



Western Riverside Council of Governments WRCOG Executive Committee

AGENDA

**Monday, May 1, 2023
2:00 PM**

**Western Riverside Council of Governments
County of Riverside Administrative Center
4080 Lemon Street, 1st Floor, Board Chambers
Riverside, CA 92501**

Committee members are asked to attend this meeting in person unless remote accommodations have previously been requested and noted on the agenda. The below Zoom link is provided for the convenience of members of the public, presenters, and support staff.

[Public Zoom Link](#)

Meeting ID: 893 7088 6219

Passcode: 20230206

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

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the WRCOG Executive Committee meeting, please contact WRCOG at (951) 405-6702. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 3390 University Avenue, Suite 200, Riverside, CA, 92501.

In addition to commenting at the Committee meeting, members of the public may also submit written comments before or during the meeting, prior to the close of public comment to jleonard@wrcog.us.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light

of this announcement shall contact Janis Leonard 72 hours prior to the meeting at (951) 405-6702 or jleonard@wrcog.us. Later requests will be accommodated to the extent feasible.

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

1. CALL TO ORDER (Crystal Ruiz, Chair)

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC COMMENTS

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

5. CONSENT CALENDAR

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

A. Summary Minutes from the April 3, 2023, Executive Committee Meeting

Requested Action(s): 1. Approve the Summary Minutes from the April 3, 2023, Executive Committee meeting.

B. Finance Department Activities Update

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

C. WRCOG Committees and Agency Activities Update

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

D. Report out of WRCOG Representatives on Various Committees

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

E. 2022 Fee Comparison Analysis Update - Final Report

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

F. Approval of Third Amendment to the Professional Services Agreement with PFM Financial Advisors

Requested Action(s): 1. Authorize the Executive Director to enter into a Third Amendment to the Professional Services Agreement between WRCOG and PFM Financial Advisors, LLC, to extend the term of the Agreement to June 30, 2024.

G. Letter Recommending that the State of California Reconsider the Closure of

Chuckawalla Valley State Prison in Blythe

Requested Action(s):

1. Authorize the Executive Director to submit a letter to the State of California advocating for a reconsideration of the closure of Chuckawalla Valley State Prison in Blythe.

H. Affirm the Recommendation of the Administration & Finance Committee to Appoint Wes Speake to SAWPA OWOW Steering Committee, and Malcom Lilienthal to SCAG's Transportation Policy Committee

Requested Action(s):

1. Appoint Wes Speake (City of Corona) as the WRCOG representative to the Santa Ana Watershed Project Authority's One Water One Watershed Steering Committee for a term commencing May 1, 2023, and ending December 31, 2024.
2. Appoint Malcom Lilienthal (City of Hemet) to SCAG's Transportation Policy Committee for a term commencing May 1, 2023, and ending December 31, 2024.

6. REPORTS / DISCUSSION

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

A. Good Neighbor Guidelines for Siting New and/or Modified Warehouse / Distribution Facilities

Requested Action(s):

1. Recommend that the Executive Committee withdraw the WRCOG Good Neighbor Guidelines for Siting New and/or Modified Warehouse / Distribution Facilities.

B. Approval of Fiscal Year 2023/2024 Agency Budget

Requested Action(s):

1. Recommend that the General Assembly approve the Fiscal Year 2023/2024 Agency Budget.

7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

Rob Johnson, City of San Jacinto

8. REPORT FROM COMMITTEE REPRESENTATIVES

CALCOG, Brian Tisdale

SANDAG Borders Committee, Crystal Ruiz

SCAG Regional Council and Policy Committee Representatives

9. REPORT FROM THE EXECUTIVE COMMITTEE CHAIR

Crystal Ruiz, City of San Jacinto

10. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson

Access the written update [here](#).

11. ITEMS FOR FUTURE AGENDAS

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

12. GENERAL ANNOUNCEMENTS

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

13. NEXT MEETING

The next Executive Committee meeting is scheduled for Monday, June 5, 2023, at 2:00 p.m., in the County of Riverside Administrative Center, 4080 Lemon Street, 1st Floor, Board Chambers, Riverside.

14. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION pursuant to Section 54959.9(d)
(1): Two cases.

1. Zuniga, et al. v. Western Riverside Council of Governments, et al., San Diego County Superior Court, Case No. 37-2021-00007702-CU-MC-NC.
2. Linda M. Logan v. California Statewide Communities Development Authority, et al., San Diego Superior Court Case No. 37-2022-00003295-CU-MC-NC.

15. ADJOURNMENT

WRCOG Executive Committee

Minutes

1. CALL TO ORDER

The meeting of the WRCOG Executive Committee was called to order by Chair Crystal Ruiz at 2:23 p.m. on April 3, 2023, at the Riverside County Administrative Center, 4080 Lemon Street, 1st Floor Board Chambers, Riverside.

2. PLEDGE OF ALLEGIANCE

2nd Vice-Chair Rita Rogers led the Committee members and guests in the Pledge of Allegiance.

3. ROLL CALL

- City of Beaumont - Mike Lara
- City of Banning - Reuben Gonzalez
- City of Calimesa - Wendy Hewitt
- City of Canyon Lake - Mark Terry
- City of Corona - Jacque Casillas
- City of Eastvale - Christian Dinco
- City of Hemet - Jackie Peterson
- City of Jurupa Valley - Chris Barajas
- City of Lake Elsinore - Brian Tisdale
- City of Menifee - Bob Karwin
- City of Moreno Valley - Elena Baca-Santa Cruz
- City of Murrieta - Ron Holliday
- City of Norco - Kevin Bash
- City of Perris - Rita Rogers
- City of Riverside - Ronaldo Fierro
- City of San Jacinto - Crystal Ruiz
- City of Temecula - James Stewart
- City of Wildomar - Joseph Morabito
- County, District 1 - Kevin Jeffries
- County, District 2 - Karen Spiegel
- County, District 3 - Chuck Washington
- Eastern Municipal Water District (EMWD) - Phil Paule
- Western Municipal Water District (WMWD) - Brenda Dennstedt

4. PUBLIC COMMENTS

Arnold San Miguel from SCAG announced that registration for the SCAG Regional Conference & General Assembly is now open; register at <https://scag.ca.gov/2023-regional-conference-general->

[assembly](#). Join Southern California's most influential leaders May 4 - 5, 2023, at the JW Marriot Desert Springs Resort & Spa. Register by Friday, March 31st to get \$100 off the general admission price. The event is free for elected officials and City Managers in the region.

SCAG's Connect SoCal, its visionary plan for the future of the region, is underway and SCAG wants to hear from you. Public workshops and pop-up events are as follows:

Thursday, April 13, 9 a.m. - 11 a.m. / 12 p.m. - 2 p.m.
Historic Santa Fe Depot Tile Room
1170 W. Third Street
San Bernardino, CA 92410

Tuesday, May 2, 12 p.m. - 3 p.m. / 4 p.m. - 6 p.m. and Wednesday, May 3, 9 a.m. - 11 a.m.
UC Riverside, Palm Desert, Rooms B114 and B117
75080 Frank Sinatra Drive Palm Desert, CA 92211

Friday, May 5, 5 p.m. - 8 p.m.
Connect SoCal pop-up at Temecula Rod Run, 41000 Main St., Temecula, CA.

Monday, May 8 12 p.m. - 3 p.m.
Anthony Munoz Community Center 1240 W. Fourth Street Ontario, CA 91762

5. CONSENT CALENDAR

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Jurupa Valley
SECONDER:	Murrieta
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, Wildomar, District 1, District 2, District 3, EMWD, WMWD

A. Summary Minutes from the March 6, 2023, Executive Committee Meeting

Action:

1. Approved the minutes from the March 6, 2023, Executive Committee meeting.

B. Finance Department Activities Update

Action:

1. Received and filed.

C. WRCOG Committees and Agency Activities Update

Action:

1. Received and filed.

D. Report out of WRCOG Representatives on Various Committees

Action:

1. Received and filed.

E. Single Signature Authority Report

Actions:

1. Received and filed.

F. Approval of Third Amendment to Professional Services Agreement with Yunex, LLC

Action:

1. Approved the Third Amendment with Yunex, LLC, to exclude extraordinary O&M costs from the not-to-exceed amount in the Agreement.

G. Streetlight Program, Broadband, and Energy Resilience Activities Update

Action:

1. Received and filed.

H. SCAG Update: March 2023

Action:

1. Received and filed.

6. REPORTS / DISCUSSION

A. Approval of WRCOG Strategic Plan

Dr. Kurt Wilson, WRCOG Executive Director, reported that the the Executive Committee convened approximately 18 months ago to set out the course for where the organization should go. Some Executive Committee members met again in late 2022 to review the Strategic Plan to ensure that WRCOG was still on track, make necessary course-corrections, and discuss various topics. Key discussion points included the identity, value, and purpose of WRCOG, the status of the Strategic Plan items, and Plan amendments. There was also an interest in increasing the use of Ad Hoc Committees to vet items on behalf of the Executive Committee alongside or instead of staff. No decisions were made due to lack of quorum.

Other topics for the Committee to consider include regional truck parking, regional water, homelessness, and GIS services.

Action:

1. Affirmed the current version of the Strategic Plan or approve an amended version of the Plan.

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Jurupa Valley
SECONDER:	San Jacinto

AYES: Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, Temecula, District 2, District 3, EMWD, WMWD

ABSTAINED: District 1, Wildomar

B. 2023 General Assembly Community Service Awards

Julian Brambila, WRCOG Analyst, presented the three award recipients recommended by the Administration & Finance Committee, which considered seven nominations in all for this year's award.

Ronnie Imel is a decorated Vietnam Veteran who has been a Veterans Advocate for over 30 years, and has performed services for thousands of veterans free of charge.

The Moreno Valley College Corps is a Community College program aimed at providing students a pathway to debt-free education while making a positive impact on their community. Students in the program volunteer 450 service hours.

Ted Hoffman was a lifelong public servant and volunteer, serving in both the United States Army and the Riverside County Sheriff's Department. Mr. Hoffman served on the Norco City Council from 2015 up until his recent passing. The Agency will honor Mr. Hoffman with a Lifetime Achievement Award, posthumously.

Staff will notify the awardees and invite them to this year's 32nd Annual General Assembly & Leadership Address where they will be honored.

Action:

1. Approved the following for the 2023 WRCOG Awards for Outstanding Community Service:
 - a. Ronnie Imel (Individual)
 - b. The Moreno Valley College Corps (Group)

RESULT:	APPROVED AS RECOMMENDED
MOVER:	Wildomar
SECONDER:	Moreno Valley
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Murrieta, Norco, Perris, Riverside, San Jacinto, Temecula, District 2, District 3, EMWD, WMWD

C. WRCOG Financial Sustainability Modeling and Fiscal Year 2023/2024 Budget Update

Dr. Kurt Wilson, WRCOG Executive Director, and Andrew Ruiz, WRCOG Chief Financial Officer, gave an update on the budget for FY 2023/2024. The nature of the WRCOG budget does not change much from year to year, but has programmatic changes as different programs begin or end. There is a new Budget Ad Hoc Committee which will help vet some concepts and provide input on a number of things.

Mr. Ruiz stated that there are two PACE providers, Twain and Nuveen. The original budget was revised and cut almost in half, down to \$110k. Because there is no consistency with PACE activity, Mr. Ruiz

proposed three items to consider for PACE Commercial: to consolidate PACE Commercial Programs, align revenues with fixed costs (mainly salaries), and adjust revenues and variable costs based on actual activity.

The biggest change to the Fiscal Year (FY) 2023/2024 budget is related to TUMF collections. Previously, all TUMF collections were recognized as revenue; however, due to GASB 84, only the 4% administrative fee will be considered revenue going forward. Committee members should not be alarmed when they see a dramatic decrease in the budget, as the remaining 96% is now counted as fiduciary activity instead of revenue.

Excluding the remaining 96% of TUMF collections, WRCOG's budget will increase by approximately \$2M for FY 2023/2024, primarily due to increased I-REN revenues and decreased TUMF and HERO revenues.

The I-REN Program has a budget of \$65M over six years. The yearly budgets can be rolled over to the subsequent years if they are not spent in that specific year, as long as it is within that six-year period.

The Fellowship Program places recent graduates to work in WRCOG member agencies for a 9-month period, where they gain valuable experience and are available for hire after their Fellowship ends. There are no new revenue sources, so if the Committee would like to continue the Program, WRCOG can look at a General Fund proposal, the Supporting Foundation, or Federal Grants for funding.

Committee member Chris Barajas stated that the Program is not sustainable the way it is now, and asked the Committee to assess what the value is or at what point WRCOG should look for that additional funding, and suggested to end the Program and focus on the Strategic Plan.

Committee member Jacque Casillas stated that there is a real value to the Fellowship Program and for the member agencies. The Program takes aspiring professionals from the community, to work for the community. She would like to find a way to support the continuation of the Program and help it grow.

Committee member Christian Dinco agreed that the Program was very beneficial, but is worried about finding new revenue sources for a program that is not sustainable in the long term. He supports the continuation with outside funding, but would not like to take on the financial responsibility by increasing membership dues. Additionally, he believes cities are capable of finding their own talents locally.

Committee member Rita Rogers stated that the City of Perris has benefitted greatly from the Fellowship Program. She asked if the Technical Advisory Committee (TAC) has been approached about having member agencies covering 100% of the salaries to continue the program.

Dr. Wilson responded that the subject was presented last year to the Administration & Finance Committee, as well as this Committee, and the concern was that some agencies did not have the funds to pay for it.

Committee member Bob Karwin agrees that while the Program is valuable, the timing is wrong to go to the constituents and ask them to pay an increased burden. He would support the continuation of the Program if there were other sources, such as from federal funding, or private donations.

Chair Ruiz stated that she loves the Program, reaching out to the next generation and providing them the

opportunity to work in government. The Program provides young people the opportunity to work with City Managers or other government officials and inspire them to aim higher. She also mentioned that the I-REN has a similar program, so if I-REN can find funding, perhaps the Fellowship Program can too.

