

*Regional Conservation Authority***REPORT BACK REGARDING RCHCA / RCA MERGER****Staff Contact:****Charles Landry
Executive Director
(951) 955-9700****Background:**

Pursuant to the direction of the RCA Board, RCA staff has conducted a preliminary assessment of issues associated with a possible merger of the RCHCA and RCA. The Western Riverside County MSHCP does contemplate the eventual merger of the RCHCA into the RCA. Until that occurs, however, the respective Plans are intended to be implemented separately, but coordinated through an agreement between the two authorities and the Wildlife Agencies.

There is no requirement that the plans or agencies be merged at this time. Therefore, both Boards would have to agree to the merger in order to begin the process.

The following is a list of what staff has identified as the primary issues; unknown, pro and con. This is not an exhaustive list of all potential issues, but is intended to provide the Board with information for the current stage of analysis.

UNKNOWNNS:

Process – Merger of the SKR HCP and the MSHCP may require amendments to each of the plans. It is not certain whether a major amendment would be needed for either or both, but if it were determined that a major amendment(s) were required, additional environmental review under CEQA and NEPA would also be required, resulting in costs that are unknown at this time as are potential legal challenges.

Concurrence of Wildlife Agencies – Depending on the type of amendment required for a merger, any changes to the HCPs may require review and approval by the Wildlife Agencies, which could result in additional conditions and mitigation requirements.

PROS:

Governance – Combining the HCPs would result in a single governance structure that encompasses the entire western Riverside County area, generally covering the range of the SKR species within Riverside County. It is anticipated that this would result in a more comprehensive consideration of policy issues related to conservation and management of the species.

Management and Monitoring – Merging the HCPs would likely increase management and species monitoring efficiencies by combining management/monitoring activities and staffing that would address all of the covered species under the MSHCP.

Fee Structure – Merging the HCPs would likely require consolidation of impact fees, simplifying the fee structure for development projects in western Riverside County.

CONS:

Legal Issues – Either of the HCPs may be subject to legal issues and/or pending litigation that would require further assessment. The status of these issues should be considered in terms of timing for the merger. In addition, if major amendments to either or both plans were to be required, it would open the plan(s) to potential legal challenge.

Fee Structure - Issues related to the fee structure and how the fee revenues can be used for management under a combined plan would need to be resolved. Merger of the HCPs would likely require restructuring of the development impact fee programs under each of the plans. The SKR HCP charges a per acre fee, while the MSHCP Permittees charge a per roof top fee for residential development and a per acre fee for commercial/industrial development. It is anticipated that a fee study would be required in order to accomplish such a restructuring. Additionally, there may be some restrictions on the use of fees imposed for the MSHCP that do not exist for the SKR HCP.

ADDITIONAL ITEMS:

If the RCHCA Board agrees to the merger and the RCA Board concurs, then the RCA should proceed with the following analysis:

- Review and analysis of management agreements, contracts and obligations of the RCHCA
- Staffing assessment
- Timing of the merger
- Implementation agreements
- Fee structures, including legal constraints