

**Final Recirculated
Coachella Valley Multiple Species Habitat
Conservation Plan
and
Natural Community Conservation Plan**

Appendix V: Like Exchanges during 2006

September 2007

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DATED June 14, 2006
**MEMORANDUM OF UNDERSTANDING BETWEEN
THE COUNTY OF RIVERSIDE, THE COACHELLA VALLEY CONSERVATION
COMMISSION, THE COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS,
AND THE CITY OF INDIO
CONCERNING IMPLEMENTATION OF THE
COACHELLA VALLEY MULTIPLE SPECIES HABITAT CONSERVATION PLAN
REGARDING CITRUS RANCH**

This Memorandum of Understanding ("MOU") is made as of June 26, 2006, by and between the County of Riverside ("County"), the Coachella Valley Association of Governments ("CVAG"), the City of Indio ("City") and the Coachella Valley Conservation Commission ("CVCC"). The MOU sets forth an agreement concerning implementation of the Coachella Valley Multiple Species Habitat Conservation Plan (the "MSHCP") for the East Indio Hills Conservation Area and the Citrus Ranch Project ("Project"). Each signatory to this MOU is referred to herein as a "Party" and collectively as the "Parties". Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the MSHCP.

RECITALS

WHEREAS, Riverside County has a diverse ecosystem supporting a wide range of plant and animal species; and

WHEREAS, Riverside County faces the doubling of its population over the next 20 to 25 years; and

WHEREAS, this population increase will require new development throughout the Coachella Valley, including development for commercial and residential purposes, and the development of infrastructure to support such land uses; and

WHEREAS, CVAG, with the assistance and cooperation of the County and the nine cities in the Coachella Valley has developed the MSHCP to address the conservation of multiple species within the MSHCP area; and

WHEREAS, CVAG and the County have approved the MSHCP and the City intends to consider approval of the MSHCP in the near future; and

WHEREAS, both the County and the City desire to cooperate to meet the conservation and development objectives of the City within the framework of the MSHCP; and

WHEREAS, the Project is depicted on Exhibit "A", attached hereto and incorporated herein by reference. The Project is currently located within the boundaries of the County but within the City's sphere of influence. The City is currently pursuing annexation of the East Indio Hills Conservation Area which includes portions of the Project site and is processing an application for the Project. The City wishes to ensure that development of the Project is fully compatible with all of the MSHCP's goals and objectives, and satisfies all requirements and conditions; and

WHEREAS, the Project is located partially within the “East Indio Hills Conservation Area” as defined under the MSHCP. Section 4.3.15 of the MSHCP establishes “Conservation Objectives” for the East Indio Hills Conservation Area and “Required Measures” to avoid, minimize, and mitigate “Take” in the Area (each as defined in the MSHCP). If the MSHCP is approved by all necessary parties and becomes effective, development within the East Indio Hills Conservation Area must be consistent with the identified Conservation Objectives and Required Measures; and

WHEREAS, the Plan requires that roughly 90% of certain habitats within each Conservation Area that is not already conserved must be preserved through acquisition, deed restriction, or conservation easement. The roughly 10% of habitat that is available for development within each Conservation Area as a whole and within each jurisdiction is referred to herein as the Area’s “Take Allocation;” and

WHEREAS, the City will consider approving the MSHCP if and only if it receives binding assurances from all necessary parties that (a) the MSHCP will not prevent the Project from being approved and constructed; (b) the MSHCP will not delay approval or construction of the Project; and (c) the proposed Project development footprint can be approved under the MSHCP. This MOU is designed to provide such binding assurances; and

WHEREAS, under the terms of the Final MSHCP dated February 2006, the Project may require a Take Allocation within the East Indio Hills Conservation Area as depicted on Exhibit “B” attached hereto and incorporated herein by reference. These acres of take are currently available and allocated to the County in that Conservation Area; and

WHEREAS, Section 6.12.2 of the MSHCP provides a process for a “Like Exchange” of property that allows changes in conservation area boundaries provided such an exchange results in equal or greater benefits to species and natural communities covered under the MSHCP. If the United States Fish and Wildlife Service and the California Department of Fish and Game (collectively the “Wildlife Agencies”) concur in a Like Exchange, then the Like Exchange does not require an Amendment to the MSHCP; and

WHEREAS, CVAG has requested that the United States Bureau of Land Management (“BLM”) consider a Like Exchange that will add approximately 320 acres of BLM property to the Dos Palmas Conservation Area and remove Project acreage from the East Indio Hills Conservation Area as set forth in Exhibit “C” attached hereto and incorporated herein by reference. As a result of the Dos Palmas Like Exchange, the removed Project acreage will not be subject to the Conservation Objectives and Required Measures set forth in Section 4.3 of the MSHCP; and

WHEREAS, the City has requested that the County consider a Like Exchange that will add approximately 80 acres of property owned by the County adjacent to the Edom Hill Landfill site to the Edom Hill Conservation Area and remove Project acreage from the East Indio Hills Conservation Area as set forth in Exhibit “D” and the County through this MOU has consented to such Like Exchange. As a result of the Edom Hill Like Exchange, the removed Project acreage will not be subject to the Conservation Objectives and Required Measures set forth in Section 4.3 of the MSHCP; and

WHEREAS, CVAG has requested that BLM consider a Like Exchange that will add approximately 31 acres of BLM property to the Whitewater Floodplain Conservation Area and remove Project acreage from the East Indio Hills Conservation Area as set forth in Exhibit “D”. As a result of the Whitewater Floodplain Like Exchange, the removed Project acreage will not be subject to the Conservation Objectives and Required Measures set forth in Section 4.3 of the MSHCP; and

WHEREAS, CVAG has requested that BLM consider a Like Exchange that will add approximately 62 acres of BLM property to the Mecca Hills/Orocopia Mountains Conservation Area and remove Project acreage from the East Indio Hills Conservation Area as set forth in Exhibit “C”. As a result of the Mecca Hills/Orocopia Mountains Like Exchange, the removed Project acreage will not be subject to the Conservation Objectives and Required Measures set forth in Section 4.3 of the MSHCP; and

WHEREAS, CVAG has requested that the California Department of Fish and Game (“CDFG”) consider a Like Exchange that will add approximately 20 acres of CDFG property to the Thousand Palms Conservation Area and remove Project acreage from the East Indio Hills Conservation Area as set forth in Exhibit “E”. As a result of the Thousand Palms Like Exchange, the removed Project acreage will not be subject to the Conservation Objectives and Required Measures set forth in Section 4.3 of the MSHCP; and

WHEREAS, BLM by letter dated June 8, 2006 has agreed to implement the Dos Palmas, Whitewater Floodplain, and Mecca Hills/Orocopia Mountains Like Exchanges. A copy of this letter is attached hereto as Exhibit “F” and incorporated herein by reference; and

WHEREAS, CDFG, by letter dated June __, 2006, has agreed to implement the Thousand Palms Like Exchange. A copy of this letter is attached hereto as Exhibit “G” and incorporated herein by reference; and

WHEREAS, pursuant to Section 6.12.2 of the MSHCP, a Like Exchange equivalency analysis has been prepared for the Project (“Equivalency Analysis”). The Equivalency Analysis is attached hereto as Exhibit “H” and incorporated herein by reference. The Equivalency Analysis found that the Edom Hill, Whitewater Floodplain, Dos Palmas, Mecca Hills/Orocopia Mountains, and Thousand Palms Like Exchanges described above would result in equal or greater benefits to the species and natural communities covered under the MSHCP; and

WHEREAS, the Wildlife Agencies have concurred with the findings in the Equivalency Analysis, as set forth in their correspondence attached as Exhibits “I” and “J” attached hereto and incorporated herein by reference, such that an Amendment to the MSHCP is not required for the Project to be approved under the MSHCP; and

WHEREAS, as a result of the Like Exchanges described above, the Project will not need to utilize any Take Allocation. To the extent that one or more of the Like Exchanges are not implemented for whatever reason, and the Project must utilize a Take Allocation in order to meet the MSHCP’s requirements, the City wishes to ensure that adequate Take Allocation is available for the Project upon annexation of the entire East Indio Hills Conservation Area and that the Take Allocation will be transferred to the City; and

WHEREAS, Section 6.6.1.1 of the MSHCP requires CVCC to conduct a “Joint Project Review Process” for all projects proposed for Conservation Areas that would result in disturbance to Habitat, natural communities, Biological Corridors, or Essential Ecological Processes. During the Joint Review Process, CVCC analyzes the extent to which the proposed project would impact the Conservation Area Conservation Objectives and Required Measures delineated in Section 4.3 for each Conservation Area, and how the project would affect the maintenance of Rough Step in the affected Conservation Area. CVCC then forwards its analysis and the project application to the Wildlife Agencies for their review and comment. Based on its own analysis and the Wildlife Agencies’ comments, CVCC then determines whether the proposed project is consistent with the Conservation Area’s Conservation Objectives and Required Measures as defined in Section 4.3. The CVCC has completed a Joint Project Review Process for the Project pursuant to the requirements of Section 6.6.1.1 of the MSHCP. The CVCC has prepared a Consistency Analysis attached hereto as Exhibit “I” (“MSHCP Consistency Analysis”) as required by Section 6.6.1.1. As set forth in the MSHCP Consistency Analysis, the CVCC has found that with compliance with the Required Measures, the Project is consistent with the MSHCP. Without limiting the foregoing, CVCC has found that the Project is compatible with, and fully satisfies, all of the goals, objectives, requirements, and conditions set forth in the MSHCP, including but not limited to those set forth in Sections 4.3, 4.4, 4.5, 6, 9, and 10 of the MSHCP. Although the Consistency Analysis is entitled “Interim Project Review,” in fact it is a complete, binding, and formal review that is not preliminary in nature. The term “interim” is simply the terminology used to describe a review that occurs prior to the implementation period of the MSHCP; and

WHEREAS, the Wildlife Agencies concur with the MSHCP Consistency Analysis and the Like Exchange Equivalency Analysis as also stated in Exhibits “I” and “J.”

NOW, THEREFORE, all Parties do hereby set forth their mutual representations, commitments, and understandings regarding the following:

1. The Parties agree that all of the East Indio Hills Conservation Area will be proposed for annexation, and may ultimately be annexed, to the City. After approval of the MSHCP by all Permittees, issuance of the applicable state and federal incidental take permits and annexation of the entire East Indio Hills Conservation Area into the City, the Parties agree that all Take Allocation within this Conservation Area shall be transferred to the City. The County further agrees not to approve any projects that utilize any Take Allocation in the East Indio Hills Conservation Area pending LAFCO’s action on the annexation, except for applications for a single-family home on an existing legal lot. The County, however, shall not approve any applications for a single-family home on an existing legal lot that utilize Take Allocation without the City’s approval, which approval shall not be unreasonably withheld. The Parties agree that, at a minimum, the acres of take for the East Indio Hills Conservation Area, set forth on Exhibit “B” are currently available. Once all take is transferred to the City, the City agrees that all or any portion of these acres may be allocated, in the City’s sole and absolute discretion, to the Project as depicted on Exhibit “C”. The City and CVCC agree that the acreage numbers used for purposes of analyzing the Project for MSHCP consistency are the appropriate acreage numbers to use.

2. The Parties concur in the findings of the Equivalency Analysis for Like Exchanges and the resulting changes in the boundaries for the Edom Hill, Whitewater Floodplain, Dos Palmas, Mecca Hills/Orocopia Mountains, Thousand Palms, and East Indio Hills Conservation Areas in order to provide sufficient take authorization for the Project. The County agrees to take all necessary steps to effect the Edom Hill Like Exchange. In the event that the MSHCP is approved by all of the Permittees, the applicable incidental take permits are issued by the Wildlife Agencies, and the East Indio Hills Conservation Area is annexed into the City, then the boundaries for the Edom Hill, Whitewater Floodplain, Dos Palmas, Mecca Hills/Orocopia Mountains, Thousand Palms, and East Indio Hills Conservation Areas will be adjusted as depicted on attached Exhibits “C,” “D,” “E,” and “L.”
3. The CVCC and the City concur with the findings in the MSHCP Consistency Determination.
4. The County, CVAG and the CVCC agree to support the Project and the annexation of the East Indio Hills Conservation Area into the City’s jurisdiction.
5. The Parties concur with CVAG’s requests to BLM regarding the Dos Palmas, Whitewater Floodplain and Mecca Hills Like Exchanges.
6. The Parties acknowledge that no actions to be taken by any of the Parties under this MOU will constitute a Major Amendment to the MSHCP or Implementation Agreement. CVAG, the CVCC and City acknowledge receipt of correspondence from the Wildlife Agencies, attached as Exhibits “I” and “J”, providing that to the extent that any actions taken by the Parties pursuant to this MOU require a Minor Amendment to the MSHCP or Implementation Agreement, such amendments are concurred in by the Wildlife Agencies.
7. Subject to reimbursement by CVCC to County for use by its Waste Management Department, approximately eighteen acres of County’s property shown on Exhibit ___ will be available for use for the Project. A conservation easement will be recorded on the remaining approximately sixty two acres in the Edom Hill Conservation Area, which will be available to offset impacts from any future waste related projects.
8. In the event that, for whatever reason one or more of the Like Exchanges are not implemented, the CVCC agrees to use its best efforts to (a) identify alternative Like Exchange acreage that would allow removal of the same Project site acreage from the East Indio Hills Conservation Area, and (b) implement the alternative Like Exchange or Like Exchanges.
9. The City agrees to ensure that the Project will grant a Conservation Easement to the CVCC over the existing natural areas that will remain undisturbed (approximately 190 acres) as well as the areas of temporary disturbance that will be restored within the East Indio Hills Conservation Area, which Conservation Easement shall be consistent with the terms set forth on Exhibit “M” and as further negotiated by the parties.

10. The CVCC agrees that under the MSHCP, its land managers, as opposed to the Wildlife Agencies, are the appropriate persons to evaluate and determine whether the areas of temporary disturbance or generalized degradation on the Project Site have been successfully restored/enhanced to stabilized or partially stabilized sand fields or mesquite hummocks to enable the Project to receive authorization to remove 4 acres of mesquite hummocks and 38 acres of stabilized and partially stabilized sand dunes from the Project site as a result of habitat restoration and enhancement. CVCC shall request that the Wildlife Agencies confirm through the permit conditions and findings attached to the incidental take permits issued to the Permittees of the MSHCP that restoration and enhancement activities as described for the Project in the Consistency Analysis will allow for an equivalent amount of authorized take of such habitat within a Conservation Area. CVCC shall use its best efforts to take the steps necessary to transfer the necessary amount of take authorization from other Conservation Areas to the East Indio Hills Conservation Area as may be needed by the City to allow the Project to develop should either: (1) one or more Like Exchanges contemplated by this MOU not occur, or (2) temporary take allowance or take authorization through restoration/enhancement not provide sufficient take authorization enabling the Project to be developed.
11. The CVCC agrees not to require the Project or City to fund long-term management, maintenance or monitoring of the lands placed under a conservation easement on the Project Site.
12. The Parties agree to cooperate with each other in the implementation of this Agreement and perform any and all acts necessary to carry out the intent of the Agreement. Without limiting the foregoing, the Parties agree to provide necessary approvals, and execute, acknowledge, and deliver any and all additional papers, documents and other assurances as may be necessary to carry out the intent of the Agreement.
13. This MOU constitutes the entirety of the agreement between the Parties hereto as for the matters contained herein and it supersedes any other agreement, oral, written or otherwise.
14. This MOU shall be governed by the laws of the State of California.
15. This MOU shall be binding on all parties, their heirs, successors in interest and assigns.
16. If any provision of this MOU is determined to be unenforceable in any respect by a court of competent jurisdiction, such unenforceability shall not affect any other provision herein, and this MOU shall be construed as if such unenforceable provision had not been contained herein.
17. This MOU may be executed in counterparts, each of which will be deemed an original, but all such counterparts together shall constitute one document.
18. If any action is brought for the purpose of enforcing or interpreting any of the terms

of this MOU, the prevailing party shall be entitled to recover reasonable attorneys fees and costs in that action, in addition to any other relief which may be granted.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed as of the date first written above.

COUNTY OF RIVERSIDE

CITY OF INDIO

DEPUTY CLERK
JULIO J. MENDOZA
DEPUTY CLERK

By: Bob Buster
Chair
BOB BUSTER
Riverside County Board of Supervisors

Date: 7-12, 2006

COACHELLA VALLEY CONSERVATION
COMMISSION

By: [Signature]
Mayor
City of Indio

Date: 7/31/, 2006

COACHELLA VALLEY ASSOCIATION OF
GOVERNMENTS

By: [Signature]
Chair

Date: 6/26, 2006

By: Niran Aziz
Chair

Date: 6-26, 2006

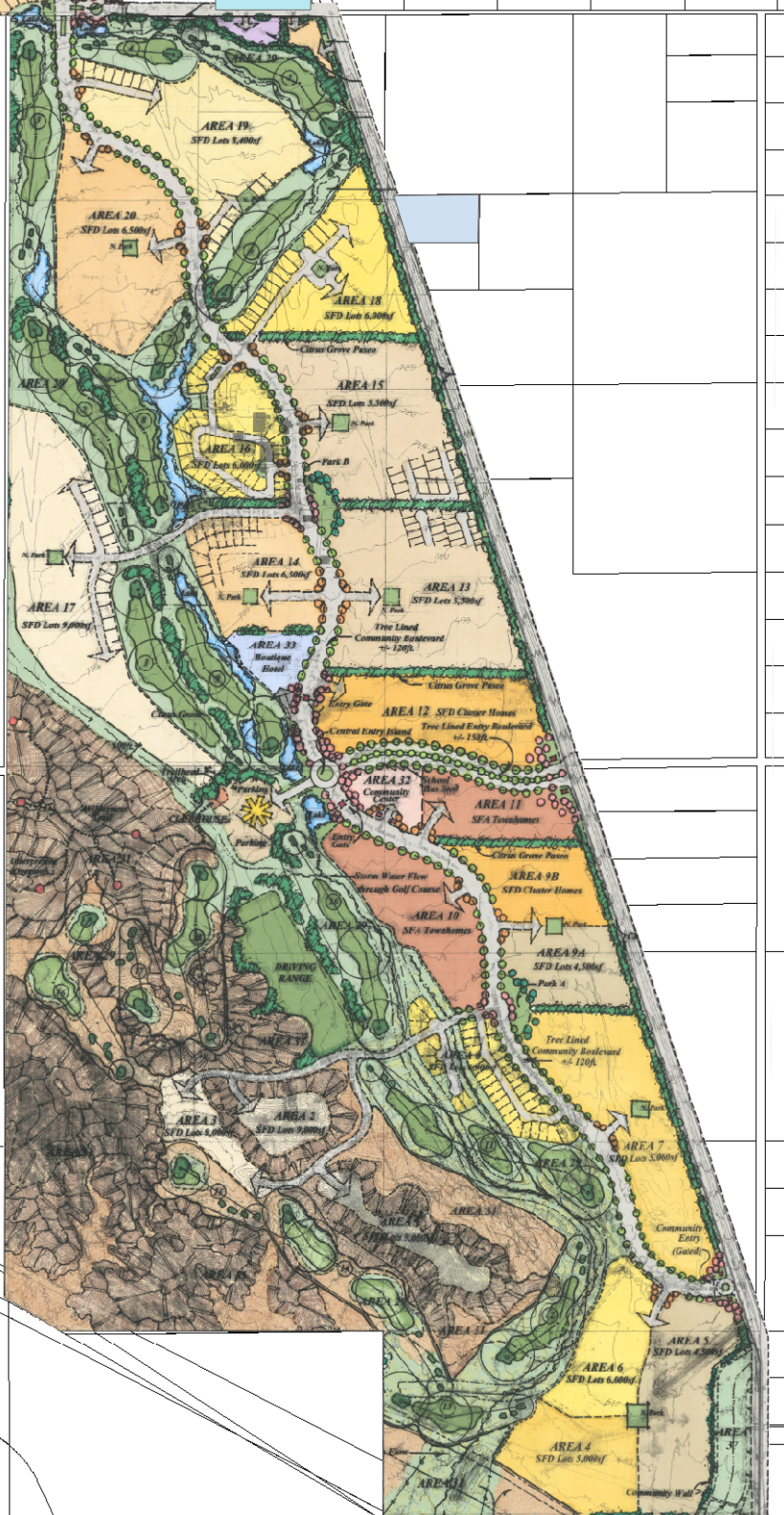
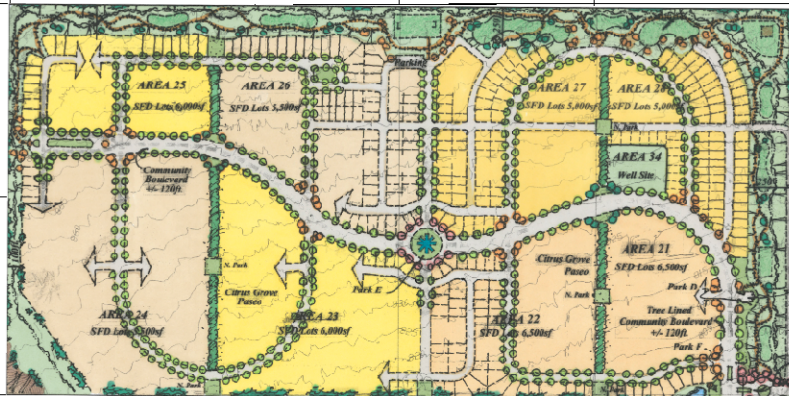
FORM APPROVED
COUNTY COUNSEL

JUL 12 2006

BY: K. Watts-B

6-20-06 15.1

Exhibit "A"



Legend Citrus Ranch Project Site (Including Off Site Property and Uses)

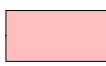


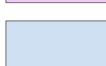
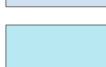
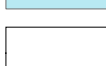
-  Cover Property - 300' Reservoir Location
-  Conroy Property - Additional Reservoir/Entry Location
-  Gagnon Property - 450' & 600' Reservoir Location
-  Schwartz Property - IID Substation
-  Fitzgerald Property - Fire/Police Station Location
-  General Parcel



Exhibit "B"

Take Allocation within the East Indio Hills Conservation Area

**TABLE CR-01: EAST INDIO HILLS
CONSERVATION AREA**

	CONSERVATION OBJECTIVE	Acres of Authorized Disturbance For East Indio Hills Conserv. Area	Total Acres Disturbed by Project (Includes Temporary Disturbance)	Acres of Available Conservation (Credit)		Acres of Take Required for Citrus Ranch Project
				Like Exchange	Restoration	
Species	Mecca aster	123	68	68	n/a	0
	Flat-tailed horned lizard	57	112	112	n/a	0
	Le Conte's Thrasher	155	153	153	n/a	0
	Coachella Valley round-tailed ground squirrel	119	194	194	n/a	0
	Palm Springs pocket mouse	124	194	194	n/a	0
Natural Community	Active Desert Dunes	5	0	n/a	n/a	0
	Stabilized and Partially Stabilized Desert Sand Fields	40	96	68	38	0 (28) *
	Mesquite hummocks	4	4	n/a	12	0 (4)

n/a = not applicable

* = Number in parentheses is the minimum number of acres of temporary disturbance to be restored

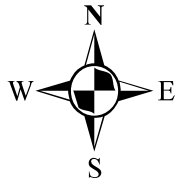
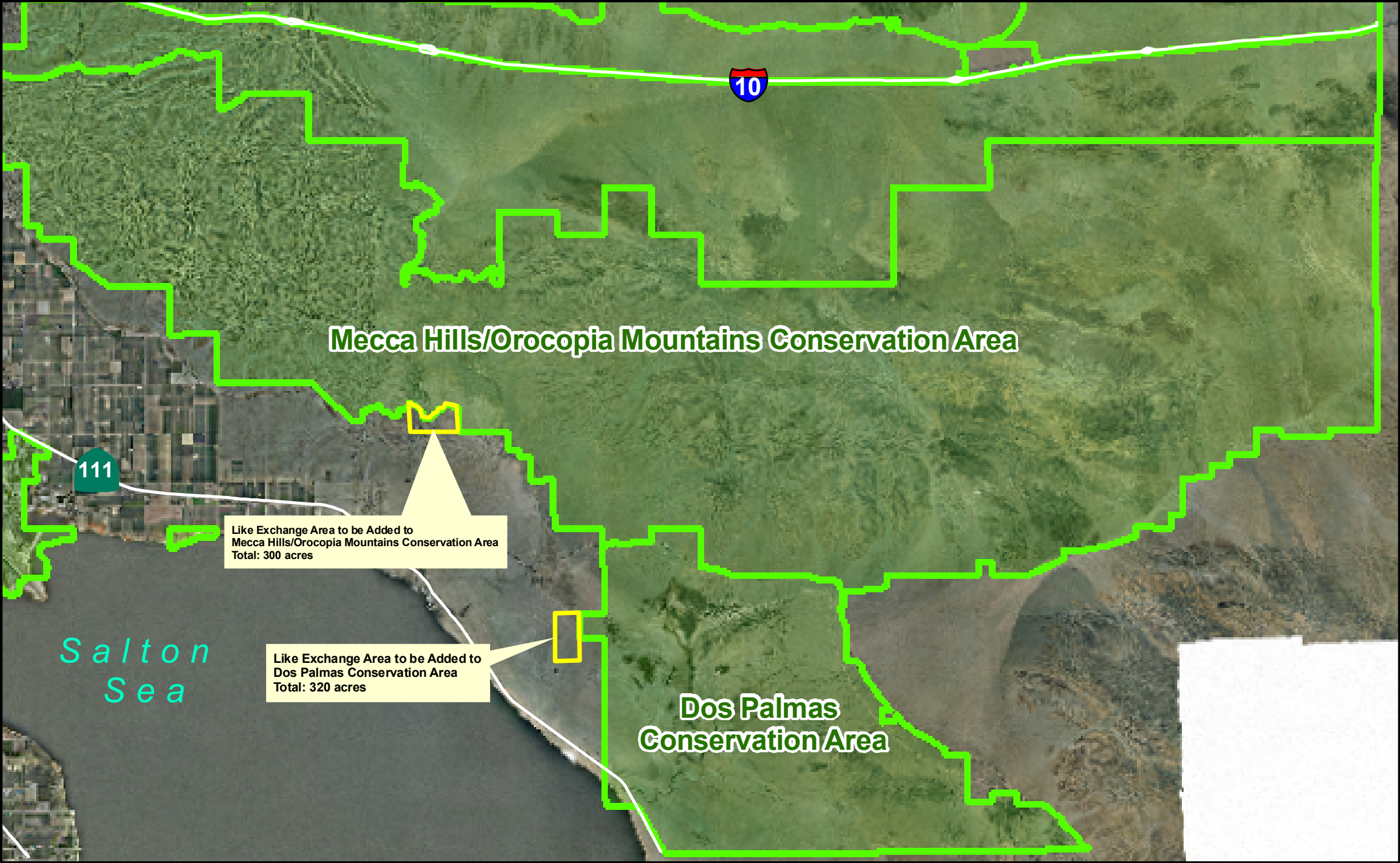
Exhibit "C": City of Indio: Citrus Ranch Project Like Exchange Areas Added to Conservation Areas

Legend

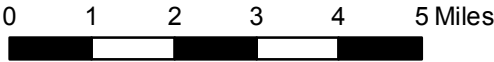
Major Roads

CVMSHCP Conservation Area

Areas to be Added to Conservation Areas

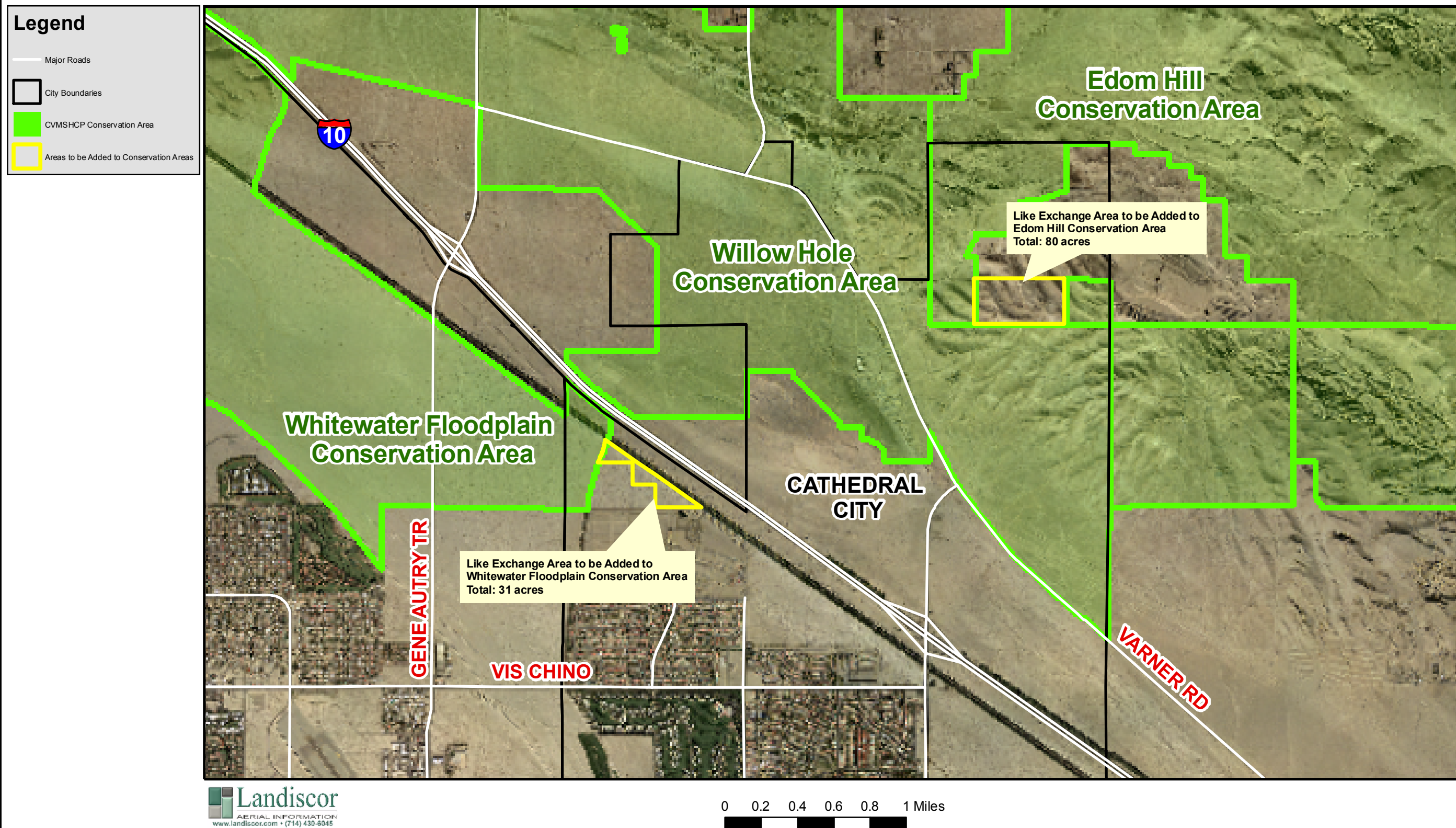


Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
CR Exhibit C.mxd



DISCLAIMER: CVAG and The County of Riverside assume no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. CVAG and County GIS and other sources should be queried for the most current information. Horizontal accuracy: Parcel data is of mapping grade (quality) only and does not represent reliable locations or legal boundaries. User assumes all risk of use of this product. Do not copy or resell this map.

Exhibit "D": City of Indio: Citrus Ranch Project Like Exchange Areas Added to Conservation Areas



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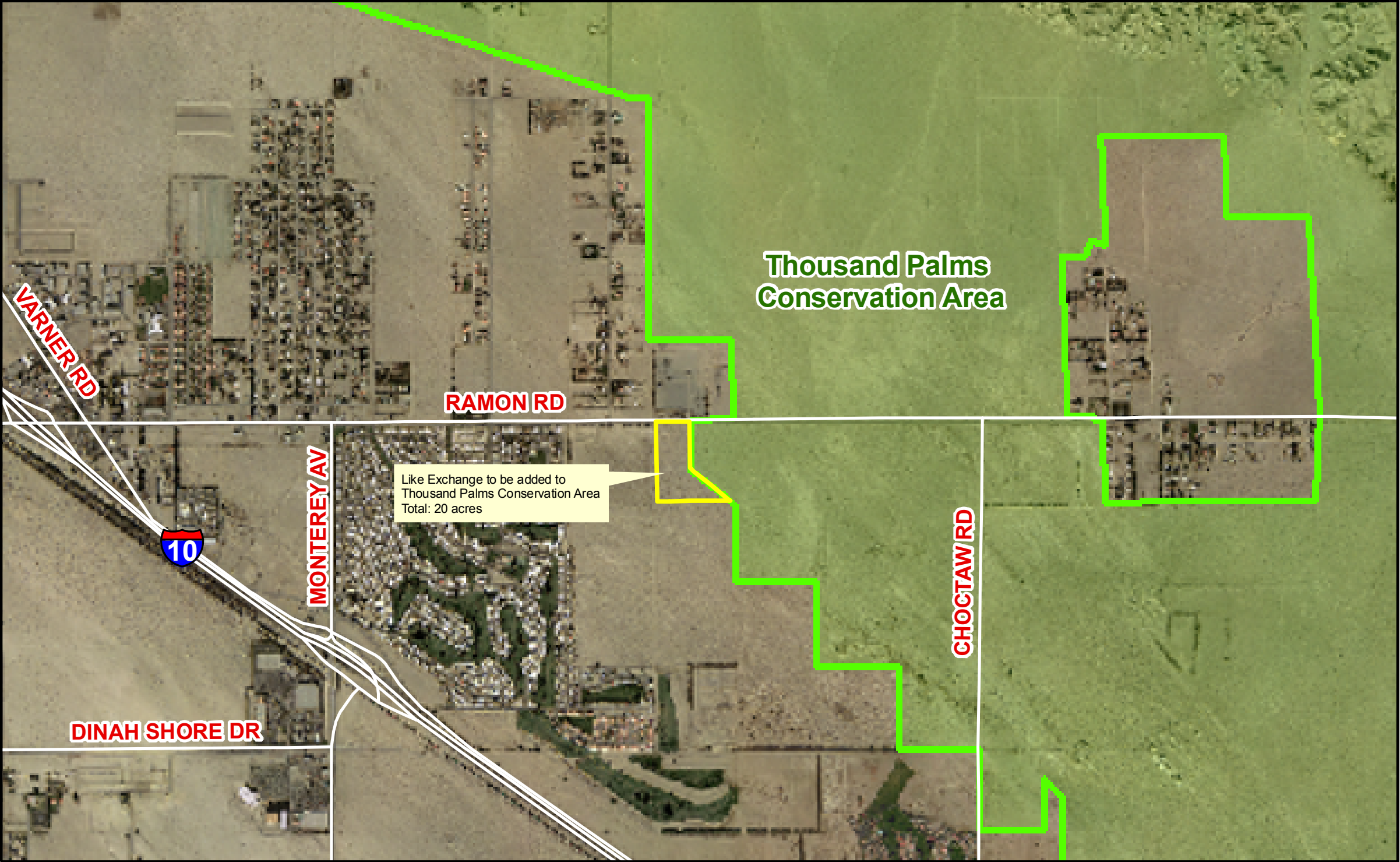
Exhibit "E": City of Indio: Citrus Ranch Project Like Exchange Areas Added to Conservation Areas

Legend

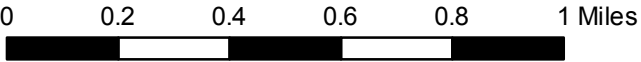
Major Roads

CVMSHCP Conservation Area

Area to be added to Conservation Area



Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
CR Exhibit E.mxd



DISCLAIMER: CVAG and The County of Riverside assume no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. CVAG and County GIS and other sources should be queried for the most current information. Horizontal accuracy: Parcel data is of mapping grade (quality) only and does not represent reliable locations or legal boundaries. User assumes all risk of use of this product. Do not copy or resell this map.



COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

Allythe • Cathedral City • Coachella • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage
County of Riverside • Agua Caliente Band of Cahuilla Indians • Cabazon Band of Mission Indians • Torres Martinez Desert Cahuilla Indians

May 19, 2006

Gail Acheson, Field Manager
Palm Springs/South Coast Field Office
Bureau of Land Management
690 W. Garnet Ave.
P.O. Box 581260
North Palm Springs, CA 92258-1260

Exhibit "F"

Dear Gail:

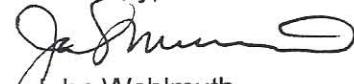
Thank you for the opportunity to discuss some issues of common interest with regard to the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP). As we move toward final consideration of the CVMSHCP by all of the Permittees, one of our needs is to determine the potential to include some BLM lands in the Conservation Areas through a Like Exchange process. As a follow-up to our meeting, I want to formally request that you consider the following BLM lands which are currently outside the Conservation Areas for the Like Exchange process:

1. Approximately 31 acres in T 3S R 5 E Section 32, south of the railroad in Cathedral City to be added to the Whitewater Floodplain Conservation Area (APNs: 660-350-013, 660-360-019, 660-370-004).
2. Approximately 159 acres T 4S, R 8E, Section 30 (\pm 160 acres; APNs 745-340-002, 3 and 745-350-002) to be added to the Desert Tortoise and Linkage Conservation Area.
3. Approximately 256 acres in Section 30, T 7S, R 7E (APN 751-300-012) to be added to the Santa Rosa and San Jacinto Mountains Conservation Area.
4. Approximately 160 acres in Section 28, T 7S, R 9E (APN 729-110-025) to be added to Coachella Valley Stormwater Channel and Delta Conservation Area.

It is my understanding that BLM would make a determination that inclusion of these Like Exchange parcel(s) in the Conservation Area is consistent with the California Desert Conservation Area (CDCA) Plan. As part of our process, CVAG will be preparing a Like Exchange equivalency analysis in the next week as required by the CVMSHCP. CVAG will provide BLM a copy of the Like Exchange equivalency analysis for BLM's review and future use for a CDCA amendment. CVAG respectfully requests the BLM provide a letter indicating your intentions to accept the Like Exchanges which is a Minor Amendment to the CVMSHCP.

Thank you in advance for your consideration of this request.

