



Western Riverside Council of Governments Administration & Finance Committee

AGENDA

Wednesday, January 13, 2021
12:00 p.m.

Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501

**WRCOG's OFFICE IS CURRENTLY CLOSED TO THE PUBLIC DUE TO COVID-19
AND STAFF ARE WORKING REMOTELY**

**Members of the public are encouraged to participate in this meeting via Zoom
(see meeting information below)**

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SPECIAL NOTICE – COVID-19 RELATED PROCEDURES IN EFFECT

Due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19), Governor Newsom has issued Executive Order N-29-20 (issued March 17, 2020) in which Section 3 supersedes Paragraph 11 of Executive Order N-25-20 (issued on March 12, 2020). This new order states that WRCOG does not need to make a physical location available for members of the public to observe a public meeting and offer public comment. The Order allows WRCOG to hold Committee meetings via teleconferencing and allows for members of the public to observe and address the meeting telephonically or electronically.

To follow the Order issued by the Governor, the Administration & Finance Committee meeting scheduled for Thursday, January 13, 2021, at 12:00 p.m. will be held via video and teleconference and any members of the public can attend electronically. Members of the public may send public comments by emailing snelson@wrcog.us, or calling (951) 405-6703 before or during the meeting, prior to the close of public comment.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Suzy Nelson prior to 12:00 p.m. on January 11, 2021, at (951) 405-6703 or at snelson@wrcog.us.

The Administration & Finance Committee may take any action on any item listed on the agenda, regardless of the Requested Action.

1. **CALL TO ORDER (Kevin Bash, Chair)**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **PUBLIC COMMENTS**

At this time members of the public can address the Administration & Finance Committee regarding any items listed on this agenda. Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Committee in writing and only pertinent points presented orally.

5. **CONSENT CALENDAR**

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Committee request specific items be removed from the Consent Calendar.

- A. **Summary Minutes from the December 9, 2020, Administration & Finance Committee Meeting are Available for Consideration. P. 1**

Requested Action: 1. *Approve the Summary Minutes from the December 9, 2020, Administration & Finance Committee meeting.*

- B. **Finance Department Activities Update P. 5**

Requested Action: 1. *Receive and file.*

- C. **Single Signature Authority Report P. 11**

Requested Action: 1. *Receive and file.*

- D. **Housing Trust, Economic Development Corporation, and GIS Service Bureau Activities Update P. 13**

Requested Action: 1. *Receive and file.*

- E. **Approval of Memorandum of Understanding to Provide Continued Membership of the Riverside County Superintendent of Schools for on WRCOG for a Period of One Year P. 17**

Requested Action: 1. *Recommend that the Executive Committee approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.*

F. Adoption of 2020/2021 Legislative Platform P. 19

Requested Action: 1. *Recommend that the Executive Committee adopt the 2020/2021 Legislative Platform.*

G. Communications and Media Outreach P. 33

Requested Action: 1. *Receive and file.*

6. REPORTS / DISCUSSION

A. WRCOG Economic Development and Sustainability Framework P. 37

Requested Action: 1. *Receive and file.*

B. Agency Accomplishments for 2020 and Goals for 2021 P. 55

Requested Action: 1. *Receive and file.*

C. Appointment of one WRCOG Alternate Representative to the CALCOG Board of Directors P. 67

Requested Action: 1. *Recommend that the Executive Committee appoint one alternate representative to the California Association of Councils of Governments for a term commencing January 1, 2021, and ending December 31, 2022.*

D. COVID-19 Relief and Utility Delinquency Update P. 69

Requested Action: 1. *Discuss and provide input.*

E. Commercial PACE Program Activities Update P. 73

Requested Action: 1. *Receive and file.*

7. REPORT FROM THE EXECUTIVE DIRECTOR Rick Bishop

8. ITEMS FOR FUTURE AGENDAS Members

Members are invited to suggest additional items to be brought forward for discussion at future Administration & Finance Committee meetings.

9. GENERAL ANNOUNCEMENTS Members

Members are invited to announce items / activities which may be of general interest to the Administration & Finance Committee.

10. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: 1 case.

CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Section 54956.9)

Case No.: Renovate America, Inc., et al. Case Number: 20-13172 (LSS)

11. **NEXT MEETING:** The next Administration & Finance Committee meeting is scheduled for Wednesday, February 10, 2021, at 12:00 p.m., on the Zoom platform.
12. **ADJOURNMENT**

1. CALL TO ORDER

The meeting of the Administration & Finance Committee was called to order at 12:00 p.m. by Chairman Kevin Bash on the Zoom virtual platform.

2. PLEDGE OF ALLEGIANCE

Chairman Kevin Bash led members and guests in the Pledge of Allegiance.

3. ROLL CALL

Members present:

Mike Lara, City of Beaumont
Brian Tisdale, City of Lake Elsinore
Kevin Bash, City of Norco (Chairman)
Rita Rogers, City of Perris
Crystal Ruiz, City of San Jacinto
Ben Benoit, City of Wildomar
Karen Spiegel, County of Riverside, District 2 (12:02 p.m. arrival)
Brenda Dennstedt, Western Municipal Water District (WMWD)

4. PUBLIC COMMENTS

There were no public comments.

5. CONSENT CALENDAR – *(Lake Elsinore / Perris) 8 yes; 0 no; 1 abstention. Items 5.A through 5.C were approved. WMWD abstained from item 5.A only. A representative from the County of Riverside District 3 was not present.*

A. Summary Minutes from the October 14, 2020, Administration & Finance Committee Meeting are Available for Consideration.

Action: 1. *Approved the Summary Minutes from the October 14, 2020, Administration & Finance Committee meeting.*

B. Finance Department Activities Update

Action: 1. *Received and filed.*

C. Approval of Administration & Finance Committee 2021 Meeting Schedule

Action: 1. *Approved the schedule of Administration & Finance Committee meetings for 2021.*

6. REPORTS / DISCUSSION

A. Regional Housing Trust Initiative

Ivana Medina, WRCOG Staff Analyst, reported that a Regional Housing Trust would provide supplemental funding for other agencies. Staff would focus on fund raising. There are 50 Housing Trusts statewide, 17 in Southern California, and none in neither Riverside nor San Bernardino Counties. There is general support by WRCOG's member jurisdictions in forming a Housing Trust. Next steps would include the formation of a Steering Committee in spring 2021. Creation of a Housing

Trust would initially be funded by a SCAG REAP Grant in the amount of approximately \$400,000 over two years. A dues structure could be dependent upon the number of participants; the Steering Committee would make that determination. The Trust would run in a revenue neutral status and would not likely create a fiscal impact to WRCOG. There are also opportunities for other state and federal funding.

Action: 1. *Received and filed.*

B. Western Riverside County Energy Resiliency Plan Activities Update

Daniel Soltero, WRCOG Senior Analyst, reported that the Bay Area Council created the California Resilience Challenge in response to climate change-related impacts such as high wind events, wildfires, and floods, as well as the likelihood of future demand for energy due to growth. WRCOG has been awarded \$200,000 to develop the Western Riverside County Energy Resiliency Plan.

The Plan's focus will be centered on creating energy resilience at civic facilities and a strategy list will be developed. A financing plan will be developed and presented to member jurisdictions, WRCOG Committees, and the Bay Area Council.

Action: 1. *Authorized the Executive Director to award the contract to AECOM for the development of the Western Riverside County Energy Resiliency Plan and to execute the Professional Services Agreement between WRCOG and AECOM.*

(San Jacinto / Perris) 8 yes; 0 no; 0 abstention. Item 6.B was approved. A representative from the County of Riverside District 3 was not present.

C. Appointment of one WRCOG Representative to a SCAG Policy Committee

Rick Bishop, WRCOG Executive Director, reported that in October 2020 this Committee recommended a number of appointments which were then approved by the Executive Committee. One of those individuals appointed was not successful in his bid for reelection, therefore, one appointment still needs to be filled.

Action: 1. *Recommended that the Executive Committee appoint Wes Speake, City of Corona, to the SCAG Community, Economic, & Human Development Policy Committee for a term commencing January 1, 2021, through December 31, 2022.*

(Lake Elsinore / Perris) 8 yes; 0 no; 0 abstention. Item 6.C was approved. A representative from the County of Riverside District 3 was not present.

7. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop had no report.

8. ITEMS FOR FUTURE AGENDAS

Chairman Kevin Bash asked for a presentation on a new tech bridge program. The program is a way for local jurisdictions to connect with technology via the Naval Weapons Station in Norco.

Chairman Bash asked for an update on the Experience Regional Innovation Center housed at the University of California, Riverside.

Committee member Brenda Dennstedt would like a discussion on the Governor's order regarding the utilities' inability to shut off water due to lack of payment.

9. GENERAL ANNOUNCEMENTS

There were no items for general announcements.

10. NEXT MEETING: The next Administration & Finance Committee meeting is scheduled for Wednesday, January 13, 2021, at 12:00 p.m., on the Zoom platform.

11. ADJOURNMENT: The meeting of the Administration & Finance Committee adjourned at 1:03 p.m.

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Finance Department Activities Update

Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6740

Date: January 13, 2021

The purpose of this item is to provide an update on the Agency audit for Fiscal Year 2020/2021 and financials through October 2020.

Requested Action:

1. Receive and file.

Fiscal Year 2019/2020 Agency Audit

WRCOG's annual Agency interim audit was completed on June 19, 2020. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit, which involves preliminary audit work that is conducted prior to fiscal year end. The interim audit tasks are conducted in order to compress the period needed to complete the final audit after fiscal year end. In December 2020, RAMS returned to finish its second round, which is known as "fieldwork." It is anticipated that the final audit will be presented to this Committee in February 2021.

Financial Report Summary Through October 2020

The Agency Financial Report summary through October 2020, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, is provided as Attachment 1.

Prior Action:

November 19, 2020: The Technical Advisory Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

1. Financial Report summary through October 2020.

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Item 5.B

Finance Department Activities
Update

Attachment 1

Financial Report summary through
October 2020

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Western Riverside Council of Governments
Annual Budget
For the Month Ending October 31, 2020

Total Agency Budget

	Approved Budget 6/30/2021	Thru Actual 10/31/2020	Remaining Budget 6/30/2021
Revenues and Transfers in			
Member Dues	311,410	294,410	17,000
Operating Transfer In	2,208,432	736,144	1,472,288
Clean Cities	175,000	128,000	47,000
Solid Waste	112,970	112,970	-
Used Oil	376,396	376,396	-
WRCOG HERO	136,290	23,732	112,558
PACE Residential	78,000	28,198	49,802
PACE Commercial	200,000	40,750	159,250
CA HERO	1,464,730	111,815	1,352,915
Commercial/Svcs - Admin Portion	41,137	48,228	(7,092)
Retail - Admin Portion	89,632	25,051	64,582
Industrial - Admin Portion	236,729	26,850	209,879
Single Family Residential - Admin Portion	652,270	425,165	227,105
Multi Family - Admin Portion	267,415	92,352	175,063
Commerical/Service	987,281	1,157,478	(170,198)
Retail	2,151,178	601,220	1,549,958
Industrial	5,681,507	644,402	5,037,105
Single Family Residential	15,654,486	10,203,968	5,450,518
Multi-Family	6,417,964	2,216,450	4,201,514
LTF Revenue	676,500	676,500	-
Total Revenues and Transfers in	\$ 40,539,536	\$ 17,970,080	\$ 22,569,456
Expenses			
Salaries	2,053,769	683,447	1,370,322
Benefits	1,027,040	344,348	682,692
Overhead	1,443,294	360,824	1,082,471
Legal	285,600	83,248	202,352
Advertising Media	65,667	21,300	44,367
Bank Fees	33,885	5,732	28,153
Coffee and Supplies	3,000	984	2,016
Commissioner Per Diem	62,500	15,625	46,875
Communications - Cellular Phones	13,500	2,869	10,631
Communications - Computer Services	53,000	14,791	38,209
Communications - Regular Phone	16,000	5,799	10,201
Computer Hardware	10,000	4,315	5,685
Consulting Labor	2,268,780	667,352	1,601,428
Event Support	165,736	4,968	160,768
Office Lease	390,000	187,369	202,631
OPEB Repayment	110,526	110,526	-
Postage	5,350	1,509	3,841
Recording Fee	173,525	43,684	129,841
Supplies/Materials	75,478	8,733	66,745
Training	10,000	1,000	9,000
TUMF Project Reimbursement	30,892,416	9,452,536	21,439,880
Total Expenses	\$ 40,468,538	\$ 12,020,959	\$ 28,447,580

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Single Signature Authority Report

Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741

Date: January 13, 2021

The purpose of this item is to notify the Committee of contracts recently signed under the Single Signature Authority of the Executive Director.

Requested Action:

1. Receive and file.

The Executive Director has Single Signature Authority for contracts up to \$100,000. For the months of October through December 2020 one contract was signed by the Executive Director as summarized below:

1. In December 2020, an Agreement was executed with Open Gov for \$59,550 for software licensing and integration costs for the TUMF online portal.

Prior Action:

None.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Housing Trust, Economic Development Corporation, and GIS Service Bureau Activities Update

Contact: Chris Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710

Date: January 13, 2021

The purpose of this item is to provide an update on three major initiatives WRCOG began in July 2020 based on the direction of the Administration & Finance Committee.

Requested Action:

1. Receive and file.

At the July 8, 2020, Administration & Finance Committee meeting, staff presented three new initiatives for consideration, including:

- Housing Trust Fund
- Economic Development Corporation
- GIS / Modeling Service Bureau

After receiving feedback from Committee members, staff proceeded to work on each of these initiatives and is presenting a six-month review of work completed to date.

