

September 2025
SJCOG, Inc.

STAFF REPORT

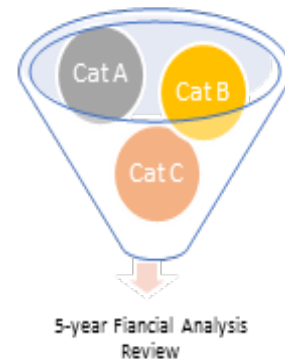
SUBJECT: Approve the San Joaquin Multi-Species Conservation and Open Spaces Plan (SJMSCP) Five-Year Financial Analysis Update and 2026 SJMSCP Development Fee

RECOMMENDED ACTION: 1) Adopt the SJMSCP Five-Year Financial Analysis Update and 2) Approve 2026 SJMSCP Development Fees as Adjusted Pursuant to the Financial Analysis Model

DISCUSSION:

SUMMARY:

Over the last many months, SJCOG, Inc. staff, Willdan and the Habitat Technical Advisory Committee (HTAC) Financial Subcommittee have engaged in the required five-year financial update to the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). The last review was in 2020. For the current 2025 update, the main areas of focus were the categories of the fee model regarding land costs to be used for mitigation (Category A), required restoration/enhancement costs on preserve lands (Category B), and monitoring, management and administration of the program and preserves (Category C).



During the current review, the Financial Sub-committee kept the previously adopted financial model with the following minor alterations to the fee model and process. A summary of these changes is below; a more detailed explanation is provided in the *Background* section of the staff report

Category A:

- 1) Removal of “outliers” from comparable land sales data (those sales more than three standard deviations from the mean per acre price).
- 2) Easement purchase values are estimated to be 55% of full fee title land sale values (sales of land without habitat easements in place). This is a reduction from the previous assumption of 56% and is subject to review midway through the next five-year cycle.

Category B:

- 1) Updated with the most recent SJMSCP reporting from 2024 Annual Report, including updated cost values for habitat enhancement projects on preserves, and review of the allocation of preserve land types purchased to meet the required mitigation under the habitat plan to ensure that development fees provide maximum value for fee payers and conservation.

Category C:

- 1) Updates to the administrative aspects of the plan, updated biological costs for project review, and updating of endowment account policy with investment strategies (e.g. a more diversified portfolio for higher yield on investment) for preserve funds.

The proposed 2026 SJMSCP development fees were adjusted using the recommended SJMSCP five-year financial model update for the respective categories and are compared to the 2025 SJMSCP Development fees (Table 1) in the most common habitat categories under the plan. The change is an overall increase of 8.3% in the most impacted categories of Agricultural and Natural Habitat Classifications from the prior year.

Table 1- Compared 2026 & 2025 SJMSCP Development Fees – Most Common Fee Habitat Types

	2026 Fee Proposed	2025 Fee Adopted	Difference	Percent Change
Agricultural/Natural	\$17,868	\$16,492	\$1,376	8.3%

The increase is due primarily to a rise in the land acquisition component (Category A) for agricultural land values of comparable sales and updating of current costs for land management and enhancement activities for on-going preserves (Category B).

RECOMMENDATION:

SJCOG, Inc. staff and the Habitat Technical Advisory Committee (HTAC) recommend

- 1) Adopt the SJMSCP Five-Year Financial Analysis Update and 2) Approve 2026 SJMSCP Development Fees as Adjusted Pursuant to the Financial Analysis Model

FISCAL IMPACT:

Development fees provide funding for SJCOG, Inc. to provide biological coverage and mitigate project impacts covered under the SJMSCP permits for the subsequent calendar year beginning January 1, 2026. The resulting increase in fee revenue will offset increasing costs to acquire and manage preserve lands.

BACKGROUND:

For the current SJMSCP five-year financial analysis update review, SJCOG, Inc. staff, Willdan and the HTAC Financial Subcommittee (Table 2) reviewed the currently adopted model which estimates the costs of implementation for fulfillment of the SJMSCP permits and defines the three fee categories:

- *Category A – Acquisition*
- *Category B - Enhancement*
- *Category C - Land Management, Monitoring & Administration).*

Table 2- Financial Subcommittee and Consultants

John Beckman , BIA of the Great Valley
Dan Gifford , Conservation
Hailey Donaldson/Mia Bianchi , CA Department of Fish and Wildlife, HCP Representatives
SJCOG, Inc. staff (Steven Mayo, Laurel Boyd)
Legal Counsel for SJCOG, Inc.: Andy Pinasco & Tooba Naveed, Neumiller & Beardslee
Consultant for SJCOG, Inc.: Carlos Villarreal & James Edison, Willdan
Consultant for SJCOG, Inc.: Doug Leslie, ICF

The three main areas of focus were the categories of the fee model regarding land costs to be used for mitigation, required restoration/enhancement costs on preserve lands, and monitoring, management and administration of the program and preserves.

The HTAC Financial Subcommittee maintained the formula model for fee calculations to allow for response to market fluctuations and cost changes which need to be reflected in the mitigation fee. The formula is still categorized into three distinct components to better calculate an accurate fee per acre [FEE = Category A (acquisition) + Category B (assessment & enhancement) + Category C (management, monitoring & administration)].