Sincerely,



John Wohlmuth
Executive Director

cc: Glenn Southard, City of Indio
Tom Gey, BLM
Therese O'Rourke, FWS
Kim Nicol, DFG

CVAG

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

he • Cathedral City • Coachella • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage
County of Riverside • Agua Caliente Band of Cahuilla Indians • Cabazon Band of Mission Indians • Torres Martinez Desert Cahuilla Indians

May 30, 2006

Exhibit "F"

Gail Acheson, Field Manager
Palm Springs/South Coast Field Office
Bureau of Land Management
P.O. Box 581260
North Palm Springs, CA 92258-1260

Dear Gail:

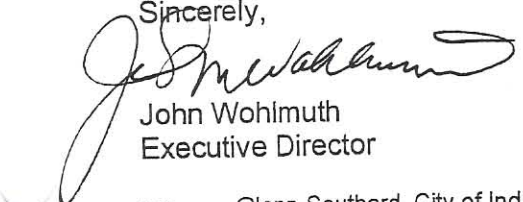
This correspondence serves as a supplement to our May 19, 2006 correspondence. Let me apologize for not placing this request for Like Exchange in the last correspondence. As CVAG attempts to mitigate the concerns of potential Permittees, CVAG staff has sought to creatively address these issues. Therefore, as we move toward final consideration of the CVMSHCP by all of the Permittees, one of our needs is to determine the potential to include some BLM lands in the Conservation Areas through a Like Exchange process. I want to formally request that you consider the following BLM lands which are currently outside the Conservation Areas for the Like Exchange process:

1. Approximately 14 acres in T 4S R 7 E Section 10, in the Indio Hills Area to be added to the Thousand Palms Conservation Area (APNs: 750-110-013 and 750-120-001).
2. Approximately 300 acres T 7S, R 10E, Section 14, (APN 721-090-002) to be added to the Mecca Hills/Orocopia Mountains Conservation Area. This is approximately the southern half of Section 14, note that the northern portion of Section 14 is already within the Mecca Hills/Orocopia Mountains Conservation Area.
3. Approximately 320 acres in T 8S, R 11E western half of Section 8, (APN 733-120-016 and western half of APN 733-110-001,) to be added to the Mecca Hills/Orocopia Mountains Conservation Area. Note that the northeast corner of Section 8 (eastern half of 733-110-001) is already within the Mecca Hills/Orocopia Mountains Conservation Area.

It is my understanding that BLM would make a determination that inclusion of these Like Exchange parcel(s) in the Conservation Area is consistent with the California Desert Conservation Area (CDCA) Plan. As part of our process, CVAG will be preparing a Like Exchange equivalency analysis in the next week as required by the CVMSHCP. CVAG will provide BLM a copy of the Like Exchange equivalency analysis for BLM's review and future use for a CDCA amendment. CVAG respectfully requests the BLM provide a letter indicating your intentions to accept the Like Exchanges.

Thank you in advance for your consideration of this request.

Sincerely,



John Wohlmuth
Executive Director

cc: Glenn Southard, City of Indio
Tom Gey, BLM
Therese O'Rourke, FWS
Kim Nicol, DFG

Exhibit G

June 9, 2006

Curt Tauscher
California Department of Fish and Game
4665 Lampson Avenue, Suite J
Los Alamitos, CA 90720

Re: Like Exchange for Citrus Ranch

Dear Mr. Tauscher:

As you know, we have been working with the Wildlife Agencies, the City of Indio, the proponents of the Citrus Ranch project, and other relevant agencies to identify ways for the proposed project to be consistent with the MSHCP. The means to accomplish this have been identified. These include project design features to minimize impacts, habitat restoration, transfer of take (transfer of Conservation Objectives), and Like Exchange.

As you know, in the meetings on Citrus Ranch, we identified four parcels owned by the State of California and managed by the Department that are outside but adjacent to the Thousand Palms Conservation Area. A Like Exchange involving these parcels would help accomplish the MSHCP Conservation Objectives. Therefore, as a follow-up to our meeting, I want to formally request that you consider the following State lands which are currently outside the Conservation Areas for the Like Exchange process:

1. Approximately 9.78 acres in T 4S R 6E, Section 21, south of Ramon Road, east of Vista de Oro in the unincorporated area of Thousand Palms to be added to the Thousand Palms Conservation Area (APN 651-130-041)
2. Approximately 9.78 acres in T 4S R 6E, Section 21, south of Ramon Road, east of Vista de Oro in the unincorporated area of Thousand Palms to be added to the Thousand Palms Conservation Area (APN 651-130-042)
3. Approximately 8.61 acres in T 4S R 6E, Section 21, south of Ramon Road, east of Vista de Oro in the unincorporated area of Thousand Palms to be added to the Thousand Palms Conservation Area (APN 651-130-043)
4. Approximately 5.97 acres in T 4S R 6E, Section 21, south of Ramon Road, east of Vista de Oro in the unincorporated area of Thousand Palms

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

to be added to the Thousand Palms Conservation Area (APN 651-130-066)

As part of our process, CVAG has prepared a Like Exchange equivalency analysis as required by the MSHCP. CVAG will provide you with a copy of the Like Exchange equivalency analysis for your review. CVAG respectfully requests that the Department provide a letter indicating its intent to approve the use of the above-described land in the Like Exchange.

Thank you in advance for your consideration of this request.

Sincerely,



John Wohlmuth
Executive Director



DEPARTMENT OF FISH AND GAME

<http://www.dfg.ca.gov>

Eastern Sierra – Inland Deserts Region
4665 Lampson Avenue, Suite J
Los Alamitos, CA 90720
(562) 596-4212
(562) 799-3629 – FAX

EXHIBIT "G"



June 13, 2006

Mr. John Wohlmuth, Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear Mr. Wohlmuth:

This letter is in response to your June 9, 2006, request for the California Department of Fish and Game (Department) to consider a Like Exchange with some of our lands. The Department understands that the Like Exchange would place additional public lands into Conservation Areas through a minor amendment to the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP).

We would support a minor amendment to the CVMSHCP which would place the lands into Conservation Areas you listed in your June 9, 2006, letter.

I hope this letter provides the assurances you are seeking. If you have any questions, please contact Ms. Kimberly Nicol, Senior Environmental Scientist, at (760) 200-9178.

Sincerely,

Curt Taucher
Regional Manager

cc: Department of Fish and Game
Ms. Dee Sudduth
Ms. Kimberly Nicol

Exhibit "H"

Citrus Ranch: City of Indio Like Exchange Equivalency Analysis

Like Exchange Proponent: City of Indio
Citrus Ranch Project: East Indio Hills Conservation Area

Date: June 14, 2006

Boundary Reduction: East Indio Hills Conservation Area
Boundary Addition: Dos Palmas Conservation Area
Edom Hill Conservation Area
Mecca Hills/Orocopia Mountains Conservation Area
Thousand Palms Conservation Area
Whitewater Floodplain Conservation Area

Total Acres Removed: 165 acres

Total Acres Added: 755 acres

Applicable Permittees to approve: City of Indio, Riverside County

Summary

This Like Exchange is proposed by the City of Indio to modify the boundary of the East Indio Hills Conservation Areas in exchange for modifying the boundary of the Edom Hill, Whitewater Floodplain, Thousand Palms, Mecca Hills, and Dos Palmas Conservation Areas. There are five properties involved in the like exchange which would result in removal of a total of approximately 169 acres of land owned by SunCal from the East Indio Hills Conservation Area. Each of the five like exchanges addresses one or more of the Conservation Objectives for the Citrus Ranch project. Table CR-01 identifies the acres of habitat within the like exchange parcels to be added to the Reserve System in the various Conservation Areas. This Like Exchange is being submitted to the applicable Permittees, the City of Indio and the County of Riverside, for approval. The following properties are involved:

1. A Like Exchange with Riverside County to add 80 acres to the Edom Hill Conservation Area. This Like Exchange will provide conservation credit for three Covered Species, Le Conte's thrasher (80 acres), Coachella Valley round-tailed ground squirrel (13 acres), and Palm Springs pocket mouse (13 acres), as well as the stabilized and partially stabilized desert sand fields natural community (18 acres). See Table CR-01.
2. A Like Exchange with BLM to add 31 acres to the Whitewater Floodplain Conservation Area. This Like Exchange will provide conservation credit for four Covered Species, flat-tailed horned lizard (31 acres), Le Conte's thrasher (31 acres),

Coachella Valley round-tailed ground squirrel (31 acres), and Palm Springs pocket mouse (31 acres), as well as the stabilized and partially stabilized desert sand fields (30 acres) natural community. See Table CR-01.

3. A Like Exchange with BLM to add 324 acres to the Dos Palmas Conservation Area. This Like Exchange will provide conservation credit for four Covered Species, flat-tailed horned lizard (86 acres), Le Conte's thrasher (122 acres), Coachella Valley round-tailed ground squirrel (150 acres), and Palm Springs pocket mouse (150 acres). See Table CR-01.
4. A Like Exchange with BLM to add 300 acres to the Mecca Hills /Orocopia Mountains Conservation Area. This Like Exchange will provide conservation credit for Mecca aster (68 acres). See Table CR-01.
5. A Like Exchange with California Department of Fish and Game (CDFG) to add 20 acres to the Thousand Palms Conservation Area (APNs 651-130-041, 651-130-042, 651-130-043, and 651-130-066). This Like Exchange will provide conservation credit for 20 acres of stabilized and partially stabilized desert sand fields. See Table CR-01.

This equivalency analysis will address two elements of the Like Exchange process, as described in Section 6.12.2 of the CVMSHCP:

1. The Like Exchange must result in equal or greater benefits to Covered Species and conserved natural communities as compared to those benefits analyzed in the Plan.
2. The level of Take of Covered Species must be no greater than that analyzed in the Plan.

Like Exchange Information

The Like Exchange analysis includes the following necessary project information:

1. *Maps clearly and precisely delineating the proposed Boundary Adjustment, showing land to be removed from the Conservation Area in the context of the entire Conservation Area, and land to be added to this or another Conservation Area.*
 - 1a. Exhibit "L" delineates the proposed Boundary Adjustment, showing:
 - a. Citrus Ranch project boundary
 - b. Land to be removed from the East Indio Hills Conservation Area within the Citrus Ranch project boundary
 - c. East Indio Hills Conservation Area boundary adjacent to the Citrus Ranch project
 - d. the land within the Citrus Ranch project boundary that will remain in the Conservation Area, including temporary disturbance areas to be restored or enhanced.
 - 1b. Exhibit "D" identifies:
 - a. the proposed boundary adjustment for the Edom Hill Conservation Area showing the location of the 80 acres of Riverside County land with respect to the existing conservation area boundaries
 - b. the 31 acres of BLM land to be added to the Whitewater Floodplain Conservation Area

- 1c. Exhibit “C”:
 - a. the proposed boundary adjustment for the Mecca Hills/Orocopia Mountains Conservation Area showing the location of the 300 acres of BLM land with respect to the existing conservation area boundaries
 - b. the 324 acres of BLM land to be added to the Dos Palmas Conservation Area
- 1d. Exhibit “E” identifies:
 - a. The proposed boundary adjustment for the Thousand Palms Conservation Area showing the location of the 20 acres of CDFG land to be added with respect to the existing conservation area boundaries

2. *Narrative and graphic description of the proposed project.*

The proposed Citrus Ranch project is adjacent to and partially within the East Indio Hills Conservation Area. The project consists of the development of residential uses, golf course resort, hotel, and related facilities. Approximately 406.2 acres of the East Indio Hills Conservation Area west of Dillon Road is within the project boundary; this is approximately 34% of the total project acreage. The approximately 169 acres to be removed from the conservation area as a result of this like exchange includes all the land identified in the Citrus Ranch MSHCP Exhibit (Stantec, May 3, 2006) as permanent disturbance. The removal area includes an area of primarily residential development (approximately 135.63 acres) located adjacent to and west of Dillon Road along the project’s eastern boundary. This removal area would be completely disturbed and would not provide any suitable habitat as a result of the project development. The removal area also includes the areas of permanent disturbance for the golf course (approximately 28.80 acres), including cart paths and tee/green areas. These areas of permanent disturbance are within or adjacent to areas identified for conservation, including undisturbed conservation areas (approximately 190 acres) and areas of temporary golf and drainage take (approximately 50) that would be restored and conserved. Additional information about the project in terms of the conservation objectives can be found in Citrus Ranch Consistency Analysis.

3. *Narrative and graphic description of biological information available for the Boundary Adjustment sites (land to be removed and land to be added) including current project-specific vegetation mapping, modeled habitat and appropriate species surveys, land identified as part of a Biological Corridor or Linkage, and land identified as part of an Essential Ecological Process area.*

Biological information available for the portion of the Citrus Ranch project to be removed through a boundary adjustment is available from the CVMSHCP database maintained by CVAG. Exhibit “T” illustrates the current vegetation mapping, showing the occurrence of natural communities subject to the Conservation Objectives for East Indio Hills Conservation Area. These natural communities include active desert dunes (5 acres), stabilized and partially stabilized desert sand fields (130 acres), and mesquite hummocks (8 acres). Only the stabilized and partially stabilized desert sand fields natural community within the Citrus Ranch project boundary is affected by this like exchange.

Stabilized and partially stabilized desert sand fields. According to the MSHCP there are approximately 399 acres of stabilized and partially stabilized desert sand fields mapped in the East Indio Hills Conservation Area. These sand fields are described in the MSHCP (Section 10.2.5.3) as compromised because protection of the Essential Ecological Processes, including the sand source and sand transport system, was not certain within the East Indio Hills Conservation Area. OHV activity in this dune area is very high and would need to be controlled. Areas adjacent to the mapped occurrence of these stabilized and partially stabilized desert sand fields at the east end of the Indio Hills are currently undergoing development. The Citrus Ranch project would disturb 96 acres of stabilized and partially stabilized desert sand fields and would conserve 21 acres. As described in the Consistency Analysis up to 38 acres of stabilized and partially stabilized desert sand fields will be restored.

The exhibit also shows the areas of modeled habitat and known locations for the Covered Species involved in this like exchange – Mecca aster, flat-tailed horned lizard, Le Conte’s thrasher, Coachella Valley round-tailed ground squirrel, and Palm Springs pocket mouse. The following paragraphs address each species separately:

Mecca aster. There are approximately 1,660 acres of modeled Core Habitat for the Mecca aster in the East Indio Hills Conservation Area. Known occurrences for this species are limited to the southwestern edge of the Conservation Area. Additional surveys would be necessary to better describe the presence and distribution of this species within this Conservation Area. The area is included as providing Core Habitat for this species when considered as functionally contiguous with Core Habitat in the Thousand Palms and Indio Hills Palms Conservation Areas. The Citrus Ranch project would disturb 68 acres of Mecca aster Core Habitat and would conserve 164 acres of Core Habitat for this plant.

Flat-tailed horned lizard. As described in the Plan in Section 9.6.3.3, there are approximately 757 acres of occupied and potential Habitat for this lizard within this Conservation Area, mostly at the easternmost end of the Indio Hills. Flat-tailed horned lizards were observed within the Citrus Ranch property during surveys for the Plan in 1995. Because of concerns about the impacts of recent development activity and the viability of the sand transport system, the area was not considered by the MSHCP Planning Team to provide Core Habitat for flat-tailed horned lizards. The project would result in 112 acres of disturbance and would conserve 10 acres of flat-tailed horned lizard Other Conserved Habitat.

Le Conte’s thrasher. The East Indio Hills Conservation Area includes approximately 2,295 acres of modeled Other Conserved Habitat for the Le Conte’s thrasher (Section 9.7.6.3 of the MSHCP). The Citrus Ranch project would disturb 153 acres and conserve 20 acres.

Coachella Valley round-tailed ground squirrel. The East Indio Hills Conservation Area contains approximately 1,670 acres of Other Conserved Habitat for the Coachella Valley round-tailed ground squirrel. According to the MSHCP (Section 9.8.2.3), the Habitat at the most eastern end of the Indio Hills, particularly along the north-facing slope is described in the Plan as very suitable for this species. Surveys in 1995 (K. Barrows 1995) found this species to be relatively common in this area. A report of surveys by Matt McDonald (1999) of USFWS in the spring and summer of 1999 described the density of ground squirrels in mesquite hummocks west and east of Dillon Road as high. However, due to the size of the available habitat and impacts from adjacent development, this area was considered as Other Conserved Habitat, not Core Habitat, for this species within the East Indio Hills Conservation Area. The project would disturb 194 acres and conserve 31 acres of Other Conserved Habitat for this ground squirrel.

Palm Springs pocket mouse. The East Indio Hills Conservation Area includes approximately 1,845 acres of modeled Other Conserved Habitat for the Palm Springs pocket mouse. Survey information for this species on the Citrus Ranch project site is not available although the habitat is suitable. The species has been confirmed as present to the east in the Desert Tortoise and Linkage Conservation Area in the vicinity of Thermal Canyon. Because of the size of habitat patches and the impacts from adjacent development, this area was considered as Other Conserved Habitat, not Core Habitat, for this pocket mouse within the East Indio Hills Conservation Area. The project would disturb 194 acres and conserve 31 acres of Other Conserved Habitat for the Palm Springs pocket mouse.

There are no lands within the Citrus Ranch project that are identified as part of a Biological Corridor or Linkage, and no lands identified as part of an Essential Ecological Process area.

4. *Narrative and graphic description of the project's efforts to be consistent with the Conservation Area Conservation Objectives and explanation of the rationale why consistency has been determined to be infeasible.*

Table CR-01 provides a summary of the Citrus Ranch project with respect to the Conservation Objectives. A complete analysis of the project's consistency with the Conservation Objectives is provided in the Citrus Ranch Consistency Analysis. The Citrus Ranch project has been determined to be consistent with the East Indio Hills Conservation Area Conservation Objectives as a result of several actions, including this like exchange, avoidance of some natural communities and Covered Species habitat areas, restoration and conservation of areas subject to temporary disturbance, and permanent conservation of both existing natural areas and areas of temporary disturbance to be restored within the Citrus Ranch project boundary.

**TABLE CR-01: EAST INDIO HILLS CONSERVATION AREA:
CITRUS RANCH LIKE EXCHANGE**

	CONSERVATION OBJECTIVE	Acres of Authorized Disturbance For East Indio Hills Conserv. Area	Total Acres Disturbed by Project (Includes Temporary Disturbance)	Acres of Available Like Exchange Conservation (acres needed in parentheses)	Acres of Take Required for Citrus Ranch Project
Species	Mecca aster	123	68	300 (68)	0
	Flat-tailed horned lizard	57	112	117 (112)	0
	Le Conte's Thrasher	155	153	371 (153)	0
	Coachella Valley round-tailed ground squirrel	119	194	267 (194)	0
	Palm Springs pocket mouse	124	194	378 (194)	0
Natural Community	Stabilized and Partially Stabilized Desert Sand Fields	40	96	68 (68)	0 (38) *

* = Number in parentheses is the number of acres of temporary disturbance to be restored

5. *Quantification and characterization of effects/benefits of the proposed Boundary Adjustment on Habitats for Covered Species, natural communities, Biological Corridors and Linkages, Essential Ecological Processes, and Conservation Area reserve design and manageability.*

The proposed like exchange would add 755 acres of land to MSHCP Reserve System in the Edom Hill, Whitewater Floodplain, Thousand Palms, Mecca Hills/Orocopia Mountains, and Dos Palmas Conservation Areas. It would result in the removal of approximately 169 acres from the East Indio Hills Conservation Area. The following analysis considers the effects and benefits of this like exchange as a result of the boundary adjustments listed above.

Covered Species

The proposed like exchange for the Citrus Ranch project is consistent with the Conservation Objectives for the Covered Species in the East Indio Hills Conservation Area. The like exchange is determined to provide a boundary adjustment that will result in the addition of ecologically equivalent lands to the MSHCP Reserve System. The lands added to the Conservation Areas in exchange for the removal of lands from the East Indio Hills Conservation Area will result in equal benefits to the Covered Species as compared to those benefits analyzed in the Plan. The specific analysis for each Covered Species is described below:

Mecca aster. This like exchange would result in the removal of approximately 68 acres of modeled Core Habitat for the Mecca aster in the East Indio Hills Conservation Area. In exchange, 300 acres would be added to Mecca Hills/Orocopia Mountains Conservation area; all 300 of these acres are modeled Mecca aster Core Habitat. This Like Exchange would provide 68 acres of conservation credit for Mecca aster. Known occurrences of Mecca aster are on or adjacent to the 300 acres of BLM land to be added to the Conservation Area. The BLM land is adjacent to the Mecca Hills/Orocopia Mountains Conservation Area and therefore provides contiguous habitat for the Mecca aster. In the East Indio Hills Conservation Area, known occurrences for this species have not been identified within the Citrus Ranch project. The addition of 300 acres of Mecca aster habitat in the Mecca Hills in exchange for removal of 68 acres of Mecca aster habitat in the East Indio Hills for the Citrus Ranch project meets the biological equivalency requirement for the Like Exchange process. In addition, the project will conserve 164 acres of Core Habitat for this plant in the East Indio Hills Conservation Area.

Flat-tailed horned lizard. The proposed boundary adjustment in this like exchange would result in the removal of approximately 112 acres of Other Conserved Habitat for the flat-tailed horned lizard in the East Indio Hills Conservation Area. The flat-tailed habitat in the East Indio Hills Conservation Area is adjacent to an existing citrus orchard which provides perches for predators of this lizard. It is also adjacent to Dillon Road, a heavily traveled road which results in edge effects that impact this species. In exchange, 31 acres of horned lizard habitat would be added to Whitewater Floodplain Conservation Area and 86 acres of horned lizard habitat would be added to the Dos Palmas Conservation Area. This would result in the addition of 117 acres of flat-tailed horned lizard habitat in exchange for the loss of 112 acres.

The 86 acres of BLM land is adjacent to the current boundary of the Dos Palmas Conservation Area and therefore provides contiguous habitat for the flat-tailed horned lizard. The Dos Palmas habitat is in an area where the impacts of adjacent development are absent and will be limited in the future because of the Dos Palmas Conservation Area which is also a BLM Area of Critical Environmental Concern (ACEC). The habitat to be added to the Whitewater Floodplain

Conservation Area is adjacent on the west with the current Conservation Area, providing contiguous habitat for this species. The addition of 137 acres of flat-tailed horned lizard habitat in the Whitewater Floodplain and Mecca Hills Conservation Areas in exchange for removal of 112 acres of flat-tailed horned lizard habitat in the East Indio Hills for the Citrus Ranch project meets the biological equivalency requirement for the Like Exchange process. In addition, the project will conserve a minimum of 10 acres of flat-tailed horned lizard habitat in the East Indio Hills Conservation Area.

Le Conte's thrasher. As a result of this like exchange approximately 153 acres of Other Conserved Habitat for the Le Conte's thrasher would be removed from the East Indio Hills Conservation Area. In exchange, 324 acres of thrasher habitat will be added to the Dos Palmas Conservation Area and 31 acres to the Whitewater Floodplain Conservation Area. This would result in a conservation credit of 153 acres of thrasher habitat in exchange for the loss of 153 acres. The 324 acres of BLM land is adjacent to the current boundary of the Dos Palmas Conservation Area and therefore provides contiguous habitat for the Le Conte's thrasher. Whereas, the East Indio Hills habitat is in an area increasingly subject to the impacts of adjacent development, the Dos Palmas habitat is in an area where the impacts of adjacent development are absent. Future development in this area will probably be limited because of inclusion in the Dos Palmas Conservation Area, portion of which are also a BLM Area of Critical Environmental Concern (ACEC). The habitat to be added to the Whitewater Floodplain Conservation Area is adjacent on the west with the current Conservation Area, providing contiguous habitat for this species. The addition of 153 acres of Le Conte's thrasher habitat in the Whitewater Floodplain and Mecca Hills Conservation Areas in exchange for removal of 153 acres of Le Conte's thrasher habitat in the East Indio Hills for the Citrus Ranch project meets the biological equivalency requirement for the Like Exchange process. In addition, the project will conserve a minimum of 20 acres of Le Conte's thrasher habitat in the East Indio Hills Conservation Area.

Coachella Valley round-tailed ground squirrel. The proposed like exchange will result in the removal of approximately 194 acres of Other Conserved Habitat for the Coachella Valley round-tailed ground squirrel (CVRTGS) from the East Indio Hills Conservation Area. The ground squirrel habitat in the East Indio Hills Conservation Area is adjacent to an existing citrus orchard and is also adjacent to Dillon Road, a heavily traveled road. These adjacent developed areas increase the risk of edge effects (predation, road mortality) which would impact this species. In the like exchange, 163 acres of ground-squirrel habitat will be added to the Dos Palmas Conservation Area, 31 acres to the Whitewater Floodplain Conservation Area, and 13 acres to the Edom Hill Conservation Area. This would result in the addition of 194 acres of thrasher habitat in exchange for the loss of 194 acres.

The 203 acres of Dos Palmas area land is adjacent to the current boundary of the Dos Palmas Conservation Area and therefore provides contiguous habitat for the ground squirrel. Whereas, the East Indio Hills habitat is in an area increasingly

subject to the impacts of adjacent development, the Dos Palmas habitat is in an area where the impacts of adjacent development are limited. The habitat to be added to the Whitewater Floodplain Conservation Area is adjacent on the west with the current Conservation Area, providing contiguous habitat for this species. The 13 acres of ground squirrel habitat to be added to the Edom Hill Conservation Area is in on a parcel of land that is surrounded on three sides by the current Conservation Areas. This parcel also occurs in an area where future development will be limited. The addition of 194 acres of Coachella Valley round-tailed ground squirrel habitat in the Edom Hill, Whitewater Floodplain, Dos Palmas and Thousand Palms Conservation Areas in exchange for removal of 194 acres of ground squirrel habitat in the East Indio Hills for the Citrus Ranch project meets the biological equivalency requirement for the Like Exchange process. In addition, the project will conserve a minimum of 31 acres of round-tailed ground squirrel habitat in the East Indio Hills Conservation Area.

Palm Springs pocket mouse. The proposed like exchange will result in the removal of approximately 194 acres of Other Conserved Habitat for the Palm Springs pocket mouse from the East Indio Hills Conservation Area. The modeled habitat in the East Indio Hills Conservation Area is adjacent to an existing citrus orchard and is also adjacent to Dillon Road, a heavily traveled road. These adjacent developed areas increase the risk of edge effects (predation, road mortality) which would impact the pocket mouse. In this like exchange, 150 acres of Palm Springs pocket mouse habitat will be added to the Dos Palmas Conservation Area, 31 acres to the Whitewater Floodplain Conservation Area, and 13 acres to the Edom Hill Conservation Area. This would result in the addition of 194 acres of pocket mouse habitat in exchange for the loss of 194 acres. The Dos Palmas area land is adjacent to the current boundary of the Dos Palmas Conservation Area and therefore provides contiguous habitat for the pocket mouse. Several known occurrences for the Palm Springs pocket mouse have been identified on or near the additional conservation lands. Whereas, the East Indio Hills habitat is in an area increasingly subject to the impacts of adjacent development, the Dos Palmas habitat is in an area where the impacts of adjacent development are limited. The habitat to be added to the Whitewater Floodplain Conservation Area is adjacent on the west with the current Conservation Area, providing contiguous habitat for this species. The 13 acres of pocket mouse habitat to be added to the Edom Hill Conservation Area is in on a parcel of land that is surrounded on three sides by the current Conservation Area. This parcel also occurs in an area where future development will be limited. The addition of 194 acres of Palm Springs pocket mouse habitat in the Edom Hill, Whitewater Floodplain, Dos Palmas and Thousand Palms Conservation Areas in exchange for removal of 194 acres of pocket mouse habitat in the East Indio Hills for the Citrus Ranch project meets the biological equivalency requirement for the Like Exchange process. In addition, the project will conserve a minimum of 31 acres of pocket mouse habitat in the East Indio Hills Conservation Area.

Natural Communities

The proposed like exchange affects only one natural community addressed by a Conservation Objective in the East Indio Hills Conservation Area – stabilized and partially stabilized desert sand fields. It has been determined through this analysis that the Citrus Ranch like exchange will involve a boundary adjustment that results in the addition of ecologically equivalent lands to the MSHCP Reserve System. The lands added to the Conservation Areas in exchange for the removal of lands from the East Indio Hills Conservation Area will result in equal or greater benefits in terms of conservation of the stabilized and partially stabilized desert sand fields natural community as compared to those benefits analyzed in the Plan. The specific analysis is described below:

Stabilized and partially stabilized desert sand fields. This like exchange would result in the removal of approximately 68 acres of stabilized and partially stabilized desert sand fields from the East Indio Hills Conservation Area. In exchange, 18 acres of stabilized and partially stabilized desert sand fields will be added to the Edom Hill Conservation Area and 30 acres of this natural community. For purposes of this analysis, shielded and stabilized are considered as equivalent. would be added to the Whitewater Floodplain Conservation Area. In addition, the proposed like exchange will also add 20 acres of stabilized and partially stabilized desert sand fields to the Thousand Palms Conservation Area, for a total of 68 acres of conserved desert sand fields. As the Citrus Ranch project will result in 96 acres of disturbance to this natural community, the Citrus Ranch Consistency Analysis describes how consistency with the Conservation Objectives is obtained for the remaining 38 acres of stabilized and partially stabilized desert sand fields.

The land to be added to the Whitewater Floodplain Conservation Area is adjacent on the west with the current Conservation Area, providing a continuous patch of desert sand fields. The 18 acres of this natural community to be added to the Edom Hill Conservation Area is in on a parcel of land that is surrounded on three sides by the current Conservation Area. This parcel also occurs in an area where future development will be limited. The addition of these 18 acres adds to the already conserved patches of desert sand fields in the Edom Hill area that provide important habitat for the sand-associated Covered Species. The 20-acre patch of desert sand fields to be added to the Thousand Palms Conservation Area provides nearly undisturbed habitat adjacent to the existing Thousand Palms Preserve. The addition of 68 acres of stabilized and partially stabilized desert sand fields in the Edom Hill, Whitewater Floodplain, and Thousand Palms Conservation Areas in exchange for removal of 68 acres of this natural community from the East Indio Hills for the Citrus Ranch project meets the ecological equivalency requirement for the Like Exchange process. In addition, the project will conserve a minimum of 21 acres of this natural community in the East Indio Hills Conservation Area.

Biological Corridors and Linkages and Essential Ecological Processes

The conservation of these parcels provides some benefits in terms of Biological Corridors and Linkages. The requirements in terms of consistency with Conservation Objectives do not specifically address the conservation of Biological Corridor and Linkage areas, because this is not a Conservation Objective for the removal area in the East Indio Hills. The portion of the East Indio Hills Conservation Area within the Citrus Ranch project is not mapped as a Biological Corridor or Linkage area; it is not mapped as a sand source or sand transport area either. However, the 80 acre parcel to be added to the Edom Hill Conservation Area is mapped as a Linkage area, as are the adjacent lands already within the Conservation Area. In addition, the 80 acres is mapped as a sand source area which is contiguous with sand source area lands to the east, south, and west of the parcel. The 31 acres of BLM added to the Whitewater Floodplain Conservation Area is all sand source area and would provide lands adjacent to the mapped Biological Corridor that connects to the Willow Hole Conservation Area under the freeway that could expand that corridor area. The 20-acre CDFG parcel added to the Thousand Palms Conservation Area would also be an addition to the existing larger Linkage area and is a sand source area. The Mecca Hills parcel does not provide sand source but would become part of the Linkage Area delineated over the Mecca Hills/Orocopia Mountains Conservation Area.

Conservation Area Reserve Design and Manageability

The addition of the previously described Like Exchange acres to the five separate conservation areas will result in a like exchange that will provide an equal or greater benefit to the MSHCP Reserve System in terms of reserve design and manageability. The following paragraphs describe each separate addition to a Conservation Area in terms of these benefits:

Dos Palmas Conservation Area. The addition of 324 acres to this Conservation Area, including the Covered Species habitat to be credited to this Like Exchange, involves land that is adjacent to the existing conserved lands. The Dos Palmas parcels are adjacent on the eastern boundary with lands already within the MSHCP Reserve System. Although the addition is not adjacent to existing conservation on three sides, the edge effects in this area are expected to be more limited. In terms of reserve design, the addition of these lands provides contiguous habitat in an area where the impacts of development (edge effects) are limited. The more limited potential for development in this area compared with the East Indio Hills Conservation Area is a benefit with respect to reserve system manageability.

Edom Hill Conservation Area. The proposed Like Exchange addition to the Edom Hill Conservation Area is within a parcel of land that is surrounded on three sides by the current Conservation Areas. This parcel also occurs in an area where future development will be limited because of existing conservation ownership. The addition of this parcel to the Edom Hill Conservation Area will provide a benefit in

terms of reserve system manageability because of the increase in conserved undisturbed habitat. In an area where off-highway vehicles are a concern, the addition of these lands will allow restrictions on OHV access that will provide improved control and management.

Mecca Hills/Orocopia Mountains Conservation Area. The addition of 300 acres to this conservation area, including the 68 acres of Mecca aster habitat to be credited to this Like Exchange, involves land that is adjacent to the existing conserved lands. In terms of reserve design, the addition of these lands provides contiguous habitat in an area where the impacts of development (edge effects) are limited. This is a benefit with respect to reserve system manageability.

Thousand Palms Conservation Area. The addition of 20 acres to this Conservation Area involves land that is adjacent on the eastern boundary with lands already within the MSHCP Reserve System. In terms of reserve design, the addition of these lands provides contiguous habitat in an area where an increase in the overall size of the reserve is a benefit to the Covered Species. Although the addition is not adjacent to existing conservation on three sides, it helps create a buffer against the impacts of edge effects in an area of increasing development. The expansion of this Conservation Area is also a benefit with respect to reserve system manageability.

Whitewater Floodplain Conservation Area. The addition of 31 acres to this Conservation Area involves land that is adjacent on the western boundary with lands already within the MSHCP Reserve System. In terms of reserve design, the addition of these lands provides contiguous habitat in an area where an increase in the overall size of the reserve is a benefit to the Covered Species. The addition is adjacent to a Biological Corridor which provides connectivity under the I-10 freeway between the Willow Hole Conservation Area and the Whitewater Floodplain Conservation Area. Although the addition is not adjacent to existing conservation on three sides, it helps create a buffer against the impacts of edge effects in an area of increasing development.

Like Exchange Analysis

The proposed like exchange adds conserved lands to the MSHCP Reserve System to provide protection for the Covered Species and natural communities that occur on these parcels. These conserved lands are evaluated in this analysis in terms of their equivalency with the lands to be removed from the East Indio Hills Conservation Area as a result of the Citrus Ranch project.

1. Effects on the level of Take of Covered Species.

As illustrated in Table CR-01, the like exchange of five areas to be added to the Edom Hill, Whitewater Floodplain, Dos Palmas, Mecca Hills/Orocopia Mountains, and Thousand Palms Conservation Areas will provide for conservation of Covered Species identified in the Conservation Objectives for the

East Indio Hills Conservation Area. As a result of the like exchange, the net Take for each of the five Covered Species is zero. Through the like exchange, an acre of conservation has been provided for each acre of Take proposed for the Citrus Ranch project.

2. *Effects on Habitats of Covered Species, including Core Habitat; potential habitat fragmentation, reduction in size of Core Habitat patches, and increase in edge effects.*

The only Covered Species with Core Habitat affected by the like exchange is Mecca aster. Habitat for all other Covered Species subject to Conservation Objectives is considered Other Conserved Habitat. Each individual species is discussed in terms of the effects of the like exchange under Covered Species above. The proposed like exchange will result in equal benefits in terms of conservation of the Covered Species – Palm Springs pocket mouse, Mecca aster, Le Conte's thrasher, Coachella Valley round-tailed ground squirrel and flat-tailed horned lizard -- as compared to those benefits analyzed in the Plan

3. *Effects on natural communities, including potential fragmentation, reduction in patch size, and increase in edge effects.*

The effects on stabilized and partially stabilized desert sand fields, the only natural community affected by this like exchange, are discussed in the Natural Communities section above. This like exchange will result in equal or greater benefits in terms of conservation of the stabilized and partially stabilized desert sand fields natural community as compared to those benefits analyzed in the Plan.

4. *Effects on Biological Corridors and Linkages.*

The areas to be removed from the East Indio Hills Conservation Area are not identified as Biological Corridor or Linkage areas. As described above in the relevant section, this Like Exchange will add areas identified as Biological Corridors or Linkages to the MSHCP Reserve System. This like exchange will result in equal or greater benefits in terms of conservation of Biological Corridors and Linkages as compared to those benefits analyzed in the Plan.

5. *Effects on Essential Ecological Processes.*

The effects of the Like Exchange on Essential Ecological Process is discussed above. This like exchange will result in equal or greater benefits in terms of conservation of Essential Ecological Processes as compared to those benefits analyzed in the Plan.

6. *Effects on Conservation Area configuration and management (such as increases or decreases in edge).*

As discussed above under this subject heading, the addition of 755 acres to the five separate conservation areas in exchange for the removal of 169 acres will result in a like exchange that will provide an equal or greater benefit to the MSHCP Reserve System in terms of reserve design and manageability.

7. *Effects on ecotones (defined as areas of adjoining natural communities, generally characterized by greater biological diversity) and other conditions affecting species diversity (such as invasion by exotics).* This Like Exchange removes 169 acres along the margins of the East Indio Hills Conservation Area at the base of the Indio Hills and adds land to five other conservation areas. The areas involved do not represent ecotonal areas but rather areas of contiguous habitat for Covered Species and natural communities. This Like Exchange involves an equivalent exchange with respect to biological diversity within the MSHCP Reserve System.
8. *Equivalent or greater acreage contributed to the Conservation Areas.*
The like exchange will result in 755 acres added to the MSHCP Reserve System in five Conservation Areas in exchange for the removal of 169 acres from the East Indio Hill Conservation Area.
9. *Applicant must demonstrate agreements or control over mitigation property being offered under the equivalency analysis.*
Letters from the following agencies address their concurrence with the proposed Like Exchanges:
 1. Bureau of Land Management (BLM), dated June 8, 2006, regarding their lands in the Whitewater Floodplain, Mecca Hills/Orocopia Mountains, and Dos Palmas Conservation Areas. Exhibit "F"
 2. California Department of Fish and Game, dated June ___, 2006 regarding their land in the Thousand Palms Conservation Area. Exhibit "G"

The Citrus Ranch MOU signed by Riverside County assures their concurrence with the proposed Like Exchange in the Edom Hills Conservation Area.

Based on this equivalency analysis for the Citrus Ranch project, the proposed project incorporating boundary adjustments is considered to be biologically equivalent in terms of the Conservation Area Conservation Objectives. Because this project has been determined to be biologically equivalent, it is an acceptable refinement to the MSHCP Conservation Area boundaries and an amendment to the MSHCP shall not be required prior to approval of this project.

