



Western Riverside Council of Governments Planning Directors Committee

AGENDA

**Thursday, September 9, 2021
9:30 AM**

**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

**BECAUSE OF THE CDC MANDATE, MEMBERS OF THE PUBLIC WILL ONLY BE ABLE TO
ATTEND THIS MEETING VIRTUALLY VIA ZOOM**

[Join Zoom Meeting](#)

Meeting ID: 837 7376 5975

Password: 090921

Dial in: (669) 900 9128 U.S.

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 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 Committee meeting scheduled for Thursday, September 9, 2021, at 9:30 a.m. virtually, on the Zoom platform. Members of the public may submit public comments before or during the meeting, prior to the close of public comment to snelson@wrcog.us.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Suzy Nelson 72 hours prior to the meeting at (951) 405-6703 or at snelson@wrcog.us. Later requests accommodated to the extent feasible.

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

- 1. CALL TO ORDER (John Hildebrand, Chair)**
- 2. PLEDGE OF ALLEGIANCE**

3. ROLL CALL

4. PUBLIC COMMENTS

At this time members of the public can address the Committee regarding any items within the subject matter jurisdiction of the Committee that are not separately 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 August 12, 2021, Planning Directors Committee Meeting

Requested Action(s): 1. Approve the Summary Minutes from the August 12, 2021, Planning Directors Committee meeting.

6. REPORTS / DISCUSSION

Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion.

A. Climate Action Plan Activities Update

Requested Action(s): 1. Receive and file.

B. TUMF Program Nexus Study Update

Requested Action(s): Recommend that the WRCOG Executive Committee do the following:

1. Direct staff to begin work on a TUMF Nexus Study update.
2. Direct staff to update the TUMF Administrative Plan to expand the TUMF-eligible project list to include Intelligent Transportation Systems (ITS) projects.
3. Direct staff to work with the Riverside County Transportation Commission and Riverside Transit Agency to evaluate options to mitigate VMT impacts from new development outside of the TUMF Nexus Study update.
4. Direct staff to begin work on an update of the Analysis of Development Impact Fees in Western Riverside County.

C. Ready for Tomorrow Program Introduction - Grant Writing Assistance Opportunity

Requested Action(s): 1. Receive and file.

D. Legislative Activities Update

Requested Action(s): 1. Receive and file.

7. REPORT FROM THE DEPUTY EXECUTIVE DIRECTOR

Chris Gray

8. ITEMS FOR FUTURE AGENDAS ~ Members

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

9. GENERAL ANNOUNCEMENTS ~ Members

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

10. NEXT MEETING

The next Planning Directors Committee meeting is scheduled for Thursday, October 14, 2021, at 9:30 a.m., in WRCOG's office located at 3390 University Avenue, Suite 200, Riverside, for Committee members. Members of the public are encouraged to attend this meeting virtually on the Zoom platform.

11. ADJOURNMENT

Planning Directors Committee

Minutes

1. CALL TO ORDER

The meeting of the WRCOG Planning Directors Committee was called to order by Chair John Hildebrand at 9:31 a.m. on August 12, 2021, on the Zoom platform.

2. PLEDGE OF ALLEGIANCE

Chair Hildebrand led members and guests in the Pledge of Allegiance.

3. ROLL CALL

- City of Banning - Adam Rush*
- City of Beaumont - Christina Taylor
- City of Calimesa - Kelly Lucia
- City of Corona - Joanne Coletta
- City of Eastvale - Gina Gibson Williams*
- City of Hemet - H.P. Kang
- City of Jurupa Valley - Diane Guevara*
- City of Lake Elsinore - Richard MacHott
- City of Menifee - Cheryl Kitzerow*
- City of Moreno Valley - Chris Ormsby
- City of Murrieta - Jarrett Ramaiya
- City of Perris - Alfredo Garcia
- City of Riverside - David Murray
- City of Temecula - Mark Collins
- City of Wildomar - Abdu Lachgar
- County of Riverside - John Hildebrand (Chair)
- March Joint Powers Authority - Mathew Evans
- Riverside Transit Agency - Jennifer Nguyen

*Arrived after roll call

4. PUBLIC COMMENTS

There were no public comments.

5. SELECTION OF PLANNING DIRECTORS COMMITTEE CHAIR, VICE-CHAIR, AND 2ND VICE-CHAIR FOR FISCAL YEAR 2021/2022

Action:

1. The Planning Directors Committee selected John Hildebrand, County of Riverside, as Chair;

Travis Randel, City of San Jacinto, as Vice-Chair; and Diane Guevara, City of Jurupa Valley, as 2nd Vice-Chair.

(Banning / Lake Elsinore) 16 yes; 0 no; 0 abstain; Item 5 was approved.

6. CONSENT CALENDAR – (Lake Elsinore / Beaumont) 15 yes; 0 no; 0 abstention. Items 6.A was approved. Representatives from the Cities of Banning and Wildomar did not respond.

A. Summary Minutes from the June 10, 2021, Planning Directors Committee Meeting

Action:

1. Approved the Summary Minutes from the June 10, 2021, Planning Directors Committee meeting.

7. REPORTS / DISCUSSION

A. 2021 TUMF Credit Agreement Template Update

Cameron Brown, WRCOG Program Manager, presented an update to the TUMF Credit Agreement template. This revised template was provided to this Committee at its April 2021 meeting for review and comment. Since then, at the request of the Public Works Committee, the template was tabled in order for language to be clarified surrounding the selling of credits to other projects and the Right-of-Way requirements. As a reminder, by being added as the third party on the Agreement, WRCOG can verify the estimated TUMF obligation on a development and confirm the maximum amount of credit that can be given on the construction of a TUMF facility. Another positive to being added is that upon reconciliation of a credit agreement, when the developer shows all invoices for TUMF-eligible work and the development constructed, WRCOG can confirm the amount a developer can be repaid, and/or how much a developer owes on their project.

After further analysis, it was decided that due to the complexity regarding the distribution of funding, WRCOG would continue to disallow the selling of credits to other projects, and the provision would be removed from the template.

The second issue was in regards to the acquisition of Right-of-Way (ROW). The template states that to obtain credit for ROW acquisitions there would need to be an appraisal of the property, and the local jurisdiction would need to accept this appraisal. An idea was brought forward to change this language to allow for recent purchase costs to be used in place of an appraisal. After discussion internally with WRCOG staff and legal counsel, it was decided that the appraisal requirement would remain to properly account for ROW credits.

Next steps will include requesting a recommendation be forwarded to the Executive Committee for consideration at its July 2021 meeting.

Action:

1. Recommended that the Executive Committee approve the revised 2021 TUMF Credit Agreement Template.

(Banning / Eastvale) 16 yes; 0 no; 1 abstention. Item 6.A was approved. Representative from the City of Temecula abstained.

B. Update to RCA's MSHCP Mitigation Fee Implementation Manual

Jennifer Fuller, Financial Administration Manager with the Western Riverside County Regional Conservation Authority (RCA), presented on the revised Multiple Species Habitat Conservation Plan Mitigation Fee Implementation Manual. The Manual sets further guidance for fee implementation, collection, and remittance, as well as outlines the appropriate methods for calculating mitigation payments for different types of projects. RCA is seeking feedback from the member agencies to update and improve the Manual. The commenting period for feedback starts August 12, 2021, and ends October 11, 2021. RCA will be convening a Mitigation Fee Implementation Manual Committee, which will meet on select Tuesdays from August 31, 2021, through November 16, 2021, to address comments received from member agencies. The intent will be to take the updated Manual to the RCA Board at its February 2022 meeting for approval.

Action:

1. Receive and file.

C. TUMF Applications on Projects Without City Permitting

Cameron Brown presented on issues regarding permitting of new development where the local jurisdiction is not the permitting authority. WRCOG was made aware of an issue regarding the process by which a member agency checks TUMF obligations on permits. While most developments go through a jurisdictional permitting process, others do not. Examples of these types of projects are hospitals and schools, which are permitted through the State of California. While some of these developments are TUMF exempt, others are not. When TUMF is due on a project where there is no local member agency permit issue, TUMF still has to be collected. As part of the TUMF Program, TUMF obligations must be met prior to a TUMF member agency issuing a Certificate of Occupancy on any development. The typical process involves setting up a permit application for a new development, then creating a TUMF application with either WRCOG or the local agency to pay this obligation. When the obligation is met, WRCOG, or the local agency, verifies the payment and issues a receipt to the developer acknowledging that the TUMF obligation has been met. The Certificate of Occupancy is then issued.

WRCOG will provide a memo on how to handle these issues, and more fully describe some of the exemptions on publicly-owned building development.

Action:

1. Received and filed.

D. TUMF CCI Implementation

Cameron Brown reported that on July 7, 2021, the Executive Committee meeting approved a Construction Cost Index (CCI) adjustment of 3% on all land uses. Member agencies participating in the TUMF Program must adopt a new TUMF resolution by October 2021 so that the new CCI fees can go into effect by January 1, 2022. Staff has emailed out a sample Resolution and draft Staff Report to utilize for council / board action.

Action:

1. Received and filed.

E. Legislative Activities Update

Bill Blankenship, WRCOG's On-Call Legislative Consultant, provided an update and overview of current key legislative dates and deadlines for the remaining portion of the 2021 Legislative Session.

Mr. Blankenship is available for consultation regarding legislation primarily focused on planning.

Action:

1. Received and filed.

7. REPORT FROM THE DEPUTY EXECUTIVE DIRECTOR

Chris Gray reported that WRCOG is aware of the rise in COVID cases and staff will let the Committee know if the meetings go back to 100% virtual. WRCOG has completed the technical work on the Climate Action Plan and staff will bring an update on next steps to the next meeting.

8. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

9. GENERAL ANNOUNCEMENTS

There were no general announcements.

10. NEXT MEETING

The next Planning Directors Committee meeting is scheduled for Thursday, September 9, 2021, at 9:30 a.m., in-person at the WRCOG's office and virtually on the Zoom platform.

11. ADJOURNMENT

The meeting of the Planning Directors Committee adjourned at 10:32 a.m.



Western Riverside Council of Governments Planning Directors Committee

Staff Report

Subject: Climate Action Plan Activities Update
Contact: Christopher Tzeng, Program Manager, ctzeng@wrcog.us, (951) 295-8703
Date: September 9, 2021

Requested Action(s):

1. Receive and file.

Purpose:

The purpose of this item is to discuss next steps for the Subregional Climate Action Plan (CAP) Update.

Background:

The Subregional CAP Update was undertaken by WRCOG beginning in 2019. The Update was mostly funded through a Caltrans Sustainable Transportation Planning Grant. Jurisdictions were provided the opportunity to opt-in to participate in the Update and 13 jurisdictions chose to participate. A jurisdiction's size and geography can vary when compared to a neighboring one and is the case with the 13 participating jurisdictions. Taking this a step further, jurisdictions vary in the policies, goals, missions, and planning when compared to a neighboring one. The Update was undertaken to understand where jurisdictions and the subregion are when it comes to reducing greenhouse gas (GHG) emissions and planning for reductions in the future.

WRCOG realizes that a CAP is most effective when conducted at a local jurisdiction for reasons stated above. However, there are efficiencies that can be realized if many jurisdictions are interested in conducting a CAP. CAPs utilize the same data no matter which jurisdiction and also contain a common set of measures. With this in mind, WRCOG proceeded with the Update with the goal that it would be a planning resource to each participating jurisdiction. Since there are many varying elements for each jurisdiction, the Update was structured to include a "baseline" of measures that are common best practices in CAPs. The end deliverable for each participating jurisdiction is a draft local plan that is meant to be a framework that may be customized.