Housing Trust

The Regional Housing Trust Fund initiative has completed the due diligence phase of research and outreach. In the initial outreach phase, staff spoke to affordable housing developers, housing trusts, community land trusts, non-profits, and housing advocate groups. There was widespread consensus of the need of a Housing Trust Fund for the subregion. During this due diligence phase, staff determined that there are nearly 50 active housing trusts in California, including 17 in Southern California. In Phase II, staff met with WRCOG member jurisdictional staff. These meetings included WRCOG staff and representatives of the member jurisdiction, which often included the City Manager or an Assistant City Manager, the Planning or Community Development Director, and other staff. The responses from WRCOG's member jurisdictions have generally been positive and supportive of this effort. Concerns of geographical equity and the cost of membership dues were discussed. Jurisdictions were generally supportive of moving forward onto the next phase of this effort, which will involve forming a Steering Committee to develop program descriptions, governance materials, and a joint powers agreement (JPA) for the Housing Trust Fund. Developing these materials will allow member jurisdictions to better understand the benefits and costs of the Housing Trust Fund. A report was provided on the Housing Trust Fund at the December 9, 2020, Administration & Finance Committee meeting.

Earlier in December, WRCOG received notification that SCAG will be providing approximately \$1.7 million in REAP funding. This allocation includes approximately \$400K for the Housing Trust Fund. WRCOG will utilize SCAG REAP grant funding for the next phase of work related to the Housing Trust Fund and will involve hiring

a staff person or a consultant to set it up. Concurrently, WRCOG will also seek state authorizing legislation for the Housing Trust Fund, which can provide additional funding for the Housing Trust Fund. Steering Committee meetings are anticipated to start in March 2021. This item will be brought back to the Executive Committee and Technical Advisory Committee in February 2021 for appointments to the Steering Committee.

Economic Development Corporation

Similar to the Housing Trust, staff have completed their initial due diligence for the Economic Development Corporation (EDC). As part of this process, staff met with over 30 stakeholders within the region and 15 EDC entities, both statewide and nationally to assess if there was a need in the region and whether these entities were effective in galvanizing economic development efforts. Meetings with local entities included the Riverside County Business and Community Services, Chambers of Commerce, public and private utilities, and other persons active in the field of economic development. Staff has also met with staff from each of WRCOG's cities and Riverside County. Each of the city meetings were attended by the respective City Manager and Economic Development staff. The meeting with Riverside County included the Riverside County CEO and staff from Business and Community Services. The meetings with regional stakeholders, other EDCs, and remaining member agencies yielded the following information:

- There is a high level of interest in having some entity such as an EDC serve as a front-door for the region.
- EDCs in other regions played a key role in efforts to spur economic development and regional transformation.
- There are questions about whether an EDC would compete with existing entities like Chambers of Commerce and Economic Development Departments.
- Discussions with other EDCs indicate that EDCs tend to enhance rather than compete with other entities that work in the economic development space.

In November 2020, the Executive Committee approved further exploration of this concept and took action to form an EDC Steering Committee. The EDC Steering Committee will focus on the following:

- Affirm the need for a subregional EDC for Western Riverside County.
- Discuss and make recommendations on issues related to funding, staffing, and governance of an EDC.
- Explore potential EDC programs and services.
- Explore additional areas towards forming an EDC.

In December 2020, staff performed additional outreach to entities in the private, non-profit, and education sector for inclusion and representation on the EDC Steering Committee. Formal invitations to the EDC Steering Committee were distributed in December 2020 and the first EDC Steering Committee is anticipated to convene by the end of January 2021. It is anticipated that the EDC Steering Committee will meet three times and conclude its work by April 2021. Staff will also be using a third-party facilitator for these meetings through a contract with the Milken Institute.

Staff will bring a final update to the Administration & Finance Committee as well as the Executive Committee in May 2021 once a recommendation has been determined by the EDC Steering Committee.

GIS / Modeling Service Bureau

The GIS / Modeling Service initiative is currently under development. In October 2020, the Public Works and Planning Director Committees recommended approval of the GIS Initiative guidelines for the establishment of the service. In December 2020, the Executive Committee approved these guidelines. These guidelines direct WRCOG on how to take GIS and transportation modeling requests from member jurisdictions and the public, how to prioritize the requests, and how to bill for these services. Requests taking less than four hours of staff time to complete will be provided to WRCOG member jurisdictions at no cost. WRCOG will be releasing more details about costs for using the service in the coming weeks.

The next step in development is the purchase of new hardware and software. The GIS / Modeling service will need dedicated workstations for project requests, and specialized software for transportation modeling

analysis. In the coming months, WRCOG will be reaching out to Planning Directors and Public Works Committee representatives and their staff to advise them on the possible projects that can be undertaken. WRCOG is also developing the proper administrative responsibilities to manage the service requests. Staff will report back with a progress update in six months.

Prior Actions:

December 9, 2020: The Administration & Finance Committee received and filed.

December 7, 2020: The Executive Committee approved staff’s recommendations for outreach to additional prospective EDC Steering Committee members and direct staff to return with a proposed final listing of Steering Committee participants; and approved the proposed guidelines for a new GIS and Transportation Modeling Services Bureau.

November 2, 2020: The Executive Committee appointed five representatives to the EDC Steering Committee, including Karen Spiegel, County of Riverside District 2; Crystal Ruiz, City of San Jacinto; Micheal Goodland, City of Jurupa Valley; Ben Benoit, City of Wildomar; and Brenda Dennstedt, Western Municipal Water District.

October 15, 2020: The Technical Advisory Committee appointed Todd Parton, City of Beaumont; Mike Lee, City of Moreno Valley; Rob Johnson, City of San Jacinto; and Richard Belmudez, City of Perris, to serve on the Economic Development Corporation Steering Committee and directed staff to reach out to the other Technical Advisory Committee members that were absent, for the addition of two more members.

September 17, 2020: The Technical Advisory Committee received and filed.

August 13, 2020: The Planning Directors Committee received and filed.

Fiscal Impact:

Funding for the GIS Service Bureau and the EDC are included in the Transportation & Planning Department Budget for Fiscal Year 2020/2021. The Housing Trust activities are funded partially through the Transportation & Planning Department Budget for Fiscal Year 2020/2021 and through grant funding provided by SCAG.

Attachment:

None

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Approval of Memorandum of Understanding to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year

Contact: Rick Bishop, Executive Director, rbishop@wrcog.us, (951) 405-6701

Date: January 13, 2021

The purpose of this item is to recommend a sixth extension of the Memorandum of Understanding between WRCOG and the Riverside County Superintendent of Schools providing for the Superintendent to continue serving as an ex-officio representative on the Executive Committee for a term of one year.

Requested Action:

1. Recommend that the Executive Committee approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.

WRCOG has a Memorandum of Understanding (MOU) with the Riverside County Superintendent of Schools for an advisory, ex-officio membership on the Executive Committee. Ex-officio membership continues on an annual basis as authorized by a letter extending the MOU by written agreement, to be executed by both parties. The Executive Director is authorized to execute said letter.

The Executive Director and the Riverside County Superintendent of Schools have discussed the ex-officio arrangement and the current arrangement as articulated in the MOU will be extended for one year.

Prior Action:

None.

Fiscal Impact:

The Riverside County Superintendent of Schools pays annual dues to WRCOG in the amount of \$17,000, which is budgeted in the General Fund and recorded as revenue.

Attachment:

None.

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Adoption of 2021/2022 Legislative Platform

Contact: Elisa Laurel, Program Manager, elaurel@wrcog.us, (951) 405-6752

Date: January 13, 2021

The purpose of this item is to share the draft 2021/2022 Legislative Platform for review and consideration of approval.

Requested Action:

1. Recommend that the Executive Committee adopt the 2021/2022 Legislative Platform.

The WRCOG 2021/2022 Legislative Platform is designed to provide guidance to WRCOG and its member jurisdictions on legislation that focuses on issues of mutual concern.

Background

At the start of each legislative session, WRCOG adopts a set of priorities in its Legislative Platform that serve to guide staff on actions related to monitoring, tracking, and recommending Agency positions on various legislation. Typically, items of legislative interest are brought to staff's attention by WRCOG's member jurisdictions, who from time to time desire to have the Agency take a position in order to demonstrate a subregional position on a particular issue. By adopting this Platform, the Executive Committee provides guidance to staff in expressing member jurisdictions' interests to State and Federal legislators. Attached to this Staff Report is the draft 2021/2022 Legislative Platform for ultimate consideration of approval by the Executive Committee.

Legislative Platform Components

In 2010, WRCOG established the following Agency priorities: economic development, education, energy and environment, health, transportation, water, and legislative advocacy. The Platform builds upon these established goals and guides WRCOG's role in addressing these and other issues at the subregional level. Working in coordination with its member jurisdictions and within the regional context of inland southern California, WRCOG will pursue the following general advocacy goals:

- Pursue state and federal funding to establish or enhance existing programs that promote quality of life and prosperity for Western Riverside County.
- Oppose legislation that seeks to limit local control or reduce funding opportunities to local jurisdictions.
- Coordinate advocacy efforts to promote the interests of Western Riverside County to decision makers at all levels of government.
- Collaborate with public and private sector stakeholders on policy and funding matters that enhance economic development and quality of life in the Inland Empire region.

In addition to the general advocacy goals, the Platform identifies Housing and Economic Development as Priority Issue Areas, recognizing the acute impact of the state-wide housing shortage to the WRCOG

subregion coupled with the necessity for economic recovery and resiliency accelerated by the COVID-19 pandemic. For these Priority Issue Areas, to the extent possible, staff will engage in more targeted lobbying efforts by, for example, working with WRCOG leadership to coordinate targeted engagement with elected leaders at the State level who represent the subregion and/or sit on relevant Senate and Assembly subcommittees, and/or engage with State agency staff, such as the California Department of Housing and Community Development, as well as the Governor's Office of Business and Economic Development (Go-Biz). At this time, there are no plans to hire a professional lobbyist to aid with the implementation of WRCOG's Legislative Platform.

Platform Review

The attached draft Platform was shared with stakeholders in each of the industries affected by the Platform components, including Riverside County Business and Community Services, Public Health, member water districts, Riverside County Transportation Commission, and others. In addition, the draft Platform will be shared with members of the Technical Advisory and Planning Directors Committees. WRCOG asked that interested stakeholders submit any feedback regarding the draft Platform by Friday, January 25, 2021; any substantive comments received by that date will be brought to the attention of the Executive Committee at its February 1, 2021, meeting.

Prior Action:

None.

Fiscal Impact:

Staff activities related to monitoring, tracking, and adopting Agency positions on legislation are programmed in the Fiscal Year 2021/2022 Agency Budget under the Transportation & Planning Department Budget.

Attachment:

1. Draft 2021/2022 WRCOG Legislative Platform.

Item 5.F

WRCOG Legislative Platform Update

Attachment 1

Draft 2021/2022 WRCOG Legislative
Platform

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WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS 2021/2022 LEGISLATIVE PLATFORM

INTRODUCTION

The 2021/2022 WRCOG Legislative Platform is designed to provide guidance to WRCOG and its member agencies on legislation that focuses on issues of mutual concern. Positions adopted by the WRCOG Executive Committee will be forwarded to Sacramento, Washington D.C., and interested parties, as appropriate. By adopting this Platform, the Executive Committee provides guidance to WRCOG staff in expressing its member's interests to the State and Federal legislators. The Platform is adopted by WRCOG at the start of the state's two-year legislative session.

Typically, items of legislative interest are brought to WRCOG's attention by WRCOG's member agencies, which desire WRCOG to take a position on the item, in order to demonstrate a united subregional stance on a particular issue. WRCOG does not currently employ full time legislative staff or lobbyists, and therefore has limited ability to commit significant time to legislative activities. For the General Advocacy components described below, staff will, to the extent possible, monitor legislation that falls within the scope of the adopted Platform and use the Platform as a guide to respond to issues and/or requests raised by WRCOG's member agencies. Staff will strive to also provide information on the impacts of such legislation to member agencies through WRCOG's existing committee structure.

In 2010, WRCOG established the following Agency priorities, which are listed below under General Advocacy: economic development, education, energy and environment, health, transportation, water, and legislative advocacy. In 2012, WRCOG's Executive Committee further reinforced these General Advocacy components through the adoption of an Economic Development and Sustainability Framework. The Economic Development and Sustainability Framework was created based on the identification of gaps towards fostering a more sustainable region and what roles WRCOG could play in helping fill those gaps. The Framework also provides four general categories of roles for WRCOG:

1. Advocacy
2. Convene a Dialogue
3. Facilitate Local Action
4. Act Regionally

The Platform will continue to build upon the Economic Development and Sustainability Framework to ensure these established goals continue to guide WRCOG's role in addressing these and other issues at the subregional level and ensure that WRCOG may expand the institutional structure to help fill in gaps not met by current programs and policies already serving Western Riverside County.

In addition to the General Advocacy components, housing and economic development are identified as Priority Issue Areas, recognizing the acute impact of the statewide housing crisis on the WRCOG subregion and the importance of economic development in ensuring a more prosperous future. For these Priority Issue Areas, to the extent possible, staff will engage in more targeted lobbying efforts by, for example, working with WRCOG leadership to coordinate targeted engagement with elected leaders at the State level who represent the subregion and/or sit on relevant Senate and Assembly subcommittees, and/or engage with State agency staff,



such as the California Department of Housing and Community Development (HCD) or the Governor's Office of Business and Economic Development (GO-Biz).

Generally, when WRCOG seeks to adopt an official position on an item consistent with this Legislative Platform, the item will be presented to WRCOG's standing committees, as appropriate, for review and comment, and to the Executive Committee for final approval. If urgent action is needed, the WRCOG Executive Director and/or the Executive Committee Chair may submit position letters and/or undertake other tasks that may be necessary on legislative matters; such actions would be consistent with this Platform. These actions will be reported at subsequent meetings of the WRCOG Committees.