Exhibit "I"



State of California - The Resources Agency
DEPARTMENT OF FISH AND GAME
Eastern Sierra/Inland Deserts Region
78078 Country Club Dr., Ste. 109
Bermuda Dunes, CA 92203



June 14, 2006

John Wohlmut
Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear John:

This letter is in regard to the Indio Citrus Ranch Project (the "Project") which occurs partially within the East Indio Hills Conservation Area under the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). The comments below are focused on the Plan and its provisions. The following comments are provided assuming the US Fish and Wildlife Service (Service) and the California Department of Fish and Game (Department) issue the permits as required by State and Federal codes and laws. During the last several months, the Department and the Service have worked closely with the Project applicants, SCC Acquisitions, Inc. and SCC/Indio Citrus Ranch, LLC ("SunCal"), the Coachella Valley Association of Governments (CVAG), the City of Indio ("Indio") and the County of Riverside ("County") to evaluate this Project through an Interim Project Review process, which is consistent with the Joint Project Review Process described in Section 6.6.1.1 of the Plan. We have also reviewed the Consistency Analysis and the Like Exchange Equivalency Analysis for the Indio Citrus Ranch Project prepared by CVAG on behalf of the CVCC.

Recognizing that the Department has not yet made a decision on permit issuance, we have reviewed Table 4-81c of the Plan which provides all of the Plan's Conservation Objectives, including species conservation objectives, applicable to this Project. We agree that the Conservation Objectives Analysis for Citrus Ranch prepared by CVAG identifies and analyzes these objectives accurately and completely using the correct acreage numbers. We concur that the Project obtains consistency with the Conservation Goals and Objectives, including species conservation objectives, of the Plan using a variety of options provided for in the Plan:

1. Transfer of allocated take from the County to Indio
2. Like exchange resulting in Conservation Area boundary adjustments, removing lands from the East Indio Hills Conservation Area and adding lands to the Edom Hill, Mecca Hills, Dos Palmas, Whitewater Floodplain, and Thousand Palms Conservation Areas. The lands to be added for this purpose are all or portions of the following APNS: 651-130-041, 651-130-

Conserving California's Wildlife Since 1870

042, 651-130-043, 651-130-066, 659-190-016, 660-350-013, 660-360-019, 660-370-004, 721-090-002, 733-110-001, 733-120-016.

3. Avoid disturbance of certain active desert dunes and mesquite hummocks areas all as shown in Exhibit R of the Consistency Analysis.
4. Restoration and enhancement of certain portions of existing mesquite hummocks and restoration of certain areas containing stabilized sand fields which will be subject to temporary disturbance, all as shown in Exhibit N of the Consistency Analysis. Specific criteria and guidelines (i.e., conceptual restoration plan showing plant palette and plant numbers) for restoration, revegetation and enhancement will be provided through consultation with CVCC. If the criteria are successfully implemented for restoration of temporary impacts to the approximately 38 acres of stabilized and partially stabilized desert sand fields, credit for impacts to 38 acres of this natural community would be available. The Citrus Ranch project would address the removal of approximately 28 acres of stabilized and partially stabilized desert sand fields by restoration and enhancement of this natural community. Likewise, if the criteria are successfully implemented for restoration, revegetation, creation, and/or enhancement of approximately 12 acres of mesquite hummocks, credit for impacts to 4 acres (3 acres temporary and 1 acre permanent disturbance) of this natural community would be available. The CVCC land managers will be responsible for determining whether the Project has successfully restored, revegetated and/or enhanced, as applicable, the stabilized and partially stabilized desert sand fields and the mesquite hummocks on the Project site for purposes of satisfying the MSHCP.

Reiterating that the Department has not yet issued a Permit, we concur that all of these options are available under the Final Plan of February 2006 and therefore an amendment to the MSHCP is not required for the Citrus Ranch Project to be consistent with the MSHCP once a permit is issued.

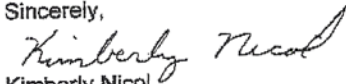
We concur that the Like Exchange Equivalency Analysis meets all the requirements set forth in Section 6.12.2 of the MSHCP and we concur with the findings of that analysis. We concur with the boundary adjustments proposed in that analysis. By way of this letter, we also agree with all of the findings and conclusions in the Consistency Analysis, including but not limited to the conclusion that the Project has been found to be fully consistent with the Conservation Goals and the Covered Species and natural communities Conservation Objectives of the MSHCP, including the Conservation Goals and Objectives and mitigation measures that affect the East Indio Hills Conservation Area. We also concur with the conclusion of the Consistency Analysis that because the project will restore and enhance stabilized and partially stabilized desert sand fields and mesquite hummocks. With the issuance of the necessary federal and state permits, additional take for these Conservation Objectives is not required. As a result of Like Exchanges, avoidance, and restoration, Revegetation, and enhancement, the rough step requirement does not apply.

In the event that the IA is executed and the Permits are issued, the Citrus Ranch Project, with the implementation of the mitigation measures described above and the conservation benefits afforded to the sensitive species and habitats in the region through the CVMSHCP, would be consistent with the Plan. The Plan has been evaluated through the Final EIR/EIS as not having direct, indirect, or cumulatively significant impact on Covered Species and natural communities. Once the IA is signed and Permits are executed, The Department agrees to abide by the provisions of Section 15.7 of the Implementation Agreement which states that, "Except as otherwise required by law, CDFG shall not recommend or otherwise seek to impose through consultation with other public agencies any mitigation, compensation, or habitat enhancement requirements regarding impacts to Covered Species that exceed the requirements prescribed in and pursuant to the MSHCP and this Agreement . . ." for the Citrus Ranch Project.

We have concluded that the Project fully satisfies the requirements of the Plan inclusive of those measures set forth for the Project in the Consistency Analysis and the Like Exchange Equivalency Analysis.

We appreciate the efforts of all parties to address our concerns in a timely manner. Please contact me or my staff if you have any questions.

Sincerely,



Kimberly Nicol
Senior Environmental Scientist
Eastern Sierra-Inland Deserts Region



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Ecological Services
Carlsbad Fish and Wildlife Office
6010 Hidden Valley Road
Carlsbad, California 92011



Exhibit "J"

In Reply Refer To:
FWS -880.16

JUN 14 2006

John Wohlmuth
Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear Mr. Wohlmuth:

This letter is in regard to the Indio Citrus Ranch Project (the "Project") which occurs partially within the East Indio Hills Conservation Area under the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). The comments below are focused on the Plan and its provisions and the Service has not yet issued a Permit. The following comments are provided assuming the Service and the Department issue the permits as required by State and Federal codes and laws. During the last several months, the California Department of Fish and Game (CDFG) and the US Fish and Wildlife Service (USFWS) have worked closely with the Project applicants, SCC Acquisitions, Inc. and SCC/Indio Citrus Ranch, LLC ("SunCal"), the Coachella Valley Association of Governments (CVAG), the City of Indio ("Indio") and the County of Riverside ("County") to evaluate this Project through an Interim Project Review process, which is consistent with the Joint Project Review Process described in Section 6.6.1.1 of the Plan. We have also reviewed the Consistency Analysis and the Like Exchange Equivalency Analysis for the Indio Citrus Ranch Project prepared by CVAG on behalf of the CVCC.

Recognizing that the Service has not yet made a decision on permit issuance, we have reviewed Table 4-81c of the Plan, which provides all of the Plan's Conservation Objectives, including species conservation objectives, applicable to this Project. We agree that the Conservation Objectives Analysis for Citrus Ranch prepared by CVAG identifies and analyzes these objectives accurately and completely using the correct acreage numbers. We concur that the Project obtains consistency with the Conservation Goals and Objectives, including species conservation objectives, of the Plan using a variety of options provided for in the Plan:

1. Transfer of allocated take from the County to Indio
2. Like exchange resulting in Conservation Area boundary adjustments, removing lands from the East Indio Hills Conservation Area and adding lands to the Edom Hill, Mecca Hills, Dos Palmas, Whitewater Floodplain, and Thousand Palms Conservation Areas.

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The lands to be added for this purpose are all or portions of the following APNS: 651-130-041, 651-130-042, 651-130-043, 651-130-066, 659-190-016, 660-350-013, 660-360-019, 660-370-004, 721-090-002, 733-110-001, 733-120-016.

3. Avoid disturbance of certain active desert dunes and mesquite hummocks areas all as shown in Exhibit R of the Consistency Analysis.
4. Restoration and enhancement of certain portions of existing mesquite hummocks and restoration of certain areas containing stabilized sand fields, which will be subject to temporary disturbance, all as shown in Exhibit N of the Consistency Analysis. Specific criteria and guidelines (i.e., conceptual restoration plan showing plant palette and plant numbers) for restoration, revegetation and enhancement will be provided through consultation with CVCC. If the criteria are successfully implemented for restoration of temporary impacts to the approximately 38 acres of stabilized and partially stabilized desert sand fields, credit for impacts to 38 acres of this natural community would be available. The Citrus Ranch project would address the removal of approximately 28 acres of stabilized and partially stabilized desert sand fields by restoration and enhancement of this natural community. Likewise, if the criteria are successfully implemented for restoration, revegetation, creation, and/or enhancement of approximately 12 acres of mesquite hummocks, credit for impacts to 4 acres (3 acres temporary and 1 acre permanent disturbance) of this natural community would be available. The CVCC land managers will be responsible for determining whether the Project has successfully restored, revegetated and/or enhanced, as applicable, the stabilized and partially stabilized desert sand fields and the mesquite hummocks on the Project site for purposes of satisfying the MSHCP.

Reiterating that the Service has not yet issued a Permit, we concur that all of these options are available under the Final Plan of February 2006 and therefore an amendment to the MSHCP is not required for the Citrus Ranch Project to be consistent with the MSHCP once a permit is issued.

We concur that the Like Exchange Equivalency Analysis meets all the requirements set forth in Section 6.12.2 of the MSHCP and we concur with the findings of that analysis. We concur with the boundary adjustments proposed in that analysis. By way of this letter, we also agree with all of the findings and conclusions in the Consistency Analysis, including but not limited to the conclusion that the Project has been found to be fully consistent with the Conservation Goals and the Covered Species and natural communities Conservation Objectives of the MSHCP, including the Conservation Goals and Objectives and mitigation measures that affect the East Indio Hills Conservation Area. We also concur with the conclusion of the Consistency Analysis that because the project will restore and enhance stabilized and partially stabilized desert sand fields and mesquite hummocks. With the issuance of the necessary federal and state permits, additional take for these Conservation Objectives is not required. As a result of Like Exchanges,

avoidance, and restoration, Revegetation, and enhancement, the rough step requirement does not apply.

In the event that the IA is executed and the Permits are issued, the Citrus Ranch Project, with the implementation of the mitigation measures described above and the conservation benefits afforded to the sensitive species and habitats in the region through the CVMSHCP, would be consistent with the Plan. The Plan has been evaluated through the Final EIR/EIS as not having direct, indirect, or cumulatively significant impact on Covered Species and natural communities. Once the IA is signed and Permits are executed, the Service agrees to abide by the provisions of Section 14.8 of the Implementation Agreement which states that "The USFWS shall not impose measures in excess of those that have been or will be required by the Permittee(s) . . . pursuant to the MSHCP and this Agreement" for the Citrus Ranch Project.

We have concluded that the Project fully satisfies the requirements of the Plan inclusive of those measures set forth for the Project in the Consistency Analysis and the Like Exchange Equivalency Analysis.

We appreciate the efforts of all parties to address our concerns in a timely manner. Please contact my staff or me if you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "Therese O'Rourke".

Therese O'Rourke
Assistant Field Supervisor
US Field and Wildlife Service

Exhibit "K"

Coachella Valley Conservation Commission Interim Project Review and Consistency Analysis

Date: June 14, 2006.

Permittee: City of Indio.

Project/Applicant Name: Citrus Ranch Specific Plan, SunCal Development

Project Description: Residential/Golf Resort/Commercial Development proposal west of Dillon Road and mostly east of the Indio Hills. The project is currently within Riverside County but is part of a pre-annexation development proposal by the City of Indio. A portion of the project, approximately 408 acres, occurs within the East Indio Hills Conservation Area. This consistency analysis addresses the entire 1,184 acre project site and the offsite improvement areas constituting an additional approximately 136 acres.

Total Project Acreage: 1,183.5 acres on-site, plus an additional approximately 136 acres offsite, for a combined total of approximately 1,320 acres.

Project Acreage within Conservation Area: 407.88 acres (prior to like exchanges)

Affected Conservation Area: East Indio Hills Conservation Area

Project Location: Township: 5S Range: 8E Sections: 8 (Sect. 5 outside cons. area)

APNs within Conservation Area:

601 160 001
601 160 004
601 170 004
601 170 005
601 170 007
601 170 008

CV MSHCP Consistency Analysis

Conservation Objectives Analysis: See Table CR - 01

Consistency Conclusion:

Development of the Citrus Ranch project has been determined to be fully consistent with the Conservation Objectives, Conservation Goals, and all other Plan requirements for, and conditions of, the MSHCP. This includes, without limitation, the Conservation

Objectives and required measures identified in Section 4.3 for the East Indio Hills Conservation Area, the applicable avoidance, minimization, and mitigation measures described in Section 4.4, and the Land Use Adjacency Guidelines described in Section 4.5. The project will not interfere with the species-specific Conservation Goals and Objectives set forth in Section 9 or interfere with the natural community Conservation Goals and Objectives of Section 10 of the MSHCP. The project will not interfere with the Essential Ecological Processes for this area of the MSHCP. The project is also consistent with the requirements, terms and conditions of the Implementation Agreement. There are no requirements or provisions of the MSHCP that would preclude the City from approving the Project and issuing grading permits for the project.

Summary:

Although this document is titled “Interim Project Review,” in fact, it is a complete, binding and formal review that is not preliminary in nature. It is consistent with the Joint Project Review Process described in Section 6.6.1.1 of the Plan. The term “interim” is simply the terminology used to describe a review that occurs prior to the implementation period of the MSHCP.

The Citrus Ranch project is adjacent to and partially within the East Indio Hills Conservation Area. The project is within the Conservation Area along the easternmost edge of the Indio Hills and including the flat sand fields to the east which comprise the southern portion of the Citrus Ranch property. This area includes modeled Core Habitat for Mecca aster and Other Conserved Habitat for flat-tailed horned lizard, Le Conte’s thrasher, Coachella Valley round-tailed ground squirrel, and Palm Springs pocket mouse. The East Indio Hills Conservation Area provides for Habitat connectivity with the Indio Hills Palms Conservation Area and the Thousand Palms Conservation Area to the west. Natural communities on the property include active desert dunes, stabilized and partially stabilized desert sand fields, and mesquite hummocks. The Indio Hills are part of the watershed for the mesquite hummocks.

The project consists of the development of approximately 408 acres within the East Indio Hills Conservation Area west of Dillon Road and another approximately 776 acres adjacent to that Conservation Area for residential uses, golf course resort, hotel, and related facilities (See Exhibit A). The project includes one water reservoir within the East Indio Hills Conservation Area. The project also includes several offsite impacts and associated parcels, including three off-site water reservoirs, a police/fire station, an IID Substation, and an entry access site; combined these offsite areas total approximately 136 acres and are shown in Exhibit “A,” attached hereto. These associated off-site areas are all located outside the Conservation Areas. The area within the East Indio Hills Conservation Area is approximately 31% of the total project acreage. The remaining 69% of the area proposed for development is outside of the Conservation Area. The project proposes to conserve approximately 190 acres of existing undeveloped open space; an additional 38 acres of temporary disturbance will be restored to stabilized and partially stabilized desert sand fields and 4 acres of temporary disturbance will be restored to mesquite hummocks for permanent conservation.

Implementation of the proposed project would not conflict with Reserve Assembly in the area because the project is consistent with Rough Step as described in Section III, below.

I. Conservation Objectives Analysis:

Table CR-01 summarizes the results of the Conservation Objectives analysis for this project. Because the property is currently in the jurisdiction of Riverside County, the acres of Authorized Disturbance available in the East Indio Hills Conservation Area are the acres allocated to Riverside County. Overall, the project can obtain consistency with the Conservation Objectives through the following actions:

1. Avoid disturbance to active desert dunes (5 acres) and mesquite hummocks (5 acres)
2. Restore, enhance, or create 12 acres of mesquite hummocks, as shown on Exhibit "N."
 - a) Project applicant will identify the approximately 12 acres of mesquite on site to be restored, created, or enhanced, to mitigate for the impacts to 4 acres of mesquite (temporary and permanent disturbance), to occur within the area shown in Exhibit "N."
3. A Like Exchange with Riverside County to add 80 acres to the Edom Hill Conservation Area, as shown in Exhibit "O." This Like Exchange will provide conservation credit for three Covered Species, Le Conte's thrasher, Coachella Valley round-tailed ground squirrel, and Palm Springs pocket mouse, as well as the stabilized and partially stabilized desert sand fields natural community. See Citrus Ranch Like Exchange Equivalency Analysis for further discussion (Exhibit "H").
4. A Like Exchange with BLM to add 31 acres to the Whitewater Floodplain Conservation Area, as shown in Exhibit "O." This Like Exchange will provide conservation credit for four Covered Species, flat-tailed horned lizard, Le Conte's thrasher, Coachella Valley round-tailed ground squirrel, and Palm Springs pocket mouse, as well as the stabilized and partially stabilized desert sand fields natural community. See Citrus Ranch Like Exchange Equivalency Analysis for further discussion (Exhibit "H").
5. A Like Exchange with BLM to add 324 acres to the Dos Palmas Conservation Area as shown in Exhibit "P." This Like Exchange will provide conservation credit for four Covered Species, flat-tailed horned lizard, Le Conte's thrasher, Coachella Valley round-tailed ground squirrel, and Palm Springs pocket mouse. See Citrus Ranch Like Exchange Equivalency Analysis for further discussion (Exhibit "H").

6. A Like Exchange with BLM to add 300 acres to the Mecca Hills Conservation Area as shown in Exhibit "P." This Like Exchange will provide 67 acres of conservation credit for Mecca aster. See Citrus Ranch Like Exchange Equivalency Analysis for further discussion (Exhibit "H").
7. A Like Exchange with CDFG to add 20 acres to the Thousand Palms Conservation Area as shown in Exhibit "Q." This Like Exchange will provide conservation credit for stabilized and partially stabilized desert sand fields. See Citrus Ranch Like Exchange Equivalency Analysis for further discussion (Exhibit "H").

**TABLE CR-01: EAST INDIO HILLS
CONSERVATION AREA**

	CONSERVATION OBJECTIVE	Acres of Authorized Disturbance For East Indio Hills Conserv. Area	Total Acres Disturbed by Project (Includes Temporary Disturbance)	Acres of Available Conservation (Credit)		Acres of Take Required for Citrus Ranch Project
				Like Exchange	Restoration	
Species	Mecca aster	123	68	68	n/a	0
	Flat-tailed horned lizard	57	112	112	n/a	0
	Le Conte's Thrasher	155	153	153	n/a	0
	Coachella Valley round-tailed ground squirrel	119	194	194	n/a	0
	Palm Springs pocket mouse	124	194	194	n/a	0
Natural Community	Active Desert Dunes	5	0	n/a	n/a	0
	Stabilized and Partially Stabilized Desert Sand Fields	40	96	68	38	0 (28) *
	Mesquite hummocks	4	4	n/a	12	0 (4)

n/a = not applicable

* = Number in parentheses is the minimum number of acres of temporary disturbance to be restored

8. Construction of the golf course holes within the Conservation Area will be done to minimize permanent disturbance as shown in Exhibit "R." Areas of temporary disturbance will be restored and/or enhanced to provide native vegetation and habitat to the extent possible, as shown in Exhibit "N." Project applicant will work with CVCC, with input from the Wildlife Agencies, to determine the appropriate plant palette and plant numbers for the revegetation and restoration. If the criteria are successfully implemented for restoration of temporary impacts to the approximately 38 acres of stabilized and partially stabilized desert sand fields, credit for impacts to 38 acres of this natural community would be available. The Citrus Ranch project would require a minimum of 28 acres of restoration and/or enhancement of stabilized and partially stabilized desert sand fields and 4 acres of mesquite. Likewise, if the criteria are successfully implemented for restoration, revegetation, and/or enhancement of approximately 4 acres of mesquite hummocks, credit for impacts to 4 acres (3 acres temporary and 1 acre permanent disturbance) of this natural community would be available. The criteria for restoration are attached as Exhibit "S." The CVCC land managers will be responsible for determining whether the Project has successfully restored, revegetated and/or enhanced, as applicable, the stabilized and partially stabilized desert sand fields and the mesquite hummocks on the Project site for purposes of satisfying the MSHCP.
9. Citrus Ranch/SunCal will grant a conservation easement on the existing natural areas that will remain undisturbed (approximately 190 acres) as well as on the areas of temporary disturbance that will be restored. The acreage of restored areas to be conserved through a conservation easement will be determined based on the success of the restoration. A conservation easement shall be consistent with the terms set forth in Exhibit "M." Any long-term maintenance, management, and monitoring costs for these areas under the conservation easement shall be funded by CVCC, at no cost to SunCal/Citrus Ranch.

Covered Species Analysis:

For each individual Covered Species, the Conservation Objectives address Habitat and the need to allow evolutionary processes and natural population fluctuations to occur, as well as to minimize fragmentation, human-caused disturbance, and edge effects by conserving contiguous Habitat patches and effective Linkages. The following paragraphs address the specific Conservation Objectives (see Table 4-81c) for Covered Species which occur within the project area. These are the only Conservation Goals or Objectives of the MSHCP that apply to this project.

Mecca aster. The project proposes to disturb 68 acres of the 123 acres of authorized disturbance available for Mecca aster. As a result of a Like Exchange of BLM land, 68 acres of Mecca aster habitat would be added to the Mecca Hills Conservation Area and the Mecca aster acreage within the project footprint would be removed from the East Indio Hills Conservation Area. Thus, the project would not need to use any of the 68

acres of authorized disturbance allocated to Riverside County. As a result of this like exchange, the project would no longer be subject to the Plan's quantitative limits for development of acreage identified as Mecca aster habitat. The project disturbance is therefore consistent with the Conservation Objective for Mecca Aster. If for some reason one or more Like Exchanges were not completed within the time period required to enable the Project to develop and CVCC had not effected a substitute like exchange the Project would be able to utilize 68 acres of authorized allocated to the County, and CVCC will continue to use all available efforts to complete necessary like exchanges and will make best efforts to use its acquisition authorities to keep the loss of habitat by the Project in compliance with CVMSHCP Rough Step requirements.

Flat-tailed horned lizard. The project proposes to disturb 112 acres of habitat for flat-tailed horned lizard when only 57 acres of authorized disturbance are available. This leaves a shortage in authorized disturbance of 55 acres. As a result of a Like Exchange of BLM land, 31 acres of flat-tailed habitat would be added to the Whitewater Floodplain Conservation Area which creates a credit of 31 acres. Another Like Exchange of BLM land will add 86 acres of flat-tailed horned lizard habitat to the Dos Palmas Conservation Area. The net credit as a result of like exchanges needed for the project is 112 acres. The 112 acres of property on the project site identified as flat-tailed lizard habitat would be removed from the East Indio Hills Conservation Area. As a result of these like exchanges, the project would no longer be subject to the Plan's quantitative limits for development of flat-tailed horned lizard habitat. The project disturbance is therefore consistent with the Conservation Objective for flat-tailed horned lizard. If for some reason one or more Like Exchanges were not completed within the time period required to enable the Project to develop and CVCC had not effected a substitute like exchange, the Project would be able to utilize 57 acres of authorized disturbance allocated to the County, and CVCC will continue to use all available efforts to complete necessary like exchanges and will make best efforts to use its acquisition authorities to keep the loss of habitat by the Project in compliance with CVMSHCP Rough Step requirements.

Le Conte's thrasher. The project proposes to disturb 153 of the 155 acres of authorized disturbance available for Le Conte's thrasher. As a result of two Like Exchanges, 31 acres of BLM land with Le Conte's thrasher habitat would be added to the Whitewater Floodplain Conservation Area and 324 acres of BLM land with Le Conte's thrasher habitat would be added to the Dos Palmas Conservation Area. This provides the needed credit of 153 acres of Le Conte's thrasher habitat available for the Citrus Ranch project. The 153 acres of property on the project site identified as Le Conte's thrasher habitat would be removed from the East Indio Hills Conservation Area. As a result of these like exchanges, the project would no longer be subject to the Plan's quantitative limits for development of Le Conte's thrasher habitat. The project disturbance is therefore consistent with the Conservation Objective for Le Conte's thrasher. If one or more necessary Like Exchanges are not completed within the time period required to allow the Project to develop and CVCC has not effected a substitute like exchange, the Project would be able to utilize 153 acres of authorized take allocated to the County, and CVCC will continue to use all available efforts to complete necessary like

exchanges and will make best efforts to use its acquisition authorities to keep the loss of habitat by the Project in compliance with CVMSCHP Rough Step requirements.

Coachella Valley round-tailed ground squirrel. The project proposes to disturb 194 acres of habitat for the round-tailed ground squirrel when only 119 acres of authorized disturbance are available. This leaves a shortage in authorized disturbance of 75 acres. As a result of three Like Exchanges, 31 acres of BLM land with Coachella Valley round-tailed ground squirrel habitat would be added to the Whitewater Floodplain Conservation Area, 150 of the 203 acres of BLM land with Coachella Valley round-tailed ground squirrel habitat added to the Dos Palmas Conservation Area would be available, and 13 acres of ground-squirrel habitat owned by Riverside County would be added to the Edom Hill Conservation Area. The necessary 194 acres of round-tailed ground squirrel habitat are available for the Citrus Ranch project. The 194 acres of property on the project site identified as Coachella Valley round-tailed ground squirrel habitat would be removed from the East Indio Hills Conservation Area. The project would not need to use any of the 119 acres of authorized disturbance allocated to Riverside County. As a result of these like exchanges, the project would no longer be subject to the Plan's quantitative limits for development of Coachella Valley round-tailed ground squirrel habitat. The project disturbance is therefore consistent with the Conservation Objective for the Coachella Valley round-tailed ground squirrel. If one or more necessary Like Exchanges are not completed within the time period required to allow the Project to develop and CVCC has not effected a substitute like exchange, the Project would be able to utilize 119 acres of authorized take allocated to the County, and CVCC will continue to use all available efforts to complete necessary like exchanges and will make best efforts to use its acquisition authorities to keep the loss of habitat by the Project in compliance with CVMSCHP Rough Step requirements.

Palm Springs pocket mouse. The project proposes to disturb 194 acres of habitat for the pocket mouse when only 124 acres of authorized disturbance are available. This leaves a shortage in authorized disturbance of 70 acres. As a result of Like Exchanges, 31 acres of BLM land with Palm Springs pocket mouse habitat would be added to the Whitewater Floodplain Conservation Area, 150 acres of the 314 acres of BLM land with Palm Springs pocket mouse habitat added to the Dos Palmas Conservation Area would be available, and 13 acres of pocket mouse habitat owned by Riverside County would be added to the Edom Hill Conservation Area. The like exchanges provide the needed credit of 194 acres. The 194 acres of property on the project site identified as Palm Springs pocket mouse habitat would be removed from the East Indio Hills Conservation Area. The project would not need to use any of the 124 acres of authorized disturbance allocated to Riverside County. As a result of these like exchanges, the project would no longer be subject to the Plan's quantitative limits for development of Palm Springs pocket mouse habitat. The project disturbance is therefore consistent with the Conservation Objective for the Palm Springs pocket mouse. If one or more necessary Like Exchanges are not completed within the time period required to allow the Project to develop and CVCC has not effected a substitute like exchange, the Project would be able to utilize 124 acres of authorized take allocated to the County, and CVCC will continue to use all available efforts to complete necessary like exchanges and will make

best efforts to use its acquisition authorities to keep the loss of habitat by the Project in compliance with CVMSCHP Rough Step requirements.

Natural Communities Analysis:

Active Desert Dunes. The Citrus Ranch project includes 5 acres of active desert dunes. This area is shown on Exhibit "R." The project applicants have agreed to avoid ground disturbance to the dune habitat in this 5-acre area. Therefore, no authorized disturbance is required for this natural community and the project is consistent with the Conservation Objective.

Stabilized and Partially Stabilized Desert Sand Fields. The project proposes to disturb 96 acres of these sand fields when only 40 acres of authorized disturbance are available in the East Indio Hills Conservation Area. This leaves a shortage in authorized disturbance of 56 acres. However, 68 acres of conservation credit are available as a result of the like exchange of three properties. The like exchange includes the addition of 30 acres of BLM land with stabilized shielded sand fields to the Whitewater Floodplain Conservation Area, 18 acres of stabilized and partially stabilized desert sand fields owned by Riverside County to the Edom Hill Conservation Area, and 20 acres of stabilized and partially stabilized desert sand fields to the Thousand Palms Conservation Area. Thus, 68 acres of the property on the project site identified as stabilized and partially stabilized desert sand fields would be removed from the East Indio Hills Conservation Area. The project is then left with the need for an additional 29 acres of authorized disturbance. The project can obtain consistency with the Conservation Objective for stabilized and partially stabilized desert sand fields through a credit for restoration of temporary disturbance; restoration of all of the temporary disturbance to sand fields would provide 38 acres of credit. The project can obtain sufficient authorized disturbance for stabilized and partially stabilized desert sand fields to be consistent with the Conservation Objective. The CVCC land managers will be responsible for determining whether the Project has successfully restored, revegetated and/or enhanced, as applicable, the stabilized and partially stabilized desert sand fields on the Project site for purposes of satisfying the MSHCP.

Mesquite Hummocks. The project proposes to disturb 4 acres of the 4 acres of authorized disturbance available for mesquite hummocks. The project disturbance represents 100% of the allowable take for mesquite hummocks and is consistent with the Conservation Objective.

- The project applicant has agreed to restore and enhance the existing mesquite hummocks and, if possible, create additional mesquite hummocks on the site. There are 3 acres of temporary mesquite disturbance and 1 acre of permanent disturbance resulting from the Project. Restoration credit would be available to the Project and the Project may elect to achieve consistency with the MSHCP by instead restoring 4 acres of mesquite hummocks onsite.
- To obtain the restoration credit, approximately 12 acres of mesquite hummocks will be restored, revegetated, enhanced or created. Twelve (12) acres of restoration/enhancement or creation will allow for the loss of 3 acres

of mesquite hummocks to be temporarily disturbed and 1 acre to be permanently disturbed. The area for this revegetation/restoration is shown on Exhibit “N.”

**TABLE CR-02: CITRUS RANCH PROJECT: MESQUITE HUMMOCKS
RESTORATION, REVEGETATION AND ENHANCEMENT**

CONSERVATION OBJECTIVE	Acres of Authorized Disturbance For East Indio Hills Conserv. Area	Total Acres Disturbed by Project (Acres of Temporary Disturbance)	Total Acres Avoided by Project	Acres of Available Conservation Credit from Restoration/ Revegetation		Acres of Take Required for Citrus Ranch Project
				Restore Temp. Disturb. Reveg.		
Mesquite hummocks	4	4 (3)	5	9	3	0

II. Other Plan Requirements

I. Section 4.3.15: Required Measures

Required Measure #4, page 4-132: “The Permittees shall comply with applicable avoidance, minimization, and mitigation measures described in Section 4.4 and the Land Use Adjacency Guidelines as described in Section 4.5.” The project, as shown in Exhibit “A,” has complied with all of the applicable measures of Section 4.4 and Section 4.5.

- A. Section 4.4: Avoidance, Minimization, and Mitigation Measures (Survey information from Citrus Ranch MSHCP Exhibit (Stantec, May 3, 2006))
1. Complete Burrowing Owl surveys within the Conservation Areas
YES ☒ NO ☐ [check yes] And Project has complied with all measures relative to the owl.
 2. Complete Crissal thrasher active nest surveys?
YES ☒ NO ☐ [check yes] And Project has complied with all measures relative to the thrasher.
 3. Complete Le Conte’s thrasher nest survey
YES ☒ NO ☐ [check yes] And Project has complied with all measures relative to the thrasher
 4. Avoid mesquite hummocks to the maximum extent Feasible.
YES ☒ NO ☐ [check yes] Project avoids mesquite hummocks to the maximum extent Feasible

- B. Section 4.5: Land Use Adjacency Guidelines, page 4-204
The Land Use Adjacency Guidelines described in Section 4.5 shall be considered by the City in their review of the Citrus Ranch Development project where it is adjacent to or within the East Indio Hills Conservation Areas to minimize edge effects, and shall be implemented where applicable. The determination of a project's compliance with the Land Use Adjacency Guidelines is to be made solely by the local Permittee (in this case the City). A final determination of compliance will be made by the City, as provided for in the MSHCP.

Comments:

A Like Exchange Equivalency Analysis has been prepared for the five Like Exchange parcels described in this analysis and is attached as Exhibit "H." Based on the information provided in that analysis, the project demonstrates compliance with Section 6.12.2 of the MSHCP.

III. Rough Step Analysis

Table CR-01 shows the results of the conservation analysis for this project. As of the date of this review, there have been no post-MOU acquisitions in the East Indio Hills Conservation Area. The project applicant will place a conservation easement on 190 acres of lands within their project boundary. The project applicant will also place a conservation easement on lands which have been subject to temporary disturbance but which have been restored. Credit toward the conservation requirement has been attributed for the Like Exchange addition of habitat for the following Covered Species: Mecca aster, flat-tailed horned lizard, Le Conte's thrasher, Coachella Valley round-tailed ground squirrel, and Palm Springs pocket mouse. Credit is also available from the Like Exchange for Stabilized and Partially Stabilized Desert Sand Fields.

The project does not require take of the Covered Species as a result of like exchanges so the rough step requirement does not apply.

The project does not require take of active desert dunes, stabilized and partially stabilized desert sand fields, or mesquite hummocks as a result of Like Exchanges, avoidance, and restoration/revegetation so the rough step requirement does not apply.

Legend

Exhibit "L"

- Temporary Reservoir Disturbance
- Permanent Reservoir Disturbance
- Temporary Disturbance
- Areas to be Removed from Conservation Area
- Revegetation Area
- Citrus Ranch Project Boundary
- CVMSHCP Conservation Area
- Major Road



East Indio Hills Conservation Area

Areas in red will be removed from the conservation area.

Areas in dark green are temporary disturbance and will need to be restored and conserved.

Areas in yellow are possible areas for re-vegetation.

Area in pink will be removed from the conservation area.

Area in orange is temporary disturbance and will need to be restored and conserved.



Geographic Information Systems

Stantec

73-733 Fred Waring Drive Suite 100, Palm Desert, CA 92260 Phone 760.346.9844 Fax 760.346.9368 www.stantec.com

1 inch equals 1,800 feet

Like Exchange Areas Removed From Conservation Area
Citrus Ranch Project, City of Indio



Cartographic Design By: Jake Walters Printed: 5:12 pm 06/07/2006 File: O:\40767\4076722\subs\GIS\Maps\MOU\CR-01.mxd

EXHIBIT "M"

CONSERVATION EASEMENT DEED DRAFT SUMMARY OF KEY PROVISIONS

(Conservation Easement to be negotiated based in part on the following)

1. Proposed Grant. Grantor is the owner of certain property (the "Conservation Property") that possesses wildlife and habitat values (collectively, "conservation values") and will agree, pursuant to the terms of a conservation easement deed to be negotiated by Grantor and Grantee, as a gift and for no consideration, to grant a conservation easement in such property to Grantee on the following terms and such other terms as are agreed by the parties.
2. Purpose. The purpose of the Conservation Easement Deed is to ensure the Conservation Property will be retained in perpetuity in a natural condition and, subject to Grantor's Reserved Rights (defined below), to limit any use of the Conservation Property that will impair or interfere with the conservation values of the Conservation Property and to confine the use of the Conservation Property to such activities, including, without limitation, those involving the preservation and enhancement of native species and their habitat in a manner consistent with the habitat conservation purposes of the Conservation Easement Deed.
3. Grantee's Rights. To accomplish the purposes of the Conservation Easement Deed, Grantor will agree to grant to Grantee, subject to Grantor's Reserved Rights, rights (a) to preserve and protect the conservation values of the Conservation Property, (b) to enter upon the Conservation Property to carry out management and monitoring consistent with the conservation goals, monitoring program, and management plans for the CVMSHCP and for other purposes consistent with the conservation values and; (c) to prevent any activity on or use of the Conservation Property that is inconsistent with the purposes of the Conservation Easement Deed, (d) all present and future development rights and (e) such other rights as may be mutually agreed to by the parties.
4. Reserved Rights. Notwithstanding any other provision of the Conservation Easement Deed to the contrary, Grantor shall reserve to itself, and to its personal representatives, heirs, successors, and assigns, the following "Reserved Rights":
 - (a) all rights accruing from its ownership of the Conservation Property, including the right to engage in or to permit or invite others to engage in all uses of the Conservation Property that are consistent with the purposes of this Conservation Easement Deed;
 - (b) the right to grade, develop, redevelop, maintain, repair and replace a golf course on the portions of the Conservation Property identified for temporary incidental take in accordance with plans approved by the City of Indio provided the same are consistent with the Memorandum of

Understanding to which this Exhibit is attached and the Consistency Analysis referenced therein, and to pedestrian access upon the remaining portions of the Conservation Property to the extent reasonably required to achieve such purposes;

- (c) the right to grade, develop, redevelop, maintain, repair and replace drainage and floodway improvements and to utilize the Conservation Property for natural flooding purposes;
- (d) the right to grade, develop, redevelop, maintain, repair and replace pedestrian (non-motorized) use of hiking trails;
- (e) the right of golfers and maintenance workers to enter onto the Conservation Property to retrieve golf balls (all such entry shall be on foot only);
- (f) the right to restore and re-vegetate and to maintain, repair and replace such vegetation on portions of the Conservation Property as set forth in the Consistency Analysis; and
- (g) such other rights as may be mutually agreed by the parties.

The Parties agree that the Citrus Ranch project has been determined to be consistent with the CVMSHCP and that all actions taken by Grantor in furtherance of its Reserved Rights shall be consistent with the CVMSHCP.