Contents of Update

One of the primary components of the Update was conducting a 2010 GHG inventory baseline and 2017 GHG inventory update. This inventory was gathered for the entire Western Riverside County subregion. The other primary components of the Update were conducted specifically for the 13 participating jurisdictions. This included GHG forecasts and reduction targets for each jurisdiction. The Update also includes quantifications of state and regional measures that assist each jurisdiction in its reduction targets. A majority of a jurisdiction's reductions are made up of local measures which were quantified for

each jurisdiction. The project team met with staff from each participating jurisdiction to discuss each local measure and jurisdiction staff indicated the level of commitment for each measure. All of the measures were included in draft local plans and framework for customized development. These drafts were provided to each participating jurisdiction in June 2021 for review and comment. Lastly, the Update includes a Tracking Tool so that each participating jurisdiction may track performance indicators for each measure, calculate GHG reductions year-by-year, identify measures as they exceed goals or fall short, and provide an illustration towards future targets.

Next Steps

WRCOG wants to continue to offer assistance where needed and valued. The local CAPs are structured as a framework that may be customized based on a jurisdiction's policies, mission, goals, etc. As it stands, four of the 13 participating jurisdictions are expected to meet its 2030 GHG emissions targets as a result of the Update. There has been interest from some jurisdictions to conduct additional work to ensure its 2030 GHG targets are met. WRCOG may assist in administering the additional work needed; however, WRCOG is unable to commit further funding, at this point, to conduct this additional work needed. This item is being brought forth to discuss interest from the participating jurisdictions.

Another next step is to discuss interest in pursuing a qualified CAP. The first requirement is for a CAP to demonstrate that the 2030 GHG emissions target will be met through the strategies included in the CAP.

The second requirement is a commitment from the jurisdiction to adopt the local CAP in order to reach its 2030 targets and to track progress towards the target. The benefit of a qualified CAP is through CEQA streamlining so that a proposed new development project would not be subject to the GHG analysis portion of California Environmental Quality Act (CEQA) if it is consistent with the jurisdiction's General Plan. An Environmental Impact Report (EIR) must be conducted for the CAP since a CAP needs to go through CEQA review. It is WRCOG's recommendation that each jurisdiction pursues a qualified CAP utilizing the local CAP since a majority of the measures from the CAP are controlled at a local level. WRCOG has set aside an amount of Regional Early Action Planning (REAP) grant funding to assist with the EIR work for the CAP. This amount is not meant to cover the entirety of the EIR; however, the amount needed will be determined based on the number of jurisdictions choosing to pursue the qualified CAP.

WRCOG is able to continue administering the project if there is interest. If there are multiple jurisdictions interested in pursuing the additional work needed to meet a jurisdiction's 2030 GHG emissions targets, as well as conducting an EIR for the purposes of ensuring a qualified CAP, WRCOG may conduct the procurement process for a consultant to conduct the necessary analyses and administer the project.

Prior Action(s):

May 14, 2020: The Planning Directors Committee received and filed.

Fiscal Impact:

The total contract amount (\$362,423) for the consultant, ESA, to perform the project had two funding sources. A Caltrans grant funding offset the \$267,474 of the contract, and WRCOG matched funds and supported other CAP-related activities in the amount of \$94,949. The funds were from WRCOG's Local Transportation Funds (LTF) and covered the past two fiscal years (FY 2019/2020, 2020/2021) and this current fiscal year (FY 2021/2022).

Attachment(s):

None.



Western Riverside Council of Governments Planning Directors Committee

Staff Report

Subject: TUMF Program Nexus Study Update
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, 951-405-6710
Date: September 9, 2021

Requested Action(s):

Recommend that the WRCOG Executive Committee do the following:

1. Direct staff to begin work on a TUMF Nexus Study update.
 2. Direct staff to update the TUMF Administrative Plan to expand the TUMF-eligible project list to include Intelligent Transportation Systems (ITS) projects.
 3. Direct staff to work with the Riverside County Transportation Commission and Riverside Transit Agency to evaluate options to mitigate VMT impacts from new development outside of the TUMF Nexus Study update.
 4. Direct staff to begin work on an update of the Analysis of Development Impact Fees in Western Riverside County.
-

Purpose:

The purpose of this item is to request permission from the Executive Committee to begin the Nexus Study update process.

Background:

WRCOG's Transportation Uniform Mitigation Fee (TUMF) Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in Western Riverside County. TUMF Program participants, which includes all 19 jurisdictions in the subregion and March JPA, partakes in the Program through an adopted ordinance, collects fees from new development, and remits the fees to WRCOG. WRCOG, as administrator of the TUMF Program, allocates TUMF to the Riverside County Transportation Commission (RCTC), groupings of jurisdictions – referred to as TUMF Zones – based on the amounts of fees collected in these groups, the Western Riverside County Regional Conservation Authority (RCA), and the Riverside Transit Agency (RTA).

The TUMF Program relies on a Nexus Study to draw a connection between the needs of the Program and the TUMF Program fee schedule. The Nexus Study identifies projects requiring mitigation from new development, determines what the cost of those projects will be, and what fees need to be assessed to fund these projects. Throughout the life of the TUMF Program, there has been a need to update this Nexus Study on a regular basis. WRCOG conducted the Nexus Study in 2002 and subsequent updates in 2005, 2009, 2011, 2015, and 2017.

Reasons for a Nexus Study Update

1) **Best Practice:** It is considered a best practice to update the Nexus Study on a regular basis. Regular updates of Nexus studies ensure that the underlying data and assumptions that determine the fee are the most up to date. Nexus Studies which are regularly updated are also more legally defensible if challenged. Recognizing the benefits of regular updates to the Nexus Study, WRCOG's Executive Committee directed staff to prepare regular updates. This direction was memorialized in the TUMF Administrative Plan which states "WRCOG shall review the TUMF Program no less than every four (4) years after the effective date of the 2016 TUMF Program Ordinance."

2) **Underlying Growth Forecasts Have Changed:** Regular updates of the Nexus Study ensures that the TUMF Program reflects the best available information in terms of socioeconomic forecasts (population, households, and employees). The currently adopted Nexus Study uses forecasts which date back to 2016. In the fall of 2020, the Southern California Association of Governments (SCAG) released updated forecasts. The socioeconomic growth forecasts for the WRCOG subregion are a key input into the Nexus Study because the level of anticipated development has a direct impact on the fee calculation process.

Attached to this Staff Report (Attachment 1) is a table that displays the latest growth forecasts in terms of population, employment, and households within the WRCOG subregion. The latest projections estimate that the WRCOG subregion will continue to add population, similar to previous projections (37% for the adopted Nexus Study vs. 33% for the most recent growth forecasts). One significant difference is that SCAG is now projecting less employment growth (87% for the adopted Nexus Study vs. 46% for the most recent growth forecasts). Therefore, staff can conclude that there is a significant difference in the underlying growth forecasts which supports the idea of updating the Nexus Study.

3) **Travel Behavior has Changed:** When the previous Nexus Study was adopted in 2017, no one could have foreseen the changes a global pandemic would have on our daily lives. One significant area of change has been transportation. COVID-19 has impacted how people travel, when they travel, and where they travel to on a regular basis.

In some instances, COVID-19 accelerated trends which were already occurring. Many traditional retail centers were struggling as internet shopping and deliveries became increasingly routine. Prior to COVID-19's emergence, home deliveries per person doubled between 2009 and 2017. These deliveries are anticipated to double again within the next several years. The pandemic changed travel behavior even further because some residents of Western Riverside County were provided the opportunity to telecommute. For other commuters, COVID-19 caused a diversion from transit to personal vehicles.

Given all of the above, staff can conclude that the assumptions regarding travel behavior which were incorporated into the 2017 Nexus Study have changed significantly.

4) **Updates to the Project List:** Since the adoption of the 2017 Nexus Study, WRCOG member agencies have completed a number of significant projects including but not limited to the I-15 / Cajalco Road Interchange, the I-215 / Scott Road Interchange, the extension of Clinton Keith Road, and the Foothill Parkway extension. Approximately 25 TUMF projects were completed since the completion of the previous Nexus Study. Updating the TUMF Nexus Study will allow for the removal of these completed projects from the Nexus Study and also provide an opportunity for a comprehensive update of the Roadway Network, which is a key element of the Nexus Study.

5) Opportunity to Add New Projects Types: In the past several months, WRCOG has been discussing the possibility of adding new project types to the TUMF Program. This idea has been brought to the Public Works Committee for discussion and has received some positive feedback. Currently, the only allowable TUMF project types are roadway widening, new roadways, interchanges, and grade separations / bridges.

It is important to note that WRCOG does not identify which facilities are included in the TUMF Nexus Study but instead relies on Program participants to recommend projects for inclusion in the TUMF Network. The TUMF Administrative Plan defines what is considered an eligible improvement, so any expansion or revision to eligible project types requires an update to the TUMF Administrative Plan. Additionally, any revision to the eligible project types would only take effect within an updated Nexus Study.

One reason for adding to the list of projects is that each WRCOG member agency has different transportation needs, particularly as we look to the next 20 years. For some member agencies, there is a significant need for new infrastructure as these agencies face large increases in population and employment. For these jurisdictions, there is a need for new roadways and for existing roadways to be widened to accommodate this growth. Other jurisdictions are likely to experience more gradual increases in population and employment with much of this growth occurring in in-fill locations. These more mature agencies may not require the same level of new roadway infrastructure. WRCOG has also received several requests from member agencies to consider additional categories of TUMF projects.

WRCOG is therefore proposing to add one type of project to the current list of eligible projects. This project type is the Smart Corridor, which reflects the implementation of Intelligent Transportation Systems (ITS) technology within an existing corridor.

1. ITS projects make use of improvements of electronics and communication to improve efficiency or safety of a roadway. Some common examples of ITS projects include signal synchronization, ramp metering, and changeable message signs. If approved, ITS projects would be identified in the Nexus Study at the request of a Program participant with funding allocated on a corridor of the TUMF network. To maintain the focus of the TUMF Program on new infrastructure, WRCOG would require any participating member to identify a future improvement as a "swap" to limit impacts on the overall Network cost.

6) Vehicle Miles Traveled (VMT) Mitigation: With the implementation of SB 743, as of July 1, 2020, development projects are now required to mitigate impacts to VMT in-lieu of providing additional roadway capacity to mitigate impacts under the California Environmental Quality Act (CEQA). This change means that payment of TUMF could no longer be used to mitigate project-related traffic impacts under CEQA. WRCOG conducted initial research on possible VMT Mitigation Program or Bank strategies for development projects in order for its VMT impacts to be mitigated. WRCOG assisted its member agencies in preparation of the implementation of SB 743 with guidance on meeting the requirements of the Bill. During this work, the issue of VMT mitigation was noted to be problematic. The main reason is that most land-use projects cannot implement transportation system improvements or directly influence the travel of their occupants. VMT is a function of the intensity of use, type of use, and location, so the main challenge is that VMT is ultimately a regional, not local, concern. WRCOG evaluated potential mitigation approaches and presented the research to the Public Works Committee (PWC) at its May 2021 meeting. Members of the PWC expressed interest for WRCOG to further pursue potential

mitigation approaches that each member agency may opt-in when available.

