

CITY COUNCIL STAFF REPORT

DATE:

April 21, 2010

UNFINISHED BUSINESS

SUBJECT: COMMENT LETTER ON PROPOSED DESIGNATION OF CASEY'S

JUNE BEETLE AND ADOPTION OF CRITICAL HABITAT

FROM:

David H. Ready, City Manager

BY:

Planning Department

SUMMARY

In response to the release of the Economic Analysis of Critical Habitat Designation for the Casey's June Beetle, staff has prepared the attached comment letter. The letter will be sent to the US Fish and Wildlife Services in advance of the April 30, 2010 due date. Staff has consulted with Tribal planning staff and others in preparation of the letter, and believes it provides a statement of the many concerns we have with the proposed listing. Staff is seeking the Council's approval of the letter or other direction.

Staff also notes that, as a courtesy, we forwarded the US FWS notice to all owners of property affected by the proposed critical habitat, and urged them to provide comment by the April 30, 2010 deadline.

RECOMMENDATION:

Direct staff regarding the attached letter.

FISCAL IMPACT:

No fiscal impact.

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Director of Planning Services

Thomas J. Wilson

Assistant City Manager, Dev't Svcs

David H. Ready City Manager

Attached: Draft Comment Letter



City of Palm Springs

Department of Planning and Zoning

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April 22, 2010

Public Comments Processing, Attn: <u>FWS-R8-ES-2009-0019</u> Division of Policy and Directives Management U.S. Fish and Wildlife Service 4401 N. Fairfax Drive, Suite 222 Arlington, VA 22203

RE: Listing Casey's June Beetle as Endangered and Designation of Critical

Habitat.

The City of Palm Springs appreciates the opportunity to provide comment on the proposed listing of the Casey's June Beetle under the terms of the Endangered Species Act (ESA), including the recently-released Economic Analysis of the proposed Critical Habitat Designation. We recognize and support the purposes of the ESA to prevent extinction and aid in the recovery of threatened species. Notwithstanding the merits of the Act's intentions, however, it remains the City's view that the Casey's June Beetle is not an appropriate candidate for listing at this time, and that designation of a critical habitat is premature. Our reasons are detailed below.

A. State of Scientific Knowledge

The City believes that there remains significant doubt about the need for the proposed listing of the Casey's June Beetle and designation of critical habitat because the current state of knowledge regarding the beetle, its distribution, life habits and habitat needs are inadequate to justify such listing and designation. According to the US Fish and Wildlife Service's (FWS) proposed listing and other sources, important information about the species is still unknown:

- The species' larval stage interval is unknown;
- 2. There is no certainty about what the insect eats;
- The range of the male species is not well known;
- The climatic conditions under which the species may thrive are not well known; and
- 5. The species' distribution has not been sufficiently established by reliable, contemporary surveys.

The designation of a species for which so much has yet to be learned sets a disturbing pattern for use of the ESA, and leaves little room for a reasoned evaluation of the species' actual need for federal protection. Further, the

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Service's rush to designate this species is out of step with the ESA's requirement that the best scientific data available be used to support a listing.

B. Critical Habitat Designation

The City is also troubled by the FWS' identification of critical habitat for the Casey's June Beetle, as well as the Service's insufficient exploration of other areas that may be important to the species' survival and recovery. The proposed critical habitat comprises 777 acres of lands within and adjacent to the City of Palm Springs. Much of this land has been disturbed by human activity due to grading for urban development, informal trespass and recurring maintenance (sediment removal) of flood control facilities. The proximity of human activities has very likely permanently altered many of the environmental factors which comprise the species' habitat (soil surface conditions, temperature, humidity, light, noise, etc.)

In fact, areas within the proposed critical habitat which have been subject to significant human interaction have shown a <u>higher</u> distribution of the Casey's June Beetle than areas relatively free of direct human contact. The lack of knowledge about the species' environmental habitat noted above extends to explaining why the species continues to be present amid such altered conditions. Again, the listing should not be undertaken within such a poor decision environment.

