

STAFF REPORT
City of Lancaster

NB 1
06/14/16
MVB

Date: June 14, 2016

To: Mayor Parris and City Council Members

From: Brian S. Ludicke, Planning Director

Subject: **Authorization to Use Biological Impact Fee Funds for the Acquisition of 236.91 Acres of Conservation Property by Wildlands**

Recommendation:

Adopt **Resolution No. 16-33**, authorizing funding for the purchase of 236.91 acres of conservation property by Wildlands and appropriate \$1,160,859.00 from the Biological Impact Fee fund balance to Account No. 224-4520-912, Property Acquisitions.

Fiscal Impact:

As of April 21, 2016, the Biological Impact Fee Account had an available balance of \$1,505,661.00. In May 2016, the City received an additional \$615,341.00 in biological impact fees bringing the total available balance to \$2,121,002.00. The purchase of the property would cost \$1,160,859.00, leaving approximately \$960,143.00 in the account. The City would have no financial responsibility with respect to the management of the conservation property; therefore, there would be no on-going fiscal impact to the City.

Background:

On October 28, 2005, the City Council adopted Ordinance No. 848, Biological Impact Fee, to deal with the cumulative impacts and “incremental loss” of habitat issues raised by the California Department of Fish and Wildlife in response to City environmental documents.

The ordinance added Section 15.66 to the Lancaster Municipal Code to allow for the establishment of a biological mitigation fee. The intent of the fee was to provide mitigation for regional-level impacts in the expectation that other jurisdictions would also ultimately contribute their fair share toward such a mitigation effort. Based on an analysis contained in the Environmental Impact Statement for the West Mojave Coordinated Management Plan (WMCMP), an area-wide habitat conservation plan, it was determined the average cost of private mitigation land within the WMCMP area was \$770.00 per acre; this \$770.00 per acre fee was adopted as part of the ordinance.

Discussion:

Since the adoption of the biological impact fee, the City Council has on several occasions authorized the purchase of land with unique or other high value habitat conditions intended to mitigate the cumulative impacts of development within Lancaster. In all cases, these acquisitions have occurred in areas where existing managed conservation land is already in place, such as the Antelope Valley Poppy Reserve, the Arthur P. Ripley Desert Woodland State Park, and the Harper Dry Lake Marsh. Each of these acquisitions has provided for long-term managed conservation land that provides habitat for species that historically were present in Lancaster.

Recently, the development of commercial solar facilities within the City has created both an increased amount of revenue for the biological impact fee and a need to provide mitigation for these facilities. Also, other jurisdictions, including Kern County and the City of Adelanto, have required their developers of certain projects to provide mitigation through payment of the City of Lancaster's biological impact fee. Such fees are paid to and managed by the City. Staff has, therefore, exercised great care in evaluating potential acquisition sites to ensure that they meet multiple objectives and demonstrate both effective and efficient use of the available funds, for a regional benefit.

In 2015, the City approved a commercial scale solar facility, known as the Lancaster Energy Center, in the southwestern portion of the City (Conditional Use Permit Nos. 14-10a, b, c, d, e). As part of that project, the applicant was required to obtain a streambed alteration agreement (SAA) with the California Department of Fish and Wildlife (CDFW), which included the requirement for conservation of desert wash habitat. City staff, in conjunction with the conservation management organization Wildlands, Inc., identified a 236.91-acre property to consider for acquisition funding. The property (Long Canyon Ranch Preserve) totals 236.91 acres, and is located to the west of Lancaster (APNs 3240-001-008 and 3240-001-009) near the Arthur B. Ripley Desert Woodland State Park, the Neenach Wildlife Preserve, and the Angeles National Forest. Habitat on the property, which is dominated by scrub oak-buckwheat chaparral and annual grasslands with junipers, pine trees, Joshua trees, and poppies, also contains multiple dry washes, ranging in size from 3 to 65 feet wide.

The dry wash habitat is of a quality sufficient for CDFW to issue a Streambed Alteration Agreement (SAA #1600-2015-0231-R5) to Sustainable Power Group (sPower) for the Lancaster Energy Center (150 megawatt [MW]), as well as the City's proposed Lancaster Choice Energy site (10 MW). The CDFW has agreed to consider conservation of this property as satisfaction of the conservation requirements in the SAA. Without acquisition of this property, construction on these solar facilities cannot move forward without an alternative approach to the mitigation requirements.

Staff believes that this property acquisition provides an excellent opportunity to address the specific requirements of the approved SAA, while also meeting the large regional conservation objectives of the biological impact fee. A portion, but not all, of the funds that would be used to acquire the property has been paid by sPower as part of their development requirements. This action would, of course, also demonstrate the proper stewardship of funds deposited by the other applicants, including those from other jurisdictions.

Acquisition of this property would provide conservation habitat in perpetuity. If the City Council authorizes the funding of these purchases, Wildlands would purchase the property and the property would remain conservation habitat in perpetuity.

BSL/jr

Attachments:

Resolution No. 16-33

Conservation Analysis

Mitigation Values Purchase and Sale Agreement (Long Canyon Ranch Preserve)

Conservation Easement Deed (Long Canyon Ranch Preserve)