson’s hawk nesting population while the other survey was a baseline survey of the palmate-bracted bird’s beak population on the Woodland Regional Park site.

### Swainson’s hawk nesting surveys

In compliance with monitoring provisions in Section 6.5.6.3.6 of the Yolo HCP/NCCP, the Conservancy contracted with Estep Environmental Consulting to conduct a census of the nesting population of Swainson’s hawks within the Yolo HCP/NCCP Plan Area during the 2020 breeding season. White-tailed kite nests observations were also documented as a part of this survey. Monitoring efforts were conducted between April and July 2020. A total of 381 occupied nesting territories were located, exceeding the threshold population number of 270 that would trigger remedial conservation actions as described in Yolo HCP/NCCP Section 7.7.1.2.8. Estep also evaluated the amount of suitable foraging habitat

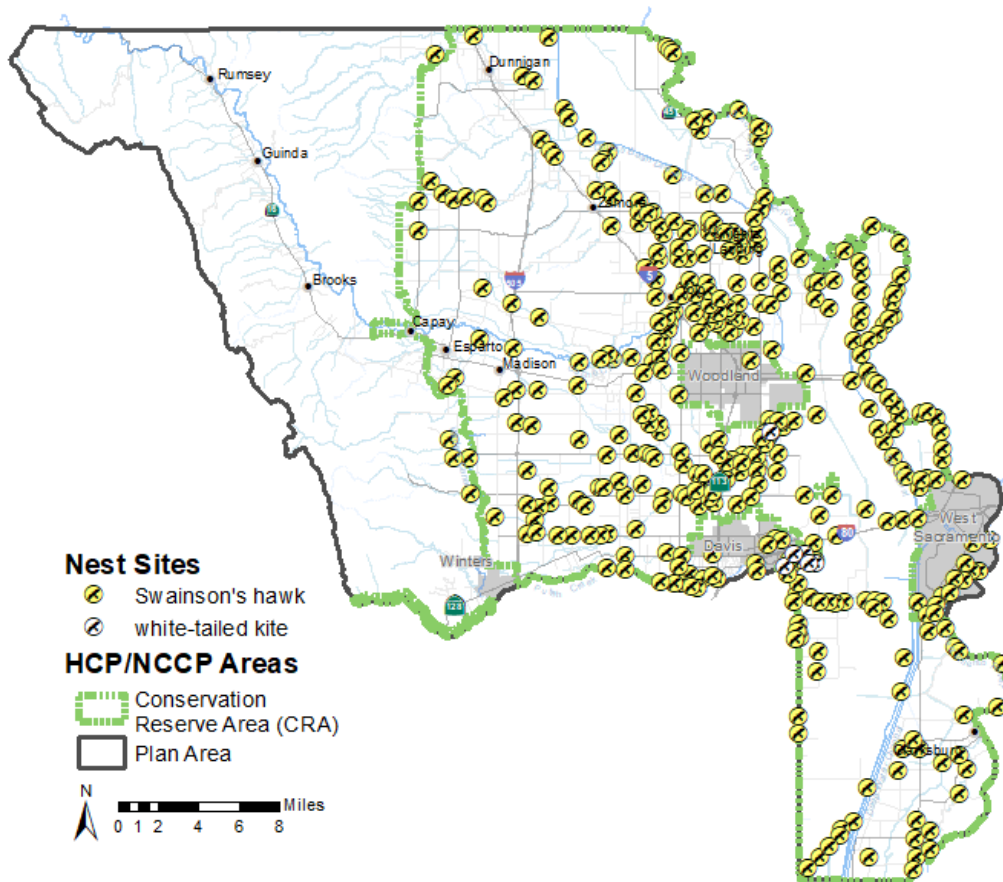


Swainson’s hawk.  
Photo Credit: AdobeStock

available at the time of the monitoring survey and estimated a total of 280,842 acres of suitable foraging habitat, including 25,000 acres of high value habitat (Estep, 2020). While available foraging habitat is currently above the threshold that would trigger remedial conservation action, it is still significantly less than the 327,083 acres of suitable foraging habitat identified in the 2007 survey. This reduction is correlated with a rapid increase in the conversion of suitable crop types to orchards.