Dr. Wilson reported that member dues are set at a fixed number every year. Consultant Baker Tilly assessed the lack of an escalator, which brought up a concern of oversubscribing, as the cost of items paid for with those fees goes up. Today, WRCOG member agencies pay significantly less today than they did in 2008.

Mr. Ruiz explained that this is because during the Great Recession, TUMF fees were reduced by 15%, and have not increased since.

Dr. Wilson stated that the membership dues are based on population at that time, with some exceptions. He asked the Committee if WRCOG should leave the formula alone, or if WRCOG should write up a proposal for adjustments to reflect the population changes.

Committee member Karen Spiegel stated she has been fighting against receiving an unequal payment of Federal and State dollars. Some of the populations have grown in some cities, but the payments have not grown. It would only be fair to stick to the formula, and reassess the numbers.

Committee member Chris Barajas agreed with Committee member Spiegel, and added that it does not have to be done immediately, it can be done incrementally.

Chris Gray, WRCOG Deputy Executive Director, stated that the formula used to calculate dues by agencies in California is 50% on population, and 50% on assessed value of properties. He reiterated that the dues have not been adjusted or reallocated since 2008. An effort to adjust dues was rejected by the Administration & Finance Committee in 2017.

Committee member Spiegel added that this should be a topic that the TAC should be considering. The TAC can figure out the formula to get fairness back, and see how each jurisdiction is contributing. TAC members would have a better idea than the Executive Committee members.

Committee member Christian Dinco stated that the formula absolutely needs to be reevaluated to have a fair distribution and proper balance. New programs have been introduced that have helped generate revenues, such as the PACE Program, that were not in place in 2008. He is open to have a rate increase if there is a specific need, not just because of the passage of time. He wants to know where the money is going if the community is going to be taxed, and an intern program is not a necessity.

Committee member Ron Holliday stated that CPI increases for governments are problematic, as the majority of WRCOG is labor, and there is not a great CPI index for labor alone in the Riverside / San Bernardino area. He would rather see those dues tied to an expense, such as a certain percentage allocated for salaries. It should not be a random increase, just because it has been so long since an increase, or just because another entity's dues are higher.

Committee member Karwin asked for clarification on why, if the budget is greater this year by \$2M, is there a need to increase the dues as well. He would need further clarification to justify an increase.

Dr. Wilson responded that the Agency Budget is different than the General Fund. Each program has its

own compartmentalization. The usability of the funds is different. So for instance, the I-REN program has \$10M in revenue, which has \$10M in expenses.

Committee member Barajas stated that the budget looks at programs and how the money is allocated, not necessarily for the General Fund. Revenue sources will continue to decrease over time, so the Committee should start to consider what to do when all the funding is expended to cover costs.

Committee member Casillas stated it is a question of sustainability, not about whether or not the Committee likes increasing dues.

Committee member Kevin Bash added that there were four cities that were not cities back in 2008, so the Committee would definitely need to review the process for assessing their dues.

Committee member Brian Tisdale asked why this topic was brought up to the Executive Committee before Administration & Finance Committee as is items normally got to that Committee first.

Dr. Wilson explained that the format of the budget is different. The timeline asked for a few "temperature checks" focused on some discreet items, although there are not many changes to most of the budget. There will be a deeper discussion with the Administration & Finance Committee next week.

Dr. Wilson also touched on the Clean Cities Program and Solid Waste dues. These Programs are not as intertwined into the Agency as the others. The Clean Cities Program only affects the 11 member agencies who chose to participate. Although it has sustainability issues, participating agencies see a high value and have expressed an interest in continuing the Program. The Solid Waste Program is also a high value for participating member agencies, but is not a core function of WRCOG. It is in place at the request of member agencies.

Action:

1. Received and filed.

7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

The Technical Advisory Committee Chair, Rob Johnson, was not present.

8. REPORT FROM COMMITTEE REPRESENTATIVES

Committee member Brian Tisdale, CalCOG representative, reported that CalCOG held its annual leadership meeting on March 5 through 7, 2023, where various items were discussed, such as housing, electric vehicles, and replacing the gas tax. He advised the Committee to follow these items, as studies are now being conducted on how to replace gas stations. Representatives in Sacramento often do not think of the consequences and how they will impact residents. He thanked Dr. Wilson for facilitating the meeting and representing WRCOG.

9. REPORT FROM THE EXECUTIVE COMMITTEE CHAIR

Chair Ruiz attended the IEEP State of the Region, where Committee member Karen Spiegel was a panelist. She praised Committee member Spiegel for doing a fabulous job at representing the County

and making some valid points.

10. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson reminded Committee members to submit their Form 700. WCE is officially dissolved. There will be a Love Your Neighborhood event in Menifee on April 22, 2023, one on April 29, 2023, in Hemet, and a date in May 2023 in Perris. Preparations for the General Assembly are coming along. WRCOG is partnered with closely with CalCOG, and although it currently has no authority to weigh in on specific bills, it is in the process of creating an Advocacy subcommittee. The Administration & Finance Committee will consider a legislative platform which will come to the Executive Committee next month. Once one is in place, WRCOG will be better placed to elevate the region's voice and protect its interests.

11. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

12. GENERAL ANNOUNCEMENTS

Committee member Jackie Peterson extended an invitation to the Arbor Day celebration in Hemet on April 29, 2023. Volunteers will clean up Simpson Park, which was heavily damaged in the Fairview fire last year. This year is the Ramona Pageant's 100th anniversary. It is a historical play on the California valley and Native American Indians, which will be performed on the last two weekends of April 2023 and the first weekend of May 2023.

13. NEXT MEETING

The next Executive Committee meeting is scheduled for Monday, May 1, 2023, at 2:00 p.m., in the Riverside County Administrative Center, 4080 Lemon Street, 1st Floor Board Chambers, Riverside.

14. CLOSED SESSION

There were two items for discussion:

1. Conference with Legal Counsel Regarding Pending Litigation Pursuant Government Code Section 54956.9(d)(1):
Case Nos. RIC1712042, RIC1707201, and E077073 (Urban Logic)

2. Conference with Real Property Negotiators
Property: 3390 University Avenue Suite 200
Agency negotiator: Executive Director
Negotiating parties: Citrus Tower, Inc.
Under negotiation: price and terms of payment

There were no reportable actions.

15. ADJOURNMENT

The meeting was adjourned at 3:55 p.m.



Western Riverside Council of Governments

WRCOG Executive Committee

Staff Report

Subject: Finance Department Activities Update
Contact: Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6740
Date: May 1, 2023

Requested Action(s):

1. Receive and file.

Purpose:

The purpose of this item is to provide an update on the Agency financials through February 2023.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #3 - Ensure fiscal solvency and stability of the Western Riverside Council of Governments.

Background:

On April 3, 2023, the Executive Committee adopted a new Strategic Plan with specific fiscal-related goals:

1. Maintain sound, responsible fiscal policies.
2. Develop a process to vet fiscal impact(s) and potential risk(s) for all new programs and projects.
3. Provide detailed financial statements for public review online.

Regarding goal #1, staff have planned out a process to go through and revise all of its fiscal-related policies. They plan to have them vetted and revised by the end of the fiscal year. Staff will begin by updating its investment policy with the assistance of its financial advisor, Public Financial Management (PFM), and will seek input from the Finance Directors Committee at its next meeting.

Regarding goal #3, staff have updated the public financial statements with significantly more detail, including breaking out each line item by fund, department, and program. These detailed financial statements provide more transparency into each of the Agency's funds and programs.

As staff continue to work through these goals, input from WRCOG's Committee structure will be important to ensure the goals are met.

Financial Report Summary Through February 2023

The Agency's Financial Report summary through February 2023, a detailed overview of WRCOG's financial statements in the form of combined Agency revenues and costs, plus a detailed breakout, are

provided as an attachment to this Staff Report.

The Financial Report also includes a fund-level, budget-to-actual report, as well as additional graphs. Additionally, some account descriptions have been broken out and cleaned up. These changes have been made based on input received from members of WRCOG's various committees.

Fiscal Year (FY) 2023/2024 Agency Budget

While work on the Fiscal Year 2023/2024 budget process started earlier in the Fiscal Year with the Classification and Compensation Study and long-range fiscal modeling, staff have completed its presentations and discussions on the Fiscal Year 2023/2024 budget to its various committees, which started with the Finance Directors Committee in February. A separate item on the budget is in this agenda packet with additional details.

Prior Action(s):

April 20, 2023: The Technical Advisory Committee received and filed.

April 12, 2023: The Administration & Finance Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact. Finance Department activities are included in the Agency's adopted Fiscal Year 2022/2023 Budget under the Administration Department under Fund 110.

Attachment(s):

[Attachment 1 - February 2023 Agency Financials](#)

Attachment

February 2023
Agency Financials



Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Description	Actual	FY 23 Budget	Variance
Revenues			
Member Dues	294,410	294,410	-
Fellowship	81,948	100,000	18,052
Operating Transfer Out	1,359,145	2,476,847	1,117,701
Solid Waste - SB1383	117,593	117,593	-
HERO Admin Revenue	337,685	1,130,000	792,315
Greenworks PACE Commercial Revenue	69,021	100,000	30,979
Twain PACE Commercial Revenue	-	10,000	10,000
PACE Funding Recording Revenue	38	-	(38)
Regional Streetlights Revenue	131,852	135,542	3,691
Solid Waste	174,206	173,157	(1,049)
Used Oil Grants	198,398	198,398	-
Clean Cities	123,800	270,167	146,367
Inland Regional Energy Network (I-REN)	614,991	7,738,349	7,123,358
REAP Revenue	230,186	750,000	519,814
LTF Revenue	1,072,500	1,072,500	-
Other Misc Revenue-RIVTAM	17,500	25,000	7,500
TUMF Commercial - Admin Fee	39,778	72,000	32,222
TUMF Retail - Admin Fee	36,449	72,000	35,551
TUMF Industrial - Admin Fee	341,913	480,000	138,087
TUMF Single Family - Admin Fee	1,010,786	1,320,000	309,214
TUMF Multi Family - Admin Fee	395,815	456,000	60,185
TUMF Commercial - Program Revenue	1,057,278	1,728,000	670,722
TUMF Retail - Program Revenue	677,113	1,728,000	1,050,887
TUMF Industrial - Program Revenue	9,013,947	11,520,000	2,506,053
TUMF Single Family - Program Revenue	23,117,161	31,680,000	8,562,839
TUMF Multi Family - Program Revenue	9,084,549	10,944,000	1,859,451
Beaumont TUMF Settlement Revenue	1,955,458	10,884,000	8,928,542
General Fund Investment / Interest Revenue	90,508	180,000	89,492
TUMF Investment Revenue / Earnings	797,305	1,985,000	1,187,695
Total Revenues	\$ 52,441,335	\$ 87,640,963	\$ 35,199,628



Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

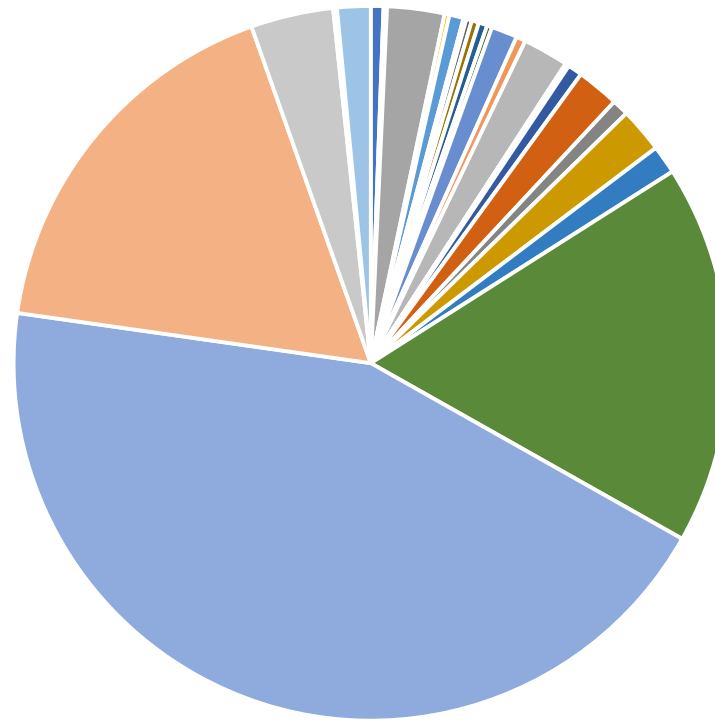
Description	Actual	FY 23 Budget	Variance
Expenses			
Salaries & Wages - Fulltime	1,782,219	3,254,202	1,471,983
Fringe Benefits	811,872	1,448,358	636,486
Overhead Allocation	1,157,638	2,174,586	1,016,947
General Legal Services	1,391,414	2,057,092	665,678
Audit Svcs - Professional Fees	-	30,000	30,000
Bank Fees	3,525	67,008	63,483
Commissioners Per Diem	43,050	72,000	28,950
Parking Cost	19,309	28,000	8,691
Office Lease	225,581	340,000	114,419
WRCOG Auto Fuels Expenses	104	1,000	896
WRCOG Auto Maintenance Expense	-	500	500
Parking Validations	4,820	20,712	15,892
Staff Recognition	2,547	3,100	553
Coffee and Supplies	411	2,500	2,089
Event Support	81,618	164,750	83,132
Program/Office Supplies	8,999	22,550	13,551
Computer Supplies	2,669	7,000	4,331
Computer Software	38,762	102,500	63,738
Rent/Lease Equipment	8,440	15,000	6,560
Membership Dues	17,497	362,250	344,753
Subscriptions/Publications	22,822	9,200	(13,622)
Meeting Support Services	357	3,350	2,993
Postage	4,034	7,850	3,816
Other Expenses	1,698	4,600	2,902
Storage	3,703	5,500	1,797
Printing Services	1,856	6,650	4,794
Computer Hardware	1,410	11,700	10,290
Misc Office Equipment	-	3,000	3,000
Communications - Regular Phone	14,771	17,500	2,729
Communications - Cellular Phones	7,717	17,650	9,933
Communications - Computer Services	5,743	40,000	34,257
Communications - Web Site	6,610	8,000	1,390
Equipment Maintenance	290	7,500	7,210
Maintenance - Building and Improvement	13,034	12,000	(1,034)



Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

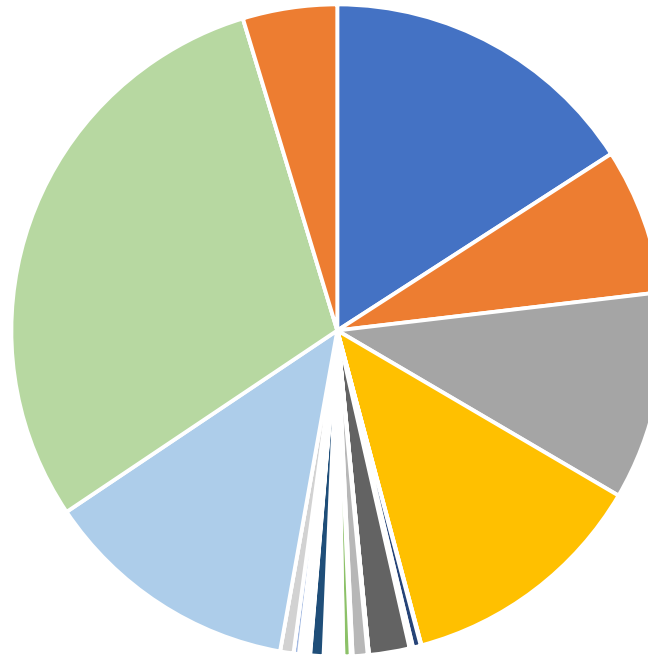
Description	Actual	FY 23 Budget	Variance
Insurance - Gen/Busi Liab/Auto	73,569	104,266	30,697
WRCOG Auto Insurance	3,181	6,000	2,819
Data Processing Support	15,649	8,000	(7,649)
Recording Fee	5,362	13,000	7,638
Seminars/Conferences	11,659	31,850	20,191
Travel - Mileage Reimbursement	4,013	31,910	27,897
Travel - Ground Transportation	932	15,050	14,118
Travel - Airfare	2,876	56,750	53,874
Lodging	9,469	110,100	100,631
Meals	4,096	16,990	12,894
Other Incidentals	29	1,500	1,471
Training	3,137	159,375	156,238
OPEB Repayment	-	110,526	110,526
Supplies/Materials	1,232	8,650	7,418
Advertising Media - Newspaper Ad	29,000	29,048	48
Staff Education Reimbursement	-	7,500	7,500
Compliance Settlements	75,280	100,000	24,720
Direct Costs	-	1,111,056	1,111,056
Consulting Labor	1,434,721	5,241,110	3,806,389
TUMF Project Reimbursement	3,333,405	25,000,000	21,666,595
COG REN Reimbursement	-	1,474,000	1,474,000
Beaumont Settlement Distributions	525,000	6,488,595	5,963,595
Total Expenses	\$ 11,217,128	\$ 50,452,884	\$ 39,235,756

Revenues



- | | | |
|--|---------------------------------------|--------------------------------------|
| ■ Member Dues | ■ Fellowship | ■ Operating Transfer Out |
| ■ Solid Waste - SB1383 | ■ HERO Admin Revenue | ■ Greenworks PACE Commercial Revenue |
| ■ Twain PACE Commercial Revenue | ■ PACE Funding Recording Revenue | ■ Regional Streetlights Revenue |
| ■ Solid Waste | ■ Used Oil Grants | ■ Clean Cities |
| ■ Inland Regional Energy Network (I-REN) | ■ REAP Revenue | ■ LTF Revenue |
| ■ Other Misc Revenue-RIVTAM | ■ TUMF Commercial - Admin Fee | ■ TUMF Retail - Admin Fee |
| ■ TUMF Industrial - Admin Fee | ■ TUMF Single Family - Admin Fee | ■ TUMF Multi Family - Admin Fee |
| ■ TUMF Commercial - Program Revenue | ■ TUMF Retail - Program Revenue | ■ TUMF Industrial - Program Revenue |
| ■ TUMF Single Family - Program Revenue | ■ TUMF Multi Family - Program Revenue | ■ Beaumont TUMF Settlement Revenue |
| ■ General Fund Investment / Interest Revenue | ■ TUMF Investment Revenue / Earnings | |

Expenditures



- Salaries & Wages - Fulltime
- Audit Svcs - Professional Fees
- Office Lease
- Staff Recognition
- Computer Supplies
- Subscriptions/Publications
- Storage
- Communications - Regular Phone
- Equipment Maintenance
- Data Processing Support
- Travel - Ground Transportation
- Other Incidentals
- Advertising Media - Newspaper Ad
- Consulting Labor
- Fringe Benefits
- Bank Fees
- WRCOG Auto Fuels Expenses
- Coffee and Supplies
- Computer Software
- Meeting Support Services
- Printing Services
- Communications - Cellular Phones
- Maintenance - Building and Improvement
- Recording Fee
- Travel - Airfare
- Training
- Staff Education Reimbursement
- TUMF Project Reimbursement
- Overhead Allocation
- Commissioners Per Diem
- WRCOG Auto Maintenance Expense
- Event Support
- Rent/Lease Equipment
- Postage
- Computer Hardware
- Communications - Computer Services
- Insurance - Gen/Busi Liab/Auto
- Seminars/Conferences
- Lodging
- OPEB Repayment
- Compliance Settlements
- COG REN Reimbursement
- General Legal Services
- Parking Cost
- Parking Validations
- Program/Office Supplies
- Membership Dues
- Other Expenses
- Misc Office Equipment
- Communications - Web Site
- WRCOG Auto Insurance
- Travel - Mileage Reimbursement
- Meals
- Supplies/Materials
- Direct Costs
- Beaumont Settlement Distributions

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Administration								
Revenues								
110	12	40001	0000	0000	Member Dues	\$ 294,410	\$ 294,410	\$ -
110	12	49001	0000	0000	Interest Revenue - Other	90,508	180,000	89,492
110	12	97001	0000	0000	Operating Transfer Out	1,359,145	2,476,847	1,117,701
Total Revenues						\$ 1,744,064	\$ 2,951,257	\$ 1,207,193
Expenses								
110	12	60001	0000	0000	Salaries & Wages - Fulltime	\$ 550,068	\$ 989,480	\$ 439,412
110	12	61000	0000	0000	Fringe Benefits	368,383	449,211	80,829
110	12	65101	0000	0000	General Legal Services	51,745	115,000	63,255
110	12	65401	0000	0000	Audit Svcs - Professional Fees	-	30,000	30,000
110	12	65505	0000	0000	Bank Fees	-	2,000	2,000
110	12	65507	0000	0000	Commissioners Per Diem	43,050	70,000	26,950
110	12	71615	0000	0000	Parking Cost	19,309	28,000	8,691
110	12	73001	0000	0000	Office Lease	225,581	340,000	114,419
110	12	73003	0000	0000	WRCOG Auto Fuels Expenses	104	1,000	896
110	12	73004	0000	0000	WRCOG Auto Maintenance Expense	-	500	500
110	12	73102	0000	0000	Parking Validations	1,559	10,000	8,442
110	12	73104	0000	0000	Staff Recognition	2,287	3,100	813
110	12	73106	0000	0000	Coffee and Supplies	411	2,500	2,089
110	12	73107	0000	0000	Event Support	14,400	45,000	30,600
110	12	73108	0000	0000	Program/Office Supplies	8,854	20,000	11,146
110	12	73109	0000	0000	Computer Equipment/Supplies	2,669	5,500	2,831
110	12	73110	0000	0000	Computer Software	24,735	35,000	10,265
110	12	73111	0000	0000	Rent/Lease Equipment	8,440	15,000	6,560
110	12	73113	0000	0000	Membership Dues	14,952	30,000	15,048
110	12	73114	0000	0000	Subscription/Publications	13,630	6,000	(7,630)
110	12	73115	0000	0000	Meeting Support Services	95	500	405
110	12	73116	0000	0000	Postage	3,662	5,000	1,338
110	12	73117	0000	0000	Other Household Exp	1,698	1,500	(198)
110	12	73119	0000	0000	Storage	432	1,500	1,068
110	12	73120	0000	0000	Printing Services	1,856	1,000	(856)

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
110	12	73122	0000	0000	Computer Hardware	1,410	8,000	6,590
110	12	73201	0000	0000	Communications - Regular Phone	14,771	17,500	2,729
110	12	73204	0000	0000	Communications - Cellular Phones	2,981	7,500	4,519
110	12	73206	0000	0000	Communications - Computer Services	5,743	40,000	34,257
110	12	73209	0000	0000	Communications - Web Site	6,610	8,000	1,390
110	12	73302	0000	0000	Equipment Maintenance - Comp/Software	290	5,000	4,710
110	12	73303	0000	0000	Maintenance - Building and Improvement	13,034	12,000	(1,034)
110	12	73405	0000	0000	Insurance - Gen/Busi Liab/Auto	73,569	100,266	26,697
110	12	73407	0000	0000	WRCOG Auto Insurance	3,181	6,000	2,819
110	12	73601	0000	0000	Seminars/Conferences	6,141	3,500	(2,641)
110	12	73611	0000	0000	Travel - Mileage Reimbursement	1,941	3,500	1,559
110	12	73612	0000	0000	Travel - Ground Transportation	416	1,500	1,084
110	12	73613	0000	0000	Travel - Airfare	1,131	3,000	1,869
110	12	73620	0000	0000	Lodging	3,595	1,500	(2,095)
110	12	73630	0000	0000	Meals	2,272	3,500	1,228
110	12	73650	0000	0000	Training	2,447	30,000	27,553
110	12	73660	0000	0000	OPEB Repayment	-	110,526	110,526
110	12	73801	0000	0000	Staff Education Reimbursement	-	7,500	7,500
110	12	85100	0000	0000	Direct Costs	-	111,056	111,056
110	12	85101	0000	0000	Consulting Labor	190,084	250,000	59,916
Total Expenses						\$ 1,687,536	\$ 2,936,639	\$ 1,249,103

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Fellowship								
Revenues								
110	12	40009	4700	0000	Fellowship	\$ 81,948	\$ 100,000	\$ 18,052
Total Revenues						\$ 81,948	\$ 100,000	\$ 18,052
Expenses								
110	12	60001	4700	0000	Salaries & Wages - Fulltime	\$ 27,181	\$ 174,412	\$ 147,231
110	12	61000	4700	0000	Fringe Benefits	1,823	15,660	13,837
110	12	65101	4700	0000	General Legal Services	507	100	(407)
110	12	73102	4700	0000	Parking Validations	-	1,000	1,000
110	12	73104	4700	0000	Staff Recognition	260	-	(260)
110	12	73107	4700	0000	Event Support	-	1,000	1,000
110	12	73108	4700	0000	Program/Office Supplies	-	500	500
110	12	73115	4700	0000	Meeting Support Services	-	250	250
110	12	73116	4700	0000	Postage	-	100	100
110	12	73601	4700	0000	Seminars/Conferences	-	150	150
110	12	73611	4700	0000	Travel - Mileage Reimbursement	-	1,000	1,000
110	12	73612	4700	0000	Travel - Ground Transportation	-	150	150
110	12	73630	4700	0000	Meals	-	350	350
110	12	73650	4700	0000	Training	-	250	250
110	12	85101	4700	0000	Consulting Labor	-	500	500
Total Expenses						\$ 29,771	\$ 195,422	\$ 165,651

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Clean Cities								
Revenues								
120	80	41402	1010	0000	Air Quality - Other Reimburse	\$ 123,800	\$ 270,167	\$ 146,367
120	80	41701	1010	0000	LTF Revenue	70,000	70,000	-
Total Revenues						\$ 193,800	\$ 340,167	\$ 146,367
Expenses								
120	80	60001	1010	0000	Salaries & Wages - Fulltime	\$ 91,999	\$ 170,523	\$ 78,524
120	80	61000	1010	0000	Fringe Benefits	32,202	86,260	54,058
120	80	63000	1010	0000	Overhead Allocation	24,000	36,000	12,000
120	80	73107	1010	0000	Event Support	8,354	10,000	1,646
120	80	73115	1010	0000	Meeting Support Services	246	500	254
120	80	73122	1010	0000	Computer Hardware	-	700	700
120	80	73204	1010	0000	Communications - Cellular Phones	354	600	246
120	80	73601	1010	0000	Seminars/Conferences	-	1,000	1,000
120	80	73611	1010	0000	Travel - Mileage Reimbursement	64	500	436
120	80	73612	1010	0000	Travel - Ground Transportation	392	750	358
120	80	73613	1010	0100	Travel - Airfare	1,253	3,500	2,247
120	80	73620	1010	0100	Lodging	2,166	3,500	1,334
120	80	73630	1010	0000	Meals	159	500	341
120	80	73640	1010	0000	Other Incidentals	-	500	500
120	80	73703	1010	0000	Supplies/Materials	-	1,000	1,000
120	80	85101	1010	0000	Consulting Labor	14,668	23,950	9,282
Total Expenses						\$ 175,858	\$ 339,783	\$ 163,924

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Love Your Neighborhood								
Revenues								
110	80	41201	1035	0000	Solid Waste	\$ 50,000	\$ 50,000	\$ -
Total Revenues						<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>
Expenses								
110	80	60001	1035	0000	Salaries	\$ 5,417	\$ 9,086	\$ 3,669
110	80	61000	1035	0000	Fringe Benefits	1,574	4,518	2,944
110	80	65101	1035	0000	General Legal Services	135	-	(135)
110	80	73107	1035	0000	Event Support	3,600	10,000	6,400
110	80	85101	1035	0000	Consulting Labor	-	26,396	26,396
Total Expenses						<u>\$ 10,726</u>	<u>\$ 50,000</u>	<u>\$ 39,274</u>

