

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

BOARD OF DIRECTORS MEETING MINUTES

Monday, May 1, 2023

1. CALL TO ORDER

The Western Riverside County Regional Conservation Authority Board of Directors Meeting was called to order by Chair Natasha Johnson at 12:31 p.m., in the Board Room at the County of Riverside Administrative Center, 4080 Lemon Street, First Floor, Riverside, California, 92501.

2. ROLL CALL

Board of Directors/Alternates Present

Kevin Jeffries
Karen Spiegel
Chuck Washington
Colleen Wallace
Julio Martinez
Jeff Cervantez
Jennifer Dain
Tony Daddario
Joe Males

Natasha Johnson
Lesa Sobek
Elena Baca-Santa Cruz
Ron Holliday
Kevin Bash
David Starr Rabb
Crystal Ruiz
Joseph Morabito

Board of Directors Absent

V. Manuel Perez
Yxstian Gutierrez
Jocelyn Yow
Leslie Altamirano
Patricia Lock Dawson
James Stewart

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Board Member Washington.

4. PUBLIC COMMENTS

There were no requests to speak from the public.

5. ADDITIONS / REVISIONS

There were no additions or revisions to the agenda.

6. CONSENT CALENDAR - *All matters on the Consent Calendar will be approved in a single motion unless a Board Member(s) requests separate action on specific item(s).*

M/S/C (Bash/Sobek) to approve the following Consent Calendar items.

6A. APPROVAL OF MINUTES – APRIL 3, 2023

6B. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN FEE COLLECTION REPORT FOR FEBRUARY 2023

This item is for the Board of Directors to receive and file the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP) Fee Collection report for February 2023.

6C. JOINT PROJECT REVIEW STATUS REPORT

This item is for the Board of Directors to receive and file the Joint Project Review (JPR) monthly status report as of March 31, 2023.

6D. ACQUISITIONS STATUS REPORT

This item is for the Board of Directors to receive and file the acquisition status report as of February 28, 2023.

6E. MONTHLY INVESTMENT REPORT FOR FEBRUARY 2023

This item is for the Board of Directors to receive and file the Monthly Investment Report for the month ended February 28, 2023.

6F. SINGLE SIGNATURE AUTHORITY REPORT

This item is for the Board of Directors to receive and file the Single Signature Authority report for the third quarter ended March 31, 2023.

7. STATE AND FEDERAL LEGISLATIVE UPDATE AND ADOPT POSITION ON AB 1567

Andrew Sall, Senior Management Analyst, Legislative Affairs, provided an update on state and federal legislative actions. Staff is currently analyzing Assembly Bill 1567, by Assemblymember Eduardo Garcia. AB 1567 seeks to place a \$15.1 billion bond on the March 2024 primary ballot to fund projects for safe drinking water, wildfire prevention, drought preparation, and habitat conservation among other programs. RCA is particularly interested in the \$750 million being available to the Wildlife Conservation Board (WCB), which could be used for land acquisition projects. RCA works closely with the WCB to apply for funding for land acquisition, and increasing the pot of available funding would certainly benefit the long-standing goal of conserving 500,000 acres under the MSHCP.

Currently, AB 1567 has received strong support in committee, and will soon be heard by the Assembly Appropriations Committee before going to a floor vote. This bill must receive a two-thirds vote to pass out of the legislature. Staff recommends the Board support AB 1567, consistent with the Board-adopted Legislative Platform under:

- Alignment of Responsibilities - Support state and federal policies and increased funding that enable them to meet their commitment to conserve 56,000 acres, or one-third of the Additional Reserve Lands (ARL), as initially intended by the MSHCP.
- Regional Control - Support efforts to preserve, stabilize, leverage, and increase state and federal funding for implementation of the MSHCP.
- Land Acquisition, Management, and Species Monitoring - Support policies, programs, and increased funding that protect, expand, or streamline RCA's ability to acquire and manage reserve lands, monitor habitat loss, and review applications for infrastructure or development projects.

On May 16 and 17th, the RCA Chair, Vice Chair, and staff will travel to Washington, D.C. to meet with members of congress and the administration. During these meetings, the delegation plans to discuss what RCA sees as priorities, including federal funding for Habitat Conservation Plans (HCPs) and a wildlife refuge within the MSHCP.

Legislation last year by Senator Feinstein and Representative Calvert to establish a refuge unfortunately, did not pass. However, their offices have expressed interest in working with RCA and other stakeholders to submit similar legislation this year. This is encouraging news for RCA, and staff will keep the Board updated on those efforts.