At this time, staff are not requesting to establish a program but looking for direction to work with partners at RCTC and RTA to evaluate potential opportunities of developing a regional or County-wide VMT mitigation program.

Coordination with Partner Agencies

Prior to bringing a proposed Nexus Study update to WRCOG's committees, staff engaged partner agencies, primarily RCTC and RTA, regarding this update. Neither of these agencies expressed significant reservations regarding a Nexus Study update, though they would defer to WRCOG's committees. RCTC staff did express that it is considered a best practice to update Nexus studies for any fee program on a regular basis. RTA staff expressed comfort in continuing the existing process of identifying transit improvements and coordinating with WRCOG.

If WRCOG's Executive Committee authorizes staff to update the TUMF Nexus Study, staff will work closely with each of the participating agencies during the preparation of a Nexus Study. It should be noted that WRCOG maintains Memorandums of Understanding (MOU) with RCTC, RTA, and RCA regarding the administration of the TUMF Program, and no changes are anticipated to those MOUs with a Nexus Study update.

Update the Analysis of Development Impact Fees in Western Riverside County

WRCOG has conducted an analyses of development impact fees in Western Riverside County in the past to increase regional understanding of development impact fees on new development in Western Riverside County. The first analysis was conducted in 2017, in conjunction with the last TUMF Nexus Study Update, and a subsequent analysis was conducted in 2019. WRCOG is proposing to conduct an analysis in conjunction with this proposed TUMF Nexus Study. The purpose of the analyses is to: (1) indicate the types and relative scale of the development impact fees placed on different land uses and (2) indicate the scale of fees relative to overall development costs. The analyses also provides helpful background information on the impact of the TUMF by placing TUMF in the context of the broader development impact fee structure, overall development costs, and other regional dynamics.

Once both the Planning Director and Public Works Committees provide input on this recommendation, this item will be brought to the Executive Committee at its October 2021 meeting for approval.

Prior Action(s):

None.

Fiscal Impact:

Transportation Department activities are included in the Agency's adopted Fiscal Year 2021/2022 Budget under the Transportation Department.

Attachment(s):

[Attachment 1 - RTP SED Percent Growth 2016-2045](#)

[Attachment 2 - VMT Mitigation White Paper](#)

Attachment 1

Population, Employment and
Household Percent Growth by
Jurisdiction

Population, Employment and Household Percent Growth by Jurisdiction¹

Jurisdiction	Population			Employment			Household		
	2016	2045	Percent Growth	2016	2045	Percent Growth	2016	2045	Percent Growth
Banning	31,000	41,500	33.87%	10,900	16,100	47.71%	7,300	11,400	56.16%
Beaumont	45,500	80,200	76.26%	14,200	25,100	76.76%	9,300	15,900	70.97%
Calimesa	8,500	20,600	142.35%	3,400	10,400	205.88%	1,600	4,100	156.25%
Canyon Lake	10,800	11,400	5.56%	3,900	4,200	7.69%	1,800	2,600	44.44%
Corona	165,800	185,100	11.64%	46,900	52,400	11.73%	79,200	92,800	17.17%
Eastvale	63,900	72,700	13.77%	16,300	18,500	13.50%	7,400	21,600	191.89%
Hemet	81,500	124,000	52.15%	29,900	53,500	78.93%	21,700	40,200	85.25%
Jurupa Valley	100,100	117,800	17.68%	25,300	31,800	25.69%	27,100	31,300	15.50%
Lake Elsinore	61,500	111,600	81.46%	16,900	37,800	123.67%	14,000	24,900	77.86%
Menifee	89,600	129,800	44.87%	30,500	51,200	67.87%	13,800	29,200	111.59%
Moreno Valley	205,700	266,800	29.70%	52,700	76,200	44.59%	35,500	64,900	82.82%
Murrieta	113,600	127,700	12.41%	34,500	42,300	22.61%	31,300	52,200	66.77%
Norco	27,100	27,300	0.74%	7,100	7,100	0.00%	15,200	22,100	45.39%
Perris	74,900	121,000	61.55%	17,200	33,800	96.51%	16,100	26,400	63.98%
Riverside	325,300	395,800	21.67%	94,500	115,100	21.80%	145,400	188,700	29.78%
San Jacinto	44,800	69,900	56.03%	14,000	25,000	78.57%	6,900	13,100	89.86%
Temecula	110,300	138,400	25.48%	33,600	46,400	38.10%	56,400	71,600	26.95%
Wildomar	35,400	55,200	55.93%	10,600	19,600	84.91%	6,500	11,200	72.31%
Unincorporated County (Western Riverside County)	277,875	394,200	41.86%	85,200	135,675	59.24%	57,075	104,700	83.44%

¹ Data is from the SCAG Connect SoCal Plan (2045 Regional Transportation Plan/Sustainable Communities Strategy).

² Western Riverside County is 75% of total Unincorporated County projections.

Attachment 2

VMT Mitigation White Paper

APRIL 2020 | FINAL

VMT Mitigation Through Fees, Banks, & Exchanges

UNDERSTANDING NEW
MITIGATION APPROACHES

A WHITE PAPER PREPARED BY

FEHR  PEERS





VMT MITIGATION THROUGH FEES, BANKS, AND EXCHANGES

Understanding New Mitigation Approaches

BACKGROUND

On September 27, 2013, Governor Jerry Brown signed SB 743 into law and started a process intended to fundamentally change transportation impact analysis as part of CEQA compliance. These changes include elimination of *auto delay*, *level of service (LOS)*, and *other similar measures of vehicular capacity or traffic congestion* as a basis for determining significant impacts. Instead, transportation impacts will be determined based on changes to vehicle miles of travel (VMT). ***This change essentially shifts the focus of analysis from impacts to drivers through higher delays to the impact of driving itself.***

Lead agencies making the transition to VMT are realizing the challenges of using the new metric especially when it comes to mitigating significant VMT impacts. Reducing VMT from land use projects and land use plans has traditionally been accomplished through transportation demand management (TDM) strategies. These strategies include modifying a project's land use characteristics (i.e., density) and incorporating vehicle trip reduction programs at the site to change travel behavior of tenants and visitors. TDM is most effective in urban areas where the site is accessible by multiple travel modes (i.e., walking, bicycling, transit, and vehicle) offering similar travel times and convenience. Conversely, TDM strategies are less effective in lower density suburban and rural areas where modes are limited to personal vehicles. In both areas though, a program-based approach to mitigation can be more effective than project-site strategies. Programs can pool development mitigation contributions to pay for larger and more effective VMT reduction strategies that are not be feasible for individual projects. This paper outlines and compares multiple program types and then explains the implementation steps and key governance issues.

PROGRAM CONCEPTS

The concept of a 'program' approach to impact mitigation is not new and has been used for a variety of technical subjects including transportation, air quality, greenhouse gases, and habitat. Transportation impact fee programs have been used to help mitigate cumulative level of service (LOS) impacts. What is new are how to use impact fee programs for VMT impacts and alternative programs called mitigation exchanges and banks. Absent new program-level mitigation options, suburban and rural lead agencies will have limited feasible mitigation options for project sites.

For CEQA purposes, feasible means "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors."

- CEQA Guidelines Section 15364

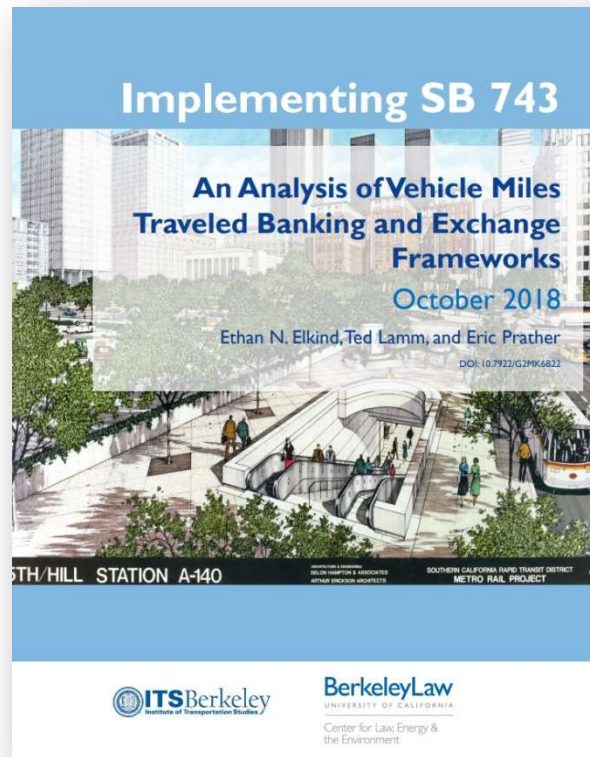


Without feasible mitigation, significant VMT impacts would be significant and unavoidable (SAU). Under these circumstances a project must prepare an environmental impact report (EIR) adding extra time and cost to environmental review compared to a negative declaration (ND). Program-based approaches may be able to overcome the limitation of project-site only mitigation. Three specific concepts as described below have been identified for the purposes of this white paper.

- **VMT-based Transportation Impact Fee program (VMT-TIF)** – The first program concept is a traditional impact fee program in compliance with the mitigation fee act. The nexus for the fee program would be a VMT reduction goal consistent with the CEQA threshold established by a lead agency for SB 743 purposes. The City of LA is the first in California to complete a nexus study for this type of program. The main difference from a fee program based on a metric such as vehicle level of service (LOS) is that the VMT reduction nexus results in a capital improvement program (CIP) consisting largely of transit, bicycle, and pedestrian projects. These types of fee programs are time consuming to develop, monitor, and maintain but are recognized as an acceptable form of CEQA mitigation if they can demonstrate that the CIP projects will be fully funded and implemented.
- **VMT Mitigation Exchange** – In simple terms, the exchange concept relies on a developer agreeing to implement a predetermined VMT reducing project or proposing a new one. The project may be located in the vicinity of the project or elsewhere in the community, and possibly outside the community. The exchange needs to have a facilitating entity that can match the VMT generator (the development project) with a VMT reducing project or action. The facilitating entity could be the lead agency or another entity that has the ability to provide the match and to ensure through substantial evidence that the VMT reduction is valid. A key unknown with this approach is the time period for VMT reduction. For example, how many years of VMT reduction are required to declare a VMT impact less than significant?
- **VMT Mitigation Bank** – A mitigation bank attempts to create a monetary value for VMT reduction such that a developer could purchase VMT reduction credits. The money exchanged for credits could be applied to local, regional, or state level VMT reduction projects or actions. Like all VMT mitigation, substantial evidence would be necessary that the projects covered by the bank would achieve expected VMT reductions and some form of monitoring may be required. This is more complicated than a simple exchange and would require more time and effort to set up and implement. The verification of how much VMT reduction is associated with each dollar or credit would be one of the more difficult parts of the program.

With both exchanges and banks, another important test is that the VMT reduction would not have occurred otherwise such that mitigation program creates 'additionality'. This means that additional VMT reduction will occur above and beyond what would have occurred without the program. A commonly accepted definition of 'additionality' has not yet been developed. One possible test of additionality is that the mitigation project is not included in the regional transportation plan (RTP). The RTP is a financially constrained plan so projects not included in the plan would not likely have been implemented within the typical cumulative timeframe.

For any program to qualify as a CEQA mitigation program, the discretionary action to adopt the program may require CEQA review. This conclusion is based on the *California Native Plant Society v. County of El Dorado* where the court found that payment of fee does not presumptively establish full mitigation of a discretionary project. A separate CEQA review of the program is necessary to satisfy the 'duty to mitigate' imposed by CEQA. Decision makers should also realize that absent a VMT reduction program, developers would likely be limited to only project site mitigation. While this may be less effective, it also lowers their mitigation costs because the available and feasible mitigation would be more limited.