Category A (acquisition) – Comparable Land Sales

This category is directly related to land valuation based on comparable land sales in San Joaquin County in specific zones of the plan area (Central Zone, Central Southwest Transition Zone and Delta Zone) over an established 2-year period meeting the established criteria used for comparable land sales (attachment 1). Cost estimates for this category will continue to be evaluated on a yearly basis by taking all qualified fee title comparable sales in each zone to set a weighted cost per acre like the methodology in the financial analysis updates prior but excluding any outliers (costs above or below 3 standard deviations of the mean).



This fee model update also revises the fee title/easement valuation percentage method for determining the cost of easement acquisition in the model to be lowered to 55% with a mid-term cycle review during the five-year term between updates, based on the easement data collected by SJCOG, Inc. staff.

The model update results in a **15.1%** increase in the Agricultural/Natural Habitat types of Category A (Acquisition) component to be **\$11,056.00**. The reason for the increase is the rise in comparable fee title land sale values.

Category B (assessment & enhancement) – *Refined Cost Factors*

The recommended changes to this category include updated and refined cost factors for biological site assessment, preserve enhancement and management planning, and preserve enhancement unit costs. These unit costs reflect current assessment of enhancement practices for different types of preserve lands. In addition, the updated analysis redistributes preserve acres between grasslands and agricultural land types to more accurately reflect the mitigation purposes described in the adopted SJMSCP with the application of California CPI as an adjustment mechanism.

However, the **total** cost for Category B is also a function of the SJMSCP Annual Report data updated annually with the acres remaining to be acquired and the number of years remaining in the permit term. The fee per acre is a function of those total calculated costs and the land conversion acres remaining.

The model update results in a **2%** increase in the Agricultural/Natural Habitat types of Category B (Assessment & Enhancement) component to be **\$6,185.00**.



Category C (Management, Monitoring & Administration) – *Refined Cost Factors/Long Term Investment*

The recommended changes to this category include refined monitoring cost factors and updated management and administration cost factors that are based on analysis of SJCOG, Inc. spending in these categories. The update includes refinement of the post-permit endowment costs and continuing with a more robust diversified endowment investment strategy for a higher return on investment yield that provides for a net annual yield of 3.66% after absorbing inflation and management costs.

Annual cost updates will continue to use the California Consumer Price Index (CPI), as reported by the California Department of Finance, for the preceding 12-month fiscal year (e.g. June – June) to keep up with inflation on an annual basis.

The model update results in a **23.3%** decrease in the Agricultural/Natural Habitat types of Category C (Management, Monitoring & Administration) component from prior years to be **\$627.00**.

In summary, the 2026 SJMSCP fees (Attachment 2 - SJMSCP Cost and 2026 Fee Analysis) are calculated using the updated financial analysis formula model as displayed in the graphic below:

Table 4 below shows the proposed 2026 SJMSCP development fees in each habitat type category. The overall result in the fee analysis is an **8.3%** increase in the most impacted classifications (Agricultural and Natural Habitat Classifications) fees for 2026.

Table 4 - 2026 SJMSCP Development Fees - Proposed

Habitat Type	Category A	Category B	Category C	Total Fee	Rounded Fee
Other Open Space	\$5,528 .00	\$3,093.00	\$314.00	\$ 8,935.00	\$8,935
Ag/Natural Lands	\$11,056.00	\$6,185.00	\$627.00	\$17,868.00	\$17,868
Vernal Pool Grasslands	\$55,474.00	\$15,764.00	\$1,424.00	\$72,662.00	\$72,662
Vernal Pool Wetted	\$54,519.00	\$127,980.00	\$1,395.00	\$183,894.00	\$183,894

COMMITTEE ACTIONS:

Habitat Technical Advisory Committee (HTAC): Recommend Approval

Management & Finance: Information

Exec Committee: Information

NEXT STEPS:

Should the staff recommendation be approved by the SJCOG, Inc. Board at the September 25th Board meeting, staff will work with local jurisdictions to adopt the 2026 SJMSCP development fees pursuant to the newly adopted financial analysis model.

ATTACHMENTS:

