

# **AGENDA ITEM NO. 7**

## **MINUTES**

**March 2, 2015**



## **MEETING MINUTES**

### **1. CALL TO ORDER**

The meeting of the Western Riverside County Regional Conservation Authority was called to order by Vice Chairman Eugene Montanez at 12:32 p.m. on Monday, March 2, 2015, in the Board Room of the Riverside County Administrative Center, 4080 Lemon Street, Riverside, California, 92501.

### **2. PLEDGE OF ALLEGIANCE**

Board Member Kevin Bash led the RCA Board Members and meeting attendees in a flag salute.

### **3. ROLL CALL**

#### **Board Members Present**

#### **Board Members Absent**

<p>George Moyer, <i>City of Banning</i>            Mark Orozco, <i>City of Beaumont*</i>            Jeffrey Hewitt, <i>City of Calimesa</i>            Tim Brown, <i>City of Canyon Lake</i>            Eugene Montanez, <i>City of Corona</i>            Clint Lorimore, <i>City of Eastvale</i>            Linda Krupa, <i>City of Hemet</i>            Verne Lauritzen, <i>City of Jurupa Valley</i>            Natasha Johnson, <i>City of Lake Elsinore**</i>            D. LaDonna Jempson, <i>City of Moreno Valley</i>            Harry Ramos, <i>City of Murrieta</i>            Kevin Bash, <i>City of Norco</i>            David Starr Rabb, <i>City of Perris</i>            Andy Melendrez, <i>City of Riverside</i>            Maryann Edwards, <i>City of Temecula*</i>            Ben Benoit, <i>City of Wildomar</i>            Kevin Jeffries, <i>Riverside County District I</i>            Ella Zanowic, <i>Riverside County District V</i>  <i>Alt.</i></p>	<p>Matt Liesemeyer, <i>City of Menifee</i>            Scott Miller, <i>City of San Jacinto</i>            John Tavaglione, <i>Riverside County District II</i>            Vacant, <i>Riverside County District III</i>            John Benoit, <i>Riverside County District IV</i></p>
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*\*Arrived after start of meeting*

*\*\*Departed before meeting ended*

**4. PUBLIC COMMENTS**

Vicki Long from Murrieta, California, representing mountain lions advised that she wanted to comment on the I-15 bridge and update the Board on some of the things they are working on. She stated that there was a workshop on the I-15 corridor and is hopeful that they are receiving national attention. Research that was completed in the past predicted that there would be a bridge by this time, so they are working on obtaining funding and planning. Scientists are looking at issues regarding isolated Southern California Mountain Lions. They have joined forces with Santa Monica people to joint fundraise for both projects. She wished Board Members a great year and expressed her hope that it is a great year for the mountain lions. She encouraged Board Members to drive Highway 241 and look at the wonderful new wildlife fencing that would help in keeping the interaction between people and lions down when land is developed near the forest.

Vice Chairman Montanez thanked Ms. Long for her update and the mountain lion calendars.

**5. BOARD MEMBER ANNOUNCEMENTS**

Vice Chairman Montanez moved Board Member announcements to the end of the meeting.

**6. ADDITIONS/REVISIONS**

There were no additions or revisions.

**7. APPROVAL OF MINUTES**

***M/S/C (BENOIT/ZANOWIC) to approve the minutes of the February 2, 2015 meeting of the RCA Board of Directors.***

***Ayes 14, Abstain 2 (Calimesa/Hemet)***

*(Board Member Edwards, City of Temecula, entered the meeting after the minutes were approved.)*

**8. THE RAND STUDY AND RECENT RESEARCH ON HABITAT CONSERVATION PLANS AND THEIR FUNDING**

Dr. Martin Wachs, Distinguished Professor Emeritus, UCLA Luskin School of Public Affairs; Adjunct researcher, RAND Corporation; Jaimee Lederman, Attorney and Ph.D. Candidate, UCLA Luskin School of Public Affairs.