Although a greater number of nesting territories and a higher rate of successful nests were observed in 2020 compared to the 2007 survey, the overall fledgling success rate averaged only one successful fledgling per nest. This low reproductive rate is consistent with recent monitoring in Sacramento County and elsewhere in the species' range. Estep speculates that this low reproductive rate is related to limited food resources in cultivated habitats or other reproduction-suppressing mechanisms (Estep, 2020). The Conservancy intends to update the crop information in the HCP/

Figure 5-1: **Nest site locations surveyed in 2020**



NCCP land cover layer in 2021 as part of an effort to identify priority areas for reserve system establishment that provide suitable foraging habitat within immediate proximity of suitable nest tree sites. The Conservancy will also utilize the occupied nest site location data collected during the 2020 Swainson's hawk nest population survey in the candidate conservation easement site evaluation process and as a baseline to inform future monitoring and long-term adaptive management efforts.

### **Palmate-bracted bird's-beak baseline survey**

In compliance with monitoring provisions in Section 6.5.6.3.1 of the Yolo HCP/NCCP, the Conservancy contracted with the Center for Natural Lands Management (CNLM) to conduct a comprehensive baseline survey of palmate-bracted bird's-beak (PBBB) on Woodland Regional Park. This site is the one site identified for inclusion in the Yolo HCP/NCCP reserve system that has a known subpopulation of PBBB occurring on the site. The purpose of this monitoring effort was to document the occurrence and relative abundance of the species and to acquire the baseline data necessary to evaluate long-term adaptive management and monitoring. Surveys were conducted in June and early July 2020.

One patch of PBBB, with an estimated 282 individuals, was observed at Woodland Regional Park during the 2020 survey effort (CNLM, 2020). This known subpopulation of PBBB has been observed in this location in the past. The number of individuals observed during surveys conducted sporadically between 1996 and 2019 ranged from 0 to 482 individuals. In the most recently conducted surveys, CNLM staff observed an estimated 87 individuals in 2017, 42 individuals in 2018, and 85 individuals in 2019 (CNLM, 2020).

Non-native invasive species including perennial pepperweed and yellow starthistle were observed at Woodland Regional Park within the same area as the PBBB patch. The Conservancy intends to include management of these and other invasive species in the Woodland Regional Park management plan. The Conservancy will also use this information as a baseline to inform future monitoring and long-term adaptive management efforts.



*Palmate-bracted bird's beak.*

*Photo Credit: Yolo Habitat Conservancy archives*

## Targeted Studies

No targeted studies were conducted during the reporting period.

## Adaptive Management

No adaptive management occurred during the reporting period.

## Stay-Ahead Provision Compliance Monitoring

The conservation strategy of an NCCP must be implemented at or faster than the rate at which the loss of natural communities or habitat for covered species occurs so that conservation always stays ahead of effects and rough proportionality is maintained between adverse effects on natural communities or covered species and conservation measures (California Fish and Game Code Section 2820(b)(3)(B)). The Yolo HCP/NCCP stay-ahead provision requires the Conservancy to ensure the amount of each natural community conserved, restored, or created by the Conservancy as a proportion of the total requirement for each natural community is roughly proportional to the impact on that natural community as a proportion of the total impact expected by all covered activities.

To measure compliance with the stay-ahead provision, the amount of each natural community conserved, restored, or created as a proportion of the total requirement by natural community must be equal to or greater than the impact on the natural community as a proportion of the total impact expected by all covered activities. As long as the pace of conservation measure implementation (i.e., preservation, restoration, or creation) does not fall behind the pace of covered activity impacts by more than 10 percent, the Conservancy will meet the stay-ahead provision.

The following assessment, once required, will provide an overview of status of Yolo HCP/NCCP reserve system assembly with respect to authorized take/habitat loss and a description of how implementation of conservation measures is roughly proportional in time and extent to the impacts on covered species and their habitats.