5. Access. The Conservation Easement Deed shall not convey a general right of access to the public.

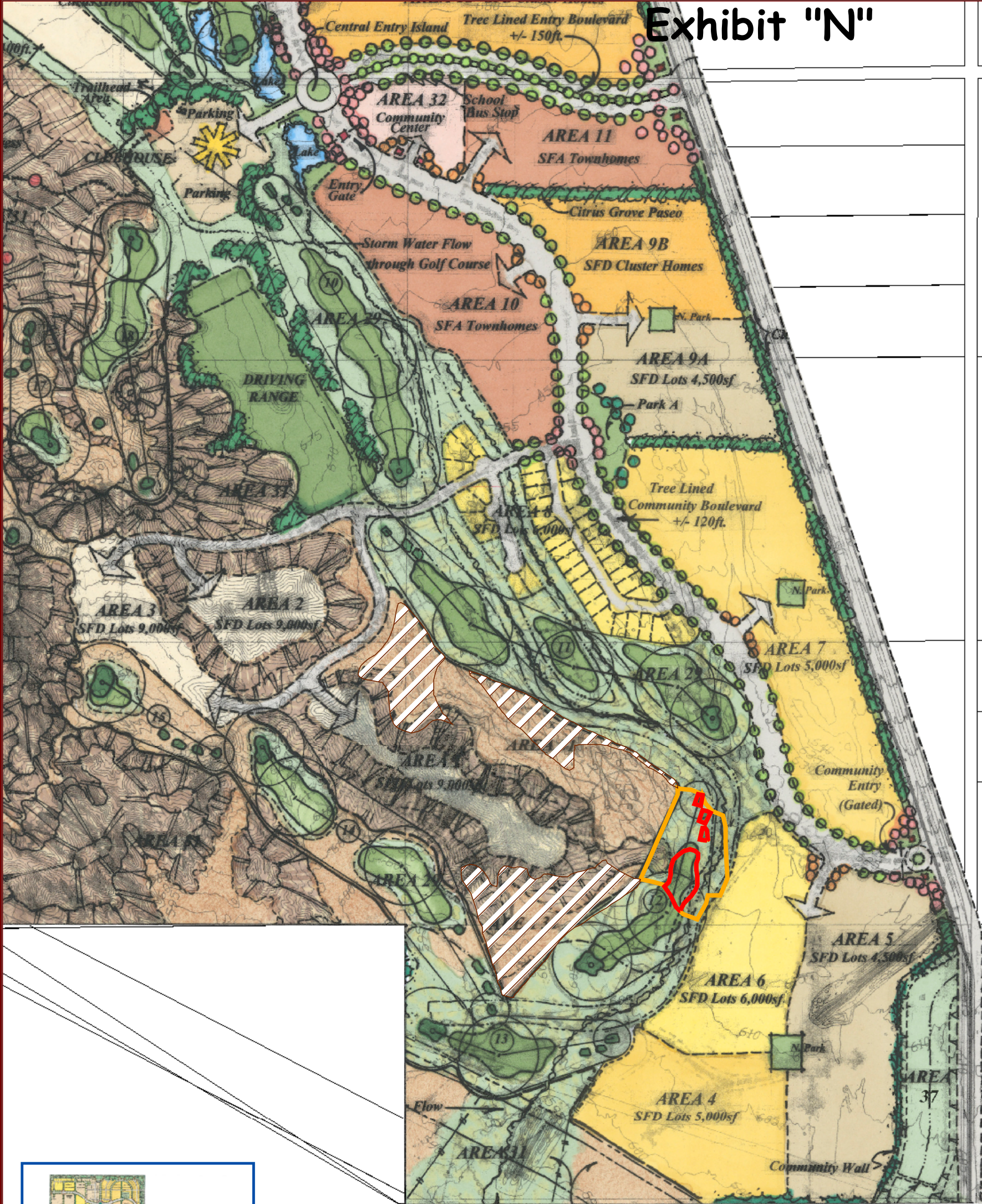
6. Assignment and Transfer. There shall be no restriction on transfer by Grantor or Grantee of their interests in the Conservation Property unless otherwise agreed by the parties.

7. Taxes; No Liens. Grantor shall pay all taxes due on the Conservation Property before delinquency.

8. Run with the Land. The Conservation Easement shall run with the land and shall be binding on and inure to the benefit of successors and assigns of the parties.

9. Other Provisions. Grantor and Grantee shall negotiate in good faith with respect to remedies, cure rights, indemnities, representations and warranties and other provisions of the Conservation Easement Deed as each shall reasonably request consistent with standards generally applicable to conservation easements in the State of California.

Exhibit "N"

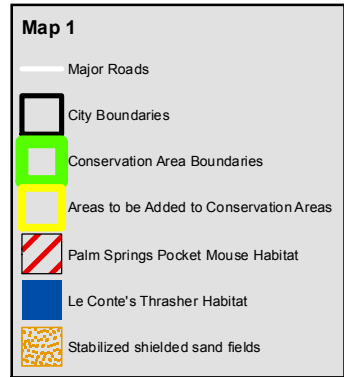


Legend

- Mesquite Hummocks - Permanent Take
- Mesquite Hummocks - Temporary Take
- Possible Revegetation of Stabilized Desert Sand Fields (11.09ac)



Exhibit "O": City of Indio: Citrus Ranch Project Like Exchange Areas

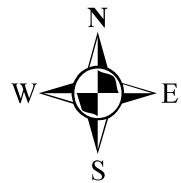
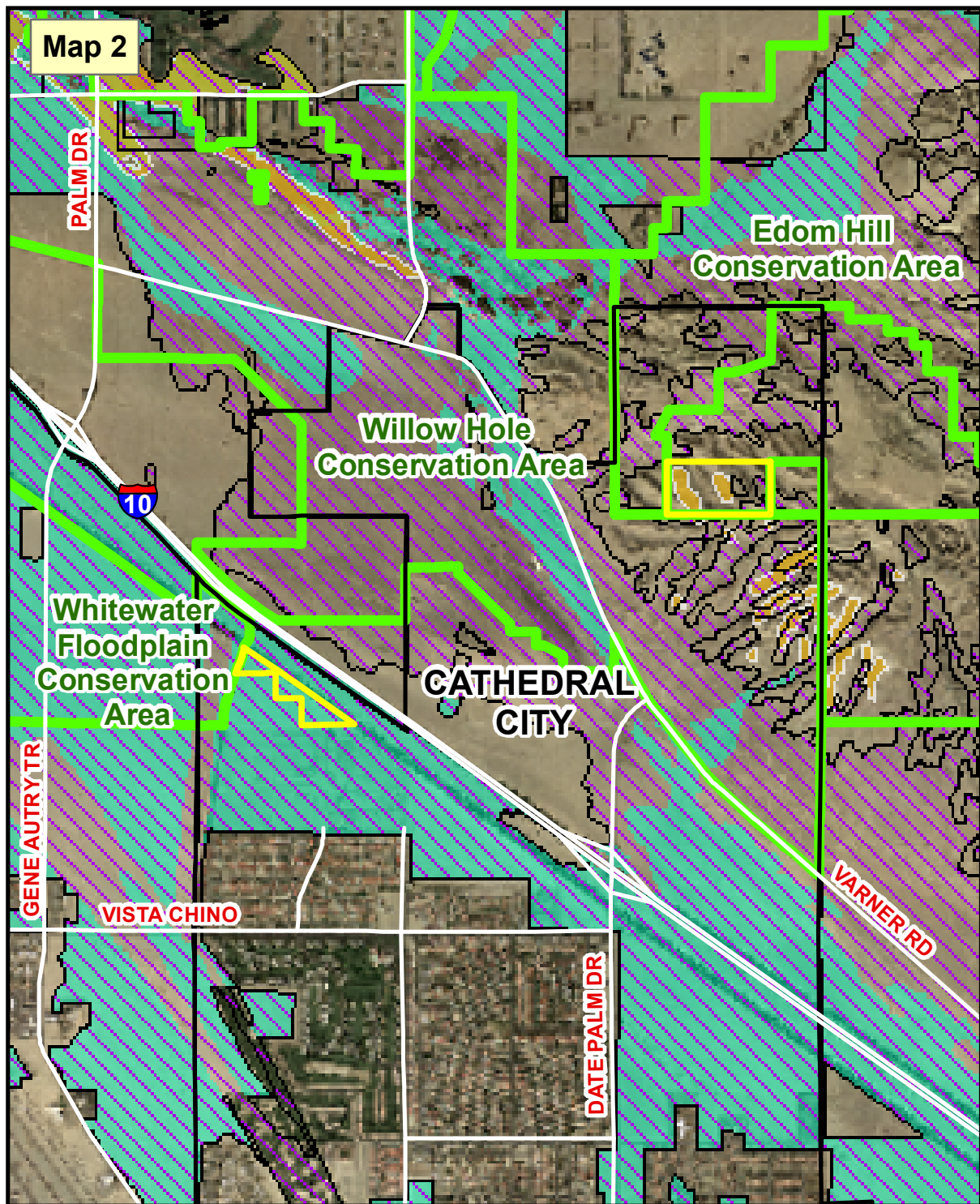
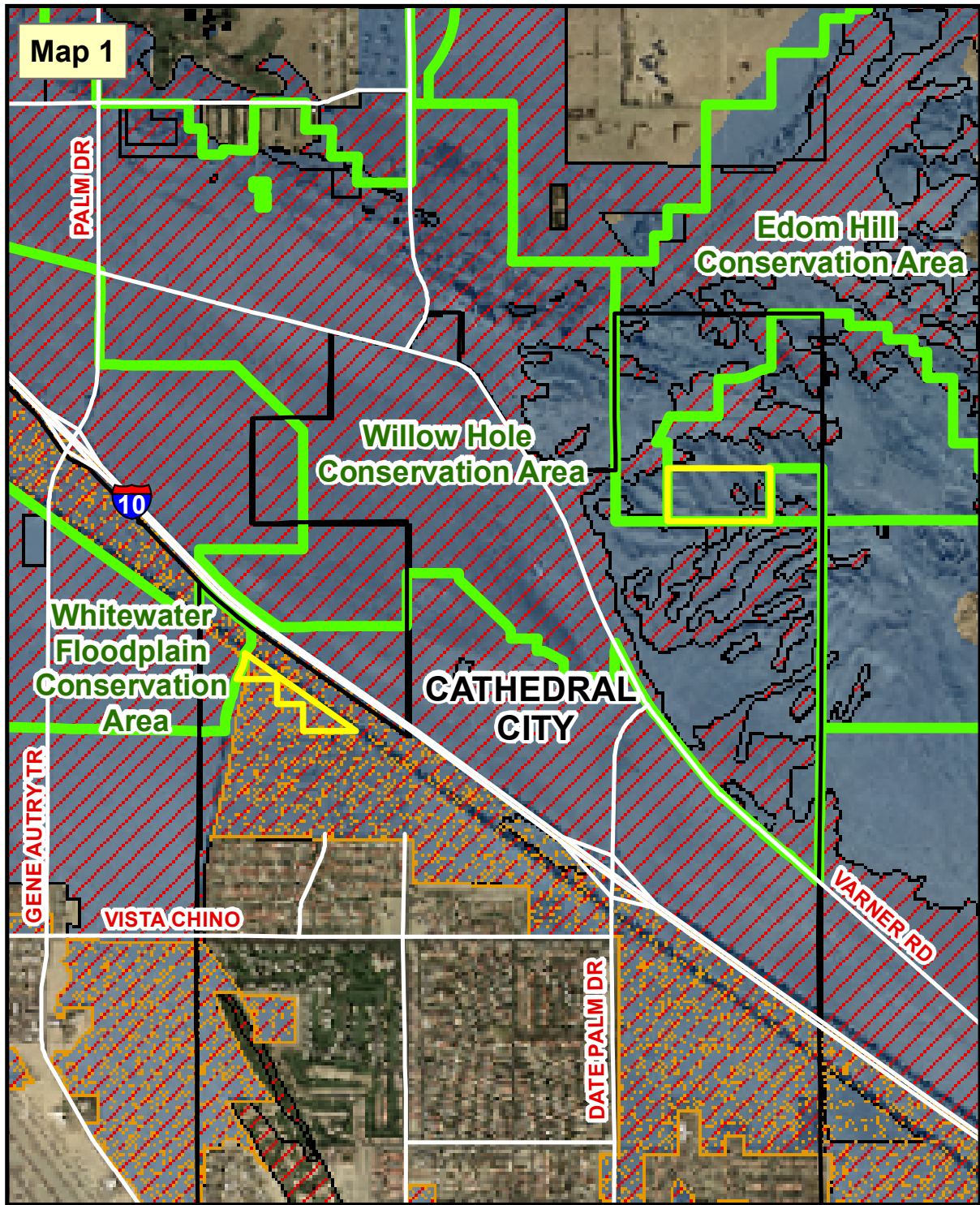


Biological Information on Area to be added to Whitewater Floodplain Conservation Area:

Flat-tailed Horned lizard: 31 acres
Le Conte's Thrasher: 31 acres
Palm Springs Pocket Mouse: 31 acres
CV Round-tailed ground squirrel: 31 acres
Stabilized Shielded Sand Fields: 30 acres

Biological Information on Area to be added to Edom Hill Conservation Area:

Le Conte's Thrasher: 80 acres
Palm Springs Pocket Mouse: 13 acres
CV Round-tailed ground squirrel: 13 acres
Stabilized Sand Fields: 18 acres



Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
CR Exhibit O.mxd

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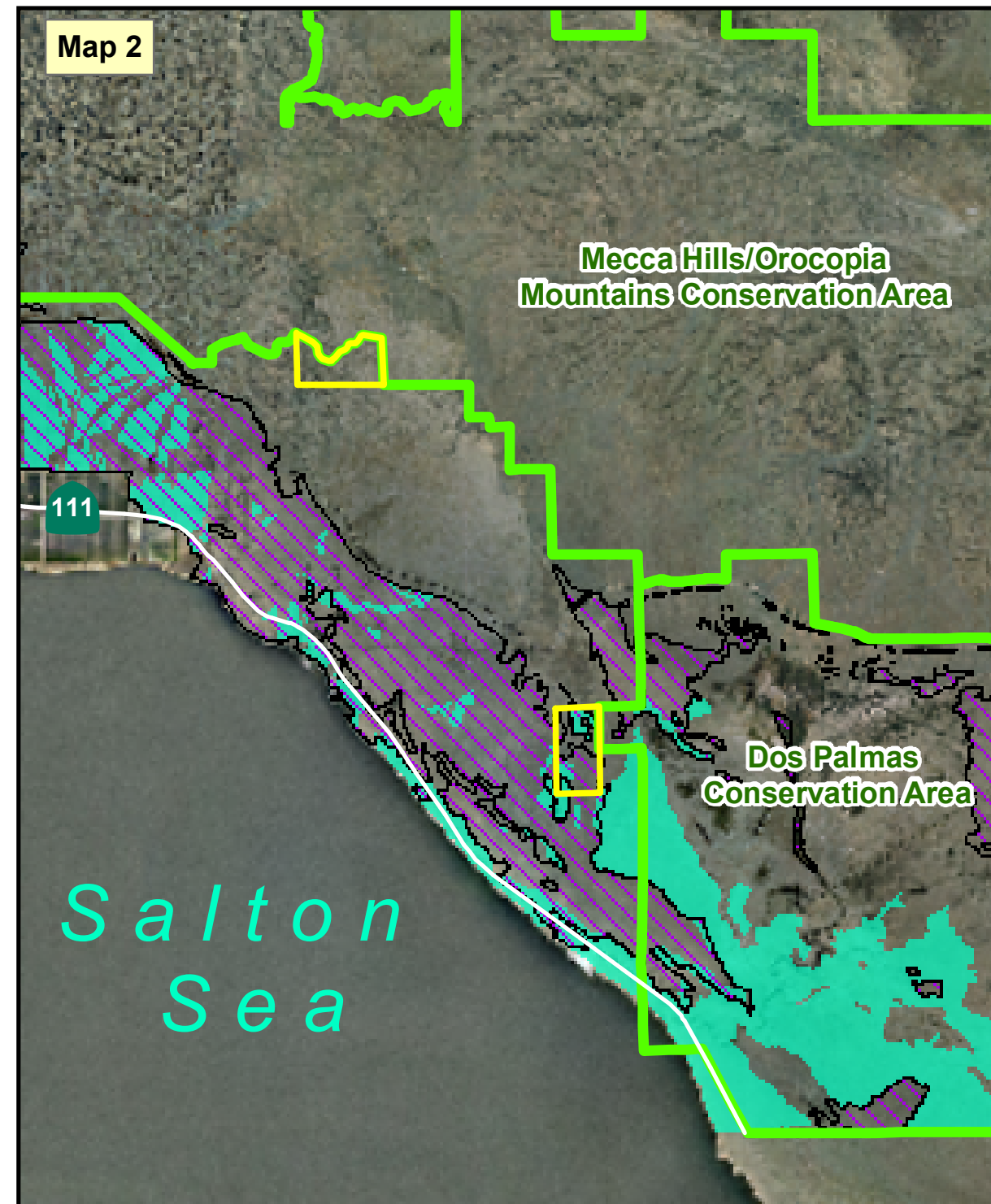
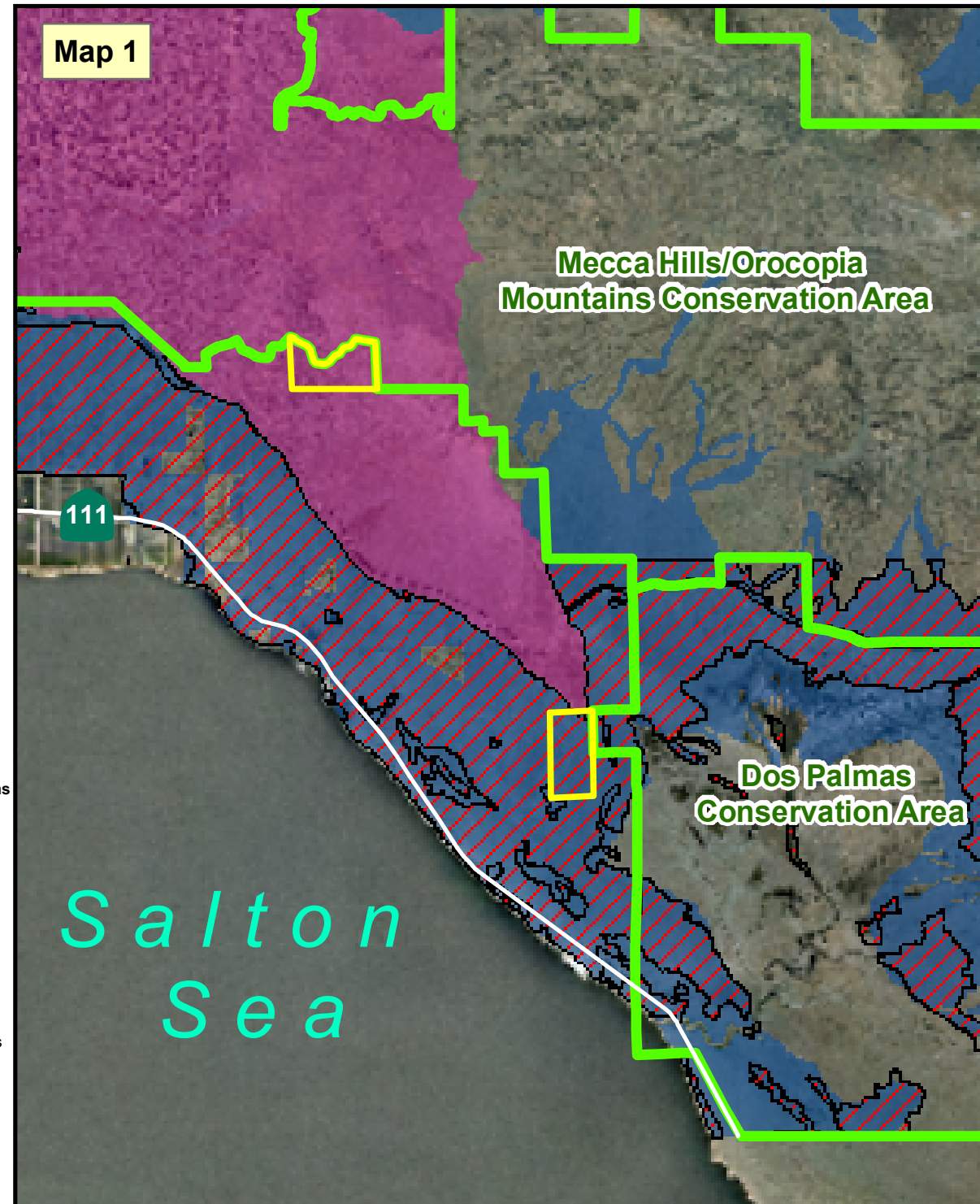
Exhibit "P": City of Indio: Citrus Ranch Project Like Exchange Areas

Map 1

- Major Roads
- Conservation Area Boundaries
- Areas to be Added to Conservation Areas
- Le Conte's Thrasher Habitat
- Palm Springs Pocket Mouse Habitat
- Mecca Aster Habitat

Map 2

- Major Roads
- Conservation Area Boundaries
- Areas to be Added to Conservation Areas
- CV Round-tailed ground squirrel Habitat
- Flat-tailed Horned Lizard Habitat

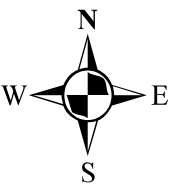
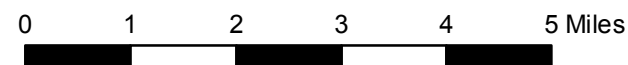


Biological Information on Area to be added to Mecca Hills/Orocopia Mountains Conservation Area:

Mecca Aster: 300 acres

Biological Information on Area to be added to Dos Palmas Conservation Area:

Flat-tailed Horned lizard: 86 acres
Le Conte's Thrasher: 320 acres
Palm Springs Pocket Mouse: 314 acres
CV Round-tailed ground squirrel: 203 acres



Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
CR Exhibit P .mxd

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Exhibit "Q": City of Indio: Citrus Ranch Project Like Exchange Areas

Map 1

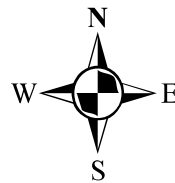
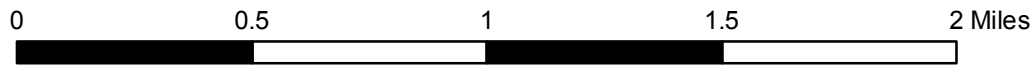
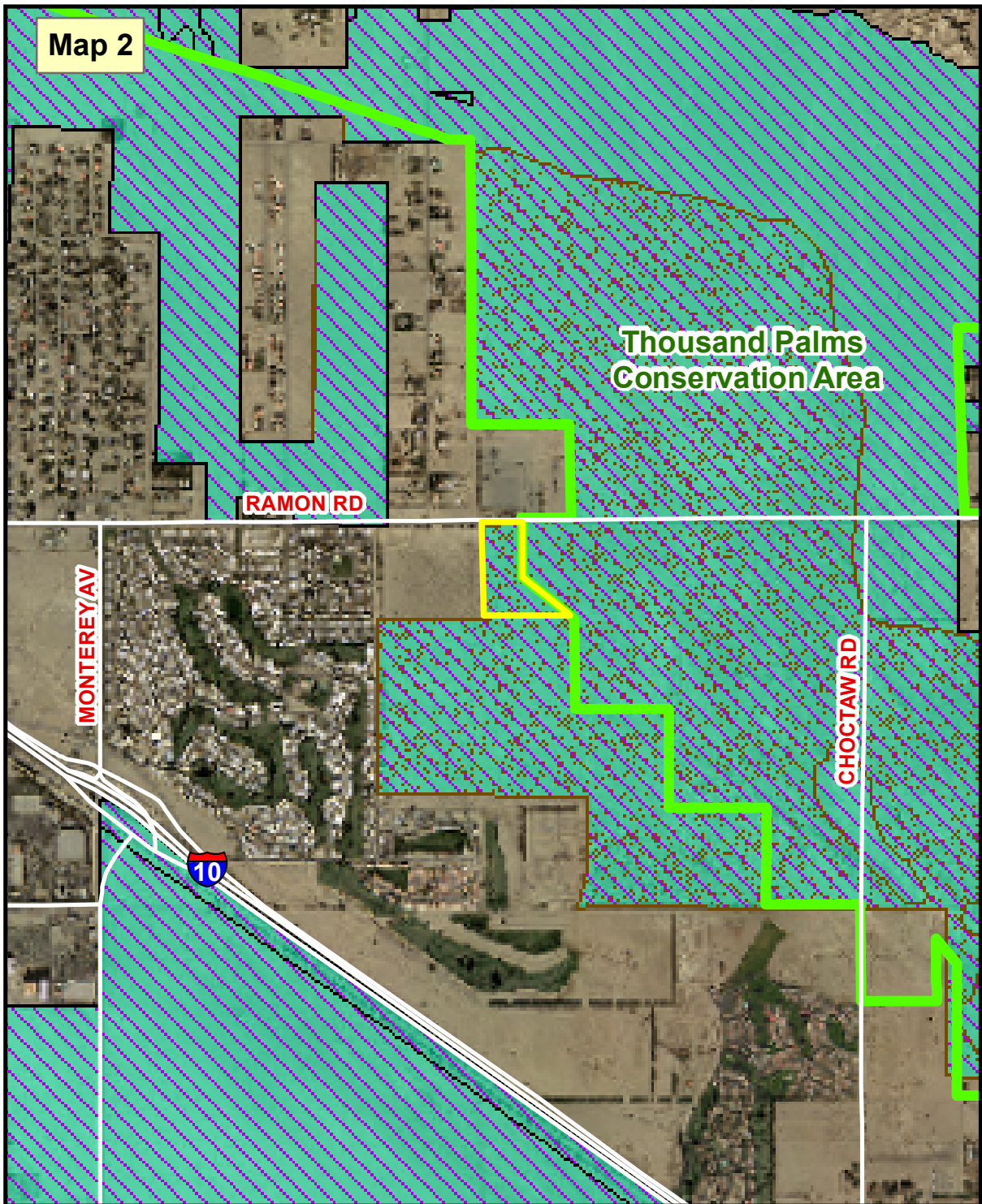
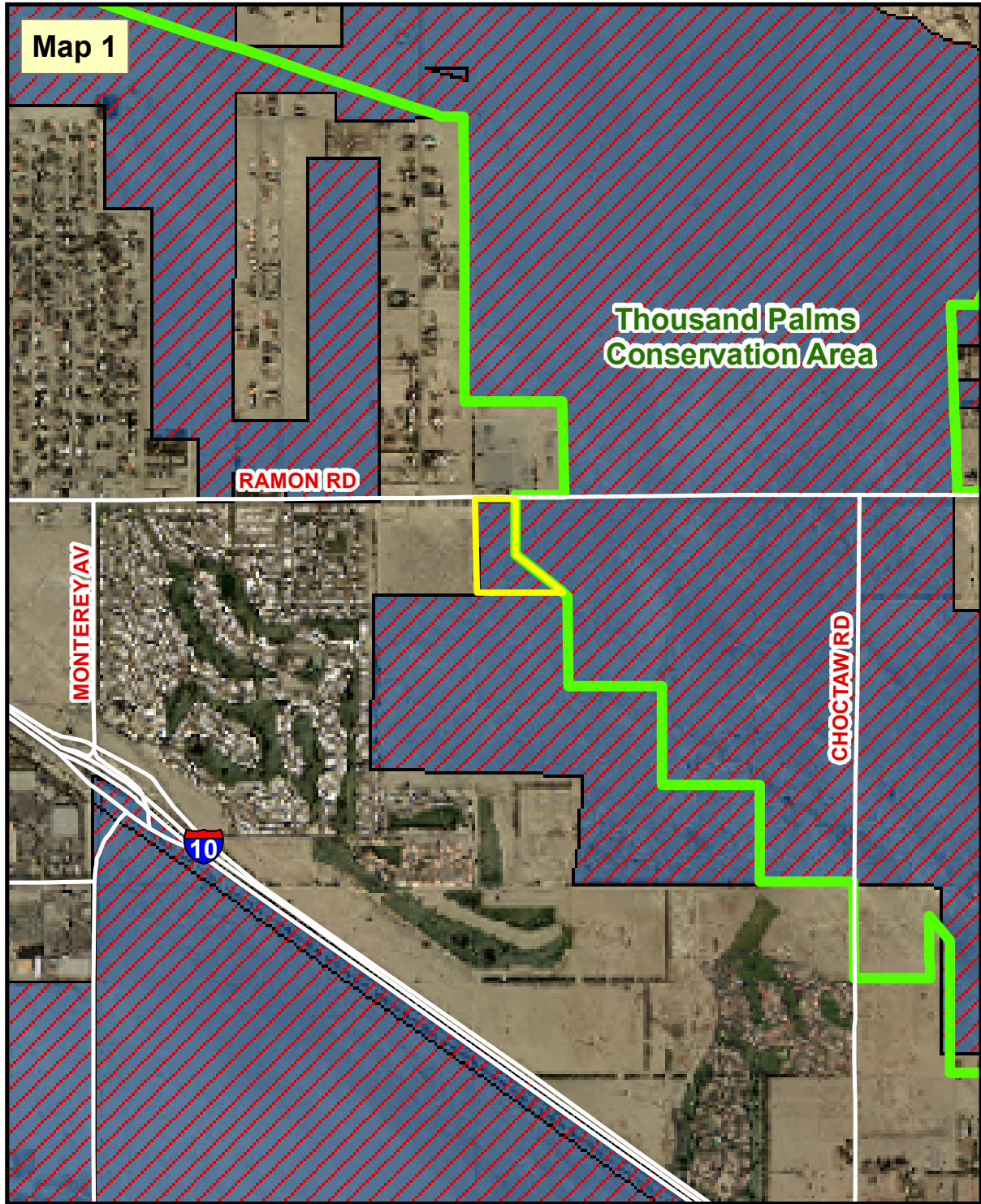
- Major Roads
- Conservation Area Boundaries
- Area to be added to Conservation Area
- Palm Springs Pocket Mouse Habitat
- Le Conte's Thrasher Habitat

Map 2

- Major Roads
- Conservation Area Boundaries
- Area to be added to Conservation Area
- CV Round-tailed ground squirrel Habitat
- Flat-tailed Horned Lizard Habitat
- Active sand fields

Biological Information on Area to be added to Thousand Palms Conservation Area:

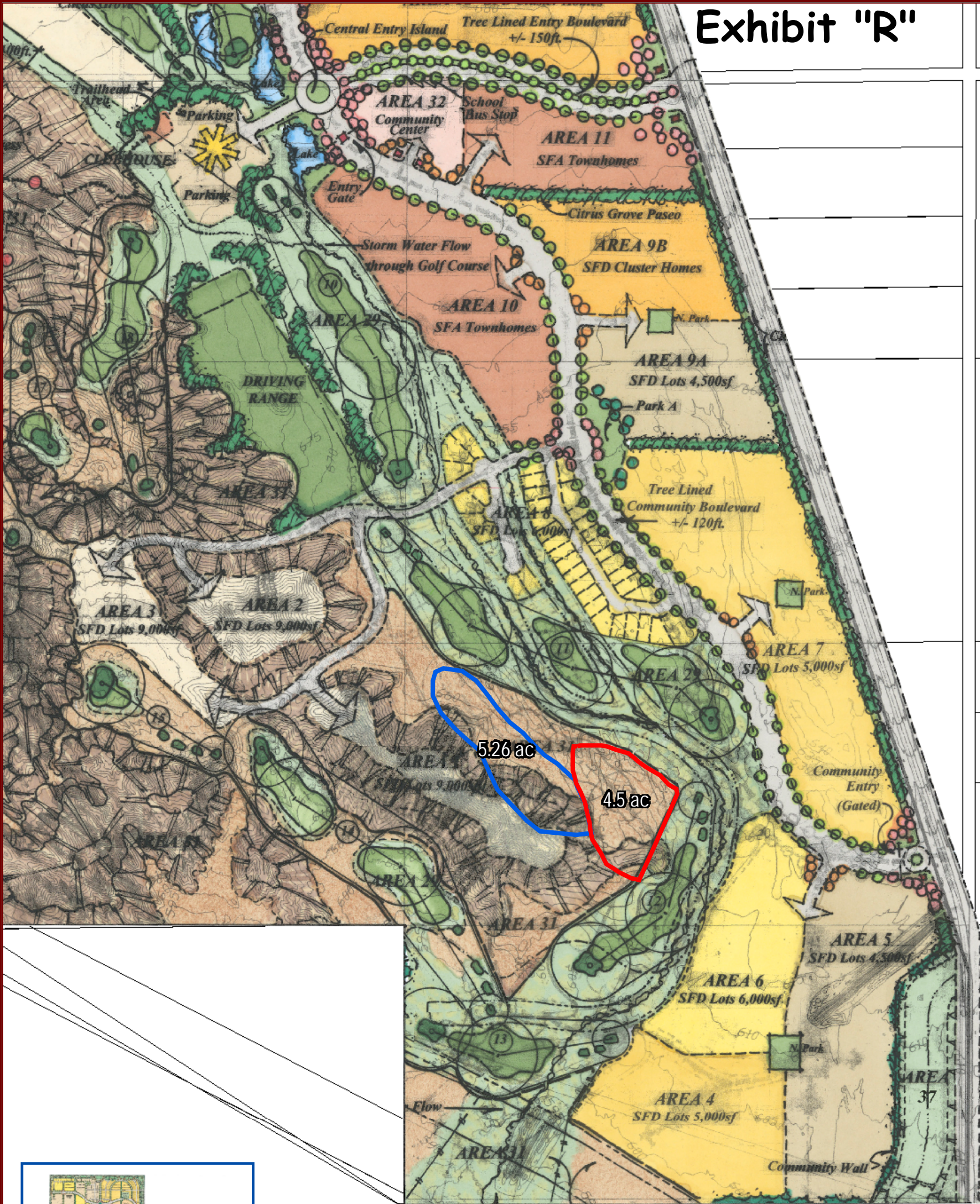
Flat-tailed Horned lizard: 20 acres
Le Conte's Thrasher: 20 acres
Palm Springs Pocket Mouse: 20 acres
CV Round-tailed ground squirrel: 20 acres
Active sand fields: 20 acres



Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
CR Exhibit Q.mxd

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Exhibit "R"



Legend



-  Active Desert Dunes (5.26ac)
-  Mesquite Hummocks (4.5ac)



Exhibit "S"

CITRUS RANCH MOU Draft Desert Restoration Concepts (Potential Criteria for Restoration)

1. Identify restoration sites and plant/soil donor (future development) sites. Clearly demarcate both in field with flagging or similar, including access. Only utilize donor sites where future development is approved, permitted, and imminent. Choose donor sites based on appropriate soils and plants, lack of invasive species, and lack of previous disturbance. If available, utilize donor sites of the highest biological function of the same natural community and approximately twice the acreage of restoration sites.
2. Remove exotic plant species from restoration and donor sites. Remove trash.

Perform the following activities between the months of October – December.

3. De-compact (rip) artificially compacted soils of disturbed areas in restoration sites, such as existing trails/roads, to a depth of 18 inches, using a grader or similar. Do not attempt to de-compact sandy soils that are not typically compactable. Leave surface rough.
4. Remove appropriate important native plants from donor site with tree-spade, backhoe, or similar, with root-ball intact for transplantation into donor site. Set aside and cover carefully for transplantation within 24 hours, or transplant immediately to sites where native topsoil has already been applied (see Note below).
5. Depending on the habitat type, remaining vegetation may be crushed on donor site into native topsoil with tracked vehicle (such as a dozer with its blade up).
6. Remove topsoil (with crushed vegetation, together called "duff") from donor site to a depth of 8-12 inches. Remove rocks greater than 0.5 foot in size. Transport and apply directly and immediately to restoration site if at all practicable; if future grading of restoration site is required, then stockpile in windrows (less than 5 feet high) at top of future cut slopes or at bottom of fill slopes (coordinate stockpiling of topsoil and grading so as to not require stockpiling of topsoil for a more than a month). Apply topsoil (with crushed native vegetation if appropriate,) to restoration site to a depth of 12-18 inches. Leave applied topsoil surface rough and only lightly compacted. Perform imprinting where appropriate.
7. Note: If a large enough donor site is available, then remove topsoil from one portion of donor site and immediately apply to restoration site, then remove plants to be transplanted from the remaining portion of the donor site and immediately transplant into restoration site in areas where topsoil has already been placed. This will likely increase restoration success substantially (versus having to set aside plants for transplantation).

Performing re-application of topsoil and transplantation during cool weather will also likely increase success.

1. Remove/salvage blowsand from donor sites with appropriate blowsand to full depth of blowsand, or less, depending on situation. Remove and transport to upwind end of blowsand natural community area to be preserved. Place blowsand in windrows, typically within areas currently disturbed, such as trail or road.
2. Transplant native donor plants removed from donor site into restoration site, at densities and spacing similar to donor site. Irrigate temporarily with subsurface or drip irrigation. Assume substantial failure/death of transplants. Do not fertilize.
10. Mulch may be considered, depending on habitat type. Mulch may not be suitable in sand habitats or in windy areas. If mulch is used, ensure that it is from a weed-free source and as inert as possible. Utilize organic tackifier (such hydroseeder applied gum and wood fiber) or roller to stabilize mulch (keep it from being blown away), as necessary.
11. Remove non-native plant species from restoration sites at least once every 4 months for 5 years during plant establishment. Substantial weeding effort should be coordinated after heavy rains. Repair any erosion problems with hand tools.
12. Incorporate planting of native container plants of regional ecotypes into restoration site where important species or plant cover is not attained with re-application of topsoil and transplantation. Only utilize species currently found on site and/or ecotypes found in the region, unless exception is ecologically warranted. Do not incorporate or promote exotic species or species/ecotypes not found in the subject part of the Coachella Valley.
13. Restoration tenets: Minimize overspray of chemicals, irrigation water, runoff from surrounding developed/landscaped areas. Avoid pesticides and rodent control within or adjacent to restoration areas. Avoid exotic landscaping/land uses that promote exotic species [such as house mouse (*Mus* sp.) and European rat (*Rattus* sp.)]. Avoid changes in natural hydrology in restoration sites. Control off-road vehicles, human intrusion, dumping, and pets within restoration areas. Minimize night-time lighting reaching restoration areas. Provide a buffer between restoration/natural areas and intensive development/use areas, where practicable. Utilize native plant species (such as mesquite) within landscaping of developed areas wherever possible; avoid use of toxic or invasive plants in landscaping. Maintain wildlife connectivity of restoration sites to other natural areas on and off site. Utilize design features, such as single-loaded roads, signage, and passive recreation (edge trails), to boost amenity/ownership value and protection of natural areas. Minimize the fragmentation of, and the development edge around, natural areas.

Recommendations for Successful Establishment of Native Plants In Desert Landscapes

1. Use native plants grown in deep containers so that they have long root systems.

2. Prewater the 3 to 4 foot deep planting holes by filling them several times and letting the water percolate deep into the soil to build up a large water “bank.” This will help attract root development into the native soil.
0. Plant the plants so that the crowns (root/stem interface) are even with the general slope topography and create a beamed watering basin with a radius of approximately ½ meter (1.64 feet).
0. Water heavily once after the plants are planted (planting day) and thereafter only when they appear to be water stressed. (Note: this might not apply to drip irrigated plants).
0. Three inches of mulch in the basin will help conserve water. Do not place mulch right up to the stem so that it touches the plant.
0. After one year or maybe two the only watering should be infrequent watering, described above.
0. Because of the history of non-native species in the area, a weed abatement program will be necessary to keep new weeds from setting seeds. This will help to reduce the weed seed bank and thus reduce the need for control of weeds. Up-front maintenance will result in a more weed-free landscape and savings in maintenance costs later on.

