



United States Department of the Interior

FISH AND WILDLIFE SERVICE

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November 10, 2015

Memorandum

To: Assistant Regional Director, Ecological Services, FWS, Atlanta, GA

From: Ecological Services Chief, FWS, Panama City Field Office, Panama City, FL

Subject: Amendment to Biological Opinion: Incidental Take Permit for the Choctawhatchee Beach Mouse (*Peromyscus polionotus alloparys*) for the St. Joe Company's The Villages at Seagrove (aka WaterColor) and Camp Creek Developments (TE020830-1) in Walton County, Florida.

The U.S. Fish and Wildlife Service (Service) is amending the Biological Opinion (BO) for the WaterColor Habitat Conservation Plan (HCP) pursuant to the Endangered Species Act (Act) of 1973, as amended (16 U.S.C. 1531 et seq). This amendment letter does not change the existing jeopardy analysis and conclusion stated in the original BO, dated June 8, 2000. The applicant has submitted a minor amendment to the WaterColor HCP (Appendix A). This BO amendment addresses the HCP amendment dated March 31, 2015.

Per the Incidental Take Permit (ITP) issued November 17, 2000, the applicant was allowed take for 7.81 acres of Choctawhatchee beach mouse (CBM) habitat. Upon build out of the Beach Club on the South parcel, 0.641 acre remained undeveloped, but was included in the permitted take acreage. Additionally, 0.168 acre of habitat was initially considered disturbed and not included in the take acreage, but has since started reverting back to CBM habitat. The HCP amendment proposes to:

1. Swap 0.336 acre of previous permitted take acreage to be put back into conservation for 0.473 acre (0.135 ac not originally counted at CBM habitat and 0.146 ac originally approved impact area) to construct the pool expansion. This 0.336 acre will be placed in conservation in perpetuity by establishing a conservation easement that will be reviewed by the Service and recorded with Walton County.
2. Install a 700-foot post-and-rope barrier to prevent pedestrian access to the most waterward foredune depicted by emerging vegetation (see attached figure). This will allow new coastal dune habitat to develop over time in this dynamic environment. Educational signage will be displayed to inform the public of restoration efforts.

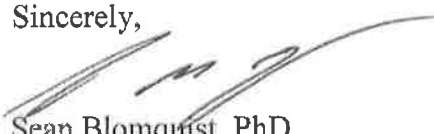
In addition to the already permitted Terms and Conditions from the BO and Conditions and Authorizations for Service permit TE020830-1, the applicant has agreed to the following conditions as part of the new WaterColor Beach Club Expansion project:

1. Silt-fence shall be installed landward of the 0.336-acre conservation area to indicate the construction limits for personnel and equipment. No impacts (permanent or temporary) are authorized within the conservation area as part of this project.
2. A lighting plan shall be designed in compliance with the State of Florida requirements or Walton County ordinance, whichever is more protective to federally listed species. This lighting plan shall be reviewed by the Service in addition to other review requirements imposed by the State and/or County. The Service supports the approach from the International Dark-Sky Association (www.darksky.org). Dark skies are best for our nocturnal trust resources within the coastal ecosystem. Outdoor lights should only be installed where absolutely needed.
3. No nighttime construction.
4. Absolutely no feeding or harboring feral or outdoor cats. They will be trapped and removed from the property at the applicant's expense, if they become a problem to the surrounding coastal environment (specifically Grayton Beach State Park) from the proposed project.

Written correspondence from the applicant stating that these new conditions, as well as the previous conditions, are understood and will be followed is required within 30 days of receiving this amended BO. Non-compliance can result in law enforcement action, stopping of the project, or revocation of the Service permit. Additionally, no construction shall begin until the lighting plan has been approved by the Service.

This letter constitutes the first amendment to the June 8, 2000 BO and incorporates all the additional information described above per the Act. If you have any questions or comments, please contact Kristi Yanchis of the Panama City Field Office at extension 252.

Sincerely,



Sean Blomquist, PhD.
Ecological Services Chief

Enclosure:

Appendix A - The Villages at Seagrove and Camp Creek Habitat Conservation Plan for the Minor Amendment for the Proposed Pool and Deck Expansion at Watercolor.

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Appendix A

The Villages at Seagrove and Camp Creek Habitat Conservation Plan Minor Amendment for Proposed Pool and Deck Expansion at Watercolor

**The Villages At Seagrove and Camp Creek
Habitat Conservation Plan**

**Minor Amendment for
Proposed Pool and Deck Expansion at
Watercolor**

Permit Number: TE020830-1

Submitted to:

US Fish and Wildlife Service
Panama City Field Office

Prepared for:

Mr. Brad Yuhas
Community Manager
Watercolor Community Association
133 Pine Grove Circle
Santa Rosa Beach, FL 32459

Prepared by:

Ecological Resource Consultants, Inc.
100 Amar Place
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January 2015
Update March 2015

Introduction

The Watercolor Community Association has procured the services of Ecological Resource Consultants, Inc. (ERC) to assist with evaluating and preparing a request for a minor amendment to the existing Habitat Conservation Plan for the Watercolor community development. The Watercolor Community Association proposes a minor amendment to the existing HCP for the Watercolor multiple-use development, which was previously known as the Villages at Seagrove. The purpose of the minor amendment is the expansion of the pool area at the community beach club. The general location is shown in Figure 1.

Site History

An Incidental Take Permit was issued to the St. Joe Company on November 11, 2000, for two proposed multiple-use developments in Walton County, Florida. The developments included Watercolor, which was previously known as the Villages at Seagrove, and Camp Creek. A Habitat Conservation Plan was completed in June 1999 which addressed both development communities. There are no proposed amendments or adjustments for the Camp Creek development associated with this request.

As noted in the Incidental Take Permit (ITP), the St. Joe Company is an incorporated entity which developed the projects and established a homeowner/condominium association, which is also an incorporated entity under Florida statutes. The community association owns the common areas and represents the individual property owners. As indicated within the permit, the applicable conditions run with the land and are automatically transferred to owners upon conveyance of titles. Title to most, if not all, of the common areas has been transferred to the Watercolor Community Association. The Beach Club parcel was transferred from St. Joe in October 2002.