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Solid Waste								
Revenues								
110	80	40301	1038	0000	Solid Waste - SB1383	\$ 117,593	\$ 117,593	\$ -
110	80	41201	1038	0000	Solid Waste	124,206	123,157	(1,049)
Total Revenues						\$ 241,800	\$ 240,750	\$ (1,049)
Expenses								
110	80	60001	1038	0000	Salaries	\$ 39,127	\$ 61,429	\$ 22,301
110	80	61000	1038	0000	Fringe Benefits	10,714	31,224	20,510
110	80	63000	1038	0000	Overhead Allocation	8,000	12,000	4,000
110	80	65101	1038	0000	Legal	1,048	1,000	(48)
110	80	73102	1038	0000	Parking Validations	-	500	500
110	80	73107	1038	0000	Event Support	733	2,000	1,267
110	80	73114	1038	0000	Subscriptions/Publications	-	250	250
110	80	73204	1038	0000	Cell Phone Expense	600	500	(100)
110	80	73209	1038	0000	Communications - Web Site	-	-	-
110	80	73601	1038	0000	Seminars/Conferences	285	500	215
110	80	73611	1038	0000	Mileage Reimbursement	-	250	250
110	80	73612	1038	0000	Ground Transportation	-	150	150
110	80	73613	1038	0000	Airfare	-	250	250
110	80	73630	1038	0000	Meals	-	500	500
110	80	73650	1038	0000	Training	235	500	265
110	80	85101	1038	0000	Consulting Labor	88,824	129,556	40,733
Total Expenses						\$ 149,566	\$ 240,609	\$ 91,043

Western Riverside Council of Governments
Budget-to-Actuals
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Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Used Oil								
Revenues								
140	80	41401	2057	0000	Used Oil Grants	\$ 198,398	\$ 198,398	\$ -
Total Revenues						\$ 198,398	\$ 198,398	\$ -
Expenses								
140	80	60001	2057	0000	Salaries & Wages - Fulltime	\$ 49,843	\$ 76,400	\$ 26,557
140	80	61000	2057	0000	Fringe Benefits	14,423	38,486	24,063
140	80	63000	2057	0000	Overhead Allocation	13,226	19,839	6,613
140	80	65101	2057	0000	General Legal Services	-	1,000	1,000
140	80	73102	2057	0000	Parking Validations	-	250	250
140	80	73107	2057	0000	Event Support	29,531	20,000	(9,531)
140	80	73108	2057	0000	Program/Office Supplies	-	500	500
140	80	73113	2057	0000	Membership Dues	-	500	500
140	80	73115	2057	0000	Meeting Support Services	-	1,000	1,000
140	80	73119	2057	0000	Storage	3,271	4,000	729
140	80	73120	2057	0000	Printing Services	-	1,000	1,000
140	80	73204	2057	0000	Communications - Cellular Phones	322	200	(122)
140	80	73405	2057	0000	Insurance - Gen/Busi Liab/Auto	-	1,000	1,000
140	80	73601	2057	0000	Seminars/Conferences	700	2,000	1,300
140	80	73611	2057	0000	Travel - Mileage Reimbursement	-	1,000	1,000
140	80	73612	2057	0000	Travel - Ground Transportation	-	500	500
140	80	73613	2057	0000	Travel - Airfare	492	-	(492)
140	80	73620	2057	0000	Meals	331	-	(331)
140	80	73630	2057	0000	Meals	-	500	500
140	80	73703	2057	0000	Supplies/Materials	-	1,000	1,000
140	80	73704	2057	0000	Advertising Media - Newspaper Ad	29,000	29,048	48
Total Expenses						\$ 141,139	\$ 198,223	\$ 57,084

Western Riverside Council of Governments
Budget-to-Actuals
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Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Streetlights								
Revenues								
110	67	40615	2026	0000	Regional Streetlights Revenue	\$ 131,852	\$ 135,542	\$ 3,691
Total Revenues						\$ 131,852	\$ 135,542	\$ 3,691
Expenses								
110	67	60001	2026	0000	Salaries	\$ 56,505	\$ 67,444	\$ 10,940
110	67	61000	2026	0000	Fringe Benefits	15,183	27,245	12,063
110	67	63000	2026	0000	Overhead Allocation	8,000	12,000	4,000
110	67	65101	2026	0000	Legal	9,025	750	(8,275)
110	67	65505	2026	0000	Streetlights Bank Fees	-	508	508
110	67	73102	2026	0000	Parking Validations	-	150	150
110	67	73107	2026	0000	Event Support	-	1,000	1,000
110	67	73108	2026	0000	Program/Office Supplies	-	500	500
110	67	73114	2026	0000	Subscriptions/Publications	-	1,600	1,600
110	67	73115	2026	0000	Meeting&Support	-	600	600
110	67	73116	2026	0000	Postage	33	150	117
110	67	73204	2026	0000	Communications - Cellular Phones	405	500	95
110	67	73601	2026	0000	Seminars/Conferences	-	1,200	1,200
110	67	73611	2026	0000	Travel - Mileage Reimbursement	145	250	105
110	67	73612	2026	0000	Travel-Ground Transportation	123	500	377
110	67	73613	2026	0000	Travel - Airfare	-	1,000	1,000
110	67	73620	2026	0000	Lodging	574	800	226
110	67	73630	2026	0000	Meals	32	250	218
110	67	73650	2026	0000	Training	-	500	500
110	67	73703	2026	0000	Supplies/Materials	1,050	2,900	1,850
110	67	85101	2026	0000	Consulting Labor	2,100	15,433	13,333
Total Expenses						\$ 93,174	\$ 135,280	\$ 42,107

Western Riverside Council of Governments
Budget-to-Actuals
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Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Inland Regional Energy Network - Public Sector								
Revenues								
180	67	41480	2080	71XX	IREN - Public Sector	\$ 287,665	\$ 4,739,958	\$ 4,452,293
Total Revenues						\$ 287,665	\$ 4,739,958	\$ 4,452,293
Expenses								
180	67	60001	2080	7101	Salaries & Wages - Fulltime	\$ 108,037	\$ 221,281	\$ 113,243
180	67	61000	2080	7101	Fringe Benefits	34,479	100,535	66,056
180	67	63000	2080	7101	Overhead Allocation	87,305	350,457	263,152
180	67	65101	2080	7101	General Legal Services	3,673	5,194	1,521
180	67	65101	2080	7111	General Legal Services	3,673	5,194	1,521
180	67	65101	2080	7102	General Legal Services	1,631	2,306	675
180	67	65101	2080	7112	General Legal Services	1,631	2,306	675
180	67	65505	2080	7101	Bank Fees	-	1,500	1,500
180	67	73102	2080	7101	Parking Validations	-	1,000	1,000
180	67	73107	2080	7103	Event Support	4,167	12,500	8,333
180	67	73107	2080	7113	Event Support	4,167	12,500	8,333
180	67	73113	2080	7101	Membership Dues	-	25,000	25,000
180	67	73117	2080	7101	Other Household Exp	-	1,000	1,000
180	67	73120	2080	7101	Printing Services	-	2,500	2,500
180	67	73122	2080	7101	Computer Hardware	-	1,000	1,000
180	67	73125	2080	7101	Misc. Office Equipment	-	1,000	1,000
180	67	73204	2080	7101	Communications - Cellular Phones	463	3,600	3,137
180	67	73601	2080	7101	Seminars/Conferences	-	10,000	10,000
180	67	73611	2080	7101	Travel - Mileage Reimbursement	602	10,530	9,928
180	67	73612	2080	7101	Travel - Ground Transportation	-	5,000	5,000
180	67	73613	2080	7101	Travel - Airfare	-	25,000	25,000
180	67	73620	2080	7101	Lodging	336	35,004	34,668
180	67	73620	2080	7111	Lodging	336	34,996	34,661
180	67	73630	2080	7101	Meals	50	1,504	1,454
180	67	73630	2080	7111	Meals	46	1,376	1,330
180	67	73703	2080	7101	Supplies/Materials	-	1,000	1,000
180	67	85100	2080	7101	Direct Costs	-	1,000,000	1,000,000

Western Riverside Council of Governments
Budget-to-Actuals
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Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
180	67	85101	2080	7101	Consulting Labor	12,204	638,806	626,602
180	67	85101	2080	7102	Consulting Labor	2,946	154,184	151,238
180	67	85101	2080	7103	Consulting Labor	3,386	177,221	173,835
180	67	85101	2080	7111	Consulting Labor	12,832	671,685	658,853
180	67	85101	2080	7112	Consulting Labor	2,946	154,184	151,238
180	67	85101	2080	7113	Consulting Labor	2,758	144,341	141,584
180	67	85182	2080	7101	COG REN Reimbursement	-	916,256	916,256
Total Expenses						\$ 287,665	\$ 4,729,958	\$ 4,442,294

Western Riverside Council of Governments
Budget-to-Actuals
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Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Inland Regional Energy Network - Workforce Education and Training								
Revenues								
180	67	41480	2080	72XX	IREN - Workforce Education and Training	\$ 212,325	\$ 1,923,361	\$ 1,711,036
Total Revenues						\$ 212,325	\$ 1,923,361	\$ 1,711,036
Expenses								
180	67	60001	2080	7201	Salaries & Wages - Fulltime	\$ 68,945	\$ 136,088	\$ 67,143
180	67	61000	2080	7201	Fringe Benefits	27,381	56,124	28,743
180	67	63000	2080	7201	Overhead Allocation	59,009	111,309	52,300
180	67	65101	2080	7201	General Legal Services	3,673	5,194	1,521
180	67	65101	2080	7202	General Legal Services	1,631	2,306	675
180	67	65101	2080	7211	General Legal Services	3,673	5,194	1,521
180	67	65101	2080	7212	General Legal Services	1,631	2,306	675
180	67	73102	2080	7201	Parking Validations	-	1,000	1,000
180	67	73107	2080	7203	Event Support	4,167	12,500	8,333
180	67	73107	2080	7213	Event Support	4,167	12,500	8,333
180	67	73113	2080	7201	Membership Dues	-	302,000	302,000
180	67	73117	2080	7201	Other Expenses	-	1,000	1,000
180	67	73120	2080	7201	Printing Services	-	1,000	1,000
180	67	73122	2080	7201	Computer Hardware	-	1,000	1,000
180	67	73125	2080	7201	Misc Office Equipment	-	1,000	1,000
180	67	73601	2080	7203	Seminars/Conferences	79	1,250	1,171
180	67	73601	2080	7213	Seminars/Conferences	79	1,250	1,171
180	67	73611	2080	7201	Mileage Reimbursement	54	10,530	10,476
180	67	73612	2080	7201	Ground Transportation	-	2,500	2,500
180	67	73613	2080	7201	Airfare	-	10,000	10,000
180	67	73620	2080	7201	Lodging	336	7,000	6,664
180	67	73620	2080	7211	Lodging	336	7,000	6,665
180	67	73630	2080	7201	Meals	50	1,502	1,452
180	67	73630	2080	7211	Meals	46	1,378	1,332
180	67	73650	2080	7201	Training	-	126,125	126,125
180	67	73703	2080	7201	Supplies/Materials	-	500	500
180	67	85101	2080	7201	Consulting Labor	12,204	251,065	238,861

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
180	67	85101	2080	7202	Consulting Labor	2,946	60,598	57,652
180	67	85101	2080	7203	Consulting Labor	3,386	69,652	66,266
180	67	85101	2080	7211	Consulting Labor	12,204	251,065	238,861
180	67	85101	2080	7212	Consulting Labor	2,946	60,598	57,652
180	67	85101	2080	7213	Consulting Labor	3,386	69,652	66,266
180	67	85182	2080	7201	COG REN Reimbursement	-	341,155	341,155
Total Expenses						\$ 212,325	\$ 1,923,341	\$ 1,711,016

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Inland Regional Energy Network - Codes and Standards								
Revenues								
180	67	41480	2080	73XX	IREN - Codes and Standards	\$ 115,002	\$ 1,075,030	\$ 960,028
Total Revenues						\$ 115,002	\$ 1,075,030	\$ 960,028
Expenses								
180	67	60001	2080	7301	Salaries & Wages - Fulltime	27,172	66,439	39,267
180	67	61000	2080	7301	Fringe Benefits	8,900	28,691	19,792
180	67	63000	2080	7301	Overhead Allocation	22,098	103,597	81,500
180	67	65101	2080	7301	General Legal Services	3,673	5,194	1,521
180	67	65101	2080	7302	General Legal Services	1,631	2,306	675
180	67	65101	2080	7311	General Legal Services	3,673	5,194	1,521
180	67	65101	2080	7312	General Legal Services	1,631	2,306	675
180	67	73102	2080	7301	Parking Validations	-	1,000	1,000
180	67	73107	2080	7303	Event Support	4,167	12,500	8,333
180	67	73107	2080	7313	Event Support	4,167	12,500	8,333
180	67	73113	2080	7301	Membership Dues	-	1,000	1,000
180	67	73117	2080	7301	Other Expenses	-	1,000	1,000
180	67	73120	2080	7301	Printing Services	-	1,000	1,000
180	67	73122	2080	7301	Computer Hardware	-	1,000	1,000
180	67	73125	2080	7301	Misc Office Equipment	-	1,000	1,000
180	67	73601	2080	7301	Seminars/Conferences	-	2,500	2,500
180	67	73611	2080	7301	Mileage Reimbursement	54	1,000	946
180	67	73612	2080	7301	Ground Transportation	-	2,500	2,500
180	67	73613	2080	7301	Airfare	-	10,000	10,000
180	67	73620	2080	7301	Lodging	336	7,000	6,664
180	67	73620	2080	7311	Lodging	336	7,000	6,664
180	67	73630	2080	7301	Meals	50	1,502	1,452
180	67	73630	2080	7311	Meals	46	1,378	1,332
180	67	73703	2080	7311	Supplies/Materials	-	500	500
180	67	85101	2080	7301	Consulting Labor	12,204	191,052	178,848
180	67	85101	2080	7302	Consulting Labor	2,946	46,113	43,167
180	67	85101	2080	7303	Consulting Labor	3,386	53,002	49,617