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Charlie Landry, Executive Director, stated that at the last Board meeting, staff was directed to provide an update on the RAND Study. The RAND Study was completed in 2008 with most of the work being done in 2007. Dr. Martin Wachs was in charge of overseeing the RAND Study. He is a distinguished Professor Emeritus from the University of California. He is nationally and internationally recognized as an expert in the transportation field. He was a professor for civil and environmental engineering, and professor of city and regional planning at the University of California Berkley. He also served as Director of the Institute for Transportation Studies. Prior to this he spent 25 years at the University of California Los Angeles (UCLA) where he served three terms as chairman of the Department of Urban Planning. He retired as a Senior Principal Researcher and Director of Transportation Space Technology Program from the RAND Corporation, where he oversaw the RAND Study on RCA's Multiple Species Habitat Conservation Plan (MSHCP). He has authored over 160 articles and four books on subjects related to relationships between transportation, land use and air quality, transportation systems and the use of performance measures in transportation planning. He is the recipient of numerous awards. Dr. Martin Wachs was welcomed to speak to RCA Board.

Dr. Martin Wachs greeted the Board and expressed his pleasure to be back before the RCA Board of Directors. He stated that he was in Riverside many times during the several year period that the study was done at RAND and enjoyed getting to know the area and people. He acknowledged that there has been a lot of turnover on the Board and many of the members are new.

He introduced Jaimee Lederman, Ph.D Candidate in urban planning at UCLA who is a lawyer by background. She will also works with Dr. Wachs, and her work is post RAND Study. Her expertise, research, legal knowledge and hard work has been invaluable to Dr. Wachs.

Dr. Wachs presented a brief overview of the RAND Study and its findings. He also discussed the whole concept of advanced mitigation and Habitat Conservation Plans (HCPs) which has grown in popularity and importance since the completion of the RAND Study. The RAND Study was done early in the evolution of the Western Riverside County HCP and others. He explained that if he spoke only on the RAND Study, the material would be out-of-date. He noted that there is a growing consensus from reasonably conservative organizations, even the California Department of Transportation, that advance mitigation saves time and money. There is evidence now that was not available in 2008 when the RAND Study was completed. He cited two case studies in San Diego and Orange County and presented numbers showing savings of time and money. He also discussed the dilemmas of trying to finance habitat conservation and other forms of advance mitigation where land is set aside before mitigation is required because the projects are coming, but have not fully arrived. The RAND

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Study identified the need for additional revenue, which is not a surprise. Yet more important than revenue was the need for financing in order to be able borrow money when the price of land is low, purchase the land, and then repay the loans when development fees flow in. The PowerPoint presentation ended with a list of references, sources and data that were cited. All are public documents.

*Board Member Orozco, City of Beaumont, entered the meeting at 12:52 p.m.*

*Board Member Johnson, City of Lake Elsinore, left the meeting 1:20p.m.*

Vice Chairman Montanez invited John Standiford, Deputy Executive Director, Riverside County Transportation Commission (RCTC), to speak.

John Standiford, Deputy Executive Director of the Riverside County Transportation Commission (RCTC) gave a local transportation perspective on how the MSHCP has benefited RCTC in delivering transportation projects in the county. He referenced Dr. Wachs's chart depicting where all of the funding sources for the MSHCP come from. Eight percent was attributed to Measure A. RCTC's obligation was approximately \$153 million, of which RCTC paid almost all. There is a few million that RCTC is continuing to pay toward one last piece of property. RCTC funding has essentially been spoken for and most of it has been spent. RCTC was able to do that because much like Orange and San Diego County, RCTC set aside funding in Measure A for western county habitat acquisition. The plan has enabled RCTC to speed up the time for approvals from the Wildlife Agencies, U.S. Fish and Wildlife and California Department of Fish and Wildlife. The plan has definitely cut that review time down, but does not eliminate all environmental concerns. There is a need for CEQA reform and other matters. In terms of land resources, there is a huge advantage to RCTC. They have not done the empirical research that Dr. Wachs shared. There has been much discussion with the Riverside County Transportation Commission about the need to possibly educate the public and ourselves more regarding the benefits of the program. RCTC is doing a lot of good work many people do not necessarily know about because they are busy getting the projects out. RCTC is in the process of widening of Interstate 215 and State Highway 91, and are in the environmental process for the widening of Interstate 15 from Corona to the San Bernardino County line. In terms of the resource agencies, there is no doubt that the plan cuts months off that review time because expectations are known. RCTC can meet with the wildlife agencies even before an application is set up and it eases communication. Mr. Standiford expressed his appreciation for being able to provide RCTC's perspective on what the MSHCP has done for transportation in the County of Riverside. He noted that transportation and the Habitat Conservation Plan were major components of the Riverside County