The Watercolor development consists of approximately 499 acres which is located adjacent to Grayton Beach State Park and is located along CR 30A. The Watercolor development included approximately 1,400 linear feet of open beach on the Gulf of Mexico and the site is adjacent a 220 acre coastal dune lake (Western Lake). The overall Watercolor development is a multi-use development of regional impact (per Florida statutes and regulation). The project as proposed included a 160 room resort hotel with a restaurant, lounge, and recreational amenities; 1,140 residential dwellings units; up to 100,000 square feet of office and retail development; a 20 slip marina on Western Lake; and recreational facilities such as trails, clubhouses (beach, tennis, and marina), and neighborhood recreation centers. Two development phases were proposed, with the initial development encompassing 135 acres and including the resort hotel, 286 dwelling units, recreational clubs, trails, roadways, and 40,000 square feet of office/retail space. A second phase would encompass 364 acres with 854 dwelling units, the marina on Western Lake, trails, roadways, two community recreational centers, and 60,000 square feet of office/retail space. The full build-out was anticipated to be completed by 2010.

The area south of CR 30A (South Parcel) included the resort hotel (with associated restaurant, lounge, swimming pool, spa, sundeck, and associated parking), ten residential units, and the beach club. The hotel, residential units, and beach club all have an associated elevated boardwalk to provide controlled access to the beach rather than an at-grade dune crossing. St. Joe provided a 20 foot public access for Walton County, which was to install and maintain a fourth boardwalk for public usage. Although the ITP included the entire 499 acre development complex, the ITP was issued specifically for the 23.94 acre area south of CR 30A.

Proposed Project

Currently, the Watercolor development is approaching full build-out. Essentially all Phase I projects have been completed, including the South Parcel development, and a large percentage of Phase II development has been completed. Approximately 86% of the 1,140 planned residences for the entire development have been completed and all of the supporting amenity centers have been completed. Some landscaping improvements are underway at the community green spaces.

The beach club is a shared community amenity for the Watercolor community including homeowners and guests. The club totals 45,000 square feet and includes a restaurant and bar, locker rooms, a family swimming pool, a children's swimming pool, and a sun deck, located over a parking structure. The beach club is a centrally located feature since it is located adjacent to the beach access points via dune walkovers. The beach club also provides day-use facilities such as beach chairs, umbrellas, and recreational equipment for residents and guests.

The beach club central location, beach access, pools, and features such as day-use equipment and locker room have resulted in an unanticipated increase in visitor traffic to the club. During periods when the gates were manned in 2014, the beach club recorded 194,287 homeowners and their guests. The gates are not routinely manned, so the visitor traffic at the beach club exceeds 200,000 visitors. In addition, the amount of visitor traffic may be associated with unauthorized increases of residential structure occupancy beyond the limitations of the community governing documents. The community association is working towards ensuring adherence to residential occupancy limits as designated for structures approved by the community's Design Review Board.

The unanticipated visitor traffic levels have resulted in a strain on the community facilities and space at the beach club. The pools, locker rooms, and sun deck are increasingly crowded with resident and visitor traffic during average usage and extremely crowded during peak periods. Large crowds around the club pool and sun deck, particularly during peak times, lead to increased traffic on the beach. Residents and visitors move away from the crowded deck to the beach, and resulting in additional pressure and traffic on the primary dune areas. The beach traffic from the Watercolor community appears to be focused on the area in front of the club, hotel, and areas eastward since most visitors are unlikely to have passes for the adjacent state park property.

In order to alleviate the strain on the pool and deck facilities at the beach club, as well as relieve pressure on the adjacent primary dune, the Watercolor Community Association requests a minor amendment to the existing HCP in order to construct an expansion of the pool and deck.

The Biological Opinion for the ITP stated that the total development area for the South Parcel is 23.94 acres and 16.32 acres of Choctawhatchee Beach Mouse (CBM) designated critical habitat was located within the parcel. The BO indicated that a total of 7.81 acres within the 16.32 CBM critical habitat acreage would be impacted by the Watercolor Community development. Some areas in the development plan within the CBM critical habitat area were disturbed by use as a roadway (sand covered with gravel base) and pedestrian paths and did not contain constituent elements needed for critical habitat. Within the impacted critical habitat for CBM, the BO states that a total of 4.65 acres of critical habitat would be directly impacted by the Watercolor development and that 3.16 acres did not meet the definition of CBM critical habitat. The HCP conservation measures which included restoration of 1.28 acres of primary

dune habitat restoration and preservation of 7.23 acres on the South Parcel area. The restoration project was implemented during the initial construction phase and the associated dune walkovers were also constructed during this time. Another component of the conservation measures included the protection of 80.4 acres at the Camp Creek community development site.

The Watercolor Community Association has enlisted an architect (DAG Architects, Inc) to design the proposed expansion. The proposed expansion is 0.473 acres and would be constructed at ground level. The proposed expansion includes two pools with surrounding deck, a dining area, pool equipment, and storage, with stairways leading from the existing pool deck which is located on top of a parking area. The design is an irregular shape, intended to minimize any potential impacts to surrounding natural terrain. The proposed site plan is attached as a schematic design (Figure 2 and Drawing SK-1). Representative views are shown in the figures in Attachment A.

Biologists from Ecological Resource Consultants (ERC) used GIS (ESRI Arc GIS 10.2) to import and georeference Exhibit 2 (attached) from the project HCP, which shows the proposed development features and areas of impact for the Watercolor project. A comparison of the proposed development plan with the actual development shows some areas of habitat that were proposed for impact but were not impacted (Figure 3). The permitted but not impacted area is equivalent to approximately 0.545 acres of CBM habitat. An area previously described as disturbed is located immediately southwest of the beach club and totals approximately 0.168 acres. The proposed expansion is generally located in the area previously marked as disturbed. Additionally, an area approximately 0.096 acres that was previously disturbed by the roadway was not impacted in the final construction and has recovered some coastal scrub characteristics since the removal of the roadway. The total area permitted but not impacted is approximately 0.64 acres.