### Stay-Ahead Assessment

The stay-ahead provision applies two years after the last local ordinance takes effect. As the reporting period pre-dates this timeline, no stay-ahead assessment is provided.



# Unforeseen and Changed Circumstances Compliance

Unforeseen circumstances are events the Conservancy could not reasonably anticipate during development of the Yolo HCP/NCCP. If unforeseen circumstances arise during the life of the Yolo HCP/NCCP, wildlife agencies will not require the commitment of additional land or financial compensation or additional restrictions on the use of land, water, or other natural resources, other than those in the HCP/NCCP, unless the permittees authorize consent. Within these constraints, the wildlife agencies may require additional measures, but only if (1) they prove an unforeseen circumstance exists, (2) such measures are limited to modifications of the Yolo HCP/NCCP's operating conservation program for the affected species, (3) the original terms of the Yolo HCP/NCCP are maintained to the maximum extent practicable, and (4) the overall cost of implementing the Yolo HCP/NCCP is not increased by the modification. This section provides a description of actions implemented to respond to unforeseen circumstances.

Changed circumstances are changes in circumstances that affect a species or geographic area covered by an HCP that plan developers and wildlife agencies and can reasonably anticipate and for which they can plan. The Yolo HCP/NCCP identifies eight categories of changed circumstances and the triggers for when a changed circumstance occurs. This section provides a description of actions implemented to respond to changed circumstances.

## Unforeseen Circumstances

No unforeseen circumstances occurred in the reporting period.

## Changed Circumstances

The eight categories of changed circumstances identified in the Yolo HCP/NCCP and a summary of status during the reporting period are provided below.

**1. New species listings.** In the event that USFWS or CDFW lists a species whose range includes any portion of the Plan Area and that species is not already covered by the Yolo HCP/NCCP, the provisions of this changed circumstance will be automatically triggered.

A changed circumstance due to new species listing did not occur in the reporting period.

**2. Climate change.** Under the Yolo HCP/NCCP, an increase in temperature of up to 2.5°C (4.5°F), measured as a 10-year running average for three baseline periods (i.e., average annual temperature, average summer temperature [June, July, and August], and average winter temperature [December,

January, and February]) is considered a changed circumstance. Table 5-1 tracks the 10-year running average for three baseline periods.

A changed circumstance due to climate change did not occur in the reporting period.

**3. Wildfire.** The Yolo HCP/NCCP anticipates up to four catastrophic fires (each more than 10,000 acres) within the study area over the course of the permit term. This level of fire occurrence would be considered a changed circumstance for the purposes of the Yolo HCP/NCCP. In the event of a wildfire, the Conservancy will assess the proportion of the protected habitat area that has burned and likely effects on habitat use by covered species. The Conservancy will make an initial determination of whether or not the fire constitutes a changed circumstance and notify the wildlife agencies of the fire event.

A changed circumstance due to wildfire did not occur in the reporting period.

**4. Nonnative invasive species or disease.** Under the Yolo HCP/NCCP, the following are considered changed circumstances:

Infestations of new diseases or new nonnative invasive species that affect up to 25 percent of the extent (i.e., acres) of a predominant natural community (i.e., valley foothill riparian) or occupied covered species habitat within the reserve system in any given year; and

Spread of nonnative species or diseases on up to 25 percent within the reserve system in any given year.

A changed circumstance due to nonnative invasive species or disease did not occur in the reporting period.

**5. Flooding.** Flood damage in protected natural communities and habitats caused by storms that are at or below a 100-year flood event on a given stream is a changed circumstance.

A changed circumstance due to flooding did not occur in the reporting period.

**6. Drought.** The Yolo HCP/NCCP will fund remedial actions for up to five droughts that occur during the permit term. Of the five droughts, only one is anticipated to be more than six years in duration.

A changed circumstance due to drought did not occur in the reporting period.

**7. Earthquakes.** The Yolo HCP/NCCP will fund remedial actions for damage to reserve system infrastructure, natural communities, and covered species from any earthquake of magnitude 7.1 or lower.

A changed circumstance due to earthquake did not occur in the reporting period.