1. 2026 Fee Study Property List
2. SJMSCP Cost and 2026 Fee Analysis Model

Prepared by: Steven Mayo, Program Manager

10 comparables required for Study

Address

* SICOG, Inc. Preserves

Address

ACCEPTED MANUSCRIPT

Address

1

10 comparables required for Study

Attachment 2 – SJMSCP Cost and 2026 Fee Analysis Model

Final SJMSCP Five-Year Economic Analysis and 2026 SJMSCP Fee Update

	Category A	Category B	Category C		
2026 Fees - FINAL DRAFT	Acquisition	Assessment & Enhancement	Monitoring, Management & Administration, & Post-permit Endowment	Total	Total Rounded
Other Open Space	\$5,528.00	\$3,093.00	\$314.00	\$8,935.00	\$8,935
Natural/Ag Lands	\$11,056.00	\$6,185.00	\$627.00	\$17,868.00	\$17,868
Vernal Pool Grasslands	\$55,474.00	\$15,764.00	\$1,424.00	\$72,662.00	\$72,662
Vernal Pool Wetted	\$54,519.00	\$127,980.00	\$1,395.00	\$183,894.00	\$183,894
	Category A	Category B	Category C		
2025 Fees - Adopted	Acquisition	Assessment & Enhancement	Monitoring, Management & Administration, & Post-permit Endowment	Total	Total Rounded
Other Open Space	\$4,804.00	\$3,033.00	\$409.47	\$8,246.47	\$8,246
Natural/Ag Lands	\$9,608.00	\$6,066.00	\$817.74	\$16,491.74	\$16,492
Vernal Pool Grasslands	\$48,084.00	\$15,386.00	\$2,019.72	\$65,489.72	\$65,490
Vernal Pool Wetted	\$48,270.00	\$127,031.00	\$1,980.10	\$177,281.10	\$177,281

Difference Per Acre (\$)	Acquisition	Assessment & Enhancement	Monitoring, Management & Administration, & Post-permit Endowment	Total	Total Rounded
Other Open Space	\$724	\$60	(\$95)	\$689	\$689
Natural/Ag Lands	\$1,448	\$119	(\$191)	\$1,376	\$1,376
Vernal Pool Grasslands	\$7,390	\$378	(\$596)	\$7,172	\$7,172
Vernal Pool Wetted	\$6,249	\$949	(\$585)	\$6,613	\$6,613

Percent Difference	Acquisition	Assessment & Enhancement	Monitoring, Management & Administration, & Post-permit Endowment	Total	Total Rounded
Other Open Space	15.1%	2.0%	-23.3%	8.3%	8.3%
Natural/Ag Lands	15.1%	2.0%	-23.3%	8.3%	8.3%
Vernal Pool Grasslands	15.4%	2.5%	-29.5%	11.0%	11.0%
Vernal Pool Wetted	12.9%	0.7%	-29.5%	3.7%	3.7%

TABLE A.1

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category A Per-Acre Acquisition Cost Factors by Zone (2025 dollars)

		Central Zone	Primary Zone of the Delta	Southwest Zone ³
Fee title value ¹	a	\$21,687	\$14,151	na
Easement percent of fee title value ²	b	55%	55%	na
Easement costs	a × b	\$11,928	\$7,783	\$1,000

1. SJCOG, Inc. Fee Study Property List, Table A and Table B

2. SJCOG, Inc. Appraisals as of July 2025.

3. Based on standard easement cost in Southwest Zone of \$1,000/acre.

2024 Update

Assumptions

Central Zone	% Change	Primary Zone of the Delta	% Change	Southwest Zone ³	% Change
\$18,799	15.4%	\$12,555	12.7%		na
55%		55%			na
\$10,339	15.4%	\$6,905	12.7%	\$1,000	0.0%

TABLE A.2
2025 Five-Year Economic Analysis and Fee Update
SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)
Per Acre Acquisition Cost by Preserve/Habitat Type (2025 dollars)

Preserve/Habitat Type		SJMSCP Zone			Total Weighted Acquisition Cost	Transaction Costs ⁵	Total Land Acquisition Costs Per Acre	2024 Update Assumptions	% Change
		Central Zone	Primary Zone of the Delta	Southwest Zone					
		A	B	C	A + B + C = D	D × 5% = E	D + E		
Easement cost by zone ¹	d	\$11,928	\$7,783	\$1,000					
Agricultural Lands									
Percent in zone ²	e	98%	2%	0%					
Weighted costs ³	d × e	\$11,713	\$141	\$0	\$11,854	\$593	\$12,447	\$10,791	15.3%
Natural Lands									
Non-vernal pool natural lands									
Percent in zone ²	f	77%	4%	18%					
Weighted costs ³	d × f	\$9,215	\$346	\$183	\$9,744	\$487	\$10,231	\$8,902	14.9%
Vernal pool grasslands ⁴		n/a	n/a	n/a	\$17,350	\$868	\$18,218	\$15,791	15.4%
Vernal pool wetted ⁴		n/a	n/a	n/a	\$17,350	\$868	\$18,218	\$15,791	15.4%

1. See Table A.1.
2. Percent of total lands in each category assumed to be in a given zone. Based on 1996 Economic Analysis.
3. Weighted average cost based on generalized proportion of total preserve land in each zone. Assumes easement acquisition for lands categorized as agriculture and all natural lands except vernal pool habitat.
4. Assumes fee title acquisition for vernal pool lands. Vernal pool habitat fee title land costs assumed to be about 80% of average Central Zone fee title costs.
5. Transaction costs include biological baseline reporting, appraisal, escrow, and survey costs. Costs are estimated at 5 percent of acquisition cost.