Biologists from ERC conducted a site visit in July 2014. A 20 foot wide zone adjacent to the existing 150 foot wide pool deck is currently poor quality habitat for CBM due to the mowed/maintained condition, the presence of weedy plant growth, and limited shrub cover. The area previously recorded as disturbed has exhibited some recovery of herbaceous cover since the time of issuance, with improved habitat quality due to the presence of sparse and widely scattered grasses. The remainder of the proposed project area is primarily coastal scrub habitat with shrub cover consisting of sand live oak (*Quercus geminata*), saltbush (*Baccharis halimifolia*), Chapman's oak (*Q. chapmani*), gallberry (*Ilex glabra*), yaupon holly (*I. vomitoria*), and wax myrtle (*Myrica cerifera*). Ground cover in the area includes broomsedge (*Andropogon glomeratus*), vanillaleaf (*Carphephorus odoratissimus*), false rosemary (*Conradina canescens*), beach goldenrod (*Chrysoma pauciflosculosa*), Godfrey's goldenaster (*Chrysopsis godfreyi*), finger rot (*Cnidoscolus stimulosus*), coastal sand frostweed (*Crocanthemum arenicola*), cypress panicgrass (*Dicanthelium ensifolium*), needleleaf witchgrass (*D. aciculare*), slender goldentop (*Euthamia tenuifolia*), Lichens, St. John's wort (*Hypericum reductum*), hairy laurel (*Kalmia hirsute*), gopher apple (*Licania michauxii*), prickly pear (*Opuntia pusilla*), wild olive (*Osmanthus americana*), beach grass (*Panicum amarum*), coastal groundcherry (*Physalis angustifolia*), smartweed (*Polygonella* sp.), bracken fern (*Pteridium aquilinum*), dewberry (*Rubus trivialis*), Gulf bluestem (*Schizachyrium maritimo*), saw palmetto (*Serenoa repens*), earleaf greenbrier (*Smilax auriculata*), seaside goldenrod (*Solidago sempervirens*), shiny blueberry (*Vaccinium myrsinites*), muscadine (*Vitis rotundifolia*), Adam's needle (*Yucca filamentosa*). The proposed pool expansion would impact approximately 0.473 acres of CBM habitat, a

portion of which was previously disturbed but has improved over time. Figure 4 shows the approximate design footprint with the georeferenced areas from the permitted project. No frontal or primary dune habitat would be impacted by the proposed expansion. No construction is proposed or would occur below the Coastal Construction Control Line (CCCL). The proposed expansion is not located within CBM designated critical habitat since the Watercolor community area was not included within the revised CBM designated critical habitat area, although the expansion is located adjacent to CBM designated critical habitat associated with Grayton Beach State Park. The proposed expansion is less than the 0.64 total acres which was planned for impact and included in the permit but not impacted.

Other T&E species

Since no beach or frontal dune habitat would be affected by the proposed pool expansion, the potential effects on sea turtles associated with the Watercolor community development would remain unchanged. No new effects would occur to listed shorebird species since the proposed project would not affect beach or frontal dune habitat.

The Red Knot (*Calidris canutus*) is a shorebird species that was recently listed (December 2014) and was not specifically included in the HCP since it was not federally or state listed at the time. However, the HCP did specifically include a plan for shorebird species. The Red Knot utilizes Florida Gulf Coast beaches for wintering and roosts and along sandy beaches. The proposed pool expansion would not affect Red Knot habitat due to the location of the project. The Watercolor community has largely been constructed, particularly the community centers such as the beach club, but some residences remain to be constructed. The beach area at Watercolor already exhibited a relatively high use of human recreational use at the time of listing. Red Knots tend to avoid areas with such heavy human use and may be precluded from using the area. The proposed pool expansion is not likely to affect the Red Knot.

Proposed Conservation/Mitigation

Approximately 0.362 acres of coastal scrub adjacent to the hotel were included in the permit but not impacted (Figure 5). In order to provide some compensation for the loss associated with the proposed pool expansion, these areas would be conserved as CBM habitat and would not be impacted by future projects. The conservation of the coastal scrub immediately adjacent to the primary dune would protect a potentially important travel corridor for CBM, potentially reducing habitat fragmentation. The conservation of the coastal scrub would increase the preservation width of the oak scrub habitat, which would have been reduced to as little as 20 feet wide in some sections in the approved plan but would remain approximately 50 feet wide in the same area with the proposed amendment.

As an additional measure, the Watercolor community would re-install the pedestrian barrier to limit pedestrian encroachment onto the foredune areas. The foredune areas seaward of the beach club and particularly the hotel have little to no vegetation, but would normally include herbaceous vegetation such as sea oats, bunch grass, beach grass, seaside rosemary, railroad vine and morning glory. The rope fence would limit pedestrian traffic on these areas and allow the vegetation to naturally regenerate. Natural regeneration, although sometimes slower, is an ecologically less invasive restoration procedure than active planting. A similar fence was previously installed but appears to be absent from the area. Signage would be added to warn traffic away from the dune area.

The proposed expansion would result in an overall reduction of CBM habitat associated with the

permitted Watercolor development project. The proposed expansion would reduce the unanticipated resident and visitor pressure on the beach club and club resources. The additional pool and deck area would potentially reduce pedestrian pressure on the beach since the additional space would encourage residents and visitors to use the club pool and deck over the beach. Overall, when viewed along with the 80.4 acres conserved at the Camp Creek site as part of the HCP, the proposed amendment could potentially result in a net benefit since the additional acreage conserved would include coastal oak scrub habitat that was previously proposed for impact. The impact associated with the proposed pool expansion would total approximately 0.473 acres of habitat, which is less than the 0.64 acres of habitat permitted but not impacted. The conservation of 0.362 acres of coastal oak scrub which was previously permitted for impact would reduce the overall impact associated with the Watercolor community.

The proposed pool expansion would not result in an increased impact to the Choctawhatchee Beach Mouse but rather the reduced overall impact. Increased conservation would be a result from the reduced impact associated with the permitted project, resulting in an overall benefit. As a result, the proposed pool expansion appears to be a minor amendment.



**Figure 1. Watercolor Beach Club
General Location Map**

Walton County

0 0.25 0.5 1 Miles



erc Ecological Resource
Consultants, Inc.



Legend

 Preliminary Design Project Area .473 Acres

0 50 100 200
Feet

Figure 2. Watercolor
Preliminary Design Project Area

Walton County



Ecological Resource
Consultants, Inc.