**8. Loss of Swainson's hawk habitat and populations declining below the threshold.**

Under the Yolo HCP/NCCP, the Conservancy committed to evaluating the effects on the Swainson's hawk nesting population if the amount of Swainson's hawk foraging habitat falls below 267,750 total acres or 24,560 high-value acres. The Conservancy committed to then meet and confer with the wildlife agencies if this evaluation determines that the nesting population has fallen below 240 breeding pairs.

Table 5-2 tracks Swainson's hawk habitat data as specified in Section 7.7.1.2.8, Regional Loss of Swainson's Hawk Habitat. This table indicates that the amount of high-value acres did not fall below the 24,560-acre threshold, and total acres of habitat did not fall below the 267,750-acre threshold. The amount of high-value and total habitat, however, has dropped significantly since Estep's evaluation on which the Conservancy based the changed circumstances strategy (Estep, 2015). The current acreage is close to the threshold, so the Conservancy hired Estep Environmental Consulting to conduct a countywide Swainson's hawk nest survey in 2020, to assess the number of breeding pairs and whether that number has fallen below the 240-pair threshold. A total of 381 occupied nesting territories, with a total of 377 active nests, were identified during this survey effort, which is greater than both the 240-pair threshold and the 290 occupied nesting territories observed by Estep during the 2007 survey (Estep, 2020).

A changed circumstance due to loss of Swainson's hawk habitat and populations declining below the threshold did not occur in the reporting period.

## 6. Program Administration

- This chapter summarizes administrative changes, minor modifications and revisions, and formal amendments to the HCP/NCCP proposed or approved during the reporting period.

### Administrative Changes

Administrative changes are actions taken on the basis of Yolo HCP/NCCP interpretations that do not substantively change the purpose or intent of the Yolo HCP/NCCP's provisions and do not require modification or amendment of the Yolo HCP/NCCP or its associated authorizations. During the reporting period the following administrative changes were made:

#### Annual Fee Adjustment

The Conservancy adjusted the HCP/NCCP fees on March 16, 2020, consistent with Yolo HCP/NCCP Section 8.4.1.6.1 Automatic Adjustment of Fees and the Ordinance Amending the Conservancy's Adopted Fee Ordinance to Authorize the Executive Director to Implement Annual Fee Adjustments (Ordinance No. 2019-02).

### Minor Modifications

Minor modifications are changes to the Yolo HCP/NCCP document made in response to new information, changes in scientific understanding, technological advances, and other such circumstances. Minor modifications do not include changes that would adversely affect covered species, the level of take, or the obligations of Permittees. The Conservancy did make two minor modifications to the Yolo HCP/NCCP during the reporting period. Both are modifications to template documents included as appendices to the Yolo HCP/NCCP.

#### STAC Evaluation Criteria Update (Yolo HCP/NCCP Appendix F)

The Conservancy made modifications to the candidate conservation easement site evaluation process, including the STAC Evaluation Criteria template that is used to evaluate candidate sites, in an effort to improve the site evaluation process by including a more comprehensive review of a property and its surroundings as it relates to the conservation goals and objectives of the HCP/NCCP. Because this document is included in the Yolo HCP/NCCP as Appendix F, changes to the document are considered a minor modification to the Yolo HCP/NCCP if the changes are consistent with the HCP/NCCP conservation strategy. The primary modifications to the site evaluation template include: 1) the addition of site considerations for HCP/NCCP goals and objectives (not just

species), 2) a transmittal memo that clearly summarizes the STAC recommendation and the ways in which the site will contribute to the HCP/NCCP reserve system, and 3) a column was added to summarize existing reserve system contributions so that it is easy to see how the site contributes to meeting HCP/NCCP goals and objectives relative to the current overall status of the reserve system. Conservancy representatives coordinated closely with the STAC when reviewing and making modifications to the existing STAC evaluation template and also provided USFWS and CDFW staff with draft and final versions of the updated STAC evaluation template for review and revisions. USFWS and CDFW representatives approved the updated STAC evaluation criteria update on March 5, 2020 and the Conservancy's Board approved the updated document on March 16, 2020. The updated template is provided as Appendix A.