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Intergraded Project. They are linked and from RCTC's perspective, they do see a benefit from the plan.

Vice Chairman Eugene Montanez invited the Board Members to comment or ask questions. He stated that the RCA Board felt it was important to have an update to provide newer members background regarding why RCA exists and the benefits and cost savings provided by the Plan. He noted that all members have transportation projects in their jurisdictions and it was highlighted how this helping.

Board Member Jeffries invited former Supervisor Tom Mullen to provide his perspective, as he was heavily involved with the Plan. Board Member Jeffries stated that he has shared his frustrations with leadership issues with the staff and has been trying to get ideas on how RCA can get focused back on its original mission and not punishing small land owners.

Tom Mullen, consultant to RCA, stated that it is a pleasure to stand before the RCA Board. He thanked Charlie Landry for inviting Dr. Wachs and Jaimee Lederman to give a presentation so that members could understand the background and why the MSHCP is in place. He commented that when he was on the Board of Supervisors, they looked at growth rates in the County and the population increase in state. In southern California, the only large body of land available for housing was in Western Riverside County. They began to examine population increases. In 1970 Riverside County had 300,000 people, which is hard to imagine. In 1990 the population was 1 million. Today the population is 2.4 million. Approximately 2 million of the population lives in the western end of Riverside County, with Coachella Valley's permanent population at approximately 350,000-375,000. Accommodating that population today would not have been possible. He noted that fundamentally it's not about jobs, but providing places for people to live in southern California and Riverside County. In order to have and move the populace, infrastructure placement had to be looked at. He cited the 710 Freeway from the Port of Los Angeles to Pasadena, which was to be constructed to 210 Freeway, as an example. The first public hearing was in 1949 and that freeway is still not completed to the 210 Freeway today and probably never will be. The second example was the Toll Road in Orange County. There were three property owners: the Santa Margarita Consortium, Irvine, and a third fairly small one. All three decided they needed a highway to connect to State Highway 91. They also wanted it to connect to Interstate 5, and it is still not connected because of environmental concerns. It was constructed to State Highway 91, and RCTC is expanding that to Interstate 15. This took 20 years with three property owners. The project was held up, as was Highway 710, by lawsuits. The last example he cited was Interstate 15 coming from San Bernardino. It got to the Santa Ana River in 1980 and was held up by one lawsuit from a property owner in the City of Norco. The project

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was held up for 10 years, the escalated cost for construction was \$1 billion, and nothing changed. The Diamond Valley Dam, a \$3 billion project with advanced mitigation that cost roughly \$50 million, created the Santa Rosa Plateau. The project was completed, and there were no lawsuits.

The County took the problem when they took bottle and applied it to the rest of the county, integrating both general land use and infrastructure; not just highways, but also water, power, sewer, etc. The housing issue was integrated and a new general plan for the entire county was created. The habitat plan was laid down, which was overlaid with the transportation plan, which was overlaid with the General Plan. That is how the MSHCP came about. Mr. Mullen apologized for not having the Building Industry Association (BIA) at the meeting, but was sure they would agree that the mitigation that has been provided to BIA is unprecedented. BIA has been supportive in every aspect of RCA's effort to make sure that HCP works and to help with funding. He again thanked Dr. Wachs and Jaimee Lederman for their attendance and presentation of the RAND Study and the follow-up studies, which are all critically important. There were two questions that were asked of the RAND Study: 1) What is the real cost, and 2) does advance mitigation work. The follow-up really provided the answers.