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
180	67	85101	2080	7311	Consulting Labor	12,204	191,051	178,847
180	67	85101	2080	7312	Consulting Labor	2,946	46,112	43,167
180	67	85101	2080	7313	Consulting Labor	3,386	53,002	49,617
180	67	85182	2080	7301	COG REN Reimbursement	-	216,589	216,589
Total Expenses						\$ 115,002	\$ 1,075,030	\$ 960,028

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
PACE Funding								
Revenues								
110	67	40611	2104	0000	PACE Revenue	\$ 38	\$ -	\$ (38)
Total Revenues						\$ 38	\$ -	\$ (38)
Expenses								
110	67	73506	2104	0000	Recording Fee-PACE	\$ 68	\$ -	\$ (68)
Total Expenses						\$ 68	\$ -	\$ (68)
Nuveen (Greenworks)								
Revenues								
110	67	40604	2105	0000	WRCOG HERO CAFTA Revenue	\$ 69,021	\$ 100,000	\$ 30,979
Total Revenues						\$ 69,021	\$ 100,000	\$ 30,979
Expenses								
110	67	60001	2105	0000	Salaries & Wages -Greenworks Lending	\$ 39,165	\$ 61,792	\$ 22,627
110	67	61000	2105	0000	Fringe Benefits	17,719	31,869	\$ 14,150
110	67	63000	2105	0000	Overhead Allocation	16,000	24,000	\$ 8,000
110	67	73506	2105	0000	Recording Fee	174	1,000	\$ 826
110	67	85101	2105	0000	Consulting Labor	10,000	24,757	\$ 14,757
Total Expenses						\$ 83,058	\$ 143,417	\$ 60,360
Twain								
Revenues								
110	67	40607	2115	0000	PACE Commercial Sponsor Revenue	\$ -	\$ 10,000	\$ 10,000
Total Revenues						\$ -	\$ 10,000	\$ 10,000
Expenses								
110	67	65101	2115	0000	General Legal Services	\$ 660	\$ 3,000	\$ 2,340
110	67	73506	2115	0000	Recording Fee	-	2,000	2,000
110	67	85101	2115	0000	Consulting Labor	-	5,000	5,000
Total Expenses						\$ 660	\$ 10,000	\$ 9,340

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
California Resiliency Challenge								
Expenses								
110	67	60001	2225	0000	Salaries & Wages - Fulltime	\$ 8,001	\$ 8,035	\$ 34
110	67	61000	2225	0000	Fringe Benefits	2,104	3,635	1,531
110	67	65101	2225	0000	General Legal Services	608	250	(358)
110	67	85101	2225	0000	Consulting Labor	84,275	119,127	34,853
Total Expenses						\$ 94,988	\$ 131,047	\$ 36,059

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
HERO								
Revenues								
110	67	40621	5000	0000	Hero Admin Fees	\$ 337,685	\$ 1,130,000	\$ 792,315
Total Revenues						\$ 337,685	\$ 1,130,000	\$ 792,315
Expenses								
110	67	60001	5000	0000	Stwide AB811 Salaries & Wages	\$ 208,906	\$ 326,906	\$ 118,000
110	67	61000	5000	0000	Fringe Benefit	92,520	182,932	90,412
110	67	63000	5000	0000	Overhead Allocation	266,667	400,000	133,333
110	67	65101	5000	0000	GENERAL LEGAL SERVICES	358,141	400,000	41,859
110	67	65505	5000	0000	Bank Fee	3,525	48,000	44,475
110	67	65507	5000	0000	Commissioners Per Diem	-	2,000	2,000
110	67	73102	5000	0000	Parking Validations	-	200	200
110	67	73107	5000	0000	Statewide - Event Support	-	500	500
110	67	73108	5000	0000	General Supplies	-	300	300
110	67	73109	5000	0000	Computer Supplies	-	1,000	1,000
110	67	73110	5000	0000	Computer Software	4,997	2,000	(2,997)
110	67	73113	5000	0000	NWCC- Membership Dues	168	1,500	1,332
110	67	73114	5000	0000	Subscriptions/Publications	1,990	1,000	(990)
110	67	73115	5000	0000	Meeting Support Services	16	500	484
110	67	73116	5000	0000	Postage	339	2,000	1,661
110	67	73204	5000	0000	Cellular Phone	995	1,500	505
110	67	73504	5000	0000	Data Processing Support	15,649	8,000	(7,649)
110	67	73506	5000	0000	Recording Fee	5,120	10,000	4,880
110	67	73601	5000	0000	Seminar/Conferences	-	2,500	2,500
110	67	73611	5000	0000	Travel - Mileage Reimbursement	33	500	468
110	67	73612	5000	0000	Travel - Ground Transportatoin	-	500	500
110	67	73613	5000	0000	Travel - Airfare	-	2,500	2,500
110	67	73620	5000	0000	Lodging	-	1,500	1,500
110	67	73630	5000	0000	Meals	326	500	174
110	67	73640	5000	0000	Statewide Other Incidentals	-	500	500
110	67	73650	5000	0000	Training	455	2,000	1,545
110	67	73703	5000	0000	Supplies/Materials	-	1,500	1,500

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
110	67	81010	5000	0000	Compliance Settlements	75,280	100,000	24,720
110	67	85101	5000	0000	CA HERO Direct Exp	3,782	70,000	66,218
Total Expenses						\$ 1,038,909	\$ 1,570,338	\$ 531,429

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
TUMF Administration								
Revenues								
110	65	43001	1148	0000	Commerical/Service	\$ 39,778	\$ 72,000	\$ 32,222
110	65	43002	1148	0000	Retail	36,449	72,000	35,551
110	65	43003	1148	0000	Industrial	341,913	480,000	138,087
110	65	43004	1148	0000	Residential/Multi/Single	1,010,786	1,320,000	309,214
110	65	43005	1148	0000	Multi-Family	395,815	456,000	60,185
110	65	43027	1148	0000	Beaumont TUMF Settlement Revenue	-	205,932	205,932
Total Revenues						\$ 1,824,741	\$ 2,605,932	\$ 781,191
Expenses								
110	65	60001	1148	0000	Salaries & Wages Fulltime	\$ 242,052	\$ 425,181	\$ 183,130
110	65	61000	1148	0000	Fringe Benefits	87,950	189,249	101,298
110	65	63000	1148	0000	Overhead Allocation	533,333	800,000	266,667
110	65	65101	1148	0000	General Legal Services	48,111	75,000	26,889
110	65	65505	1148	0000	Bank Fees	-	15,000	15,000
110	65	73102	1148	0000	Parking Validations	-	500	500
110	65	73108	1148	0000	General Supplies	145	500	355
110	65	73109	1148	0000	Computer Supplies	-	500	500
110	65	73110	1148	0000	Computer Software	9,030	65,000	55,970
110	65	73113	1148	0000	Membership Dues	877	1,500	623
110	65	73114	1148	0000	Subscriptions/Publications	6,966	100	(6,866)
110	65	73116	1148	0000	POSTAGE	-	100	100
110	65	73117	1148	0000	Other Household Expenses	-	100	100
110	65	73120	1148	0000	Printing Services	-	150	150
110	65	73204	1148	0000	Cellular Phone	1,292	3,000	1,708
110	65	73302	1148	0000	Equipment Maintenance	-	2,500	2,500
110	65	73405	1148	0000	Insurance - Gen/Busi Liab/Auto	-	3,000	3,000
110	65	73601	1148	0000	Seminar/Conferences	-	1,500	1,500
110	65	73611	1148	0000	Travel - Mileage Reimbursement	155	1,500	1,345
110	65	73612	1148	0000	Travel - Ground Transportation	-	250	250
110	65	73613	1148	0000	Travel-AirFare	-	750	750
110	65	73620	1148	0000	Lodging	-	800	800

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
110	65	73630	1148	0000	Meals	396	1,000	604
110	65	73640	1148	0000	Other Incidentals	29	500	471
110	65	85101	1148	0000	Outside Consultants	349,893	450,000	100,107
Total Expenses						\$ 1,280,229	\$ 2,037,680	\$ 757,451

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
TUMF (Zone Revenues)								
Revenues								
220	65	43001	1148	0000	Commercial/Svcs	\$ 1,057,278	\$ 1,728,000	\$ 670,722
220	65	43002	1148	0000	Retail	677,113	1,728,000	1,050,887
220	65	43003	1148	0000	Industrial	9,013,947	11,520,000	2,506,053
220	65	43004	1148	0000	Residential/Multi/Single	23,117,161	31,680,000	8,562,839
220	65	43005	1148	0000	Multi Family	9,084,549	10,944,000	1,859,451
220	65	43027	1148	0000	Beaumont TUMF Settlement Revenue	1,955,458	10,678,068	8,722,610
220	65	49104	1148	0000	Citizens Trust Investment Interest	797,305	1,985,000	1,187,695
Total Revenues						\$ 45,702,810	\$ 70,263,068	\$ 24,560,258
Expenses								
220	65	65101	1148	3307	Beaumont Legal Svcs-URBAN LOGIC	\$ 2,694	\$ 2,694	\$ -
220	65	65101	1148	3310	General Legal Services	873,594	1,390,077	516,483
220	65	65101	1148	3311	General Legal Services	7,229	7,229	-
220	65	85195	1148	0000	Beaumont Settlement Distributions	525,000	6,488,595	5,963,595
220	65	85160	1148	0000	TUMF Project Reimbursement	3,333,405	25,000,000	21,666,595
Total Expenses						\$ 4,741,922	\$ 32,888,595	\$ 28,146,673

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Grant Writing								
Expenses								
110	65	85101	1300	0000	Consulting Labor	\$ -	\$ 20,000	\$ 20,000
Total Expenses						<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Local Transportation Fund								
Revenues								
210	65	41701	1400	0000	LTF Revenue	\$ 1,002,500	\$ 1,002,500	\$ -
Total Revenues						\$ 1,002,500	\$ 1,002,500	\$ -
Expenses								
210	65	60001	1400	0000	Salaries & Wages - Fulltime	\$ 173,499	\$ 375,872	\$ 202,373
210	65	61000	1400	0000	Fringe Benefits	63,879	166,069	102,190
210	65	63000	1400	0000	Overhead Allocation	120,000	180,000	60,000
210	65	65101	1400	0000	General Legal Services	-	2,000	2,000
210	65	73102	1400	0000	Parking Validations	-	500	500
210	65	73107	1400	0000	Event Support	-	250	250
210	65	73108	1400	0000	Program/Office Supplies	-	250	250
210	65	73110	1400	0000	Computer Software	-	500	500
210	65	73113	1400	0000	Membership Dues	1,500	750	(750)
210	65	73114	1400	0000	Subscriptions/Publications	236	250	14
210	65	73116	1400	0000	Postage	-	500	500
210	65	73204	1400	0000	Communications - Cellular Phones	304	250	(54)
210	65	73601	1400	0000	Seminars/Conferences	4,375	4,500	125
210	65	73611	1400	0000	Travel - Mileage Reimbursement	965	1,350	385
210	65	73612	1400	0000	Travel - Ground Transportation	-	750	750
210	65	73613	1400	0000	Travel - Airfare	-	750	750
210	65	73620	1400	0000	Lodging	1,120	4,000	2,880
210	65	73630	1400	0000	Meals	293	1,250	957
210	65	73703	1400	0000	Supplies/Materials	182	250	68
210	65	85101	1400	0000	Consulting Labor	185,328	250,000	64,672
Total Expenses						\$ 551,681	\$ 990,040	\$ 438,359

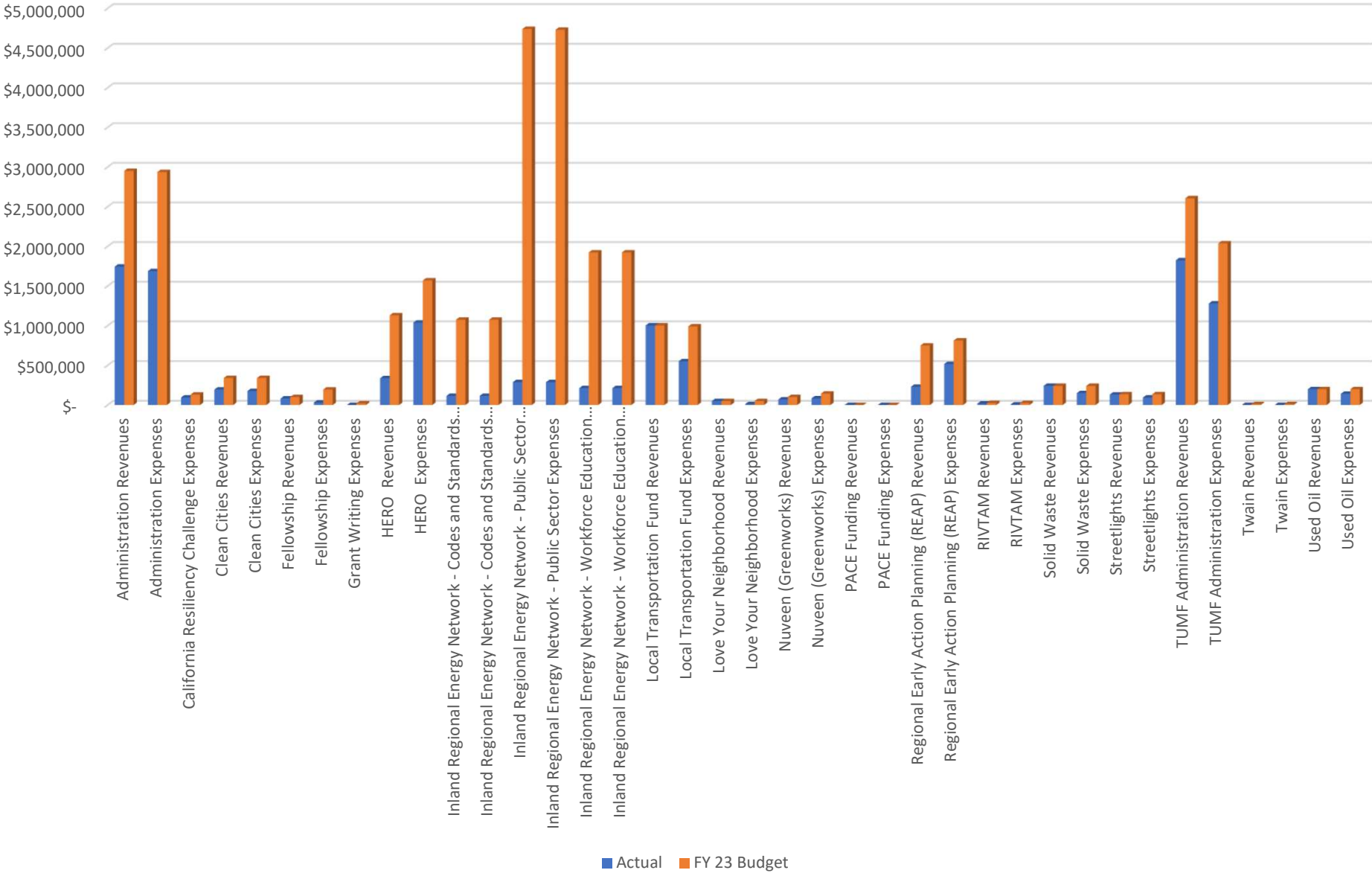
Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
RIVTAM								
Revenues								
110	65	42001	2039	0000	Other Misc Revenue-RIVTAM	\$ 17,500	\$ 25,000	\$ 7,500
Total Revenues						\$ 17,500	\$ 25,000	\$ 7,500
Expenses								
110	65	60001	2039	0000	Salaries & Wages - Fulltime	\$ 4,231	\$ 6,686	\$ 2,455
110	65	61000	2039	0000	Fringe Benefits	1,661	3,601	1,940
110	65	85101	2039	0000	Consulting Labor	-	14,571	14,571
Total Expenses						\$ 5,892	\$ 24,859	\$ 18,967