<https://www.law.berkeley.edu/research/cee/research/climate/transportation/vehicle-miles-traveled/>

More details about exchanges and banks are explained in the framework document shown above and available at the cited web link. This white paper expands on the framework to accomplish two objectives. The first objective is to compare the pros and cons of exchanges and banks to a traditional impact fee program. Since impact fee programs have already been established as feasible CEQA mitigation, they serve as a benchmark against which to compare other program concepts. The second objective is to outline the implementation steps associated with creating an exchange or bank to help identify key implementation questions or issues that could affect their feasibility.



PROGRAM ASSESSMENT (Pros/Cons)

Table 1 below outlines the pros and cons of approach VMT mitigation through an impact fee program, exchange, or bank. This assessment is intended to highlight some of the key differences between each program concept.

Table 1 – VMT Mitigation Program Type Comparison		
Program Type	Pros	Cons
Impact Fee Program	• Common and accepted practice • Accepted for CEQA mitigation • Adds certainty to development costs • Allows for regional scale mitigation projects • Increases potential VMT reduction compared to project site mitigation only	• Time consuming and expensive to develop and maintain • Requires strong nexus • Increases mitigation costs for developers because it increases feasible mitigation options • Limited to jurisdictional boundary unless a regional authority is created • Uncertainty about feasibility and strength of nexus relationship between VMT and pedestrian, bicycle, and transit projects (especially in suburban/rural jurisdictions)
Mitigation Exchange	• Limited complexity • Reduced nexus obligation • Expands mitigation to include costs for programs, operations, and maintenance • Allows for regional scale mitigation projects • Allows for mitigation projects to be in other jurisdictions • Increases potential VMT reduction compared to project site mitigation only	• Requires 'additionality' • Potential for mismatch between mitigation need and mitigation projects • Increases mitigation costs for developers because it increases feasible mitigation options • Unknown timeframe for mitigation life • Effectiveness depends on scale of the program
Mitigation Bank	• Adds certainty to development costs • Allows for regional scale projects • Allows for mitigation projects to be in other jurisdictions • Allows regional or state transfers	• Requires 'additionality' • Time consuming and expensive to develop and maintain • Requires strong nexus • Political difficulty distributing mitigation dollars/projects

Table 1 – VMT Mitigation Program Type Comparison		
Program Type	Pros	Cons
	- Expands mitigation options to include costs for programs, operations, and maintenance - Increases potential VMT reduction compared to project site mitigation only	- Increases mitigation costs for developers because it increases feasible mitigation options - Unknown timeframe for mitigation life - Effectiveness depends on scale of the program

To better understand potential program differences, Table 2 contains a comparison of the VMT mitigation projects or actions that each program type could fund or implement. The information for an impact fee program is more certain than for exchanges or banks. Fee programs have been used in practice for decades and have been vetted through court decisions. While banks and exchanges do exist for other environmental mitigation purposes such as wetlands preservation and habitat conservation, these applications have largely focused on protecting fixed land amounts versus reducing a metric that fluctuates over time and may vary in value depending on economic conditions.

Table 2 –VMT Mitigation Projects and Actions Comparison	
Program Structure	Project Types that Reduce VMT
Impact Fee Program	- Pedestrian network expansion - Bicycle/Scooter network expansion (includes bike/scooter share stations) - Transit vehicles or facilities associated with service expansion - Roadway gap closures that reduce trip lengths (bridges)
Mitigation Exchange	- All impact fee program project types - Private or institutional projects that reduce VMT - Transit service improvements and transit pass subsidies
Mitigation Bank	- All impact fee program project types - All mitigation exchange project types - VMT reduction strategies associated with travel behavior changes



IMPLEMENTATION STEPS

This section addresses the second objective noted above to outline the implementation steps associated with creating an exchange or bank to help identify key implementation questions or issues that could affect their feasibility. The starting point for these steps begins with identifying the potential statutory or legal requirements that could govern or influence program creation. These are highlighted in Table 3 and build on the research previously done by U.C. Berkeley in the document referenced above. Since specific statutes do not exist specific to VMT exchanges and banks, U.C. Berkeley used a proxy based on conservation programs established under the California Fish & Game code. This is a reasonable proxy given that the intent behind VMT exchanges and banks is a form of conservation. Instead of habitat, VMT exchanges and banks are trying to conserve vehicle trip making and the VMT generated through this activity. VMT mitigation banks or exchanges do not appear to require new legislative authority but as noted in the U.C. Berkeley document, having state-wide templates for their development could help establish clear standards and expectations for program designs.

Table 3 – Potential VMT Mitigation Exchange/Bank Legal Requirements	
Program Type/Legal Requirements	Statutory Reference
Transportation Impact Fee Program	
1. Mitigation Fee Act – Intended to create a program that allows individual development projects to pay for all or portion of the cost to implement public facilities necessary to support the project. Public facilities are generally limited to capital projects. The nexus study for the program must demonstrate how there is a reasonable relationship between the following. • How there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed. • How there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed. • How there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed. The fees may not be applied to existing deficiencies or the maintenance and operation of an improvement. As such, clear standards should exist about the physical and operational performance expectations for each model of travel included in the program.	• California Government Code §66000-66001



Table 3 – Potential VMT Mitigation Exchange/Bank Legal Requirements

Program Type/Legal Requirements	Statutory Reference
2. Constitutional – Court decisions have placed limits on what level of mitigation can be expected of land use development projects. The limits largely require a nexus between the mitigation and a legitimate government interest plus a rough proportionality between the mitigation and the adverse impact caused by the project.	• Nollan v. California Coastal Commission, 483 U.S. 825 (1987) • Dolan v. City of Tigard, 512 U.S. 374 (1994)
3. CEQA – For mitigation to be imposed, a significant impact must occur. Impacts stem from changes to the baseline environment caused by the project. The significance of those impacts is determined by the lead agencies choice of thresholds. This limits mitigation to increment of VMT change that occurs above the threshold.	• CEQA Statute (CA Public Resources Code 21000-21189) • CEQA Guidelines (CA Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387)
VMT Mitigation Exchange or Bank	
1. An explanation of the VMT mitigation purpose of and need for the bank or exchange.	• Fish & Game Code §1852(c)(1)
2. The geographic area covered by the bank or exchange and rationale for the selection of the area, together with a description of the existing transportation and development dynamics that provide relevant context for the development of the bank or exchange.	• §1852(c)(2)
3. The public transit and VMT reduction opportunities currently located within the bank or exchange area.	• §1852(c)(3)
4. Important residential and commercial communities and transportation resources within the bank or exchange area, and an explanation of the criteria, data, and methods used to identify those important communities and resources.	• §1852(c)(4)
5. A summary of historic, current, and projected future transportation stressors and pressures in the bank or exchange area, including economic, population growth and development trends.	• §1852(c)(5-6)
6. Provisions ensuring that the bank or exchange will comply with all applicable state and local legal and other requirements and does not preempt the authority of local agencies to implement infrastructure and urban development in local general plans.	• §1852(c)(7)
7. VMT mitigation goals and measurable objectives for regional transportation resources and important mitigation elements identified in the plan that address or respond to the identified stressors and pressures on transportation within the bank or exchange area.	• §1852(c)(8)

**Table 3 – Potential VMT Mitigation Exchange/Bank Legal Requirements**

Program Type/Legal Requirements	Statutory Reference
8. VMT mitigation projects, including a description of specific projects that, if implemented, could achieve the mitigation goals and objectives, and a description of how the mitigation projects were prioritized and selected in relation to the mitigation goals and objectives.	•§1852(c)(9)
9. Provisions ensuring that the bank or exchange plan is consistent with and complements any local, regional or federal transportation or congestion management plan that overlaps with the bank or exchange area, a summary of any such plans, and an explanation of such consistency.	•§1852(c)(10-11)
Sources: <u>Implementing SB 743 An Analysis of Vehicles Miles Traveled Banking and Exchange Frameworks</u> , October 2018, Institute of Transportation Studies, U.C. Berkeley. <u>2019 California Environmental Quality Act (CEQA) Statute & Guidelines</u> , Association of Environmental Professionals, 2019. http://leginfo.ca.gov/ http://ccr.oal.ca.gov/	

A review of these potential legal requirements suggests that the creation of an exchange or a bank may not be less rigorous than that of a conventional transportation impact fee program. These legal requirements combined with the need to demonstrate additionality and provide verification could create implementation costs beyond those of a conventional transportation impact fee program. To explore this issue further, annotated flow charts were developed for each program concept. These flow charts are presented on the following pages and allow a reviewer to quickly surmise the differences and similarities associated with creating, operating, and maintaining these programs.

VMT Bank

Implementation

Step 1 Determine Scale/Scope

Step 2 Determine Sponsor

Step 3 Formally Establish Bank & Review Team

Step 4 Determine & Prioritize Mitigation Options

Step 5 Administer Bank

Considerations

There are advantages and disadvantages to creating a Bank with a larger scale/scope. However, multiple agencies must be willing to accept the Bank's mitigation options for a state or regional Bank to be feasible. Larger regions can:

- *Decrease costs associated with running the Bank
- *Decrease local authority over mitigation options
- *Increase efficiency and effectiveness of the program

There are a few organizational components to consider when creating a mitigation Bank. These elements include:

- *Administrative - The Bank must perform several administrative functions such as collecting fees, managing information, answering questions, and other business operations.
- *Technical - There is a significant amount of technical work needed to initially and continually prove the mitigation options reduce VMT and that the reductions would not have occurred without the programs. The Bank also needs to show the fees it receives are related and proportional to new development.
- *Accounting - The Bank requires a thorough accounting system to track collected fees and to ensure fees are being handled according to CEQA and other legal guidelines. This includes payments for implementing VMT reduction projects.

Agencies should consider their ability to perform these roles when deciding whether the Bank should be run internally or by a third party.

The entity creating the Bank must legally formalize its creation. If the intent is for the Bank to be used by multiple agencies, this may require a joint powers authority or equivalent.

A review team should be used to verify the effectiveness of mitigation options based on substantial evidence. This team could be internal to the entity creating the bank or an independent third party.

Potential third party entities that could function as a review team include public agencies such as those listed below.

- *Caltrans - local office
- *ARB
- *CalEPA

The Bank Sponsor creates a list of mitigation options. The Review Team evaluates the list to ensure it complies with relevant requirements. The Sponsor should consider the following elements when prioritizing options:

- *Equity
- *Timeliness of Implementation
- *Cost

Mitigation options can include:

- *Infrastructure projects
- *Programs/incentives (Unlike infrastructure projects, programs/incentives are ongoing activities. Because programs/incentives must be continually maintained to be effective, agencies should consider if developers must pay for them indefinitely.

The public agency or entity sponsoring a Bank may not always be the lead agency on a project. In this situation the Sponsor should develop an agreement with the lead agency that allows the Bank's mitigation options to be considered an acceptable mitigation measure for the EIR.