Draft Concepts for Restoration Credit Determination by CVCC

1. The amount of credit for temporarily disturbed areas will be determined by the CVCC. Under the plan the CVCC is responsible for demonstrating that the conservation areas are functioning for the species and natural communities. The CVCC will have to demonstrate that the restored areas are functioning and protected in perpetuity. This will require that:
 2. A Conservation Easement be placed on the restored areas
 3. Monitoring occurs on the areas
 4. A restoration plan be developed, including criteria for restoration credit
 5. A timeline included in the restoration plan for when the area should be functioning for the species
 6. A commitment that if the monitoring shows that the area is not functioning for the species, measures will be taken to determine why, actions to allow it to function, and a commitment to purchase additional habitat if necessary.

Dated June 14, 2006
**MEMORANDUM OF UNDERSTANDING BETWEEN
THE COACHELLA VALLEY CONSERVATION COMMISSION AND
THE CITY OF INDIO
CONCERNING IMPLEMENTATION OF THE
COACHELLA VALLEY MULTIPLE SPECIES HABITAT CONSERVATION PLAN
REGARDING FUTURE RESERVOIR SITES**

This Memorandum of Understanding ("MOU") is made as of June 26th, 2006, by and between the City of Indio ("City") and the Coachella Valley Conservation Commission ("CVCC") to set forth an agreement concerning implementation of the Coachella Valley Multiple Species Habitat Conservation Plan (the "MSHCP") for future City water reservoir sites ("Project").

RECITALS

WHEREAS, Riverside County has a diverse ecosystem supporting a wide range of plant and animal species; and

WHEREAS, Riverside County faces the doubling of its population over the next 20 to 25 years; and

WHEREAS, this population increase will require new development throughout the Coachella Valley, including development for commercial and residential purposes, and the development of infrastructure to support such land uses; and

WHEREAS, the Coachella Valley Association of Governments ("CVAG"), with the assistance and cooperation of the County and the nine cities in the Coachella Valley has developed the MSHCP to address the conservation of multiple species within the MSHCP area; and

WHEREAS, both the CVCC and the City desire to cooperate to meet the infrastructure requirements of the City within the framework of the MSHCP; and

WHEREAS, the City in conjunction with the Indio Water Authority may wish to construct water reservoirs in the future to serve City water demands. Such reservoirs may be located in the Indio Hills Palms Conservation Area, as set forth in Exhibit "A," and the City wishes to ensure that in that event, development of such reservoirs is compatible with the goals and objectives of the MSHCP; and

WHEREAS, Section 6.12.2 of the MSHCP provides a process for a Like Exchange of property that allows changes in conservation area boundaries provided such an exchange results in equal or greater benefits to species and natural communities covered under the MSHCP; and

WHEREAS, the City has proposed that such a Like Exchange be considered for the reservoir sites if constructed in the Indio Hills Palm Conservation Area. The Like Exchange will

remove Project acreage from the Indio Hills Palms Conservation Area as set forth in Exhibit "A"; and

WHEREAS, CVAG has requested that the United States Bureau of Land Management ("BLM") consider a Like Exchange to add approximately 14 acres of BLM property to the Thousand Palms Conservation Area as set forth in Exhibit "B." This property will provide 7 acres of Habitat for Mecca aster. The Like Exchange will ensure that certain Conservation Objectives can be met if the reservoirs are proposed for the Indio Hills Palms Conservation Area; and

WHEREAS, CVAG has requested that BLM consider a Like Exchange that will add approximately 300 acres of BLM property to the Mecca Hills/Orocopia Mountains Conservation Area, as set forth in Exhibit "B." This property will provide 13 acres of Habitat for Mecca aster. As a result of the Mecca Hills/Orocopia Mountains Like Exchange, the removed Project acreage will not be subject to the Conservation Objectives and Required Measures set forth in Section 4.3 of the MSHCP; and

WHEREAS, in compliance with Section 6.12.2 of the MSHCP, a Like Exchange equivalency analysis has been prepared for the Project ("Equivalency Analysis"). The Equivalency Analysis is attached hereto as Exhibit "C" and incorporated herein by reference. The Equivalency Analysis found that such a Like Exchange would result in equal or greater benefits to the species and natural communities covered under the MSHCP; and

WHEREAS, the United States Fish and Wildlife Service and the California Department of Fish and Game (collectively the "Wildlife Agencies") have concurred with the findings in the Equivalency Analysis, as set forth in their correspondence attached as Exhibit "D," and have therefore concluded that an amendment to the MSHCP is not required for the Project to be consistent with the MSHCP; and


NOW, THEREFORE, all Parties do hereby set forth their mutual representations, commitments, and understandings regarding the following:

1. The Parties agree that if the City or the Indio Water Authority construct any water reservoirs in the Indio Hills Palms Conservation Area, that up to 20 acres of Take will be available from the BLM Like Exchange. Such Take will be available after approval of the MSHCP by all Permittees and issuance of the applicable state and federal permits.
2. The Parties concur with CVAG's request to BLM regarding a Like Exchange, as set forth in Exhibit "B."
3. The Parties acknowledge that no actions to be taken by any of the Parties under this MOU will constitute a Major Amendment to the MSHCP or Implementation Agreement.
4. This MOU constitutes the entirety of the agreement between the City and the CVCC as for the matters contained herein and it supersedes any other agreement, oral, written or otherwise.

5. This MOU shall be governed by the laws of the State of California.
6. This MOU shall be binding on all parties, their heirs, successors in interest and assigns.
7. If any provision of this MOU is determined to be unenforceable in any respect by a court of competent jurisdiction, such unenforceability shall not affect any other provision herein, and this MOU shall be construed as if such unenforceable provision had not been contained herein.
8. This MOU may be executed in counterparts, each of which will be deemed an original, but all such counterparts together shall constitute one document.
9. If any action is brought for the purpose of enforcing or interpreting any of the terms of this MOU, the prevailing party shall be entitled to recover reasonable attorneys fees and costs in that action, in addition to any other relief which may be granted.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed as of the date first written above.

CITY OF INDIO

By: 
Mayor
City of Indio

Date: 7/13, 2006

COACHELLA VALLEY CONSERVATION
COMMISSION

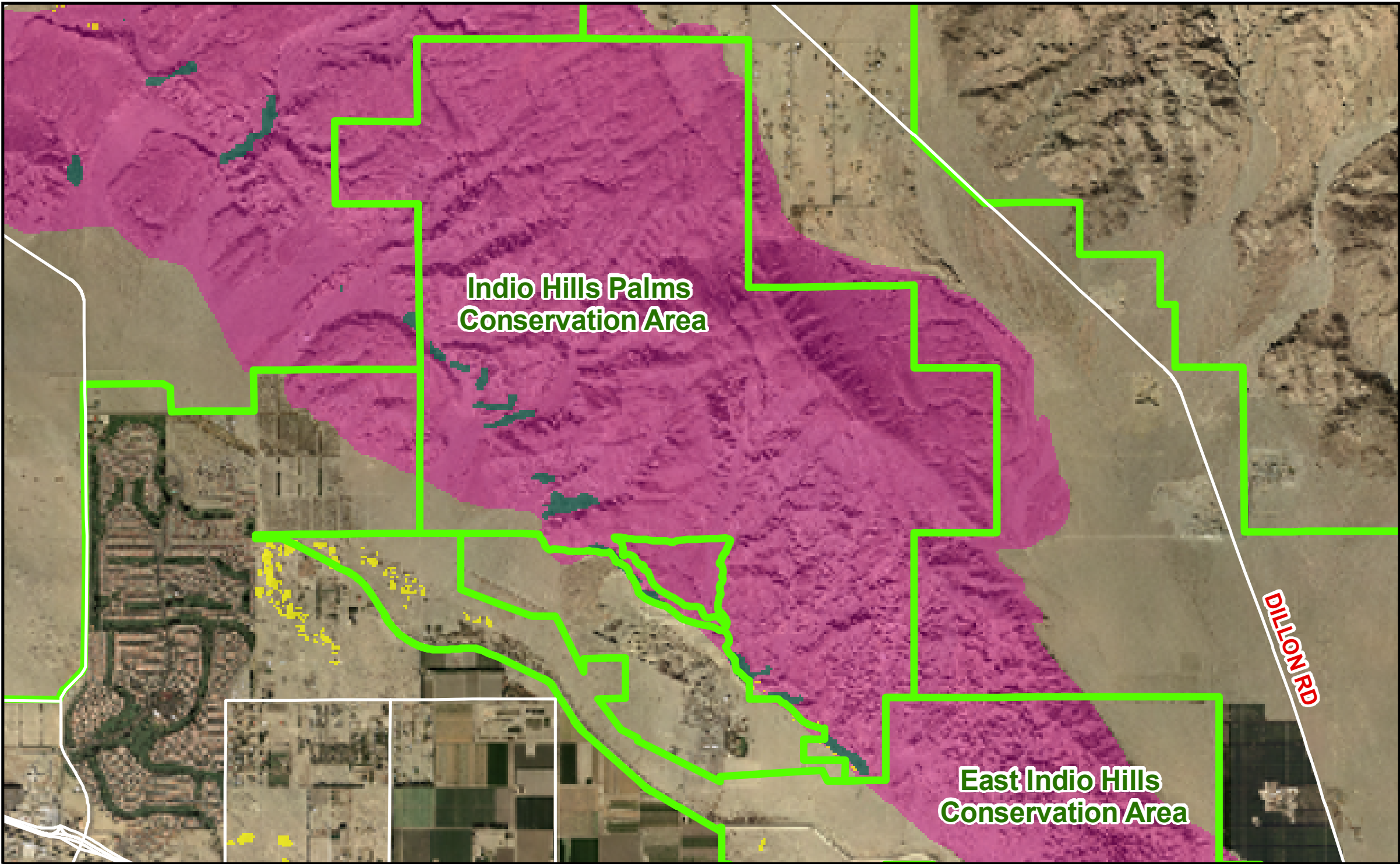
By: 
Chair

Date: 6/26, 2006

Exhibit A: City of Indio: Indio Water Reservoirs Project

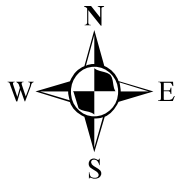
Legend

- Major Roads
- Conservation Area Boundaries
- Mecca Aster Habitat
- Mesquite hummocks
- Desert fan palm oasis woodland



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0 0.5 1 1.5 2 Miles



Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
IWA Exhibit A.mxd

DISCLAIMER: CVAG and The County of Riverside assume no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. CVAG and County GIS and other sources should be queried for the most current information.
Horizontal accuracy: Parcel data is of mapping grade (quality) only and does not represent reliable locations or legal boundaries. User assumes all risk of use of this product. Do not copy or resell this map.

Exhibit B: City of Indio: Indio Water Reservoirs Project Like Exchange Areas

Map 1

Major Roads

Conservation Area Boundaries

Area to be Added to Conservation Area

Mecca Aster Habitat

Map 2

Major Roads

Conservation Area Boundaries

Area to be Added to Conservation Area

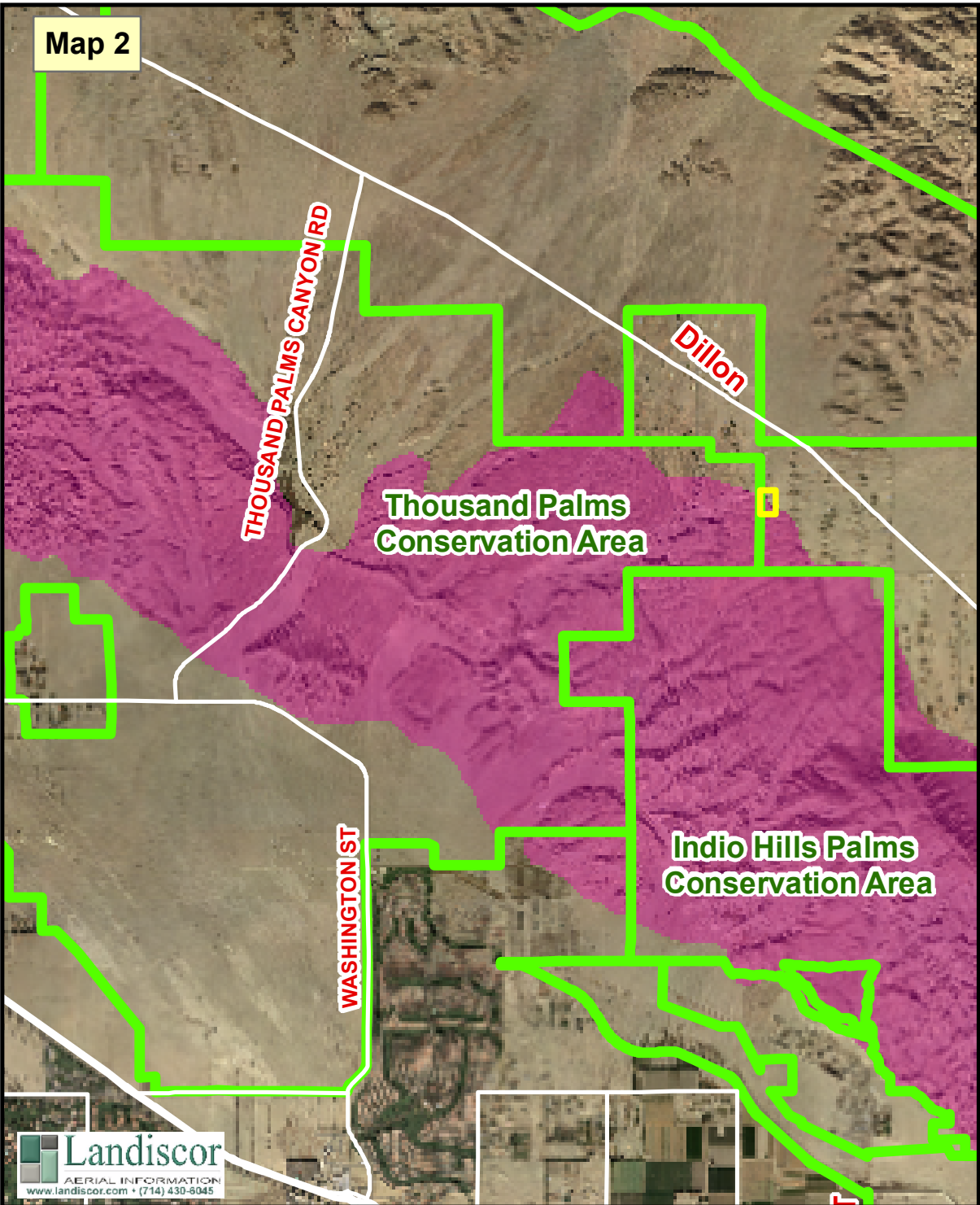
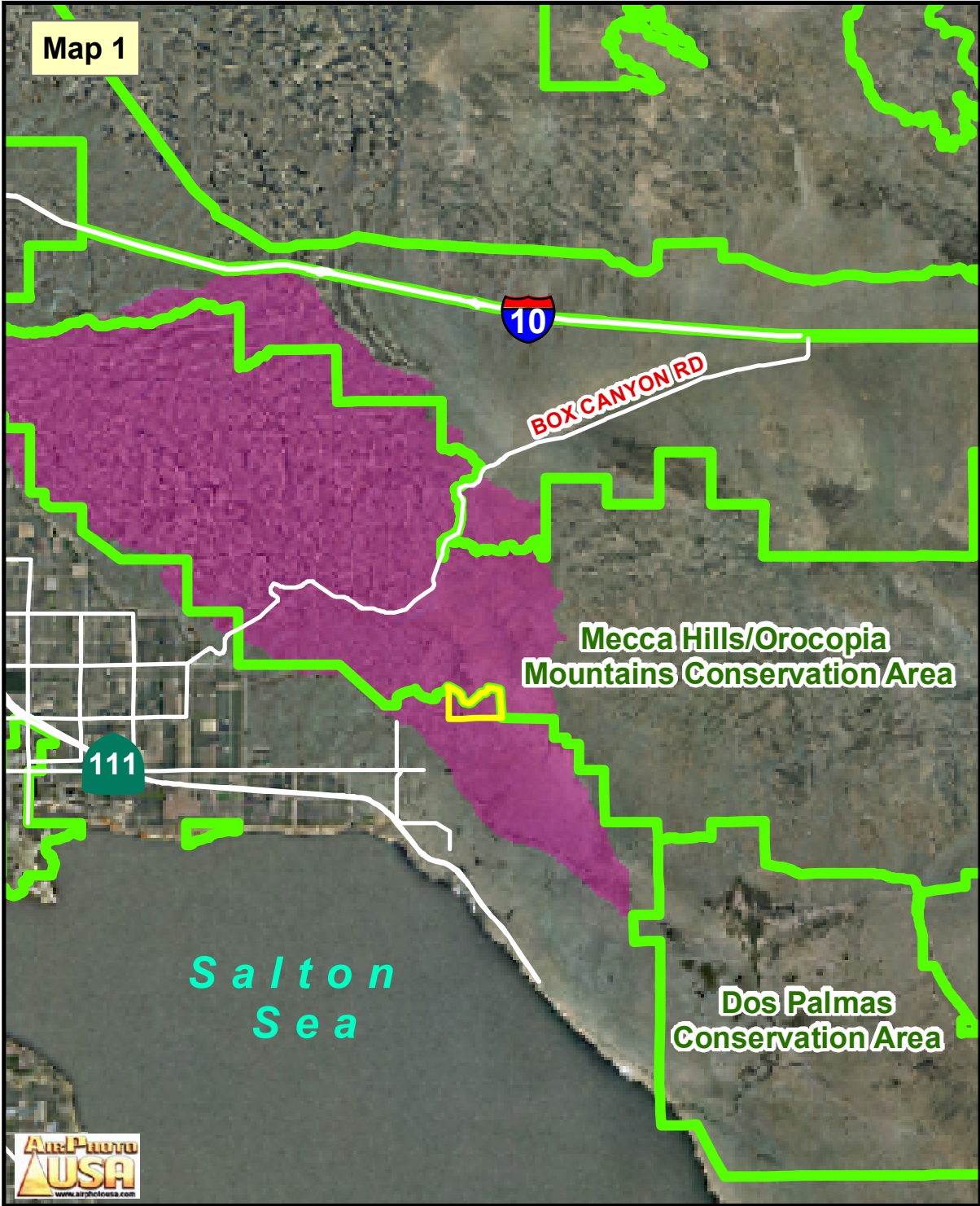
Mecca Aster Habitat

Biological Information on Area to be added to Mecca Hills/Orocopia Mountains Conservation Area:

Total: 300 acres
Mecca Aster: 300 acres

Biological Information on Area to be added to Thousand Palms Conservation Area:

Total: 15 acres
Mecca Aster: 7 acres



Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
IWA Exhibit B.mxd

DISCLAIMER: CVAG and The County of Riverside assume no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. CVAG and County GIS and other sources should be queried for the most current information. Horizontal accuracy: Parcel data is of mapping grade (quality) only and does not represent reliable locations or legal boundaries. User assumes all risk of use of this product. Do not copy or resell this map.

Exhibit "C"

City of Indio: Water Reservoir Sites Like Exchange Equivalency Analysis

Like Exchange Proponent: City of Indio
Indio Water Authority Water Reservoirs:
Indio Hills Palms Conservation Area

Date: June 1, 2006

Boundary Reduction: Indio Hills Palms Conservation Area
Boundary Addition: Mecca Hills/Orocopia Mountains Conservation Area
Thousand Palms Conservation Area

Total Acres Removed: 20 acres
Total Acres Added: 20 acres

Applicable Permittees to approve: City of Indio, Riverside County

Note: The precise location of the Indio water reservoir sites has not been determined. All locations under consideration for the reservoir sites are in the Indio Hills Palms Conservation Area, in Section 34 (T 4S, 5S, R 7E) along the margins of the Indio Hills. The reservoir sites are in an area of the same Habitat and natural community characteristics (see Figure IWA-01). This Like Exchange Equivalency Analysis applies to a 20 acre site which matches the description and evaluation in this analysis in terms of affected Covered Species, natural communities and other Conservation Objectives. Minor modifications to this analysis may be necessary when a specific reservoir site has been identified.

I. Summary

This Like Exchange is proposed by the City of Indio to modify the boundary of the Indio Hills Palms Conservation Areas in exchange for modifying the boundary of the Mecca Hills/Orocopia Mountains Conservation Area and the Thousand Palms Conservation Area. There are two properties involved in the Like Exchange which would result in removal of a total of approximately 20 acres of private land from the Indio Hills Palms Conservation Area. Table IWA-01 identifies the acres of habitat within the Like Exchange parcels to be added to the Reserve System in these Conservation Areas. This Like Exchange is being submitted to the applicable Permittees, the City of Indio and the County of Riverside, for approval. The following properties are involved:

1. A Like Exchange with BLM to add 300 acres (T 7S, R 10E, Section 14, APN 721-090-002) to the Mecca Hills/Orocopia Mountains Conservation Area. This Like Exchange will provide conservation credit for Mecca aster (13 acres). See Table IWA-01. (*Note: 67 acres of Mecca aster Habitat on this parcel will be credited to the Citrus Ranch project*).

2. A Like Exchange with BLM to add approximately 14 acres (T 4S, R 7E, Section 10, APNs 750-110-013 and 750-120-001) in the Indio Hills to the Thousand Palms Conservation Area. This Like Exchange will provide conservation credit for 7 acres of Mecca aster habitat. See Table IWA-01.

This equivalency analysis will address two elements of the Like Exchange process, as described in Section 6.12.2 of the CVMSHCP:

1. The Like Exchange must result in equal or greater benefits to Covered Species and conserved natural communities as compared to those benefits analyzed in the Plan.
2. The level of Take of Covered Species must be no greater than that analyzed in the Plan.

II. Like Exchange Information

The Like Exchange analysis includes the following necessary project information:

1. *Maps clearly and precisely delineating the proposed Boundary Adjustment, showing land to be removed from the Conservation Area in the context of the entire Conservation Area, and land to be added to this or another Conservation Area.*
 - 1a. Figure IWA-01 delineates the proposed Boundary Adjustment, showing:
 - a. Indio Water Reservoir project boundary (*when available*)
 - b. Land to be removed from the Indio Hills Palms Conservation Area within the area where the reservoir sites would be located.
 - c. Indio Hills Palms Conservation Area boundary adjacent to and surrounding the reservoir project (*when available*)
 - 1b. Figure IWA-02 identifies:
 - a. the proposed boundary adjustment for the Mecca Hills/Orocopia Mountains Conservation Area showing the location of the 300 acres of BLM land with respect to the existing conservation area boundaries
 - b. the proposed boundary adjustment for the Thousand Palms Conservation Area showing the location of the 14 acres of BLM land to be added with respect to the existing conservation area boundaries
2. *Narrative and graphic description of the proposed project.*

The proposed Indio Water Reservoir project is entirely within the Indio Hills Palms Conservation Area. The project consists of the development of two (2) reservoir sites and access roads on approximately 20 acres total. The approximately 20 acres to be removed from the conservation area as a result of this Like Exchange includes all the land subject to permanent disturbance. This removal area would be completely disturbed and would not provide any suitable habitat as a result of the project development. These removal areas subject to permanent disturbance are within or surrounded by areas identified as undisturbed conservation areas which are not part of the reservoir project. The project may also include areas of temporary disturbance subject to potential revegetation. Additional information about the project in terms of the conservation objectives can be found in Indio Water Reservoir Project Consistency Analysis.
3. *Narrative and graphic description of biological information available for the land to be removed and land to be added including current project-specific vegetation mapping,*

modeled habitat and appropriate species surveys, land identified as part of a Biological Corridor or Linkage, and land identified as part of an Essential Ecological Process area.

Biological information available for the portion of the Indio Water Reservoir project to be removed through a boundary adjustment is available from the CVMSHCP database maintained by CVAG. Figure IWA-01 illustrates the current vegetation mapping, showing the occurrence of natural communities subject to the Conservation Objectives for Indio Hills Palms Conservation Area with respect to the reservoir sites. These natural communities include mesquite hummocks and desert fan palm oasis woodland. These natural communities are not specifically affected by this Like Exchange. Figure IWA-02 illustrates the current vegetation mapping, showing the occurrence of natural communities on land to be added to the Thousand Palms and Mecca Hills/Orocopia Mountains Conservation Areas.

The figures also show the areas of modeled habitat and known locations for the Covered Species involved in this Like Exchange – Mecca aster.

Mecca aster. There are approximately 6,091 acres of modeled Core Habitat for the Mecca aster in the Indio Hills Palms Conservation Area. Known occurrences for this species occur primarily along the southern edge of the Conservation Area. Additional surveys would be necessary to better describe the presence and distribution of this species within this Conservation Area. Mecca aster typically occurs in washes and lower slopes and may not be as likely to occur on the slopes that are potential water reservoir sites. The area is included as providing Core Habitat for this species. The Indio Water reservoir project would disturb no more than 20 acres of Mecca aster Core Habitat.

There are no lands within the Indio Water Reservoir project that are subject to Conservation Objectives for a Biological Corridor or Linkage, and no lands identified as part of an Essential Ecological Process area.

4. *Narrative and graphic description of the project's efforts to be consistent with the Conservation Area Conservation Objectives and explanation of the rationale why consistency has been determined to be infeasible.*

Table IWA-01 provides a summary of the Indio Water Reservoir project with respect to the Like Exchange and Conservation Objectives. A complete analysis of the project's consistency with the Conservation Objectives is provided in the Indio Water Reservoir Sites Consistency Analysis. The reservoir project has been determined to be consistent with the Indio Hills Palms Conservation Area Conservation Objectives as a result of several actions, including this Like Exchange and avoidance of some natural communities.

5. *Quantification and characterization of effects/benefits of the proposed Boundary Adjustment on Habitats for Covered Species, natural communities, Biological Corridors and Linkages, Essential Ecological Processes, and Conservation Area reserve design and manageability.*

The proposed Like Exchange would add 20 acres of land to the MSHCP Reserve System in the Mecca Hills/Orocopia Mountains (13 acres) and Thousand Palms (7 acres) Conservation Areas. It would result in the removal of approximately 20 acres from the

Indio Hills Palms Conservation Area. The Like Exchange would also add more habitat to the Mecca Hills/Orocopia Mountains Conservation Area (300 acres) than is being removed in the Indio Hills Palms Conservation Area (20 acres). The balance of the 300 acres not attributed to this project or the Citrus Ranch project could be used if necessary for another Like Exchange proposal. The following analysis considers the effects and benefits of this Like Exchange as a result of the boundary adjustments listed above.

**TABLE IWA-01: INDIO WATER RESERVOIR PROJECT
INDIO HILLS PALMS CONSERVATION AREA**

CONSERVATION OBJECTIVE	Acres of Authorized Disturbance For Indio Hills Palms Conserv. Area	Total Acres Disturbed by Project (Includes Temporary Disturbance)	Acres of Available Like Exchange Conservation	Acres of Take Required for IWA Reservoir Project
Mecca aster	255 ¹	20	20	0

¹ Acres of authorized disturbance from Table 4-76 of MSHCP, less 112 acres available only in special provisions area.

Covered Species

The proposed Like Exchange for the Indio Water Reservoir project is consistent with the Conservation Objectives for the Covered Species in the Indio Hills Palms Conservation Area. The Like Exchange is determined to provide a boundary adjustment that will result in the addition of ecologically equivalent lands to the MSHCP Reserve System. The lands added to the Conservation Areas in exchange for the removal of lands from the Indio Hills Palms Conservation Area will result in equal benefits to the Covered Species as compared to those benefits analyzed in the Plan. The specific analysis for the Covered Species is described below:

Mecca aster. This Like Exchange would result in the removal of approximately 20 acres of modeled Core Habitat for the Mecca aster in the Indio Hills Palms Conservation Area. In exchange, two parcels with modeled Mecca aster Core Habitat will be added to the MSHCP Reserve System: 1) 13 of the 300 acres of Mecca aster habitat to be added to Mecca Hills/Orocopia Mountains Conservation area will be credited to this project, and 2) 7 acres of Mecca aster habitat within the 14 acres to be added to the Thousand Palms Conservation Area will be credited to this project. Known occurrences of Mecca aster are on or adjacent to the 300 acres of BLM land to be added to the Conservation Area. The BLM land is adjacent to the Mecca Hills/Orocopia Mountains Conservation Area and therefore provides contiguous habitat for the Mecca aster. The BLM land to be added to the Thousand Palms Conservation Area also

provides contiguous habitat for the Mecca aster. Known occurrences for this species have not been identified within the Indio Water Reservoir project boundary in the Indio Hills Palms Conservation Area. The addition of 20 acres of Mecca aster habitat in the Thousand Palms and Mecca Hills/Orocopia Mountains Conservation Areas in exchange for removal of 20 acres of Mecca aster habitat in the Indio Hills Palms Conservation Area for the Indio Water Reservoir project meets the biological equivalency requirement for the Like Exchange process.

Natural Communities

The proposed Like Exchange does not affect any natural communities addressed by a Conservation Objective in the Indio Hills Palms Conservation Area.

Biological Corridors and Linkages

The Conservation Objectives do not specifically address the conservation of Biological Corridor and Linkage areas in the removal area in the Indio Hills Palms Conservation Area. However, because both the Thousand Palms and Mecca Hills/Orocopia Mountains Conservation Areas are mapped as Linkage areas, additions to these conservation areas will provide additional Linkage area.

Essential Ecological Processes

The proposed Like Exchange does not affect any Essential Ecological Processes addressed by a Conservation Objective in the Indio Hills Palms Conservation Area.

Conservation Area Reserve Design and Manageability

The addition of the previously described 20 acres to the two separate conservation areas will result in a Like Exchange that will provide an equal benefit to the MSHCP Reserve System in terms of reserve design and manageability. The following paragraphs describe each separate addition to a Conservation Area in terms of these benefits:

Mecca Hills/Orocopia Mountains Conservation Area. The addition of 300 acres to this conservation area, including the 13 acres of Mecca aster habitat to be credited to this Like Exchange, involves land that is adjacent to the existing conserved lands. In terms of reserve design, the addition of these lands provides contiguous habitat in an area where the impacts of development (edge effects) are limited. This is a benefit with respect to reserve system manageability.

Thousand Palms Conservation Area. The 14 acres to be added to the Thousand Palms Conservation Area is adjacent on the west to the existing conservation area. In addition to providing habitat, this land adds a buffer to the conservation area. These lands are equal in manageability to the lands removed from the Indio Hills Palms Conservation Area.

6. *Any other information deemed necessary by the Permittee to make the appropriate findings.*

III. Like Exchange Analysis

The proposed Like Exchange adds conserved lands to the CVMSHCP Reserve System to provide protection for the Covered Species and natural communities that occur on these parcels. These conserved lands are evaluated in this analysis in terms of their equivalency with the lands to be removed from the Indio Hills Palms Conservation Area as a result of the Indio Water Reservoir project.

1. *Effects on the level of Take of Covered Species.*

As illustrated in Table IWA-01, the Like Exchange of two areas to be added to the Mecca Hills/Orocopia Mountains and Thousand Palms Conservation Areas will provide for conservation of Mecca aster as identified in the Conservation Objectives for the Indio Hills Palms Conservation Area. As a result of the Like Exchange, the net Take for Mecca aster is zero. Through the Like Exchange, an acre of conservation has been provided for each acre of Take proposed for the Indio Water Reservoir project.

2. *Effects on Habitats of Covered Species, including Core Habitat; potential habitat fragmentation, reduction in size of Core Habitat patches, and increase in edge effects.*

The only Covered Species with Core Habitat affected by the Like Exchange is Mecca aster. The additional lands in two parcels are both adjacent to the existing conservation areas, providing some buffer against the impacts of edge effects. The proposed Like Exchange will result in equal benefits in terms of conservation of Mecca aster as compared to those benefits analyzed in the Plan

3. *Effects on natural communities, including potential fragmentation, reduction in patch size, and increase in edge effects.*

The effects on natural community affected by this Like Exchange are limited. The Like Exchange is not expected to result in an increase in fragmentation or edge effects, or a reduction in patch size. This Like Exchange will result in equal benefits in terms of conservation of natural communities as compared to those benefits analyzed in the Plan.

4. *Effects on Biological Corridors and Linkages.*

This Like Exchange will result in equal or greater benefits in terms of conservation of Biological Corridors and Linkages as compared to those benefits analyzed in the Plan. See section above on this topic.

5. *Effects on Essential Ecological Processes.*

The effect of the Like Exchange on Essential Ecological Processes is limited. This Like Exchange will result in equal benefits in terms of conservation of Essential Ecological Processes as compared to those benefits analyzed in the Plan.

6. *Effects on Conservation Area configuration and management (such as increases or decreases in edge).*

As discussed above under this subject heading, the addition of 20 acres to the two separate conservation areas in exchange for the removal of 20 acres will result in a Like Exchange that will provide an equal benefit to the MSHCP Reserve System in terms of reserve design and manageability.

7. *Effects on ecotones (defined as areas of adjoining natural communities, generally characterized by greater biological diversity) and other conditions affecting species diversity (such as invasion by exotics).*

This Like Exchange removes 20 acres along the margins of the Indio Hills Palms Conservation Area at the base of the Indio Hills and adds land adjacent to the Thousand Palms Conservation Area and the Mecca Hills/Orocopia Mountains Conservation Area. The areas involved do not represent ecotonal areas but rather areas of contiguous habitat for Mecca aster. This Like Exchange involves an equivalent exchange with respect to biological diversity within the MSHCP Reserve System.

8. *Equivalent or greater acreage contributed to the Conservation Areas.*

The Like Exchange will result in equivalent acreage added to the Conservation Areas: 20 acres added to the MSHCP Reserve System in two Conservation Areas in exchange for the removal of 20 acres from the Indio Hills Palms Conservation Area. The Like Exchange would also add more habitat to the Mecca Hills/Orocopia Mountains Conservation Area (300 acres) than is being removed in the Indio Hills Palms Conservation Area (20 acres). The balance of 220 acres not attributed to this project or the Citrus Ranch project will still be in permanent conservation as an addition to the MSHCP Reserve System.

9. *Applicant must demonstrate agreements or control over mitigation property being offered under the equivalency analysis.*

To demonstrate BLM's agreement with the Like Exchange of two parcels they own to be added to the MSHCP Reserve System, a letter from the Palm Springs Field Office to CVAG is included as Attachment IWA-A.

Based on this equivalency analysis for the Indio Water Reservoir project, the proposed project incorporating boundary adjustments is considered to be biologically equivalent in terms of the Conservation Area Conservation Objectives. Because this project has been determined to be biologically equivalent, it is an acceptable refinement to the MSHCP Conservation Area boundaries and an amendment to the MSHCP shall not be required prior to approval of this project.



State of California - The Resources Agency

ARNOLD SCHWARZENEGGER, Governor

DEPARTMENT OF FISH AND GAME

Eastern Sierra/Inland Deserts Region

78078 Country Club Dr., Ste. 109

Bermuda Dunes, CA 92203



Exhibit "D"

June 14, 2006

John Wohlmuth
Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear John:

This letter is in regard to the Indio Water Reservoir Project (the "Project") which occurs partially within the Indio Hills Palms Conservation Area under the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). The comments below are focused on the Plan and its provisions. The following comments are provided assuming the US Fish and Wildlife Service (Service) and the Department issue the permits as required by State and Federal codes and laws. During the last several months, the Department and the Service have worked closely with the City of Indio ("Indio"), the Coachella Valley Association of Governments (CVAG), and the County of Riverside ("County") to evaluate this Project through an Interim Project Review process, consistent with the Joint Project Review Process described in Section 6.6.1.1 of the Plan. We have also reviewed the Consistency Analysis and the Like Exchange Equivalency Analysis for the Indio Water Reservoir Project prepared by CVAG on behalf of the CVCC.

Recognizing that the Department has not yet made a decision on permit issuance, we have reviewed Table 4-76 of the Plan which provides all of the Plan's Conservation Objectives, including species conservation objectives, applicable to this Project. We agree that the Conservation Objectives Analysis for the Indio Water Reservoir project prepared by CVAG identifies and analyzes these objectives accurately and completely using the correct acreage numbers. We concur that the Project obtains consistency with the Conservation Goals and Objectives, including species conservation objectives, of the Plan using a variety of options provided for in the Plan:

1. Like exchange resulting in Conservation Area boundary adjustments, removing lands from the Indio Hills Palms Conservation Area and adding lands to the Mecca Hills/Orocopia Mountains (BLM: APNs 721-090-002) and Thousand Palms Conservation Areas (BLM: APNs 750-110-013 and 750-120-001).
2. Avoid disturbance of mesquite hummocks and desert fan palm oasis woodlands

Conserving California's Wildlife Since 1870

3. Restore areas of temporary disturbance to the extent possible. Specific criteria and guidelines for restoration and enhancement will be provided.

Reiterating that the Department has not yet issued a Permit, we concur that all of these options are available under the Final Plan of February 2006 and therefore an amendment to the MSHCP is not required for the Indio Water Reservoir Project to be consistent with the MSHCP once a permit is issued.

We concur that the Like Exchange Equivalency Analysis meets all the requirements set forth in Section 6.12.2 of the MSHCP and we concur with the findings of that analysis. We concur with the boundary adjustments proposed in that analysis. By way of this letter, we also agree with all of the findings and conclusions in the Consistency Analysis, including but not limited to the conclusion that the Project has been found to be fully consistent with the Conservation Goals and the Covered Species and natural communities Conservation Objectives of the MSHCP, including the Conservation Goals and Objectives and mitigation measures that affect the Indio Hills Palms Conservation Area.

We have concluded that the Project fully satisfies the requirements of the Plan inclusive of those measures set forth for the Project in the Consistency Analysis and the Like Exchange Equivalency Analysis.

We appreciate the efforts of all parties to address our concerns in a timely manner. Please contact me or my staff if you have any questions.

Sincerely,



Kimberly Nicol
Senior Environmental Scientist
Eastern Sierra-Inland Deserts Region



U.S. Fish and Wildlife Service
Carlsbad Fish and Wildlife Office
6010 Hidden Valley Road
Carlsbad, California 92011
(760) 431-9440
FAX (760) 431-5902 + 9618



California Department of Fish & Game
South Coast Regional Office
4949 Viewridge Avenue
San Diego, California 92123
(858) 467-4201
FAX (858) 467-4299

Exhibit "D"

In Reply Refer To:
FWS/CDFG-880.13

JUN 14 2006

John Wohlmuth
Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear Mr. Wohlmuth:

This letter is in regard to the Indio Water Reservoir Project (the "Project") which occurs partially within the Indio Hills Palms Conservation Area under the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). The comments below are focused on the Plan and its provisions and the Service has not yet issued a Permit. The following comments are provided assuming the Service and the Department issue the permits as required by State and Federal codes and laws. During the last several months, the California Department of Fish and Game (CDFG) and the US Fish and Wildlife Service (USFWS) have worked closely with the City of Indio ("Indio"), the Coachella Valley Association of Governments (CVAG), and the County of Riverside ("County") to evaluate this Project through an Interim Project Review process, consistent with the Joint Project Review Process described in Section 6.6.1.1 of the Plan. We have also reviewed the Consistency Analysis and the Like Exchange Equivalency Analysis for the Indio Water Reservoir Project prepared by CVAG on behalf of the CVCC.