Board Member Jeffries expressed his appreciation for the presenters as it is such a challenging issue for a County with the growth that is expected over the next 20 years. He reiterated the comment from Dr. Wachs about \$2 billion still needed, and the RAND Study summary said it was actually \$4.2 billion. He stated that he realizes that land has depreciated through the great recession, and asked if depreciated \$2 billion.

Dr. Wachs answered that the \$2 billion was in 2007 dollars, and the \$4.2 billion is in current dollars, the year in which the money is spent. It's not so much appreciation as it is the change in value of money over time. It's not the change in the value of land, but the change in the value of money more than anything else.

Board Member Jeffries asked for clarification and quoted, "The value of the land needed to complete the reserve is an estimated \$4.2 billion as of mid-2007." He acknowledged that he may be reading something differently than Dr. Wachs. Dr. Wachs stated that was the value at the time of the stream of money over the life of the Habitat Conservation Plan.

Board Member Jeffries stated that it would have been great to have had financing in place when land depreciated so significantly so that RCA could have purchased a lot of acreage. He stated that going into debt on a 20, 30 or 40 year bond to finance land and the interest paid over that period of time would be

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substantial and result in an enormous amount of debt. He asked if there was any other another way to assemble the reserve other than putting our grandchildren in debt.

Dr. Wachs responded that of course there are other ways, but they are also painful. Raising property taxes, sales tax, or motor vehicle registration fees to produce the income are possibilities. They are all possibilities. All are politically difficult and each has its opponents. What is interesting is the combination of a sales tax and the bonding against the flow of sales tax. The revenue is pretty secure. As an example, if you had a line of credit, you could call upon that source of funds precisely when it's needed. The money would not have to be borrowed. It could be called upon at the time it is needed to take advantage of a low price or a large parcel that becomes available. There is a calculation that can be done to see if it's worth the interest cost to pay this off over 20-30 years in order to receive the savings of not waiting 20-30 years to buy the land. In some cases there will be a benefit, and in some cases there will not. Presumably that could be calculated at the time.

Board Member Jeffries stated that he likes the line of credit concept better than the permanent debt structure. He asked Tom Mullen what his thoughts were on financing going forward. He stated that at the last meeting, RCA was spending over a \$100,000/per acre for acquisition to buy very small parcels, and it appears that we are missing the bigger picture when going after little tiny parcels and passing up thousands of acres.

Tom Mullen agreed, but added that RCA will always have to buy small parcels. Some are absolutely critical to the integrity of the Plan. The study clearly points out that buying larger parcels is appropriate. In the late 1990's he suggested that several investors take a 20 square mile area; for example, down Highway 215, 20 miles from Perris, go over 10 miles toward Hemet or further, and come back up and buy the whole thing because one could have a master plan, which is known to be more efficient. What RCA has done is to attempt to master plan in some reasonable fashion the whole west end of Riverside County. The cost of plans such as the Western Riverside Multiple Species Habitat Plan, which is the largest of its type in the country, will always be a challenge. Look at the problems at the national scale or, lesser today, at the state level. Funding will always be a problem, particularly in very tough economic times. If RCA had the money and was able to spend \$1 billion in 2009-10, 11 and 12, the reserve would be assembled. RCA did not have the money, and there was absolutely no way to get it. RCA really tried. Tom Mullen stated that RCA is taking a serious look at the cap and trade Dr. Wachs mentioned. RCA believes it can make a very strong case not only for a loan, but also for grants. RCA is not actually mining carbon, but it is burying/saving carbon. Mike Allen of the University California Riverside (UCR), who has chaired the national committee to vet the

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plan for permitting licensing and permitting purposes, has been heavily involved annually on studies. It is known how much carbon is sequestered, and he believes the potential is known. Based upon Dr. Wachs' comments, RCA is going to use that to see what can be leveraged. RCA is examining possibilities and speaking to the environmental community regarding those possibilities.