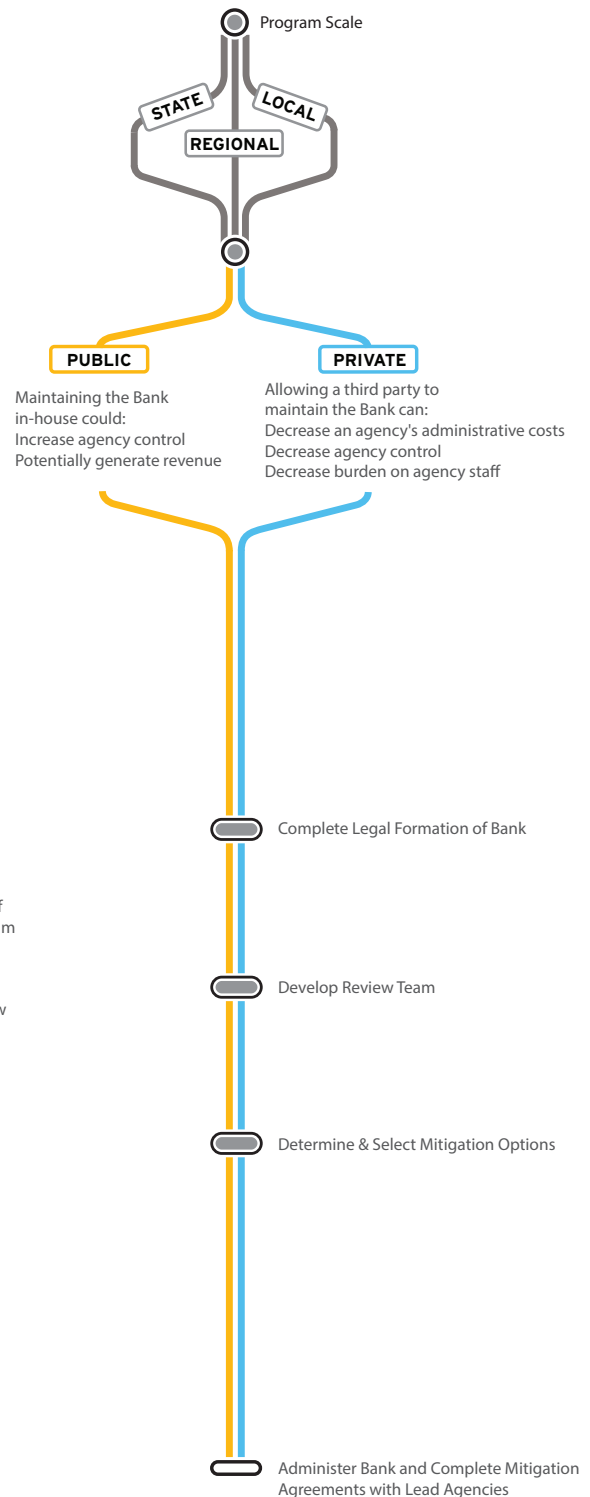
Banks must continue to prove that their mitigation options reduce VMT and that the reduction would not have occurred without the projects/programs.

CEQA review of the Exchange creation may be required to be considered as a formal mitigation program.

Procedural Flowchart



Decision Analytical process or procedural outcome



VMT Exchange

Implementation

Step 1 Determine Scale/Scope

Step 2 Determine Sponsor

Step 3 Determine & Propose Mitigation Options

Step 4 Develop Review Team

Step 5 Administer Exchange

Considerations

To create a regional program requires all participating agencies to adopt the program. Programs with larger scopes can:

- *Decrease administrative costs
- *Decrease local authority
- *Increase efficiency and effectiveness of the program

The organizational components of a mitigation Exchange will depend on the type of sponsor (public or private) mitigation options, and matching process between mitigation options and projects.

If the sponsor is a public agency, they will develop a list of options developers can choose from to mitigate the VMT generated by their development.

If the developer wants to propose their own mitigation Exchange, they must get it approved by the sponsor and lead agency.

The Exchange should have a Review Team to verify mitigation effectiveness and additionality based on substantial evidence. The team could consist of third-party representatives. The team reviews the mitigation list and verifies that the options reduce VMT and that the reductions would not have occurred without the project, program, or incentive.

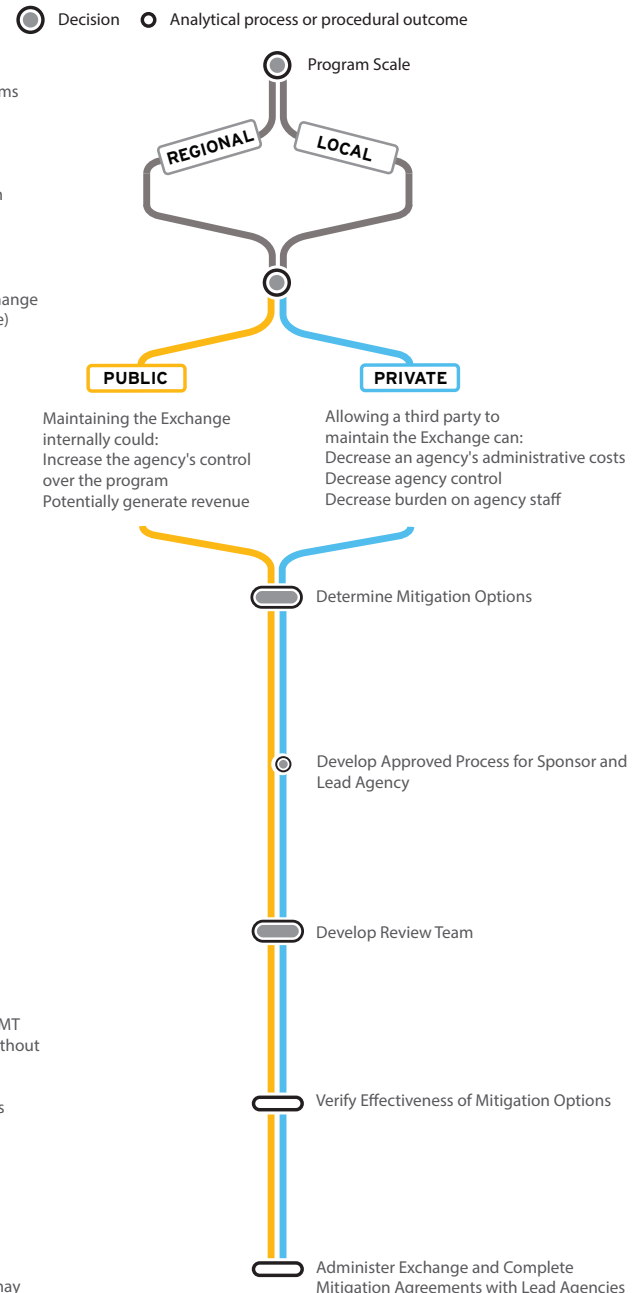
Because Exchanges can include programs/incentives as mitigation options, the Review Team must continually evaluate them to ensure the options are still effective and determine to what degree they reduce VMT.

The public agency/entity sponsoring an Exchange may not always be the lead agency on a project. In this situation the Sponsor should develop an agreement with the lead agency that allows the Exchange's mitigation options to be considered an acceptable mitigation measure for the EIR.

Exchanges must continue to prove that their mitigation options reduce VMT and that the reduction would not have occurred without the projects/programs.

CEQA review of the Exchange creation may be required to be considered as a formal mitigation program.

Procedural Flowchart



VMT Impact Fee

Implementation

Step 1
Determine
Scale/Scope

Step 2
Determine Nexus
(VMT)

Step 3
Determine & Propose
Mitigation Options

Step 4
Prepare & Approve
Nexus Study

Step 5
Prepare & Adopt
Fee Ordinance

Step 6
Complete CEQA
Review for the
Program

Step 7
Administer the
Program

Considerations

To create a regional program requires all participating agencies to adopt the program. Programs with larger scopes:

- *Decrease administrative costs
- *Decrease local authority
- *Increase efficiency and effectiveness of the program

An agency must determine its VMT reduction goal before it can show the relationship between new development and that goal.

The CIP develops a list of capital improvement projects necessary to reduce VMT consistent with its desired goal. The agency should prioritize the projects so they are constructed in a logical order.

The prioritization process should consider:

- *Equity
- *Timeliness
- *Cost
- *Modal Preference (Walking/Biking/Transit)
- *Stakeholder/Community Input

Agencies must demonstrate that the projects in the fee program contribute to VMT reduction. The agency must also show that the fees are related and proportional to new development.

Fees should take into account the delay in the time when fees are collected and when they are used.

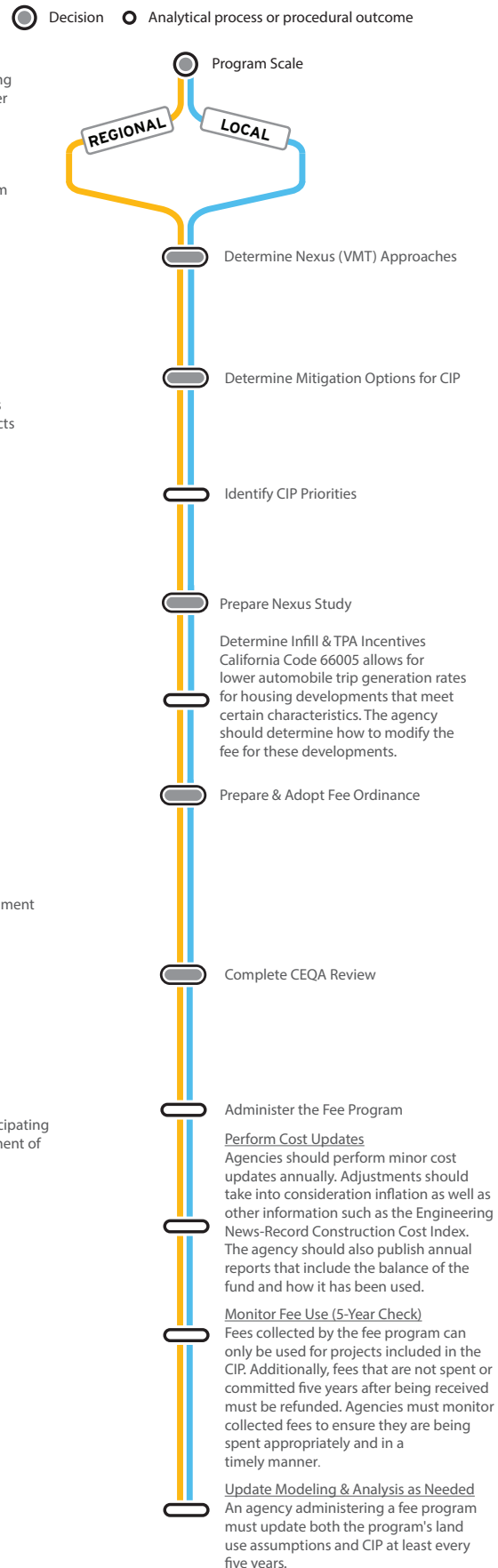
For a fee to be regularly imposed, it must be adopted as an ordinance.

- The ordinance must include:
- *Reason for the fee
 - *The relationship between the fee and new development
 - *Methodology used in developing the fee
 - *Projects to be included in the CIP

California courts have ruled that in order for a fee program to serve as acceptable CEQA mitigation, the program itself must first be reviewed in an EIR.

For Regional Impact Fee Programs ensure that participating agencies have adopted the program such that payment of fees is considered a feasible mitigation measure.

Procedural Flowchart





PROGRAM EXAMPLES

To help explain the different program types, it may be useful to consider some examples. The existing programs below range from an existing VMT-based impact fee program to programs that could be evolved into VMT mitigation banks or exchanges.