### **Conservation Easement Template Update (Yolo HCP/NCCP Appendix K)**

Shortly before the Yolo HCP/NCCP received its permit from CDFW and began implementation, Conservancy representatives initiated discussions with staff from the Wildlife Conservation Board (WCB) regarding the steps necessary for a candidate conservation easement site to receive acquisition funding from WCB. Among other requirements, WCB maintains a list of required items for all conservation easements funded by WCB. While the original Yolo HCP/NCCP easement template (Yolo HCP/NCCP Appendix K) meets most of these requirements, there are several requirements such as WCB noticing requirements and funder-specific language that was not contemplated in the original template. Because the Yolo HCP/NCCP easement template is included in the Yolo HCP/NCCP as Appendix K, changes to the document are considered a minor modification to the Yolo HCP/NCCP as long as the changes do not result in adverse effects or take of covered species beyond what the HCP/NCCP provides. The changes made to the easement template are additional notices to WCB in circumstances where the easement is being funded partially or entirely by WCB, funder-specific terms regarding things such as signage and carbon credit sales, and minor administrative edits to fix minor formatting or grammar issues. All of the edits made to the template underwent several rounds of review by Conservancy, WCB, CDFW, and USFWS staff and legal representatives. CDFW and USFWS provided their approval of the updated Yolo HCP/NCCP easement template on January 9, 2020.

The updated template is provided as Appendix B.

## Amendments

Amendments are changes to the Yolo HCP/NCCP that are more significant than administrative actions or the minor modifications described above. Any proposed changes to the Yolo HCP/NCCP that do not qualify for treatment as administrative actions or minor modification require an amendment to the Yolo HCP/NCCP document and corresponding amendment to the permits, in accordance with applicable laws and regulations regarding permit amendments. No amendments to the Yolo HCP/NCCP were completed during the reporting period.

## Other Activities

### **Public Outreach and Education**

The Conservancy used a variety of methods to provide public outreach and education during FY19/20. The Conservancy's primary means of communications with the general public and interested parties includes the maintenance of a public-facing website for the Yolo HCP/NCCP and an email distribution list. The website includes information on establishing conservation easements, annual monitoring reports, permitting applications and other resources, and as well as public outreach materials for landowners and other people who may participate or have interest in the HCP/NCCP. The email distribution list is used periodically to send out announcements about upcoming Conservancy Board Meetings and other information relevant to the Yolo HCP/NCCP. The Conservancy's Interim Executive Director also provided PowerPoint presentations about the Yolo

# 7. Finances

- This chapter summarizes funds collected by the Conservancy for Yolo HCP/NCCP implementation and the source of those funds (e.g., fees, grants), annual and cumulative expenditures by major cost category, and an explanation of deviations in expenditures from the annual budget. This chapter also includes other relevant information as appropriate for annual reporting purposes.

## Financial Structure

The financial structure used to manage the finances of the Yolo HCP/NCCP has six separate funds:

- **Mitigation Fee Fund.** The Conservancy places revenue collected from mitigation fees in this fund and tracks expenditures of mitigation fees.

The Conservancy places revenue from four types of mitigation fees in the Mitigation Fee Fund:

- **Land Cover Fee**
- **Fresh Emergent Wetlands Fee**
- **Valley Foothill Riparian Fee**
- **Lacustrine and Riverine Fee**

- **Grant Fund.** The Conservancy tracks all grant revenues and expenditures through this fund.

- **Other Revenue Fund.** The Conservancy places contribution to recovery fee revenue collected from Special Participating Entities, landowner contributions, and other non-mitigation fee revenue in this fund.

- **Mitigation Trust Account.** This fund contains mitigation fees collected under the Swainson's hawk foraging habitat mitigation program. The Swainson's hawk foraging habitat mitigation program was replaced by the Yolo HCP/NCCP as of January 11, 2019. The Conservancy will eventually exhaust these funds by purchasing conservation easements and close the account.

- **Pre-permit Endowment Fund.** This fund contains endowment funds collected to monitor conservation easements established prior to the official start of Yolo HCP/NCCP implementation (January 11, 2019).