M/S/C (Wallace/Spiegel) to:

- 1) **Adopt the following bill position:**
 - a. **AB 1567 (Garcia) —Support; and**
- 2) **Receive and file an update on state and federal legislative affairs.**

8. MULTIPLE SPECIES HABITAT CONSERVATION PLAN STRATEGIC IMPROVEMENT ASSESSMENT AND ACTION PLAN

Aaron Gabbe, Regional Conservation Director, provided a presentation on the MSHCP Strategic Improvement Assessment and Action Plan. The RCA's MSHCP is an ambitious plan that is vital in supporting growth in Western Riverside County, while protecting threatened and endangered species and their habitat for future generations. The MSHCP is one of the largest in the country. The plan will protect, in perpetuity, a total of 500,000 acres explicitly to provide habitat for 146 covered species. The plan has been a success, to date the MSHCP has protected 67,000 acres of Additional Reserve Lands (ARL) at a cost of over \$570 million. The plan has also streamlined development of over 100,000 acres of vital housing and infrastructure.

However, the MSHCP was developed almost 20 years ago. While the MSHCP remains as important today as it did when it was approved, some of the assumptions used to develop the plan are no longer accurate. It was always anticipated that the MSHCP would need to be refined as conditions changed through the Major Amendment process, which is described in the plan. For example, the pace of development and corresponding revenue through development fees

have not happened at the level assumed by the MSHCP; state and federal funding for habitat acquisition has been less than what is needed to complete the state and federal commitments in the MSHCP; the extent of land donated or exchanged for incentive through the development review process has also not happened at the level assumed by the plan; furthermore, the land acquisition costs are considerably higher in some areas of the plan area than anticipated; and finally, some areas conscribed for conservation have been considerably degraded since the initial baseline assessments were done during plan development.

All of this has resulted in challenges to implementing the MSHCP. The development HANS process provides little flexibility to the RCA to make acquisition decisions based on habitat quality or cost. This could force the RCA to spend its' limited resources in a manner that may not result in the most effective means to achieve the goals and objectives of the MSHCP.

RCA staff is beginning to explore means to provide more flexibility to the land acquisition process and enable RCA to make fiscally responsible acquisitions of high priority and high conservation value. This will require significant effort and coordination to find potential options to provide greater flexibility to the RCA to improve the MSHCP implementation in a financially sustainable manner. There may be some policy or process improvements that could be modified that are fully within the RCA Board's purview and authority. However, the most impactful solution will require participation and in some cases approval from other entities. The potential improvements include procedural or process improvements, finding additional sources of funding for land acquisition, updating the nexus study, or a major amendment to the MSHCP.

A Major Amendment proposes substantial changes to the MSHCP, Implementing Agreement, and permits. The approval process would be similar to the original approval of the MSHCP. The amendment to the MSHCP would be subject to review and approval by RCA and other permittees, publication, notification, and CEQA/NEPA approval. A Major Amendment must be approved by the US Fish and Wildlife and the California Department of Fish and Wildlife. Completing a Major Amendment would be a substantial undertaking and could take multiple years to complete. The actual amount of time a Major Amendment would take to complete also depends on the extent and complexity of changes to the MSHCP, the resources available to complete it, wildlife agency and RCA staff time, and political will to complete.

There are some recent examples of Major Amendments, including the Coachella Valley Multi Species Habitat Conservation Plan who completed their amendment in 2015. More recently, Santa Clara Valley Habitat Agency received \$800,000 from Section 6 Planning Grant to amend their HCP. The grant proposal estimates approximately 3 years to complete the draft amendment, including draft CEQA/NEPA documentation. Additional time will be needed to complete the final amendment and permit the Major Amendment. It is reasonable to assume that a similar timeline of 3-4 years, if not longer, would be needed given the size of the MSHCP.

RCA staff recommends that the Board direct staff to conduct an MSHCP Strategic Improvement Assessment and Action Plan to evaluate existing policies, and identify opportunities to improve implementation, such as a possible Major Amendment focused on the HANS process. Staff also

recommends that the Board direct staff to include funding in the Fiscal Year 2024 Budget Proposal for staff and consultant support for the assessment. Given the extent and duration of the work, consultant services and support will be necessary. It is expected that this assessment will be completed in approximately one year from contract approval. The goal of the effort would be to maximize MSHCP implementation flexibility while maintaining financial stewardship and permit compliance.

Policy or process improvements identified in the strategic improvement assessment action plan are not anticipated to be sufficient alone to address the issues described. The assessment would include an evaluation of process of improvements that would require a Major Amendment, that is, staff expects a Major Amendment would be necessary, ultimately. It will be critical to focus any Major Amendment assessments on specific improvements that meet the objectives of this effort. If undertaken, a Major Amendment should be as narrowly focused as possible. At the direction of the Board, staff has communicated the potential need for process improvements to the MSHCP to the wildlife agencies. The wildlife agencies have expressed their support and commitment to working with RCA to successfully implement the MSHCP. A Major Amendment, if initiated, requires significant engagement of the wildlife agencies to ensure that the amendment meets permit issuance criteria and would require their approval. Existing MSHCP and permit requirements would remain until, and unless, the Major Amendment is approved and permitted.