TABLE A.3

*2025 Five-Year Economic Analysis and Fee Update**SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)***Total Acquisition Costs by Habitat Type, Remainder of Permit Term (2025 dollars)**

Preserves by Habitat Type	Land Acquisition Cost Per Acre	Preserve Acres Remaining to be Acquired	Total Costs of Acquisition	2024 Update Assumptions	% Change
Agricultural lands	\$12,447	35,651.31	\$443,751,868	\$394,210,888	12.6%
Natural lands					
Non-vernal pool natural lands	\$10,231	23,069.63	\$236,025,385	\$210,139,188	12.3%
Total for Non-vernal pool Natural /Ag Lands	\$11,576	58,720.94	\$679,777,253	\$604,350,076	12.5%
Vernal pool grasslands	\$18,218	15,720.66	\$286,398,893	\$248,244,863	15.4%
Vernal pool wetted	\$18,218	2,115.00	\$38,531,070	\$33,397,965	15.4%

Sources: SJCOG, Inc., SJMSCP 2025 Annual Report, and Willdan Financial Services.

TABLE A.4
2025 Five-Year Economic Analysis and Fee Update
SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)
Category A Acquisition
Fee Calculations (2025 dollars)

Habitat Type	Preserve Land Acquisition	2024 Update	% Change
Costs associated with non-vernal pool natural/agricultural lands conversion	\$679,777,253		
Natural (non vernal pool)/Agricultural land conversion (acres) , remaining	44,732.77		
Multi-purpose open space conversion (acres), remaining ¹	33,500.48		
Multiplier for natural/agricultural land conversion	1		
Multiplier for multi-ourpose open space conversion ¹	0.5		
Acquisition Component of Natural (non vernal pool)/Agricultural Lands Fee	\$11,056	\$9,608	15.1%
Acquisition Component of Multi-Purpose Open Space Fee¹	\$5,528	\$4,804	15.1%
Costs associated with vernal pool grasslands	\$286,398,893		
Vernal pool grassland conversion (acres), remaining	5,162.74		
Acquisition Component of Vernal Pool Grasslands Fee	\$55,474	\$48,084	15.4%
Costs associated with vernal pool wetted	\$38,531,070		
Vernal pool wetted conversion (acres), remaining	706.75		
Acquisition Component of Vernal Pool Wetted Fee	\$54,519	\$48,270	12.9%

1. As described in SJMSCP Section 7.4.1.2, the fee calculation allocates the costs associated with agricultural habitat and non-vernal pool natural lands preserves to conversion of both those high value lands (agricultural land and non-vernal pool natural land) and lower value multi-purpose open space. In other words, the SJMSCP does not enhance multi-purpose open space lands but allocates some of the costs of enhancements on agricultural and natural lands preserves to the conversion of multi-purpose open space lands to assist with the financing of those enhancements.

Sources: SJCOG, Inc., SJMSCP 2024 Annual Report, and Willdan Financial Services.

August 28, 2025

TABLE B.1

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category B Assessment, Planning, Restoration and Enhancement

SJMSCP Preserve land by habitat type, enhancement analysis, and enhancement cost per preserve acre (2025 dollars)

Habitat Type	Total Preserve Acres (including neighboring lands preserves)	Percent of Preserve Acres Enhanced ¹	Acres Benefiting from Enhancements	Perimeter Hedgerow or Other Linear Habitat Feature (acres) ²	Enhancement Cost per Acre ³	Total Enhancement Cost	Enhancement Cost per Preserve Acre
	1	2	3	4	5	6	7
Agricultural Habitat Lands⁴	57,935	10%	5,794	776	\$48,379	\$37,542,104	\$648
Natural Lands							
Ditches	378	33%	126		\$489,765	\$61,710,390	
Grasslands	14,559	33%	4,853		\$24,233	\$117,604,218	
Oak woodlands	858	33%	286		\$35,858	\$10,255,317	
Riparian	2,725	33%	908		\$105,100	\$95,465,721	
Submerged aquatic in the Delta	10	100%	10		\$72,951	\$729,512	
<i>Subtotal</i>	<i>18,530</i>		<i>6,183</i>		<i>\$46,215</i>	<i>\$285,765,157</i>	
Other natural lands ⁵	6,445	33%	2,148		\$46,215	\$99,286,061	
Subtotal Non VP Natural	24,975					\$385,051,219	\$15,417
Vernal pool wetted	2,121	33%	707		\$128,222	\$90,653,037	\$42,741
Vernal pool grasslands	15,811	33%	5,270		\$15,456	\$81,458,355	\$5,152
Subtotal All Natural Lands	42,907		14,309			\$557,162,611	
Total	100,842		20,103			\$594,704,715	

1. Enhancement criteria derived from the SJMSCP, Section 5.4.6.

2. Unlike most other habitat types, agricultural lands are enhanced by treating linear features that run along the edge of or through fields--features such as roads or drainage ditches. In these cases, the land area of direct enhancement activity is substantially less than that area benefiting from the enhancement. This has the advantage of minimizing impacts to agricultural land production. Installing pollinator hedgerows at the edges of fields and grassland borders along irrigation and drainage ditches, and planting nest trees and associated shrubs and grasses, are enhancements used in the cost analysis to represent the range of types of agricultural land enhancements outlined in the SJMSCP. In addition to benefits to species, these linear features offer benefits of preventing soil erosion and reducing costs for weed control and linear water conveyance infrastructure maintenance. They also enhance the entire field they are associated with, meeting the 10 percent enhancement criterion while also minimizing loss of productive agricultural land. The enhancement cost estimate for agricultural lands is therefore based on the acres of hedgerow or other linear feature multiplied by the cost per acre to install hedgerows and similar linear features.