- **Post-permit Endowment Fund.** The Conservancy places a portion of every HCP/NCCP mitigation fee collected in this fund to save for management and monitoring of the reserve system after the permit term ends in 50 years.

# Annual Budget

The Conservancy adopted the annual budget for FY19/20 in May 2019. Table 7-1 below, provides the adopted budget summary along with actual revenue and expenditures accrued during FY19/20.

**Table 7-1: Adopted budget, actual revenue, and actual expenditures for FY19/20**

Description	Mitigation Fee Fund	Mitigation Account Fund	Grant Fund	Pre-Permit Endowment	Post Permit Endowment	Other Revenue Fund	TOTAL
Beginning Balance	\$387,084	\$722,801	-	\$415,074	-	-	<b>\$1,524,959</b>
Transfers*	(\$110,952)	-	\$21,862	-	\$10,368	\$78,722	-
Revenue (Actual)	\$4,433	-	\$180,151	\$3,554	-	\$22,086	<b>\$205,791</b>
Revenue (Budgeted)	\$350,700	\$4,000	\$400,000	-	-	\$105,000	<b>\$859,700</b>
Expenditure (Actual)	(\$526,247)	(\$10,362)	(\$175,718)	(\$5,201)	-	(\$58,553)	<b>(\$776,081)</b>
Expenditure (Budgeted)	(\$738,552)	(\$747,500)	(\$421,000)	-	-	(\$149,226)	<b>(\$1,349,788)</b>
Actual Revenue vs. Expenditure	(\$521,814)	(\$10,362)	\$4,433	(\$1,647)	-	(\$36,467)	<b>(\$565,857)</b>
Closing Balance	\$336,543	\$736,373	\$26,295	\$413,427	\$19,825	\$42,255	<b>\$1,574,718</b>
Revenue Budget to Actual	167%	598%	45%			21%	<b>95%</b>
Expenditure Budget to Actual	71%	1%	42%			39%	<b>57%</b>

\*The transfers between the Grant Fund, Other Revenue Fund, and the Post-Permit Endowment Fund were made to create new funds in the current fiscal year. The new funds will allow the Yolo Habitat Conservancy to track mitigation funds, grant funds, endowment funds, and other revenue with grant or mitigation fee restrictions separately.



## Revenue Sources

The Conservancy received revenue from state and federal grants, as well as mitigation fees. Table 7-2 summarizes the state and federal grants that were actively used during FY19/20 and Table 7-3 summarizes the mitigation fee fund revenue and expenditures for FY19/20.

**Table 7-2: State and federal grant revenue and expenditures for FY19/20**

Funding Source	Funding Entity	Purpose	Awarded to	Amount Awarded	Required Match	Expended through FY19/20
NCCP Local Assistance (P1720901)	CDFW (state)	Early Implementation Framework	YHC	\$75,000	\$15,000	\$72,732
NCCP Local Assistance (P1820101)	CDFW (state)	Reserve System Pre-Acquisition Protocols and Pre-Permit Reserve Lands Enrollment	YHC	\$93,000	\$27,000	\$15,284
Prop 84	WCB (state)	Development Phase IV	YHC	\$275,000	\$68,500	\$188,700
<b>TOTAL</b>				<b>\$443,000</b>	<b>\$110,500</b>	<b>\$276,716</b>

**Table 7-3: Mitigation Fee Fund revenue and expenditures for FY19/20**

	Beginning Balance	Revenue	Interest	Expenditures	Closing Balance
<b>TOTAL</b>	\$281,363	\$576,573	\$10,086	\$535,210	\$332,811

## Endowment Funding

The Conservancy is setting aside 2.5% of every land cover fee and wetlands fee for the Post-Permit Endowment Fund. The Conservancy expects to explore transferring the Post-Permit Endowment Fund to a community foundation in the near future to ensure returns expected for long-term investments.