Board Member Hewitt stated that he has the same concerns as Supervisor Jeffries. It appears that the RCA is counting on future booms and a continuation of historically low interest rates to make up the difference on the boom and the bust pricing on land. He can envision RCA having to borrow money from the same critters that RCA is trying to save to pay our children to get to school. This is a very important thing that RCA is trying to do, but must be kept in perspective. He does not believe that financing the plan should be treated with the same importance as other things that government takes care of that are so much more important.

Tom Mullen responded that he agrees with Jeffrey Hewitt; however, the problem is that if there is not mitigation, nothing will be built. The environmentalists, the building industry, and the unions all came along because the federal acts, both the Clean Air and Environmental Protection Act, dictate that for any construction on any land you must survey to determine if there are any species present (plants or animals) and the air quality impact. Those studies have to be performed, and if there are any impacts, then you must mitigate, which is what is being dealt with. It's not a question of not doing something. It's doing it in a reasonable manner. In this case, the plan was the most reasonable manner, at the largest scale possible in order to gain the maximum benefit with regard first to infrastructure. If the Plan did not mitigate the infrastructure, it would be done away with. If it didn't mitigate infrastructure, the Plan would be done away with. If it didn't mitigate the infrastructure for the housing that was coming, don't build the housing. If transportation facilities are not in place, don't build another house. That was the absolute principle that was dealt with right up front. Either be at the table for a solution, or there will not be any building because you either mitigate or don't build. If mitigating, provide maximum mitigation in order to build to the maximum possible. The conundrum is always the financing. It's like buying the house. It's the same thing.

Board Member Ramos expressed his appreciation for past Supervisor Tom Mullen's perspective and the presentation. Before becoming an elected official, he served as a Marine and was an intel analyst and has come to like numbers. He asked if the data that was presented was a collective of all HCP's in California.

Dr. Wachs responded that there was some data presented on the basis of a national perspective, but that the majority was California.

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Board Member Ramos asked if there is similar data or the same type of focus that is specifically for the Western Riverside County MSHCP which would enable him to compare the benchmarks.

Dr. Wachs responded that he does not have data for each transportation project for the Western Riverside County HCP, but is sure that staff can provide data on what was spent in which year and what mitigated for which particular project.

Vice Chairman Montanez suggested that John Tavaglione could provide an example of a project in Mira Loma prior to the plans existence which took years to complete.

Board Member Ramos acknowledged that he was familiar with that example, but asked if he could see a comparison of all of the data combined so that RCA can tell if it's doing a good job. He would like information that is specific for this region. He stated that when looking at the numbers, there are medium and large properties. He asked if there was information available with the same focus that included small properties and how much the savings were in totality.

Dr. Wachs commented that large properties were studied over thousands of acres because they were of that scale. He presumes that the savings per project are smaller for small projects because you lack the economies of scale of large land purchases. Mitigating in advance does constitute a way of saving money, but he believes the biggest benefits come from larger projects and larger infrastructure.

### **9. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN FEE PRESENTATION**

#### Overview

Honey Bernas, Director of Administrative Services, advised that the RCA Board requested a presentation regarding MSHCP fees. She presented a brief overview regarding collection, remittance, exemptions and credits. She also discussed issues that are evident and provided some recommendations that the Executive Committee and staff felt would help both the member agencies and RCA staff. She referenced several documents and policies, which were referenced by number and included with the presentation.

Vice Chairman Montanez, asked if there were any questions of the Board Members.