City of Los Angeles Westside Mobility Plan Transportation Impact Fee Program

(<https://planning.lacity.org/eir/CoastalTrans/deir/pdfs/tiafeestudy.pdf>)

The City of Los Angeles developed the first impact fee program that relies on a VMT reduction nexus. The westside previously relied on LOS-based impact fee programs but as the area matured and new laws like SB 743 emerged, the City chose to shift their nexus. This shift changed the nature of the CIP from largely roadway capacity expansion projects to more transit, bicycle, and pedestrian infrastructure projects. A key benefit of this approach as noted above is that once the fee program is in place, administration of the program is limited to construction cost updates and complying with state reviews to ensure that funding is being appropriately used to construct and implement the CIP projects. No further verification of CIP effectiveness is required.

WRCOG Transportation Uniform Mitigation Fee (TUMF) Program

(<http://www.wrcog.cog.ca.us/174/TUMF>)

Western Riverside County has the Transportation Uniform Mitigation Fee (TUMF) Program, implemented in 2003. While this program is tied to a vehicle LOS nexus, the foundation and structure of the program could be used to create a new VMT impact fee program similar to the Los Angeles example. The following summary describes the foundational elements of the TUMF and provides information about how to evolve the program for VMT impact mitigation purposes.

The TUMF funds critical county-wide transportation infrastructure to accommodate the traffic created by new population growth and commercial development throughout western Riverside County. It is a vital funding source that complements Federal, State, and local funding funds for improvements to roadways, interchanges, and transit facilities. The fee is uniformly assessed on new residential and non-residential development throughout the WRCOG region. Each of WRCOG's member jurisdictions and the March Joint Powers Authority (JPA) participate in the program.

WRCOG serves as the Program Administrator and has three main responsibilities. First, WRCOG leads the development of regular AB 1600 compliant Nexus Studies. These Studies identify needed the transportation facilities to be funded by the fee, identify future growth projections, and set the resulting



fee, which is then adopted by WRCOG's Executive Committee. The transportation projects included in the Nexus Study are identified through a collaborative process in which jurisdictions submit projects for consideration, which are then subject to an analysis process to verify that they meet applicable criteria. These two-step process ensures that the projects included in the Nexus Study reflect both local input and regional need. A similar process could be used to create a VMT reduction nexus and to select VMT reducing projects for either a separate VMT impact fee program or a modified TUMF that includes projects to achieve LOS and VMT reduction goals.

WRCOG's second responsibility is the collection and calculation of fees. WRCOG has developed a set of consistent fee calculation tools, which ensure that TUMF is calculated on a consistent basis for all projects, regardless of their location. Because there is a regional Nexus Study and a consistent fee calculation approach, WRCOG ensures that all projects of the same type pay the same fee, regardless of their location. In 2019, WRCOG completed work on an online fee payment system which expedites fee payments from project applicants.

The final responsibility of WRCOG is distributing funds collected from each agency and using those monies to fund transportation projects. Project identification and prioritization is led by the local agencies who meet to decide how much funding to provide to each project. Local agencies are grouped into geographic sub areas known as TUMF Zones. Each TUMF Zone is allocated a budget of anticipated revenues, which are then distributed through a consensus-based approach. WRCOG then provides reimbursements to each agency as work occurs. WRCOG's facilitates this process and also reviews invoices to ensure that funds in a manner which is consistent with program requirements.

Miles

(<https://www.sacrt.com/apps/miles-get-rewarded-for-your-commute-travel/>)

The City of Sacramento, Sacramento Regional Transit, and Sacramento State partnered with Miles, a new app that will rewards users with redeemable miles for their commute and travel. The redeemable miles can be exchanged for exclusive experiences, products and services with vendors including Ray-Ban, Illy, Audible, and Rockport. Miles app users automatically earn miles for daily travel and receive bonus miles for green trips (walk, bike, carpool or transit). Sacramento residents are also eligible to complete special challenges to earn additional rewards. While this program was not set up as an VMT mitigation exchange or bank, it could evolve into one.

The purpose of rewarding green trips and the special challenges is to influence user behavior to reduce vehicle trips and VMT. With some additional accounting of user travel behavior before and after using the app, enough substantial evidence could be created to provide the VMT reduction verification described above and noted in the flow charts. The program already has administrative functions developed and



established relationships between the partner agencies. Some of the unknowns at this time are listed below.

- cost of the program on a per user basis
- amount of VMT reduction that is achieved for a typical user
- how a developer could contribute to the program to sponsor additional users
- stability or permanency of VMT reductions dependent on 'challenges'

In addition to the Miles program, other similar vendors exist such as Luum (<https://luumbenefits.com/>) and Metropia (<https://www.metropia.com/>). These types of app-based vendors could evolve to offer exchange or bank type mitigation options if they can comply with the various requirements outlined in the implementation steps and identified in the U.C. Berkeley white paper cited above.

Metro Transit Pass Subsidy

Metro is the Los Angeles County mobility provider. One of the programs they currently offer is a transit pass subsidy with a couple of unique elements that may qualify it as a VMT mitigation exchange. Metro offers student and employee transit passes under their U-pass and E-pass programs. These are transit passes for students and employees in LA County that are unique because instead of a physical transit pass card, the pass comes in the form of an RFID chip with an antenna that sticks to an existing student or employee identification badge. This type of chip allows the transit agency to charge for trips when they are made, which is more cost-effective for schools and employers. The registration form for obtaining the pass includes a survey about current travel behavior and data such as the distance between home and school or work for the applicant. By tracking how individual travel behavior changes from this baseline condition over time, LA Metro can produce aggregate statistics about the effect on transit ridership and VMT.

The second unique component of the program is that Metro allows anyone to 'sponsor' these passes for a particular school or employer. As such, they are entertaining the concept of using the program as an SB 743 VMT mitigation exchange. Developers could purchase U- or E-passes and could use the Metro performance data to estimate the VMT reduction per pass. LA Metro is working with LA DOT and SCAG on a pilot concept this year to formalize the program. As part of this white paper development, we asked Metro if developers/agencies outside Los Angeles County could participate. The reason for this request is that VMT mitigation dollars spent on Metro transit passes may be more effective than the same dollars spent in other communities. Whether local communities would be willing to allow mitigation dollars across borders will likely depend on a variety of factors but knowing that it is feasible on the Metro end is an important first feasibility question. Metro replied that their work has not progressed sufficiently to answer this question yet.



Expanded Public Agency Telecommute Bank

With increased telecommuting during the COVID-19 shelter-in-place order, public agencies may decide to permanently expand their telecommuting offerings to employees. When making that decision, these agencies could 'bank' the commute VMT savings from each employee into a mitigation program. The agency would then have the option to allocate the VMT savings to individual development or transportation projects. The allocation process could be gifted, auctioned, or offered at a fixed price. WRCOG could function as an umbrella facilitator for this type of program with responsibility for collecting and organizing the VMT savings into a single 'bank' and then disposing of the savings to individual projects as mitigation subject to all the program expectations outlined above.

IMPLEMENTATION RISKS

As explained above, VMT exchanges or banks come with unique requirements such as the 'additionality' test and ongoing verification that make them more challenging to implement than a conventional transportation impact fee program. However, exchanges and banks offer the ability to include program-type strategies directed at changing travel behavior that are not available in a conventional impact fee program. Given these tradeoffs, we assessed whether other risks could influence the choice of program.

One risk that stood out was related to current legal challenges to the use of carbon offsets that are based on similar concepts. In a recent legal case, the Sierra Club, Center for Biological Diversity, and Cleveland National Forest Foundation, Climate Action Campaign, Endangered Habitats League, Environmental Center of San Diego, and Preserve Wild Santee challenged the County of San Diego over the use of carbon offsets to achieve GHG reduction goals in the County's climate action plan. The court petition is available at the link below.

- <https://www.biologicaldiversity.org/programs/urban/pdfs/San-Diego-CAP-Petition-for-Writ-of-Mandate.pdf>

The California Attorney General's (AG's) office has also weighed in on this court case. According to a November 11, 2019 Los Angeles Times article, "California says San Diego County could undermine state's greenhouse gas plan", the AG's office filed an amicus brief. The article reported the following about the AG's brief.

In a strongly worded amicus brief recently submitted to the 4th District Court of Appeal in San Diego, Becerra argued that the county's offset strategy would "perpetuate current sprawling development patterns, which will impede the ability of the region and state to reach their long-term climate objectives."

"Without significant [vehicle miles traveled] reductions across the state, California simply will not be able to achieve its [greenhouse gas] reduction targets," the 33-page document said.



The state does not appear to support reducing GHG emissions from land use development without those reductions coming from fundamental local land use and transportation network changes. The risk is that lower density suburban and rural parts of the state would continue their sprawling patterns leading to more VMT and emissions. If the state maintains this position, it could also be used to argue against the creation of VMT mitigation exchanges and banks that attempt to offset VMT increases. To minimize this risk, the mitigation options offered by exchanges and banks could be applied only after project site mitigation has been exhausted and should attempt to offer additional mitigation within the same area or community.

GOVERNANCE

Governance for a VMT mitigation program is another important part of assessing program feasibility for a particular agency. The definition of governance for the purposes of this assessment includes the following three components.

1. Who makes program decisions?
2. How are decisions made?
3. Who is accountable for decisions?

These questions are answered below based on WRCOG serving as the specific agency that would implement and operate the VMT mitigation program. Since the answers will vary depending on the exact type of mitigation program, WRCOG was asked about specific program types of most interest. In response, three program options were identified.

- Modified TUMF – This option involves a modification to the existing TUMF where a new VMT reduction nexus is added. This change would allow the creation of two separate capital improvement programs (CIP) with their own separate fee schedules. A roadway capacity CIP would be retained for the LOS nexus component of the program and a new VMT mitigation CIP would be created. Some of the existing projects in the TUMF CIP are VMT reducing such as transit, bicycle, and pedestrian projects. These would be moved to the new VMT mitigation CIP presuming they are consistent with the new VMT reduction nexus requirement. If changes are limited to this new accounting and nexus approach, impact fees would remain relatively stable.

This option also allows for new VMT reducing projects to be added to the VMT mitigation CIP. The more projects that are added, the greater the potential VMT reduction, but also the greater the impact fees. Under this option, the TUMF would continue to serve a mitigation program for land use development projects. No mitigation would be available through the program for transportation infrastructure projects that generate new VMT.



- New VMT Impact Fee Program – This option involves creating a new VMT impact fee program focused solely on achieving VMT reduction through the CIP projects. The CIP would largely consist of active transportation and transit projects where sufficient evidence exists to demonstrate a VMT reduction nexus. The program would also be targeted exclusively for land use development project mitigation.
- New VMT Mitigation Exchange – This option is the most flexible in terms of offering VMT mitigation for both land use and transportation infrastructure projects. The program would identify VMT reduction projects that could be either fully funded or directly implemented by land use project applicants or transportation project sponsors. The type of project could include capital projects similar to those mentioned above for the impact fee programs plus TDM strategies or activities that reduce VMT. TDM often involves information development and dissemination and actions that change travel behavior. Since these do not qualify as capital projects, they are typically excluded from impact fee programs. As long as these strategies or activities have a clear nexus to VMT reduction, they would qualify for the VMT mitigation exchange project list. By covering VMT mitigation for transportation projects (i.e. roadway capacity projects causing induced vehicle travel impacts), more agencies could participate in the program and more VMT reduction could be delivered.