Figure 3. Watercolor
Original HCP Project Areas
Walton County

Legend

-  Original HCP Approved Impact Area
-  Original HCP Area Did Not Meet CBM
-  CH - Not Impacted (0.168 Ac)
-  Original HCP Approved Impact Area - Not Impacted (0.545 Ac)



0 50 100 200 Feet



**Figure 4. Watercolor
Proposed Project Area
with HCP Areas**

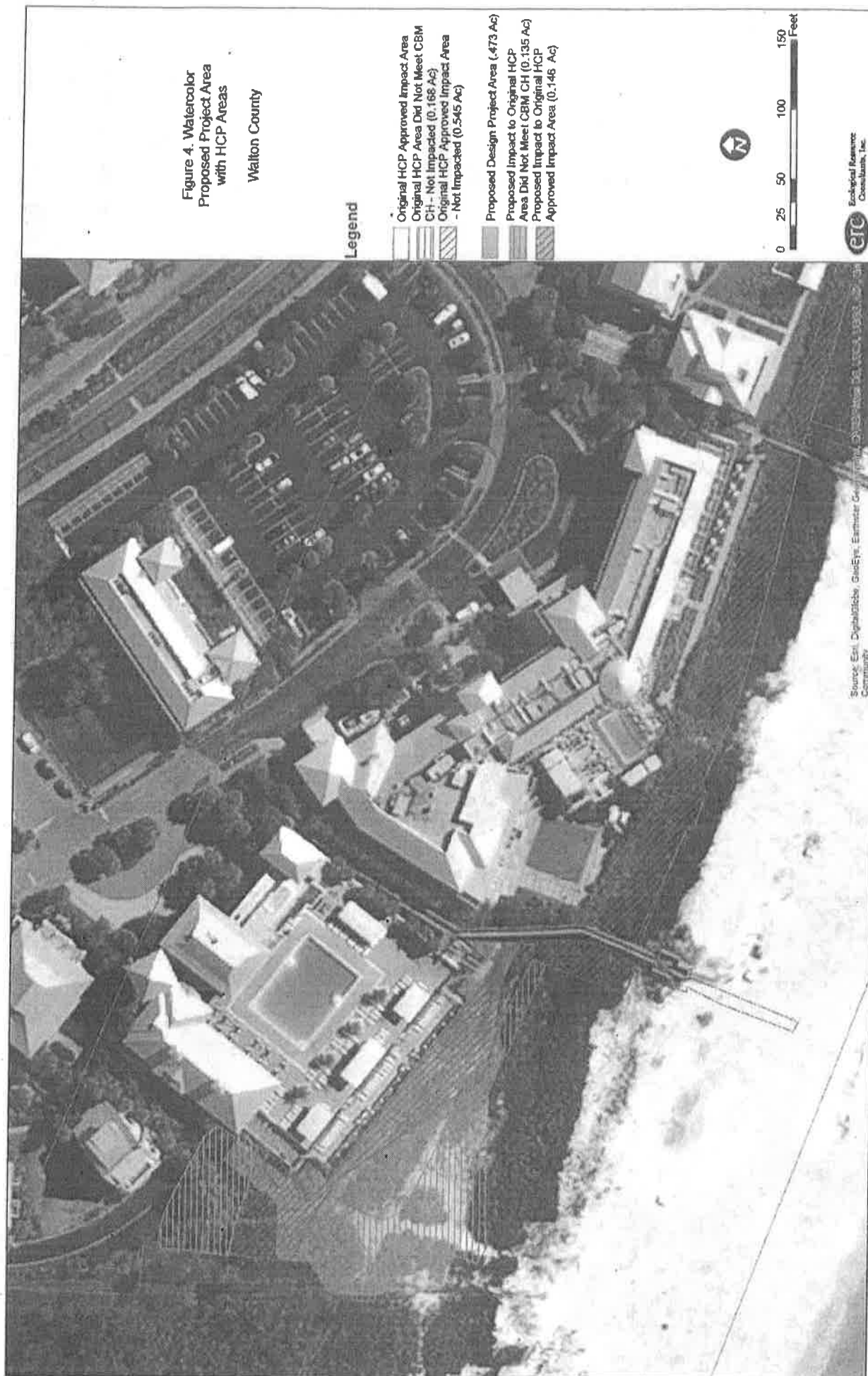


Figure 5. Watercolor
Proposed New Conservation Areas
Walton County

Legend

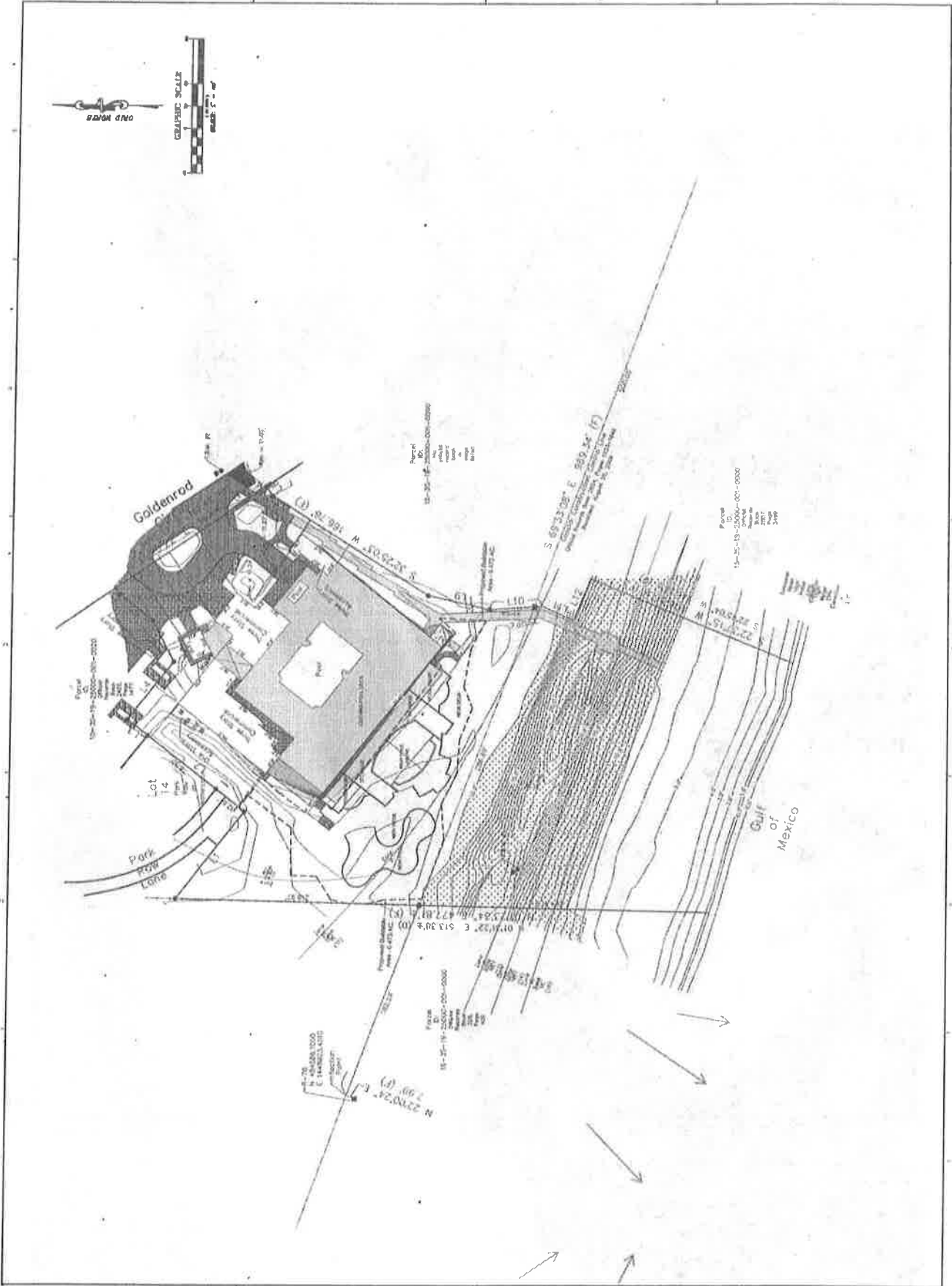
- Original HCP Approved Impact Area
- Original HCP Area Did Not Meet CBM
- CH - Not Impacted (0.168 Ac)
- Original HCP Approved Impact Area
- Not Impacted (0.545 Ac)
- Proposed New Conservation Areas (0.047 Ac)
- Approximate Location of Post and Rope (+/- 700 Linear Ft)