Finally, there remains significant potential for locating the species outside the proposed critical habitat. All studies indicate that the Casey's June Beetle requires certain soils types (CdG, RA, ChC, MaB and CpA soils), which are widely distributed throughout the Coachella Valley. While other factors beside soils play their role in supporting any species, the lack of knowledge regarding temperature, humidity, wind, complementary plant and animal species and other factors related to the Casey's June Beetle suggests that more work needs to be done before tagging this species with an endangered status and adopting a critical habitat.

C. Recovery Plan

No recovery plan has been prepared for this species. The City understands that such plans are often prepared two or more years after a species is listed as endangered. However, discussions with FWS staff indicates that there is little understanding regarding what would be required to "recover" this species, including what changes to adjacent, existing or future urban development might be required. FWS staff offered the possibility that lighting of swimming pools may need to be regulated to avoid attracting the insects to water features where they may drown. Without a clear knowledge of the flight range of the males, there is no certain way to identify the need or extent of such regulations.

The latest maps provided by FWS staff indicate lands in and around the City of Palm Springs called "exclusion areas". These areas could be made part of the

recovery plan, but their selection appears to have no scientific rationale other than a loose concept of proximity to the critical habitat. Yet, they are considered to be important elements of any future recovery plan once the species is listed. Once again, insufficient data is being accepted as sufficient justification for listing.

D. Economic Analysis

City staff has reviewed the "Economic Analysis of Critical Habitat Designation for the Casey's June Beetle (prepared Feb. 22, 2010; received March 31, 2010). Staff is concerned about a number of the reports conclusions:

- 1. The report states, "...complete avoidance of critical habitat is a possible outcome for future projects, resulting in the complete loss of value of affected parcels. However, the Service plans to work with affected stakeholders where possible to develop alternatives to conducting the proposed project within habitat identified as essential for the species, or to determine other reasonable and prudent alternatives." The City appreciates this laudable goal, but local Service staff had indicated that two-to-one or higher replacement of critical habitat would likely be necessary for any development proposal. Rather than overestimating the project impacts based on the promise of Service dialogue, the analysis should simply acknowledge that designation of the critical habitat would lead to the greatest impact: Complete loss of the value of affected parcels.
- 2. The report analyzes the economic impact of the loss of flood control capacity that would likely result from designation of critical habitat. Loss of capacity would result from reduced sediment removal and the potential for reduced capacities in proposed Line 41, Stage 3 of the Palm Springs Master Drainage Plan. Previous concerns about physical impacts have been raised by the Riverside County Flood Control and Water Conservation District (Set. 8 2009). However, the City believes that additional economic impacts will occur to properties which would no longer enjoy the benefits of a well-maintained flood control system, reducing development potential and property values.
- 3. Finally, the report states, "...the Service notes that the City of Palm Springs has not mandated changes in a project's design as a result of critical habitat designation for other species". It is unfortunate that these assertions by the FWS Carlsbad office are not supported by any evidence, but are taken at face value by the report's authors. Casting unconfirmed doubts on the City's performance under the California Environmental Quality Act and its stewardship of lands within its corporate boundaries raises larger questions about the report's overall reliability.

In short, the City believes that the lack of information regarding the characteristics and habitat needs of the Casey's June Beetle, as well as the insufficient recognition of the economic impacts of the critical habitat designation make a decision on designation premature. Further study is warranted given the potential for the species to be more widely distributed than is currently known and to be more adaptable to human interaction than has been recognized thus far. Additional economic analysis is also necessary to fully capture the impacts on property values — both within the proposed critical habitat — and in other lands that would be adversely affected by a compromised flood control system. We ask the US Fish and Wildlife Service to postpone the listing of the Casey's June Beetle until these matters are resolved.

Thank you for the opportunity to comment on this proposed action. Feel free to contact me at 760-323-8269 or craig.ewing@palmspringsca.gov.

Sincerely,

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Craig A. Ewing, AICP Director of Planning Services

Cc: City Council

City Manager City Attorney

U.S. FWS, 6010 Hidden Valley Road, Carlsbad, California 92011