3. The enhancement cost applies to the acres where construction and/or installation actually takes place. In the case of hedgerows or other linear features, this is only the relatively small area of activity, not the total area that is thereby enhanced. Enhancement cost includes costs for materials, construction labor, and equipment. In addition to the installation activity, the cost per enhanced acre also includes a cost for project oversight and contract administration and three years of maintenance and monitoring. For vernal pool wetted restoration, the cost includes 5 monitoring years during a 10 year post-restoration monitoring period.

4. For agricultural habitat lands, a SJMSCP describes a broad range of enhancement activities and a generalized target of 10 percent enhancement; providing benefits to species without substantially reducing the amount of agricultural land in production. This can be achieved by implementing the linear features described in footnote 2. Pollinator hedgerows or similar linear features enhance the entire field that they are associated with, thereby counting toward the 10 percent enhancement criteria while taking substantially less land out of production.

5. Estimated based on the weighted average cost for all other non-vernal pool natural lands.

Sources: Table A.1, SJCOG, Inc., ICF, and Willdan Financial Services.

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TABLE B.2

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category B Assessment, Planning, Restoration and Enhancement Cost Factors (2025 dollars)

			2024 Update Assumptions	Percent Difference
Remainder of Permit Term				
Remaining years in permit term	25	used in formulae below to calculate costs for the remainder of the permit term		
Biological Site Assessment				
Number of site visits per year	8	Assumes 6 hours per visit. Average of 6 per year since 2020.		
Annual cost	\$8,400		\$7,755	8.3%
Total Site Assessment cost remainder of permit term	\$210,000		\$217,143	-3.3%
Preserve Management Plan Preparation				
Number of management plans per year	6	Assumes 30 hours per plan		
Annual cost	\$31,500		\$77,548	-59.4%
Total Preserve Management Plan cost remainder of permit term	\$787,500		\$2,171,340	-63.7%
Preserve Enhancement Plan Preparation				
Average cost per enhancement plan	\$4,200	assumes 24 hours per plan for each enhancement project	\$4,524	-7.2%
Average acres per project	346		240	44.2%
Average cost per preserve acre	\$12		\$19	-36.8%
Preserve Enhancements on Agricultural Lands				
Enhancement cost per preserve acre	\$648	from Table B1	\$1,106	-41.4%
Preserve Enhancements on Non-Vernal Pool Natural Lands				
Enhancement cost per preserve acre	\$15,417	from Table B1	\$13,823	11.5%
Vernal Pool Creation/Enhancement				
Enhancement cost per preserve acre	\$42,741	from Table B1	\$40,209	6.3%
Vernal Pool Upland Grassland Enhancement				
Enhancement cost per preserve acre	\$5,152	from Table B1	\$4,847	6.3%
Sources: SJCOG, Inc., ICF, and Willdan Financial Services.				
Cost per Hour	175			

TABLE B.3

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category B Assessment, Planning, Restoration and Enhancement (2025 dollars)

Cost Allocation by Habitat Type

Remainder of Permit Term

			Costs - Remainder of Permit Term				
			<u>Total cost allocated by preserve type</u> <u>percent of total preserve acres</u> <u>remaining to be acquired</u>		<u>Cost per acre multiplied</u> <u>by preserve acres</u> <u>remaining to be acquired</u>	<u>Cost per acre multiplied by</u> <u>preserve acres remaining to</u> <u>be acquired</u>	
			Biological Site Assessment	Preserve Management Plans	Preserve Enhancement Plans	Preserve Enhancements	Vernal Pool Restoration
Preserves by Habitat Type	Acres Remaining to be Acquired ¹	Percent of Total					
Agricultural lands	35,651.31	47%	\$97,794	\$366,727	\$427,816	\$23,102,187	na
Non-vernal pool natural lands	23,069.63	30%	63,282	237,306	276,836	\$355,675,241	na
Vernal pool grasslands	15,720.66	21%	43,123	161,711	188,648	\$80,992,897	na
Vernal pool wetted	2,115.00	3%	5,802	21,756	25,380	na	\$90,396,593
	76,556.60	100%	\$210,000	\$787,500	\$918,680	\$459,770,325	\$90,396,593

1. Includes 600 acres of neighboring lands preserves.

Sources: SJCOG, Inc., SJMSCP 2024 Annual Report, ICF, and Willdan Financial Services.