ERC
Ecological Resource
Consultants, Inc.

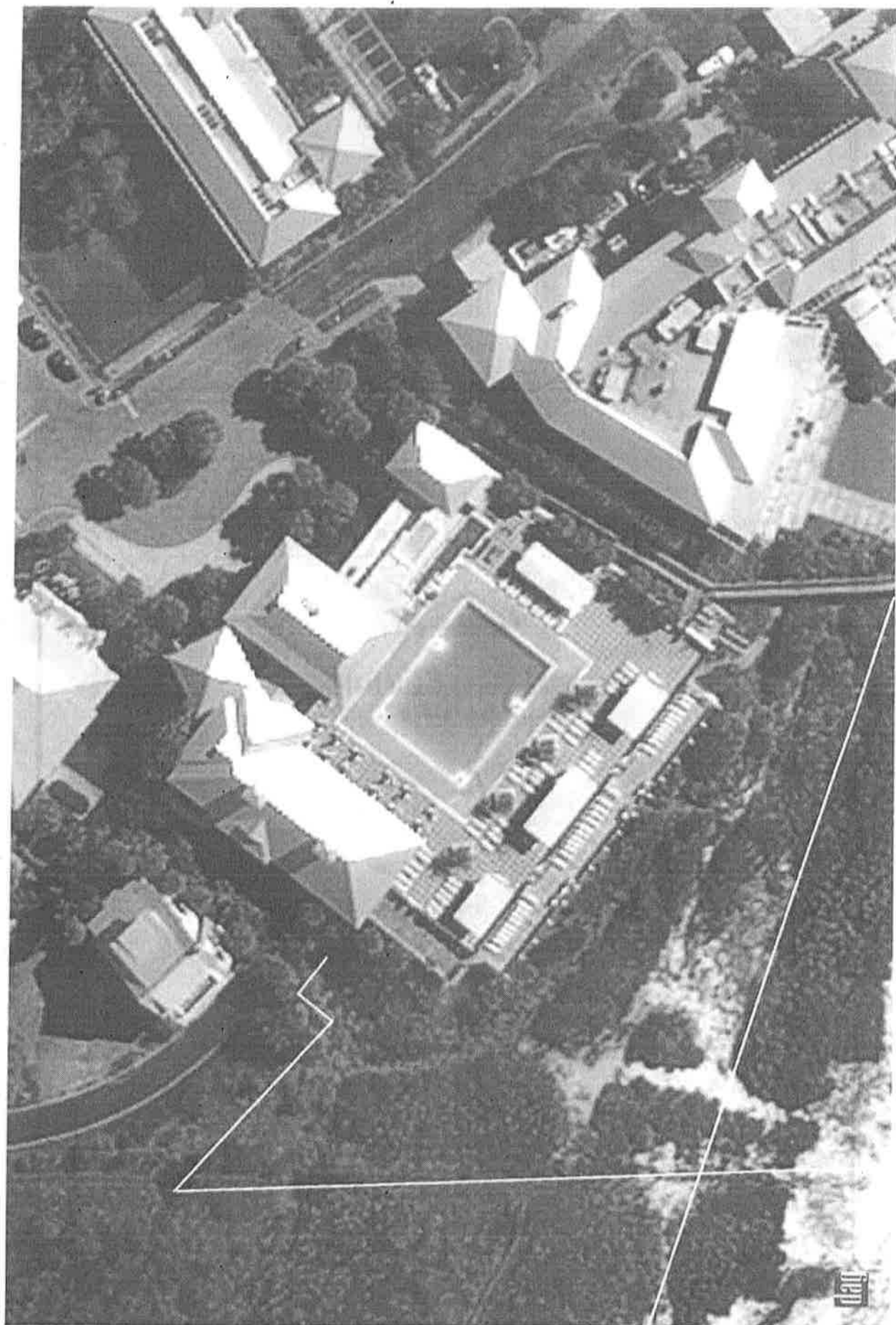


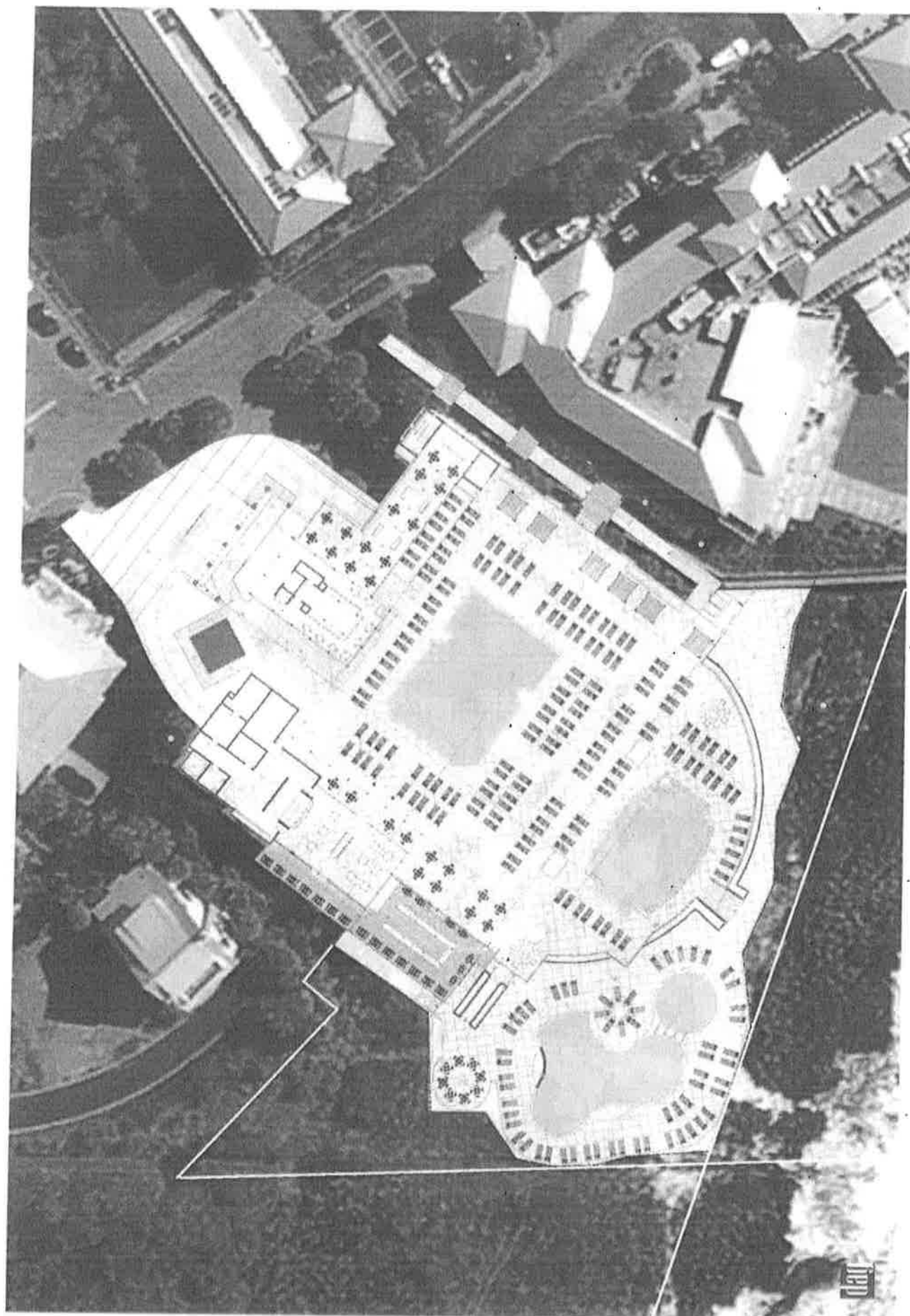
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Custodian:	
Date:	12-20-16
Project No.:	13051
Drawing Title:	SITE PLAN
Drawing No.:	SK-1