There may be minor financial impacts in FY 2023 related to staff time to develop a strategic improvement assessment and action plan and initiate a procurement for a consultant. Fiscal impacts related to consultant work are anticipated to begin in FY 2024, with an initial cost ranging from \$400,000 to \$800,000. The cost to proceed with a Major Amendment could range between \$2 to \$4 million, costs are approximate and will be refined. If the Board eventually determines staff should pursue a Major Amendment, staff will pursue Federal Endangered Species Act Section 6 funding to support planning.

Alan Long, a resident from Murrieta, expressed support of this agenda item and Major Amendment. To say the MSHCP is convoluted and comprehensive is an understatement. The Board should consider the unintended consequences that the plan caused. The intent of the MSHCP is good but does not allow much flexibility.

Rob Hawkes, Murrieta Youth Soccer League, stated that the challenge for the league over the last several years has been having adequate field space for the 2,500 kids in the league to play. A second phase was planned for the Los Alamos Hills Sports Park, had already been graded and permitted previously. The effect of the MSHCP has been to kill the project as the prior developments in this cell were not required to set aside the land the MSHCP calls for. As the last development, the project is now required to put up 100% of the land for conservation. The Board should ensure that further land use for conservation is equitable.

Board Member Holliday wanted to know that as RCA starts to look at this process, is there a risk of people flooding the gates trying to get in before changes are made. Mr. Gabbe wanted to make clear that the recommendation was to study way to improve plan implementation. It is

not a proposal or a recommendation to amend the plan. However, that is possibly the best avenue to fixing the plan. There could be a rush of developments, or there could also be a delay to see how the process would shake out.

Board Member Holliday asked of all the different methods that were described in the presentation if they could be implemented across different time frames or if they had to be done simultaneously. Mr. Gabbe noted that the changes could be implemented in different time frames. Process and policy improvements or modifications could be implemented immediately. Finding new revenue flows or finding more funding to acquire land could change the perspective on the challenge of acquiring land. An amendment to the MSHCP could take 3-4 years.

Board Member Jeffries thought maybe this item should be discussed after closed session if the organization is still financially viable. The RCA can withstand two purchases if they are financed but will then go into debt. It is the third purchase that wipes out the organization. If there is no organization because RCA is bankrupt, there is no point in doing the study. This is a consultants' dream come true they get to study this to death for 3-4 years for millions of dollars and do not really have to produce anything, but the RCA needs more.

Chair Johnson shared that part of the approach to having this discussion prior to closed session is that the Board was very clear they were not comfortable having discussions until a plan was in place to update the MSHCP. Whether the Board decides on any property acquisition, a plan is still needed to update the MSHCP.

Board Member Jeffries believes the RCA has a good mission, just bad policy driving it.

Steve DeBaun, legal counsel, expressed concern that the discussion was on a razor's edge of things that should only be discussed in closed session. The discussion should not be in any way bringing up what decision may or may not be made in closed session. There will be a full discussion regarding property acquisition in closed session, and presumably price will also be discussed.

Board Member Washington thanked staff for the presentation and wanted to make sure that he read the staff report correctly and understood what is being asked of the Board. Under fiscal impact it says there may be a minor fiscal impact this year and fiscal impacts related to a consultant to perform the work anticipated in FY 2024, with the initial cost ranging from \$400,000 to \$800,000. Though, this would come back to the Board once a decision was made to fine tuning that estimate cost.

Going back to the staff report, it is recommended that staff initiate the Strategic Improvement Assessment and Action Plan and the processes that may be applied to the MSHCP implementation without a Major Amendment. Making an additional small step and after that maybe a giant step if RCA takes on a Major Amendment. Making any incremental improvements along the way as it is studied. A Major Amendment will not happen overnight, but the small steps could perhaps produce some near-term results.

Mr. Gabbe noted that Board Member Washington understood correctly.

Board Member Washington thought without getting too much into the weeds about what was going to be discussed in Closed Session, or anything other than what was asked for, the ask is simple. Staff is asking that the Board direct staff to evaluate whether RCA wants to take that small step which could result in spending around \$600,000, but not without final Board approval. Mr. Gabbe stated that was correct.

Board Member Washington made a motion to approve staff recommendation that we initiate the MSHCP Strategic Improvement Assessment and Action Plan, including an internal review of policies and process that may be applied to MSHCP implementation without a Major Amendment.