TABLE B.4

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category B Assessment, Planning, Restoration and Enhancement

Fee Calculations (2025 dollars)

Remainder of Permit Term

Habitat Type	Biological Site Assessment	Preserve Management Plans	Preserve Enhancement Plans	Agricultural and Non VP Natural Land Enhancement	Total for Agricultural and Non VP Natural Land (incl. assessment and plans)	Vernal Pool Restoration / Enhancement	Total for Vernal Pool (incl. assessment and plans)
Costs associated with non-vernal pool natural/agricultural lands conversion	\$161,076	\$604,033	\$704,652	\$378,777,428	\$380,247,189		
Natural (non vernal pool)/Agricultural land conversion (acres), remaining	44,732.77	44,732.77	44,732.77	44,732.77	44,732.77		
Multi-purpose open space conversion (acres), remaining ¹	33,500.48	33,500.48	33,500.48	33,500.48	33,500.48		
Multiplier for natural/agricultural land conversion	1	1	1	1	1		
Multiplier for multi-purpose open space conversion ¹	0.5	0.5	0.5	0.5	0.5		
Assessment & Enhancement Component of Natural (non-vernal pool)/Agricultural Lands Fee	\$3	\$10	\$11	\$6,161	\$6,185		
Assessment & Enhancement Component of Multi-Purpose Open Space Fee ¹	\$2	\$5	\$6	\$3,081	\$3,093		
Costs associated with vernal pool grasslands	\$43,123	\$161,711	\$188,648			\$80,992,897	\$81,386,379
Vernal pool grassland conversion (acres), remaining	5,162.74	5,162.74	5,162.74			5,162.74	5,162.7
Assessment & Enhancement Component of Vernal Pool Grasslands Fee	\$8	\$31	\$37			\$15,688	\$15,764
Costs associated with vernal pool wetted	\$5,802	\$21,756	\$25,380			\$90,396,593	\$90,449,531
Vernal pool wetted conversion (acres), remaining	706.75	706.75	706.75			706.75	706.8
Assessment & Enhancement Component of Vernal Pool Wetted Fee	\$8	\$31	\$36			\$127,905	\$127,980

1. As described in SJMSCP Section 7.4.1.2, the fee calculation allocates the costs associated with agricultural habitat and non-vernal pool natural lands preserves to conversion of both those high value lands (agricultural land and non-vernal pool natural land) and lower value multi-purpose open space. In other words, the SJMSCP does not enhance multi-purpose open space lands but allocates some of the costs of enhancements on agricultural and natural lands preserves to the conversion of multi-purpose open space lands to assist with the financing of those enhancements.

Sources: SJCOG, Inc., SJMSCP 2024 Annual Report, ICF, and Willdan Financial Services.

2024 Results (Percent Change shown under each fee)

Agricultural and Non VP Natural Land Enhancement	Total for Agricultural and Non VP Natural Land (incl. assessment and plans)	Vernal Pool Restoration / Enhancement	Total for Vernal Pool (incl. assessment and plans)
\$6,018	\$6,066		
2%	2%		
\$3,009	\$3,033		
2%	2%		
		\$15,235	\$15,386
		3%	2%
		\$126,880	\$127,031
		1%	1%

TABLE C.1

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category C (part)

Compliance and Effectiveness Monitoring Cost Assumptions (**2025** dollars)

			2021 5-Year Update Assumption	Percent Difference
Remainder of Permit Term (for all preserve acres)				
Remaining years in permit term	25			
Compliance Monitoring				
Annual cost per acre, including reporting	\$4.26	Based on actual costs 2020 - 2024		
Total Compliance Monitoring Cost - Remainder of Permit Term	\$6,929,556	all acres	7,546,528	-8.2%
Ongoing Maintenance Cost				
Percent of acres enhanced that need maintenance annually	1.21%	Assumption from ICF		
Cost per Acre of Maintenance	\$1,214			
Lower Sacramento- Annual Maintenance Cost	\$29,307	Based on 3-year contract cost from Triangle, per ICF		
Total Ongoing Maintenance Cost - Remainder of Permit Term	\$24,627,279	all acres	New Cost	N/A
Effectiveness Monitoring, including reporting				
Habitat Mapping				
Annual cost for Entire Plan	\$19,200	Satellite Imagery		
Total habitat mapping cost - remainder of permit term	\$480,000		6,393,100	-92.5%
Swainson's Hawk Monitoring				
Annual cost per acre	\$6.62	assume annual surveys		
Total Swainson's hawk monitoring cost - remainder of permit term	\$9,018,956	in all but Southwest Zone	9,755,235	-7.5%
Vernal Pool Monitoring				
Annual cost per acre	\$4.32	annualized per acre assuming every 5 years		
Total vernal pool monitoring cost - remainder of permit term	\$4,881,896	in Vernal Pool Zone and Central Zone Vernal Pool Preserves	7,808,411	-37.5%
Burrowing Owl Monitoring				
Cost per survey year, all preserves	\$21,760			
Total burrowing owl monitoring cost - remainder of permit term	\$181,333	assume every 3 years	253,167	-28.4%
Fall Crane Monitoring				
Cost per survey year, all preserves	\$37,120			
Total fall crane monitoring cost - remainder of permit term	\$185,600	assume every 5 years	81,840	126.8%
Riparian Brush Rabbit Monitoring				
Cost per survey year, all preserves	\$30,720			
Total fall crane monitoring cost - remainder of permit term	\$76,800	assume every 10 years	45,880	67.4%
Southwest Grasslands Monitoring				
Covered plant survey cost per acre per year	\$0.59			
San Joaquin kit fox survey cost per acre per year	\$0.44			
Total Southwest grasslands monitoring cost - remainder of permit	\$272,205	Southwest Zone only	521,519	-47.8%
Effectiveness Monitoring Cost - Remainder of Permit Term	\$15,096,790		24,859,151	-39.3%

Sources: SJCOG, Inc. and SJMSCP 2024 Annual Report, ICF, and Willdan Financial Services.