Western Riverside Council of Governments
Budget-to-Actuals
As of February 28, 2023

Fund	Department	Account	Project	Location	Description	Actual	FY 23 Budget	Variance
Regional Early Action Planning (REAP)								
Revenues								
110	65	41606	2235	0000	REAP Revenue	\$ 230,186	\$ 750,000	\$ 519,814
Total Revenues						\$ 230,186	\$ 750,000	\$ 519,814
Expenses								
110	65	60001	2235	0000	Salaries & Wages - Fulltime	\$ 87,488	\$ 86,234	\$ (1,254)
110	65	61000	2235	0000	Fringe Benefits	32,552	37,566	5,015
110	65	63000	2235	0000	Overhead Allocation	-	125,383	125,383
110	65	65101	2235	6001	General Legal Services	2,366	5,000	2,634
110	65	85101	2235	0000	Consulting Labor	394,554	558,437	163,883
Total Expenses						\$ 516,959	\$ 812,620	\$ 295,661

Budget-to-Actual Program Level





Western Riverside Council of Governments
Budget-to-Actuals - Fund Level
As of February 28, 2023

Description	Actual	FY 23 Budget	Variance
General Fund - 110			
Revenues			
Member Dues	294,410	294,410	-
Fellowship	81,948	100,000	18,052
Solid Waste - SB1383	117,593	117,593	-
HERO Admin Revenue	337,685	1,130,000	792,315
Greenworks PACE Commercial Revenue	69,021	100,000	30,979
Twain PACE Commercial Revenue	-	10,000	10,000
PACE Funding Recording Revenue	38	-	(38)
Regional Streetlights Revenue	131,852	135,542	3,691
Solid Waste	174,206	173,157	(1,049)
REAP Revenue	230,186	750,000	519,814
Other Misc Revenue-RIVTAM	17,500	25,000	7,500
TUMF Commercial - Admin Fee	39,778	72,000	32,222
TUMF Retail - Admin Fee	36,449	72,000	35,551
TUMF Industrial - Admin Fee	341,913	480,000	138,087
TUMF Single Family - Admin Fee	1,010,786	1,320,000	309,214
TUMF Multi Family - Admin Fee	395,815	456,000	60,185
Beaumont TUMF Settlement Revenue	-	205,932	205,932
Operating Transfer Out	1,359,145	2,476,847	1,117,701
General Fund Investment / Interest Revenue	90,508	180,000	89,492
Total Revenues	4,728,835	8,098,481	3,369,646
Expenses			
Salaries & Wages - Fulltime	1,262,724	2,207,599	944,875
Fringe Benefits	630,608	972,193	341,585
Overhead Allocation	832,000	1,373,383	541,383
General Legal Services	479,337	613,704	134,367
Audit Svcs - Professional Fees	-	30,000	30,000
Bank Fees	3,525	65,508	61,983
Commissioners Per Diem	43,050	72,000	28,950
Parking Cost	19,309	28,000	8,691
Office Lease	225,581	340,000	114,419
WRCOG Auto Fuels Expenses	104	1,000	896
WRCOG Auto Maintenance Expense	-	500	500
Parking Validations	1,559	12,350	10,792
Staff Recognition	2,547	3,100	553



Western Riverside Council of Governments
Budget-to-Actuals - Fund Level
As of February 28, 2023

Description	Actual	FY 23 Budget	Variance
Coffee and Supplies	411	2,500	2,089
Statewide - Event Support	18,733	59,500	40,767
General Supplies	8,999	21,800	12,801
Computer Supplies	2,669	7,000	4,331
Computer Software	38,762	102,000	63,238
Rent/Lease Equipment	8,440	15,000	6,560
Membership Dues	15,997	33,000	17,003
Subscriptions/Publications	22,586	8,950	(13,636)
Meeting Support Services	111	1,850	1,739
POSTAGE	4,034	7,350	3,316
Other Household Expenses	1,698	1,600	(98)
Storage	432	1,500	1,068
Printing Services	1,856	1,150	(706)
Computer Hardware	1,410	8,000	6,590
Communications - Regular Phone	14,771	17,500	2,729
Cellular Phone	6,274	13,000	6,726
Communications - Computer Services	5,743	40,000	34,257
Communications - Web Site	6,610	8,000	1,390
Equipment Maintenance	290	7,500	7,210
Maintenance - Building and Improvement	13,034	12,000	(1,034)
Insurance - Gen/Busi Liab/Auto	73,569	103,266	29,697
WRCOG Auto Insurance	3,181	6,000	2,819
Data Processing Support	15,649	8,000	(7,649)
Recording Fee	5,362	13,000	7,638
Seminar/Conferences	6,426	9,350	2,924
Travel - Mileage Reimbursement	2,274	7,000	4,726
Travel - Ground Transportation	539	3,050	2,511
Travel-AirFare	1,131	7,500	6,369
Lodging	4,169	4,600	431
Meals	3,026	6,100	3,074
Other Incidentals	29	1,000	971
Training	3,137	33,250	30,113
OPEB Repayment	-	110,526	110,526
Supplies/Materials	1,050	4,400	3,350
Staff Education Reimbursement	-	7,500	7,500
Compliance Settlements	75,280	100,000	24,720
Direct Costs	-	111,056	111,056
Consulting Labor	1,123,512	1,683,777	560,265
Total Expenses	4,991,536	8,307,913	3,316,377



Western Riverside Council of Governments
Budget-to-Actuals - Fund Level
As of February 28, 2023

Description	Actual	FY 23 Budget	Variance
Clean Cities Fund - 120			
Revenues			
Air Quality - Other Reimburse	123,800	270,167	146,367
LTF Revenue	70,000	70,000	-
Total Revenues	193,800	340,167	146,367
Expenses			
Salaries & Wages - Fulltime	91,999	170,523	78,524
Fringe Benefits	32,202	86,260	54,058
Overhead Allocation	24,000	36,000	12,000
Event Support	8,354	10,000	1,646
Meeting Support Services	246	500	254
Computer Hardware	-	700	700
Communications - Cellular Phones	354	600	246
Seminars/Conferences	-	1,000	1,000
Travel - Mileage Reimbursement	64	500	436
Travel - Ground Transportation	392	750	358
Travel - Airfare	1,253	3,500	2,247
Lodging	2,166	3,500	1,334
Meals	159	500	341
Other Incidentals	-	500	500
Supplies/Materials	-	1,000	1,000
Consulting Labor	14,668	23,950	9,282
Total Expenses	175,858	339,783	163,924



Western Riverside Council of Governments
Budget-to-Actuals - Fund Level
As of February 28, 2023

Description	Actual	FY 23 Budget	Variance
Used Oil Fund - 140			
Revenues			
Used Oil Grants	198,398	198,398	-
Total Revenues	198,398	198,398	-
Expenses			
Salaries & Wages - Fulltime	49,843	76,400	26,557
Fringe Benefits	14,423	38,486	24,063
Overhead Allocation	13,226	19,839	6,613
General Legal Services	-	1,000	1,000
Parking Validations	-	250	250
Event Support	29,531	20,000	(9,531)
Program/Office Supplies	-	500	500
Membership Dues	-	500	500
Meeting Support Services	-	1,000	1,000
Storage	3,271	4,000	729
Printing Services	-	1,000	1,000
Communications - Cellular Phones	322	200	(122)
Insurance - Gen/Busi Liab/Auto	-	1,000	1,000
Seminars/Conferences	700	2,000	1,300
Travel - Mileage Reimbursement	-	1,000	1,000
Travel - Ground Transportation	-	500	500
Travel - Airfare	492	-	(492)
Meals	331	500	169
Supplies/Materials	-	1,000	1,000
Advertising Media - Newspaper Ad	29,000	29,048	48
Total Expenses	141,139	198,223	57,084



Western Riverside Council of Governments
Budget-to-Actuals - Fund Level
As of February 28, 2023

Description	Actual	FY 23 Budget	Variance
Inland Regional Energy Network (I-REN) Fund - 180			
Revenues			
I-REN Revenues	614,991	7,738,349	7,123,358
Total Revenues	614,991	7,738,349	7,123,358
Expenses			
Salaries & Wages - Fulltime	204,155	423,808	219,654
Fringe Benefits	70,759	185,350	114,591
Overhead Allocation	168,412	565,363	396,951
General Legal Services	28,560	40,388	11,828
Bank Fees	-	1,500	1,500
Parking Validations	3,261	7,612	4,351
Event Support	25,000	75,000	50,000
Membership Dues	-	328,000	328,000
Other Expenses	-	3,000	3,000
Printing Services	-	4,500	4,500
Computer Hardware	-	3,000	3,000
Misc Office Equipment	-	3,000	3,000
Communications - Cellular Phones	463	3,600	3,137
Seminars/Conferences	158	15,000	14,842
Mileage Reimbursement	710	22,060	21,350
Ground Transportation	-	10,000	10,000
Airfare	-	45,000	45,000
Lodging	2,013	98,000	95,987
Meals	287	8,640	8,353
Training	-	126,125	126,125
Supplies/Materials	-	2,000	2,000
Direct Costs	-	1,000,000	1,000,000
Consulting Labor	111,213	3,283,383	3,172,170
COG REN Reimbursement	-	1,474,000	1,474,000
Total Expenses	614,991	7,728,330	7,113,338



Western Riverside Council of Governments
Budget-to-Actuals - Fund Level
As of February 28, 2023

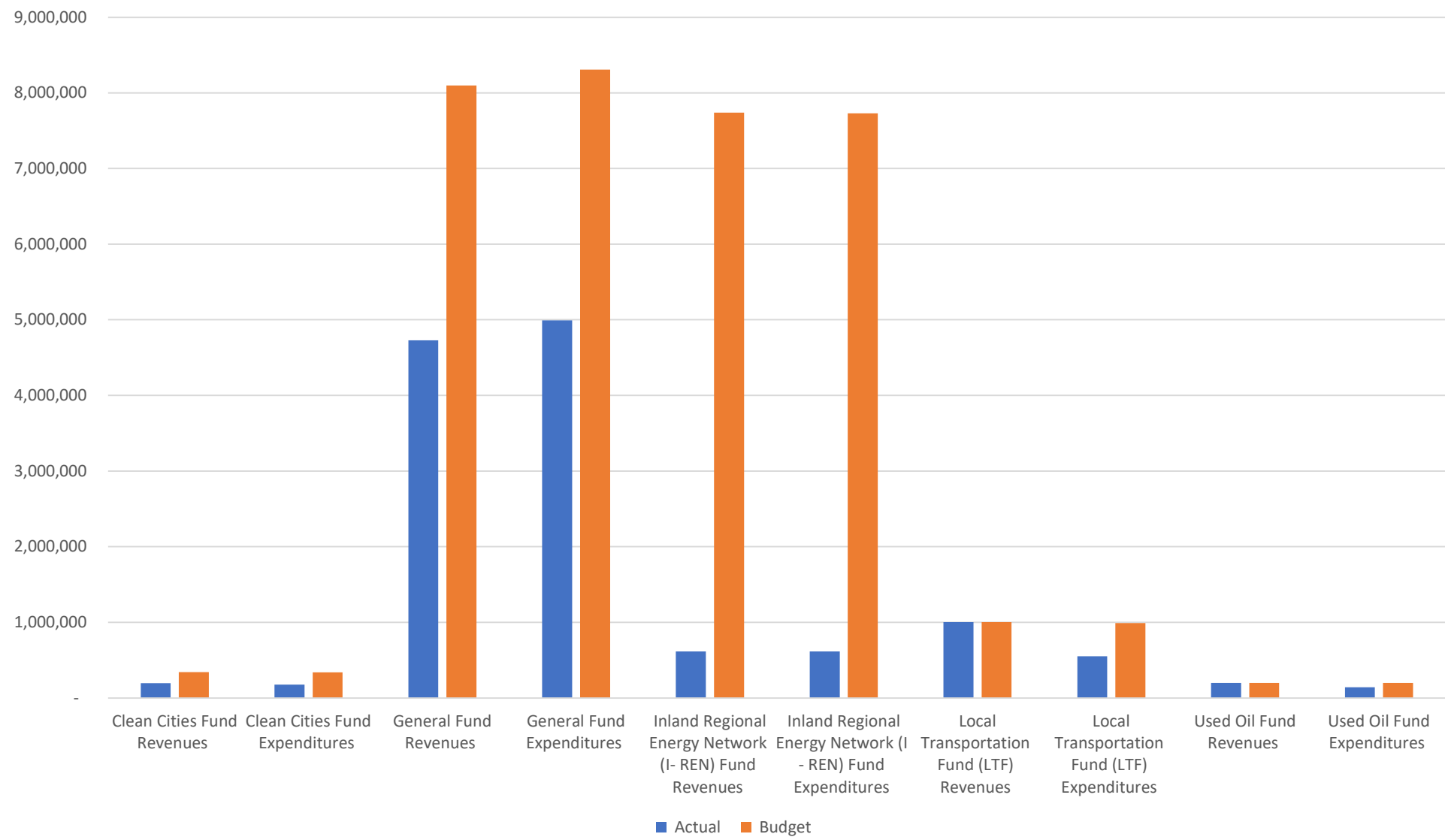
Description	Actual	FY 23 Budget	Variance
Local Transportation Fund (LTF) - 210			
Revenues			
LTF Revenue	1,002,500	1,002,500	-
Total Revenues	1,002,500	1,002,500	-
Expenses			
Salaries & Wages - Fulltime	173,499	375,872	202,373
Fringe Benefits	63,879	166,069	102,190
Overhead Allocation	120,000	180,000	60,000
General Legal Services	-	2,000	2,000
Parking Validations	-	500	500
Event Support	-	250	250
Program/Office Supplies	-	250	250
Computer Software	-	500	500
Membership Dues	1,500	750	(750)
Subscriptions/Publications	236	250	14
Postage	-	500	500
Communications - Cellular Phones	304	250	(54)
Seminars/Conferences	4,375	4,500	125
Travel - Mileage Reimbursement	965	1,350	385
Travel - Ground Transportation	-	750	750
Travel - Airfare	-	750	750
Lodging	1,120	4,000	2,880
Meals	293	1,250	957
Supplies/Materials	182	250	68
Consulting Labor	185,328	250,000	64,672
Total Expenses	551,681	990,040	438,359