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Board Member Jeffries stated that he was attempting to review the seven attachments that were in the packet placed on the dais today. He asked if the proposals were sent to city managers or city legal counsels for their review prior to requesting that the board take action today.

Vice Chairman Montanez said the action was only to request that the Board direct staff to review the policies; not to adopt or approve any policy changes.

Honey Bernas stated that RCA has not yet developed new policies or clarified existing policies. The copies in the packets are things that are already in place and were made available for reference only.

Board Member Jeffries asked for confirmation that there are not changes proposed in the documents provided.

Honey Bernas clarified that no changes were being proposed. The documents provided reflect what is in place today.

Board Member Jeffries stated that he thought that the Board was being asked to approve directing changes. He asked what staff is going to study if the Board is not directing staff to study changes.

Honey Bernas responded that the Board is being asked to direct RCA to review the policies and perhaps clarify existing policies develop new policies. Staff would develop proposed policies and work through the Executive Committee. Any proposed policies would be brought back to the RCA Board for approval.

Board Member Jeffries asked if we there was anything specific RCA was trying to address.

Honey Bernas responded that staff wanted the Board's direction to revise or develop policies which will clarify issues regarding MSHCP fees.

Charlie Landry asked Steve DeBaun, legal counsel, to capsule RCA's issues.

Steve DeBaun stated several audits have been performed on Member Agency fee collections pursuant to the plan. RCA has identified some concerns with regard to development agreements that have been entered into or extended after 2004. There are also some fee credit agreements that have been entered into which provided credit for property which is not Additional Reserve Land. RCA and the Member Agencies are attempting to work through those issues. The genesis of the issue today was to respond to the Board's request for an update on the fee collection and exemptions. This is the update of what RCA is doing and where the potential concerns are. No changes are being proposed

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today. RCA could adopt policies that would reinforce the particular policies that are currently in place.

Board Member Jeffries stated that he understood. As long as the Board is not voting, is fine with the item.

Vice Chairman Montanez said that most of the policies are already in place, and this is to just reinforce and clarify.

Board Member Melendrez thanked Honey Bernas for her presentation. He asked if there was a motion made about moving this item forward. Vice Chairman Montanez stated that there was no motion on the floor.

Board Member Melendrez stated that he would make a motion to support the recommendations of staff. He advised that some of the challenges that City of Riverside has to do with training. He said there needs to be a clear understanding of when fees are to be collected and what happens if a Member Agency under or over collects. He stated that from the City of Riverside's perspective, there are some challenges with the Model Ordinance that is currently used. The City of Riverside has four public institutions, and the city recommends that any institution that has a minimum of 75 acres should not be required to pay fees. There may not be an agreement between the city and RCA, but it is an issue that needs to be discussed. The city will be on one end and RCA on the other, but the decision ultimately lies with the RCA Board. There will be a lot more development in the future, and there a lot of cities that RCA needs to work with. There needs to be greater contact with the cities regarding fee collections. He made a motion for staff to move ahead in reviewing the policies and thanked staff for bringing this item to the board.

Vice Chairman Montanez informed the new members of the Board that RCA staff will go out to train each individual city staff at any time. Because the cities have had turnover in planning and building departments, staff is happy to provide training and clarification.

Board Member Brown stated that he is concerned with ambiguity of the verbiage, especially having to do with exemptions. Section 6b of one of the attachments says that the local development mitigation fee shall be one time per lot + etc. Then the exemptions, state that rehabilitation, remodeling or minor additions to an existing development project, + which implies a major addition to a development project would involve additional mitigation fees. He commented further that there seems to be conflicting language within the verbiage of exemptions itself. He asked that minor and major additions be defined. He asked if it is true that the fee is only assessed one time per lot. He

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does not understand the language and believes it is confusing to anyone trying to interpret those definitions.

Board Member Jeffries stated that the staff recommendation is different than what was discussed. On Agenda Item 9, number 1, says %consider directing staff to review and update the development fee policies.+ He asked if the motion should say that staff is going to %recommend updates,+ rather than %update+ them. Honey Bernas responded yes.