# Mitigation Fee Act Annual Reporting

The Conservancy provides regular reports on the budget, which include summaries of the acquisition and use of mitigation fee funds to the Conservancy’s Board of Directors during public meetings that comply with the Brown Act. This annual report also contains information necessary to meet the requirements of Govt. Code Sec. 66006 (b) (1) related to the Mitigation Fee Act as follows:

*For each separate account or fund established pursuant to subdivision (a), the local agency shall, within 180 days after the last day of each fiscal year, make available to the public the following information for the fiscal year:*

*(A) A brief description of the type of fee in the account or fund.*

**The purpose of the Land Cover Fee is to mitigate for direct (project impact acreage) and indirect (project land cover fee buffer acreage) impacts on species covered by the Yolo HCP/ NCCP. The Land Cover Fee revenues will be used to fund the acquisition of land that does or could provide habitat for covered species, the management and enhancement of such land and habitat, and the administrative actions necessary to accomplish these tasks, as more particularly set forth in the Yolo HCP/NCCP.**

**The purpose of the Wetlands Fee is to mitigate (in addition to the Land Cover Fee) for impacts to fresh emergent marsh, valley foothill riparian, and lacustrine and riverine land cover types. Revenue from the three Wetlands Fee types will be used to fund the restoration, creation and management of fresh emergent wetland, valley foothill riparian, and lacustrine and riverine lands and the administrative actions necessary to perform these tasks, as more particularly set forth in the Yolo HCP/NCCP.**

*(B) The amount of the fee.*

**Table 7-4: Yolo HCP/NCCP fees at the end of FY19/20**

**The Yolo HCP/NCCP fees are updated annually on or about March 15. As of the March 2020 update, the Yolo HCP/NCCP per acre fees were as follows:**

Fee Type	Fee Amount (per acre)
Land Cover Fee	\$14,950
Wetlands Fee	
Fresh Emergent Marsh	\$76,042
Valley Foothill Riparian	\$84,217
Lacustrine and Riverine	\$60,986

***(C) The beginning and ending balance of the account or fund.***

See Table 7-3.

***(D) The amount of the fees collected and the interest earned.***

See Table 7-3.

***(E) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.***

None reportable within this period.

***(F) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.***

None reportable within this period.

***(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.***

**Table 7-5: Transfers that occurred in FY19/20**

Transfers In	Transfers Out	Amount
Grant Fund	General Fund	\$21,862
Other Revenue Fund	General Fund	\$78,722
Post-Permit Endowment Fund	General Fund	\$10,368
<b>TOTAL</b>		<b>\$110,952</b>

The transfers between the Grant Fund, Other Revenue Fund, and the Post-Permit Endowment Fund were made to create new funds in the current fiscal year.

The new funds will allow the Yolo

Habitat Conservancy to track mitigation funds, grant funds, endowment funds, and other revenue with grant or mitigation fee restrictions separately.

***(H) The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.***

None reportable within this period.

# References

Center for Natural Lands Management (CNLM). September 2020. Palmate-bracted bird's-beak surveys on Woodland Regional Park Property. Report prepared for the Yolo Habitat Conservancy, Woodland, California.

Estep, J. 2015. A Proposed Conservation Strategy for the Swainson's Hawk in Yolo County, California. Prepared for the Yolo County Natural Heritage Program. March 2015.

Estep, J. September 2020. The 2020 Distribution, Abundance, and Habitat Associations of the Swainson's Hawk (*Buteo swainsoni*) in Yolo County, California. Woodland, California.

ICF. October 2020. Woodland Regional Park Natural Community Restoration Plan. Sacramento, California. Prepared for Yolo Habitat Conservancy, Woodland, California.

Triangle Properties, Inc. January 2021. Yolo Habitat Conservancy Elderberry Seedlings and Native Associates Planting Project: 1st Year Monitoring Report (2020). Yolo County, California.

Yolo County. 1996. Final Cache Creek Improvement Plan for Lower Cache Creek. August 20, 1996.

Yolo County. 1996. Final Cache Creek Resources Management Plan for Lower Cache Creek. Adopted August 20, 1996.

Yolo County. 1996. Final Off-Channel Mining Plan for Lower Cache Creek. July 30, 1996.