Recognizing that the Service has not yet made a decision on permit issuance, we have reviewed Table 4-76 of the Plan which provides all of the Plan's Conservation Objectives, including species conservation objectives, applicable to this Project. We agree that the Conservation Objectives Analysis for the Indio Water Reservoir project prepared by CVAG identifies and analyzes these objectives accurately and completely using the correct acreage numbers. We concur that the Project obtains consistency with the Conservation Goals and Objectives, including species conservation objectives, of the Plan using a variety of options provided for in the Plan:

1. Like exchange resulting in Conservation Area boundary adjustments, removing lands from the Indio Hills Palms Conservation Area and adding lands to the Mecca Hills/Orocopia Mountains (BLM: APNs 721-090-002) and Thousand Palms Conservation Areas (BLM: APNs 750-110-013 and 750-120-001).

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IN AMERICA 

2. Avoid disturbance of mesquite hummocks and desert fan palm oasis woodlands
3. Restore areas of temporary disturbance to the extent possible. Specific criteria and guidelines for restoration and enhancement will be provided.

Reiterating that the Service has not yet issued a Permit, we concur that all of these options are available under the Final Plan of February 2006 and therefore an amendment to the MSHCP is not required for the Indio Water Reservoir Project to be consistent with the MSHCP once a permit is issued.

We concur that the Like Exchange Equivalency Analysis meets all the requirements set forth in Section 6.12.2 of the MSHCP and we concur with the findings of that analysis. We concur with the boundary adjustments proposed in that analysis. By way of this letter, we also agree with all of the findings and conclusions in the Consistency Analysis, including but not limited to the conclusion that the Project has been found to be fully consistent with the Conservation Goals and the Covered Species and natural communities Conservation Objectives of the MSHCP, including the Conservation Goals and Objectives and mitigation measures that affect the Indio Hills Palms Conservation Area.

We have concluded that the Project fully satisfies the requirements of the Plan inclusive of those measures set forth for the Project in the Consistency Analysis and the Like Exchange Equivalency Analysis.

We appreciate the efforts of all parties to address our concerns in a timely manner. Please contact my staff or me if you have any questions.

Sincerely,



Therese O'Rourke
Assistant Field Supervisor
US Field and Wildlife Service

CVAG

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

Allythe • Cathedral City • Coachella • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage
County of Riverside • Agua Caliente Band of Cahuilla Indians • Cabazon Band of Mission Indians • Torres Martinez Desert Cahuilla Indians

May 19, 2006

Gail Acheson, Field Manager
Palm Springs/South Coast Field Office
Bureau of Land Management
690 W. Garnet Ave.
P.O. Box 581260
North Palm Springs, CA 92258-1260

Exhibit "E"

Dear Gail:

Thank you for the opportunity to discuss some issues of common interest with regard to the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP). As we move toward final consideration of the CVMSHCP by all of the Permittees, one of our needs is to determine the potential to include some BLM lands in the Conservation Areas through a Like Exchange process. As a follow-up to our meeting, I want to formally request that you consider the following BLM lands which are currently outside the Conservation Areas for the Like Exchange process:

1. Approximately 31 acres in T 3S R 5 E Section 32, south of the railroad in Cathedral City to be added to the Whitewater Floodplain Conservation Area (APNs: 660-350-013, 660-360-019, 660-370-004).
2. Approximately 159 acres T 4S, R 8E, Section 30 (\pm 160 acres; APNs 745-340-002, 3 and 745-350-002) to be added to the Desert Tortoise and Linkage Conservation Area.
3. Approximately 256 acres in Section 30, T 7S, R 7E (APN 751-300-012) to be added to the Santa Rosa and San Jacinto Mountains Conservation Area.
4. Approximately 160 acres in Section 28, T 7S, R 9E (APN 729-110-025) to be added to Coachella Valley Stormwater Channel and Delta Conservation Area.

It is my understanding that BLM would make a determination that inclusion of these Like Exchange parcel(s) in the Conservation Area is consistent with the California Desert Conservation Area (CDCA) Plan. As part of our process, CVAG will be preparing a Like Exchange equivalency analysis in the next week as required by the CVMSHCP. CVAG will provide BLM a copy of the Like Exchange equivalency analysis for BLM's review and future use for a CDCA amendment. CVAG respectfully requests the BLM provide a letter indicating your intentions to accept the Like Exchanges which is a Minor Amendment to the CVMSHCP.

Thank you in advance for your consideration of this request.

Sincerely,



John Wohlmuth
Executive Director

cc: Glenn Southard, City of Indio
Tom Gey, BLM
Therese O'Rourke, FWS
Kim Nicol, DFG

CVAG

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

he • Cathedral City • Coachella • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage
County of Riverside • Agua Caliente Band of Cahuilla Indians • Cabazon Band of Mission Indians • Torres Martinez Desert Cahuilla Indians

May 30, 2006

Exhibit "E"

Gail Acheson, Field Manager
Palm Springs/South Coast Field Office
Bureau of Land Management
P.O. Box 581260
North Palm Springs, CA 92258-1260

Dear Gail:

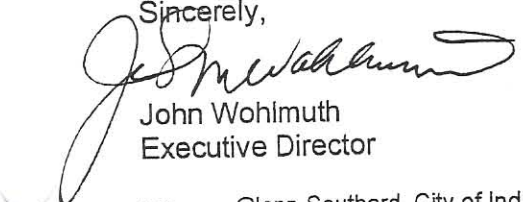
This correspondence serves as a supplement to our May 19, 2006 correspondence. Let me apologize for not placing this request for Like Exchange in the last correspondence. As CVAG attempts to mitigate the concerns of potential Permittees, CVAG staff has sought to creatively address these issues. Therefore, as we move toward final consideration of the CVMSHCP by all of the Permittees, one of our needs is to determine the potential to include some BLM lands in the Conservation Areas through a Like Exchange process. I want to formally request that you consider the following BLM lands which are currently outside the Conservation Areas for the Like Exchange process:

1. Approximately 14 acres in T 4S R 7 E Section 10, in the Indio Hills Area to be added to the Thousand Palms Conservation Area (APNs: 750-110-013 and 750-120-001).
2. Approximately 300 acres T 7S, R 10E, Section 14, (APN 721-090-002) to be added to the Mecca Hills/Orocopia Mountains Conservation Area. This is approximately the southern half of Section 14, note that the northern portion of Section 14 is already within the Mecca Hills/Orocopia Mountains Conservation Area.
3. Approximately 320 acres in T 8S, R 11E western half of Section 8, (APN 733-120-016 and western half of APN 733-110-001,) to be added to the Mecca Hills/Orocopia Mountains Conservation Area. Note that the northeast corner of Section 8 (eastern half of 733-110-001) is already within the Mecca Hills/Orocopia Mountains Conservation Area.

It is my understanding that BLM would make a determination that inclusion of these Like Exchange parcel(s) in the Conservation Area is consistent with the California Desert Conservation Area (CDCA) Plan. As part of our process, CVAG will be preparing a Like Exchange equivalency analysis in the next week as required by the CVMSHCP. CVAG will provide BLM a copy of the Like Exchange equivalency analysis for BLM's review and future use for a CDCA amendment. CVAG respectfully requests the BLM provide a letter indicating your intentions to accept the Like Exchanges.

Thank you in advance for your consideration of this request.

Sincerely,



John Wohlmuth
Executive Director

cc: Glenn Southard, City of Indio
Tom Gey, BLM
Therese O'Rourke, FWS
Kim Nicol, DFG

Exhibit "E"



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Palm Springs-South Coast Field Office

690 West Garnet Avenue

P.O. Box 581260

North Palm Springs, CA 92258-1260

(760) 251-4800 Fax (760) 251-4899



*Visit us on the Internet at
www.ca.blm.gov/palmsprings*

IN REPLY REFER TO:
1600 (P)
(CA-066.66)

JUN 08 2006

John Wohlmuth
Executive Director,
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear Mr. Wohlmuth:

This letter is in response to your letters of May 19 and 30, 2006, in which you requested the Bureau of Land Management (BLM) consider a number of Like Exchanges. We understand that the Like Exchanges would place additional public lands into Conservation Areas through a minor amendment to the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP).

As you are aware, in 1996, the BLM signed a planning agreement in which we agreed to manage public lands in the Coachella Valley consistent with the CVMSHCP. Subsequently, in 2002, the BLM approved an amendment to the California Desert Conservation Area Plan which designated certain public lands in the Coachella Valley as a Wildlife Habitat Management Area (WHMA).

The public lands which were in the Coachella Valley WHMA were those lands that had tentatively been identified for conservation in discussions with the Coachella Valley Association of Governments. The public lands you identified in your letters were not designated as a WHMA, because they had not been identified for conservation at that time.

To insure that additional public lands would be managed for conservation consistent with the CVMSHCP, the BLM would need to formally amend our land use plan. We would support a minor amendment to the CVMSHCP which would place into conservation areas the public lands you listed at #1 & 3 in your letter of May 19, 2006, and all the public lands you identified in your letter of May 30, 2006.

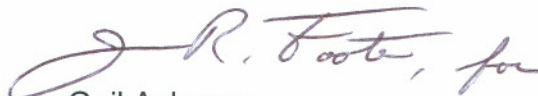
We have reviewed the public land records and found that aside from existing rights of ways for utility purposes, there are no encumbrances that would preclude BLM from managing public lands for conservation purposes consistent with the CVMSHCP. Accordingly, upon approval of the CVMSHCP, we would propose to amend our land use plan to manage the lands as part of a WHMA.

With regard to the 159 acres of public lands in section 30, T.4S., R.8E., (listed at #2 in your letter of May 18), these lands are extremely valuable as a source for sand and gravel. We are concerned that identifying these lands for conservation in the CVMSHCP would preclude the development of the mineral materials on these lands. We would only support a Like Exchange involving these lands if it did not preclude development of the federal mineral estate. We would be prepared to consider extensive mitigation and off site compensation to permit development on these lands.

With regard to the 160 acres in section 28, T.7S., R.9E., (listed at #4 in your letter of May 18) these lands are under the administrative jurisdiction of the Bureau of Reclamation and we cannot provide any management assurances for these lands.

I hope this letter provides the assurances you were seeking. If you have any questions, please contact Tom Gey at (760) 251-4839.

Sincerely,

A handwritten signature in dark ink, appearing to read "G. R. Footh, for". The signature is fluid and cursive, with a large initial "G" and "R".

Gail Acheson
Field Manager

Dated: June 14, 2006
MEMORANDUM OF UNDERSTANDING BETWEEN
THE COACHELLA VALLEY CONSERVATION COMMISSION,
THE CITY OF INDIO,
THE COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS,
THE LUMKES FAMILY TRUST AND TED RUTHERFORD
CONCERNING IMPLEMENTATION OF THE
COACHELLA VALLEY MULTIPLE SPECIES HABITAT CONSERVATION PLAN

This Memorandum of Understanding ("MOU") is made as of June 26, 2006, by and between the Coachella Valley Conservation Commission ("CVCC"), the City of Indio (the "City"), the Lumkes Family Trust, ("Trust"), Edward J. Rutherford ("Rutherford") and Coachella Valley Association of Governments (collectively the "Parties") to set forth an agreement concerning implementation of the Coachella Valley Multiple Species Habitat Conservation Plan (the "MSHCP").

RECITALS

WHEREAS, Riverside County has a diverse ecosystem supporting a wide range of plant and animal species; and

WHEREAS, Riverside County faces the doubling of its population over the next 20 to 25 years; and

WHEREAS, this population increase will require new development throughout the Coachella Valley, including development for commercial and residential purposes, and the development of infrastructure to support such land uses; and

WHEREAS, the Coachella Valley Association of Governments ("CVAG"), with the assistance and cooperation of the County of Riverside and the nine cities in the Coachella Valley has developed the MSHCP to address the conservation of multiple species within the MSHCP area; and

WHEREAS, the CVCC is the joint powers agency with the responsibility to provide primary policy direction for the MSHCP; and

WHEREAS, the Trust and Rutherford own property currently located within the Desert Tortoise and Linkage Conservation Area as depicted on Exhibit "A" attached hereto and incorporated herein by reference ("Property") and wish to ensure that they can develop this property in the future at such time as the Property is annexed into the City of Indio; and

WHEREAS, the Project is located within the Desert Tortoise and Linkage Conservation Areas as defined under the MSHCP. Section 4.3.17 of the MSHCP establishes Conservation Objectives for the Desert Tortoise and Linkage Conservation Area and "Required Measures" to avoid, minimize, and mitigate Take in the Area. If the MSHCP is approved by all necessary parties and becomes effective, development within the Desert Tortoise and Linkage

Conservation Area must be consistent with the identified Conservation Objectives and Required Measures; and

WHEREAS, the City will consider approving the MSHCP if and only if it receives binding assurances from all necessary parties that (a) the MSHCP will not prevent the Property from being developed; and (b) the MSHCP will not delay development of the Property. This MOU is designed to provide such binding assurances; and

WHEREAS, Section 6.12.2 of the MSHCP provides a process for a "Like Exchange" of property that allows changes in conservation area boundaries provided such an exchange results in equal or greater benefits to species and natural communities covered under the MSHCP. If the United States Fish and Wildlife Service and the California Department of Fish and Game (collectively the "Wildlife Agencies") concur in a Like Exchange, then the Like Exchange does not require an Amendment to the MSHCP; and

WHEREAS, The Wildlife Agencies have concurred with the findings in the Equivalency Analysis, as set forth in their correspondence attached as Exhibits "F" attached hereto and incorporated herein by reference, such that an Amendment to the MSHCP is not required for the Project to be approved under the MSHCP; and

WHEREAS, CVAG has requested that the United States Bureau of Land Management ("BLM") consider such a Like Exchange to add approximately 300 acres of BLM property to the Mecca Hills/Orocopia Mountains Conservation Area as set forth in Exhibit "B" attached hereto and incorporated herein by reference and remove the Property's acreage from the Desert Tortoise and Linkage Conservation Area. This Like Exchange will provide 66.5 acres of Habitat for desert tortoise and 26 acres of desert dry wash woodland as set forth in Exhibit "E" attached hereto and incorporated herein by reference. As a result of the Desert Tortoise and Linkage Conservation Area Like Exchange, the removed Property acreage will not be subject to the Conservation Objectives and Required Measures set forth in Section 4.3 of the MSHCP, and development of the Property will not be subject to the Rough Step requirements; and

WHEREAS, CVAG has requested that the BLM consider a Like Exchange that will add approximately 320 acres of BLM property to the Dos Palmas Conservation Area and remove the Property's acreage from the Desert Tortoise and Linkage Conservation Area as set forth in Exhibit "C" attached hereto and incorporated herein by reference. This Like Exchange will provide 62 acres of Habitat for Le Conte's thrasher as set forth in Exhibit "E" attached hereto and incorporated herein by reference. As a result of the Dos Palmas Like Exchange, the removed Property acreage will not be subject to the Conservation Objectives and Required Measures set forth in Section 4.3 of the MSHCP, and development of the Property will not be subject to the Rough Step requirements; and

WHEREAS, BLM by letter dated June 8, 2006 has agreed to implement the Mecca Hills/Orocopia Mountains and Dos Palmas Like Exchanges. A copy of this letter is attached hereto as Exhibit "D" and incorporated herein by reference; and

WHEREAS, pursuant to Section 6.12.2 of the MSHCP, a Like Exchange Equivalency Analysis has been prepared for the Property ("Equivalency Analysis"). The Equivalency Analysis is attached hereto as Exhibit "E" and incorporated herein by reference. The Equivalency Analysis found that the Like Exchange described above would result in equal or greater benefits to the species and natural communities covered under the MSHCP; and

NOW, THEREFORE, all Parties do hereby set forth their mutual representations, commitments, and understandings regarding the following:

1. The Parties concur with CVAG's request to BLM regarding a Like Exchange, as set forth in Exhibits "B" and "C." Upon completion of the Like Exchange, the Desert Tortoise and Linkage Conservation Area boundaries would be adjusted as depicted in Exhibit "A." Such a Like Exchange would occur after approval of the MSHCP by all Permittees, and issuance of the applicable state and federal permits. The City, CVCC and CVAG concur in the findings of the Equivalency Analysis for the Like Exchange and the resulting changes in the boundaries for the Desert Tortoise and Linkage Conservation Area.
2. The Trust and Rutherford agree not to challenge or oppose any agency or governmental body's approval of the MSHCP, related Environmental Impact Report/Environmental Impact Statement nor any other related document in any manner, including but not limited to administrative or litigation proceedings.
3. The Parties agree to cooperate with each other in the implementation of this Agreement and perform any and all acts necessary to carry out the intent of the Agreement. Without limiting the foregoing, Parties agree to provide necessary approvals, and execute, acknowledge, and deliver any and all additional papers, documents and other assurances as may be necessary to carry out the intent of the Agreement.
4. This MOU constitutes the entirety of the agreement between the County and the City as for the matters contained herein and it supersedes any other agreement, oral, written or otherwise.
5. This MOU shall be governed by the laws of the State of California.
6. This MOU shall be binding on all parties, their heirs, successors in interest and assigns.
7. If any provision of this MOU is determined to be unenforceable in any respect by a court of competent jurisdiction, such unenforceability shall not affect any other provision herein, and this MOU shall be construed as if such unenforceable provision had not been contained herein.
8. This MOU may be executed in counterparts, each of which will be deemed an original, but all such counterparts together shall constitute one document.

9. If any action is brought for the purpose of enforcing or interpreting any of the terms of this MOU, the prevailing party shall be entitled to recover reasonable attorneys fees and costs in that action, in addition to any other relief which may be granted.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed as of the date first written above.

LUMKES FAMILY TRUST

EDWARD J. RUTHERFORD

By: 

By: 

Date: 9-21, 2006

Date: 9/21, 2006

COACHELLA VALLEY CONSERVATION
COMMISSION

CITY OF INDIO

By: 

By: 

Chair

Mayor

Coachella Valley Conservation Commission

Date: 6/26, 2006

Date: 9/5/06, 2006

COACHELLA VALLEY ASSOCIATION
OF GOVERNMENTS

By: 

Chairman

Date: 6-26, 2006

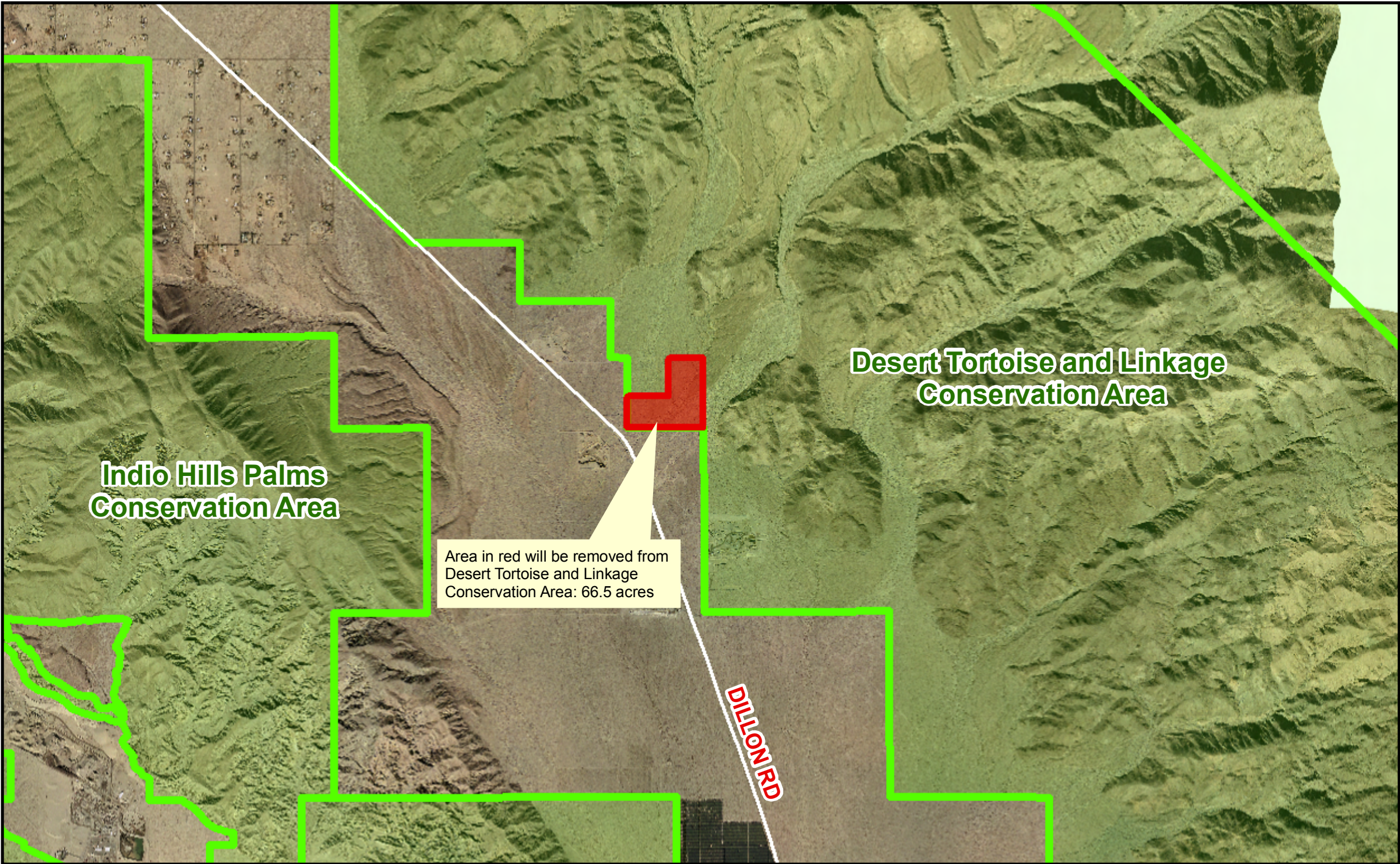
Exhibit A: City of Indio: Lumkes Family Trust Project

Legend

Major Roads

Conservation Area Boundaries

Area to be Removed from Conservation Area

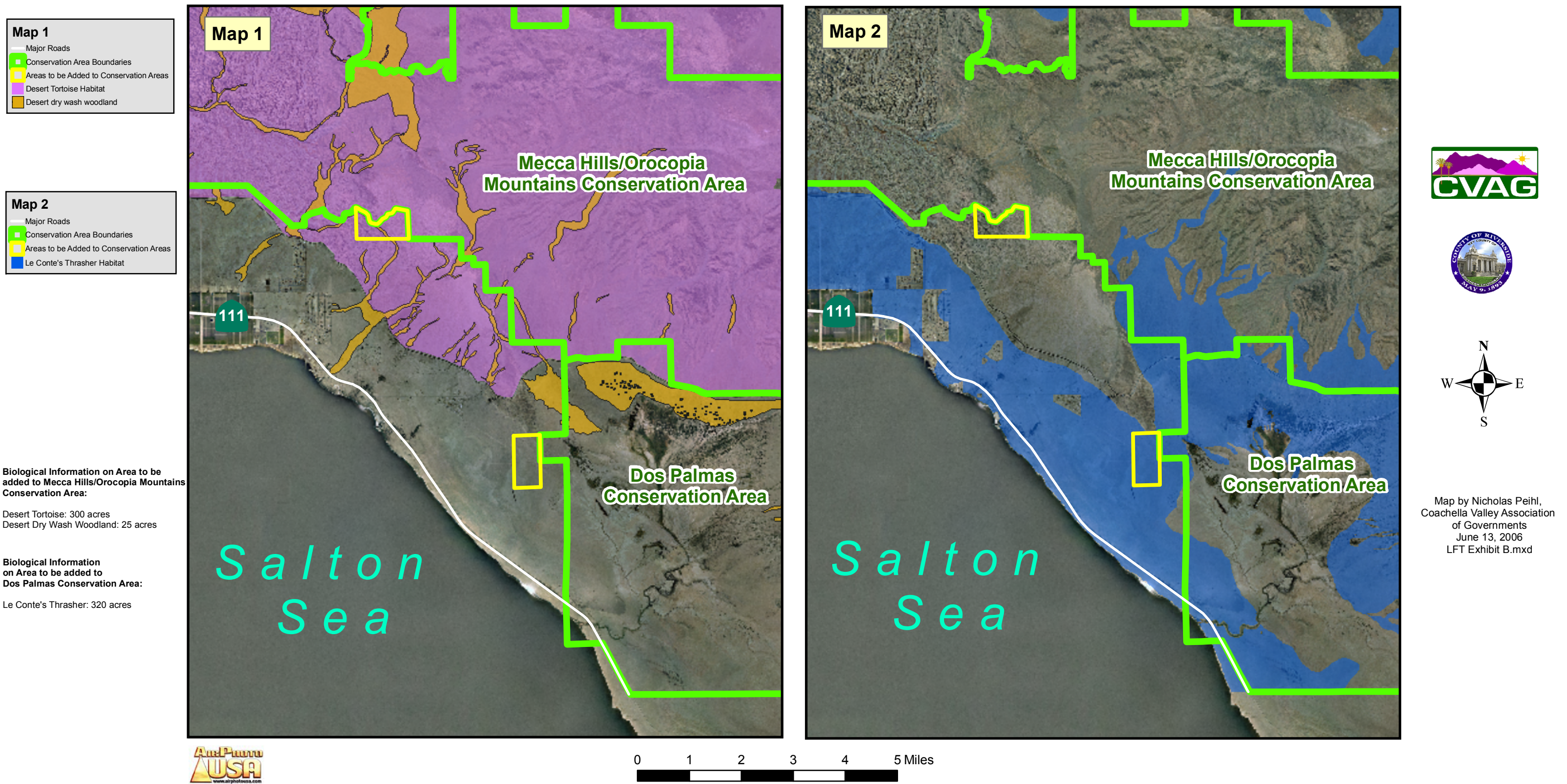


Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
LFT Exhibit A.mxd



DISCLAIMER: CVAG and The County of Riverside assume no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. CVAG and County GIS and other sources should be queried for the most current information. Horizontal accuracy: Parcel data is of mapping grade (quality) only and does not represent reliable locations or legal boundaries. User assumes all risk of use of this product. Do not copy or resell this map.

Exhibit B: City of Indio: Lumkes Family Trust Project Like Exchange





COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

3lythe • Cathedral City • Coachella • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage
County of Riverside • Agua Caliente Band of Cahuilla Indians • Cabazon Band of Mission Indians • Torres Martinez Desert Cahuilla Indians

May 19, 2006

Gail Acheson, Field Manager
Palm Springs/South Coast Field Office
Bureau of Land Management
690 W. Garnet Ave.
P.O. Box 581260
North Palm Springs, CA 92258-1260

Exhibit "C"

Dear Gail:

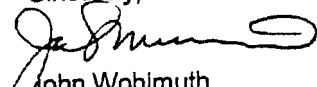
Thank you for the opportunity to discuss some issues of common interest with regard to the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP). As we move toward final consideration of the CVMSHCP by all of the Permittees, one of our needs is to determine the potential to include some BLM lands in the Conservation Areas through a Like Exchange process. As a follow-up to our meeting, I want to formally request that you consider the following BLM lands which are currently outside the Conservation Areas for the Like Exchange process:

1. Approximately 31 acres in T 3S R 5 E Section 32, south of the railroad in Cathedral City to be added to the Whitewater Floodplain Conservation Area (APNs: 660-350-013, 660-360-019, 660-370-004).
2. Approximately 159 acres T 4S, R 8E, Section 30 (\pm 160 acres; APNs 745-340-002, 3 and 745-350-002) to be added to the Desert Tortoise and Linkage Conservation Area.
3. Approximately 256 acres in Section 30, T 7S, R 7E (APN 751-300-012) to be added to the Santa Rosa and San Jacinto Mountains Conservation Area.
4. Approximately 160 acres in Section 28, T 7S, R 9E (APN 729-110-025) to be added to Coachella Valley Stormwater Channel and Delta Conservation Area.

It is my understanding that BLM would make a determination that inclusion of these Like Exchange parcel(s) in the Conservation Area is consistent with the California Desert Conservation Area (CDCA) Plan. As part of our process, CVAG will be preparing a Like Exchange equivalency analysis in the next week as required by the CVMSHCP. CVAG will provide BLM a copy of the Like Exchange equivalency analysis for BLM's review and future use for a CDCA amendment. CVAG respectfully requests the BLM provide a letter indicating your intentions to accept the Like Exchanges which is a Minor Amendment to the CVMSHCP.

Thank you in advance for your consideration of this request.

Sincerely,



John Wohlmuth
Executive Director

cc: Glenn Southard, City of Indio
Tom Gey, BLM
Therese O'Rourke, FWS
Kim Nicol, DFG



COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

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County of Riverside • Agua Caliente Band of Cahuilla Indians • Cabazon Band of Mission Indians • Torres Martinez Desert Cahuilla Indians

May 30, 2006

Exhibit "C"

Gail Acheson, Field Manager
Palm Springs/South Coast Field Office
Bureau of Land Management
P.O. Box 581260
North Palm Springs, CA 92258-1260

Dear Gail:

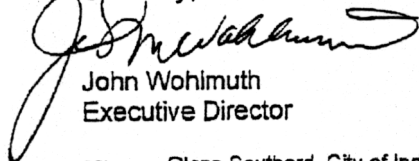
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1. Approximately 14 acres in T 4S R 7 E Section 10, in the Indio Hills Area to be added to the Thousand Palms Conservation Area (APNs: 750-110-013 and 750-120-001).
2. Approximately 300 acres T 7S, R 10E, Section 14, (APN 721-090-002) to be added to the Mecca Hills/Orocopia Mountains Conservation Area. This is approximately the southern half of Section 14, note that the northern portion of Section 14 is already within the Mecca Hills/Orocopia Mountains Conservation Area.
3. Approximately 320 acres in T 8S, R 11E western half of Section 8, (APN 733-120-016 and western half of APN 733-110-001,) to be added to the Mecca Hills/Orocopia Mountains Conservation Area. Note that the northeast corner of Section 8 (eastern half of 733-110-001) is already within the Mecca Hills/Orocopia Mountains Conservation Area.

It is my understanding that BLM would make a determination that inclusion of these Like Exchange parcel(s) in the Conservation Area is consistent with the California Desert Conservation Area (CDCA) Plan. As part of our process, CVAG will be preparing a Like Exchange equivalency analysis in the next week as required by the CVMSHCP. CVAG will provide BLM a copy of the Like Exchange equivalency analysis for BLM's review and future use for a CDCA amendment. CVAG respectfully requests the BLM provide a letter indicating your intentions to accept the Like Exchanges.

Thank you in advance for your consideration of this request.

Sincerely,



John Wohimuth
Executive Director

cc: Glenn Southard, City of Indio
Tom Gey, BLM
Therese O'Rourke, FWS
Kim Nicol, DFG

Exhibit "D"



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Palm Springs-South Coast Field Office

690 West Garnet Avenue

P.O. Box 581260

North Palm Springs, CA 92258-1260

(760) 251-4800 Fax (760) 251-4899



*Visit us on the Internet at
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IN REPLY REFER TO:

1600 (P)

(CA-066.66)

JUN 08 2006

John Wohlmuth
Executive Director,
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear Mr. Wohlmuth:

This letter is in response to your letters of May 19 and 30, 2006, in which you requested the Bureau of Land Management (BLM) consider a number of Like Exchanges. We understand that the Like Exchanges would place additional public lands into Conservation Areas through a minor amendment to the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP).

As you are aware, in 1996, the BLM signed a planning agreement in which we agreed to manage public lands in the Coachella Valley consistent with the CVMSHCP. Subsequently, in 2002, the BLM approved an amendment to the California Desert Conservation Area Plan which designated certain public lands in the Coachella Valley as a Wildlife Habitat Management Area (WHMA).

The public lands which were in the Coachella Valley WHMA were those lands that had tentatively been identified for conservation in discussions with the Coachella Valley Association of Governments. The public lands you identified in your letters were not designated as a WHMA, because they had not been identified for conservation at that time.

To insure that additional public lands would be managed for conservation consistent with the CVMSHCP, the BLM would need to formally amend our land use plan. We would support a minor amendment to the CVMSHCP which would place into conservation areas the public lands you listed at #1 & 3 in your letter of May 19, 2006, and all the public lands you identified in your letter of May 30, 2006.

Exhibit "E"

Lumkes Family Trust/Rutherford: City of Indio Like Exchange Analysis

Like Exchange Proponent: City of Indio
Lumkes Family Trust/Rutherford Property
Desert Tortoise and Linkage Conservation Area

Date: June 6, 2006

Boundary Reduction: Desert Tortoise and Linkage Conservation Area
Boundary Addition: Mecca Hills/Orocopia Mountains Conservation Area
Dos Palmas Conservation Area

Total Acres Removed: 66.5
Total Acres Added: 129 acres (in one 300-acre and one 320-acre parcel)

Applicable Permittees to approve: City of Indio

Summary

This Like Exchange is proposed by the City of Indio to modify the boundary of the Desert Tortoise and Linkage Conservation Areas in exchange for modifying the boundary of the Mecca Hills/Orocopia Mountains Conservation Area. The like exchange would result in removal of a total of approximately 66.5 acres of land owned by the Lumkes Family Trust/Rutherford from the Desert Tortoise and Linkage Conservation Area. In exchange, a 300 acre parcel owned by the Bureau of Land Management (BLM) would be added to the Mecca Hills/Orocopia Mountains Conservation Areas; this like exchange provides addresses each of the Conservation Objectives for the Lumkes Family Trust/Rutherford property. Table LFT-01 identifies the acres of habitat within the like exchange parcel to be added to the Reserve System in the Mecca Hills/Orocopia Mountains Conservation Area. This Like Exchange is being submitted to the applicable Permittees, the City of Indio and the County of Riverside, for approval. The following properties are involved:

1. A Like Exchange with BLM to add 300 acres to the Mecca Hills /Orocopia Mountains Conservation Area. This Like Exchange will provide conservation credit for Desert tortoise (300 acres) and desert dry wash woodland (26 acres). See Table LFT-01.
2. A Like Exchange with BLM to add 320 acres to the Dos Palmas Conservation Area. This Like Exchange will provide conservation credit for Le Conte's thrasher (62 acres). See Table LFT-01.

This equivalency analysis will address two elements of the Like Exchange process, as described in Section 6.12.2 of the MSHCP:

- The Like Exchange must result in equal or greater benefits to Covered Species and conserved natural communities as compared to those benefits analyzed in the Plan.
2. The level of Take of Covered Species must be no greater than that analyzed in the Plan.

Like Exchange Information

The Like Exchange analysis includes the following necessary project information:

1. *Maps clearly and precisely delineating the proposed Boundary Adjustment, showing land to be removed from the Conservation Area in the context of the entire Conservation Area, and land to be added to this or another Conservation Area.*
 - 1a. Figure LFT-01 delineates the proposed Boundary Adjustment, showing:
 - a. Lumkes Family Trust/Rutherford property boundary
 - b. Land to be removed from the Desert Tortoise and Linkage Conservation Area within the Lumkes Family Trust/Rutherford property boundary
 - c. Desert Tortoise and Linkage Conservation Area boundary adjacent to the Lumkes Family Trust/Rutherford property
 - 1b. Figure LFT-02 identifies:
 - a. the proposed boundary adjustment for the Mecca Hills/Orocopia Mountains Conservation Area showing the location of the 300 acres of BLM land with respect to the existing conservation area boundaries
 - b. the proposed boundary adjustment for the Dos Palmas Conservation Area showing the location of the 320 acres of BLM land with respect to the existing conservation area boundaries
2. *Narrative and graphic description of the proposed project.*

The Lumkes Family Trust/Rutherford property is entirely within the Desert Tortoise and Linkage Conservation Area. The property includes approximately 66.5 acres of land along the western edge of the Desert Tortoise and Linkage Conservation Area east of Dillon Road in an area within the jurisdiction of Riverside County. The property is bisected by Berdoo Canyon Road, a dirt road which runs diagonally through the property. The approximately 66.5 acres to be removed from the conservation area as a result of this like exchange includes all the land identified Figure LFT-01. There is no current development proposal for the property.
3. *Narrative and graphic description of biological information available for the Boundary Adjustment sites (land to be removed and land to be added) including current project-specific vegetation mapping, modeled habitat and appropriate species surveys, land identified as part of a Biological Corridor or Linkage, and land identified as part of an Essential Ecological Process area.*

Biological information available for the Lumkes Family Trust/Rutherford property to be removed through a boundary adjustment is available from the CVMSHCP database maintained by CVAG. Figure LFT-01 illustrates the current vegetation mapping, showing the occurrence of natural communities subject to the Conservation Objectives for Desert Tortoise and Linkage Conservation Area. The

only natural community that occurs within the property boundary that is addressed by a Conservation Objective is desert dry wash woodland (14 acres).

Desert dry wash woodland. According to the MSHCP there are approximately 13,578 acres of desert dry wash woodland mapped in the Desert Tortoise and Linkage Conservation Area. The removal of the Lumkes Family Trust/Rutherford property from the Conservation Area would result in the removal of 14 acres of desert dry wash woodland from this Conservation Area.

Figure LFT-01 also shows the areas of modeled habitat and known locations for the Covered Species involved in this like exchange – desert tortoise and Le Conte's thrasher. The following paragraphs address each species separately:

Le Conte's thrasher. The Desert Tortoise and Linkage Conservation Area includes approximately 49,176 acres of modeled Other Conserved Habitat for the Le Conte's thrasher in the Riverside County portion. (Table 4-91b of the MSHCP). The Lumke Family Trust/Rutherford Like Exchange would result in the removal of 62 acres of thrasher habitat from this conservation area.

Desert Tortoise. There are 88,945 acres of modeled Core Habitat for the Desert Tortoise in the Riverside County portion of the Desert Tortoise and Linkage Conservation Area (Table 4-91b of the MSHCP). The Lumke Family Trust/Rutherford Like Exchange would result in the removal of 66.5 acres of tortoise habitat from this conservation area.

There are no lands within the Lumke Family Trust/Rutherford property that are identified as part of a Biological Corridor or Linkage, and no lands identified as part of an Essential Ecological Process area.