PLATFORM PRIORITY AREAS: HOUSING and ECONOMIC DEVELOPMENT

Housing and Economic Development are interrelated issues that are anticipated to acutely impact WRCOG and its member agencies over the two-year legislative cycle, and have therefore been identified as specific priority areas for WRCOG to engage with over the legislative cycle. These priority areas have also been exacerbated by the COVID-19 pandemic and WRCOG is committed to supporting and promoting economic recovery and resiliency for the subregion and its member agencies.

Background: California faces an ongoing housing crisis. State officials estimate that an average of 180,000 homes need to be built annually to contend with the growing population, though, in 2019, only 116,000 housing permits were issued. The funding gap created by the 2012 dissolution of redevelopment agencies—the largest source of public funding for housing development—has not been adequately filled since. Increasing construction materials prices and excessive regulation contribute to skyrocketing housing costs unmatched by growth of household incomes. Over the past 20 years, the median cost of rental housing in the state has increased by 116 percent while median household incomes have risen by only 69 percent. Though inland southern California housing costs are generally lower than state averages, local incomes are also lower, averaging \$96,000 per year compared to \$114,000.

Not only is the availability of housing a challenge but the ability to afford housing for many residents continues to exacerbate the housing crisis, around 370,000 households in Riverside County lack the income to meet their basic needs with 41% of households spending more than 30% of their income on housing. Additionally, two-thirds of Western Riverside County residents commute outside of the subregion for work and employment throughout the County are in industries like retail, hospitality, and warehousing, which often provides low wage jobs and lack full-time benefits which continues to perpetuate the subregion's jobs-housing imbalance. More importantly, the impacts of the COVID-19 pandemic have only accelerated many of the economic hardships already felt by many in the inland region and a focus on economic recovery and resiliency are imperative towards realizing a better future for our residents.

Issue: In the last four years, the California legislature has approved a wave of new housing-related laws, starting with Governor Brown's 2017, 15-bill "Legislative Housing Package" and continuing under Governor Newsom. These new laws generally fall into three main categories: funding and incentives, streamlining, and local accountability. While the legislation is intended to alleviate underlying issues related to housing, many new policies do not support their intended goals in Western Riverside County and similar inland regions, due to demographic and



economic characteristics that distinguish these from more urbanized areas. WRCOG is committed to working with State and federal leadership to identify solutions to the housing crisis that recognize the unique needs of different areas within California and help to address funding gaps, reduce regulatory barriers, and increase household incomes and ability to afford suitable housing.

In addition, with the demise of Redevelopment Agencies and State Enterprise Zones local governments experienced the loss of financing and incentive vehicles to attract and encourage private industry investment, build affordable housing and enhance infrastructure to promote economic vitality. WRCOG is committed to working with State and federal leadership to bolster economic growth and enhance the quality of life for its residents. In order to do this, WRCOG encourages that leaders at a variety of levels including business, policy and community development institutions will need to reimagine traditional economic development approaches and siloed efforts towards housing production and fostering economic resilience. A focus on equity through incentivizing place-based and strategic investments is necessary in order to scale collaboration and create an inclusive economy for shared prosperity in the subregion.

Actions:

- Support economic development as a driving factor in housing policy.
- Support legislation that supports regional and cross collaborative approaches to addressing and incentivizing the nexus between housing and economic development.
- Support an incentive-based effort to expedite the development of market-rate and affordable housing.
- Support collaborative efforts that involve the building industry, regulators, non-profits, and other parties to develop housing that is affordable to residents in Western Riverside County.
- Support legislation that would allocate funding to a housing trust in the WRCOG subregion.
- Oppose legislation that creates additional restrictions on local control of land use and development.
- Support legislation that provides ongoing State funding for mandated planning projects such as the Regional Housing Needs Assessment, Sustainable Communities Strategy (SCS), General Plan Housing Element updates, and other planning initiatives under AB 32 and SB 375.
- Support comprehensive reform to the Regional Housing Needs Allocation (RHNA) process, involving collaboration with member agencies, that better aligns housing development requirements with smart planning and funding availability.
- Support initiatives that further streamline the California Environmental Quality Act (CEQA) requirements for projects included in approved housing elements.
- Support initiatives that provide funding to reduce homelessness, expand availability of permanent supportive and transitional housing, and coordinated re-entry services to assist individuals and families experiencing homelessness.
- Support legislation that would institute an equitable geographic distribution of State funding for housing.
- Oppose legislation that reduces State funding for local activities but still requires local governments to maintain existing service levels and responsibilities.
- Oppose legislation that calls for additional State and/or federal mandates absent funding.
- Oppose legislation that penalizes cities for not meeting State housing goals by threatening to withhold funding.



- Oppose legislation that would increase tariffs and regulatory barriers for construction materials like steel and wood.
- Support legislation that would establish a funding program to fill the void created by the elimination of redevelopment housing set-asides.
- Support legislation that supports the creation of living-wage jobs in the WRCOG subregion.
- Support legislation that encourages the creation of jobs near housing to improve the jobs-housing balance.
- Support legislation that incentivizes training for skilled and unskilled trades that work in the construction industry to reduce the cost of housing.

PLATFORM ISSUE AREAS

1. General Advocacy

The purpose of WRCOG is to unify Western Riverside County so that it can speak with a collective voice on issues of mutual concern that cross jurisdictional lines. The Agency operates with the goal of respecting local control while providing regional perspective. WRCOG supports efforts to maintain and increase local control, while enhancing efficiency and effectiveness of activities at the local level through regional, State, and federal planning and funding programs.

Actions:

- Pursue State and federal funding to establish or enhance existing programs that promote quality of life and prosperity for Western Riverside County.
- Oppose legislation that seeks to limit local control or reduce funding opportunities to member agencies.
- Coordinate advocacy efforts to promote the interests of Western Riverside County to decision makers at all levels of government.
- Support legislation that requires additional transparency and communication in State and federal legislative and commission activities.
- Support legislation that requires the Governor and the legislature to pass an on-time budget that does not rely on borrowing or taking from local governments.

2. Economic Development

Western Riverside County is a subregion rich in diversity, resources, and labor. WRCOG is committed to supporting economic recovery from the impacts of COVID-19 and ongoing economic resilience by establishing a common vision and brand identity for the subregion and enhancing the subregion's ability to attract new businesses and private investment thereby improving the overall quality of life for its residents.

Actions:

- Support legislation that will assist businesses negatively impacted by the COVID-19 pandemic.
- Collaborate with public and private sector stakeholders on policy and funding matters that enhance economic development and quality of life in Western Riverside County.



- Support legislation that encourages technology to assist member agencies and the education system in attracting potential businesses and educating future workers (e.g., wireless internet access).
- Support legislative action that streamlines the California Environmental Quality Act (CEQA) process and modernizes CEQA law.
- Support legislation that would encourage employers to open satellite facilities for residents who work outside of Western Riverside County or commute long distances within the region for employment, implement telecommuting, and other transportation demand management strategies.
- Support legislation that expands marketability of the subregion and provides opportunities to “brand” Western Riverside County as a destination location and a desirable place to live, work, and play.
- Support legislation that facilitates collaboration between local government, education, and business.
- Oppose legislation that is harmful to the business climate in Western Riverside County.
- Support legislation that encourages the State of California to offer enhanced economic development tools to improve our competitiveness with other states.
- Support legislation that would maintain existing and/or allocate new grant funding for coordinated local and regional economic development efforts.
- Support legislation that would offer funding and assistance to enable member agencies to continue redevelopment activities.
- Oppose legislation that would encourage or incentivize businesses to leave Western Riverside County.
- Support legislation that would encourage graduates of local colleges and universities to stay in Western Riverside County.
- Support legislation that facilitates remittance of sales tax dollars on e-commerce purchases.
- Support legislation that recognizes the importance of economic development in helping to solve air quality, transportation and housing related issues within the region through the expansion and attraction of businesses and jobs.
- Support initiatives that spur entrepreneurship and facilitate the development of innovation business parks, incubators and other assets that encourage business growth, access to capital and mentorship in the subregion.
- Support economic development within existing and emerging industries that support a reduction in greenhouse gas and that incentivize development of local clean energy and greenhouse gas reduction technologies.

3. Education

Education plays a pivotal role in the future of Western Riverside County. An educated workforce will attract a broader level of employers and increase the earning capabilities of residents. WRCOG is committed to expanding higher education and skilled labor training opportunities available to residents in Western Riverside County.

Actions:

- Support legislation that would improve the quality of, and access to, education for all students.



- Support legislation that encourages public- private partnerships to increase the number of students who are college-ready, enroll and graduate from college, and who achieve degrees that are in demand in Western Riverside County.
- Support legislation that provides funding to retrain individuals for workforce re-entrance.
- Support the development of curriculum geared towards preparing students for sustainable “green collar” and clean technology jobs.
- Support legislation that would allow for the joint use of high school facilities for post-secondary education to expand access to, and enrollment in, college.
- Support legislation that facilitates access to career technical education to fill the growing need for skilled labor.
- Oppose legislation that redirects funding from the K-12 and post-secondary education system in Western Riverside County.

4. Energy and Environment

Energy conservation and efficiency can help residents, businesses, and member agencies save money, improve air quality, and protect the environment while meeting the demands of the growing population. WRCOG is committed to conserving natural resources and advancing alternative energy sources to promote the subregion’s ongoing sustainability.

Actions:

- Support legislation that removes barriers for and provides funding to expand the WRCOG Property Assessed Clean Energy (PACE) Programs.
- Support legislation that protect Community Choice Aggregator’s (CCA) right to develop and administer energy efficiency and integrated distributed energy resources.
- Support legislation that provides incentives for the private sector and local governments to voluntarily implement energy saving measures.
- Support legislation that support increased transparency into existing non-bypassable charges (NBC) and phase out unreasonable new charges.
- Protect indifference of all ratepayer to load migration between Load Serving entities (e.g. Utilities, CCAs, electric service providers).
- Support policy to sunset Power Charge Indifference Adjustment
 - Support policies to reform Investor owned utility procurement practices and minimize stranded investment to avoid stranded costs
 - Support reformation of the PCIA calculation process to promote transparency, accountability, and proper valuation of PCIA components.
- Oppose legislation and policies that threaten Community Choice Aggregation, local control of energy programs and resources, and the independence of the WRCOG and WCE Boards.
- Support legislation that establishes and preserves the role of local government in energy decisions, particularly for activities pertaining to electricity generation, energy storage, supply, demand, and conservation to ensure adequate supply and reasonable costs for residents and businesses.
- Support legislation that encourages or provides incentives for the production and use of clean alternative and renewable energy sources.
- Support legislation that encourages or provides incentives to pursue the goals outlined in the WRCOG Subregional Climate Action Plan, Resilient IE Toolkit, or individual member jurisdiction’s climate action plans.



- Support legislation that promotes municipal clean, alternative, and renewable energy generation and storage.
- Support legislation that encourages / promotes local governments to be program administrators for electrification transportation programs.
- Support legislation that encourages local governments to support / expand smart city infrastructure.
- Monitor current / future legislation on building electrification, Zero Net Energy (ZNE), Reach Codes and Codes Compliance for the building community.
- Support legislation that encourages emissions reductions from sources under federal control (e.g., caused by planes, trains, and ships) and increased emissions monitoring methods.
- Support the continuation of air quality management at the air basin level rather than at the statewide or individual county level.
- Support legislation that extends federal alternative fuel and vehicle tax credits and incentives.
- Support legislation that would encourage the development of alternative fuel facilities.
- Support legislation that encourages the expansion of solid waste conversion technologies.
- Support legislation that increases markets for recyclable or compostable materials.
- Support legislation that enables efficient recycling of organic material.
- Support legislation that implements programs to reduce litter and illegal dumping.
- Support the increase of fines and/or confiscation of vehicles for individuals and companies caught in the act of illegal dumping.
- Support State loans, grants, and loan guarantees for businesses implementing source reduction programs and utilizing post-consumer recycled materials in the manufacture of new products.
- Support legislation that encourages the proper disposal of hazardous waste.
- Support legislation that implements Extended Producer Responsibility principles aimed at removing the cost burden for disposal of products from member agencies.
- Oppose waste management requirements that would put member agencies at risk of not meeting AB 939 requirements, or make member agencies incur excessive costs absent funding.

5. Health

Health outcomes strongly influence quality of life. Riverside County ranks 35th out of 58 ranked counties in the state for health factors influencing health outcomes, due to such issues as a lack of access to clinical care (e.g., health care facilities, insurance, and practitioners), social and economic conditions (e.g., income, education, jobs, and safety), and environmental quality (e.g., park access and air quality). WRCOG supports efforts to foster a natural, social, and economic environment conducive to health and empower the subregion to address existing challenges in a collaborative, sustainable manner.

Actions:

- Support legislation that reduces state regulatory barriers that impede the provision of health services in Western Riverside County.
- Support legislation that facilitates regional collaboration in addressing health and healthcare problems.
- Support legislation aimed at increasing institutions that offer training and residency opportunities for healthcare professionals in exchange for contractual services.



