

State of Hawai'i
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Forestry and Wildlife
Honolulu, Hawaii 96813

June 9, 2016

Endangered Species Recovery Committee
State of Hawai'i
Honolulu, Hawai'i

Committee Members:

**SUBJECT: REQUEST FOR APPROVAL OF EXTENSION FOR CYANTOECH
 HABITAT CONSERVATION PLAN**

BACKGROUND:

Pursuant to Hawaii Revised Statutes Chapter 195D, Cyanotech is requesting a 19 year extension of their Incidental Take License (ITL) WLIT-04, until 2035. Cyanotech is a 90-acre aquaculture facility in the North Kona District on the Island of Hawaii. The project has been authorized for take of Hawaiian Stilts with a series of permits from 2002-2016. The take authorized was the greater of 45 birds or the number produced through mitigation. Cyanotech's past mitigation actions have resulted in a net benefit to the local Stilt population, providing a mitigation credit that largely offsets the take requested in the permit extension.

INCIDENTAL TAKE AND MITIGATION PROPOSED:

The Project has the potential to result in incidental take of species listed under the Federal Endangered Species Act and State Endangered Species Statutes, and is requesting authorized take of 38 Hawaiian Stilts. Minimization will continue per the current methods.

Common Name	Scientific Name	Requested Incidental Take Authorization
Hawaiian Stilt	<i>Himantopus mexicanus knudseni</i>	38 adult birds

Cyanotech Corporation is required to provide all funding necessary to fulfill obligations outlined in the approved HCP. To date, Cyanotech has used their own procurement processes to fulfill HCP obligations.

Cyanotech		Fledgling Equivalent
2002-2015 Actual Take	18 adults, 4 chicks	43
2016-2035 Requested Take	38 adults	69
	Total Take	112
Fledglings Produced onsite		48
Fledglings Produced offsite		55
	Mitigation Credit	103
Additional Mitigation Required (fledglings)		9

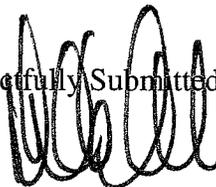
Adjusted to fledgling equivalents (2.17 for the past take, 1.82 for future take), the take totals 112 fledglings. Mitigation onsite in 2002 produced 48 fledglings, while offsite mitigation since 2005 has produced 55. A total of 103 fledglings are credited to offset the past and requested take. To yield adequate mitigation for the requested permit extension, 9 additional fledglings need to be produced. Mitigation may be in the form of predator control around existing stilt nesting habitat at Kapo`iaki if agreed by the landowner, restoration or creation of suitable nesting habitat, or other project to be reviewed and approved by the ESRC.

ANALYSIS & RECOMMENDATIONS:

DOFAW Staff has worked with Cyanotech and its contractor through several rounds of revisions of the permit extension. The following are edits that Staff suggest for the current version of the document:

- Add a table (such as that above) to better explain the 2002-2016 numbers for take, mitigation credit, and remaining mitigation obligation.
- Correct the budget table needs to reflect the activities that will occur annually for the duration of the permit (all those listed except off-site mitigation), and specify a commitment for full funding.
- The sum for offsite mitigation shall be determined as the cost of creating 9 fledglings, which could take approximately 2-3 years if mitigated at the Kapo`ikai pond site. Until an agreement is reached with the landowner, or another suitable mitigation project is identified, DOFAW recommends that Cyanotech provide a financial assurance for the anticipated cost. The selected mitigation project will be reviewed by the ESRC and should be initiated within the next 3 years.

Respectfully Submitted,



David G. Smith, Administrator
Division of Forestry and Wildlife