



MEETING AGENDA

TIME/DATE: **12:30 p.m. / Monday, July 1, 2024**
LOCATION: **BOARD ROOM**
County of Riverside Administrative Center
4080 Lemon Street, First Floor, Riverside

BOARD OF DIRECTORS

Chair – Kevin Bash

Vice Chair – Karen Spiegel

Kevin Jeffries, County of Riverside, District 1
Karen Spiegel, County of Riverside, District 2
Chuck Washington, County of Riverside, District 3
V. Manuel Perez, County of Riverside, District 4
Yxstian Gutierrez, County of Riverside, District 5
Colleen Wallace / Sheri Flynn, City of Banning
Julio Martinez / Mike Lara, City of Beaumont
Jeff Cervantez / John Manly, City of Calimesa
Mark Terry / Dale Welty, City of Canyon Lake
Tony Daddario / Wes Speake, City of Corona
Jocelyn Yow / Todd Rigby, City of Eastvale
Carole Kendrick / Linda Krupa, City of Hemet
Leslie Altamirano / Guillermo Silva, City of Jurupa Valley
Natasha Johnson / Bob Magee, City of Lake Elsinore
Lesa Sobek / Ricky Estrada, City of Menifee
Ulises Cabrera / Ed Delgado, City of Moreno Valley
Ron Holliday / Lori Stone, City of Murrieta
Kevin Bash / Katherine Aleman, City of Norco
David Starr Rabb / Malcolm Corona, City of Perris
Patricia Lock Dawson / Steve Hemenway, City of Riverside
Crystal Ruiz / Alonso Ledezma, City of San Jacinto
James Stewart / Zak Schwank, City of Temecula
Joseph Morabito / Ashlee DePhillippo, City of Wildomar

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

www.wrc-rca.org

MEETING AGENDA*

***Actions may be taken on any item listed on the agenda**

12:30 p.m.

Monday, July 1, 2024

Board Room

**County of Riverside Administrative Center
4080 Lemon Street, First Floor, Riverside, CA**

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting on the RCA's website, www.wrc-rca.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, Executive Order N-29-20, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (951) 787-7141 if special assistance is needed to participate in a Board meeting, including accessibility and translation services. Assistance is provided free of charge. Notification of at least 48 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

- 4. PUBLIC COMMENTS** – *Each individual speaker is limited to speak three (3) continuous minutes or less. The Board may, either at the direction of the Chair or by majority vote of the Board, waive this three-minute time limitation. Depending on the number of items on the agenda and the number of speakers, the Chair may, at his/her discretion, reduce the time of each speaker to two (2) continuous minutes. In addition, the maximum time for public comment for any individual item or topic is thirty (30) minutes. Also, the Board may terminate public comments if such comments become repetitious. Speakers may not yield their time to others without the consent of the Chair. Any written documents to be distributed or presented to the Board shall be submitted to the Clerk of the Board. This policy applies to Public Comments and comments on Agenda Items.*

Under the Brown Act, the Board should not take action on or discuss matters raised during public comment portion of the agenda that are not listed on the agenda. The Board Members may refer such matters to staff for factual information or to be placed on the subsequent agenda for consideration.

- 5. ADDITIONS / REVISIONS** – *The Board may add an item to the agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Board subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Board. If there are less than 2/3 of the Board Members present, adding an item to the agenda requires a unanimous vote. Added items will be placed for discussion at the end of 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).*

6A. APPROVAL OF MINUTES – JUNE 3, 2024

Page 1

6B. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN FEE COLLECTION REPORT FOR APRIL 2024

Page 5

Overview

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 April 2024.

6C. JOINT PROJECT REVIEW STATUS REPORT

Page 7

Overview

This item is for the Board of Directors to receive and file the Joint Project Review (JPR) monthly status report as of May 31, 2024.

6D. MONTHLY INVESTMENT REPORT FOR APRIL 2024

Page 10

Overview

This item is for the Board of Directors to receive and file the Monthly Investment Report for the month ended April 30, 2024.

7. STATE AND FEDERAL LEGISLATIVE UPDATE

Page 20

Overview

This item is for the Board of Directors to receive and file an update on state and federal legislative affairs.

8. ACQUISITIONS STATUS REPORT

Page 23

Overview

This item is for the Board of Directors to receive and file the acquisition overview and status report as of May 31, 2024.

9. STRATEGIC IMPROVEMENT ASSESSMENT AND ACTION PLAN UPDATE

Page 33

Overview

This item is for the Board of Directors to receive and file the Strategic Improvement Assessment and Action Plan Update through June 2024.

10. PRESENTATION – HABITAT SPOTLIGHT

11. BOARD OF DIRECTORS / EXECUTIVE DIRECTOR REPORT

Overview

This item provides the opportunity for the Board of Directors and the Executive Director to report on attended meetings/conferences and any other items related to Board activities.

12. ADJOURNMENT

The next meeting of the Board of Directors is scheduled to be held on **Monday, September 9, 2024.**

AGENDA ITEM 6A

MINUTES

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

BOARD OF DIRECTORS MEETING MINUTES

Monday, June 3, 2024

1. CALL TO ORDER

The Western Riverside County Regional Conservation Authority Board of Directors Meeting was called to order by Chair Kevin Bash 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	Carole Kendrick
Karen Spiegel	Leslie Altamirano
Chuck Washington	Natasha Johnson
Colleen Wallace	Lesa Sobek
Mike Lara	Ed Delgado
Jeff Cervantez	Ron Holliday
Mark Terry	Kevin Bash
Tony Daddario	David Starr Rabb
Jocelyn Yow	Joseph Morabito

Board of Directors Absent

V. Manuel Perez
Yxstian Gutierrez
Patricia Lock Dawson
Crystal Ruiz
James Stewart

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Board Member Yow.

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 (Cervantez/Wallace) to approve the following Consent Calendar items.

6A. APPROVAL OF MINUTES – MAY 6, 2024

6B. WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN FEE COLLECTION REPORT FOR MARCH 2024

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 March 2024.

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 April 30, 2024.

6D. ACQUISITIONS STATUS REPORT

This item is for the Board of Directors to receive and file the acquisition status report as of March 31, 2024.

6E. MONTHLY INVESTMENT REPORT FOR MARCH 2024

This item is for the Board of Directors to receive and file the Monthly Investment Report for the month ended March 31, 2024.

6F. CONSULTANT REPORTS – FISCAL YEAR 2024 THIRD QUARTER

This item is for the Board of Directors to receive and file the consultant reports for Fiscal Year 2024 Third Quarter.

6G. QUARTERLY FINANCIAL STATEMENTS

- 1) Receive and file the Quarterly Financial Statements for the nine months ended March 31, 2024, and
- 2) Approve the Fiscal Year 2023/24 budget adjustment in Attachment 2.

6H. RESOLUTION NO. 2024-006, RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY ADOPTING AMENDED POLICY NO. RCA-AM001, A CAPITALIZATION THRESHOLD POLICY

This item is for the Board of Directors to Adopt Resolution No. 2024-006, *“Resolution of the Board of Directors of the Western Riverside County Regional Conservation Authority Adopting Amended Policy No. RCA-AM001, A Capitalization Threshold Policy.”*

7. BOARD OF DIRECTORS / EXECUTIVE DIRECTOR REPORT

Board Member Sobek noted that the Species of the Month had not been included in the agenda recently and was wondering why. The Species of the Month is something that helps educate Board Members and it would be wonderful if it could be brought back, even every other month.

Aaron Hake, Executive Director, stated that there have been discussions about this and staff would be happy to present another feature that would serve to educate the Board on aspects of the MSHCP. This new approach would include elements of getting to know the MSHCP as well as featuring some properties that have been acquired to showcase them and what they protect.

Board Member Sobek added that even if the topics were rotated monthly, it was something that the grand jury discussed for Board Members to become educated on the MSHCP and RCA.

Chair Bash stated that this topic has come up and part of it had to do with the transition from the previous Executive Director to the new. The discussions are ongoing about the presentations and they will be coming back in some form or fashion.

Board Member Daddario agreed with Board Member Sobek and stated that they are required to report back to their City Councils, monthly, and the Species of the Month was a highlight of that report.

8. CLOSED SESSION

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

8A. 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	472-190-020, 471-190-021 & 472-190-028	Gurrola, et al.	RCA

8B. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

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

Name of case: Silo Hills Development Corporation v. Western Riverside County Regional Conservation Authority (U.S. District Court, Civil Action No. 5:24-cv-01004-KK-SHK)

8C. REPORT OUT FROM CLOSED SESSION

There were no announcements from Closed Session.

12. ADJOURNMENT

There being no further business for consideration by the Western Riverside County Regional Conservation Authority Board of Directors, Chair Bash adjourned the meeting at 1:06 p.m. The next meeting of the Board of Directors is scheduled to be held on **Monday, July 1, 2024.**

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Lisa", with a long horizontal flourish extending to the right.

Lisa Mobley
Administrative Services Director/
Clerk of the Board

AGENDA ITEM 6B

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY	
DATE:	July 1, 2024
TO:	Western Riverside County Regional Conservation Authority
FROM:	Jennifer Fuller, Financial Administration Manager
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	Western Riverside County Multiple Species Habitat Conservation Plan Fee Collection Report for April 2024

STAFF RECOMMENDATION:

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 April 2024.

BACKGROUND INFORMATION:

The Western Riverside County MSHCP Local Development Mitigation Fee (LDMF) collections provide funding for the acquisition of additional reserve lands and related costs. Below is a summary of the current year budget and collections for the month of April 2024 and year-to-date:

Revenue	FY 2023-24 Amended Budget	Collections for the month of April 2024	FY 2023-24 Year-to-Date
Local Development Mitigation Fees	\$ 20,800,000	\$ 3,503,689	\$ 23,744,497
Civic and Infrastructure Contributions	610,000	66,610	889,393
Collections for April 2024		\$ 3,570,299	
Collections Year-to-Date thru April 2024			\$ 24,633,890

Attached, is a report detailing by Member Agency the LDMF Collection and Civic/Infrastructure Contribution for April 2024.