- Support legislative that fosters incentives for health care professionals to practice in underserved areas, including Western Riverside County.
- Support legislation aimed at increasing the number of hospital beds in the region.
- Support legislation that increases local government authority to oversee location of community care facilities and transportation options to the care facilities.
- Oppose legislation that could potentially establish unnecessary barriers to the creation and construction of healthcare facilities.
- Support legislation that supports continued financing of the University of California, Riverside School of Medicine to attract and retain healthcare professionals in the region.
- Support legislation that provides funding and other assistance for the development of a Youth Master Plan that contains plans and programs for children with special needs (i.e. parks, recreational needs, and housing opportunities for children with special needs).
- Support legislation that creates an information exchange, or information network, where residents can access available support services and data on specific issues.
- Support legislation that facilitates Office of Statewide Health Planning and Development (OSHPD) and California Environmental Quality Act (CEQA) streamlining for efficient hospital construction.
- Support legislation that promotes the development of walkable communities.
- Support legislation that coordinates health goals with economic development actions.
- Support legislation that seeks to improve the level of physical activity among adults and children.
- Support legislation that seeks to improve access to affordable, healthy foods.

6. Transportation

In order to meet the needs of Western Riverside County's current population and sustainably accommodate future growth, the subregion must expand the capacity and efficiency of its transportation network. WRCOG is committed to supporting efforts to optimize quality, safety, and accessibility of transportation infrastructure for motorists, goods movement, transit, and non-motorized transportation.

Actions:

- Support federal and State efforts to provide sustainable and stable funding for the transportation system.
- Support efforts to ensure that communities in Western Riverside County receive fair and equitable allocations of transportation funding from the federal, State, and regional level.
- Support legislation that gives priority to self-help and "super" self-help counties when allocating funding for transportation.
- Support legislation and funding mechanisms that support and encourage the use of transit and non-motorized transportation, including active transportation.
- Support legislation that enhances the safety of city streets and arterials for vehicular, bicycle, and pedestrian traffic.
- Support regional transportation programs.
- Support legislation that provides funding for goods movement-related projects and studies.
- Support legislation that would create funding opportunities for upgrades and/or separations for at-grade crossings.
- Support legislation that increases local flexibility in the allocation of transportation capital funds.



- Oppose legislation that caps or limits the ability to impose development fees.
- Oppose legislation that eliminates or restricts the use of Riverside County State Transportation Improvement Funds, federal transportation funding, Measure A, SB 1, or toll funding for local transportation projects.
- Support increased funding for transportation projects selected based on regional performance metrics.
- Support financial incentives for the use of zero-emission vehicles.
- Support efforts to encourage transit-oriented development.
- Support efforts to ensure the implementation of Senate Bill 743 (SB 743) and Vehicle Miles Traveled as an agency's transportation impact metric is further refined to create certainty and oppose policies that restrict the ability to deliver goods movement enhancements due to the application of SB 743.
- Support equitable distribution of transportation funding to ensure that disadvantaged communities receive their fair share of funding
- Engage in policy discussions that utilize teleworking as a method to reduce traffic congestion and improve local economic and public health by permanently increasing the number of Riverside County residents who telecommute or work remotely. Support a greater share of state greenhouse gas (GHG) reduction funds toward transportation investments to address the transportation sector's share of GHG emissions.
- Support the simplification of SB 743 VMT modeling and analysis for capacity increasing highway projects.
- Support efforts that allow transportation agencies to receive retroactive credit for VMT reducing projects that have been recently delivered or are planned in their delivery plans.
- Support efforts or initiatives that limit the liability of transportation projects for long-term conservation or mitigation.
- Support efforts to increase the number of highway related improvements that qualify for Categorical Exclusions and Exemptions while remaining sensitive to environmental impacts.

7. Water

Western Riverside County's economic well-being and quality of life depend on securing a reliable supply of water to meet the existing and future demands of the subregion. WRCOG supports continued conservation efforts that work to reduce water use, strengthen and improve the Sacramento-San Joaquin Bay Delta levees and ecosystem, and support the identification and construction of alternative means for conveying water to Southern California residents and businesses.

Actions:

- Support legislation and legislative actions that promote the development of alternative water resources such as recycled water, storm water reclamation, and groundwater desalination.
- Support efforts that preserve local control in addressing and mitigating the impacts of drought.
- Support legislation that explores new water storage methods.
- Support legislation that provides funding to local governments for water quality and conservation-related programs.
- Support legislation to improve the state's water infrastructure and delivery mechanisms without causing excessive financial burdens or delivery delays to Southern California.

2021/2022 Legislative Platform



- Oppose legislation that would delay implementation of the California WaterFix and California EcoRestore.
- Oppose legislation that shifts or re-aligns local ad valorem property tax revenues approved by local voters for vital water and wastewater infrastructure.



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Communications and Media Outreach

Contact: Elisa Laurel, Program Manager, elaurel@wrcog.us, (951) 405-6752

Date: January 13, 2021

The purpose of this item is to provide an update on WRCOG's various communications and external affairs activities.

Requested Action:

1. Receive and file.

Background

In light of the impacts of COVID-19 and how it has changed the way organizations engage with constituents, WRCOG has prepared its communication strategy for 2021. Prior to the spread of COVID-19, WRCOG relied heavily on in-person events and meetings to stay connected to members and partners. Looking forward to 2021, as traditional forms of staying connected are no longer as prominent or in alignment with state and local public health guidelines, WRCOG is looking to continue communication initiatives first established in 2020 as well as expanding to other engagement methods.

Communications and Engagement Efforts

WRCOG has identified four primary platforms to retain engagement: bimonthly webinars titled Future Forward, monthly newsletters titled Elevate, biweekly podcasts referred to as the WRCOGCast, and other government relation activities.

Future Forward, WRCOG's interactive webinars, began in April 2020 to create opportunities for members and agency partners to learn and hear from expert speakers on a number of issues surrounding innovation during disruption. Since inception, there have been eight episodes to date on topics relating to transportation trends in the wake of COVID-19, to economic resilience, to best practices in grant writing, and more. Originally created as a monthly webinar series in 2020, Future Forward will transition to a bimonthly schedule in 2021 while continuing to bring thoughtful leadership and relevant content to the forefront of subregion. All Future Forward episodes can be found on here: <https://www.youtube.com/user/WRCOGMinute/videos>.

"Elevate", WRCOG's repurposed monthly newsletter, is intended to keep member jurisdictions and partners up to date with not only WRCOG's activities but also other noteworthy events happening in the subregion. One of the key elements of Elevate will be a featured guest column, in which WRCOG will invite professionals from partner agencies to write on a number of pertinent topics.

The WRCOGCast, WRCOG's podcast, launched in 2018, and serves as another resource. Released on a biweekly basis, the WRCOGCast features short interviews highlighting some of the many agencies, issues, and programs working to improve the quality of life in the subregion. To date, there have been 48 podcast episodes released. All episodes can be accessed on Spotify, Google Play, Apple Podcasts, and PodBean.

Lastly, in the upcoming year, WRCOG will be making a focused effort on expanding government relations activities to further connect with member jurisdictions and partners. Staff will be contacting member jurisdictions over the course of the next year to schedule a time to present at a member jurisdiction's City Council meeting.

Integration of the Economic Development and Sustainability Framework

In order to streamline and connect WRCOG's various communication efforts, the communications calendar for the upcoming year will be formatted in alignment with WRCOG's Sustainability Framework. Adopted in 2012, the Economic Development and Sustainability Framework serves as a roadmap for implementing the Agency's regional programs and projects. It identifies six inter-related goal areas, which are critical to achieve and maintain a high quality of life in Western Riverside County. The goal areas include economy, education, energy & environment, health, water, and transportation.

WRCOG's communication efforts in 2021 will be sequenced in line with each of the goal areas identified in the Framework and creative assets within the WRCOG brand will also be re-engineered to reflect this alignment.

Preliminary Schedule of Communication Activities

In order to stay engaged and connect, staff will be scheduling up to two meetings per month with member jurisdictions' respective City Council or Board meetings to present and share some of the latest activities, milestones, and valuable programming delivered by WRCOG over the years. Additionally, the schedule below provides a high-level overview of upcoming communication content proposed for the 2021 calendar year and reflect the goal area(s) in alignment with the Sustainability Framework:

1. January
 - Future Forward Webinar: The Economic Development and Sustainability Framework
 - Elevate Newsletter: The Economic Development and Sustainability Framework
 - WRCOGCast: The Economic Development and Sustainability Framework
2. February
 - Elevate Newsletter: The Economic Development and Sustainability Framework
 - WRCOGCast: Energy
3. March
 - Future Forward Webinar: Water
 - Elevate Newsletter: Water
 - WRCOGCast: Water
4. April
 - Elevate Newsletter: Economy
 - WRCOGCast: Economy
5. May
 - Future Forward Webinar: Economy & Education
 - Elevate Newsletter: Education
 - WRCOGCast: Education
6. June
 - Elevate Newsletter: Economy & Education
 - WRCOGCast: Economy & Education
7. July
 - Future Forward Webinar: Economy & Transportation
 - Elevate Newsletter: Economy & Housing

- WRCOGCast: Economy & Transportation

8. August

- Elevate Newsletter: Transportation
- WRCOGCast: Transportation

9. September

- Future Forward Webinar: Energy & Environment
- Elevate Newsletter: Energy & Environment
- WRCOGCast: Energy & Environment

10. October

- Elevate Newsletter: Energy & Environment
- WRCOGCast: Energy & Environment

11. November

- Future Forward Webinar: Health
- Elevate Newsletter: Transportation
- WRCOGCast Transportation

12. December

- Elevate Newsletter: Health
- WRCOGCast: Health

Prior Action:

None.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.

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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: WRCOG Economic Development and Sustainability Framework

Contact: Chris Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710

Date: January 13, 2021

The purpose of this item is to provide background on the WRCOG Economic Development and Sustainability Framework and discuss its role in serving as a Strategic Planning and Guidance document for WRCOG programs and activities.

Requested Action:

1. Receive and file.

Introduction

In December 2012, WRCOG completed work on the WRCOG Economic Development & Sustainability Framework. Funding for this effort was provided by the Southern California Association of Governments (SCAG) through the Compass Blueprint Program. The completed document can be found at <https://www.wrcog.us/DocumentCenter/View/189/Sustainability-Framework-PDF?bidId=>.

As stated in the document's Executive Summary, the Framework's objectives are:

- Serve as a starting point for a dialogue about sustainability
- Establish goals to inform and guide regional collaboration
- Define and prioritize short-term actions for WRCOG
- Define initial indicators, benchmarks, and targets for the WRCOG subregion

The Framework was developed through input from WRCOG staff and representatives of WRCOG member jurisdictions, including both elected officials and city staff, many of whom were City Managers. Since the completion of the document, many of the elected officials and city staff who participated in this effort have since retired from their positions, left office, passed away, or relocated outside of the WRCOG subregion. Of the elected officials who participated in this initial effort, the only elected officials who are still members of the WRCOG Executive Committee include:

- Brian Tisdale, Lake Elsinore
- Rita Rogers, Perris
- Ben Benoit, Wildomar
- Chuck Washington, Riverside County

The Economic Development and Sustainability Framework is organized around six focus areas:

- Economic Development
- Education
- Health

- Transportation
- Water and Wastewater
- Energy and Environment

Each of the issue areas are further detailed in terms of goals and action items. For example, for Economic Development, Goal 1 is “Vision and Branding.” That is further defined as “A common understanding of and unified voice for economic development needs, services, assets, and challenges.” There are six action items under this goal including “Define the appropriate organizational framework to provide subregional economic development leadership.” Under the six focus areas, there are 22 separate goals and 132 total actions.

In addition to the focus areas, goals, and actions, the Framework also contains over 50 regional indicators that were intended to measure how the region is progressing in terms of the six focus areas.

Recent Activities

In 2019, WRCOG reviewed the 50 regional indicators and the Framework and identified a need for some consolidation. This review determined that some of the indicators were duplicative or outdated and could be consolidated. This consolidation resulted in 14 new indicators which covered all six focus areas. For each of the indicators, WRCOG compared 2012 data against the latest available data. This review was presented at the 2019 General Assembly & Leadership Conference and the key findings included:

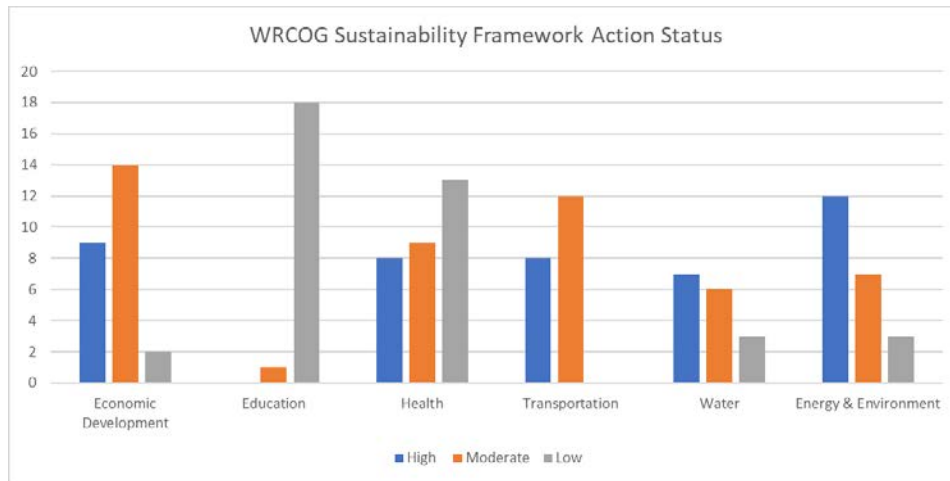
- Economic growth seems to be occurring primarily in the fields of retail, hospitality, and warehousing, with nearly 2/3 of new jobs being added in these fields
- The percentage of persons leaving the subregion to work in Los Angeles, Orange, San Bernardino, and San Diego Counties has increased when compared to 2012
- Household incomes across the region have decreased when adjusted for inflation
- Water consumption per capita has decreased throughout a majority of the region
- Violent crimes per capita have also decreased and remain significantly lower than the statewide average

A copy of the presentation from the 2019 General Assembly & Leadership Conference is attached to this Staff Report for reference.