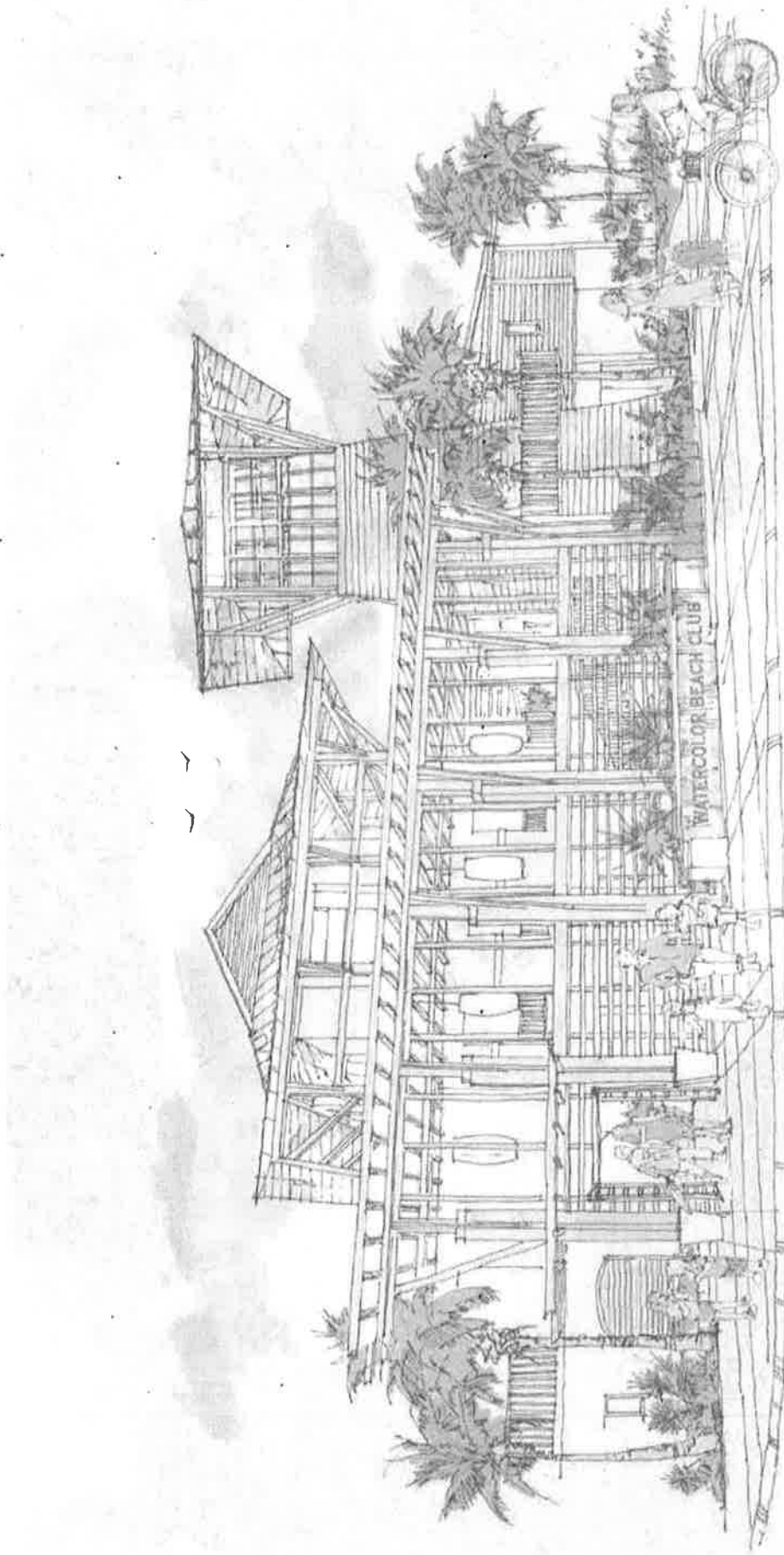


Attachment A

**Proposed Beach Club Expansion
Representative Views**





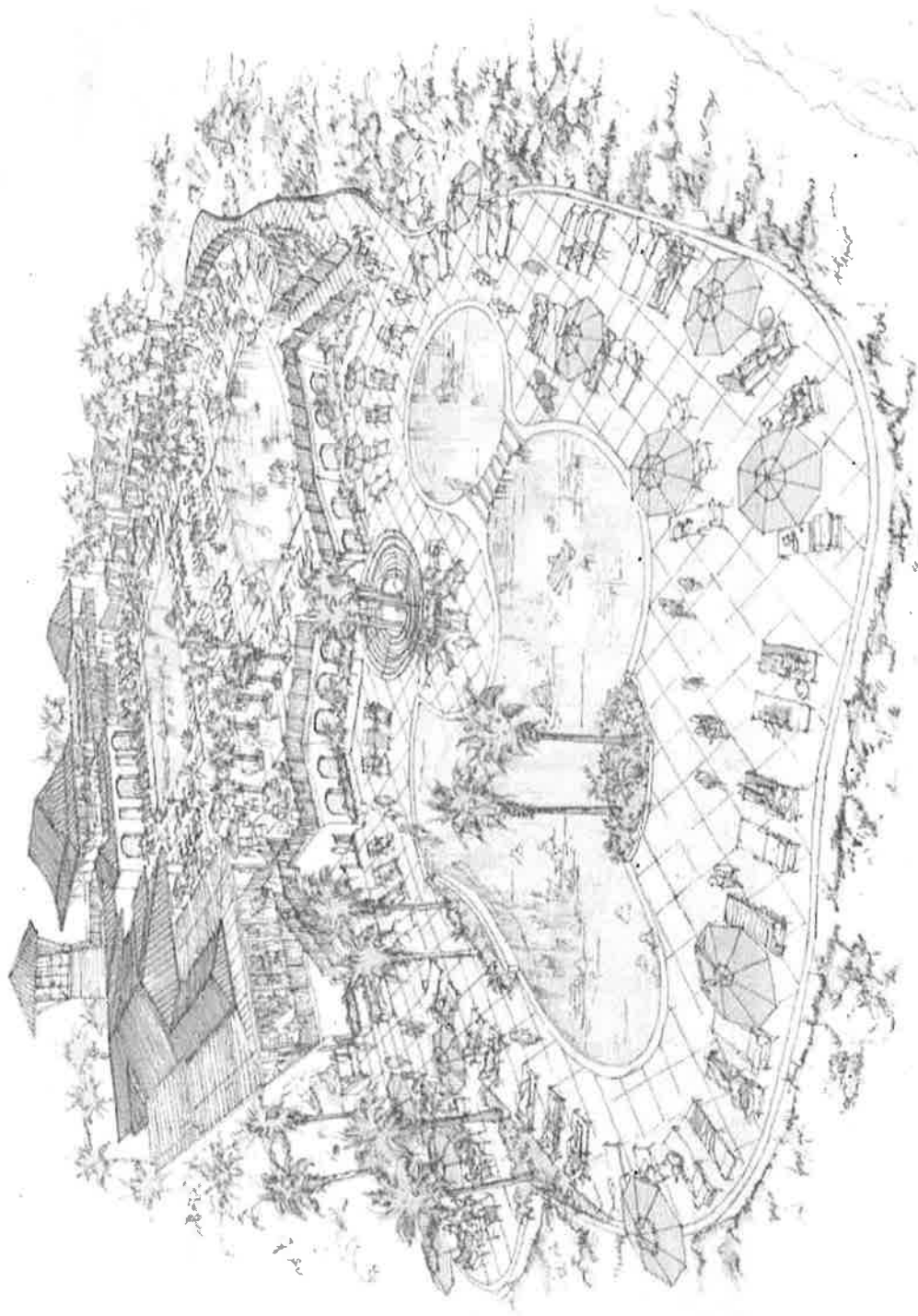


view of the entrance