Board Member Jeffries stated that this item was mostly targeted at the City of Lake Elsinore, as they have been the most controversial at the Board for their exemptions. He stated that there is one other city, but Lake Elsinore is in his district. He stressed the importance of RCA staff communicating back to the city managers so that they can communicate with their counsels to review any documents that will impact every single city in western Riverside County. If the direction is to have staff recommend and bring updates back to the Board, then that is acceptable.

Honey Bernas said she would bring back draft policies to the Board for review.

Vice Chairman Montanez asked Board Member Melendrez if he was ok with the clarification since he made the motion, to which Board Member Melendrez replied yes.

Board Member Edwards stated that it is clear that there is ambiguity and clarity is needed. Some issues are not covered at all, which have been subject to open interpretation because they are not specific. She stated that any good document has to be a living document. As things change and situations arise that call for different measures and mitigations or are open to different interpretations, then clearly review and changes are needed, which what is being called for now. The document will probably never be perfect so that everything is black and white, but she believes the policies can be improved to the point where cities are not interpreting the policies so differently than what RCA had envisioned from the beginning. She closed stating she believes it is timely and the appropriate thing to do.

***M/S/C (MELENDREW/BASH) to approve Agenda Item No. 9 with the clarification that staff is directed to review and recommend updates to development fee policies.***

***Ayes 17, Absent 1 (Lake Elsinore)***

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- 10. CONSENT CALENDAR** *(All matters listed under the Consent Calendar will be approved in a single motion unless a Board Member requests separate action on specific Consent Calendar item. The item will be pulled from the Consent Calendar and placed for discussion.)*

***M/S/C (ZANOWIC/BASH) to approve the following Consent Calendar items:***

***Ayes 17 Absent 1 (Lake Elsinore)***

**10.1 WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP) LOCAL DEVELOPMENT MITIGATION FEE (LDMF) AND CIVIC/INFRASTRUCTURE CONTRIBUTION REPORT FOR JANUARY 2015**

Overview

This item is for the RCA Board of Directors to receive and file the Western Riverside County MSHCP LDMF and Civic/Infrastructure Contribution Report for January 2015.

**10.2 FISCAL YEAR 2015 SECOND QUARTER FINANCIAL REPORT**

Overview

This item is for the RCA Board of Directors to:

- 1) Receive and file the Fiscal Year 2015 Second Quarter Financial Report;
- 2) Approve the budget adjustments contained in Exhibit A; and
- 3) Authorize the Chairman to direct the Auditor-Controller to make the budget adjustments contained in Exhibit A.

**11. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP) LOCAL DEVELOPMENT MITIGATION FEE (LDMF) ANNUAL CPI ADJUSTMENT**

Overview

This item is for the RCA Board of Directors to:

- 1) Approve implementing the CPI adjustment for Western Riverside County MSHCP Local Development Mitigation Fees, effective July 1, 2015; and

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2) Direct staff to inform the Member Agencies of this action.

Honey Bernas, Director of Administrative Services for RCA stated that the MSHCP calls for an annual CPI adjustment to local development mitigation fees to fund the Plan. The fee ordinances adopted by member agencies reflect this requirement. The RCA has not increased their fees for the last six years. The current fee has been in place since July 1, 2008. Based upon the CPI increase from December 2013 to December 2014, if implemented, MSHCP fees would increase by 0.726%, effective July 1, 2015. The roof top fees would increase by \$14, \$9, \$7 and the per acre fee would increase by \$48. If approved, staff estimated that the rate increase would generate approximately \$71,000 in additional revenue for next year. This may seem like a very insignificant increase, but the cumulative CPI increases not approved today amount to 8.54 percent. Staff discussed the proposed increase with Bill Blankenship, Executive Officer of Riverside County Chapter of Building Industry Association (BIA). While the BIA does not welcome any fee increases, they are not opposing this fee increase. The RCA Executive Committee and staff recommend that Board approve this CPI adjustment, effective July 1, 2015, and direct staff to inform our member agencies of the action taken today.