Within the past several months, WRCOG completed a review of the overall Framework, specifically focusing on WRCOG’s progress towards completing the 132 actions across the six focus areas. For each of the actions, WRCOG assessed the level of implementation as follows:

- High: Action either is complete or there is on-going work related to the action
- Moderate: Some level of activity related to the action
- Low: No activity related to the action

Of the 132 actions, 44 were determined to have a high level of implementation, 49 had a moderate level of implementation, and 39 had no activity. The distribution of completed actions by focus area is shown below.



As shown in the chart, the highest levels of activity area in the Economic Development, Transportation, and Energy and Environment. There has also been some activity in the Water and Health focus. Activity within the Education focus area was limited. It should be noted that much of the activity in the Economic Development area within the past several years is due to recent initiatives such as the Experience Sustainability Center and the exploration of the proposed Economic Development Corporation.

Next Steps

Even though the Framework is 10 years old, it is still a sound document and provides valuable insights to staff and member jurisdictions on WRCOG’s priorities. During subsequent visioning sessions held with the Executive Committee and TAC in 2014 and 2017, the priorities in the Framework were affirmed. However, it would be appropriate to update the document to address the following:

- The inclusion of Western Community Energy (WCE) and Riverside County Habitat Conservation Agency (RCHCA)
- Updating the baseline data in the document from 2012 to 2019 or the latest available data
- Updating the list of indicators based on the previous work
- Potentially revisiting the focus areas to potentially include other focus areas or consolidating the existing focus areas
- Updating the actions as appropriate to reflect recent activities and any changes in WRCOG programs

Staff are currently in discussions with one of WRCOG’s on-call consultants to discuss a potential scope and budget for an update of the Framework. Staff anticipates that these discussions will conclude in January 2021, at which time staff can proceed with an update to the document. Staff anticipates that a minor update to the document, as outlined above, can be accomplished with available funds in the current and next fiscal year budget.

Once staff have completed their due diligence, an update will be provided to this Committee and will include a proposed schedule for the update, the outreach plan to members jurisdictions, and the process for each of WRCOG’s Committees to review and approve this document.

Prior Action:

None.

Fiscal Impact:

WRCOG staff time for the review of the Framework is included in the Transportation & Planning Department Budget for Fiscal Year (FY) 2020/2021. Consultant expenses for an update to the Framework would be divided between the FY 2020/2021 and the FY 2021/2022 Transportation & Planning Department Budget.

Attachment:

1. Presentation of Indicators at 2019 General Assembly & Leadership Conference.


Item 6.A

WRCOG Economic Development
and Sustainability Framework

Attachment 1



Presentation of Indicators at 2019
General Assembly & Leadership
Conference

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WRCOG Sustainability Indicators


William Anderson, FAICP
Director, City & Regional Planning, AECOM

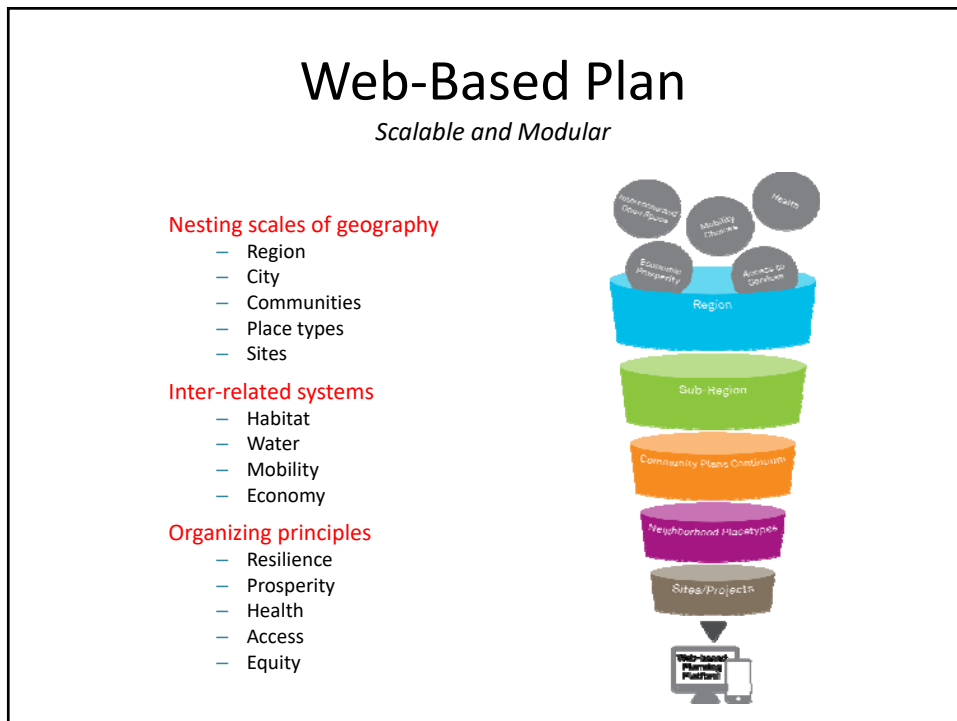
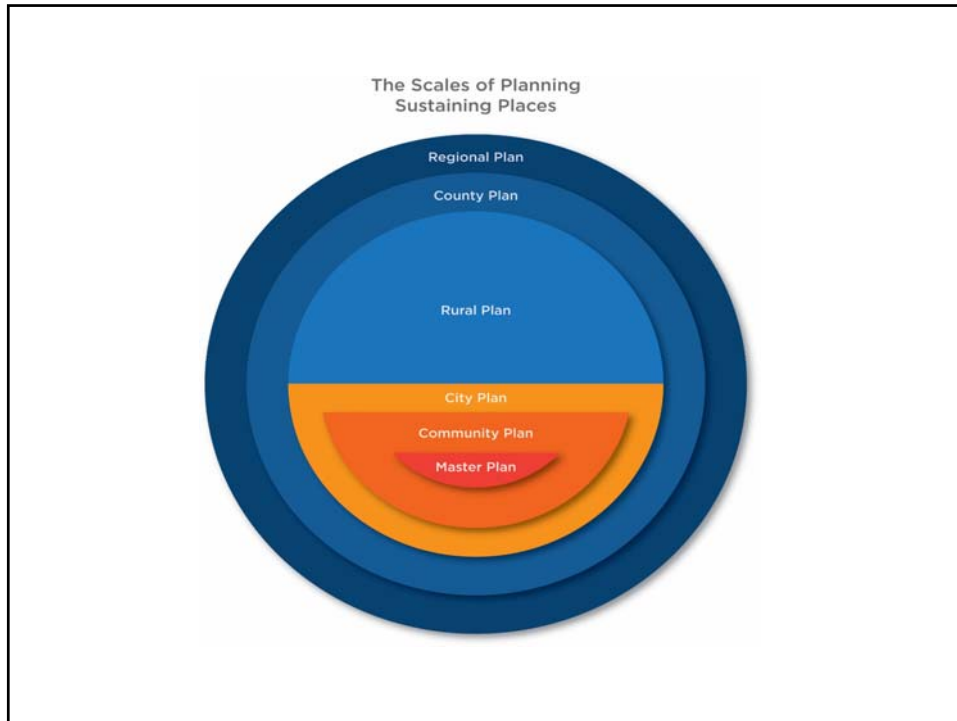


Sustainability Indicators

- **Indicator approach**
 - Reduce and consolidate original list of 50+ to 15-20 indicators
 - Review other sustainability frameworks for potential new indicators
 - Illuminate meaningful trends
 - Utilize readily accessible and available data
 - Provide local data where available
- **Recommended list of 14 indicators* across**
 - Economic Development
 - Health
 - Environment and Energy

*Two indicators have multiple component sub-indicators







Indicator Test #1

63,000 jobs were added in our region between 2010-2016. Which sector had the most job growth?

- Construction
- Warehousing and transportation
- Retail and hospitality
- Government



Retail and hospitality jobs accounted for almost 1/3 of this growth. Another 1/3 was related to warehousing and transportation.





Indicator Test #2

In 2010, 61% of residents in Riverside County traveled daily to jobs outside of the County. Since then, has this number:

- Gone Up?
- Gone Down?
- Stayed the Same?



The latest data shows that the percentage of residents traveling outside the County for work has gone up slightly (62% vs. 61%).





Indicator Test #3

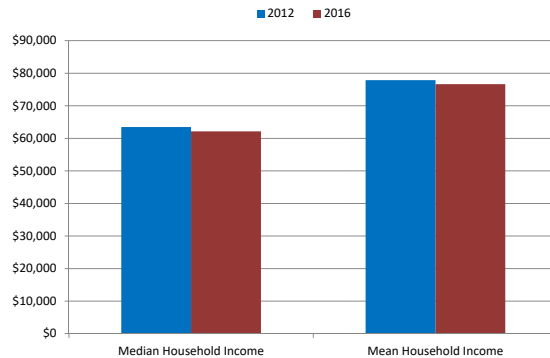
*In 2010, the **median household income in Riverside County was \$60,000**. The mean household income was \$80,000. Adjusted for inflation, has this number:*

- Gone Up?
- Gone Down?
- Stayed the Same?



Gone down.

WRCOG Median and Mean Household Income (2012-2016)





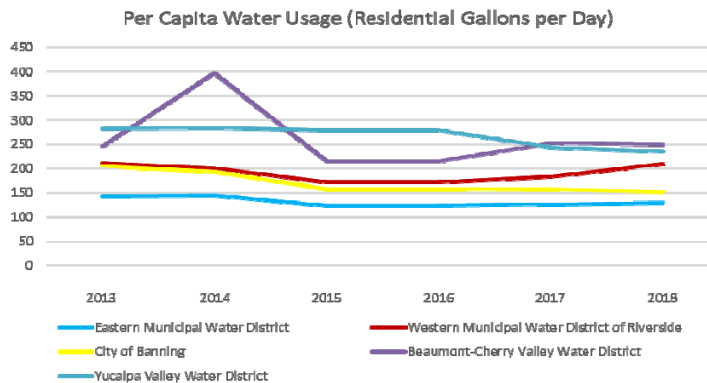
Indicator Test #4

*In 2010, per capita residential water use ranged from **150 to 300 gallons per day**, across all five water providers or water districts. Has that number:*

- Gone Up?
- Gone Down?
- Stayed the Same?



Gone down in 4 of the 5 water districts (accounts for 95% of WRCOG's population).





Indicator Test #5

*Statewide, there are over 500 **violent crimes** per 100,000 residents. What is the level of violent crime in the WRCOG region:*

- Higher?
- Same?
- Lower?



Lower and it has decreased from 2010.

Year	California	WRCOG Region
2010	532	447
2017	542	401



Economic Development Indicators

#	Indicators	Target	Target Progress Detail
1	Total and Priority Sector Job Growth	Track job growth over time by sector	Job growth 2010-2015 = 67,400 <ul style="list-style-type: none"> • Transportation, Warehousing and Manufacturing = 27% of growth • Accommodation, Food Service, and Retail = 30% of growth • Construction = 18% of growth
	Residents Employed in Job Sector Versus Jobs in Each Sector in WRCOG	Improve the ratio of WRCOG jobs per employed resident in key job sectors	All sectors jobs per 10 working residents <ul style="list-style-type: none"> • 2010 = 7.9 jobs per 10 • 2015 = 8 per 10 Priority sectors jobs per 10 working residents <ul style="list-style-type: none"> • 2010 = 6.6 per 10 it improved from 6.6 to • 2015 = 7 jobs per 10 <ul style="list-style-type: none"> • Driven by Transportation and Warehousing sector
	% of Employed Residents Working Outside of WRCOG	Reduce the proportion of residents commuting outside the region to work	% of employed residents working outside of the WRCOG region <ul style="list-style-type: none"> • 2010 = 61% • 2015 = 62%
2	Inflation Adjusted Median Household Income for WRCOG region and by city	Track and support household income growth	Inflation Adjusted Median Household Income <ul style="list-style-type: none"> • 2012 = \$63,487 • 2016 = \$62,131

Economic Development Indicators (cont.)