FISCAL IMPACT:

There is no fiscal impact to the receipt and file of this fee collection report.

Attachment: Western Riverside County MSHCP LDMF Collection and Civic/Infrastructure Contribution Report for April 2024

**WESTERN RIVERSIDE COUNTY MSHCP LDMF COLLECTION AND CIVIC/INFRASTRUCTURE CONTRIBUTION REPORT
FOR APRIL 2024**

Amounts subject to rounding

LOCAL DEVELOPMENT MITIGATION FEE COLLECTIONS									
City/County	Month	REMITTED				EXEMPTIONS & FEE CREDITS			
		Residential Permits	ADUs/ Additions	Commercial Industrial Acres	Amount Remitted	Total FY 24 Year-to-Date	Residential Permits	Commercial Industrial Acres	Amount
City of Banning	August-Pending				\$ -	\$ 98,502			
	September-Pending				-				
	October-Pending				-				
	November-Pending				-				
	December-Pending				-				
	January-Pending				-				
	February-Pending				-				
	March-Pending				-				
City of Beaumont	March	22			93,192	960,385			
City of Calimesa	February-No Activity				-	977			
	March-Pending				-				
City of Canyon Lake	March-No Activity				-	29,652			
City of Corona	February	10		7.35	147,945	363,426			
	March-Pending				-				
City of Eastvale	February	41		1.24	197,318	207,101			
	March-Pending				-				
City of Hemet	March	38			160,968	1,137,129			
	Prior Year				10,316				
City of Jurupa Valley	March	33	4	8.89	319,481	996,405			
City of Lake Elsinore	March-Pending				-	948,997			
City of Menifee	February	11			19,426	1,905,883			
	March	22			83,312				
City of Moreno Valley	January	27	3		122,840	1,187,480			
	February	42		0.69	191,068				
	March-Pending				-				
City of Murrieta	March			3.70	70,544	170,858			
	Prior Year			5.00	88,820				
City of Norco	March		3		8,277	68,284			
City of Perris	March	39		8.26	322,689	2,979,410			
City of Riverside	February	12	9	6.46	201,954	1,466,767			
	March-Pending				-				
City of San Jacinto	August	6			25,416	510,722			
	January	9			38,124				
	February-No Activity				-				
	Refund				(38,124)				
	March	24			101,664				
City of Temecula	December		1		4,236	213,287			
	February-Pending				-				
	March-Pending				-		18		\$ 76,248
	Harveston DA 2				-		1		4,236
	Roripaugh DA 1				-				
City of Wildomar	February	110			161,920	601,198			
	March-Pending				-				
County of Riverside	April	291	17	4.72	1,172,302	9,898,032			
	Total LDMF Collections	737	37	46.31	\$ 3,503,689	\$ 23,744,497	19	0.00	\$ 80,484

CIVIC AND INFRASTRUCTURE CONTRIBUTIONS				Total FY 24 Year-to-Date
Flood	Norco MDP Lateral NA-6		66,610	66,610
				-
Prior Civic and Infrastructure contributions from Member				822,783
	Total Civic/Infrastructure Contributions		\$ 66,610	\$ 889,393
	TOTAL APRIL 2024		\$ 3,570,299	\$ 24,633,890

¹ Roripaugh Development Agreement dated 12/17/02. Project is exempt under Assessment District 161.

² Harveston Development Agreement

AGENDA ITEM 6C

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

DATE:	July 1, 2024
TO:	Western Riverside County Regional Conservation Authority
FROM:	Leslie Levy, Senior Management Analyst
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	Joint Project Review Status Report

STAFF RECOMMENDATION:

This item is for the Board of Directors to receive and file the Joint Project Review (JPR) monthly status report as of May 31, 2024.

BACKGROUND INFORMATION:

Consistent with the Board’s priority on transparency and communication, staff is providing a monthly report of the status of JPRs and other Multiple Species Habitat Conservation Plan (MSHCP) compliance processes. This staff report provides a summary of activities in 2024 through May 31, 2024.

The RCA processes Habitat Acquisition Negotiation Strategy (HANS) analyses in the form of JPRs as well as Participating Special Entity (PSE) applications and Criteria Refinements. The included attachment summarizes each type of MSHCP compliance review the RCA has performed in 2024.

In 2024, staff has completed 15 JPRs (15 Development and zero Non-development HANS), zero PSEs, and one Criteria Refinement. RCA is in the process of reviewing 32 JPRs (30 Development HANS and two Non-development HANS), three PSEs, and one Criteria Refinement.

FISCAL IMPACT:

This is an information item. There is no fiscal impact.

Attachment: RCA MSHCP Compliance Project Processing from January 1, 2024, thru May 31, 2024

**RCA MSHCP Compliance Project Processing from
January 1, 2024, thru May 31, 2024**

Actively in Process	Completed in 2024
DEVELOPMENT HANS¹	
PUBLIC PROJECTS (Total 5) <ul style="list-style-type: none"> ➤ Cajalco Road Widening and Safety Enhancement Project ➤ Ethanac Road Bridge ➤ Pedley Landfill North Slope Repair ➤ Riverside Gateway Parks ➤ Riverside Transmission Reliability Project 	PUBLIC PROJECTS (Total 1) <ul style="list-style-type: none"> ✓ Skyview Road Pedestrian Bridge Amendment
PRIVATE PROJECTS (Total 25) <ul style="list-style-type: none"> ➤ Calimesa – 1 ➤ Corona – 1 ➤ County – 8 ➤ Hemet – 1 ➤ Jurupa Valley – 2 ➤ Lake Elsinore – 2 ➤ Perris – 2 ➤ Temecula – 7 ➤ San Jacinto – 1 	PRIVATE PROJECTS (Total 14) <ul style="list-style-type: none"> ✓ Calimesa – 1 ✓ County – 6 ✓ Lake Elsinore – 1 ✓ Perris – 1 ✓ Temecula – 5
NON-DEVELOPMENT HANS²	
PRIVATE PROJECTS (Total 2) <ul style="list-style-type: none"> ➤ County – 2 	PRIVATE PROJECTS (Total 0) None to date in 2024

¹ A project is proposed on the property.

² No project is proposed on the property and these HANS involve only private entities.

Actively in Process	Completed in 2024
PARTICIPATING SPECIAL ENTITY	
PUBLIC PROJECTS (Total 3) <ul style="list-style-type: none"> ➤ RCWD Vail Dam Seismic and Hydrologic Remediation ➤ SCE Canal 33kV Deteriorated Pole Replacement Project ➤ SCE Saddleback 33kV Interset Pole 	PUBLIC PROJECTS (Total 0) None to date in 2024
PRIVATE PROJECTS (Total 0) None in process	PRIVATE PROJECTS (Total 0) None to date in 2024
CRITERIA REFINEMENTS³	
PUBLIC PROJECTS (Total 1) <ul style="list-style-type: none"> ➤ County Waste Lamb Canyon Landfill Expansion 	PUBLIC PROJECTS (Total 1) <ul style="list-style-type: none"> ✓ Green River Ranch
PRIVATE PROJECTS (Total 0) None in process	PRIVATE PROJECTS (Total 0) None to date in 2024

³ Triggered when a proposed project wants to develop on lands that are described to go into the MSHCP reserve.

AGENDA ITEM 6D

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY	
DATE:	July 1, 2024
TO:	Western Riverside County Regional Conservation Authority
FROM:	Jennifer Fuller, Financial Administration Manager Matthew Wallace, Deputy Director of Financial Administration
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	Monthly Investment Report for April 2024

STAFF RECOMMENDATION:

This item is for the Board of Directors to receive and file the Monthly Investment Report for the month ended April 30, 2024.

BACKGROUND INFORMATION:

Per RCA Resolution No. 2024-001, an investment portfolio report shall be provided to the Board monthly. All of RCA’s investments are managed by the County of Riverside Treasurer through the Riverside County Pooled Investment Fund.

The monthly investment report for April 2024, as required by state law and Board policy, reflects the investment activities resulting from available operating cash and endowments. As of April 30, 2024, RCA’s cash and investments was comprised of the following:

CASH AND INVESTMENTS PORTFOLIO	AMOUNTS
Operating	\$ 64,491,539
Trust	21,568,933
Total	\$ 86,060,472

The monthly investment report includes the following information:

- Investment Portfolio Report;
- County of Riverside Investment Report for the Month Ended April 30, 2024.

RCA’s investments were in full compliance with the Board’s investment policy adopted on January 8, 2024. Additionally, RCA has adequate cash flows for the next six months.