4. *Narrative and graphic description of the project's efforts to be consistent with the Conservation Area Conservation Objectives and explanation of the rationale why consistency has been determined to be infeasible.*

Table LFT-01 provides a summary of the The Lumke Family Trust/Rutherford property with respect to the Conservation Objectives. The Lumke Family Trust/Rutherford property has been determined to be consistent with the Desert Tortoise and Linkage Conservation Area Conservation Objectives as a result of this like exchange.

5. *Quantification and characterization of effects/benefits of the proposed Boundary Adjustment on Habitats for Covered Species, natural communities, Biological Corridors and Linkages, Essential Ecological Processes, and Conservation Area reserve design and manageability.*

The proposed like exchange would add 66.5 acres of land to MSHCP Reserve System in the Mecca Hills/Orocopia Mountains Conservation Area and 62 acres of land in the Dos Palmas Conservation Area. It would result in the removal of approximately 66.5 acres from the Desert Tortoise and Linkage Conservation Area.

The following analysis considers the effects and benefits of this like exchange as a result of the boundary adjustments listed above.

**TABLE LFT-01: DESERT TORTOISE AND LINKAGE
CONSERVATION AREA:
THE LUMKE FAMILY TRUST/RUTHERFORD LIKE EXCHANGE**

	CONSERVATION OBJECTIVE	Acres of Authorized Disturbance For Desert Tortoise & Linkage Conserv. Area	Total Acres Removed from Conservation Area	Acres of Available Like Exchange Conservation		Acres of Take Required for Lumkes Family Trust/ Rutherford Property
				Mecca Hills	Dos Palmas	
S	Desert Tortoise	5,004	66.5	66.5	0	0
	Le Conte's Thrasher	2,819	62	0	62	0
Natural Community	Desert Dry Wash Woodland	754	14	26	0	0

Covered Species

The proposed like exchange for the Lumke Family Trust/Rutherford property is consistent with the Conservation Objectives for the Covered Species in the Desert Tortoise and Linkage Conservation Area. The like exchange is determined to provide a boundary adjustment that will result in the addition of ecologically equivalent lands to the MSHCP Reserve System. The lands added to the Conservation Areas in exchange for the removal of lands from the Desert Tortoise and Linkage Conservation Area will result in equal benefits to the Covered Species as compared to those benefits analyzed in the Plan. The specific analysis for each Covered Species is described below:

Desert tortoise. As a result of this like exchange approximately 66.5 acres of Core Habitat for the desert tortoise would be removed from the Desert Tortoise and Linkage Conservation Area. In exchange, 67 acres of tortoise habitat will be added to the Mecca Hills/Orocopia Mountains Conservation Area. The 67 acres of tortoise habitat is within a 300-acre BLM parcel adjacent to the current boundary of the Mecca Hills/Orocopia Mountains Conservation Area. Therefore, it provides contiguous habitat for the desert tortoise. The Mecca Hills habitat is in an area

where the impacts of adjacent development are absent; it is adjacent to existing BLM wilderness. The habitat on the Lumkes Family Trust/Rutherford property is adjacent to Dillon Road and bisected by Berdoo Canyon Road in an area increasingly subject to the impacts of adjacent development.

Le Conte's thrasher. As a result of this like exchange approximately 62 acres of Other Conserved Habitat for the Le Conte's thrasher would be removed from the Desert Tortoise and Linkage Conservation Area. In exchange, 62 acres of thrasher habitat will be added to the Dos Palmas Conservation Area. The 62 acres of thrasher habitat is within a 320-acre BLM parcel adjacent to the current boundary of the Dos Palmas Conservation Area. Therefore, it provides contiguous habitat for the Le Conte's thrasher. The habitat on the Lumkes Family Trust/Rutherford property is adjacent to Dillon Road and bisected by Berdoo Canyon Road in an area increasingly subject to the impacts of adjacent development. The Dos Palmas habitat is in an area where the impacts of adjacent development are absent. Future development in this area will probably be limited future because of the Dos Palmas Conservation Area which is also a BLM Area of Critical Environmental Concern (ACEC).

Natural Communities

The proposed like exchange affects only one natural community addressed by a Conservation Objective in the Desert Tortoise and Linkage Conservation Area – desert dry wash woodland. It has been determined through this analysis that the Lumkes Family Trust/Rutherford like exchange will involve a boundary adjustment that results in the addition of ecologically equivalent lands to the MSHCP Reserve System. The lands added to the Mecca Hills/Orocopia Mountains Conservation Areas in exchange for the removal of lands from the Desert Tortoise and Linkage Conservation Area will result in equal or greater benefits in terms of conservation of the desert dry wash woodland natural community as compared to those benefits analyzed in the Plan. The specific analysis is described below:

Desert Dry Wash Woodland. This like exchange would result in the removal of approximately 14 acres of desert dry wash woodland from the Desert Tortoise and Linkage Conservation Area. The desert dry wash woodland on the Lumkes Family Trust/Rutherford property is adjacent to Berdoo Canyon Road in an area increasingly subject to the impacts of adjacent development and recreational use. In exchange, 26 acres of desert dry wash woodland will be added to the Mecca Hills/Orocopia Mountains Conservation Area. The land to be added to the Mecca Hills/Orocopia Mountains Conservation Area is adjacent on the north and east with the current Conservation Area. The desert dry wash woodland occurs in a wash within the Mecca Hills. This parcel also occurs in an area where future development will be limited because it is BLM land adjacent to BLM's Mecca Hills Wilderness. The addition of 26 acres to the MSHCP Reserve System in exchange for removal of 14 acres of this natural community from the Desert

Tortoise and Linkage Conservation Area project meets the ecological equivalency requirement for the Like Exchange process.

Biological Corridors and Linkages and Essential Ecological Processes

The conservation of this parcel provides some benefits in terms of Biological Corridors and Linkages. The requirements in terms of consistency with Conservation Objectives do not specifically address the conservation of Biological Corridor and Linkage areas, because this is not a Conservation Objective for the removal area in the Desert Tortoise and Linkage Conservation Area. The Lumkes Family Trust/Rutherford property is not mapped as a Biological Corridor or Linkage area; it is not mapped as an Essential Ecological Process Area either. However, the 300 acre parcel to be added to the Mecca Hills/Orocopia Mountains Conservation Area is mapped as a linkage area, as are the adjacent lands already within the Conservation Area. The Mecca Hills parcel provides benefit as an expansion of the Linkage within the Mecca Hills/Orocopia Mountains Conservation Area.

Conservation Area Reserve Design and Manageability

The addition of the previously described 129 acres to the two separate conservation areas will result in a like exchange that will provide an equal or greater benefit to the MSHCP Reserve System in terms of reserve design and manageability.

Like Exchange Analysis

The proposed like exchange adds conserved lands to the MSHCP Reserve System to provide protection for the Covered Species and natural communities that occur on these parcels. These conserved lands are evaluated in this analysis in terms of their equivalency with the lands to be removed from the Desert Tortoise and Linkage Conservation Area as a result of the this Like Exchange.

1. *Effects on the level of Take of Covered Species.*

As illustrated in Table LFT-01, the like exchange of two areas to be added to the Dos Palmas and Mecca Hills/Orocopia Mountains Conservation Areas will provide for conservation of Covered Species identified in the Conservation Objectives for the Desert Tortoise and Linkage Conservation Area. As a result of the like exchange, the net Take for each of the two Covered Species is zero. Through the like exchange, an acre of conservation has been provided for each acres of Take that could occur on the Lumkes Family Trust/Rutherford property.

2. *Effects on Habitats of Covered Species, including Core Habitat; potential habitat fragmentation, reduction in size of Core Habitat patches, and increase in edge effects.*

The Covered Species with Core Habitat affected by the like exchange is Desert Tortoise. Habitat for the Le Conte's thrasher which is subject to Conservation Objectives is considered Other Conserved Habitat. Each individual species is

discussed in terms of the effects of the like exchange under Covered Species above. The proposed like exchange will result in equal benefits in terms of conservation of the Covered Species – desert tortoise and Le Conte’s thrasher -- as compared to those benefits analyzed in the Plan

3. *Effects on natural communities, including potential fragmentation, reduction in patch size, and increase in edge effects.*

The effects on desert dry wash woodland, the only natural community with a Conservation Objective affected by this like exchange, are discussed in the Natural Communities section above. This like exchange will result in equal or greater benefits in terms of conservation of the desert dry wash woodland natural community as compared to those benefits analyzed in the Plan.

4. *Effects on Biological Corridors and Linkages.*

This like exchange will result in equal or greater benefits in terms of conservation of Biological Corridors and Linkages as compared to those benefits analyzed in the Plan. See section above on this topic.

5. *Effects on Essential Ecological Processes.*

The effects of the like exchange on Essential Ecological Process is discussed above. This like exchange does not involve Essential Ecological Processes subject to a Conservation Objective.

6. *Effects on Conservation Area configuration and management (such as increases or decreases in edge).*

As discussed above under this subject heading, the addition of 129 acres to the two separate conservation areas in exchange for the removal of 66.5 acres will result in a like exchange that will provide an equal or greater benefit to the MSHCP Reserve System in terms of reserve design and manageability.

7. *Effects on ecotones (defined as areas of adjoining natural communities, generally characterized by greater biological diversity) and other conditions affecting species diversity (such as invasion by exotics).*

8. *Equivalent or greater acreage contributed to the Conservation Areas.*

The like exchange will result in 129 acres added to the MSHCP Reserve System in two Conservation Areas in exchange for the removal of 66.5 acres from the Desert Tortoise and Linkage Conservation Area.

9. *Applicant must demonstrate agreements or control over mitigation property being offered under the equivalency analysis.*

Attachments:

1. June 8, 2006 letter from BLM regarding their lands added to the MSHCP Reserve System
2. June __, 2006 letter from California Department of Fish and Game concurring with Like Exchange Equivalency Analysis

3. June __, 2006 letter from U.S. Fish and Wildlife Service concurring with the Like Exchange Equivalency Analysis

Based on this equivalency analysis for the Lumkes Family Trust/Rutherford property, the Like Exchange incorporating boundary adjustments is considered to be biologically equivalent in terms of the Conservation Area Conservation Objectives. Because this Like Exchange has been determined to be biologically equivalent, it is an acceptable refinement to the MSHCP Conservation Area boundaries and an amendment to the MSHCP shall not be required prior to approval of this project.



U.S. Fish and Wildlife Service
Carlsbad Fish and Wildlife Office
6010 Hidden Valley Road
Carlsbad, California 92011
(760) 431-9440
FAX (760) 431-5902 + 9618



California Department of Fish & Game
South Coast Regional Office
4949 Viewridge Avenue
San Diego, California 92123
(858) 467-4201
FAX (858) 467-4299

In Reply Refer To:
FWS/CDFG-880.14

Exhibit "F"

JUN 14 2006

John Wohlmuth
Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear Mr. Wohlmuth:

This letter is in regard to the Lumkes Family Trust/Ted Rutherford property (the "Property") which occurs within the Desert Tortoise and Linkage Conservation Area under the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). The comments below are focused on the Plan and its provisions and the Service has not yet issued a Permit. The following comments are provided assuming the Service and the Department issue the permits as required by State and Federal codes and laws. During the last several months, the California Department of Fish and Game (CDFG) and the US Fish and Wildlife Service (USFWS) have worked closely with the City of Indio ("Indio"), the Coachella Valley Association of Governments (CVAG), and the County of Riverside ("County") to review issues related to this Property. We have also reviewed the Like Exchange Equivalency Analysis for the Property prepared by CVAG on behalf of the CVCC.

Recognizing that the Service has not yet made a decision on permit issuance, we have reviewed Section 4 of the Plan, which provides all of the Plan's Conservation Objectives, including species conservation objectives, applicable to this Project. We agree that the Conservation Objectives Analysis for this Property prepared by CVAG identifies and analyzes these objectives accurately and completely using the correct acreage numbers. We concur that the Property obtains consistency with the Conservation Goals and Objectives, including species conservation objectives, of the Plan through a Like Exchange as follows:

Like exchange resulting in Conservation Area boundary adjustments, removing lands from the Desert Tortoise and Linkage Conservation Area and adding lands to the Mecca Hills/Orocopia Mountains (BLM: APNs 721-090-002) and Dos Palmas Conservation Areas (BLM: APNs 733-120-016 and 733-110-001).

Reiterating that the Service has not yet issued a Permit, we concur that this option is available under the Final Plan of February 2006 and therefore an amendment to the MSHCP is not required for the Property to be consistent with the MSHCP once a permit is issued.

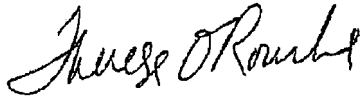
**TAKE PRIDE
IN AMERICA** 

We concur that the Like Exchange Equivalency Analysis meets all the requirements set forth in Section 6.12.2 of the MSHCP and we concur with the findings of that analysis. We concur with the boundary adjustments proposed in that analysis.

We have concluded that the Project fully satisfies the requirements of the Plan inclusive of those measures set forth for the Project in the Like Exchange Equivalency Analysis.

We appreciate the efforts of all parties to address our concerns in a timely manner. Please contact my staff or me if you have any questions.

Sincerely,



Therese O'Rourke
Assistant Field Supervisor
US Field and Wildlife Service



State of California - Th

ources Agency

ARNOLD

ARZENEGGER, Governor

DEPARTMENT OF FISH AND GAME

Eastern Sierra/Inland Deserts Region

78078 Country Club Dr., Ste. 109

Bermuda Dunes, CA 92203



Exhibit "F"

June 14, 2006

John Wohlmuth
Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear John:

This letter is in regard to the Lumkes Family Trust/Ted Rutherford property (the "Property") which occurs within the Desert Tortoise and Linkage Conservation Area under the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). The comments below are focused on the Plan and its provisions. The following comments are provided assuming the US Fish and Wildlife Service (Service) and the Department issue the permits as required by State and Federal codes and laws. During the last several months, the Department and the Service have worked closely with the City of Indio ("Indio"), the Coachella Valley Association of Governments (CVAG), and the County of Riverside ("County") to review issues related to this Property. We have also reviewed the Like Exchange Equivalency Analysis for the Property prepared by CVAG on behalf of the CVCC.

Recognizing that the Department has not yet made a decision on permit issuance, we have reviewed Section 4 of the Plan which provides all of the Plan's Conservation Objectives, including species conservation objectives, applicable to this Project. We agree that the Conservation Objectives Analysis for this Property prepared by CVAG identifies and analyzes these objectives accurately and completely using the correct acreage numbers. We concur that the Property obtains consistency with the Conservation Goals and Objectives, including species conservation objectives, of the Plan through a Like Exchange as follows:

1. Like exchange resulting in Conservation Area boundary adjustments, removing lands from the Desert Tortoise and Linkage Conservation Area and adding lands to the Mecca Hills/Orocopia Mountains (BLM: APNs 721-090-002) and Dos Palmas Conservation Areas (BLM: APNs 733-120-016 and 733-110-001).

Reiterating that the Department has not yet issued a Permit, we concur that this option is available under the Final Plan of February 2006 and therefore an amendment to the MSHCP is not required for the Property to be consistent with the MSHCP once a permit is issued.

Conserving California's Wildlife Since 1870

We concur that the Like Exchange Equivalency Analysis meets all the requirements set forth in Section 6.12.2 of the MSHCP and we concur with the findings of that analysis. We concur with the boundary adjustments proposed in that analysis.

We have concluded that the Project fully satisfies the requirements of the Plan inclusive of those measures set forth for the Project in the Like Exchange Equivalency Analysis.

We appreciate the efforts of all parties to address our concerns in a timely manner. Please contact me or my staff if you have any questions.

Sincerely,



Kimberly Nicol
Senior Environmental Scientist
Eastern Sierra-Inland Deserts Region



**MEMORANDUM OF UNDERSTANDING BETWEEN
THE COUNTY OF RIVERSIDE, THE COACHELLA VALLEY ASSOCIATION OF
GOVERNMENTS AND THE COACHELLA VALLEY CONSERVATION
COMMISSION, AND THE NOTT FAMILY TRUST CONCERNING
IMPLEMENTATION OF THE COACHELLA VALLEY MULTIPLE SPECIES
HABITAT CONSERVATION PLAN**

This Memorandum of Understanding ("MOU") is made as of June 26, 2006, by and between the County of Riverside ("County"), the Coachella Valley Association of Governments ("CVAG") and the Coachella Valley Conservation Commission ("CVCC") and the Nott Family Trust U/D/T dated May 22, 1990 ("Nott Trust") (collectively the "Parties") to set forth an agreement concerning implementation of the Coachella Valley Multiple Species Habitat Conservation Plan (the "MSHCP").

RECITALS

WHEREAS, Riverside County has a diverse ecosystem supporting a wide range of plant and animal species; and

WHEREAS, Riverside County faces the doubling of its population over the next 20 to 25 years; and

WHEREAS, this population increase will require new development throughout the Coachella Valley, including development for commercial and residential purposes, and the development of infrastructure to support such land uses; and

WHEREAS, CVAG, with assistance and cooperation of the County and the nine cities in the Coachella Valley has developed the MSHCP to address the conservation of multiple species within the MSHCP area; and

WHEREAS, CVAG, CVCC and the County have approved the MSHCP; and

WHEREAS, certain property as depicted on Exhibit "A," is currently located within the boundaries of the Coachella Valley Stormwater Channel and Delta Conservation Area ("Nott Property") and the property owner wishes to ensure that development of the Nott Property is compatible with the goals and objectives of the MSHCP; and

WHEREAS, Section 6.12.2 of the MSHCP provides a process for a like exchange of property that allows changes in conservation area boundaries provided such an exchange results in equal or greater benefits to species and natural communities covered under the MSHCP; and

WHEREAS, CVAG has requested that the United States Bureau of Reclamation ("BOR") consider a like exchange to add an approximately 160-acre BOR property to the Coachella Valley Stormwater Channel and Delta Conservation Area to ensure that certain conservation objectives can be met for the Nott Property, as depicted in Exhibit "B;" and

WHEREAS, in compliance with the MSHCP, a like exchange equivalency analysis has been prepared for the Project ("Equivalency Analysis"), which found that such a like exchange would result in equal or greater benefits to the species and natural communities covered under the MSHCP, as depicted in Exhibit "B"; and

WHEREAS, development of the Nott Property could require up to 12 additional acres of take currently allocated to the County in the Coachella Valley Stormwater Channel and Delta Conservation Area.

NOW, THEREFORE, all Parties do hereby set forth their mutual representations, commitments, and understandings regarding the following:

1. The CVCC, CVAG and the County concur with the findings in the Equivalency Analysis, provided all requirements are met.
2. The Parties concur with CVAG's request to BOR regarding a like exchange. In the event that BOR cannot provide this property pursuant to this like exchange, then the CVCC will locate and conserve adequate substitute property in order to allow the project to proceed.
3. The Parties acknowledge that no actions to be taken by any of the Parties under this MOU will constitute a Major Amendment to the MSHCP or Implementation Agreement.
4. The County agrees to allocate up to 12 acres of take, if necessary, in the Coachella Valley Stormwater Channel and Delta Conservation Area to the Nott Property in the event that property is developed, provided the MSHCP is approved and all permits have been issued. Such allocation would occur at the time a grading permit is obtained to develop the property.
5. The Nott Family Trust and Bruce E. Nott agree not to challenge or oppose any agency or governmental body's approval of the MSHCP, related Environmental Impact Report/Environmental Impact Statement nor any other related document in any manner, including but not limited to administrative or litigation proceedings. Moreover, the Nott Trust and Bruce Nott agree not to finance, sponsor, or participate in any advertising or public relations campaign for the purpose of opposing or challenging the plan.
6. This MOU constitutes the entirety of the agreement between the Parties for the matters contained herein and it supersedes any other agreement, oral, written or otherwise.
7. This MOU shall be governed by the laws of the State of California.
8. This MOU shall be binding on all parties, their heirs, successors in interest and assigns.
9. If any provision of this MOU is determined to be unenforceable in any respect by a court of competent jurisdiction, such unenforceability shall not affect any other

provision herein, and this MOU shall be construed as if such unenforceable provision had not been contained herein.

10. This MOU may be executed in counterparts, each of which will be deemed an original, but all such counterparts together shall constitute one document.

11. If any action is brought for the purpose of enforcing or interpreting any of the terms of this MOU, the prevailing party shall be entitled to recover reasonable attorneys fees and costs in that action, in addition to any other relief which may be granted.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed as of the date first written above.

COUNTY OF RIVERSIDE

By: Bob Buster
Chair **BOB BUSTER**
Riverside County Board of Supervisors

Dated: July 12, 2006

COACHELLA VALLEY ASSOCIATION
OF GOVERNMENTS

By: Marion Asely
Chair
CVAG

Dated: 6-26, 2006

COACHELLA VALLEY CONSERVATION
COMMISSION

By: R. K. Ste
Chair

Dated: 6/28, 2006

NOTT FAMILY TRUST U/D/T
DATED MAY 22, 1990

By: Bruce E. Nott
Bruce E. Nott, Trustee

Dated: 7/20, 2006

FORM APPROVED
COUNTY COUNSEL

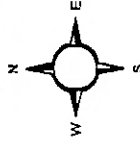
JUL 13 2006

BY K. Watts-B

Exhibit A & B

Proposed Nott-BOR Like Exchange

Parcel Boundaries
Major Roads
Like Exchange Parcels
Conservation Area

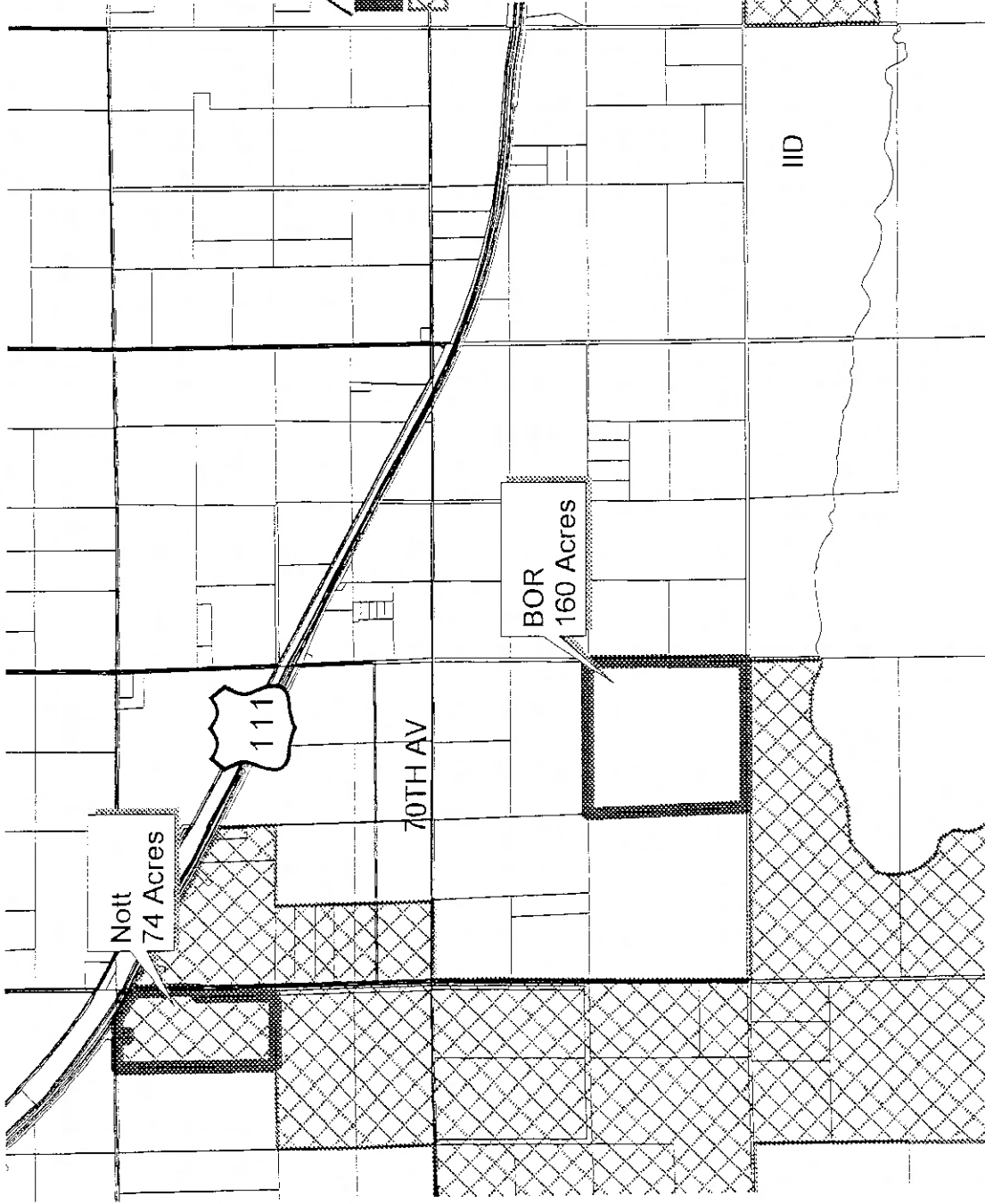


Jim Sullivan

Coachella Valley

Association of Governments

June 16, 2006



0 1 2 Miles

DISCLAIMER: CVAG and The County of Riverside assume no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. CVAG and County GIS and other sources should be queried for the most current information. Horizontal accuracy: Parcel data is of mapping grade (quality) only and does not represent reliable locations or legal boundaries. User assumes all risk of use of this product. Do not copy or resell this map.

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE COUNTY OF RIVERSIDE, THE CITY OF INDIO, THE COACHELLA VALLEY
ASSOCIATION OF GOVERNMENTS, AND THE COACHELLA VALLEY
CONSERVATION COMMISSION
CONCERNING IMPLEMENTATION OF THE
COACHELLA VALLEY MULTIPLE SPECIES HABITAT CONSERVATION PLAN
REGARDING THE INDIO TRAILS PROJECT**

This Memorandum of Understanding ("MOU") is made as of June 26, 2006, by and between the County of Riverside ("County"), the City of Indio ("City"), the Coachella Valley Association of Governments ("CVAG"), and the Coachella Valley Conservation Commission ("CVCC") (collectively the "Parties") to set forth an agreement concerning implementation of the Coachella Valley Multiple Species Habitat Conservation Plan (the "MSHCP") for the Indio Trails Project ("Project").

RECITALS

WHEREAS, Riverside County has a diverse ecosystem supporting a wide range of plant and animal species; and

WHEREAS, Riverside County faces the doubling of its population over the next 20 to 25 years; and

WHEREAS, this population increase will require new development throughout the Coachella Valley, including development for commercial and residential purposes, and the development of infrastructure to support such land uses; and

WHEREAS, the Coachella Valley Association of Governments ("CVAG"), with the assistance and cooperation of the County and the nine cities in the Coachella Valley has developed the MSHCP to address the conservation of multiple species within the MSHCP area; and

WHEREAS, CVAG and the County have approved the MSHCP and the City intends to consider approval of the MSHCP in the near future; and

WHEREAS, the County and the City desire to cooperate to meet the conservation and development objectives of the City within the framework of the MSHCP; and

WHEREAS, the Project is depicted on Exhibit "A," attached hereto and incorporated herein by reference. The Project is currently located within the County's jurisdiction. The City intends to pursue annexation of the Project site and wishes to ensure that development of the Project is compatible with the goals and objectives of the MSHCP ("the Annexation"); and

WHEREAS, the Project is located within the "Thousand Palms Conservation Area" as

defined under the MSHCP. Section 4.3.15 of the MSHCP establishes Conservation Objectives for the Thousand Palms Conservation Area and "Required Measures" to avoid, minimize, and mitigate Take in the Area. If the MSHCP is approved by all necessary parties and becomes effective, development within the Thousand Palms Conservation Area must be consistent with the identified Conservation Objectives and Required Measures; and

WHEREAS, the Plan requires that roughly 90% of certain habitats within each Conservation Area that is not already conserved must be preserved through acquisition, deed restriction, or conservation easement. The roughly 10% of habitat that is available for development within each Conservation Area as a whole and within each jurisdiction is referred to herein as the area's "Take Allocation;" and

WHEREAS, the City will consider approving the MSHCP if and only if it receives binding assurances from all necessary parties that (a) the MSHCP will not prevent the Project from being approved and constructed; (b) the MSHCP will not delay approval or construction of the Project; and (c) the proposed Project development footprint can be approved under the MSHCP. This MOU is designed to provide such binding assurances; and

WHEREAS, pursuant to the MSHCP, the Project may require approximately 200 acres of the County's Take Allocation within the Thousand Palms Conservation Area, as depicted on Exhibit "B." It is anticipated that a Take Allocation may be required for species including Mecca aster (77 acres), Le Conte's thrasher (162 acres), Coachella Valley round-tailed ground squirrel (24 acres), and Palm Springs pocket mouse (150 acres). Take Allocation may also be required for sand source areas (17 acres), fluvial sand transport areas (192 acres) and habitat linkage (208 acres). Due to the amount of property acquisition that has occurred in the Thousand Palms Conservation Area, approximately 290 acres of Take Allocation is currently available and allocated to the County in that Conservation Area. The City wishes to ensure that adequate take is available for the Project and that such take will be transferred to it in the event the MSHCP is approved, the related permits are issued and the Project is annexed to and approved by the City; and

WHEREAS, Section 6.6.1.1 of the MSHCP requires CVCC to conduct a Joint Project Review Process for all projects proposed for Conservation Areas that would result in disturbance to Habitat, natural communities, Biological Corridors, or Essential Ecological Processes. During the Joint Review Process, CVCC analyzes the extent to which the proposed project would impact the Conservation Area Conservation Objectives and Required Measures delineated in Section 4.3 for each Conservation Area, and how the project would affect the maintenance of Rough Step in the affected Conservation Area. CVCC then forwards its analysis and the project application to the Wildlife Agencies for their review and comment. Based on its own analysis and the Wildlife Agencies' comments, CVCC then determines whether the proposed project is consistent with the Conservation Area's Conservation Objectives and Required Measures as defined in Section 4.3; and

WHEREAS, the CVCC has completed a Joint Project Review Process for the Project pursuant to the requirements of section 6.6.1.1 of the MSHCP. The CVCC has prepared a consistency analysis attached hereto as Exhibit "B" ("MSHCP Consistency Analysis") as required by section 6.6.1.1. As set forth in the MSHCP Consistency Analysis, the CVCC has found that

with compliance with the Required Measures, the Project is consistent with the MSHCP. Without limiting the foregoing, CVCC has found that the Project is compatible with, and fully satisfies, all of the goals, objectives, requirements, and conditions set forth in the MSHCP, including but not limited to those set forth in Sections 4.3, 4.4, 4.5, 6, 9, and 10 of the MSHCP. Although the Consistency Analysis is entitled "Interim Project Review," in fact it is a complete, binding, and formal review that is not preliminary in nature. The term "interim" is simply the terminology used to describe a review that occurs prior to the implementation period of the MSHCP; and

WHEREAS, the United States Fish and Wildlife Service and the California Department of Fish and Game (collectively the "Wildlife Agencies") have concurred with the MSHCP Consistency Analysis, as set forth in their correspondence attached as Exhibits "C" and "D."

NOW, THEREFORE, all Parties do hereby set forth their mutual representations, commitments, and understandings regarding the following:

1. The County agrees to transfer up to 200 acres of Take Allocation in the Thousand Palms Conservation Area to the City as needed for development of the Project. Such transfer shall occur within three (3) years of the effective date of this MOU and only after approval of the MSHCP by all permittees, issuance of the applicable state and federal incidental take permits and annexation and approval of the Project by the City. The time period for transfer may be extended by City for a period of up to three additional years, in one year increments, provided an application for development of the Project has been diligently pursued and a written report concerning the status of the Project is submitted to the County. City shall use its best efforts through Project design to minimize the amount of Take Allocation necessary for the Project.
2. The County, the City and CVAG concur with CVCC's MSHCP Consistency Analysis.
3. The Parties agree to support the Annexation of the Project area depicted on Exhibit "A" into the City.
4. The Parties agree to cooperate with each other in the implementation of this Agreement and perform any and all acts necessary to carry out the intent of the Agreement. Without limiting the foregoing, Parties agree to provide necessary approvals, and execute, acknowledge, and deliver any and all additional papers, documents and other assurances as may be necessary to carry out the intent of the Agreement.
5. The City agrees to ensure that the existing natural areas that will remain undisturbed (approximately 270 acres) will be permanently conserved ("Conserved Lands"). The Conserved Lands may include trails and trails access. Some areas within the Conserved Lands may be subject to temporary disturbance for underground utilities and flood control facilities; these areas will be restored to the extent possible.

6. The Parties concur that this agreement is contingent on the approval of the MSHCP and issuance of the permits.
7. This MOU constitutes the entirety of the agreement between the County and the City as for the matters contained herein and it supersedes any other agreement, oral, written or otherwise.
8. This MOU shall be governed by the laws of the State of California.
9. This MOU shall be binding on all parties, their heirs, successors in interest and assigns.
10. If any provision of this MOU is determined to be unenforceable in any respect by a court of competent jurisdiction, such unenforceability shall not affect any other provision herein, and this MOU shall be construed as if such unenforceable provision had not been contained herein.
11. This MOU may be executed in counterparts, each of which will be deemed an original, but all such counterparts together shall constitute one document.
12. If any action is brought for the purpose of enforcing or interpreting any of the terms of this MOU, the prevailing party shall be entitled to recover reasonable attorneys fees and costs in that action, in addition to any other relief which may be granted.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed as of the date first written above.

COUNTY OF RIVERSIDE

CITY OF INDIO

By: Bob Buster
Chair **BOB BUSTER**
Riverside County Board of Supervisors

Date: July 12, 2006

By: [Signature]
Mayor, City of Indio

Date: 7/31, 2006

COACHELLA VALLEY CONSERVATION
COMMISSION

COACHELLA VALLEY ASSOCIATION
OF GOVERNMENTS

By: [Signature]
Chair
Coachella Valley Conservation Commission

Date: 6/26, 2006

By: Marian Azules
Chair
Coachella Valley Association of Governments

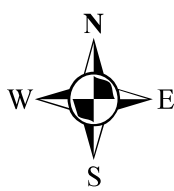
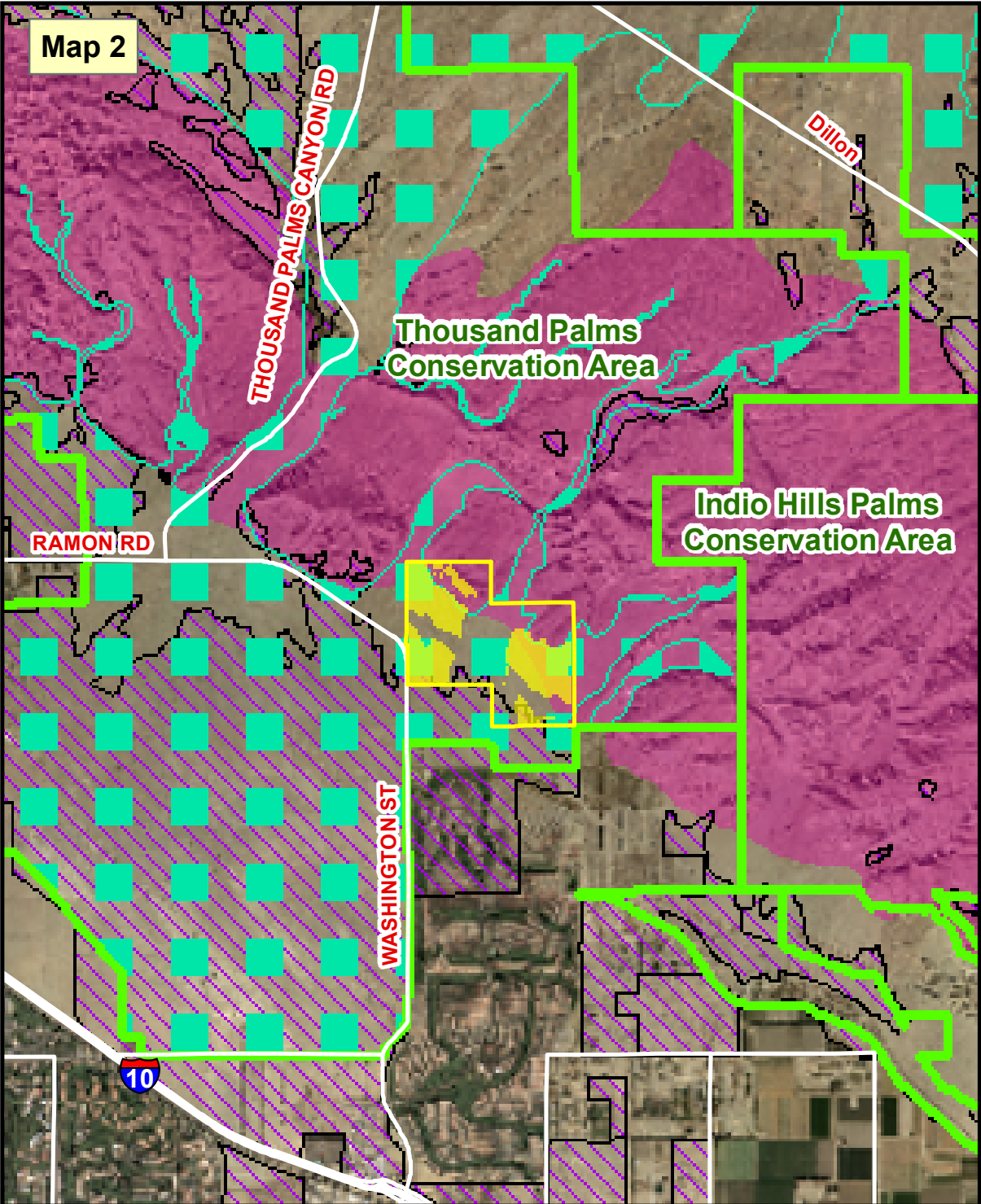
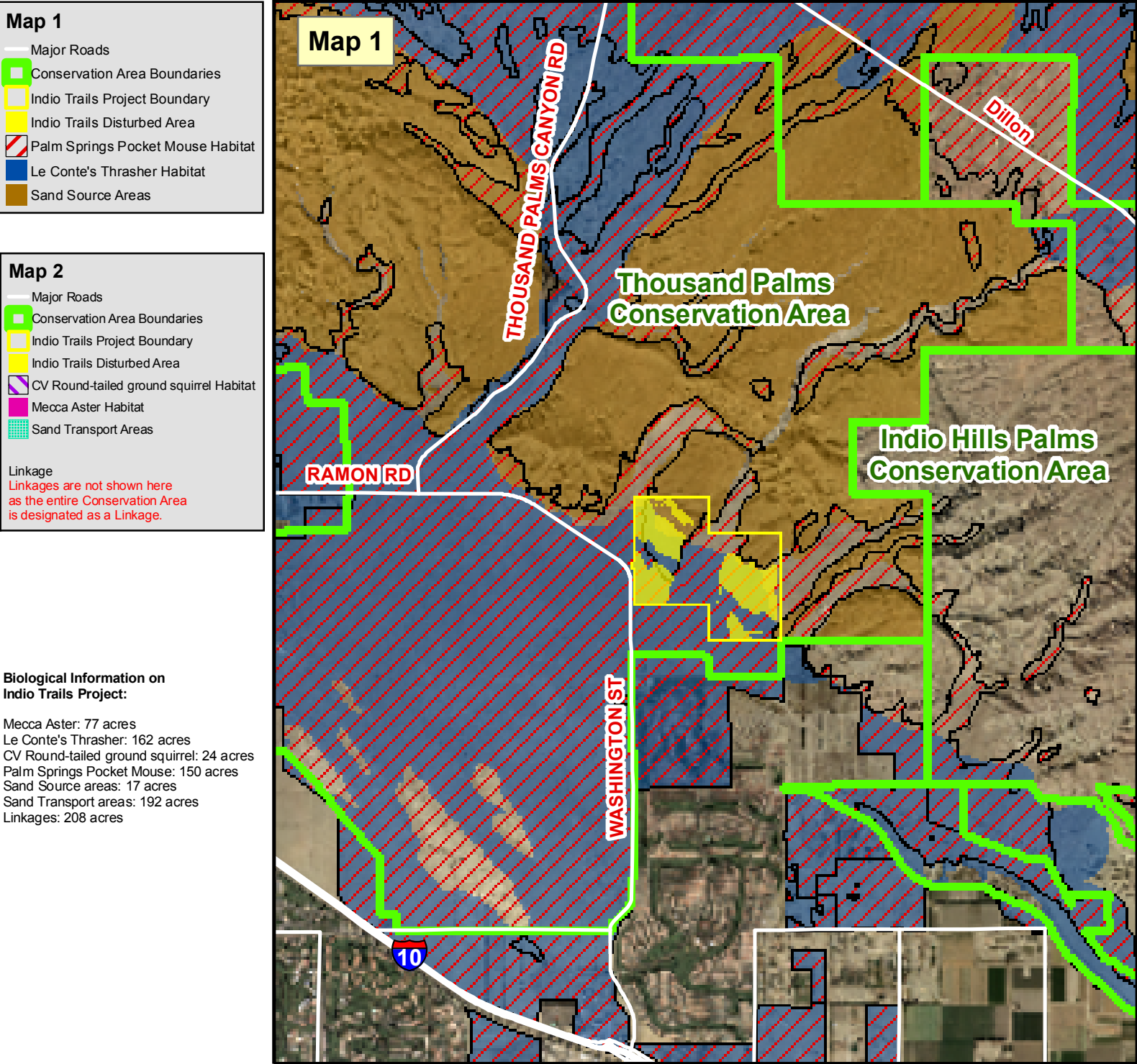
Date: 6-26, 2006

FORM APPROVED
COUNTY COUNSEL

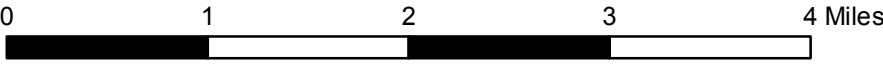
JUL 12 2006

BY: K. Wallis

Exhibit A: City of Indio: Indio Trails Project



Map by Nicholas Peihl,
Coachella Valley Association
of Governments
June 13, 2006
IT Exhibit A.mxd



DISCLAIMER: CVAG and The County of Riverside assume no warranty or legal responsibility for the information contained on this map. Data and information represented on this map is subject to updates/modifications and may not be complete or appropriate for all purposes. CVAG and County GIS and other sources should be queried for the most current information. Horizontal accuracy: Parcel data is of mapping grade (quality) only and does not represent reliable locations or legal boundaries. User assumes all risk of use of this product. Do not copy or resell this map.