#	Indicators	Target	Target Progress Detail
3	Educational Attainment	Track and compare WRCOG educational attainment to LA, Orange, and San Bernardino counties	WRCOG versus combined LA, OC, San Bernardino Counties (2016) <ul style="list-style-type: none"> • Graduate degree = 7% vs. 11% • Bachelors = 13% vs. 20% • Some College/Associates = 35% vs 28%
	Graduates Meeting UC/CSU Requirements	Continual Improvement and surpass statewide average	Riverside County vs. State Average (2016-2017) <ul style="list-style-type: none"> • 48% vs. 50%
4	Riverside Transit Agency Ridership	Increase transit ridership (annual boardings)	Annual transit ridership <ul style="list-style-type: none"> • FY 11 = 8.1 million • FY 17 = 8.7 million • 7% increase
	Metrolink Ridership	Increase ridership (average weekday boardings)	2% drop from 2016

Health Indicators

#	Indicators	Target	Target Progress Detail
5	Healthcare facilities per 1,000 residents	Increase ratio of healthcare facilities per 1,000 residents to meet/surpass California	WRCOG versus state average <ul style="list-style-type: none"> WRCOG has 59% as many hospital beds, 64% as many long-term beds, and 39% as many general clinics.
6	Acres of local parks per 1,000 residents	Track and seek to increase acres of parks per 1,000 residents	Per capita park acreage <ul style="list-style-type: none"> 2010 = 3.45 2017 = 3.13
7	Number of Days of Good/Moderate Air Quality	Increased 3-Year average of good/moderate air quality days	Average annual number of days of Good/Moderate Air Quality (3-year rolling average) <ul style="list-style-type: none"> 2010-2012 = Ave. 209 days 2016-2017 = Ave. 226 days
8	Bike/Ped Collisions per 1,000 Residents	Continuously reduce bike/pedestrian collisions per 1,000 residents	Collisions per 1,000 residents <ul style="list-style-type: none"> Increased by .76 (50%) since 2010
9	Reduction in Violent Crime per 100,000 residents	Continue to reduce violent crimes	WRCOG versus state average per 100,000 residents <ul style="list-style-type: none"> 2010 = 447 vs. 532 2017 = 401 vs. 542

Environment and Energy

#	Indicators	Target	Target Progress Detail
10	Per Capita VMT	Reduce per capita VMT	Per capita VMT in 2016 was 5% less than in 2010
11	Daily Water Usage per Resident	Track residential daily water conservation over time	2013 versus 2017 daily water usage per resident <ul style="list-style-type: none"> Decreased 5% - 26% in four of the five water districts that serve WRCOG residents
12	Grid Renewable Energy %	Meet RPS required % in most recent compliance period	SoCal Edison <ul style="list-style-type: none"> 25% for 2014 - 2016 compliance period On track to meet 33% by 2020 goal Publicly Owned Utilities (POUs) <ul style="list-style-type: none"> Four of the five POU's met their 20% RPS goal for the 2011-2013 period and are on track to meet the 33% by 2020 goal
13	Acres of Agricultural Land Conserved Under the Williamson Act	No established target. Track changes annually	32,220 acres conserved
14	Acres of Habitat Land Conserved under Multiple Species Habitat Conservation Plan (MSHCP)	153,000 acres of habitat land conserved	39% of total target acres conserved



Principal Data Sources

- US Census Bureau
- Environmental Protection Agency
- California Department of Education
- Riverside Transit Agency
- California Office of Statewide Health and Planning Development
- California Public Utilities Commission
- California Energy Commission
- California Department of Justice
- California Statewide Integrated Traffic Records System
- Highway Performance Monitoring System
- California State Water Resources Control Board
- Western Riverside Conservation Authority



Methodology

1. **Relevance to sustainability**
 - Evaluated relevance of original indicator list to regional sustainability
 - Excluded those that were narrow
2. **Data availability**
 - Evaluated data sources for accessibility, frequency of updates, and ease of use
 - Identified applicability to WRCOG and its member jurisdictions
 - Assessed comparative usefulness of different sources and whether they could be collected for individual jurisdictions and aggregated to the WRCOG level
3. **Selected indicators based on combined sustainability and data assessment**





Key Considerations

- Data sources vary widely in their geographic focus and currency
 - WRCOG is a sub-region usually not tracked independently
- New tools and sources are becoming more widely available and affordable
- Integrated software systems (ESRI, Urban Footprint, etc.) increasingly allow for mapping, visualization, and comparing scenarios



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Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Agency Accomplishments for 2020 and Goals for 2021

Contact: Chris Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710

Date: January 13, 2021

The purpose of this item is to brief Committee members on WRCOG's goals for 2021, which touch on major initiatives and work efforts for the forthcoming year.

Requested Action:

1. Receive and file.

As we enter 2021, staff has compiled a list of goals to be accomplished this year, based upon on-going efforts. These goals are related to WRCOG's activities and extend across WRCOG's departments and programs.

1. Implement the proposed Inland Regional Energy Network Business Plan (a partnership between WRCOG, the San Bernardino County Transportation Agency, and the Coachella Valley Association of Governments) so that expanded energy programs can be implemented throughout the region starting in 2022.
2. Further explore the formation of an Economic Development Corporation to strengthen the economic resiliency in Western Riverside County.
3. Establish a Geographic Information System (GIS) Service Bureau, which will provide additional technical supportive services to member agencies, consultants, and other stakeholders within the region requiring these services.
4. Continue with implementation efforts related to the Regional Housing Trust Fund.
5. Galvanize the various organizational efforts taking place to protect the Stephens' Kangaroo Rat by creating a Species Range-Wide Management and Monitoring Plan.

Each of these goals is discussed in further detail below. For each of the goals, the linkage to the Economic Development and Sustainability Framework is noted in terms of which focus area that goal corresponds with.

Goal #1 - Inland Regional Energy Network Business Plan

Over the past year, the San Bernardino Council of Governments (SBCOG), the Coachella Valley Association of Governments (CVAG), and WRCOG have engaged a consultant to support and develop a business plan for a new energy efficiency program within the region, to be known as the Inland Regional Energy Network (I-REN), that will be submitted in January 2021 to the California Public Utilities Commission (CPUC) for consideration and approval. To date, staff have been working alongside consultants Frontier Energy and BluePoint Planning to gather information on public building data for both electric and gas models, identify challenges / barriers to address, develop a strategic framework to be incorporated into the business plan, identify the program areas for the region, and communicate with staff at the CPUC, academia, and utilities to continue voicing the need of

an I-REN within the Counties of Riverside and San Bernardino. Along with this work, WRCOG staff have met with the Riverside County Economic Development Agency, UCR Extension, Mt. San Jacinto College, and members of the Riverside County Workforce Investment Board, to discuss collaborative opportunities to grow energy efficiency support and programs within the region.

In May 2020, WRCOG staff presented the I-REN to the California Energy Efficiency Coordinating Committee (CAEECC) in order to present the idea and opportunity that CVAG, SBCOG, and WRCOG wanted to incorporate within the Inland Empire. Concluding the presentation, CAEECC members asked that the I-REN team come back to present a second time. This presentation occurred in December 2020 and the feedback was generally positive.

The I-REN team is currently updating and incorporating the feedback provided by CAEECC members into the final business plan and the tentative submittal date is January 2021. Upon submittal to the CPUC, staff will work to continue fostering its partnership with local implementors such as the County Workforce Investment Boards and Community Colleges to work on opportunities that can be implemented once I-REN's business plan is approved by the CPUC.

Sustainability Framework Focus Area: Energy and Environment

Goal #2 - Economic Development Corporation (EDC)

Staff has been actively exploring the benefits of an EDC for the WRCOG subregion since July 2020. Staff has completed their due diligence on this effort primarily focusing on interviews with regional stakeholders (30), other EDCs (15), and staff from all of WRCOG's member agencies. Staff brought this item to the Executive Committee in November 2020 and received approval to form a Steering Committee. Both the Executive and the Technical Advisory Committees appointed members to the Steering Committee, and meetings are expected to begin meeting in 2021. The Steering Committee will also include other stakeholders representing education institutions, utilities, non-profits, and Chambers of Commerce. This item will be brought back to the Administration & Finance Committee in May 2021 with an update and progress of the Steering Committee.

Sustainability Framework Focus Area: Economic Development

Goal #3 - GIS Service Bureau

Since July, staff has also been actively working on a regional GIS / Traffic Modeling Service Bureau. This effort would provide GIS services to WRCOG member agencies and other regional stakeholders on an as-needed basis. Staff has developed guidelines for these services, which will guide how to prioritize requests. Throughout January, staff will be purchasing necessary equipment for the Service Bureau and establishing a process to receive requests on WRCOG's website. WRCOG will be providing an update on this effort through the WRCOG Committee structure in June 2021.

Sustainability Framework Focus Area: Economic Development, Transportation, Energy and Environment

Goal #4 - Housing Trust Fund

Another active WRCOG initiative is the Regional Housing Trust Fund. WRCOG has completed two rounds of due diligence and initial investigation into this topic, including meetings with key outside stakeholders and WRCOG member agencies. This exploration effort has determined that there is general support for a Regional Housing Trust Fund but member agencies would like to better understand the costs and other requirements to be members of the Housing Trust. WRCOG has been awarded grant funding by the Southern California Association of Governments to establish a Housing Trust Fund. During 2021, staff will assemble a Steering Committee to determine structure and governance for the Trust Fund with the goal of establishing the Trust Fund in 2022. The Trust Fund will be structured so that WRCOG member agencies can choose to join the Trust, rather than automatically be members of the Trust.

Sustainability Framework Focus Area: Economic Development, Health

Goal #5 - Species Range-Wide Habitat Management and Monitoring Plan for the Stephens' Kangaroo Rat (SKR)

The Riverside County Habitat Conservation Agency (RCHCA) will lead this effort by working with existing stakeholders to develop and implement this Plan throughout the range of the SKR. Currently, many agencies and organizations attempt to conserve SKR under their respective management plans. Without regional coordination, SKR recovery has occurred in a patchwork fashion with varying levels of success, with Riverside County being much further along than Northern San Diego County. Each of these plans has different methodologies and/or requirements which make analyzing the status of SKR across the range challenging. Recently, RCHCA was awarded a contract by the Bureau of Land Management (BLM) in the amount of \$600k, with a large portion going towards the development of a Species Range-Wide Habitat Management and Monitoring Plan. RCHCA assembled a working group of stakeholders consisting of the U.S. Fish & Wildlife Service, BLM, California Department of Fish & Wildlife, and the Department of Defense, as well as private scientists, and then hired the Conservation Biology Institute to draft a range-wide plan. Once implemented, this Plan will coordinate species management of SKR throughout its geographical range, including Northern San Diego County, and will also include genetic protocols developed by the San Diego Zoo's Institute of Conservation Biology with the eventual goal of species recovery.

Sustainability Framework Focus Area: Energy & Environment

A complete list of actions completed by WRCOG in 2020 and goals for 2021 are provided in Attachment 1 to this Staff Report.

Prior Action:

None.

Fiscal Impact:

Funding for the development of the I-REN is included in the Energy & Environment Budget for Fiscal Year 2020/2021. Funding for the GIS Service Bureau and the EDC are included in the Transportation & Planning Department Budget for Fiscal Year 2020/2021. The Housing Trust Activities are funded partially through the Transportation & Planning Department Budget for Fiscal Year 2020/2021 and through grant funding provided by the Southern California Association of Governments. RCHCA's activities for the Species Range-Wide Habitat Management and Monitoring Program will be funded by a grant from the Bureau of Land Management.

Attachment:

1. WRCOG Accomplishments for 2020 and Goals for 2021.

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Item 6.B

Agency Accomplishments for 2020
and Goals for 2021

Attachment 1

WRCOG Accomplishments for 2020
and Goals for 2021

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WRCOG Accomplishments for 2020 and Goals for 2021

Energy and Environment Department

2020 Accomplishments

Clean Cities

1. Alongside partners, worked to qualified State Route 91 for designation as Alternative Fuel Corridors, which opens planning and funding for future fueling infrastructure development where corridor gaps exist.
2. AltCar Expo went "Live" with online cutting-edge discussions. Two live events were held with over 200 participants, including representatives from both industry and the public.

Used Oil

1. Motor Oil Recycling education and outreach turned to digital billboards throughout the subregion with several member jurisdictions agreeing to promote "Did you know, Motor Oil can be recycled too."
2. Public oil filter exchanges and in-person visits for auto part stores halted for public safety in the spring and summer of 2020. During fall 2020, a pilot Voucher Program and Virtual CCC visits were tested for the subregion. Over 70 online visits have been made and will be followed up with more in 2021. The Voucher Program for oil filter exchanges will launch in January 2021 allowing safe recycling for community members.
3. EcoHero Shows have continued to be a resource for students that introduces environmental topics such as used oil recycling, household hazardous wastes, and even food waste prevention, through songs, dance, and music videos. The goal of EcoHero is to show students how they can make an impact by recycling at home and school. During the stay at home orders, EcoHero has performed virtual shows for 17 schools, about 1,400 students at home.

Western Riverside Energy Partnership (WREP)

1. Achieved over 1,500 therms savings as part of SoCalGas' Direct Install Program, which offers local governments audit and installation of qualified energy efficiency measures. Measures that were installed included Faucet Aerator (Bathroom / Kitchen Sink), Low Flow Shower Heads, Tank Insulation, and Pipe Insulation.
2. Collaborated with the San Gabriel Valley Council of Governments, The Energy Coalition, and Willdan to provide a Local Government Partnership (LGP) webinar known as "Game of Therms" to highlight local government success.
3. Participated in regional working groups to further expand the energy efficiency opportunities in Smart City Innovation, Microgrids, and Energy Efficiency

Inland Regional Energy Network (I-REN)

1. Finalized draft I-REN Business Plan
2. Presented draft Business Plan to the California Energy Efficiency Coordinating Committee (CAEECC)
3. Network and engaged with CPUC staff and other energy program administrators to further understand and grow I-RENs vision
4. Received over 20 letters of support from local and regional agencies in support of I-REN.

Streetlights

1. LED Retrofit Completion
 - a. The Program completed the LED retrofit of 50,235 streetlights across the eleven participating jurisdictions. Over 20 years, this project will save the participating jurisdictions up to \$100M in utility savings, or up to \$70M in *net savings*. Additionally, the project will save jurisdictions an annual 17.4 million kWh in energy, or the equivalent of one-years' worth of electricity use for 2,086 homes each year.
2. Streetlight LED Rebates
 - a. The Program successfully submitted 47 rebate applications on behalf of ten participating jurisdictions and will disburse an estimated \$3.6M in rebate checks to those jurisdictions.

Western Riverside County Energy Resiliency Plan

1. California Resilience Challenge
 - a. In April 2020, WRCOG was awarded a \$200,000 grant as part of the California Resilience Challenge to develop the Western Riverside County Energy Resiliency Plan. This project will provide a framework for jurisdictions to implement energy resiliency strategies at critical facilities to maintain power supply during power outages, including on-site energy generation and storage, microgrids and distributed energy resources.
2. Western Riverside County Energy Resiliency Plan
 - a. In December 2020, the Administration & Finance Committee authorized the Executive Director to award the contract to AECOM for development of the Western Riverside County Energy Resiliency Plan.