FISCAL IMPACT:

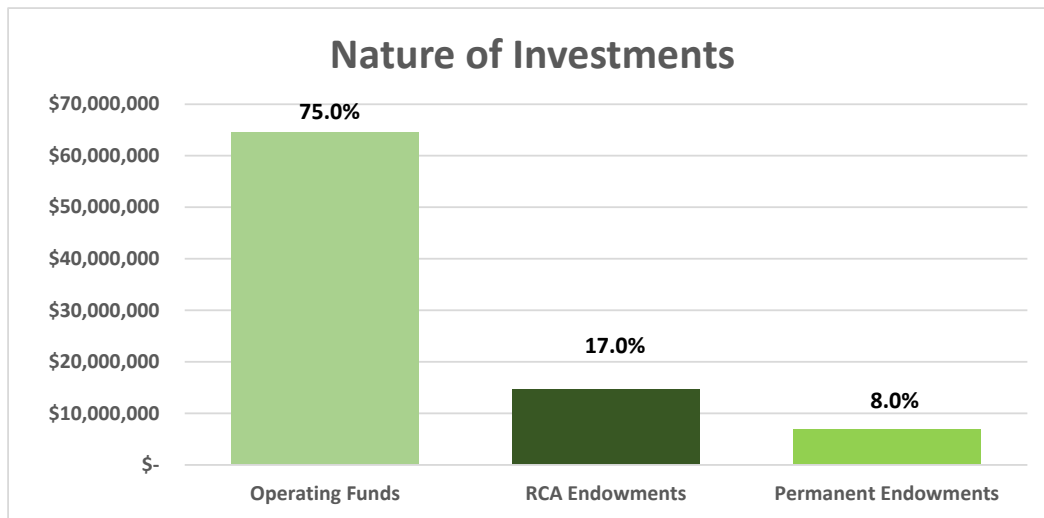
This is an information item. There is no fiscal impact.

Attachments:

- 1) Investment Portfolio Report
- 2) County of Riverside Investment Report for the Month Ended April 30, 2024

Western Riverside County Regional Conservation Authority
 Investment Portfolio Report
 Period Ended: April 30, 2024

	FAIR VALUE	RATING MOODYS / FITCH	COUPON RATE	YIELD TO MATURITY
OPERATING FUNDS				
County Treasurer's Pooled Investment Fund:				
Operating Funds	\$ 64,491,539	Aaa-bf/AAAf-S1	N/A	4.41%
Subtotal Operating Funds	64,491,539			
FUNDS HELD IN TRUST				
County Treasurer's Pooled Investment Fund:				
RCA Endowments	14,630,126	Aaa-bf/AAAf-S1	N/A	4.41%
Permanent Endowments	6,938,807	Aaa-bf/AAAf-S1	N/A	4.41%
Subtotal Funds Held in Trust	21,568,933			
TOTAL CASH AND INVESTMENTS	\$ 86,060,472			



COUNTY OF RIVERSIDE TREASURER-TAX COLLECTOR'S

MANAGED BY

Matt Jennings
Treasurer-Tax Collector

Giovane Pizano
Assistant Treasurer

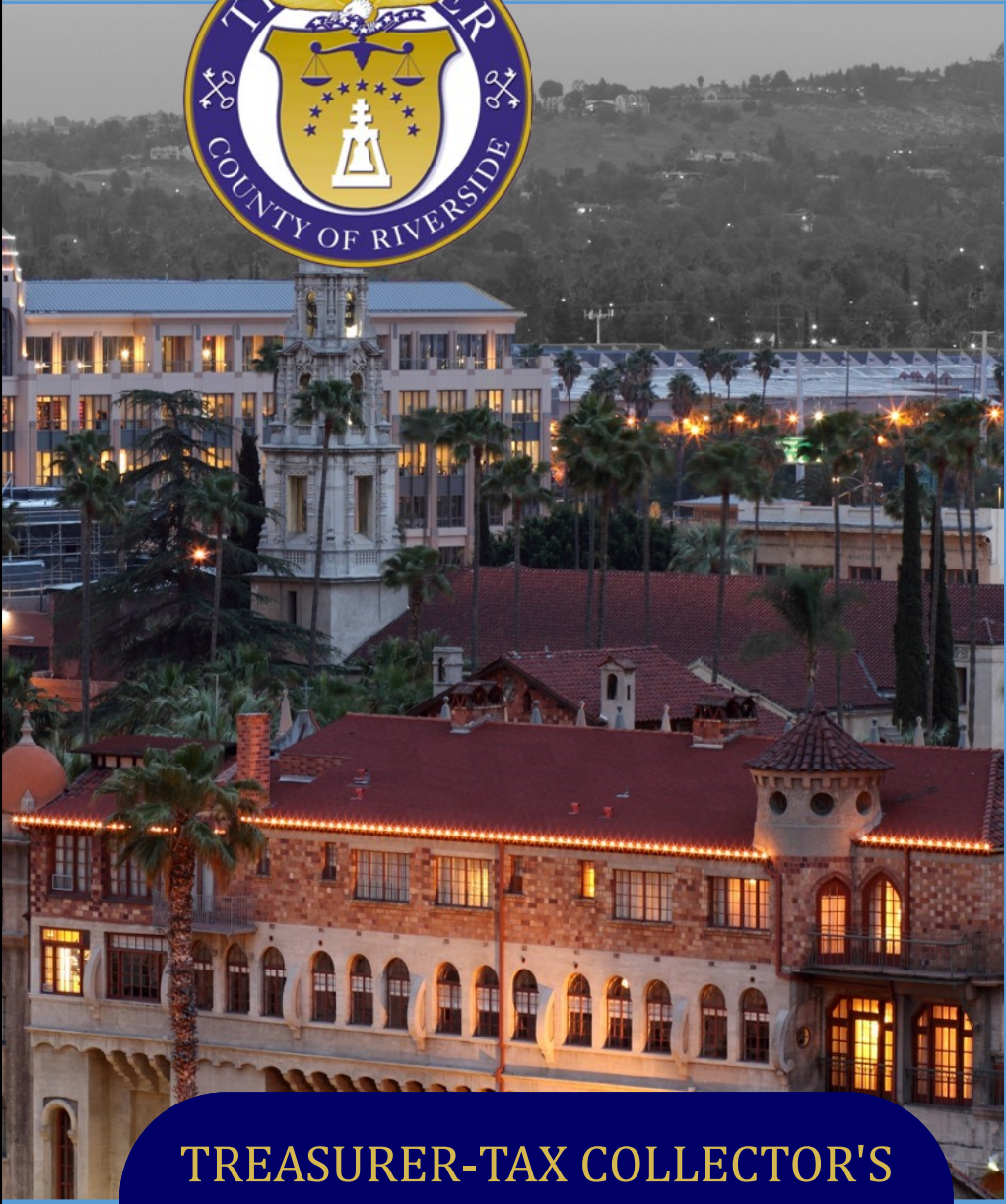
John Byerly
Chief Investment Officer

Steve Faeth
Senior Investment Officer

Isela Licea
Investment Officer

COUNTY ADMINISTRATIVE CENTER
4080 LEMON STREET,
4TH FLOOR,
RIVERSIDE, CA 92502-2205

WWW.COUNTYTREASURER.ORG



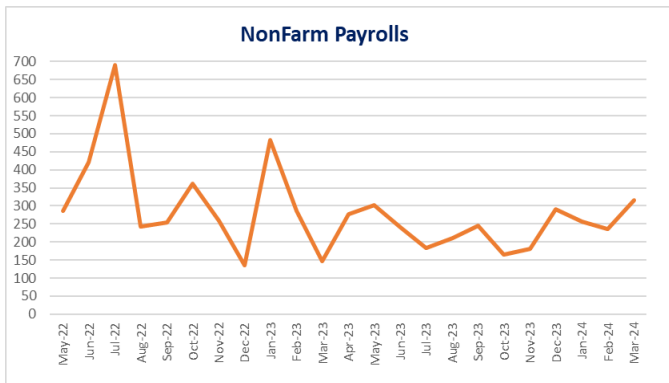
TREASURER-TAX COLLECTOR'S POOLED INVESTMENT FUND

APRIL 2024 REPORT

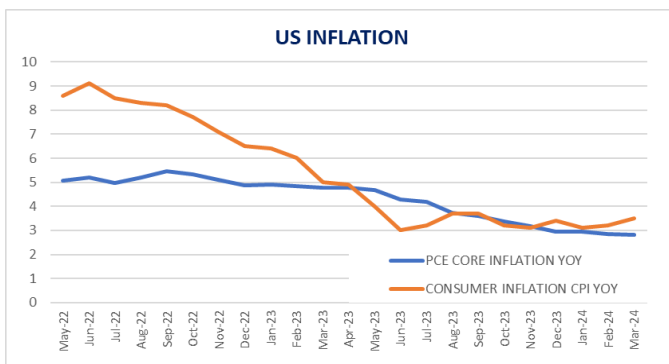
Jobs Strong, Inflation Strong

In April, the markets digested surprisingly strong economic reports which confounded many who had expected short term rates to fall and hoped that a less punishing mortgage rate might loosen up supply in the housing market.

Nonfarm Payrolls at 303,000 surpassed all estimates. Modest revisions to the prior two months of data also surprised to the upside, providing strong evidence that the United States economy is still in growth mode. Healthcare, Government, and Hospitality added 81,000, 71,000 and 49,000 jobs respectively. The unemployment rate ticked 0.1% lower to 3.8%. Average hourly earnings picked up 0.3% on a month over month basis.



The Consumer Price Index (CPI) was stubbornly strong. While not the Federal Reserve’s (FED) preferred measure of inflation, CPI is highly anticipated because of the FED’s focus on inflation. Defiant of FED policy, CPI reported a 0.4% month over month, which equates to a 4.8% annualized rate, an **acceleration** of inflation.



Retail Sales also exceeded expectations, rising 0.7% month over month. Excluding autos, sales rose 1.1%, the biggest monthly pop in more than a year. The better-than-expected gain was further bolstered by sharp upward revisions to the data in the previous month. Sizable jumps for non-store retailers (+2.7%), general merchandise (+1.1%) and building materials (+0.7%) lifted the headline gain.

The data dashed investor expectations of meaningful rate cuts this year by the FED and telegraphed to home buyers, sellers and builders, a 7% mortgage rate may be with us for longer than hoped. By the end of the month, FED FUNDS future traders had no bets on rate cuts for the remainder of the year that were better than 50/50. Sustained higher short-term yields mean better returns on investment pools like the Treasurer’s Pooled Investment Fund.

