

HABITAT CONSERVATION PLAN
Stakeholder Advisory Committee
Wednesday, October 5, 2005 3:00 – 5:00pm
Arizona Game and Fish Department Conference Room
555 North Greasewood Road
Tucson, Arizona 87545-3612

MEETING SUMMARY

Attendees: Emily Brott, Brooks Keenan, Lynne Hubbard (City of Tucson – Environmental Services), Lori Lustig, Karen LaMartina, Greg Hess, Dennis Rule, Nancy Zierenberg, Michael Wyneken (City of Tucson – Planning), Leslie Liberti (City of Tucson – City Manager’s Office), Jessica Lee (SWCA), Kathryn Schonhorst (SWCA)

1) Update on Recent TAC Meetings/Upcoming Meetings

a. *Scheduled SAC Meetings:*

- **October 19**, 3-5 pm, @ AGFD. Tentative Topics: Preliminary Avra Valley strategies.
- **November 2**, 3-5 pm, @ AGFD. Tentative Topics: Continued discussion of Avra Valley strategies and initial recommendations for Santa Cruz River.
- **November 16**, 3-5 pm, @ AGFD. Tentative Topics: Monitoring and Adaptive Management Program and implementation/funding options; Next steps – beginning Phase 2 of the HCP process.

b. *Scheduled TAC Meetings:*

- **October 25**, 1-4 pm, @ AGFD. Tentative Topics: Finish discussion of Avra Valley conservation strategies; discuss options for Santa Cruz River planning area; review feedback from SAC on conservation program.
- **November 15**, 1-4 pm, @ AGFD. Tentative Topics: Begin developing framework monitoring and Adaptive Management Program; feedback from SAC on conservation program, especially funding and implementation issues.
- **November 29**, 1-4 pm, @ AGFD. Tentative Topics: Critical questions and approaches to resolving data gaps in the draft HCP; Next steps – beginning Phase 2 of the HCP process.

Leslie said that the TAC was not able to finish the discussion of Southlands conservation strategies at their last meeting (September 28). She said the TAC will be moving on to discussing conservation strategies for Avra Valley at their next two meetings, but will conclude the discussion of the Southlands in November. She said that the TAC would pick up the discussion of monitoring and management in HCP phase 2.

2) Old Business

a. *Meeting Minutes – August 17*

The meeting minutes did not go out to the SAC yet. They will be approved at the next meeting.

b. *Report on Action Items Identified in the Previous Stakeholder Advisory Committee Meeting (see New Business)*

- *Community Facilities Districts (CFDs)*

See New Business.

3) New Business

a. Implementation and Funding Options – Update on new CFD information

Leslie said that at the last SAC meeting there was a request for Chris Avery (City of Tucson – Attorney’s Office) to find out more information about community facilities districts (CFDs). She said that Chris is currently working on it, but was pulled onto other topics by the City Manager’s Office. Chris told Leslie that he is committed to the HCP, and hopes to present the information at the next SAC meeting.

b. Update on Technical Advisory Committee Progress for Southlands Recommendations

Leslie passed out maps of the two reserve strategies that the TAC is discussing in the Southlands. The first strategy is based on the Harris riparian maps. She said that the City’s stormwater division has suggested doing a bit of ground truthing to make sure the riparian habitat is correctly mapped. She said that the second strategy is the Fagan and Petty Ranch watershed reserve, where the two most southern watersheds would be the focus of conservation efforts. She said that this reserve strategy is intended to enable the two watersheds to remain functional over time. She said that the northern washes in the Southlands unfortunately run through areas that are developed or are going to be, like Diamond Ventures’ Swan Southlands. The two southernmost watersheds in the Southlands offered the best opportunity for conservation because they capture a lot of the best riparian habitat. This option would also provide the best opportunity to connect with the Santa Cruz River, since the two washes cross primarily undeveloped lands between the Southlands and the Santa Cruz River.

She explained that both the Fagan and Petty Ranch Washes connect into the Lee Moore Wash. She said that the Lee Moore Wash was diverted in the past, so when the washes cross the Old Nogales Highway, they are then diverted north across ASARCO owned property and the Tohono O’odham Nation, then finally empty into the Santa Cruz River. She said the benefit of trying to restore and conserve these watersheds is that the City would only have to work with the two landowners, Arizona State Lands Department (ASLD) and ASARCO. She said that ASARCO bought the lands to obtain the water rights and that as far as she knows they are not planning to develop the lands around Lee Moore Wash.

