

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
September 14, 2006

To: Board of Supervisors

From: Department of Regional Parks

Subject: Report Back: Possibility Of Using One-Time Sacramento Area Flood Control Agency (SAFCA) Alternative Funding To Finance Certain Regional Parks Programs Previously Funded With On-Going SAFCA Funds

Contact: Gary J. Kukkola, Interim Director, 875-6283

**Background:**

On June 5, SAFCA and County Parks staff met to discuss SAFCA's Fiscal Year 2006-07 budget reductions. SAFCA staff reported that they would be stretched very thin in Fiscal Year 2006-07 due to the urgent need to expedite construction required to achieve 100-year certification for the South Sacramento area; to rapidly advance the project planning and design process for Natomas levees; and to push forward with the Joint Federal Project for Folsom Dam. Additionally, SAFCA is continuing with construction required to complete the hydraulic mitigation for the North Area Local Project, including Hayer Dam. As a result of these urgent demands on SAFCA's resources, they elected to make cuts in a number of program areas including several in the Department of Regional Parks. The proposed reductions are shown in the chart below:

<b>Budget Item</b>	<b>Proposed Reduction</b>	<b>Parks Department FY 2006-07 Budgeted Re-imbusement</b>
Sr. Natural Resources Specialist	\$92,000	\$93,000
ARP Invasive Plant Management Project	\$20,000	\$45,000
ARP Invasive Plant Management Project (Restoration component)	\$200,000	\$287,435
Dry Creek Parkway Ranger Patrols	\$54,000	\$67,927
LAR 2D Hydraulic Modeling & FVMP Effort (MBK/MIG)	\$42,800	\$0
<b>Total</b>	<b>\$408,800</b>	<b>\$493,362</b>

This loss of funding would be a major setback for a number of important joint projects between the County and SAFCA that have, in most cases, been in progress for several years.

### **Implications For Parks:**

- **Senior Natural Resource Specialist**  
Due to value of this position to the County's environmental interests and commitments to grant funded programs, Parks has taken action to fund this position that otherwise would have been lost at the beginning of the fiscal year.
- **ARP Invasive Plant Management (IPMP) / IPMP Restoration Component**  
The proposed reduction of \$220,000 will increase the existing unfunded balance for this program. It is possible that the reduction of the SAFCA funding match will cause the County and SAFCA to be in default on the grant agreements with the State of California and the National Oceanic & Atmospheric Administration.
- **Dry Creek Parkway Ranger Patrols** – See separate report back for this item.
- **LAR 2D Hydraulic Modeling & FVMP Effort** – See separate report back for this item.

### **SAFCA's Proposed Solution**

SAFCA staff suggests that State and SAFCA Capital Outlay funds could indirectly provide all the necessary funds to meet the identified funding deficiencies if County Parks were willing to modify its policy with respect to use of funds received from sale of habitat easements and/or the collection of County charged Habitat Restoration Fees (HRF) to include restoration and rehabilitation, in addition to land acquisition. SAFCA's proposal is as follows:

1. The State and SAFCA would pay County Parks a total of \$560,000 (70% State contribution) for burrowing owl habitat easement acquisition for the South Sacramento Streams Project. SAFCA's contribution would come from SAFCA's American River – South Sacramento Streams Group Project Fund (Capital Assessment District 3 funds).
2. County Parks would seek a policy change to allow a portion of the funds to be used for restoration of the Hayer Dam site in the Dry Creek Parkway.
3. County Parks would contribute an additional \$390,000 to SAFCA to share more equally in the full cost of the Hayer Dam Project, based on the benefits provided to County Parks in terms of public safety, reduced liability, recreation, and aesthetic improvements. (Note: The Hayer Dam project suffered from higher than expected costs. Parks contribution to the project was capped by agreement at \$340,000. As a result, SAFCA absorbed the additional \$390,000 project expense.)
4. The Hayer Dam Project is funded by SAFCA through its Operation and Maintenance Fund (District 1 funds). The County Parks contribution for Hayer Dam would free up SAFCA O&M funds for contribution to Parks for the projects and activities for which SAFCA has reduced or eliminated funding this year.

### **Discussion**

- The Board adopted Habitat Restoration Fee (HRF) specifies that funds collected shall be placed in a trust for the acquisition of additional park land and open space. The SAFCA proposed solution would require the Board to take action to allow for other uses of the fees collected in support of land restoration and rehabilitation.

Concern has been expressed that the diversion of the HRF to support the cost of restoration and rehabilitation could deplete funds otherwise available for the future acquisition of park and open space lands, resulting in missed opportunities for important acquisitions in the American River Parkway, Dry Creek Parkway, and new open space areas.

- The Proposed SAFCA funding solution is based on a one-time funding source related to burrowing owl mitigation proposed for the North Stone Lakes area. Two of the previously SAFCA funded programs are on-going year-to-year, and although the proposed funding solution would be helpful in the current year, it does not address the on-going needs for operations. SAFCA could conceivably accomplish the burrowing owl mitigation elsewhere, including a mitigation bank. It is unknown at this time if there are other non-SAFCA projects in the works that might benefit from the use of North Stone Lakes as a mitigation site.

It is unclear at this time whether SAFCA would be in a position to restore on-going Parks funding for mutually beneficial programs consistent with their mission, if SAFCA is successful in the creation of a new assessment district next year.

- Regional Parks fulfilled its contractual obligations for its interests in the Hayer Dam Project.

Respectfully submitted,

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GARY KUKKOLA, Interim Director  
Department of Regional Parks

APPROVED:  
TERRY SCHUTTEN  
County Executive

By: \_\_\_\_\_  
CHERYL CRESON, Administrator  
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