C-PACE

1. WRCOG is scheduled to close 12 C-PACE assessments in 2020 for over \$33 million in PACE financing, a net increase of 4 projects, and more than double the amount of PACE financing from the previous year.
 - a. Three out of 12 projects were completed in the subregion, including the West Coast Exotic Cars in the City of Murrieta that utilized over \$2.8 million to make PACE eligible energy efficiency improvements. The other 2 projects completed in the subregion were both solar projects, one in the City of Hemet and one in City of Murrieta, for just under \$2 million.

2021 Goals

Clean Cities & Used Oil

1. Establish and expand Regional Food Waste Prevention projects to reduce the amount of food being disposed of in landfills.
2. Alternative fuel corridors, such as SR-91 and I-215 are ready to receive signage indicating the charging stations for passenger vehicles alongside the corridor. Clean Cities will utilize GIS mapping to locate gaps of signage to increase awareness and utilization of stations along the corridor in 2021.
3. Using the established curriculum, staff will build partnerships and organize vehicle maintenance training events focused on alternative fuel vehicle technologies.
4. Continue innovative and streamlined communication efforts to keep members and partners up to date on the relevant and forward-thinking efforts occurring in the region.

Inland Regional Energy Network

1. Look to obtain approval of I-RENs Business Plan with the goal of implementing energy programs in 2022.
2. Build and foster partnership with community colleges within the Inland Empire and Workforce Investment boards to identify key training opportunities in sustainability.

Western Riverside Energy Partnership

1. Achieve therm goal set by SoCalGas,
2. Hold regional webinars for Local Government Partnerships on a quarterly basis.
3. Support members with Climate Action Plan.

Regional Streetlight Program

1. Establish a Smart Cities/Streetlights initiative, which will provide member jurisdictions with best practices/guidelines and a high-overview feasibility study to implement smart city/streetlight technologies and strategies.
2. Provide streamlined communication efforts to keep member jurisdictions up to date on streetlight operations and maintenance (O&M) activities.
3. Monitor and provide updates relating to legislative and CPUC activities relating to streetlights, rates, and wireless/cellular infrastructure (small cells).

Western Riverside County Energy Resiliency Plan

1. Commence development of the Western Riverside County Energy Resiliency Plan with the goal to complete the project by December 31, 2022. Activities in 2021 may include:
 - a. Project Kick Off Meeting
 - b. Commence with member outreach and engagement campaign
 - c. Literature review and exploration of regional hazards and vulnerabilities to power outages
 - d. Coordinate with member jurisdictions to identify critical facilities
 - e. Commence development of the energy resiliency strategies' list

C-PACE

1. Further expand the C-PACE Program to include capital providers such as federally insured banks. By allowing these capital providers to operate under WRCOG's C-PACE Program, we can complete more projects while enhancing the underwriting process and decreasing interest and fees for property owners.
2. Bring more projects to the subregion to help spur economic growth post-COVID-19. With COVID-19 slowing the rate of new commercial projects, C-PACE can help bridge the financing gap or refinance PACE eligible improvements with the 3-year lookback financing option.

Riverside County Habitat Conservation Agency

During the past year, the RCHCA has focused on elements of our core mission: conservation for the endangered Stephens' Kangaroo Rat (SKR); collaboration and coordination of management strategies; environmental education and outreach; and the development of a public access plan for RCHCA owned lands. We have also continued to invest in and employ innovative techniques to foster continuity in species management, ultimately helping to achieve our overall goal of range-wide species recovery.

2020 Accomplishments

1. Stephens Kangaroo Rat Proposed Rule for Species Reclassification: In September 2020, the U.S. Fish and Wildlife Services (USFWS) published to the Federal Register a Proposed Rule to Reclassify SKR from Endangered to Threatened with a Section 4(d) Rule.
 - a. The inclusion of Section 4(d) Rule is beneficial to all agencies that manage for SKR. The rule creates flexibility and reduces bureaucracy allowing some activities that do not harm the species to continue while focusing on the threats that make a difference to species' recovery.
 - b. Staff anticipates the Final Rule will be published to Congress in early 2021.
2. Species Range-Wide Management and Monitoring Plan
 - a. The geographic range of the SKR includes areas in northern San Diego County. While there have been efforts to support SKR recovery on military lands, other areas are in the beginning stages of creating suitable habitat. Several agencies work to protect SKR under their prospective management plans. The challenge is that each of the various plans has different methodologies or requirements.
 - b. RCHCA received a grant in the amount of \$600k from the Bureau of Land Management to develop a Species Range-Wide Management and Monitoring Plan for SKR. The Plan in collaboration with species managers, researchers, and landowners, will complement existing management plans, coordinate sub-regional conservation plans, and facilitate a better understanding of region wide SKR population status, trends, and conservation priorities.
3. Habitat Suitability Model
 - a. The Habitat Suitability Model was developed for the RCHCA by the Conservation Biology Institute (CBI) and is an integral component of the Stephens' Kangaroo Rat Habitat Conservation Plan. The habitat suitability model uses satellite imagery and innovative habitat modeling techniques to develop reliable statistical models to identify suitable habitat across the species' geographic range."
 - b. The model will use European Sentinel-2 satellite imagery, in concert with other reliable geographic data, to develop habitat suitability maps that can be routinely updated over time across the species range as conditions change. The resulting models will be used to

inform management and monitoring efforts to conserve and recover this charismatic endangered species.

4. Steele Peak Inaugural Trail
 - a. RCHCA received a grant of \$600k to implement the Steele Peak Inaugural Trail. The community of Good Hope will benefit from having a low-impact recreational trail.
 - b. The idea behind the Plan is that the introduction of controlled, limited, public access will serve to dissuade illegal and harmful access to RCHCA lands, thus improving SKR habitat.
5. Vegetation Management Plan
 - a. RCHCA's Vegetation Management Plans were expanded to new areas for SKR occupation, which will also increase public safety in our rapidly urbanizing region. Over the last decade, the RCHCA has substantially increased the SKR population throughout the Reserve system and reduced the threat of wildfires on conserved open space lands through burning and other management tools, such as grazing, mowing and herbicide treatments.
6. Riverside Communities Partnership Project
 - a. RCHCA established the Riverside Communities Partnership Project (RCPP) as a non-profit 501(c) (3). The mission of the Riverside Communities Partnership Project is to bring together resources to support the conservation, education, and collaboration efforts of the Riverside Habitat Conservation Agency.
 - b. RCPP will be a vital component of RCHCA. It will serve as the entity to apply for grant funding to expand coordination among the many Riverside County agencies responsible for various land management, community development, emergency preparedness, volunteer, and environmental stewardship projects.

2021 Goals

1. Steele Peak Inaugural Trail: RCHCA will complete CEQA analysis and begin to construct the trail.
2. Establish a Steering Committee to implement the Species Range-Wide Management and Monitoring Plan.
3. Seek funding to support RCHCA land management and outreach efforts
4. Apply advanced techniques for land management and monitoring. In the coming year, staff will focus on restoring several hundred acres of SKR habitat, the most ever conducted in one year, by broadcast seeding SKR preferred plants.
5. In addition to SKR habitat enhancement, the RCHCA will conduct monitoring in half of the SKR Reserve system to identify the status and trends of SKR populations and assist with adaptive management goals.
6. Complete extensive biological and cultural surveys to expand RCHCA management areas and support species recovery.
7. To increase available habitat, staff will be adding over 1,000 acres into the prescribed burn vegetation management program jointly administered by RCHCA and Cal Fire.
8. Finally, the RCHCA is working with the County of Riverside's Department of Waste Resources to develop conservation easements over RCHCA-owned riparian areas.

Transportation and Planning Department

2020 Accomplishments

1. TUMF
 - a. The Program collected \$46.6 million and completed TUMF's 109th project, the Nuevo Road Widening and Bridge Project.
2. Grant Writing
 - a. Secured \$51 million to date, funding 14 projects throughout the subregion – this is a 70:1 return on investment!
3. Climate Action Plan Update
 - a. WRCOG is preparing an update to its Subregional Climate Action Plan, which will provide greenhouse gas (GHG) emissions inventories as well as provide GHG reduction

strategies for members to reach GHG targets in 2030 and 2050. The complete CAP Update is projected to be completed by June 2021.

4. Fellowship
 - a. Commenced the 5th Fellowship cohort in a virtual setting bringing the total number of young professionals trained in the program to 78.
5. Communications
 - a. Launched Future Forward, an online webinar series, which is dedicated to equipping the subregion to innovate through disruption. To date, there have been eight episodes on a variety of topics ranging from the economic outlook of the subregion, to transportation trends in the wake of COVID-19, to grant writing best practices, and more.
 - b. Continued hosting the COGCast, the agency's podcast series. To date, there are over 45 episodes in the library.
 - c. Curated a weekly newsletter called "The Briefing", to keep members and agency partners up to date with the work-from-home transition.

2021 Goals

1. Further explore the formation of an Economic Development Corporation (EDC) to strengthen the economic resiliency in Western Riverside County.
 - a. Extend formal invitations to the EDC Steering Committee and host the first meeting by the end of January 2021.
 - b. Meet three times with the EDC Steering Committee by April 2021.
 - c. Report back to WRCOG's Administration & Finance Committee and Execute Committee in May 2021 once a recommendation has been determined by the EDC Steering Committee.
2. Establish a Geographic Information System (GIS) Service Bureau, which will provide additional supportive services to members.
 - a. Purchase new hardware and software as the GIS Service Bureau will require dedicated workstations for project requests and specialized software for transportation modeling analysis.
 - b. Develop the proper administration responsibilities to manage the member's service requests and begin undertaking member's projects.
3. Bolster the housing stock and resource in the subregion by forming a Housing Trust.
 - a. Hire a staff person or consultant to set up the Housing Trust Fund through REAP funding received from SCAG.
 - b. Seek State authorizing legislation for the Housing Trust, which can provide additional funding opportunities.
 - c. Identify Steering Committee representatives in February 2021 at WRCOG's Technical Advisory Meeting and then launch the Steering Committee meetings in March 2021.
4. Continue innovative and streamlined communication efforts to keep members and partners up to date on the relevant and forward-thinking efforts occurring in the region.
 - a. Galvanize all Agency's communication efforts around WRCOG's Economic Development and Sustainability Framework, which identifies six goal areas: energy and environment, water, economic development, health, education, and transportation.
 - b. Host Future Forward webinars on a bimonthly basis.
 - c. Release WRCOGCast episodes on a biweekly basis.
 - d. Distribute the agency's newsletter, Elevate, on a monthly basis.
 - e. Schedule staff to speak at every member's council meeting in 2021 to share about WRCOG and its efforts.

Western Community Energy

2020 Accomplishments

1. WCE launched in April & May 2020
 - a. WCE provides electric service to over 110,000 customers in the cities of Eastvale, Hemet, Jurupa Valley, Norco, Perris, and Wildomar.

2. Savings
 - a. WCE's discounted rates will save customers over \$6 million annually.
3. Developed communication strategy that includes routine social media posts, and outreach on important items like PSPS events, Flex Alerts, etc., to WCE Board, City Manager, and members of the public through press releases, Facebook and Instagram.
4. Developed a Utility Bill Comparison Tool and Calculator providing customers a self-service option to compare the costs of all their electric utility rate options.

2021 Goals

1. Provide COVID Support
 - a. Develop Arrearage Management Plan, a debt assistance programs for income-qualified customers that have been affected by COVID.
 - b. Identify, package, and provide additional support to our customers on other existing and forth-coming local, state, and federal COVID support and utility bill relief resources.
2. Identify local renewable projects to implement.
3. Develop path forward for development of future energy programs.
4. Continue to provide cleaner electricity at a discounted rate to our customers to meet CA climate action goals and save WCE customers money.



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Appointment of one WRCOG Alternate Representative to the CALCOG Board of Directors

Contact: Rick Bishop, Executive Director, rbshop@wrcog.us, (951) 405-6701

Date: January 13, 2021

The purpose of this item is to provide a listing of elected officials who have expressed interest in serving on the CALCOG Board of Directors, and to request that the Administration & Finance Committee provide a recommendation for an appointment to the Executive Committee for consideration.

Requested Action:

1. Recommend that the Executive Committee appoint one alternate representative to the California Association of Councils of Governments for a term commencing January 1, 2021, and ending December 31, 2022.

WRCOG's Executive Committee appoints a number of elected officials to represent the Agency and/or the subregion's interests on a number of committees. These include the following:

- California Association of Councils of Governments (CALCOG) (one appointment plus an alternate)
- Riverside County Solid Waste Advisory Council / Local Task Force (two appointments plus two alternates)
- SAWPA's One Water One Watershed (OWOW) Steering Committee (one appointment)
- San Diego Association of Governments' (SANDAG) Borders Committee (one appointment plus an alternate)
- Southern California Association of Governments (SCAG) Policy Committees (six appointments)

Per policy, all WRCOG appointees to committees serve for a two-year term. Current terms for WRCOG appointees expire on December 31, 2020.

Due to the recent election, one of the members appointed by the Executive Committee as an alternate on the CALCOG Board of Directors was unsuccessful in his bid for reelection, thus creating a vacancy in the alternate position.

WRCOG has notified all elected officials of the opportunity to serve. A listing of individuals who have expressed interest in serving as WRCOG appointees will be presented at the meeting for consideration.

Staff requests that the Administration & Finance Committee review the listing and forward an appointment recommendation to the Executive Committee for approval. Agency policy is that priority in selection be given to elected officials who serve on WRCOG as Executive Committee members or alternates.

Prior Action:

December 7, 2020: The Executive Committee appointed Micheal Goodland, City of Jurupa Valley, as the alternate representative on the California Association of Councils of Governments.

Fiscal Impact:

Stipends are allocated in WRCOG's Fiscal Year 2020/2021 Budget under the General Fund.