Locally, the Inland Empire has enjoyed strong construction growth, in part benefitting from its central location in southern California and establishing itself as a key hub for big-box and logistics buildings. This activity has supported construction growth and employment in prior quarters. Now though, supply seems to have over delivered as reports mount of downward pressure on rent. Residential home sales, though, grew 2.1% on a year over year basis even as prices increased 5.7%.

In interest rate markets, the 2-year Treasury note began the month at a yield of 4.70% and ended the month at 5.03%. 5-year Treasury Notes began the month trading at a 4.33% yield and ended the month at 4.71%. Stocks fell with the Dow Jones Industrial Average starting the month at 39,600 and ending at 37,800.

Matt Jennings

Treasurer-Tax Collector

Treasurer Tax-Collector Statement



PORTFOLIO SUMMARY

Month End Values \$ are

Expressed in 000,000	Apr-24	Oct-23	Apr-23
Principal Value	16,377.47	13,310.26	15,023.34
Market Value*	16,209.72	13,049.91	14,849.44
Book Value*	16,439.71	13,354.19	15,080.01
Unrealized Gain/Loss*	-229.99	-304.28	-230.57
Paper Gain or Loss %	-1.399%	-2.279%	-1.529%
Yield	4.41	4.07	3.66
WAM (Yrs)	1.23	1.44	1.15

* Market values do not include accrued interest.

* Book Value is amount paid changed by amortization. Accretion, adjustments, write downs

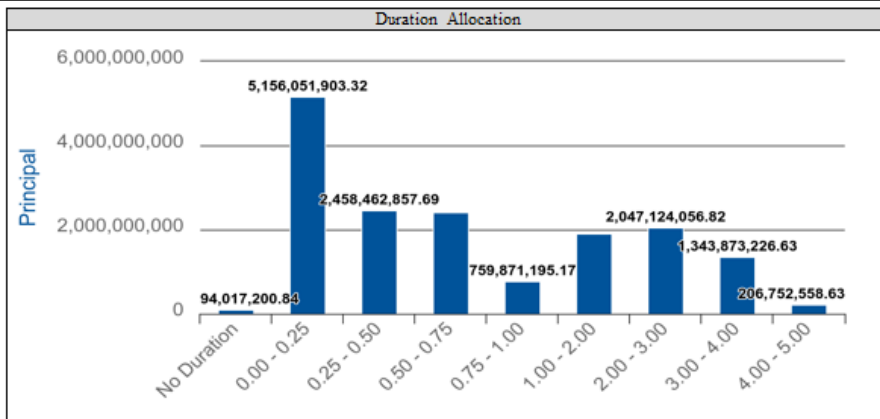
* Unrealized Gain/Loss is Market Value - Book Value

The Treasurer's Pooled Investment Fund is comprised of contributions from the county, schools, special districts, and other discretionary depositors throughout the County of Riverside. The primary objective of the Treasurer shall be to **safeguard the principal** of the funds under the Treasurer's control, meet the **liquidity needs** of the depositor, and to maximize a **return on the funds** within the given parameters.

The Treasurer-Tax Collector and the Capital Markets team are committed to maintaining the highest credit ratings. The Treasurer's Pooled Investment Fund is currently rated **Aaa-bf** by **Moody's Investor Service** and **AAAf/S1** by **Fitch Ratings**, two of the nation's most trusted bond credit rating services.

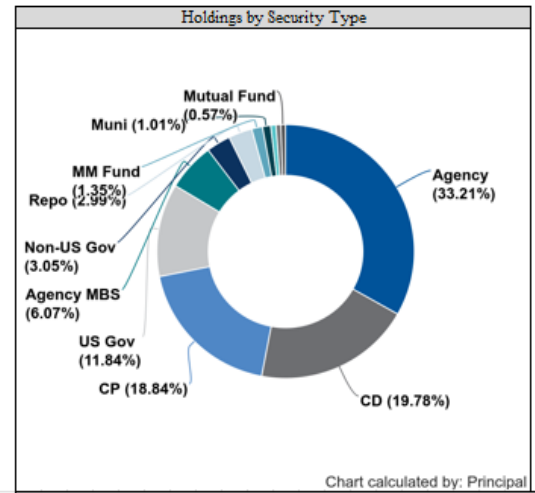
Since its inception, the Treasurer's Pooled Investment Fund has been in **full compliance** with the Treasurer's Statement of Investment Policy, which is more restrictive than California Government Code 53646.

TPIF STATS



Rating	Market Value
AAA	7,394,804,413.25
AA+	6,923,550.45
AA	102,022,984.24
NA	959,465,168.24
NR	91,658,431.10
A-1+	7,654,846,010.77

Security Type Category	Days to Final Maturity	Par Value	Market Price	Yield	Principal
Mutual Fund	---	93,213,169.12	1.0086	4.880	94,017,200.84
Agency CMO	488	101,987,933.25	97.4864	5.082	99,191,340.65
Corporate	735	112,674,000.00	97.9664	4.691	111,287,587.12
Muni	514	164,420,000.00	98.2311	2.610	165,624,065.00
MM Fund	0	221,000,000.00	1.0000	5.244	221,000,000.00
Repo	2	490,000,000.00	100.0000	5.360	490,000,000.00
Non-US Gov	564	505,000,000.00	98.3311	4.060	498,994,341.67
Agency MBS	1267	1,014,016,242.39	96.1672	4.535	993,284,658.29
US Gov	448	1,965,000,000.00	96.9199	3.654	1,938,551,415.48
CP	55	3,128,450,000.00	99.4828	5.399	3,086,150,580.75
CD	162	3,240,000,000.00	100.0002	5.435	3,240,013,791.91
Agency	727	5,477,559,250.00	96.8480	3.428	5,439,359,288.64
Total	448	16,513,320,594.75	96.2729	4.410	16,377,474,270.35



PORTFOLIO CASHFLOWS

Month	Monthly Receipts	Monthly Disbursements	Difference	Required Matures Investments	Balance	Actual Investments Maturing	Available to Invest > 1 Year
05/2024					105.50		
05/2024	2,300.00	3,075.25	(775.25)	669.75	0.00	2,347.30	
06/2024	2,100.00	2,300.00	(200.00)	200.00	0.00	1,321.00	
07/2024	1,200.00	2,300.00	(1,100.00)	1,100.00	0.00	918.21	
08/2024	1,700.00	2,000.00	(300.00)	300.00	0.00	675.91	
09/2024	2,300.00	1,900.00	400.00		400.00	747.72	
10/2024	2,691.73	3,100.00	(408.27)	8.27	0.00	930.83	
11/2024	2,200.00	2,050.00	150.00		150.00	730.12	
12/2024	3,082.00	1,933.00	1,149.00		1,299.00	661.97	
01/2025	1,905.00	3,521.06	(1,616.06)	317.06	0.00	1,248.63	
02/2025	2,106.00	2,756.00	(650.00)	650.00	0.00	384.74	
03/2025	3,334.00	3,227.00	107.00		107.00	247.02	
04/2025	4,276.00	3,329.00	947.00		1,054.00	297.38	
TOTALS	29,194.73	31,491.31	(2,296.58)	3,245.08	3,115.50	10,510.84	13,268.24
				19.65%		63.65%	80.35%

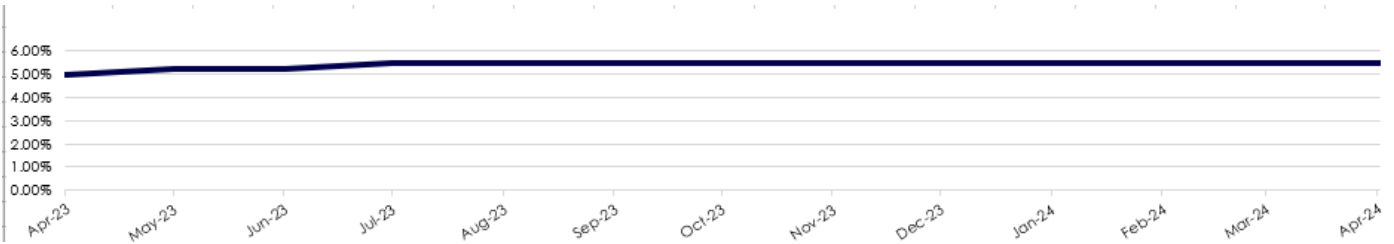
*Values listed in Cash Flow table are in millions