These options do not include a mitigation bank. As explained above, banks are more complex and require more effort to create, operate, and maintain without current evidence showing that the higher investment would necessarily produce greater VMT reduction than an impact fee program or exchange.

Who makes program decisions?

The simple answer to this question is that WRCOG makes the decisions, but that is not precise enough to fully understand what individuals or groups of individuals are authorized to make different types of decisions. WRCOG was formed through a [joint powers agreement](#) (JPA) is composed of all 18 incorporated Cities, Riverside County, Eastern and Western Municipal Water Districts, the Morongo Band of Mission Indians, and the Riverside County Superintendent of Education. The main decision-making body of WRCOG is the Executive Committee which is comprised of elected officials from each of WRCOG's member agencies and meets monthly to discuss policy issues and consider recommendations from WRCOG's Technical Advisory Committee (TAC), primarily comprised of the region's City Managers.

How are decisions made?

Any decision related to the implementation of any option identified above would ultimately be made by the Executive Committee after discussions, input, and voting has occurred at the various policy committees. On-going operation of the program would occur at the Executive Director, Transportation & Planning Director, and Public Works Committee (PWC) levels. Decisions and informational items are first brought to the Public Works and or Planning Directors Committee (PDC). Recommendations are then brought forth to the TAC. Following this would be the Administration & Finance Committee (AFC) who



provide budget and finance overview, which is comprised of a smaller group of elected officials who are also members of the Executive Committee. The final decision recommendations are lastly brought to the Executive Committee who make the final determination.

Once a program is established, WRCOG staff would oversee the program with input from WRCOG's member agencies, primarily through WRCOG's existing committee structure.

Who is accountable for decisions?

The WRCOG organization described above is transparent with an emphasis on a streamlined approach to decision-making. For day-to-day decision making, responsibility and accountability lies with the Executive Director and the Transportation & Planning Director. Major decisions are reserved for the Executive Committee since it has sole authority to adopt and amend by-laws for the administration and management of the JPA.

The table below summarizes the governance expectations above.

Type of Program	Who Makes Program Decisions?	How Are Decisions Made?	Who is Accountable?
Modified TUMF Program	<u>Creation of the program</u> - WRCOG Executive Committee <u>Operation of the program</u> - WRCOG Executive Committee, Executive Director, Transportation & Planning Director, AFC, TAC, and PWC	Decisions can originate from questions at any level of the agency, member agency, or the public. These are then resolved at the PWC, PDC, TAC, AFC or Transportation & Planning Director level for day-to-day operations and the Executive Committee for more significant decisions.	Executive Director and Transportation & Planning Director for day-to-day operations and the Executive Committee for more significant decisions.
New VMT Impact Fee Program			
New VMT Mitigation Exchange			

Advancing Implementation

Advancing one of the three options above would begin with a formal proposal by WRCOG staff at the PWC where informative discussions, presentations, and options would be explored. With the recommendation of the PWC it would then advance to the other policy committees in the following order.

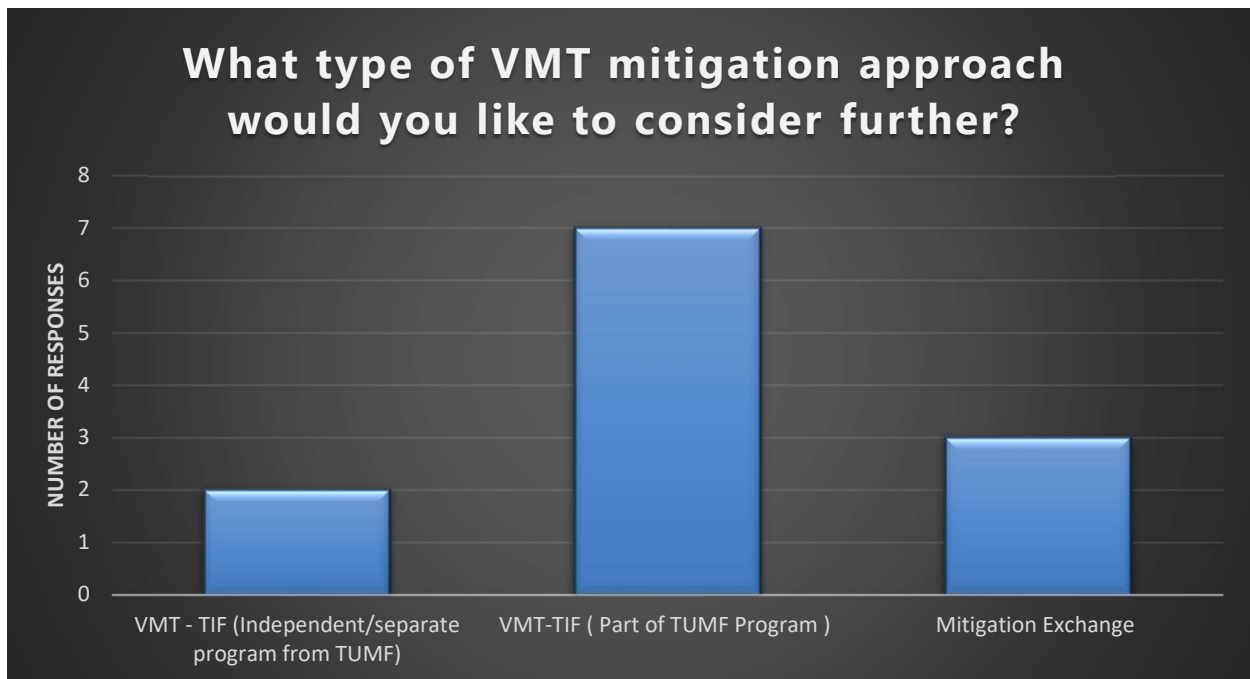
- TAC
- AFC
- Executive Committee



Prior to implementing any new Program, WRCOG would need to develop a concrete proposal for recommendation. Given WRCOG’s experience, this proposal should address each item below.

- The exact structure to be implemented (bank, exchange, or fee).
- The relationship between this program and other WRCOG programs.
- Program governance, which would likely be modeled after existing WRCOG programs like TUMF.
- Supporting documentation related to this proposal such as any quantification methods related to VMT reductions and other applicable items.

WRCOG Staff conducted a survey of its member agencies late in 2019 and early in 2020 to gauge their interest in either a VMT mitigation fee or exchange. The survey results are provided below. Based on the survey responses, it appears that a majority of our local agencies prefer a fee-based approach, though there is support for an exchange as well.





Based on that positive feedback, there appears to be merit in advancing a mitigation program. The next steps would generally focus on increased socialization of this concept and conceptual program development. Specific tasks WRCOG should undertake would include but not be limited to the following items.

- Convening a meeting with the Riverside County Transportation Commission (RCTC) and Riverside Transit Agency (RTA) to discuss this concept in greater detail.
- Identify at least two options for either a fee-based approach and an exchange, which would include an evaluation of their use for mitigating development and infrastructure projects.
- A review of the latest guidance from OPR and Caltrans regarding VMT impacts and the applicability of this type of program or programs to address any issues they have raised as SB 743 is implemented.
- Coordination with the upcoming TUMF Nexus Study update to ensure that the Nexus Study scope of work provides the necessary information for this type of program.



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Western Riverside Council of Governments Planning Directors Committee

Staff Report

Subject: Ready for Tomorrow Program Introduction - Grant Writing Assistance Opportunity
Contact: Woodrow Covington, Grants & Proposals Director, Climate Resolve,
wcovington@climateresolve.org, (213) 634-3790
Date: September 9, 2021

Requested Action(s):

1. Receive and file.
-

Purpose:

The purpose of this item is to provide an introduction to the Ready for Tomorrow Program and a grant assistance opportunity from Climate Resolve.

Background:

This item is reserved for a presentation from Climate Resolve to introduce its Ready for Tomorrow Program. The goal of the Program is to connect disadvantaged communities (DAC) and disadvantaged vulnerable communities throughout southern California to climate planning research, funding, and resources. The Program includes a specific grant writing assistance program that helps DAC pursue climate-related grants.

Prior Action(s):

None.

Fiscal Impact:

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

Attachment(s):

None.



Western Riverside Council of Governments Planning Directors Committee

Staff Report

Subject: Legislative Activities Update

Contact: Bill Blankenship, On-Call Legislative Consultant, billblankenship63@gmail.com, (951) 206-9020

Date: September 9, 2021

Requested Action(s):

1. Receive and file.

Purpose:

The purpose of this item is to provide key legislative dates and deadlines for the remaining portion of the 2021 Legislative Session.

Background:

Key Legislative Deadlines (45 days)

- August 27th: Last day for fiscal committees to meet and report bills.
- August 30th - September 10th: Only Floor Session and the Rules Committee will meet.
- September 3rd: Last day to amend bills on the Assembly and Senate Floors.
- September 10th: Last day for bills to be passed.
- October 10th: Last day for the Governor to sign or veto bills.

SB 6, as amended, Caballero. Local planning: housing: commercial zones. The Bill would make housing developments an “authorized use” in commercial zones. A development project in a commercial zone could be streamlined in the development review process, if 50% or more of the site has been vacant for a period of at least three years. This Bill shares many of the same goals that were part of AB 3107 from the 2020 legislative session. ***May 24th - the Bill passed on the Senate Floor by a vote of 32-2. May 24th - the Bill is in the Assembly and waiting for committee assignment.***

SB 9, as amended, Atkins. Housing development: approvals. The Bill has been introduced by the Speaker Pro Tem and has several key legislative coauthors, including Senators Caballero, Weiner and Rubio. The Bill would allow for lot splits to occur in single-family residential neighborhoods and the construction of duplexes will also be allowed by-right. ***May 26th - the Bill passed on the Senate Floor by a vote of 28-6. August 16th - the Bill was re-referred to the Assembly Committee on Appropriations. August 19th - the Bill passed the Assembly Appropriations Committee by a vote of 12-1.***

SB 10, as amended, Wiener. Planning and zoning: housing development: density.