Chair Johnson noted the motion and clarified that it also included the second portion to direct staff to include the funding for FY 2024.

Board Member Washington noted that it did, but it is going to be necessary for staff to come back with a more refined number for the Board to evaluate.

Anne Mayer, Executive Director, clarified that if staff is directed to put it in the budget, an estimated amount will be placed in the budget for approval next month. When RCA has the procurement for the consultant to do the work, staff will come back to this Board with the contract for the consultant as well as a specific dollar amount, so that the Board can decide if it is going to award the contract.

Board Member Washington noted he misunderstood the question, and thanked Ms. Mayer for the explanation. The money will need to be into the budget, but it does not have to be spent. If staff comes back with a proposal, the Board can say yay or nay, but there is no need to overthink this right now.

Chair Johnson noted there was a motion by District 3 and a second by Norco. Also, to remind the Board, that the last couple of meetings there has been a lot of discussion about what is RCA's going forward plan, and today the staff recommendation is interpreted as here is something immediate that can be done. Staff can review policies, right now, and make changes right now, there is no need to wait or put money into a study. The Board can work to fix things that we can fix, and now. After the immediate fixes, the Board can show how serious they are and put money behind the request. If needed, it can then move forward with a Major Amendment.

Board Member Daddario asked staff if part of the recommendation of the policies that are going to be reviewed immediately would include any legal ability to pause on the purchasing of land, especially around the HANS developments while RCA is going over the process and possibly moving forward to a Major Amendment. Mr. Gabbe stated it could certainly be explored.

Mr. DeBaun agreed that could be reviewed. Staff has already implemented a decision to put a pause on any willing seller applications. There is tantamount of pause with respect to those, so RCA is taking an action there, but can look further beyond that.

Board Member Daddario clarified that was just for someone who wants to sell their land that is in conservation but was interested specifically with HANS developers that do not really want to develop or use requiring RCA to buy their land.

Mr. DeBaun reiterated that RCA can certainly look at that and have a full discussion with the Board regarding the impacts of what that would be on the agency and on the Plan.

Board Member Daddario asked that this be included with the recommendation as what RCA can do right now.

Chair Johnson asked for point of clarity, the additional motion be restated.

Board Member Daddario stated that staff should look specifically at whether RCA can strategically pause HANS development requests, as those are the largest financial burdens RCA is facing.

Mr. DeBaun noted that this additional motion can be included as part of the original recommendation if the motion maker agrees.

Board Member Washington amended his motion to include the suggestion from Board Member Daddario.

M/S/C (Washington/Bash) to

- 1) Direct staff to conduct a Multiple Species Habitat Conservation Plan (MSHCP) Strategic Improvement Assessment and Action Plan to evaluate existing policies, and identify opportunities to improve implementation, such as a possible Major Amendment focused on the Habitat Evaluation and Acquisition Negotiation Strategy (HANS);**
- 2) Direct staff to include funding in FY 2024 budget proposal for staff and consultant support of the assessment and action plan; and**
- 3) Direct staff to look at strategically pausing development HANS requests.**

9. BOARD OF DIRECTORS / EXECUTIVE DIRECTOR REPORT

Board Member Bash announced that the City of Norco will be celebrating its' 100th Birthday on May 13th. The city will having a free party from 11-1pm at the Norco Community Center. The city is trying to replicate what occurred May 13, 1923. There is also a silent film available from the first day at the City of Norco online.

Board Member Ruiz reminded the Board that the Ramona Bowl is also celebrating it's 100th year. There was an event last weekend, and there will be events the next two weekends as well.

Board Member Ruiz also announced that Karlee Meyer the former mayor and city council member from the City of Hemet has passed away and asked that this meeting be closed in her honor.

10. CLOSED SESSION

At this time, Steve DeBaun, legal counsel, announced the Board will be going in to Closed Session to discuss the items on the agenda.

10A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Agency Negotiator: Executive Director or Designee

Item	Property Description	Property Owner	Buyer(s)
1	290-060-007, 290-060-017, 290-060-019, 290-080-012, 290-080-014, 290-080-015, 290-080-016, & 290-080-017	Indusi, L.P. a California Limited Partnership and Asgard L.P. a California Limited Partnership	RCA

10B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: 1 case

10C. REPORT OUT FROM CLOSED SESSION

There were no announcements from Closed Session.

11. ADJOURNMENT

There being no further business for consideration by the Western Riverside County Regional Conservation Authority Board of Directors, Board Member Males adjourned the meeting at 1:51 p.m., in memory of the City of Hemet Council Member, Karlee Meyer. The next meeting of the Board of Directors is scheduled to be held on **Monday, June 5, 2023.**

Respectfully submitted,



Lisa Mobley
Administrative Services Manager/
Clerk of the Board