FIXED INCOME MARKETS

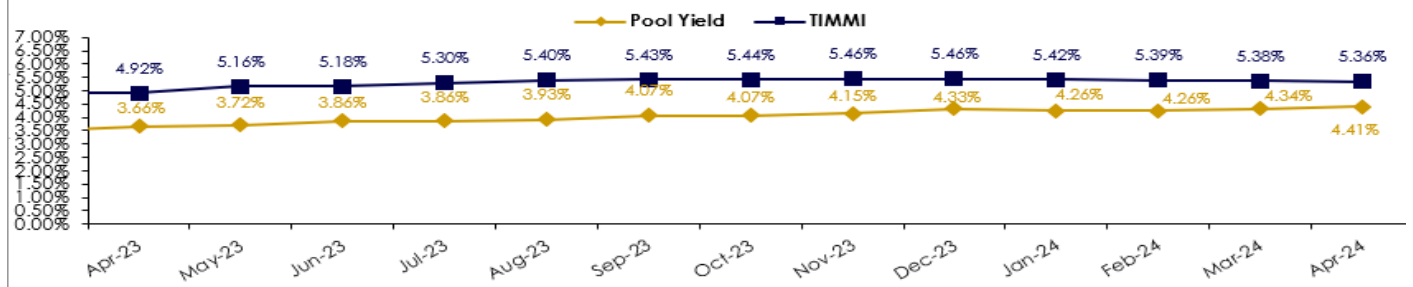
FED FUNDS UPPER LIMIT RATE

Fed Fund Rate: 5.25% to 5.50%

Next FOMC Scheduled Meeting: 05/1/2024



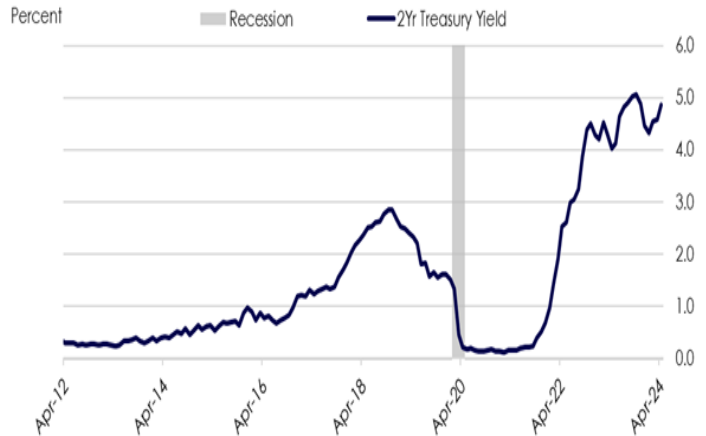
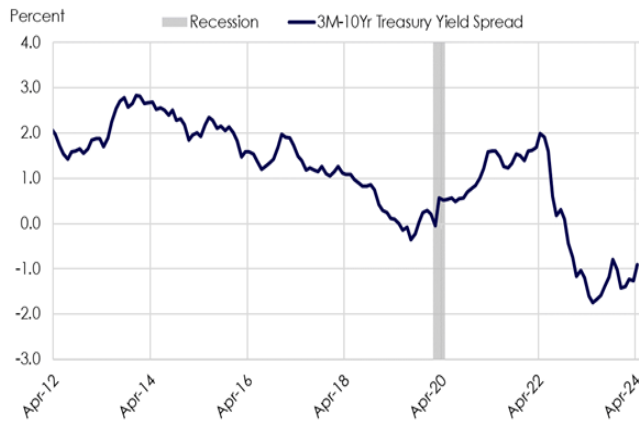
TIMMI



The Treasurer's Institutional Money Market Index (TIMMI) is a composite index of four AAA rated prime institutional money market funds.

Their average yield is compared to the yield of the Treasurer's Pooled Investment Fund in the above graph.

US Treasury Market



US Treasury Yield Curve	3 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr	30 Yr
04/30/2024 - 04/01/2024	0.02	0.08	0.19	0.32	0.36	0.38	0.36	0.32
04/30/2024	5.46	5.44	5.25	5.04	4.87	4.72	4.69	4.79
04/01/2024	5.44	5.36	5.06	4.72	4.51	4.34	4.33	4.47

Compliance Status: Full Compliance

The Treasurer's Pooled Investment Fund was in full compliance with the County of Riverside's Treasurer's Statement of Investment Policy. The County's Statement of Investment Policy is more restrictive than California Government Code 53646. The County's Investment Policy is reviewed annually by the County of Riverside's Oversight Committee and approved by the Board of Supervisors.

Investment Category	GOVERNMENT CODE			COUNTY INVESTMENT POLICY			Actual % of Boon Value
	Maximum Maturity	Author-ized % Limit	S&P/ Moody's	Maximum Maturity	Authorized % Limit	S&P/ Moody's	
MUNICIPAL BONDS (MUNI)	5 YEARS	NO LIMIT	NA	5 YEARS	15%	AA-/Aa3/AA-	1.00%
U.S. TREASURIES	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	11.85%
LOCAL AGENCY OBLIGATIONS (LAO)	5 YEARS	NO LIMIT	NA	3 YEARS	2.50%	INVESTMENT GRADE	0.00%
FEDERAL AGENCIES	5 YEARS	NO LIMIT	AAA	5 YEARS	100%	NA	39.88%
COMMERCIAL PAPER (CP)	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	18.93%
NEGOTIABLE CERTIFICATE OF DEPOSITS & COLLATERALIZED TIME DEPOSITS (NCD & TCD)	5 YEARS	30%	NA	2 YEAR	20%	A1/P1/F1	19.71%
INT'L BANK FOR RECON-STRUCTION AND DEVELOPMENT, INT'L FINANCE CORPORATION, AND INTER-AMERICAN DEVELOPMENT BANK	NA	NA	NA	5 YEARS	20%	AA/Aa/AA	3.05%
REPURCHASE AGREEMENTS (REPO)	1 YEARS	NO LIMIT	NA	45 DAYS	40% max, 25% in term repo over 7 days	NA	2.98%
REVERSE REPOS	92 DAYS	20%	NA	60 DAYS	10%	NA	0.00%
MEDIUM TERM NOTES (MTNO) CORPORATE NOTES	5 YEARS	30%	A	4 YEARS	20%	A/A2/A	0.68%
CALTRUST SHORT TERM FUND	NA	NA	NA	DAILY LIQUIDITY	1.00%	NA	0.57%
MONEY MARKET MUTUAL FUNDS (MMF)	60 DAYS ⁽¹⁾	20%	AAA/Aaa ⁽²⁾	DAILY LIQUIDITY	20%	AAA by 2 Of 3 RATINGS AGC.	1.34%
LOCAL AGENCY INVESTMENT FUND (LAIF)	NA	NA	NA	DAILY LIQUIDITY	Max \$50 million	NA	0.00%
CASH/DEPOSIT ACCOUNT	NA	NA	NA	NA	NA	NA	0.60%



COUNTY OF RIVERSIDE
TREASURER-TAX COLLECTOR
CAPITAL MARKETS

COUNTY ADMINISTRATIVE CENTER
4080 LEMON STREET,
4TH FLOOR,
RIVERSIDE, CA 92502-2205

AGENDA ITEM 7

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY

DATE:	July 1, 2024
TO:	Western Riverside County Regional Conservation Authority
FROM:	Tyler Madary, Legislative Affairs Manager
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	State and Federal Legislative Update

STAFF RECOMMENDATION:

This item is for the Board of Directors to receive and file an update on state and federal legislative affairs.

State Update

Governor Gavin Newsom released his May Revise to the Fiscal Year 2024-25 budget proposal on May 10th, projecting a shortfall of \$27 billion following the early budget action taken by the Governor and Legislature to reduce the deficit by \$17 billion. To address the budget challenges, the Governor proposed to shift \$1.7 billion in General Fund spending to the Greenhouse Gas Reduction Fund (GGRF) for various climate programs. On May 29th, the Assembly and Senate released a Joint Legislative Budget Plan, which instead called for shifting \$3 billion in climate related investments from the General Fund to GGRF as the funding source.

While a budget bill was passed on June 13th ahead of the June 15th deadline, the bill only reflects priority items of agreement between the Governor and the Legislature. As of the publish date of this report, negotiations for the remainder of the Fiscal Year 2024-25 budget are ongoing, with potential cuts for climate programs still on the table. Following the substantial cuts made to nature-based solutions to climate change programs in the Fiscal Year 2023-24 Budget last year, initial impacts of proposed Fiscal Year 2024-25 budget cuts and delays to RCA appear minimal. RCA recently joined a coalition letter to legislative leaders expressing concern regarding investments for the Wildlife Conservation Board (WCB), nature-based solutions programs, and others. Reductions in funding for these programs jeopardize the ability for California to advance its climate, biodiversity, and conservation priorities laid out in 30x30 California, a goal of conserving 30% of the state’s lands and coastal waters by 2030.

The Legislature continues to consider a climate and natural resources bond measure to backfill cuts made to climate-related funding. While the Legislature and Governor remain in negotiations regarding the potential size and scope of a climate bond, the Senate and Assembly each released various scenarios outlining the levels at which programs may be funded within such a measure. The Assembly bond scenarios propose total funding of \$6 billion and \$10 billion, with \$450 million and \$850 million respectively proposed for the WCB to fund programs including land acquisition

in support of habitat conservation. The Senate scenarios propose total funding of \$6.8 billion and \$9 billion, with \$500 million and \$750 million in funding respectively proposed for programs funded by the WCB. The Board may recall that existing climate bond legislation under Assembly Bill 1567 by Assemblymember Eduardo Garcia (Coachella) and Senate Bill 867 by Senator Ben Allen (El Segundo) called for \$750 million and \$1 billion in investments, respectively, for WCB programs.

Staff will continue to monitor and support budget legislation to increase funding for the WCB to advance land acquisition in support of the Multiple Species Habitat Conservation Plan (MSHCP).

Federal Update

As a part of RCA and the National Habitat Conservation Plan Coalition’s (NHCP) broad advocacy to increase funding for the HCP Land Acquisition Grant program within the Land and Water Conservation Fund (LWCF), staff has pursued efforts to shift portions of state grant parks funding in LWCF to the HCP Land Acquisition Grant program, also known as the Section 6 grants. Section 6 grants support land acquisition and habitat conservation within HCPs, including the MSHCP, but the program is underfunded. The HCP Land Acquisition Grant program is currently funded at \$26 million in Fiscal Year 2024, while the eligible grant requests for Section 6 funding in Fiscal Year 2023 surpassed \$76 million. At the recommendation of Shannon Estenoz, the Department of Interior Assistant Secretary for Fish and Wildlife and Parks, RCA and NHCP coordinated a meeting with LWCF program staff at the National Park Service to explore alternative uses for the state grant funds. At the meeting, the LWCF program staff shared their contention that the state grant funds will be duly spent due to high funding need for parks. While there has been little interest in shifting funds from the Administration thus far, RCA will work with NHCP to report back to Assistant Secretary Estenoz, as well as to members of Congress as a part of continued advocacy for increased HCP Land Acquisition funding.