Emily asked if the TAC has officially defined the conservation reserve boundaries. Leslie said that the maps show the conceptual reserve boundaries. Leslie said the watersheds extend outside the Southlands boundary, but that the reserve could only exist within the City-annexed lands. Leslie said that while the reserves are the strategy the TAC may recommend, that we all have to keep in mind that we still have to work with ASLD, thus the conservation strategy might not come out exactly like we plan. She said that for example, in the end there might be some development in the watershed reserve area such as large lots, clustered developments, and municipal and regional parks. Emily

expressed that she like the watershed reserve plan. Emily asked about what this would mean for PPC mitigation. Leslie said that the two reserve strategies were developed with the assumption that all the PPC would be mitigated off-site. She said that the TAC decided to look at the Southlands in regards to other species. She said that the Harris riparian reserve strategy captures very little PPC habitat, thus for that reserve option the majority of impacts to PPC would have to be mitigated off-site. She said that the watershed reserve strategy is the preferred approach because it would capture a lot of PPC habitat on-site, so that would count as part of the mitigation, but that the rest of the mitigation would have to be off-site. Emily asked if the reserve cover most of the other species. The group looked at the map and evaluated each species' habitat.

Leslie passed out the draft conservation measures summary matrix that the TAC is developing for the two reserve options in the Southlands. The committee spent the rest of the meeting reviewing the matrix and asking questions.

Leslie said that the TAC members do not feel that they have the expertise to deal with PPC. She said that the City is working with USFWS, Pima County and other cactus experts to see what can be done regionally to protect the cactus. She said that, unfortunately, 75-80 percent of the PPC priority conservation area (PCA) is owned by ASLD, thus acquisition opportunities are relatively small over the short term. She said they are trying to identify key reserve areas, and figure out how to preserve linkages between these populations. She said that one of these potential reserves is located on the Santa Rita Experimental Range. She said that that, although this area is not currently under permanent conservation status because the UA only has the lease to the land for 99 years, it at least offers some level of protection. She said that, at the last PPC coordination meeting, the City expressed concern that if the City pledges to protect habitat in the Southlands, there should be connectivity between the City reserve and the Santa Rita Experimental Range. She said that, at this time, it is not clear what that linkage would look like especially with new development currently being proposed south of the City.

She said that one hope is that by expanding the Southlands planning area, the regional coordination of land use, infrastructure, and conservation planning on a large scale may lead to preservation of linkages between potential PPC reserves. She said the goal is to tie the biological goals of the HCP into the land use and infrastructure planning in the greater Southlands area, between Interstate 10 and the Santa Rita Experimental Range and between Interstate 19 and State Highway 83. She said that the State Trust land in this area is going to be planned through ASLD's conceptual land use process. She noted that habitat reserves are not necessarily needed south of the City, especially since the County has identified this as a growth area, but that the key is to use regional planning to figure out how to maintain "stepping stones" of open space and vegetation (at a minimum distance of approximately 1 kilometer apart) between the Southlands and the Santa Rita Experimental Range to provide connectivity for pollinators. She said that there are some people who advocate integrating PPC in future urban landscaping in order to maintain as much connectivity as possible. She said that the western portion of the potential PPC reserves, in Altar Valley, is in much more dire of a situation. She said that a PPC mitigation bank is located in the central Altar Valley on land owned by Ross Humphrey. She said that he has sold about 150 mitigation credits to date, but only another 950 credits available to mitigate for all the development by the County and City

on an 1:1 mitigation basis, so this bank is not enough. She said she believes that PPC mitigation is going to come down to not only finding landowners willing to bank land, but also having third party land trades where developers can acquire ASLD land within the reserve in exchange for other lands outside the reserve.

Greg asked if there would be 100 percent conservation within the watershed reserve area. Leslie said that the specific guidelines haven't been written yet. She said that roadway alignments through this area have been identified in the Southeast Arterial Road Plan. She said that there is some opportunity to shift those alignments slightly if the TAC recommends it. Leslie said the City has been talking with PAG about what recommendations the TAC could provide to improve the roadways in respect to environmental impacts. She said another topic that has been discussed is the possibility of including regional and municipal parks within the conservation reserve area. She said from a Parks and Recreation Department perspective, there is a need to plan parks that are accessible, thus are often located near large roadways. Leslie said that parks could provide a low-intensity buffer between proposed roads and sensitive conservation areas. She said that parks might also enhance habitat for both the bats and owls.