Western Riverside Council of Governments
Budget-to-Actuals - Fund Level
As of February 28, 2023

Description	Actual	FY 23 Budget	Variance
Transportation Uniform Mitigation Fee (TUMF) Fund - 220			
Revenues			
Commercial/Svcs	1,057,278	1,728,000	670,722
Retail	677,113	1,728,000	1,050,887
Industrial	9,013,947	11,520,000	2,506,053
Residential/Multi/Single	23,117,161	31,680,000	8,562,839
Multi Family	9,084,549	10,944,000	1,859,451
Beaumont TUMF Settlement Revenue	1,955,458	10,678,068	8,722,610
TUMF Investment Revenue / Earnings	797,305	1,985,000	1,187,695
Total Revenues	45,702,810	70,263,068	24,560,258
Expenses			
General Legal Services	883,517	1,400,000	516,483
TUMF Project Reimbursement	3,333,405	25,000,000	21,666,595
Beaumont Settlement Distributions	525,000	6,488,595	5,963,595
Total Expenses	4,741,922	32,888,595	28,146,673

Budget-to-Actual Fund Level





Western Riverside Council of Governments WRCOG Executive Committee

Staff Report

Subject: WRCOG Committees and Agency Activities Update
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710
Date: May 1, 2023

Requested Action(s):

1. Receive and file.
-

Purpose:

The purpose of this item is to provide updates on noteworthy actions and discussions held in recent WRCOG standing Committee meetings, and to provide general project updates.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #4 - Communicate proactively about the role and activities of the Council of Governments and its members.

Background:

Attached are summary recaps of actions and activities from recent WRCOG standing Committee meetings that occurred during the month of April 2023.

Prior Action(s):

April 3, 2023: The Executive Committee received and filed.

Fiscal Impact:

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

Attachment(s):

[Attachment 1 - WRCOG Committee and Agency activities updates April 2023](#)



Western Riverside Council of Governments Executive Committee Meeting Recap April 3, 2023

Following is a summary of key items discussed at the last Executive Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/9773/EC-0423-AGENDA-PACKET>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/9778/ec0423pp>

Approval of WRCOG Strategic Plan

- In 2022, the WRCOG Executive Committee adopted the 2022/2027 Strategic Plan. Since the adoption of the Strategic Plan, staff have worked to implement the various goals identified in the Strategic Plan.
- Key discussion points included:
 - Identity, value, and purpose of WRCOG
 - Overview of existing Strategic Plan
 - Status of Strategic Plan workplan items
 - Survey results (staff and Committee members)
 - Plan amendments
- Topics for Further Consideration:
 1. Regional truck parking
 2. Regional water
 3. Homelessness
 4. GIS services
- The Committee adopted the current version of the Strategic Plan.

2023 General Assembly Community Service Awards

- WRCOG's Community Service Awards highlight community members that have gone above and beyond their respective roles and responsibilities to support Western Riverside County.
- The following person and group for this year's award are:
 - Ronnie Imel (individual)
 - Moreno Valley College Corps (group)
- The Committee also voted to provide special recognition in honor of Ted Hoffman. Mr. Hoffman recently passed away and was a valued member of the Norco City Council who also made significant contributions to the larger WRCOG subregion.

WRCOG Fiscal Year 2023/2024 Budget Update

- The biggest change to the Fiscal Year 2023/2024 budget is related to TUMF collections. Previously, all TUMF collections were recognized as revenue; however, due to GASB 84, only the 4% administrative fee will be considered revenue going forward.
- Excluding the remaining 96% of TUMF collections, WRCOG's budget will increase by approximately \$2M for Fiscal Year 2023/2024, primarily due to increased I-REN revenues and decreased TUMF and HERO revenues.
- Four items requiring further input were discussed: Fellowship, member dues, Clean Cities dues, and Solid Waste dues.

Public Comments

- SCAG Regional Conference & General Assembly registration is now open at <https://scag.ca.gov/2023-regional-conference-general-assembly>. Join Southern California's most influential leaders May 4 - 5,

2023, at the JW Marriot Desert Springs Resort & Spa. Register by Friday, March 31st to get \$100 off the general admission price. The event is free for elected officials and city managers in the region.

- SCAG's Connect SoCal, its visionary plan for the future of the region, is underway and SCAG wants to hear from you. Public workshops and pop-up events are as follows:

- **Thursday, April 13, 9 a.m. – 11 a.m. / 12 p.m. – 2 p.m.**

Historic Santa Fe Depot Tile Room 1170 W. Third Street San Bernardino, CA 92410

- **Tuesday, May 2, 12 p.m. – 3 p.m. / 4 p.m. – 6 p.m.**

UC Riverside, Palm Desert, Rooms B114 and B117 75080 Frank Sinatra Drive Palm Desert, CA 92211

And the following day at the same location, Wednesday, May 3, 9 a.m. – 11 a.m.

- **Friday, May 5, 5 p.m. – 8 p.m. at the CONNECT SOCAL POP-UP AT TEMECULA ROD RUN**
Temecula Community Services 41000 Main St. Temecula, CA 92590

- **Monday, May 8 12 p.m. – 3 p.m.**

Anthony Munoz Community Center 1240 W. Fourth Street Ontario, CA 91762

Next Meeting

The next Executive Committee meeting is scheduled for Monday, May 1, 2023, at 2:00 p.m., in the County of Riverside Administrative Center, 4080 Lemon Street, 1st Floor, Board Chambers, Riverside.



**Western Riverside Council of Governments
Administration & Finance Committee
Meeting Recap
April 12, 2023**

Following is a summary of key items discussed at the last Administration & Finance Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/9787/af-agendapacket-0423->

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/9791/April-2023-AF-PPT>

Due to time constraints, the following items were moved to the next meeting:

- Environmental Department Activities Update – Regional Food Rescue and Technical Assistance RFP
- I-REN Activities Update and Survey Participation Results
- WRCOG 2023 Legislative Platform

WRCOG Fiscal Year 2023/2024 Budget

- Four guiding principles are being used as a part of the FY 2023/2024 budget process: 1) fair distribution of funds and funding requests, 2) requiring all programs to be self-sustaining, 3) focusing on the long-term health of each fund, and 4) incrementally moving towards these goals when full-scale immediate changes are impractical.
- Dues for WRCOG general membership, Solid Waste, and Clean Cities were discussed. Changes for all three were proposed; however, calculating and phasing-in the changes are proposed to happen either immediately or after further analysis.
- The Fellowship Program will continue to operate with its current funding structure; however, additional options, such as fundraising, sponsorships, or support from philanthropic entities were discussed and require further discussion in order to extend the life of the Program.

Appointment of WRCOG Representatives to Various Committees

- Recommended the appointment of Wes Speak (City of Corona) as WRCOG's representative to the SAWPA OWOW Steering Committee.
- Recommended the appointment of Malcom Lilienthal (City of Hemet) to the SCAG Transportation Policy Committee.

Next Meeting

The next Administration & Finance Committee meeting is scheduled for Wednesday, May 10, 2023, at 12:00 p.m., in WRCOG's office at 3390 University Avenue, Suite 200, Riverside.



**Western Riverside Council of Governments
Planning Directors Committee
Meeting Recap
April 13, 2023**

Following is a list of key items discussed at the last Planning Directors Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/9784/April-23-PDC-Revised-Agenda-Packet>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/9802/April-23-PDC-PPT>

Good Neighbor Guidelines for Siting New and/or Modified Warehouse / Distribution Facilities

- Chris Gray, WRCOG Deputy Executive Director, provided a review of the Good Neighbor Guidelines for Siting New and/or Modified Warehouse/Distribution
- Many newer resources and requirements have become available or put in place since the guidelines were created, additionally, several cities have their own local policies and guidance.
- Chris Gray outlined three potential avenues for Executive Committee action; the first being for the Executive Committee to simply rescind their endorsement of the guidelines, the second being for the Executive Committee to direct WRCOG to create updated guidelines, and the third being for the Executive Committee to rescind the guidelines and direct staff to assist cities on a one-on-one basis to create customized guidelines for each requesting city.

Presentation of Fire Hazard Maps

- Aaron Pfannenstiel, Principal of Atlas Planning Solutions, described the roles and responsibilities of CalFire and the California Board of Forestry and Fire Protection and how the agencies are involved in the General Plan Safety Element.
- Various Fire Safe Regulations were briefly covered and the difference between Local Responsibility Areas (LRA) and State Responsibility Areas (SRA) was explained.
- Changes to the LRA and SRA maps are on the horizon and cities should not expect zones to be removed during the process. More than likely, more area will be added to SRA and LRA maps.
- Hyperlinks from PowerPoint:
 - [SRA FHSZ Rollout Application](#)
 - [Fire Hazard Severity Zone Maps](#)
 - Fire and Resource Assessment Program (FRAP) mapping, [2023](#)
 - Fire Hazard Planning Technical Advisory: General Plan Technical Advice Series, [August 2022](#)
 - Wildland-Urban Interface Planning Guide: Examples and Best Practices for California Communities, [August 2022](#)

REAP SRP 2.0 Local Housing Assistance Requests

- Suzanne Peterson, WRCOG staff, reminded PDC members that WRCOG is receiving an a second round of REAP funding from SCAG and plans to continue to provide assistance to WRCOG cities.
- Suzanne will be contact PDC members to understand their Housing Element implementation priorities and needs, and begin coordination on such efforts.

Housing Element Compliance

- Colin Drukker, Principal of PlaceWorks, provided Housing Element key timelines for compliance and rezoning requirements, opportunities for compliant Housing Elements and consequences for Housing Elements that are not in compliance.
- Some of the funding programs available to jurisdictions with compliant Housing Elements include the Permanent Local Housing Allocation (PLHA), Affordable Housing & Sustainable Communities (AHSC), SB 1 Planning Grants, CalHOME Program, Infill Infrastructure Grants (IIG), Prohousing Designation/Incentive Pilot (PIP) Program, and other regional and state funding programs.
- Potential consequences include loss of local land use control and permitting authority, court receivership to bring a jurisdiction into compliance, legal suits and financial penalties.
- Colin will be available for one-on-one meetings towards research and strategy development related to Housing Element compliance. Interested members agencies should contact WRCOG's Suzanne Peterson at speterson@wrcog.us.

Next Meeting

The next Planning Directors Committee meeting is scheduled for Thursday, June 8, 2023, at 9:30 a.m., in WRCOG's office at 3390 University Avenue, Suite 200, Riverside.



**Western Riverside Council of Governments
Public Works Committee
Meeting Recap
April 13, 2023**

Following is a list of key items discussed at the last Public Works Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/9786/April-23-PWC-Revised-Agenda-Packet>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/9803/April-23-PWC-PPT>

TUMF Nexus Study Activities Update

- The TUMF Nexus Study Consultant, GHD, has completed the initial modeling work which included an update of the RIVCOM model to reflect the roadway network that was in place at the end of 2021.
- GHD has also verified that the changes made to RIVCOM do not impact the overall performance of the model through a review of the model calibration and validation criteria.
- GHD will use the updated list of TUMF network requests and then verify that each of the requested projects meets applicable criteria.
- Updates will be provided to the PWC in June.
- The current TUMF roadway network can be found on WRCOG's website at <https://fehrandpeers.maps.arcgis.com/apps/webappviewer/index.html?id=e6b38f5d8d6d47e2b6f7c1c4860cdfbf>

WRCOG Member Agency Experience as it Relates to State & Federal Agencies in the Infrastructure Planning, Design, and Construction Process

- Several members discussed their experience with Caltrans as it relates to the approval and review process for interchange projects. These members raised several concerns, particularly as it relates to the time required to review and approve various projects elements such as the various technical studies.
- WRCOG staff will be sharing these comments with RCTC staff as it relates to experience working with Caltrans and will return with an update in future meetings.