FISCAL IMPACT:

This is a policy and information item. There is no fiscal impact.

Attachment: Legislative Matrix – July 2024

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY – POSITIONS ON STATE AND FEDERAL LEGISLATION – JULY 2024

Legislation/ Author	Description	Bill Status	Position	Date of Board Adoption
AB 1567 (Garcia)	Issues more than \$15.995 billion in bond funds for several projects and programs related to natural resources, including \$750 million for the Wildlife Conservation Board for projects such as land acquisition in support of habitat conservation.	Re-referred to the Senate Committees on Natural Resources and Water on May 22, 2024. Two-year bill. May 22, 2024	<i>Support</i>	5/1/2023
SB 867 (Allen)	Issues \$15.5 billion in bond funds for several projects and programs related to natural resources, including \$1 billion for the Wildlife Conservation Board for projects such as land acquisition in support of habitat conservation.	Re-referred to the Assembly Committee on Natural Resources. July 10 hearing postponed by committee. Two-year bill. September 15, 2023	<i>Support Based on platform</i>	5/24/2023

AGENDA ITEM 8

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY	
DATE:	July 1, 2024
TO:	Western Riverside County Regional Conservation Authority
FROM:	Hector Casillas, Right of Way Manager
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	Acquisitions Status Report

STAFF RECOMMENDATION:

This item is for the Board of Directors to receive and file the acquisition overview and status report as of May 31, 2024.

BACKGROUND INFORMATION:

The Board’s objectives since the Riverside County Transportation Commission assumed management agency responsibilities of the Western Riverside County Regional Conservation Authority (RCA) is to complete assembly of Additional Reserve Lands (ARL) for the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP).

Acquisition Process

The land acquisition activities are categorized as follows:

- 1) Willing seller properties,
- 2) Grant funded properties, and
- 3) Habitat Acquisition Negotiation Strategy (HANS) properties.

These categories all require due diligence items to be completed. Due diligence includes, but is not limited to, obtaining appraisal reports, preliminary title reports, site inspections, survey monuments, and environmental assessment reports.

Below is a description of each category and its unique process:

Willing Seller Properties

These are property owners willingly looking to sell their property to the RCA. After the RCA team determines there is a need to acquire the property and it fits the criteria as outlined in the MSHCP, the acquisition process begins.

Under this type of acquisition, RCA does not have to acquire the property even if it is described for conservation in the MSHCP. In addition, there are no required timelines. When there is sufficient budget, RCA would only acquire high priority properties that meet key objectives and criteria of the MSHCP.

Properties are typically acquired for the appraised fair market value. Funding for these acquisitions comes from local development mitigation fees.

Grant Funded Properties

RCA is the recipient of various property acquisition grants, including the Non-Traditional Section 6 Grant Program, 30x30 California Grant Program, and Jurupa Mountains Conservation Grant. The properties in Section 6 and 30x30 grants were selected by staff during the grant application process and were approved by the granting agency for acquisition during the award. Properties eligible for grants such as the Jurupa Mountains Conservation Grant are defined by the State Legislature and the California Natural Resources Agency (CNRA). The funds can only be spent on the properties listed in each of those respective grants. The acquisition process for all grant-funded properties follow a specific process and timeline provided by each grant agreement with the appropriate state and/or federal agency.

The process for acquiring these properties includes staff soliciting a letter from the property owner stating an interest in selling the property to the RCA. Once the letter is received, staff orders an appraisal report for the property. An offer is made based on the appraised value and once accepted by the owner, it is forwarded to the CNRA or the Wildlife Conservation Board, depending on the grant, who then forwards the appraisal to the State of California Department of General Services and/or U.S. Fish and Wildlife Service to conduct a formal review of the report.

Properties are acquired for the appraised fair market value. If the property owner and/or its representatives do not agree with the appraised value, if time allows, staff can order a new appraisal report or decide to end the acquisition efforts. Funding for these acquisitions comes from the respective grant and from local development mitigation fees if a match or a contribution is necessary.

HANS (Development vs. Non-Development) Properties

There are two types of HANS: development and non-development. The acquisition process for HANS properties is spelled out in detail in Section 6.1.1 of the MSHCP (Volume I). During the HANS process, Permittees (the cities or the County of Riverside [the County]) evaluate properties to determine if they are described for MSHCP conservation. For both types, a determination is made of what portion of the property is needed for the MSHCP reserve system, which can range from 0 to 100 percent. Once the determination is made by the Permittees, it is submitted to RCA to begin the Joint Project Review (JPR) process. The RCA and wildlife agencies (U.S. Fish and Wildlife Service, California Department of Fish and Wildlife) will provide their findings before the HANS/JPR process is considered complete and negotiations to acquire the property can begin.

Properties are typically acquired for the appraised value. However, in some cases, an administrative settlement can be used when the opinion of values is within a reasonable range, and the acquisition is approved by the Board. The other option is to utilize the MSHCP's Conflict Resolution Process in Section 6.1.1 of the MSHCP (Volume I) to reach an agreement.

Development HANS

Under this type of HANS, the property owner intends to file an application for development with a city or the County. Once the HANS and JPR process is complete, RCA and the property owner may enter a 120-day negotiation period. The property must be acquired by the RCA. Once an appraisal is ordered and purchase price is agreed upon, the close of escrow date is determined based on the purchase price and available funds. In most cases the following is adhered to: \$100,000 or less, within 1 year or less; \$200,000 or less, within 2 years or less; \$300,000 or less, within 3 years or less; greater than \$300,000, within 4 years or less.

Funding for these acquisitions typically comes from local development mitigation fees, or less commonly, grants.

Non-Development HANS

The property owner asks the city or County if the MSHCP describes the property owner's land for the MSHCP reserve system. No development is proposed by the property owner. Under the non-development HANS process, the property must be acquired by the RCA. The property will be acquired based on a first come, first serve basis and funding availability.

Funding for these acquisitions typically comes from local development mitigation fees, or less commonly, grants.

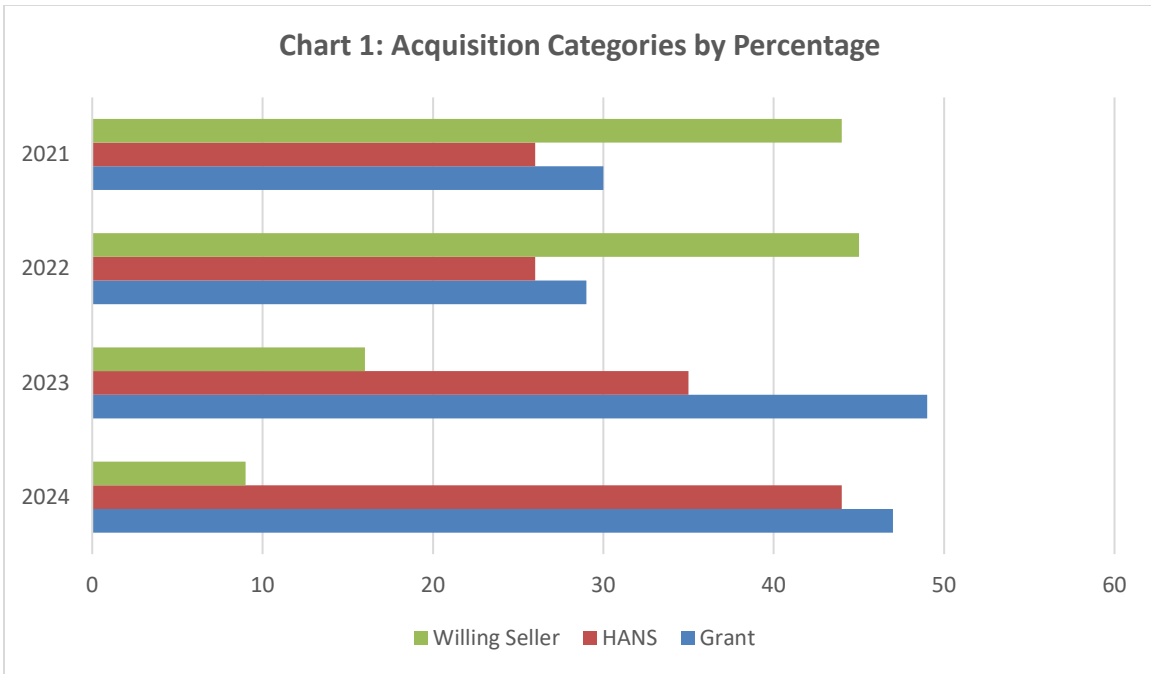
Conflict Resolution Process

This option is utilized when the property owner and RCA are not able to reach an agreement during the negotiation period and further extension of the negotiation is not viewed as fruitful. The process includes mediation, independent appraisal review, and/or arbitration and is described in Section 6.1.1 of the MSHCP (Volume I) and included as Attachment 3 to this agenda item.

Staff is committed to adhering to the highest professional ethical standards and compliance with the MSHCP and state and federal regulations and laws pertaining to real estate transactions. In doing so, staff strives to be reasonable, open, transparent, and communicative with property owners and negotiate in good faith.