Emily asked about land swaps with ASLD because she thought that was not possible. Leslie clarified saying that the way it works is that the developer will buy ASLD land at auction, and then swap the land with a municipality or other landowner. Emily asked about the concept of a mitigation bank. Leslie said that it is a way a landowner can receive a stream of income from sitting on their land and not developing it. She explained that the landowner voluntarily puts their land under a conservation easement and basically "sells acres" of that easement to cover the cost of the land not being developed. She said that she thought Ross Humphrey is getting approximately \$5,000 an acre. She said that having a conservation easement on the land could lower property taxes as well. She added that this could be a great way for landowners to generate revenue for not developing their land. Emily asked if it is a special conservation easement designation. Leslie said that it is normal designation, but that the only difference is the purchase of credits in the bank. Emily asked where she could find more information about mitigation banks. Leslie suggested talking to Mima Falk (USFWS) or Jean Emery (Pima County Real Estate). She said that the County had a mitigation bank in the Swan Southlands area near the intersection of Petty Ranch Wash and Swan Road, in the Swan Southlands area. She said that the County decided to trade the land to Diamond Ventures to be part of that development, in exchange for lands elsewhere as a new bank. Leslie said that banking could be a great opportunity, although not a lot of landowners seem to want to do this. She said that Pima County has already been talking to many landowners within PPC habitat. Leslie said that she is not sure of the incentives that are being offered by the County, but thinks it would be a win-win situation. Lynne asked who oversees the entire process, and/or who enforces the property owner. Leslie said that USFWS doesn't have any mechanism for regulating the mitigation bank, but she believes that there is an annual reporting component to the conservation easement and mitigation bank. She said that if the SAC is interested, she could ask Chris Avery to look into mitigation banks and report back to the committee. Emily said she would be very interested in learning more about them. Michael questioned how much opportunity the City had for mitigation bank options because the majority of PPC habitat is found on lands owned by ASLD.

Leslie reviewed the first page of the conservation measures summary. She said that after the TAC developed the baseline information for each HCP species, they revised the habitat models based on expert input. She said that expert subcommittees met on each species. She said that USFWS, AFGD, and other private consultants contributed to create a list of stressors and threats to each species. She noted that the stressors and threats matrix for the pale Townsend's big-eared bat (PTBB) was passed out to the SAC earlier this year. She said the TAC considered various factors including habitat elements, species specific factors, interspecies factors, and larger concepts such as connectivity and barriers to movement. She said that once the stressors and threats matrix was developed by the TAC, it then went to each of the expert subcommittees to fill in. She said that once the subcommittees determined each stress and threat factor, they developed goals and objectives so the City could try to address those impacts.

She said that the conservation measures matrix was developed based on the biological goals and objectives of each species. She said there are nine categories of concern: protecting habitat, protecting habitat elements, avoiding disturbance, reducing mortality, reducing barriers to movement, education, opportunities for population expansion, research needs, and opportunities for coordination between jurisdictions. She said that the topic of opportunities for population expansion came from the conversations USFWS and AFGD was having about potential cactus ferruginous pygmy owl (CFPO) population augmentation efforts.

She said that on the summary sheets, each category is broken down by species, and then evaluated based on the elements that are appropriate for each species. She said that this is used as way to evaluate the two alternative conservation reserve strategies for the Southlands.

Leslie went through the first page of the matrix, explaining the thought process and data in the chart. In regards to critical linkages, Greg asked about the connection between the Southlands reserves and Pima County Park. Leslie said that the edge of the watershed reserve approaches the park. She said one idea is to maintain and enhance connections not only between the park and the watershed reserve area, but also between the watershed reserve and Cienega Creek through the Davis Monthan Air Force Base paddle. She said that connectivity is important for species that migrate in short hops. She said that it was brought up at the last TAC meeting that there is at least one good Interstate 10 crossing, at Davidson Canyon. She said that the TAC understands the watershed reserve would provide good connectivity east to west, but is trying to figure out how to provide north to south connectivity. Nancy said she does not think birds will use a road underpass. Leslie said the road underpass is not a normal road underpass, but rather more of a bridge that is nearly 100 feet high. She noted that the TAC is considering making recommendations to Pima County in the Lee Moore Watershed Basin Management Study and to Tucson Water in order to get habitat value out of constructed resources, such as storm water retention and City recharge basins.