TABLE C.2

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category C (part)

ration Cost Assumptions (2025 dollars)				2021 5-Year Update Assumption	Percent Difference
Remainder of Permit Term					
Remaining years in permit term	25				
Project Management & Administration cost					
Total annual project management & administrative staff cost	\$1,465,372	3 FTE: salaries, benefits, OH. 3rd FTE based on average of assistant and associate habitat planner costs			
Legal and other direct costs	\$79,130	5.4%	% of cumulative total to 12/31/2024, per expense analysis		
Total annual project management & administration cost	\$1,544,503			969,840	59.3%
Total Project Management & Administration cost remainder of permit term	\$38,612,564			30,065,040	28.4%
Project Management & Administration, based on allocation of actual costs to 12/31/2024					
Project management cost allocation	\$33,206,805	86%	\$10,462,626	Cumulative total actual through 12/31/2024	
Administration cost allocation	\$5,405,759	14%	\$1,635,692	Cumulative total actual through 12/31/2024	
Habitat Plan Environmental Consulting					
Annual cost for consulting services	\$301,000	estimate based on last four years expenditures (2021 - 2024)		291,000	3.4%
Total Habitat Plan Environmental Consulting remainder of permit term	\$7,525,000			9,021,000	-16.6%
Land Manager Coordination/Oversight					
Annual cost	\$4,400	average cost for HTAC meetings and support		6,600	-33.3%
Total Land Manager Coordination/Oversight cost remainder of permit term	\$110,000			204,600	-46.2%
Financial Plan 5-Year Review and Update					
Number of five-year updates for remainder of the permit term	5				
Consultant contract, every 5 years	\$150,000	cost per contract		85,000	76.5%
Legal review, every 5 years	\$16,000			16,000	0.0%
Total Financial Plan 5-Year Review and Update cost remainder of permit term	\$830,000			606,000	37.0%

Sources: SJCOG, Inc. and SJMSCP Annual Reports (2021 - 2024), ICF, and Willdan Financial Services.

TABLE C.3

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category C Permit Term Costs (**2025** dollars)

Adjustments for Remaining Fund Balance

Cost Category	Total Cost - Remainder of Permit Term
Compliance Monitoring	\$6,929,556
Ongoing Maintenance	24,627,279
Effectiveness Monitoring, including reporting	15,096,790
Project Management	33,206,805
Administration	5,405,759
Habitat Plan Environmental Consulting	7,525,000
Land Manager Coordination/Oversight	110,000
Financial Plan 5-Year Review and Update	830,000
Total	\$93,731,188
Category C Fund Balance as of 12/31/2024 for costs on existing preserves	(\$62,126,317)
Net cost for remainder of the permit term	\$31,604,871

Table C.4

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

SJMSCP Endowment Fund Cash Flow (2025 Dollars)

<i>Inflation</i>	<i>2.30%</i>
<i>Investment Management Fees</i>	<i>1.00%</i>
<i>Real Return On Investments</i>	<i>3.66%</i>
<i>Total Nominal Return On Investments</i>	<i>6.96%</i>

Calendar Year	2026 26	2027 27	2028 28
Cat. C Post-Permit Endowment Contribution	\$611,072	\$611,072	\$611,072
Investment Earnings ¹	<u>\$221,119</u>	<u>\$251,577</u>	<u>\$283,150</u>
Total Revenue	\$832,191	\$862,649	\$894,222
Beginning Fund Balance	\$5,735,965	NA	NA
Closing Fund Balance	\$6,568,156	\$7,430,806	\$8,325,028

Calendar Year	2029 29	2030 30	2031 31	2032 32	2033 33	2034 34	2035 35	2036 36
Cat. C Post-Permit Endowment Contri	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072
Investment Earnings ¹	<u>\$315,879</u>	<u>\$349,805</u>	<u>\$384,973</u>	<u>\$421,428</u>	<u>\$459,218</u>	<u>\$498,391</u>	<u>\$538,997</u>	<u>\$581,089</u>
Total Revenue	\$926,951	\$960,877	\$996,045	\$1,032,500	\$1,070,290	\$1,109,463	\$1,150,069	\$1,192,161
Closing Fund Balance	\$9,251,979	\$10,212,856	\$11,208,901	\$12,241,401	\$13,311,691	\$14,421,154	\$15,571,223	\$16,763,384