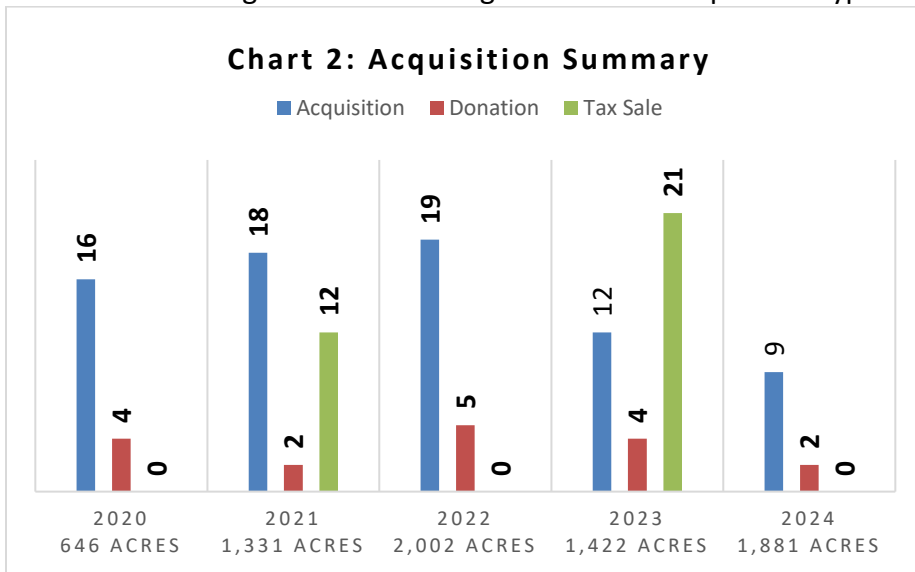
PROGRESSION OF MONTHLY RECURRING FIGURES

Over the years, there have been shifts in the respective acquisition categories. Staff tracks acquisition efforts by the calendar year, Chart 1 provides a summary of acquisition categories from 2021 through 2024 to-date.



Early in 2023, the RCA paused the willing sellers' acquisitions due to an increase in development HANS acquisitions which RCA is required to purchase. Overall, there has been a relative increase in HANS and grant-funded acquisitions accompanied by a proportionate decrease in active willing seller acquisitions since 2021, as shown above.

Chart 2 displays acquisition summaries from 2020 through 2024 to include land acquired through acquisition, donation, and the County of Riverside tax sale process. Additionally, Chart 2 captures the total number of acres brought into ARL through the various acquisition types.



Attachment 1 provides individual property details by type including location, owner representative, and acreage for active parcels as of May 31, 2024. The parcels are listed by the proposed close of escrow date, if applicable.

The second attachment provides a map of the closed escrows for the months of April and May 2024.

As of May 31, 2024, there are 416,977 acres of conserved lands, leaving 83,023 acres of ARL to be acquired.

FISCAL IMPACT:

This item is for informational purposes only. There is no fiscal impact.

Attachments:

- 1) Status of Right of Way Acquisitions as of May 31, 2024
- 2) Map of Closed Escrows for April and May 2024
- 3) Conflict Resolution Section 6 of the MSHCP

Western Riverside County Regional Conservation Authority
Status of Acquisitions
As of May 31, 2024

Project Number	Location	Supervisorial District	Owner Representative	Acreage
Grants				
R22492	Hemet	District 3	N/A	9.74 acres
R22527	Tenaja	District 1	Dana Story	47.70 acres
R22409	French Valley	District 3	N/A	152.18 acres
R23119	Murrieta	District 3	Eric Washle	104.16 acres
R22553	Calimesa	District 5	N/A	117.6 acres
R22540	Lake Elsinore	District 1	Steve Semingson	14.99 acres
R22541	Lake Elsinore	District 1	Val Wong	2.17 acres
R22542	Lake Elsinore	District 1	Carmela Rincon Loelkes	21.34 acres
R22543	Lake Elsinore	District 1	N/A	4.35 acres
R22544	Lake Elsinore	District 1	N/A	9.42 acres
R22545	Lake Elsinore	District 1	John Lewis	12.02 acres
R22548	Lake Elsinore	District 1	N/A	3.16 acres
R22549	Lake Elsinore	District 1	N/A	69.62 acres
R22511	Lake Elsinore	District 1	Glen Williams	33.65 acres
R22554	Lake Elsinore	District 1	Val Wong	2.79 acres

Development HANS				
R22335	Murrieta	District 3	Bill Tyler	13.06 acres
R22171	Hemet	District 3	Ed Sauls	65.18 acres
R22539	Winchester	District 3	N/A	20.00 acres
R22309	Hemet	District 3	Ed Sauls	74.36 acres
R22507	Gavilan Hills	District 1	Garret Sauls	160 acres
R22555	Nuevo	District 5	Garret Sauls	153.07 acres
R22526	Lake Elsinore	District 1	Garret Sauls	124.19 acres
R22563	Murrieta	District 3	Garret Sauls	13.53 acres
R22566	Anza	District 3	N/A	20 acres

Non-Development HANS				
R22419	Aguanga	District 3	Garret Sauls	80.00 acres
R22149	Temecula	District 3	N/A	118.63 acres
R22428	Hemet	District 3	Garret Sauls	240 acres
R22561	Temecula	District 1	N/A	40 acres
R22556	Nuevo	District 5	Garret Sauls	39.18 acres

Willing Seller				
R22565	Sage	District 3	N/A	19.28 acres
R22446	Beaumont	District 5	N/A	150 acres
R22546	Menifee	District 3	N/A	17.98 acres



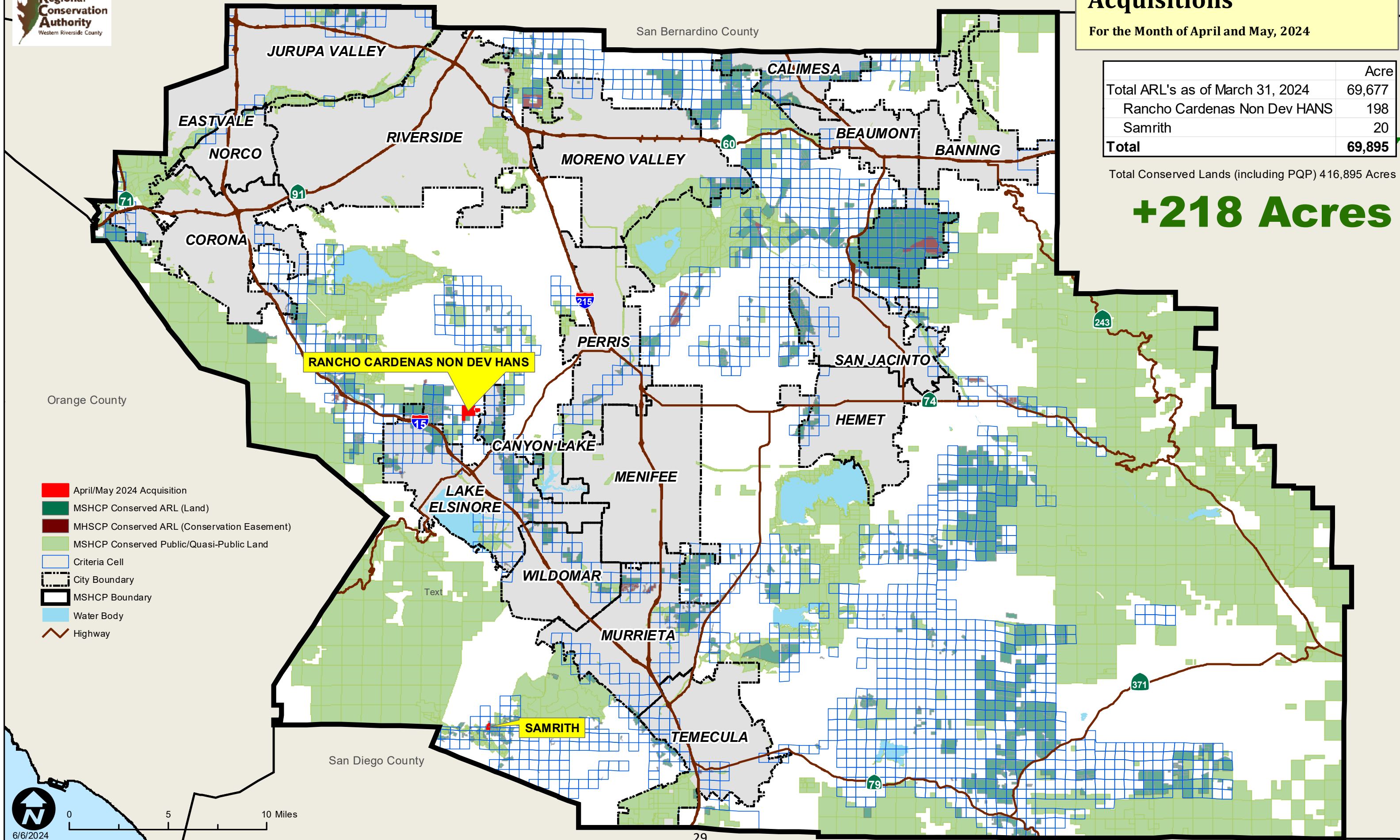
Acquisitions

For the Month of April and May, 2024

	Acre
Total ARL's as of March 31, 2024	69,677
Rancho Cardenas Non Dev HANS	198
Samrith	20
Total	69,895

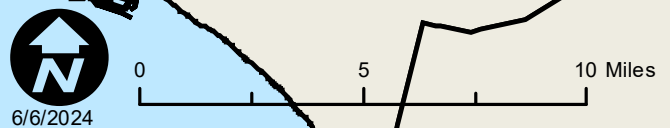
Total Conserved Lands (including PQP) 416,895 Acres

+218 Acres



Orange County

- April/May 2024 Acquisition
- MSHCP Conserved ARL (Land)
- MSHCP Conserved ARL (Conservation Easement)
- MSHCP Conserved Public/Quasi-Public Land
- Criteria Cell
- City Boundary
- MSHCP Boundary
- Water Body
- Highway



6/6/2024



6.0 MSHCP Implementation Structure

➤ Conflict Resolution Process

A. Introduction

In order to address in a fair and consistent manner, disputes which may arise concerning the **(i)** application of MSHCP Conservation Criteria, **(ii)** available incentives, or **(iii)** the valuation of property, a conflict resolution process is necessary. Conflict resolution may be initiated by the property owner or the County or Cities and allows for a neutral third party to assist in resolving disputes concerning the aforementioned issues. This Process will not be construed as a limitation on the County's or Cities' ability to approve or deny a development application except that a project consistent with this Process may not be denied solely because a development application does not comply with the MSHCP Conservation Criteria.