***M/S/C (ZANOWIC/EDWARDS) to approve Agenda Item No. 11***

***Ayes 13, Nays 4 (Murrieta, Hemet, District 1, Canyon Lake), Absent 1 (Lake Elsinore)***

### **12. EXECUTIVE DIRECTOR'S REPORT**

#### **12.1 Loan Program Update**

Charlie Landry, Executive Director, advised that there are no major changes from last month's report; however, he, the Chairman and Vice Chairman traveled to Washington, D.C., to meet with Congressman Calvert and both senators' staff. They also met with U.S. Fish and Wildlife in order to move forward the loan proposals. There were a number of good meetings.

Vice Chairman Montanez added that meeting with the Department of the Interior was a great meeting due to one RCA's lobbyists in Washington's relationship with someone who is now the Deputy Assistant. He is the number two person.

Vice Chairman Montanez further commented that this Plan has been in existence long enough that these people have advanced to that level of authority.

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### **13. LAND ACQUISITION UPDATE**

Charlie Landry reported that since the last meeting, the RCA acquired two additional properties adding approximately 178 acres to the reserve, bringing the reserve total to 48,952 acres.

### **14. ITEMS FOR NEXT MEETING**

Board Member Brown requested a presentation regarding corridors at the next meeting. He would like to know what is a really, really, really important corridor versus a really important corridor. He would like a better idea of where the Plan is actually going. There is a property in his neighborhood that he is concerned about. It is in a corridor area, yet there is talk about giving it up.

### **15. BOARD MEMBER ANNOUNCEMENTS**

Vice Chairman Eugene Montanez welcomed RCA's newest member from City of Beaumont, Mark Orozco.

Board Member Bash reported that the City of Norco is very proud of the Naval Base in their community. However, as of late, the City of Norco has been at odds with them. ON Saturday, March 7, the public will be allowed to comment per an environmental assessment of 5 to 18.5 acre solar panel field to be placed in proximity to the Lake Norconian on the base. This area is surrounded by two riparian areas and is a gateway to the Santa Ana River. A majority of the City of Norco's Council, who will be discussing the matter in closed session on Wednesday, is not in favor of this. They feel that the lake for the last 70 years has been a migratory bird sanctuary, and there are agreements in place to support that. He hopes that people do not think they are un-American, but they don't think the Navy solar panels are appropriate. They feel the cost to taxpayer is high and wanted to make everyone aware of this. He also reminded everyone that the city stopped the freeway for 20 years. They were all freeway fighters, and it wasn't just one family but all families!

Board Member Edwards stated RCA is missing Jeff Stone at the dais. She announced that she is Senator Stone's Western District Director, and stated that he is doing great things in Sacramento and making a difference already. She invited everyone in his new office in Murrieta (Southwest office). She invited all to the Grand Opening and Ribbon Cutting for Senator Stone's Southwest Office on March 12, 2015, at 5:30 p.m.

Board Member Melendrez announced that on Saturday, March 21, 2015, at 9:00 a.m. March Joint Powers is going to have a walk through the March Joint Powers

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area, outlining all of the development that is going on at March Air Force Base. It will be an excellent opportunity to speak to staff and understand what is happening with the Air Force and any future development. It will be a 2.3 mile walk. Parking is behind Western Municipal Water District on Meridian, which will be the start point.

**16. ADJOURNMENT**

The next meeting of the Western Riverside County Regional Conservation Authority Board of Directors is scheduled for Monday, April 6, 2015, at 12:30 p.m., at the County of Riverside Administrative Center, Board Room, 4080 Lemon Street, Riverside, California.

Prepared by:



Rose Esparza  
Administrative Manager

Respectfully submitted:



Honey Bernas  
Clerk of the Board