Exhibit "B"

Coachella Valley Conservation Commission Interim Project Review and Consistency Analysis

Date: June 14, 2006.

Permittee: City of Indio.

Project/Applicant Name: Indio Trails Project, Rodmark, Inc.

Project Description: Residential development proposal east of Washington Avenue and north of Del Webb Sun City at the base of the Indio Hills. The project is currently within Riverside County but is part of a pre-annexation development proposal by the City of Indio. The project, approximately 490 acres, occurs within the Thousand Palms Conservation Area. This consistency analysis addresses the entire 490 acre project site.

Total Project Acreage: 490 acres

Project Acreage within Conservation Area: 490 acres

Affected Conservation Area: Thousand Palms Conservation Area

Project Location: Township: 4 S Range: 7 E Section: 19

APNs within Conservation Area:

750-190-003

750-190-004

750-190-005

CV MSHCP Consistency Analysis

Conservation Objectives Analysis: See Table IT - 01

Consistency Conclusion:

Subject to a Transfer of Conservation Objectives from the County of Riverside to the City of Indio, and those measures specified in Section I of this Consistency Analysis, development of the Indio Trails project has been determined to be fully consistent with the Conservation Objectives, Conservation Goals, and other Plan requirements for the MSHCP. This includes, without limitation, the Conservation Objectives and required measures identified in Section 4.3.11 for the Thousand Palms Conservation Area, the applicable avoidance, minimization, and mitigation measures described in Section 4.4, and the Land Use Adjacency Guidelines described in Section 4.5. The project will not interfere with the species-specific Conservation Goals and Objectives set forth in

Section 9 or interfere with the natural community Conservation Goals and Objectives of Section 10 of the MSHCP. The project is consistent with maintenance of Essential Ecological Processes for this area of the MSHCP. The project is also consistent with the requirements, terms and conditions of the Implementation Agreement. There are no requirements or provisions of the MSHCP that would preclude the City from approving the Project and issuing grading permits for the project.

Summary:

The Indio Trails project is within the Thousand Palms Conservation Area. It is along the southern margin of the Indio Hills, at the mouth of Pushawalla Canyon. It is adjacent along the southern boundary to land within the Coachella Valley Preserve owned by California State Parks known as Indio Hills Palms State Park; Hidden Palms, Horseshoe Palms, Pushawalla Palms, and Macomber Palms are to the north and east of the project boundary within the state park. The Indio Trails project area includes modeled Core Habitat for Mecca aster, Coachella Valley round-tailed ground squirrel, and Palm Springs pocket mouse, and Other Conserved Habitat for Le Conte's thrasher. The Thousand Palms Conservation Area, including all of the area within the project boundary, is a Linkage area for Habitat connectivity with the Indio Hills Palms Conservation Area and the East Indio Hills Conservation Area to the east. Conservation Objectives for Essential Ecological Processes within the Indio Trails project boundary address sand source areas and fluvial sand transport areas.

The project consists of the development of approximately 220 acres within the Thousand Palms Conservation Area east of Washington Avenue for residential uses, a water reservoir, and related facilities (See Figure IT-01). The project includes one water reservoir within the Indio Hills in the northern portion of the project area. The project is entirely within the Thousand Palms Conservation Area. The project proposes to conserve approximately 270 acres of existing undeveloped open space within the project boundaries. It is not anticipated that implementation of the proposed project would conflict with Reserve Assembly in the area.

I. Conservation Objectives Analysis:

Table IT-01 summarizes the results of the Conservation Objectives analysis for this project. Because the property is currently in the jurisdiction of Riverside County, the acres of Authorized Disturbance available in the Thousand Palms Conservation Area are the acres allocated to Riverside County. Overall, the project can obtain consistency with the Conservation Objectives and Required Measures through the following actions:

1. Minimize disturbance on the project site to no more than 200 acres.
2. Renaturalize graded areas beyond paved surfaces on approximately 8 acres.
3. Consistent with Section 4.3.11, Conservation Objective 2, "Minimize fragmentation, human-caused disturbance, and edge effects to Core Habitat by conserving contiguous Habitat patches and effective Linkages between patches of Core Habitat . . . " for the relevant Covered Species -- Mecca aster,

Coachella Valley round-tailed ground squirrel, Palm Springs pocket mouse, and Le Conte's thrasher.

4. Ensure the conservation of the sand source area to maintain the natural erosion processes that provide sediment for the blowsand ecosystem, consistent with Section 4.3.11, Conservation Objective 2h.
5. Ensure the continued transport of fluvial (waterborne) sand consistent with Section 4.3.11, Conservation Objective 2i, "Maintain the current capacity for fluvial sand transport in the washes emanating from the Indio Hills that provide sand for the Thousand Palms Conservation Area."
6. Conserve occupied burrowing owl burrows as described in Section 4.4 burrowing owl avoidance, minimization, and mitigation measures.
7. Conserve Le Conte's thrasher nesting sites as described in Section 4.4 avoidance, minimization, and mitigation measures.

**TABLE IT-01: INDIO TRAILS PROJECT
THOUSAND PALMS CONSERVATION AREA**

	CONSERVATION OBJECTIVE	Acres of Authorized Disturbance For Thousand Palms Conservation Area	Total Acres Disturbed by Project	Percent of Authorized Disturbance from Project	Acres Conserved by Project
Species	Mecca Aster (Core Habitat)	297	77	26%	107
	Le Conte's Thrasher (other conserved habitat)	588	162	28%	142
	CV Round-tailed ground squirrel (Core Habitat)	490	24	5%	4
	Palm Springs pocket mouse (Core Habitat)	556	150	27%	174
Essential Ecological Processes	Sand Source areas	412	17	4%	68
	Fluvial & aeolian sand transport areas	617	192	31%	174
Linkages	Linkages	1,030	220	21%	270

8. A Transfer of Take from Riverside County to the City of Indio would provide up to 200 acres of Take. Take Allocation is required for species including Mecca aster (77 acres), Le Conte's thrasher (162 acres), Coachella Valley round tailed ground squirrel (24 acres), and Palm Springs pocket mouse (150 acres). Take Allocation is also required for sand source areas (17 acres), fluvial sand transport areas (192 acres) and habitat Linkage (200 acres).
9. The Indio Trails project will grant a conservation easement on the existing natural areas that will remain undisturbed (approximately 270 acres) after project development. A draft conservation easement, based on the Model Conservation Easement (MSHCP Implementation Agreement, Exhibit H) is included as Attachment A.
10. Conservation of approximately 270 acres of undisturbed lands will provide approximately 27 acres of authorized Take in the Thousand Palms Conservation Area, for a total of 227 acres of Take for the project.
11. Ensure that any roads or trails that cross conservation easement areas do not impede Essential Ecological Processes (sand transport) or wildlife connectivity through Biological Corridors and Linkages. For example on roads traversing the conservation easement areas: 1) wildlife underpasses should be provided where appropriate, and 2) to limit the impacts on sand transport, curb and gutter or landscaped medians should be eliminated or designed in a way to allow connectivity and sand transport.

Covered Species Analysis:

For each individual Covered Species, the Conservation Objectives address Habitat and the need to allow evolutionary processes and natural population fluctuations to occur, as well as to minimize fragmentation, human-caused disturbance, and edge effects by conserving contiguous Habitat patches and effective Linkages. The following paragraphs address the specific Conservation Objectives (see Table 4-61 in MSHCP) for Covered Species that occur within the project area. These are the only Conservation Goals or Objectives of the MSHCP that apply to this project.

Mecca aster. The Indio Trails project proposes to disturb 77 acres of the 297 acres of authorized disturbance available for Mecca aster. The 77 acres of Take would be available through a transfer of Take from Riverside County. Thus, the project would use 26% of the authorized disturbance allocated to Riverside County. The project disturbance is therefore consistent with the Conservation Objective for Mecca Aster.

Le Conte's thrasher. The project proposes to disturb 162 of the 588 acres of authorized disturbance available for Le Conte's thrasher. The 162 acres of Take, approximately 28% of the authorized disturbance allocated to Riverside County, would be available through a transfer of Take from Riverside County. The project disturbance is therefore consistent with the Conservation Objective for Le Conte's thrasher.

Coachella Valley round-tailed ground squirrel. The project proposes to disturb 24 acres of habitat for the round-tailed ground squirrel with 490 acres of authorized disturbance available in the Thousand Palms Conservation Area. Round-tailed ground squirrel habitat occurs along the southern portion of the project. The project would use 24 acres of authorized disturbance for this species, approximately 5% of the Take available, through a transfer of Take from Riverside County. The project disturbance is therefore consistent with the Conservation Objective for the Coachella Valley round-tailed ground squirrel.

Palm Springs pocket mouse. The project proposes to disturb 150 acres of the 556 acres of authorized disturbance available for habitat of the Palm Springs pocket mouse. The 150 acres of Take would be available through a transfer of Take from Riverside County. Thus, the project would use 27% of the authorized disturbance allocated to Riverside County. The project disturbance is therefore consistent with the Conservation Objective for the Palm Springs pocket mouse.

Natural Communities Analysis:

None of the natural communities subject to Conservation Objectives for the Thousand Palms Conservation Area are present within the Indio Trails project boundary.

Essential Ecological Processes Analysis:

Sand Source Areas. The Indio Trails project would disturb 17 acres of sand source along the margins of the Indio Hills, in part as a result of construction of a water reservoir and access road in the Indio Hills. The project could use 17 acres of authorized disturbance for sand source areas, approximately 4% of the 412 acres of Take available, through a transfer of Take from Riverside County. The project can obtain sufficient authorized disturbance for sand source areas to be consistent with the Conservation Objective.

Fluvial Sand Transport Areas. The Indio Trails project would disturb 192 acres of fluvial sand transport areas. The project could use these 192 acres of authorized disturbance for sand source areas, approximately 31% of the 617 acres of Take available, through a transfer of Take from Riverside County. Within the project boundary, washes will be avoided to the extent possible to ensure continued fluvial sand transport. The project can obtain sufficient authorized disturbance for fluvial sand transport areas to be consistent with the Conservation Objective.

Biological Corridors and Linkages Analysis:

Habitat Linkages. The entire Thousand Palms Conservation Area is mapped as a Linkage area to maintain Habitat connectivity. The Indio Trails project would disturb 220 acres of the area mapped as Linkage within the Thousand Palms Conservation Area. Avoidance of the washes and the northern portion of the property at the base of the

Indio Hills will provide a Linkage area on the conserved lands within the project boundary. Through a transfer of Take from Riverside County and Take available as a result of conservation of 270 acres, the project could use these 220 acres of authorized disturbance for Linkage areas, approximately 21% of the 1,030 acres of Take available. The project can obtain sufficient authorized disturbance for Linkage areas to be consistent with the Conservation Objective.

II. Other Plan Requirements

Required Measures, Section 4.3.11

- A. Required Measure #10: According to Required Measure 10, “The Permittees shall comply with applicable avoidance, minimization, and mitigation measures described in Section 4.4 and the Land Use Adjacency Guidelines as described in Section 4.5.” The project will comply with all of the applicable measures of Section 4.4 and Section 4.5.
1. Section 4.4: Avoidance, Minimization, and Mitigation Measures
 - a. Conserve occupied burrowing owl burrows as described in Section 4.4 burrowing owl avoidance, minimization, and mitigation measures.
 - Complete Burrowing Owl surveys within the Conservation Areas
YES ☐ NO ☐
 - b. Conserve Le Conte’s thrasher nesting sites as described in Section 4.4 avoidance, minimization, and mitigation measures.
 - Complete Le Conte’s thrasher nest survey
YES ☐ NO ☐
 2. Section 4.5: Land Use Adjacency Guidelines, page 4-204
The Land Use Adjacency Guidelines described in Section 4.5 shall be considered by the City in their review of the Indio Trails project where it is adjacent to conserved lands within the Thousand Palms Conservation Areas to minimize edge effects, and shall be implemented where applicable.
- B. With respect to Required Measure #11: If possible, the project will avoid overhead power lines, tall palm trees, and related tall structures adjacent to habitat areas, to reduce perches for predators of the Covered Species.

III. Rough Step Analysis

Table IT-02 shows the results of the rough step analysis for this project. The project applicant will grant a conservation easement over approximately 270 acres of conserved lands within their project boundary. The number of acres of land conserved by the project that apply to each Conservation Objective is listed in the table. The acres of land acquired since 1996 within the Thousand Palms Conservation Area that apply to the rough step calculation are also listed. The rough step calculation to determine if this project is within the Rough Step parameters is:

$$a_t \leq r * c_t + 0.1[TA - (r+1)(c)]$$

$$TA = a + c$$

$$r = a/c$$

Essentially, this formula uses the acres of available/authorized disturbance, the acres that have to be conserved (remaining acres), and the acres that have to be conserved.

The project is consistent with the Rough Step requirement for all the applicable Conservation Objectives. The total of acres conserved by the project and the acres acquired since 1996 would provide more than enough acres of Additional Conservation Lands, which would meet the Rough Step requirement for this project.

**TABLE IT-02: INDIO TRAILS PROJECT
ROUGH STEP ANALYSIS: THOUSAND PALMS CONSERVATION AREA**

CONSERVATION OBJECTIVE	Acres of Authorized Disturb. for Conserv. Area (a)	Acres Conserved by Project	Remaining Acres to be Conserved for Cons. Area (c)	Acres of Additional Conservation Lands (Post 1996 + Acres Conserved by Project) (c_t)	Acres of Take Available (Rough Step) (a_t)
Mecca Aster (Core Habitat)	297	107	2,676	850	94
Le Conte's Thrasher (other conserved habitat)	588	142	3,826	1,348	207
CV Round-tailed ground squirrel (Core Habitat)	490	4	2,935	1,130	189
Palm Springs pocket mouse (Core Habitat)	556	174	3,533	1,332	210
Sand Source areas	412	68	3,712	1,596	177
Fluvial & aeolian sand transport areas	617	174	4,086	1,333	201
Linkages	1,030	262	7,799	2,957	391



DEPARTMENT OF FISH AND GAME

Eastern Sierra/Inland Deserts Region

78078 Country Club Dr., Ste. 109

Bermuda Dunes, CA 92203

Exhibit "C"



John Wohlmuth
Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear John:

This letter is in regard to the Indio Trails Project (the "Project") which occurs entirely within the Thousand Palms Conservation Area under the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). The comments below are focused on the Plan and its provisions. The following comments are provided assuming the US Fish and Wildlife Service (Service) and the Department issue the permits as required by State and Federal codes and laws. During the last several months, the Department and the Service have worked closely with the City of Indio ("Indio"), the Coachella Valley Association of Governments (CVAG), and the County of Riverside ("County"), and the project applicant to evaluate this Project through an Interim Project Review process, consistent with the Joint Project Review Process described in Section 6.6.1.1 of the Plan. We have also reviewed the Consistency Analysis for the Indio Trails Project prepared by CVAG on behalf of the CVCC.

Recognizing that the Department has not yet made a decision on permit issuance, we have reviewed Table 4-61 of the Plan which provides all of the Plan's Conservation Objectives, including species conservation objectives, applicable to this Project. We agree that the Conservation Objectives Analysis for the Indio Trails project prepared by CVAG identifies and analyzes these objectives accurately and completely using the correct acreage numbers. We concur that the Project obtains consistency with the Conservation Goals and Objectives, including species conservation objectives, of the Plan using a variety of options provided for in the Plan and identified in the Consistency Analysis.

Reiterating that the Department has not yet issued a Permit, we concur that all of these options are available under the Final Plan of February 2006 and therefore an amendment to the MSHCP is not required for the Indio Trails Project to be consistent with the MSHCP once a permit is issued.

By way of this letter, we also agree with all of the findings and conclusions in the Consistency Analysis, including but not limited to the conclusion that the Project

Conserving California's Wildlife Since 1870

has been found to be fully consistent with the Conservation Goals and the Covered Species and natural communities Conservation Objectives of the MSHCP, including the Conservation Goals and Objectives and mitigation measures that affect the Thousand Palms Conservation Area. With the issuance of the necessary federal and state permits, additional take for these Conservation Objectives is not required. We concur with Transfer of Take (Transfer of Conservation Objectives) as a Minor Amendment would be deemed effective as of the date of Permit issuance.

We have concluded that the Project fully satisfies the requirements of the Plan inclusive of those measures set forth for the Project in the Consistency Analysis.

We appreciate the efforts of all parties to address our concerns in a timely manner. Please contact me or my staff if you have any questions.

Sincerely,



Kimberly Nicol
Senior Environmental Scientist
Eastern Sierra-Inland Deserts Region



U.S. Fish and Wildlife Service
Carlsbad Fish and Wildlife Office
6010 Hidden Valley Road
Carlsbad, California 92011
(760) 431-9440
FAX (760) 431-5902 + 9618



California Department of Fish & Game
South Coast Regional Office
4949 Viewridge Avenue
San Diego, California 92123
(858) 467-4201
FAX (858) 467-4299

In Reply Refer To:
FWS/CDFG-880.15

Exhibit "D"

JUN 14 2006

John Wohlmuth
Executive Director
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear Mr. Wohlmuth:

This letter is in regard to the Indio Trails Project (the "Project") which occurs entirely within the Thousand Palms Conservation Area under the Coachella Valley Multiple Species Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). The comments below are focused on the Plan and its provisions and the Service has not yet issued a Permit. The following comments are provided assuming the Service and the Department issue the permits as required by State and Federal codes and laws. During the last several months, the California Department of Fish and Game (CDFG) and the US Fish and Wildlife Service (USFWS) have worked closely with the City of Indio ("Indio"), the Coachella Valley Association of Governments (CVAG), and the County of Riverside ("County"), and the project applicant to evaluate this Project through an Interim Project Review process, consistent with the Joint Project Review Process described in Section 6.6.1.1 of the Plan. We have also reviewed the Consistency Analysis for the Indio Trails Project prepared by CVAG on behalf of the CVCC.

Recognizing that the Service has not yet made a decision on permit issuance, we have reviewed Table 4-61 of the Plan, which provides all of the Plan's Conservation Objectives, including species conservation objectives, applicable to this Project. We agree that the Conservation Objectives Analysis for the Indio Trails project prepared by CVAG identifies and analyzes these objectives accurately and completely using the correct acreage numbers. We concur that the Project obtains consistency with the Conservation Goals and Objectives, including species conservation objectives, of the Plan using a variety of options provided for in the Plan and identified in the Consistency Analysis.

Reiterating that the Service has not yet issued a Permit, we concur that all of these options are available under the Final Plan of February 2006 and therefore an amendment to the MSHCP is not required for the Indio Trails Project to be consistent with the MSHCP once a permit is issued.

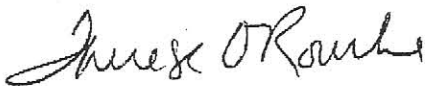
TAKE PRIDE[®]
IN AMERICA 

By way of this letter, we also agree with all of the findings and conclusions in the Consistency Analysis, including but not limited to the conclusion that the Project has been found to be fully consistent with the Conservation Goals and the Covered Species and natural communities Conservation Objectives of the MSHCP, including the Conservation Goals and Objectives and mitigation measures that affect the Thousand Palms Conservation Area. With the issuance of the necessary federal and state permits, additional take for these Conservation Objectives is not required. We concur with Transfer of Take (Transfer of Conservation Objectives) as a Minor Amendment would be deemed effective as of the date of Permit issuance.

We have concluded that the Project fully satisfies the requirements of the Plan inclusive of those measures set forth for the Project in the Consistency Analysis.

We appreciate the efforts of all parties to address our concerns in a timely manner. Please contact my staff or me if you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "Therese O'Rourke".

Therese O'Rourke
Assistant Field Supervisor
US Field and Wildlife Service

CVAG

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

Allythe • Cathedral City • Coachella • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage
County of Riverside • Agua Caliente Band of Cahuilla Indians • Cabazon Band of Mission Indians • Torres Martinez Desert Cahuilla Indians

May 19, 2006

Gail Acheson, Field Manager
Palm Springs/South Coast Field Office
Bureau of Land Management
690 W. Garnet Ave.
P.O. Box 581260
North Palm Springs, CA 92258-1260

Exhibit "E"

Dear Gail:

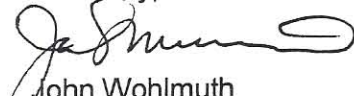
Thank you for the opportunity to discuss some issues of common interest with regard to the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP). As we move toward final consideration of the CVMSHCP by all of the Permittees, one of our needs is to determine the potential to include some BLM lands in the Conservation Areas through a Like Exchange process. As a follow-up to our meeting, I want to formally request that you consider the following BLM lands which are currently outside the Conservation Areas for the Like Exchange process:

1. Approximately 31 acres in T 3S R 5 E Section 32, south of the railroad in Cathedral City to be added to the Whitewater Floodplain Conservation Area (APNs: 660-350-013, 660-360-019, 660-370-004).
2. Approximately 159 acres T 4S, R 8E, Section 30 (\pm 160 acres; APNs 745-340-002, 3 and 745-350-002) to be added to the Desert Tortoise and Linkage Conservation Area.
3. Approximately 256 acres in Section 30, T 7S, R 7E (APN 751-300-012) to be added to the Santa Rosa and San Jacinto Mountains Conservation Area.
4. Approximately 160 acres in Section 28, T 7S, R 9E (APN 729-110-025) to be added to Coachella Valley Stormwater Channel and Delta Conservation Area.

It is my understanding that BLM would make a determination that inclusion of these Like Exchange parcel(s) in the Conservation Area is consistent with the California Desert Conservation Area (CDCA) Plan. As part of our process, CVAG will be preparing a Like Exchange equivalency analysis in the next week as required by the CVMSHCP. CVAG will provide BLM a copy of the Like Exchange equivalency analysis for BLM's review and future use for a CDCA amendment. CVAG respectfully requests the BLM provide a letter indicating your intentions to accept the Like Exchanges which is a Minor Amendment to the CVMSHCP.

Thank you in advance for your consideration of this request.

Sincerely,



John Wohlmuth
Executive Director

cc: Glenn Southard, City of Indio
Tom Gey, BLM
Therese O'Rourke, FWS
Kim Nicol, DFG

CVAG

COACHELLA VALLEY ASSOCIATION of GOVERNMENTS

he • Cathedral City • Coachella • Desert Hot Springs • Indian Wells • Indio • La Quinta • Palm Desert • Palm Springs • Rancho Mirage
County of Riverside • Agua Caliente Band of Cahuilla Indians • Cabazon Band of Mission Indians • Torres Martinez Desert Cahuilla Indians

May 30, 2006

Exhibit "E"

Gail Acheson, Field Manager
Palm Springs/South Coast Field Office
Bureau of Land Management
P.O. Box 581260
North Palm Springs, CA 92258-1260

Dear Gail:

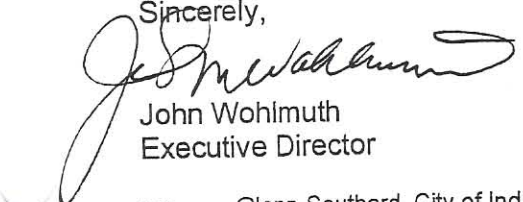
This correspondence serves as a supplement to our May 19, 2006 correspondence. Let me apologize for not placing this request for Like Exchange in the last correspondence. As CVAG attempts to mitigate the concerns of potential Permittees, CVAG staff has sought to creatively address these issues. Therefore, as we move toward final consideration of the CVMSHCP by all of the Permittees, one of our needs is to determine the potential to include some BLM lands in the Conservation Areas through a Like Exchange process. I want to formally request that you consider the following BLM lands which are currently outside the Conservation Areas for the Like Exchange process:

1. Approximately 14 acres in T 4S R 7 E Section 10, in the Indio Hills Area to be added to the Thousand Palms Conservation Area (APNs: 750-110-013 and 750-120-001).
2. Approximately 300 acres T 7S, R 10E, Section 14, (APN 721-090-002) to be added to the Mecca Hills/Orocopia Mountains Conservation Area. This is approximately the southern half of Section 14, note that the northern portion of Section 14 is already within the Mecca Hills/Orocopia Mountains Conservation Area.
3. Approximately 320 acres in T 8S, R 11E western half of Section 8, (APN 733-120-016 and western half of APN 733-110-001,) to be added to the Mecca Hills/Orocopia Mountains Conservation Area. Note that the northeast corner of Section 8 (eastern half of 733-110-001) is already within the Mecca Hills/Orocopia Mountains Conservation Area.

It is my understanding that BLM would make a determination that inclusion of these Like Exchange parcel(s) in the Conservation Area is consistent with the California Desert Conservation Area (CDCA) Plan. As part of our process, CVAG will be preparing a Like Exchange equivalency analysis in the next week as required by the CVMSHCP. CVAG will provide BLM a copy of the Like Exchange equivalency analysis for BLM's review and future use for a CDCA amendment. CVAG respectfully requests the BLM provide a letter indicating your intentions to accept the Like Exchanges.

Thank you in advance for your consideration of this request.

Sincerely,


John Wohlmuth
Executive Director

cc: Glenn Southard, City of Indio
Tom Gey, BLM
Therese O'Rourke, FWS
Kim Nicol, DFG

Exhibit "E"



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Palm Springs-South Coast Field Office

690 West Garnet Avenue

P.O. Box 581260

North Palm Springs, CA 92258-1260

(760) 251-4800 Fax (760) 251-4899



*Visit us on the Internet at
www.ca.blm.gov/palmsprings*

IN REPLY REFER TO:
1600 (P)
(CA-066.66)

JUN 08 2006

John Wohlmuth
Executive Director,
Coachella Valley Association of Governments
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Dear Mr. Wohlmuth:

This letter is in response to your letters of May 19 and 30, 2006, in which you requested the Bureau of Land Management (BLM) consider a number of Like Exchanges. We understand that the Like Exchanges would place additional public lands into Conservation Areas through a minor amendment to the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP).

As you are aware, in 1996, the BLM signed a planning agreement in which we agreed to manage public lands in the Coachella Valley consistent with the CVMSHCP. Subsequently, in 2002, the BLM approved an amendment to the California Desert Conservation Area Plan which designated certain public lands in the Coachella Valley as a Wildlife Habitat Management Area (WHMA).

The public lands which were in the Coachella Valley WHMA were those lands that had tentatively been identified for conservation in discussions with the Coachella Valley Association of Governments. The public lands you identified in your letters were not designated as a WHMA, because they had not been identified for conservation at that time.

To insure that additional public lands would be managed for conservation consistent with the CVMSHCP, the BLM would need to formally amend our land use plan. We would support a minor amendment to the CVMSHCP which would place into conservation areas the public lands you listed at #1 & 3 in your letter of May 19, 2006, and all the public lands you identified in your letter of May 30, 2006.

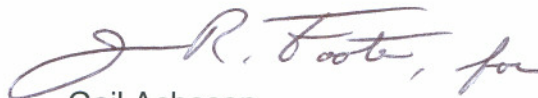
We have reviewed the public land records and found that aside from existing rights of ways for utility purposes, there are no encumbrances that would preclude BLM from managing public lands for conservation purposes consistent with the CVMSHCP. Accordingly, upon approval of the CVMSHCP, we would propose to amend our land use plan to manage the lands as part of a WHMA.

With regard to the 159 acres of public lands in section 30, T.4S., R.8E., (listed at #2 in your letter of May 18), these lands are extremely valuable as a source for sand and gravel. We are concerned that identifying these lands for conservation in the CVMSHCP would preclude the development of the mineral materials on these lands. We would only support a Like Exchange involving these lands if it did not preclude development of the federal mineral estate. We would be prepared to consider extensive mitigation and off site compensation to permit development on these lands.

With regard to the 160 acres in section 28, T.7S., R.9E., (listed at #4 in your letter of May 18) these lands are under the administrative jurisdiction of the Bureau of Reclamation and we cannot provide any management assurances for these lands.

I hope this letter provides the assurances you were seeking. If you have any questions, please contact Tom Gey at (760) 251-4839.

Sincerely,

A handwritten signature in purple ink, appearing to read "Gail Acheson" followed by a flourish.

Gail Acheson
Field Manager

**MEMORANDUM OF UNDERSTANDING BETWEEN THE
COACHELLA VALLEY ASSOCIATION OF
GOVERNMENTS, THE COUNTY OF RIVERSIDE AND
THE CITY OF PALM SPRINGS REGARDING TRANSFER
OF TAKE PURSUANT TO THE COACHELLA VALLEY
MULTIPLE SPECIES HABITAT CONSERVATION PLAN**

This Memorandum of Understanding is entered into between Coachella Valley Association of Government, a California JPA ("CVAG"), the County of Riverside ("County") and the City of Palm Springs, California, a Charter City ("Palm Springs").

RECITALS

WHEREAS, CVAG, with the assistance and cooperation of the County and the nine cities in the Coachella Valley, has developed the Coachella Valley Multiple Species Habitat Conservation Plan ("MSHCP") to address the conservation of certain plant and animal species with the MSHCP boundaries; and

WHEREAS, CVAG and County have approved, and Palm Springs has conditionally approved the MSHCP, which will protect the region's biological resources, vegetation communities, and natural areas; and

WHEREAS, certain property within Palm Springs, as depicted in Exhibit "A," ("Property") may require take authorization under the MSHCP. In that event, Palm Springs wishes to ensure that adequate take currently allocated to the County is transferred from Recovery Zone 2 to Recovery Zone 1, and that that take is available to Palm Springs under the MSHCP in order for development to proceed on the Property; and

WHEREAS, CVAG, the County and Palm Springs are entering into this memorandum of understanding to memorialize their agreement that CVAG and the County will assist in the transfer of such take between Recovery Zones and its allocation to Palm Springs for use on the Property, if necessary.

AGREEMENT

THEREFORE, CVAG, the County and Palm Springs agree as follows:

1. If the Shadowrock project does not receive take authorization for the Property through Section 7 of the Federal Endangered Species Act, Palm Springs agrees to request in writing, after appropriate action by the Palm Springs City Council, a transfer of take from Recovery Zone 2 to Recovery Zone 1 and from the County to Palm Springs for the Property.


2. CVAG and the County agree to facilitate the transfer of up to 50 acres of take from Recovery Zone 2 to Recovery Zone 1 if needed for the development of the Property. The County further agrees to transfer that take to Palm Springs. Such transfer would occur after approval of the MSHCP by all permittees and issuance of the applicable state and federal permits.

Dated: 09/26/2006

CITY OF PALM SPRINGS

APPROVED BY CITY COUNCIL
05/17/2006 R 21582
A5327

By 
Attest


City Clerk

Dated: 6-26-06

COACHELLA VALLEY ASSOCIATION
OF GOVERNMENTS

By Maria Aleg
Chair, Executive Committee

Dated: 7-12-06

COUNTY OF RIVERSIDE

By Bob Buster

BOB BUSTER CHAIRMAN, BOARD OF SUPERVISORS

FORM APPROVED
COUNTY COUNSEL

JUL 12 2006

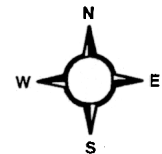
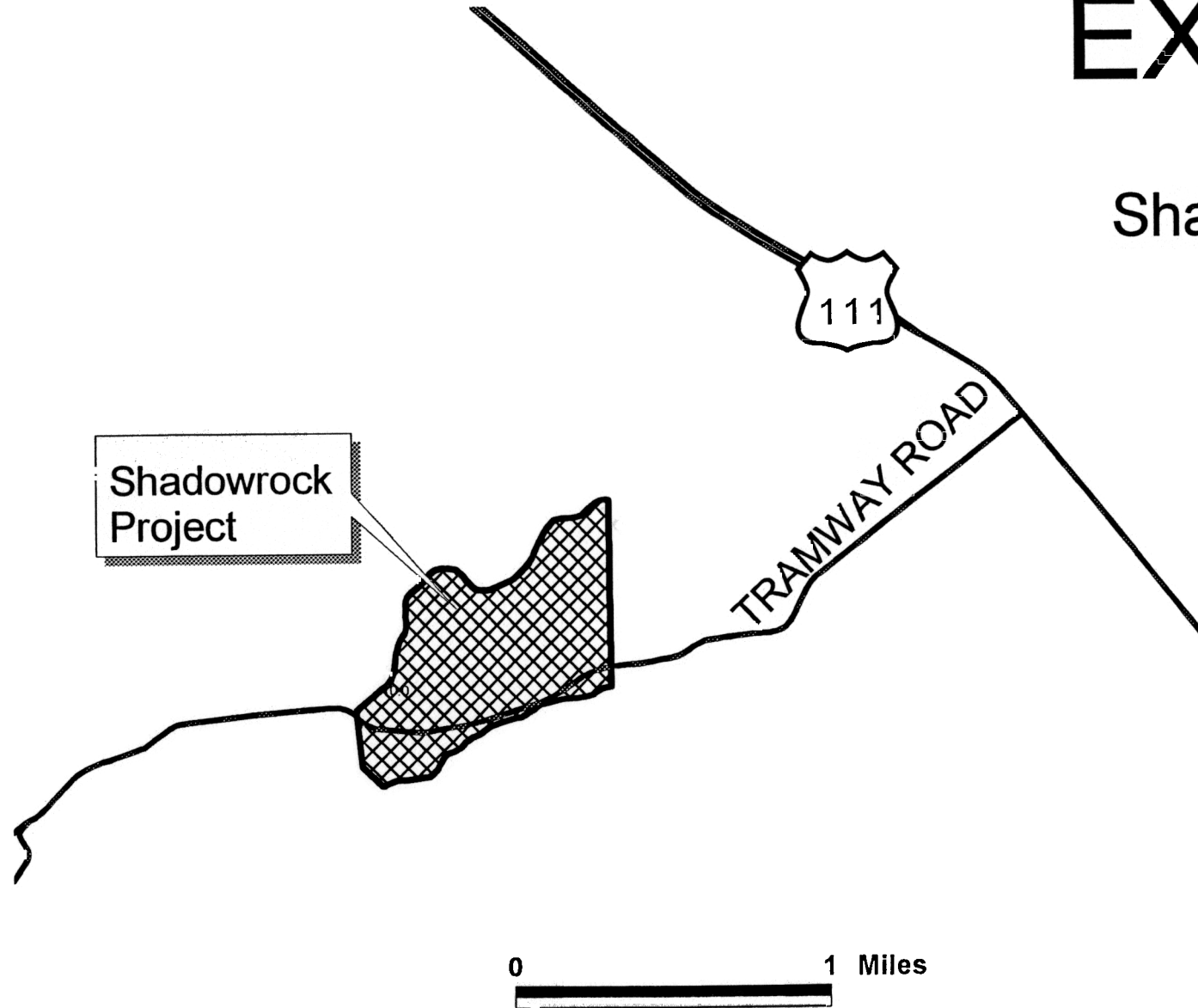
BY K. Watts

ATTEST
CANDY ROMERO, Clerk

Schlemmer
CB ITV

EXHIBIT A

Shadowrock Project



Jim Sullivan
Coachella Valley
Association of Governments
June 16, 2006

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