Calendar Year	2037 37	2038 38	2039 39	2040 40	2041 41	2042 42	2043 43	2044 44
Cat. C Post-Permit Endowment Contri	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072
Investment Earnings ¹	<u>\$624,722</u>	<u>\$669,953</u>	<u>\$716,838</u>	<u>\$765,440</u>	<u>\$815,820</u>	<u>\$868,044</u>	<u>\$922,180</u>	<u>\$978,297</u>
Total Revenue	\$1,235,795	\$1,281,025	\$1,327,910	\$1,376,512	\$1,426,892	\$1,479,116	\$1,533,252	\$1,589,369
Closing Fund Balance	\$17,999,179	\$19,280,203	\$20,608,113	\$21,984,625	\$23,411,517	\$24,890,633	\$26,423,885	\$28,013,254

Calendar Year	2045 45	2046 46	2047 47	2048 48	2049 49	2050 50	Total Year 26 - 50	Ongoing 51+
Cat. C Post-Permit Endowment Contri	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072	\$611,072	\$15,276,801	\$0
Investment Earnings ¹	<u>\$1,036,468</u>	<u>\$1,096,768</u>	<u>\$1,159,275</u>	<u>\$1,224,069</u>	<u>\$1,291,235</u>	<u>\$1,360,860</u>	<u>\$17,835,594</u>	<u>\$1,421,850</u>
Total Revenue	\$1,647,540	\$1,707,840	\$1,770,347	\$1,835,141	\$1,902,308	\$1,971,932	\$33,112,395	\$1,421,850
Net Post-Permit Costs	NA	NA	NA	NA	NA	NA	NA	<u>\$1,421,850</u>
Net Cash Flow	\$1,647,540	\$1,707,840	\$1,770,347	\$1,835,141	\$1,902,308	\$1,971,932	\$33,112,395	\$0
Closing Fund Balance	\$29,660,794	\$31,368,633	\$33,138,980	\$34,974,121	\$36,876,429	\$38,848,361	\$38,848,361	\$38,848,361

1. Investment Earnings = (Prior Year Closing Fund Balance + (Annual Fee Revenue / 2) x (Real Return On Investments)).

TABLE C.5

2025 Five-Year Economic Analysis and Fee Update

SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)

Category C Monitoring and Program Management/Administration, including endowment for post-permit costs (**2025** dollars)

Cost Allocation by Habitat Type

Preserves by Habitat Type	Total Preserve	Percent of	Remainder of		
	Acres ¹		Permit Term	Post permit	Total
Non-vernal Pool Natural/Ag lands	82,910	82%	\$25,984,807	\$12,560,239	\$38,545,046
Vernal pool grasslands	15,811	16%	4,955,322	2,395,247	\$7,350,569
Vernal pool wetted	2,121	2%	664,742	321,315	\$986,057
	100,842	100%	\$31,604,871	\$15,276,801	\$46,881,672

Note: Net of existing fund balance allocated to Category C permit-term and post-permit costs.

1. includes 600 acres of neighboring lands preserves.

Sources: SJCOG, Inc. and **SJMSCP 2024 Annual Report**, ICF, Willdan Financial Services.

TABLE C.6
2025 Five-Year Economic Analysis and Fee Update
SJMSCP Fee Update - 2025 (for 2026 SJMSCP Development Fee Cycle)
Category C Monitoring and Program Management/Administration, including endowment for post-permit costs
Fee Calculations (2025 dollars)

Habitat Type	Remainder of			Post Permit Share of Total	2024 Results	
	Permit Term	Post permit	Total		Total	% Chage
Costs associated with non-vernal pool natural/agricultural lands conversion	\$25,984,807	\$12,560,239	\$38,545,046			
Non-vernal pool Natural/Agricultural land conversion (acres) , remaining	44,732.77	44,732.77	44,732.77			
Multi-purpose open space conversion (acres), remaining ¹	33,500.48	33,500.48	33,500.48			
Multiplier for natural/agricultural land conversion	1	1	1			
Multiplier for multi-purpose open space conversion ¹	0.5	0.5	0.5			
Monitoring & Administration Component of Natural (non-vernal pool)/Agricultural Lands Fee	\$423	\$204	\$627	33%	\$681	-8%
Monitoring & Administration Component of Multi-Purpose Open Space Fee¹	\$212	\$102	\$314	32%	\$341	-8%
Costs associated with vernal pool grasslands	\$4,955,322	\$2,395,247	\$7,350,569			
Vernal pool grassland conversion (acres), remaining	5,162.74	5,162.74	5,162.74			
Monitoring & Administration Component of Vernal Pool Grasslands Fee	\$960	\$464	\$1,424	33%	\$1,682	-15%
Costs associated with vernal pool wetted	\$664,742	\$321,315	\$986,057			
Vernal pool wetted conversion (acres), remaining	706.75	706.75	706.75			
Monitoring & Administration Component of Vernal Pool Wetted Fee	\$941	\$455	\$1,395	33%	\$1,649	-15%

Note: Net of existing fund balance allocated to Category C permit-term and post-permit costs.

1. The fee calculation allocates the costs associated with agricultural habitat and non-vernal pool natural lands preserves to conversion of both those high value lands (agricultural land and non-vernal pool natural land) and lower value multi-purpose open space, thereby assisting with the financing of management and monitoring on agricultural and natural lands preserves.

Sources: SJCOG, Inc., SJMSCP 2024 Annual Report, ICF, and Willdan Financial Services.