She said that the Harris riparian reserve strategy ultimately has fingers of protected habitat spread throughout the Southlands, while the watershed reserve strategy preserves the entire watershed in the southern portion of the Southlands. Leslie said that the watershed reserve strategy could keep City development away from the reserve lands. She said that edge effects would also be minimized because development would

be pushed north toward Interstate 10. She noted that an important point is that the reserve has to be a clear asset to the community. She said a disadvantage of the watershed reserve strategy is that it will be further from where people will be living, so it may be less accessible. She noted there is a possibility of integrating the reserve with regional and/or municipal parks.

Leslie briefly reviewed Pima pineapple cactus (PPC) in the two reserve options and noted that connectivity is going to be very important. She said for needle spined pineapple cactus (NSPC), only 5 acres have been identified as habitat located in the northeastern portion of the Southlands. She said that likely those 5 acres will be preserved in place, and noted that if the planning area is expanded to the east more NSPC habitat may be captured.

Leslie briefly went over the rest of the matrix. She mentioned how local ordinances, such as the Native Plant Preservation Ordinance (NPPO) could be used as it, or amended, to accomplish the goals and objectives for the species.

Greg asked about the list of species, and how the TAC came up with the list. Leslie said that these species are the ones that were identified as species that are federally listed or have the potential to be listed in the future. She said that while the HCP permit is species specific, the TAC committee is focusing on a more ecosystem approach.

c. Update on Technical Advisory Committee Progress for Southlands Recommendations

Leslie explained that the phasing in the HCP is tied to the federal grants with USFWS. She said that the final deliverable is a preliminary draft HCP plan at the end of this year. She said that there are still many unknowns, and that the preliminary draft just needs to demonstrate forward progress in the HCP. She said that USFWS has awarded the City a second \$250,000 grant award for the next phase of the HCP. She noted that the entire HCP would be a 4-5 year process. She said that there is a wonderful opportunity in the Southlands because the HCP can be tied to other regional planning efforts and noted there is already a lot of coordination and discussion across the various jurisdictions now. She said that the two advisory committees have the opportunity now to identify data gaps, and then try to build in what we know into these other plans so that they are consistent with the HCP. She said for example, the committees could make design recommendations for the road alignments in the Southlands proposed in the Southeast Arterial Study. She said there are also opportunities for multiple uses of basins or other features proposed in the Lee Moore Watershed Basin Management Study. She said that once a draft HCP is completed, the next step is to develop an environmental impact statement (EIS). She said the original intent for the second grant was to start the EIS process. She said that the EIS considers are more than just biology, but also includes soil, hydrology, geography, demographics, and social conditions. Leslie said the City talked with USFWS to see how the grant money could best be effectively used. She said that the general consensus was that the money would be best spent on expanding the study area rather than starting the EIS for the current planning area. She said that the idea is to look at potential future City annexation areas in the south and east, and identify the conservation issues in those areas. She said this could mean relooking at the list of species, and perhaps including additional species such as lesser long-nosed

bat and species that occur within the Cienega Creek Natural Reserve, for example. Greg asked what the new boundaries of the Southlands would be. Leslie said that the planning area would be extended to the boundary of the City's potential future annexation boundary, also known as the Municipal Planning Area. Brooks asked Michael why the City would want to annex any lands even close Cienega Creek. Michael noted that by the City annexing biologically sensitive areas, there is a greater possibility of that land being protected because the City has greater powers than the County to regulate wildcat development. She said the larger conversation is finding out where and how the City HCP and the Sonoran Desert Conservation Plan (SDCP) mesh so that when the City annexes County land, there is not a gap in environmental protection on those lands. She said that the City and County approached their HCP planning differently. The County took a broad look at the region while the City has taken a more refined look at the smaller planning areas. She said that due to the differences in approaches, much of the science and maps would need to be reexamined. She said that ultimately the conversations would revolve around what the areas are urban versus appropriate for rural development and the creation of appropriate guidelines for each. She said that guidelines for the two areas would need to be developed so there are conservation guidelines for any areas that the City decides to annex in the future.