The Bill would permit local government agencies to pass an ordinance to zone a parcel up to 10 units of residential density, if the parcel is located in an area that is deemed a transit rich area, job rich area, or an urban infill site. SB 10 shares similar goals to SB 902 that was introduced in 2020 and was opposed by several prominent unions and a list of cities. **May 26th - the Bill passed on the Senate Floor by a vote of 27-7. June 22nd - the Bill passed the Assembly Committee on Housing and Community Development by a vote of 6-1. The Bill has been referred to the Assembly Committee on Local Government and the Committee heard a third reading on July 6th.**

SB 12, as amended, McGuire. Planning and zoning: wildfires. The Bill would impose certain fire hazard planning responsibilities on local governments. The Bill will require cities and counties to make specified findings on fire standards, prior to permitting a development in very high fire hazard severity zones (VHFHSZ) and incorporates fire hazard planning into regional housing needs allocation (RHNA) objectives and methodology. The Bill requires that State and local government agencies identify lands that they are responsible for fire prevention and suppression. The Bill would also revise the RHNA methodology, with the seventh housing element. The RHNA allocation would be reduced in each region, if the goal of housing needed by a city or county must identify lands within the VHFHSZ to meet its RHNA requirement. **June 1st - the Bill passed on the Senate Floor by a vote of 31-8. June 10th - the Bill was referred to the Assembly Committee on Local Government and Housing and Community Development. July 12th - the Bill failed by a vote of 4-2 and was granted reconsideration.**

SB 44, as amended, Allen. California Environmental Quality Act: streamlined judicial review: environmental leadership transit projects. The Bill would establish procedures for the administrative and judicial review, which pertain to the required environmental review and approvals granted for a transit project. The Bill would require the Judicial Council, on or before April 1, 2022, to adopt rules of the court. The set rules would establish procedures related to judicial review, pursuant to CEQA or the granting of project approvals, including any appeals to the Court of Appeals or the Supreme Court. The Bill would also stipulate that the judicial review must be resolved, to the extent feasible, within 270 days of the filing of the certified record. The transit project would have to meet certain labor and environmental requirements to be eligible for the protections that are contained in this Bill. **May 26th - the Bill passed on the Senate Floor by a vote of 37-0. June 3rd - the Bill was referred to the Assembly Committee on Natural Resources and Judiciary and on July 13th the Bill was re-referred to the Assembly Committee on Appropriations. August 19th - the Bill has been referred to the Suspense File.**

AB 68, as amended, Salas. Department of Housing and Community Development: housing appeals committee: housing development and financing. The Bill focuses on implementing the recommendations from the California State Auditor's Report 2020-108, issued on November 17, 2020. The Auditor's Report addressed the local impediments to housing production. The Report outlined that the current State law and oversight are insufficient to ensure that cities and counties are working to create the construction of adequate affordable housing construction. The Bill revises and modernizes the quadrennial Statewide Housing Plan and expands upon the requirements of the annual report from the Department of Housing and Community Development. The Bill requires future Statewide Housing Plans to include an inventory of affordable units needed, the cost to produce the units, and the financial resources that are available to produce the units. The Bill further mandates that the report include any housing element enforcement actions that were taken and details pertaining to program grants that were awarded in the previous year. **June 16th - the Bill was referred to the Senate Committee on Housing. July 12th - the Bill was re-referred to the Senate Committee on Appropriations. August 16th - the Bill has been referred to the Suspense File.**

AB 571, as amended, Mayes. Planning and zoning: density bonuses: affordable housing. The Bill would amend the existing “Density Bonus Law.” The Bill would prohibit affordable housing impact fees, including inclusionary zoning fees, public benefit fees, and in-lieu fees from being imposed on a housing development’s bonus units and affordable units, created by the production of lower income housing units. ***May 27th - the Bill passed on the Assembly Floor by a vote of 75-0. June 17th - the Bill passed the Senate Committee on Governance and Finance by a vote of 8-0. July 1st - the Bill was re-referred to the Senate Committee on Appropriations. August 16th - the Bill was read a second time and has been ordered to a third reading.***

AB 602, as amended, Grayson. Development fees: impact fee nexus study. The Bill would require after January 1, 2022, that a city, county, or special district that conducts an impact fee nexus study to follow specific standards. The Bill would also stipulate that the nexus study identify the existing level of service and that the fee imposed on a housing development project are directly tied to the square footage of the proposed unit or units in the project. ***May 27th - the Bill passed on the Assembly Floor by a vote of 76-0. July 1st - the Bill was re-referred to the Senate Committee on Appropriations. August 16th - the Bill has been referred to the Suspense File.***

AB 950, as amended, Ward. Department of Transportation: sales of excess real property: Affordable housing. The Bill would authorize the Department of Transportation to sell excess property to the city or county where the property is located, if the city or county agrees to use the property for the sole purpose of implementing affordable housing. The Bill would exempt these transfers and sales from the California Environmental Quality Act. ***June 1st - the Bill passed on the Assembly Floor by a vote of 69-0. June 16th - the Bill was referred to the Senate Committee on Transportation and Environmental Quality. July 12th - the Bill was re-referred to the Senate Committee on Appropriations. August 16th - the Bill was set for a first hearing and the hearing was canceled at the request of the author.***

AB 1401, as amended, Friedman. Residential and commercial development: parking requirements. The Bill would prohibit a local government agency from imposing minimum parking requirements or the enforcement of minimum parking requirements on residential, commercial and other development. The Bill stipulates that the parking requirement is lifted when the development is located within a one-half mile distance of a public transit facility that is defined under existing law. ***June 1st - the Bill passed on the Assembly Floor by a vote of 51-17. June 16th - the Bill was referred to the Senate Committee on Governance and Finance and Housing. July 5th - the Bill was re-referred to the Senate Committee on appropriations. August 16th - the Bill has been referred to the Suspense File.***

2021 Bills That Have Been Signed Into law

SB 7, as amended, Atkins. Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021. The Bill declares an urgency, requiring a 2/3rds vote of both houses. **The Bill has passed both houses of the legislature, signed by the Governor, chaptered by the Secretary of State, and will now take effect immediately.** The Bill reforms an aspect of the CEQA process and enacts the Environmental Leadership Act of 2021. The Bill authorizes the Governor, up to January 1, 2024, to certify projects that meet certain requirements for the streamlining benefits which are related to CEQA. The Bill also adds coverage for housing development projects which meet certain conditions of eligibility for certification under CEQA. The Bill revises and resets the labor related

requirements on a public agency project and private equity project. The Bill further authorizes the Governor to certify a project before a lead agency certifies the EIR for a specified project. **May 10th - the Bill passed on the Assembly Floor by a vote of 70-1. May 20th - the Bill was signed by the Governor and on May 20th - the Bill was Chaptered by the Secretary of State.**

Assembly Bill (AB) 140, as amended, Ting, Chairman of the Assembly Budget Committee. Housing and homeless provisions of the Budget Act of 2021. The Bill is the enabling language that establishes provisions for Housing and Homeless programs related to the 2021 Budget. The Bill establishes the California Dream for All First Time Home Buyer Program, by directing the State Treasurer, California Department of Housing and Community Development (HCD), and other relevant stakeholders to develop a first-time homebuyer's program. The working group has a deadline of July 19, 2022, to recommend a program to the State Legislature. The Bill makes certain changes to speed development of housing on State excess lands. The Bill provides \$2 billion in funding in the next two years for flexible aid for local governments to combat homelessness, through the Homeless Housing Assistance and Prevention Program (HHAPP). The Bill also addresses Affordable Housing Backlog with the allocation of funding to qualified rental housing developments that relies on federal and state low-income housing tax credits. The Bill establishes the Foreclosure Intervention Housing Preservation Program, which allows HCD to contract with program administrators by offering grants or loans to qualifying nonprofits or community land trusts to purchase housing properties in default or out of foreclosure. The Bill also provides funding for Project Homekey for the acquisition, rehabilitation, and conversion of hotels, motels, commercial properties for housing of homeless individuals. **July 15th - the Bill passed on the Senate Floor by a vote of 38-0. July 19th - the Bill was signed by the Governor and on July 19th - the Bill was Chaptered by the Secretary of State.**

Assembly Bill (AB) 687, as introduced, Seyarto. Joint powers authorities: Riverside County Housing Finance Trust. The Bill would authorize the creation of the Western Riverside County Regional Housing Trust (Trust). The Bill would enable member agencies of WRCOG to voluntarily enter into a joint powers agreement for the purposes of creating and operating an agency to fund housing projects in Western Riverside County. The Trust would assist with the creation of housing opportunities for the homeless population and persons and families of extremely low, very low, and low income as defined in the Health and Safety Code. The Trust may receive funding from public and private sources and will have the ability to authorize and issue bonds. The Trust would be governed by a separate Board of Directors, made up of elected officials representing the County of Riverside and cities within the WRCOG subregion. **April 8th - the Bill passed on the Assembly Floor by a vote of 74-0. July 12th - the Bill passed on the Senate Floor by a vote of 39-0. July 23rd - the Bill was signed into law by the Governor and on July 23rd - the Bill was Chaptered by the Secretary of State.**

2021 Bills That Failed to Move out of Committee

SB 5, as amended, Atkins Affordable Housing and Community Development Investment Program. The "Housing Bond Act" Bill has several legislative authors, in addition to the Speaker Pro Tem. The Bill would authorize the issuance of \$6,500,000,000 in bonds for the purposes of financing housing-related programs that serve the homeless population and households that are classified as extremely low and very low-income. The bond would be placed on the November 8, 2022, Statewide General Election Ballot. **March 18th - the Bill was amended and re-referred to the Committee on Housing and Governance and Finance and will require a 2/3rds vote. No additional history was reported regarding the Bill.**

SB 809, as amended, Allen. Multijurisdictional regional agreements: housing element. The Bill would authorize a city or a county to satisfy part of their requirement for residential development by adopting and implementing a multijurisdictional regional agreement. The Bill stipulates a regional agreement to be between two or more cities and counties within the same county or the adjacent county. The agreement would also clearly establish parameters that the jurisdiction which is contributing suitable land for residential development and the jurisdiction or jurisdictions contributing funding for the development. A jurisdiction that is part of a multijurisdictional agreement provides specified information in its housing element, including how the regional agreement will satisfy the jurisdiction's housing need for various income levels. **March 18th - the Bill was re-referred to the Committee on Housing and Government and Finance. No additional history was reported regarding the Bill.**

AB 617, as introduced, Davies. Planning and zoning: regional housing needs: exchanges of allocation. The Bill authorizes a city or county, by agreement, to transfer all or a portion of its allocation of regional housing need to another city or county. The Bill would allow the transferring city to pay the transferee city or county an amount determined by that agreement, as well as a surcharge to offset the impacts and associated costs of the additional housing on the transferee city. The Bill would also require the transferring city or county and the transferee city or county to report to the council of governments and the department specified, information about the transfer, as provided. **February 25th - the Bill was re-referred to the Senate Committee on Housing and Community Development and Local Government. No additional history was reported regarding the Bill.**

AB 1372, as introduced, Muratsuchi. Right to temporary shelter. The Bill would require a city or county to provide homeless individuals with temporary shelter, mental health treatment, job training, and job placement services, until the designated homeless person obtains permanent housing. The requirement that would trigger the mandate is as follows: a homeless person actively seeks temporary shelter for at least three consecutive days in a specific jurisdiction and was unable to be accommodated entry into any of the temporary shelters. The legislation would require the city or the county provide a rent subsidy, if it is unable to provide temporary shelter. The Bill would also authorize a homeless person to enforce the provisions of the legislation by bringing a civil action against the city or the county. **March 4th - the Bill was referred to the Assembly Committee on Judiciary and Housing and Community Development. The Bill has not been amended or scheduled for a hearing.**

Assembly Constitutional Amendment (ACA) 1, as introduced, Aguiar-Curry. Local government financing: affordable housing and public infrastructure: voter approval. ACA 1 has a large group of coauthors, including principal coauthor Senator Scott Wiener. The passage of ACA 1 would place on the next Statewide ballot an initiative that would lower the voter threshold from 66% to 55% for general obligation bonds relating to the construction of new schools, affordable housing projects, public infrastructure, and special taxes at the local level. **April 22nd - ACA 1 was referred to the Committee on Local Government and Appropriations and was not assigned a legislative hearing date.**

Assembly Constitutional Amendment (ACA) 7 as introduced, Muratsuchi. All local land-use controls and zoning regulations to remain within the communities: voter approval. ACA 7 would ensure all decisions regarding local land use control and zoning regulations are made within the affected communities, in accordance with local law. The measure will continue to allow either local or state law to control where state and local law conflicts, regarding the development of an infrastructure project. The author states that, it is in the best interest for California that the complex decisions related to developments are made at the local level. Local communities are best equipped to make development decisions based on its unique individual city's development plan. **The legislative history has no updates since**

April regarding the Bill.

Prior Action(s):

August 12, 2021: The Planning Directors Committee received and filed.

Fiscal Impact:

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

Attachment(s):

None.