B. Mediation

Mediation will initially be required to resolve differences between the parties over the proposed development options for the property (including the application of incentives) as well as differences regarding the application of MSHCP Conservation Criteria. Mediation may not be used to require the County or Cities to acquire property it has determined is not necessary for inclusion in the MSHCP Conservation Area.

If the dispute involves the application of MSHCP Conservation Criteria, the initiating party must consult with the U.S. Fish and Wildlife Service and the California Department of Fish and Game concerning the application of the Criteria prior to the initiation of mediation. The consultation period will be 30 days and may be extended with the consent of the initiating party.

The mediation period will be up to 90 days. This period may be extended upon the mutual consent of the parties. The parties shall also mutually agree to the appointment of a mediator. If the parties are unable to mutually agree to such an appointment, the Presiding Judge of the Riverside Superior Court shall be requested to appoint a mediator. All costs associated with the mediation shall be divided equally between the parties.

Upon completion of the mediation, the mediated resolution shall be complied with, and where a project is proposed, then the project may continue through the normal development review process.

Alternatively, the property owner may either **(i)** request review of any remaining dispute by the Board of Supervisors (in the case of property within the unincorporated area of the County) or the



6.0 MSHCP Implementation Structure

City Council (in the case of property within a City) or **(ii)** initiate arbitration solely for disputes concerning the application of MSHCP Conservation Criteria (as indicated below).

C. Appraisal Review

Should a party opt to commence the Conflict Resolution Process as a result of the parties' inability to resolve differences concerning the valuation of property, a second appraisal shall be conducted, at the expense of the property owner, in accordance with the "Uniform Appraisal Standards for Federal Land Acquisitions" and the "Uniform Standards of Professional Appraisal Practice." In the event of any conflict between these standards, the "Uniform Appraisal Standards for Federal Land Acquisitions" will control. Fee ownership of property to be conveyed may not be required. The type of ownership to be conveyed shall be taken into consideration when conducting the second appraisal.

Any discrepancies between this appraisal and the appraisal previously prepared by the County or the Cities shall be reviewed by a third appraiser mutually agreed to by both parties. Review by the third appraiser shall be completed within 90 days after the parties mutually agree to the selection of the third/review appraiser. If the parties are unable to agree upon the choice of a third/review appraiser, the Presiding Judge of the Riverside Superior Court shall be requested to select the third/review appraiser.

Upon completion of this review, the appraiser shall make recommendations as to which appraisal should be approved. If such a recommendation cannot be made, the third appraiser shall within 90 days conduct an appraisal in accordance with the aforementioned standards. The third appraisal shall then establish the fair market value of the property.

Any recommendations of the third/review appraiser upon completion of the third appraiser's review or if necessary any third appraisal shall be binding upon the parties solely with respect to the issue of establishing the fair market value of the property. Should any subsequent acquisition of the property involve state and/or federal monies, an update or review of the third appraisal may be necessary.

The cost for conducting this review and any necessary third appraisal shall be divided equally between the parties.



6.0 MSHCP Implementation Structure

D. Arbitration

If the parties are unable to resolve through mediation differences concerning the application of MSHCP Conservation Criteria, arbitration may be initiated by either party, with the consent of the property owner.

The arbitration period will be up to 180 days. This period may be extended upon the mutual consent of the parties. The parties shall also mutually agree to the appointment of an arbitrator. If the parties are unable to mutually agree to an appointment, the Presiding Judge of the Riverside Superior Court shall be requested to appoint an arbitrator.

The property owner, the County or Cities may submit to the arbitrator, evidence concerning the application of the MSHCP Conservation Criteria to the property in question. Any cost for such evidence shall be born by the party submitting said evidence. The decision of the arbitrator shall be based solely upon the Conservation Criteria as applied to the property in question and any evidence supporting the application of the Conservation Criteria. The arbitrator's decision shall be binding upon both parties.

➤ Completion of Acquisition

A. Completion of Acquisition If Funding is Available

Following conclusion of successful negotiations or appraisal review under the Conflict Resolution Process and any necessary action by the Board of Supervisors or City Council, the property shall be promptly purchased provided sufficient MSHCP funds are available. The General Fund of the County or Cities shall not be obligated to fund the purchase of property for inclusion in the MSHCP Conservation Area. In addition to the County and the Cities, it is anticipated and expected that State and Federal agencies may either purchase or provide funding to purchase property for inclusion in the MSHCP Conservation Area.

B. Completion of Acquisition or Submittal of Development Application if Funding is Not Immediately Available

- (1) CONVEYANCE OF PROPERTY (WITH PURCHASE PRICE OF \$100,000 OR LESS) AND FOR WHICH A DEVELOPMENT APPLICATION IS INTENDED TO BE PURSUED -** If it is anticipated

AGENDA ITEM 9

WESTERN RIVERSIDE COUNTY REGIONAL CONSERVATION AUTHORITY	
DATE:	July 1, 2024
TO:	Western Riverside County Regional Conservation Authority
FROM:	Aaron Gabbe, Regional Conservation Director
THROUGH:	Aaron Hake, Executive Director
SUBJECT:	Strategic Improvement Assessment and Action Plan Update

STAFF RECOMMENDATION:

This item is for the Board of Directors to receive and file the Strategic Improvement Assessment and Action Plan Update through June 2024.

BACKGROUND INFORMATION:

The Western Riverside Multiple Species Habitat Conservation Plan (MSHCP) is an ambitious plan, vital to supporting smart regional growth in Western Riverside County while protecting threatened and endangered species, their habitats, and natural resources for future generations of Western Riverside County residents. The MSHCP has been a success over the last 20 years since approval. The MSHCP has protected over 70,000 acres of Additional Reserve Lands (out of 153,000 acres to be protected with local, state, and federal funding), at a cost of over \$570 million, and has streamlined development of more than 100,000 acres of vital infrastructure and housing.

The MSHCP was developed 20 years ago, however, and some of the assumptions used to develop the MSHCP are no longer accurate. It is impossible to create such a large, 75-year plan that operates exactly how it was envisioned during plan development. A trend has been developing recently where the RCA, through the development Habitat Evaluation and Acquisition Negotiation Strategy (HANS) process, is required to purchase land described for conservation that is extremely expensive (e.g., many orders of magnitude greater than the per acre costs assumed by the MSHCP or 2020 Nexus Study), and occasionally, land that provides modest habitat values without active restoration. The development HANS process provides little flexibility to the RCA to make acquisition decisions based on cost or habitat quality. The RCA is concerned that if this trend continues, it may not be financially feasible to achieve all the goals and objectives of the MSHCP, particularly those related to reserve assembly.

On January 8, 2024, the RCA Board of Directors authorized the RCA Chair or Executive Director, pursuant to legal counsel review, to finalize and execute an agreement with ICF Jones & Stokes (ICF) to prepare a Strategic Improvement Assessment and Action Plan (SIAAP). This staff report provides an update on work done by the ICF Team (including ICF and subconsultants Dudek and Economic & Planning Systems) through June 2024.

DISCUSSION:

The primary objective of the SIAAP is to identify and recommend pathways that the RCA and other Permittees may take to improve MSHCP implementation flexibility while maintaining financial stewardship and permit compliance. To achieve this goal, the consultant first must learn detailed MSHCP processes, procedures, policies, and the specific components of the MSHCP that describe how these processes, procedures, and policies are to be implemented. To achieve this first step, the ICF Team has been reviewing the MSHCP, Implementing Agreement, 2020 Nexus Study, MSHCP fee manual, the RCTC Right of Way and MSHCP Land Acquisition Policies and Procedures, and appraisals, among other documents. After holding a project kickoff meeting with RCA staff and counsel, the ICF Team finalized a detailed workplan and schedule to complete the final draft SIAAP by the end of February 2025. The schedule includes updates to the RCA Board of Directors, presentations to the RCA Executive Committee, and two RCA Stakeholders Committee meetings to elicit feedback from MSHCP stakeholders.

The ICF Team is in the information gathering phase of its work to better understand the MSHCP and HANS-related issues. In addition to reviewing numerous documents, ICF has interviewed the former RCA Executive Director (Anne Mayer) and former Deputy Executive Director (Aaron Hake), RCA staff, BB&K counsel, RCA Board Chair Kevin Bash, former RCA Board Chair Natasha Johnson, and staff from the U.S. Fish and Wildlife Service and the California Department of Fish and Wildlife. As part of this process, the ICF Team has been summarizing interview results and organizing results into themes and key issue topics for further analysis. The ICF Team has been gathering and evaluating financial data, including revenue and acquisition costs to better understand prior MSHCP implementation cost estimates and sources of revenue (e.g., undertaken in the MSHCP [2004] and the 2020 Nexus Study) and where and why actual costs and sources of revenue deviated from projected estimates. The ICF Team is preparing a memo that summarizes the information collected during the information gathering phase and identifying the intricate challenges and causes affecting the HANS process.

Next steps in the SIAAP process include finalizing the above-mentioned memo, holding an RCA staff workshop to identify potential, alternative solutions to the issues identified during the information gathering phase, holding the first stakeholder meeting, and holding an RCA-Wildlife Agency (USFWS and CDFW) workshop to evaluate potential, alternative solutions and the potential constraints and tradeoffs of each alternative.

FISCAL IMPACT:

This is an information item. There is no fiscal impact.

AGENDA ITEM 10

PRESENTATION