water•color
beach club



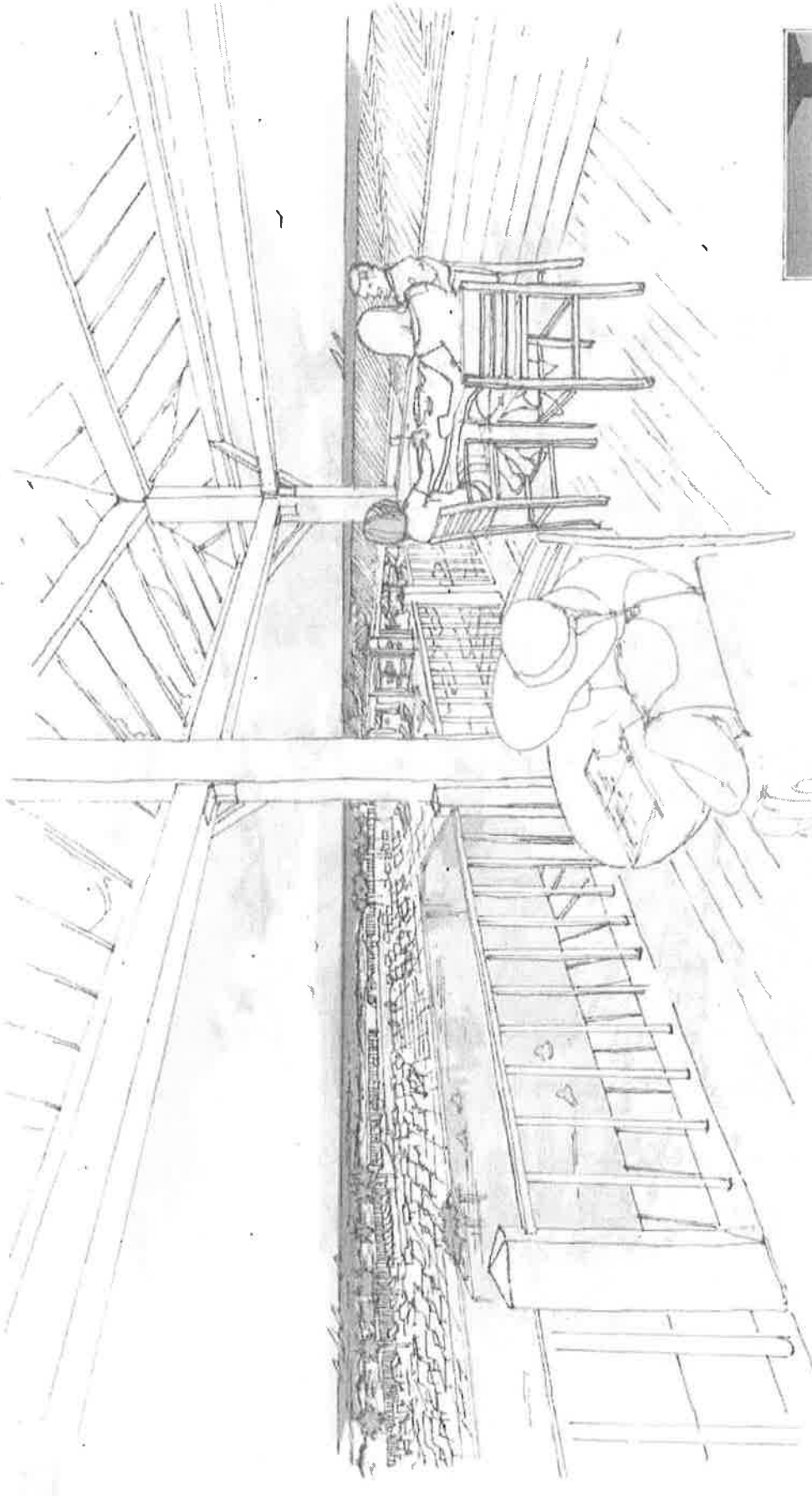
existing



birds eye view

water·color
beach club





view from third floor balcony

water-color beach club