Nancy noted that hydrology is a big factor, for example what is happening with the San Pedro River right now. Brooks asked Leslie why the City would not maintain the Conservation Land System (CLS) when the City annexes County land. Leslie said that adopting the CLS in some areas could be a possibility, as long as it aligns with the goals and visions of both jurisdictions. She said that land development and infrastructure goals of the City are not necessarily reflected in the CLS. She said that the CLS goes beyond the environmental requirements of a habitat conservation plan. She said that the needs of the City are different from the County. Leslie said that there would be negotiations between USFWS, the City and the County. Greg asked how coordination would happen between the City and the County when the timing of the HCPs are very different. Leslie noted that is an interesting point and that there has been talk about what opportunities there are. She said that there is some serious dialogue about the idea of the County and City doing a joint HCP. She said that the problem is that the County is pushing to get their HCP permit by the end of the year, that the City is several years behind the County. She said various ideas have come up on how the City and County could work together. One idea is that the County does the mitigation while the City pays for management and monitoring. She said that the County estimates this could cost approximately \$2-5 million dollars per year, and this has to be done in perpetuity. She noted that City residents are already paying some of the County's land acquisition costs through county property taxes. She said that there is a good chance that the County's application will be filed with USFWS this year, but there are still unresolved issues because there are no assurances that the funding will be there for monitoring and management. She said that her comments are not questioning the biology of the plan, but rather the problems with figuring out implementation and funding. Leslie said that she does not think that either jurisdiction can do the PPC mitigation alone. She said that the resolution to the PPC problem would require a coordinated effort, whether or not that means a joint City-County HCP. She said that USFWS has indicated that they prefer the City's approach to conservation in Avra Valley, versus the City just adopting the CLS, because they see there being more benefit to the species in Avra Valley if the City takes a more hard lined approach to identifying areas to be conserved and/or restored.

Leslie switched the topic to the Santa Cruz River planning area, and said that she would like to see the community develop a local vision for the river that considers all the various conservation, restoration, and development plans for the river corridor. She said that there are the three U.S. Army Corps of Engineers projects on the river, and that a different project manager runs each project. She said that the Corps is unwilling to integrate the three projects together. She also noted that the restoration projects and the City HCP are not meshing, in particular over how to deal with the burrowing owl. The Corps project will likely harm the owl because they prefer to live in degraded banks of the river, which will be lost under the restoration projects. Leslie stressed a need to integrate all of these plans for the Santa Cruz River.

Dennis asked how the County can propose the City pay for monitoring and management when there is not a clear funding mechanism for the City to fund their own HCP. Leslie noted that the most promising funding tool the SAC had identified was community facilities districts (CFDs), but Chris Avery from the City Attorney's Office said CFDs make sense only where there is a large amount of undeveloped land with only a few landowners, such as in the Southlands. She said that impact fees cannot be used by the City to manage lands outside of the City because there legally needs to be a clear connection between where the money is collected and where the benefit accrues from spending that money. Dennis noted that CFDs needs to demonstrate a direct link between the costs and benefits too.

Michael said that even if the City could do a CFD or impact fee that the timeline is off. He said that the City's development is still 15 years out and Pima County is collecting money for acquiring land now. Michael suggested that if there is going to be a regional approach for land acquisition, there should be a regional approach for paying for monitoring and management.

Greg asked about funding for the SDCP. Leslie said that their latest draft plan does not talk about monitoring and management funding at all, although it discusses the recent bond and land acquisition. She said that, according to their plan, they have acquired enough money for the first 10 years of their mitigation. She noted that the bond money legally could not be used for monitoring and management though.

Lori pointed out that much of the City and County's revenue streams are tied to fluctuations in the economy. Leslie said that this is why a regional plan is exciting. Leslie said that the City is considering a joint HCP because there is no way for the City to capture the benefit of what the citizens are paying for County to acquire open space. Lori noted that if the City can find acquisition money, then that changes the relationship to the County. Leslie said yes, but that city residents are already paying for open space. Leslie also noted that the City has the opportunity to do an HCP on its own because the planning process is 15 years out. Leslie said that is why the City has maintained doing their own HCP, but are looking at opportunities to coordinate the two HCPs.

4) Call to the public

No members of the public were present at the meeting.

5) Next Steps/Future Meetings

Jessica introduced Kathryn Schonhorst from SWCA who would take over taking notes at the next meeting while she was on vacation. Leslie said that at the next meeting, Chris Avery would provide more information on CFDs and conservation easements. Leslie asked the SAC if there was any more information they wanted at the next meeting. Emily thanked Leslie for the updates and reviewing the conservation summary matrix with the SAC.

Greg asked if the TAC has decided on which conservation reserve option they will recommend. Leslie said that the two alternatives are still be evaluated, but that the TAC likely was leaning towards the watershed reserve option.