Attachment:

None.



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: COVID-19 Relief and Utility Delinquency Update

Contact: Tyler Masters, Director of Western Community Energy, tmasters@wrcog.us, (951) 405-6732

Casey Dailey, Director of Energy & Environmental Programs, cdailey@wrcog.us, (951) 405-6720

Date: January 13, 2021

The purpose of this item is to provide an update on the impacts of COVID-19 to utilities across the state and COVID-19 relief opportunities available the WRCOG subregion.

Requested Action:

1. Discuss and provide input.

Background

At the December Administration & Finance Committee meeting, staff was requested to return with an update on the various COVID-19 relief opportunities, resources, and/or ongoing legislative efforts available to the subregion resulting from the non-payment of utility bills by residential and commercial customers.

In response to the COVID-19 pandemic, Governor Newsom signed an Executive Order, resulting in a moratorium on utility bill disconnects (to April 2021) due to non-payment as well as a prohibition on the imposition of late fees and penalties associated with failure to pay utility bills. Since the moratorium was issued, there have been a significant increase in delinquencies resulting from residential and commercial customers being unable to pay their bills. While the moratorium is set to expire in April, it is uncertain whether or not the prohibition on disconnection, penalties and/or late fees will extend beyond April and, therefore, it seems prudent to prepare for an extension.

For Western Community Energy (WCE) customers, there are currently 7,466 residential accounts that are 90 days or more past due with a total outstanding balance of approximately \$3.5M. There are currently 206 non-residential accounts that are 60 days or more past due with a total outstanding balance of approximately \$600k. If staff were to assume that all of these account balances were written off, this would represent a 5.8% bad debt percentage. WCE had estimated a 1.0% allowance for bad debt, whereas WCE would have originally estimated half that amount, or 0.5%, which would mean WCE is currently over its estimates for bad debt. Staff will continue to analyze and monitor its outstanding receivables and will perform a budget amendment for the 2nd quarter to reflect any changes due to the increase in bad debt allowance.

As described above, the delinquency rates for WCE customers has increased significantly during the COVID-19 pandemic. This phenomenon is not unique to WCE. Water, gas, and electric utilities across Southern California and the state are all experiencing dramatic increases in delinquency rates. In December 2020, staff reached out to various Community Choice Aggregators (CCAs) across the state as well as multiple utilities within the subregion and have found that every utility is seeing similar increases in delinquency rates. For example, in a recent Eastern Municipal Water District (EMWD) annual legislative report published in December

2020, it was stated that EMWD historic delinquencies average around 3%; however, this year, the delinquency rate has increased to 13%. After speaking with EMWD staff mid-December, that number has recently increased to almost 18%. For Riverside Public Utility (RPU), the City of Riverside's public utility, delinquency rates have increased to over 140% since this time last year. Similarly, other CCAs are seeing delinquency rates doubling, tripling, and in some cases quadrupling.

At the beginning of the pandemic, the Coronavirus Aid, Relief, and Economic Security (CARES) Act appropriated roughly \$2.2 trillion of spending to address the public health and economic crises caused by COVID-19. The funding was split into six sectors: individuals, corporations, small businesses, state & local government, public health, and education. State & local governments received roughly \$150 billion in relief. This funding opportunity was only available to local governments with greater than 500,000 in population, so no single city in Riverside County was eligible. Riverside County itself, however, did receive some funds based on the County's population. The CARES funding has limitations and does not allow for use as replacement of lost revenue like sales taxes, or unpaid bills and will only cover expenses that are 1) incurred due to the public health emergency of COVID-19, 2) were not accounted for in the most recent fiscal year budget, and 3) were incurred between March and December of 2020 only.

In the long-term there are legislative efforts underway to carve out COVID relief to additional service providers. H.R 7073, introduced in June 2020, would make special districts eligible for payment from the Coronavirus Relief Fund if more than \$150 billion is appropriated in the fund. This bill is intended to include special districts that provide essential services like first responders, firefighting, public health, or transit. However, the results of this bill will not be seen for many months, well after the moratorium on utility bill disconnects is lifted in April 2021. At this time, WRCOG understands that there is little support for this bill.

Potential approaches for WCE *(This is excerpted from a WCE staff report for informational purposes)*

It is staff recommendation to focus efforts on the short-term with the primary objective of helping WCE customers re-engage and get current on their bill. While penalties and shut-offs are prohibited due to the moratorium, the past due balances must be repaid when the moratorium ends, and as such WCE would benefit to retain these customers in the long run and provide them the resources that would help them start to become current on their past due balances.

While there are no identified opportunities for WCE to enroll or participate in any program that would directly replace lost revenue to the agency, there are, a multitude of programs for residential and commercial customers to provide assistance in bringing them current on their past due balances. The primary focus of WCE should be to identify, develop and/or implement programs that can provide support for customers. Currently there are two programs that residential customers who are behind on their bills can enroll in to get them on a payment plan and/or provide a one-time bill credit for eligible low customers.

- Arrearage Management Plan (AMP): AMP is a joint effort between Southern California Edison and CCAs (WCE included) to provide debt forgiveness to income-qualified customers that stay current and pay their most recent bill on time. After 12-month of staying current, the customer's existing outstanding balance would be reduced to \$0. This program will become available for enrollment in January 2021.
- Low-Income Home Energy Assistance Program (LIHEAP): LIHEAP is a federally funded program that provides a one-time utility payment assistance program to low income customers in Riverside County. Additionally, this program provides weatherization services to eligible customers and in doing so help reduce electricity usage and their bill. This program is administered by the Community Action Partnership of Riverside County (CAP Riverside).

On November 30, 2020, Governor Newsom and the State Legislature announced the allocation of \$500 million to the Small Business COVID-19 Relief Grant Program. This program provides micro grants (\$5,000 - \$25,000) to eligible small business and nonprofits impacted by COVID-19 and the related health and safety restrictions. Applications for this program can be found on www.careliefgrant.com are open December 30, 2020 through January 8, 2021.

Many utilities staff spoke with (including RPU, EMWD, and WMWD) all provide one-time utility bill assistance

programs. Each range in value from \$100 - \$400, but many have simple and understandable eligibility. Programs like these help to re-engage the customers and in many cases provide them a low-barrier opportunity to begin putting the opportunities and resources together to work toward getting current on their bills. One CCA, Clean Power Alliance (CPA), also provides a one-time bill credit. The main difference between CPA and other utility programs is that it is applied to all customers that meet the eligibility criteria, there is not an active enrollment or application process. This allows CPA to focus on applying the credit and marketing the program.

Staff have begun building a section on WCE’s website that is intended to be a one-stop shop for COVID relief resources for WCE customers. This will include things like CARE/FERA, AMP, LIHEAP, and other existing program and application information.

Staff have developed options below on programs, associated costs, impacts, and measurable outcomes should the Board choose to develop and implement a utility bill assistance program. The options below range from doing nothing to a complete customer re-engagement campaign, one-time bill credit and bill assistance credit effort. All of these options’ objectives are to engage the customer and provide support to help get them on a path towards full repayment to avoid future disconnection.

	Cost	Impact	Direct Assistance	Measurable Outcomes
Option #1: Do nothing.	None	Unknown	No	No
Option #2: Re-Engagement campaign: <ul style="list-style-type: none"> Identify eligible AMP customers (approximately 1,300 WCE Customers); Fund direct engagement effort (letters, emails, social media) 	Low (<\$10k)	Low	No	Yes
Option #3: Re-Engagement Campaign + One-Time Bill Credit: <ul style="list-style-type: none"> Identify eligible AMP customers; Fund direct engagement effort One-time bill credit to applied to all eligible customers 	Mid (<\$50,000 to \$150,000) Option A: One-time bill of \$25/customer = \$32,500 + marketing expense Option B: One-time bill credit of \$100/customer = \$130,000 + marketing expenses	Mid	Yes	Option A: Providing a \$25/customer credit, if 5% of the eligible customers enroll in AMP, WCE would recoup all program expenses. Option B: Providing a \$100/customer credit, if 20% of the eligible customers enroll in AMP, WCE would recoup program expenses.
Option #4: Re-Engagement Campaign + One-Time Bill Credit + Bill Assistance Credit Program <ul style="list-style-type: none"> Identify eligible AMP customers; Fund direct engagement effort Provide One-time bill credit to all eligible customers; no application needed Provide Bill assistance provided to customers that apply for Bill Assistance Credit Program 	High (\$150,000 - \$300,000)	Mid/High	Yes	Yes

This item is being brought forward to the Administration & Finance Committee for informational purposes only and is also being brought concurrently to the WCE Board for discussion.

Prior Action:

None.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.



Western Riverside Council of Governments Administration & Finance Committee

Staff Report

Subject: Commercial PACE Program Activities Update

Contact: Justin White, Staff Analyst, jwhite@wrcog.us, (951) 405-6737

Date: January 13, 2021

The purpose of this item is to provide an update regarding WRCOG's Commercial PACE Program.

Requested Action:

1. Receive and file.

WRCOG's PACE Program provides financing to property owners to implement energy saving, renewable energy, water conservation, and seismic strengthening improvements to their homes and businesses. Financing for these improvements is paid back through a lien placed on the property tax bill. The Program was initiated in December 2011 and was expanded in 2014 to allow jurisdictions throughout the state to join WRCOG's Program and allow property owners in these jurisdictions to participate. The Executive Committee recently took action to wind down the Residential Pace Program.

Residential and Commercial PACE Comparison

At the December 7, 2020, Executive Committee meeting, staff was asked to provide an update regarding the Commercial PACE Program (C-PACE) and how C-PACE differs from WRCOG's Residential Program (R-PACE). While R-PACE and C-PACE have several similarities, such as not for program participation if there has been a bankruptcy on the property within the last seven years and property taxes must be current, C-PACE requires a much more in-depth underwriting and qualification process including.

- Lender consent
- Term sheets
- Technical review
- Minimum two-years of financial statements
- \$1,000,000 minimum property value

The C-PACE Program requires lender consent prior to final approval. If there is an existing mortgage or loan secured by the property, the property owner must obtain the written consent of any existing lender(s) utilizing the lender consent form. Before any financial documents are exchanged between WRCOG, the program administrator, and the property owner, term sheets are agreed to between one of WRCOG's program administrators and the property owner, detailing the project and all requirements. A technical review is completed for each project, wherein an engineering firm verifies that all improvements are PACE eligible, meet or exceed Title 24 requirements, and the expected useful life of the improvements are longer than the term of the assessment. Part of the underwriting process also requires that the property owner provide a minimum of two-years of financial statements and the property value must be a minimum of \$1,000,000.

Property Owner Contact Point

The contact point for property owners in the C-PACE Program is different than the R-PACE Program. For R-PACE, property owners are normally approached by a contractor or sales In C-PACE, the property owner is typically in search of financing for his/her business or commercial property. The property owner is actively looking to finance improvements that add to the value of their property and increase savings in both the short-term and long-term. These improvements include energy efficient, renewable, and water conservation improvements, but also include seismic strengthening, refinancing, and new construction projects. Project origination can come from sources such as a project developer, contractor, building owner, capital placement firms, or program administrator partners. In most cases, the property owner is working in tandem with a chief financial officer or attorney that represent the property owner when discussing project details. There are occasional disputes between a contractor and property owner regarding construction or permitting delays, but these disputes do not include the bond issuer and are ultimately resolved without litigation.

Typical C-PACE Project

A C-PACE project normally takes months to complete. This process begins with negotiations between the property owner and program administrator that results in terms being agreed to and codified in a terms sheet. Lender consent is then required to be obtained from any senior lender that is on the property's title report. After lender consent has been obtained, the technical review process begins in order to verify that the improvements that are being considered are eligible according to California law and WRCOG's requirements. Financial and assessment documents are then generated and scrutinized between WRCOG's bond counsel (Best Best & Krieger) and the program administrator. Finally, the assessment documents are recorded by WRCOG and placed on the property tax bill by WRCOG's tax administrator, dta.

This contrasts with R-PACE or similar residential home improvement that are not PACE initiated in which a project can be agreed upon the same day a contractor initiates contact with a property owner. This is a one-on-one process where the contractor and property owner agree to terms via a Home Improvement Contract and use a PACE assessment as the financing mechanism. Whereas a C-PACE project could take many months to complete, an R-PACE or similar residential project can be completed within a few days.

Recent C-PACE Activity

In December 2020, WRCOG and its partners closed five projects valued at approximately \$24 million in PACE financing. This included close to \$3 million in PACE financing for the West Coast Exotic Cars located in the City of Murrieta. Improvements installed for this project included HVAC, plumbing, flooring, lighting, and seismic strengthening. Additionally, WRCOG completed its first PACE refinancing project in September 2020 for the Holiday Inn Express located in the City of Chico, where \$3.5 million worth of PACE eligible improvements that had previously been installed were refinanced. The following table demonstrates the growth of C-PACE since Fiscal Year 2017/2018:

C-PACE Projects by Fiscal Year		
Fiscal Year	Completed Projects	Amount of PACE Financing
2017/2018	1	\$1,806,854.50
2018/2019	9	\$6,247,153.44
2019/2020	7	\$19,017,439.00
2020/2021	7	\$27,362,010.85

In order to enhance and expand the C-PACE Program, staff and bond counsel have identified an opportunity to partner directly with banks and other Capital providers, such as federally regulated lending institutions that adhere to strict parameters set forth in WRCOG's Program Report. Staff is planning to return to the Administration & Finance Committee in February 2021 with a more thorough description for discussion by the Committee.

Prior Action:

December 9, 2020: The Executive Committee directed staff to work with legal counsel and Residential PACE Program providers to discontinue both the statewide and regional residential Programs.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment:

None.

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