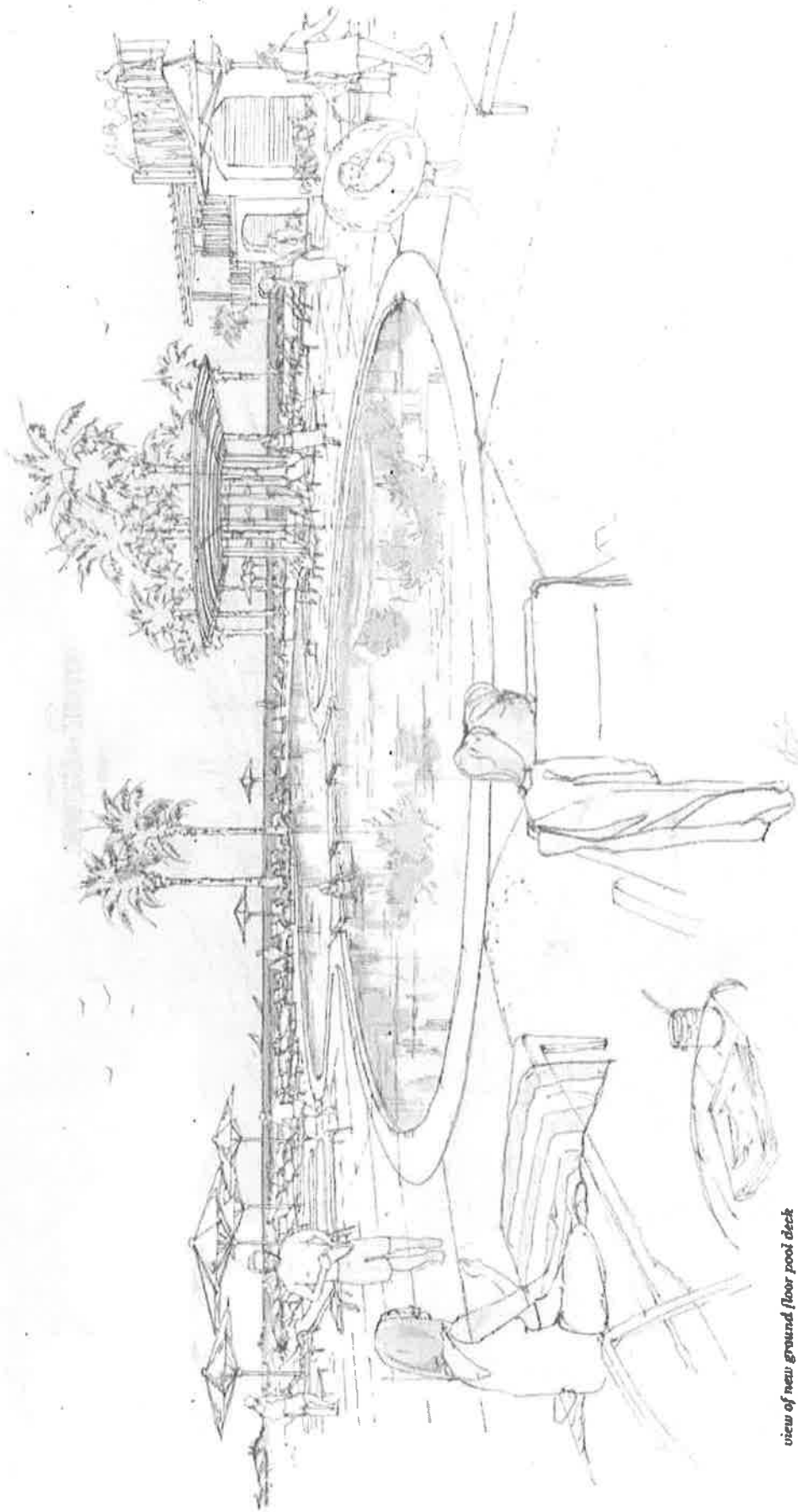


existing



ocean view from new bar

water·color
beach club



view of new ground floor pool deck

watercolor
hatch club
day architects