Confirmation of the TUMF Nexus Study Roadway Network

- The Public Works Committee previously approved a list of roadway projects to be added as TUMF-eligible projects during the TUMF Nexus Study update
- Three additions were requested including:
 1. Bundy Canyon Road (2 lanes/4 lanes to 6 lanes)- I-15 to Sunset (City Limits)
 2. Scott Road (2 lanes to 6 lanes)- Sunset to Murrieta
 3. Nichols Road (2 lanes to 6 lanes)- I-15 to Lake
- The PWC approved an updated project list including these additions

TUMF Zone Revenue Forecast for Fiscal Year 2023/2024 to 2027/2028 Transportation Improvement Program Updates

- WRCOG Staff evaluated several different options to forecast TUMF revenue for the forthcoming Transportation Improvement Plan (TIP) update including a 3-year and also a 5-year average.

- Staff recommended the use of a 5-year average which resulted in a total yearly revenue of \$26.5M across all five TUMF Zones.

Next Meeting

The next Public Works Committee meeting is scheduled for Thursday, June 8, 2023, at 2:00 p.m., in WRCOG's office located at 3390 University Avenue, Suite 200, Riverside.



**Western Riverside Council of Governments
Technical Advisory Committee
Meeting Recap
April 20, 2023**

Following is a summary of key items discussed at the last Technical Advisory Committee meeting.

Agenda Packet: <https://wrcog.us/DocumentCenter/View/9801/tac-agendapacket-0423-revised>

PowerPoint Presentation: <https://wrcog.us/DocumentCenter/View/9804/tac-0423pp>

Fiscal Year 2023/2024 Budget

- Agency-wide revenues are budgeted at approximately \$19.5M against \$19.2M in expenditures. Compared to last year, excluding the TUMF revenues, this is approximately a \$2M increase, primarily due to the increase in I-REN revenues and decreased TUMF (administrative) and HERO revenues. TUMF revenues will be reclassified as an alternative revenue source based on recommendations from the WRCOG auditors.
- Four guiding principles are being used as a part of the FY 2023/2024 budget process: 1) fair distribution of funds and funding requests, 2) requiring all programs to be self-sustaining, 3) focusing on the long-term health of each fund, and 4) incrementally moving towards these goals when full-scale immediate changes are impractical.
- Dues for WRCOG general membership, Solid Waste, and Clean Cities were discussed. Changes for all three were proposed; however, only dues for Solid Waste and Clean Cities are being proposed for the Fiscal Year 2023/2024 budget, with a phase-in for the Clean Cities dues. Additional changes will be addressed over the next fiscal year after further analysis.
- The Fellowship Program will continue to operate with its current funding structure; however, additional options, such as fundraising, sponsorships, or support from philanthropic entities were discussed and require further discussion to extend the life of the Program.
- Several changes were made to WRCOG's budget resolution, including clarification of the Executive Director's authority in making changes to the budget and budget authority surrounding the I-REN.

Riverside County Regional Broadband Efforts

- Tom Mullen, Chief Data Officer for Riverside County Information Technology (RCIT), provided updates on the County's broadband initiative. The County has three focus areas that it seeks to address to close the digital divide: 1) availability of broadband infrastructure, 2) affordability, and 3) adoption needs/digital literacy.
- RCIT has conducted extensive geospatial mapping to identify unserved and underserved areas of Riverside County and has hired a contractor to complete a Gaps and Opportunities Assessment to understand the state of broadband across the County. The County of Riverside was awarded a Local Agency Technical Assistance grant to update its Broadband Master Plan.
- To address affordability needs, RCIT has launched an extensive Affordable Connectivity Program (ACP) Outreach Campaign to help eligible households sign up for the ACP, which provides a monthly discount on internet service bills. RCIT has also established a Riverside County-specific hotline, (866)-922-1016, to help residents enroll in the ACP. RCIT has identified a need for digital literacy training in Riverside County and is seeking additional funding to assist with that effort. RCIT has a database of grant opportunities and is currently tracking over 70 broadband grant programs.

I-REN Energy Fellowship Update: Member Agency Participation

- March 21, 2023: I-REN Executive Committee approved I-REN Energy Fellowship. The goal of the fellowship is to increase capacity in the public sector with a focus on energy and energy efficiency initiatives.
- Up to 27 fellows will be placed across public sector agencies in Riverside and San Bernardino Counties starting fall 2023. Participation comes at no cost to participating agencies.
- Reach out to Tyler Masters at tmasters@wrcog.us if you are interested in hosting and receiving an 11-month, near full-time, Fellow to support your jurisdiction's energy initiatives.

Good Neighbor Guidelines for Siting New and/or Modified Warehouse / Distribution Facilities

- In 2005, WRCOG prepared and distributed a document entitled *Good Neighbor Guidelines For Siting New and/or Modified Warehouse/Distribution Facilities*.
- Since 2005, this document has not been updated and the TAC was asked if the document should be updated or withdrawn. The TAC recommended to the Executive Committee that the *Good Neighbor Guidelines* be withdrawn.
- WRCOG staff was asked to return to a future TAC meeting with information regarding approaches member agencies could use when evaluating potential logistics projects or to develop their own localized guidelines.

Next Meeting

The next Technical Advisory Committee meeting is scheduled for Thursday, May 18, 2023, at 9:30 a.m., in WRCOG's office at 3390 University Avenue, Suite 200, Riverside.



Western Riverside Council of Governments

WRCOG Executive Committee

Staff Report

Subject: Report out of WRCOG Representatives on Various Committees
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710
Date: May 1, 2023

Requested Action(s):

1. Receive and file.

Purpose:

The purpose of this item is to inform the Executive Committee of activities occurring on the various Committees in which WRCOG has an appointed representative.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #1- Serve as an advocate at the regional, state, and federal level for the Western Riverside region.

Background:

This item serves as a placeholder for WRCOG representatives' use in providing materials pertaining to meetings of the Committee they have been appointed to.

CALCOG Board of Directors (Brian Tisdale)

The CALCOG Board of Directors held a Policy Briefing on April 20, 2023. That agenda is attached to this Staff Report (Attachment 1).

The Next CALCOG Board of Directors meeting is scheduled for June 6, 2023.

SANDAG Borders Committee (Crystal Ruiz)

The SANDAG Borders Committee met on April 28, 2023. Agenda highlights include:

1. San Ysidro Mobility Hub
2. Bike Projects and Activities Along the U.S.-Mexico International Border
 - a. Border to Bayshore Bikeway
 - b. City of Tijuana Ciclovía Del Rio
 - c. 2023 Bike Anywhere Day and Other Border Bike Updates

The next SANDAG Borders Committee meeting is scheduled for May 26, 2023.

SAWPA OWOW Steering Committee

The SAWPA OWOW Steering Committee meeting of March 23, 2023, was cancelled. The next meeting is scheduled for May 25, 2023.

Prior Action(s):

April 3, 2023: The Executive Committee received and filed.

Fiscal Impact:

WRCOG stipends are included in the Agency's adopted Fiscal Year 2021/2022 Budget under the General Fund (Fund 110).

Attachment(s):

[Attachment 1 - CALCOG Policy Brief April 2023](#)

[Attachment 2 - SANDAG Borders Committee agenda April 2023](#)

Attachment

CALCOG Policy Briefing Agenda

CDAC Briefing

April 20, 2023

3:00 – 4:30 PM

1. In Person Leg Day, Board Meeting, CTF Awards Gala (June 6)

- a. June 6 Legislative Day & Board Meeting in Sacramento at 10AM to 2:30PM (leaving you some time for meetings).
- b. We will also have a Board Meeting from 3:00PM to 4:30PM.
- c. The timing aligns with the California Transportation Foundation Awards Dinner (evening of the 6th) and Transportation Forum (day of the 7th)
- d. Our current Leadership Academy graduation ceremony will happen as part of the Awards dinner presentation

2. Legislative Update

SCS Related Legislation

AB 6 (Friedman D) Transportation planning: regional transportation plans: Solutions for Congested Corridors Program: reduction of greenhouse gas emissions.

Summary: Current law requires that each regional transportation plan also include a sustainable communities strategy prepared by each metropolitan planning organization in order to, among other things, achieve certain targets established by the ARB for the reduction of greenhouse gas emissions from automobiles and light trucks in the region for 2020 and 2035, respectively. This bill would require the state board, after January 1, 2024, and not later than September 30, 2026, to establish additional targets for 2035 and 2045, respectively, as specified.

Comments:

- This language is a place holder for ongoing discussions (see attachment for last version of ideas that came from the Member's staff)
- We have expressed concern and stated that CALCOG will need to take action to address the bill in its current form as it continues to move through the process.
- Staff's recommendation would be to oppose the provisions related to giving ARB more authority over the approval process
- Staff will walk through the attached document at the briefing.

AB 7 (Friedman D) Transportation: project selection processes.

Summary: Would require, on and after January 1, 2025, the project selection process for each transportation project that would be funded, at least partially, from specified funding sources,

including the State Highway Account, the Road Maintenance and Rehabilitation Account, and the Trade Corridor Enhancement Account, to incorporate specified principles. The bill would require the Transportation Agency, on or before January 1, 2026, and annually thereafter, to submit a report to the Legislature on how those transportation projects that were completed during the prior year incorporated those principles. This bill contains other existing laws.

Comments:

- Several members have expressed concern about this bill.
- Technically, there are issues with connecting state policies to specific references in federal law.
- Substantially, there are concerns about the extent to which this would affect existing funding programs. Staff is hoping to hear concerns from members during this meeting.
- **Three Proposals (for discussion)**

Concept 1: MPO Designated Priority Development Areas (PDA)

Purpose: Accelerate SCS achievement by requiring MPO's to designate PDA's (Priority Development Areas) that meet specified reporting standards in order to receive more state funding incentives. Those specified reporting standards include requiring MPO's show what percentage of housing is going into their designated PDA's and what transportation investments are being used to support housing in the designated PDA's. Require MPO's to:

- Show VMT within PDA
- Show how much of RHNA need is going to be met in the PDA's.
- Measurement of the social equity impacts.
- Feedback from MPO's of the necessary assistance in prioritizing their PDA's.
- Tracking of progress made by MPO's investments in the designated PDA's.
- State agencies and MPO's work together to define high priority areas in the designated PDA's.

Further considerations: This would be one program but to acknowledge different geographical regions throughout the state the standards and requirements would apply based on categories of classic urban, classic suburban and classic rural. Idea is to focus on where we want to growth to occur.

Concept 2: State Funding and Incentives for PDAs

Purpose: Create state matching dollars/funding for projects located in a PDA, and that utilize state incentives. Think REAP 3.0. Incentives include:

Percentage of cap and trade funding (i.e. 5%) that goes above a certain amount (i.e. TIRCP and AHSC)

Housing projects within a PDA don't have to do VMT or GHG analysis under CEQA (aligned with OPR technical assistance)

Further considerations: Existing transportation funds could be used to match with local dollars. Must be cautious not to compete with, but complement, transit funding ask. If we go forward with seeking “new” funding, will need serious political assistance.

Concept 3: State Data

Purpose: State to maintain map overlays of PDA areas, to better understand where transportation and housing projects are being funded and built.

- OPR to maintain a statewide map of PDA areas and funded projects
- MPOs must provide necessary PDA data to OPR at end of 1 year plus at each SCS update

Further considerations: Must be mindful of not creating a lot of local or regional work when we can rely on existing work. FWIW there will be a push from some of our allies coming soon to use 'excess' cap & trade funds as part of a strategy to address the public transit fiscal cliff.

AB 1335 (Zbur D) Local government: transportation planning and land use: sustainable communities strategy.

Summary: The amendments are not yet in print. Current bill language of concern has been stricken for new language of concern.

Comments: This is sponsored by Abundant Housing LA who proports that housing projects are being sued through CEQA because RHNA and SCS housing numbers are different in SCAG's SCS. We are drafting an oppose letter and continuing to meet with the author and sponsors. This bill would:

- CALCOG Staff is not a fan
- New language has been proposed at the request of BIA
- The biggest remaining problem is that the new language would require an RTP to carry out a pro-rated annual RHNA number (RHNA/8 yrs) to create a 20 year population forecast [(RHNA/8 yrs)*20].
- Text in print would reduce SCS housing numbers in MTC and SLOCOG plans (and probably others)
- Proposed amendments would result in extremely high housing numbers
- Apply a statewide fix to what we see as a one-time sixth-cycle RHNA issue related to existing unmet housing needs in southern California

Proposed amendments would add Gov't Code § 65080(b)(2)(B)(ix)

(ix) The eight-year projection of the regional housing need (“the short-term regional housing need”) identified in clause (iii) for use in the sustainable communities strategy shall be based on data elements as described in (A) through (I) of Section 65584.01 (b)(1). The total number of new housing units needed to house all of the population within the region over the course of the planning period pursuant to clause (ii) (“the long-term regional housing need”) shall be not less

than the total number of housing units representing the housing need for the region pursuant to Section 65584, expressed as a per year figure and multiplied by the number of years in the planning period. Metropolitan planning organizations shall to the extent possible align the placement of housing in the sustainable communities strategy with housing need allocations to cities and counties as described in Section 65584.

AB 930 (Friedman D) Local government: Reinvestment in Infrastructure for a Sustainable and Equitable California (RISE) districts.

Summary: This bill would authorize the legislative bodies of 2 or more cities or counties to jointly form a Reinvestment in Infrastructure for a Sustainable and Equitable California district (RISE district) in accordance with specified procedures. The bill would authorize a special district to join a RISE district, by resolution, as specified. The bill would require the Office of Planning and Research (OPR) to develop standards for the formation of RISE districts no later than November 30, 2025. The bill would provide for the establishment of a governing board of a RISE district with representatives of each participating local government.

Comment:

- Staff is analyzing this bill, but generally concurs with the idea of providing a redevelopment like funding source for infill, low-VMT development.
- Current version of the bill has a strong role for state government in rise district formation; the connection to Regional Transportation Plans could be stronger.

AB 68 (Ward D) Land use: streamlined housing approvals: density, subdivision, and utility approvals.

Summary: Would require a local government to approve a proposed housing development pursuant to a streamlined, ministerial approval process if the development meets certain objective planning standards, including, but not limited to, a requirement that the proposed parcel for the development be a climate-smart parcel, as described, or be included in the applicable region's SCS as a priority development area. The bill would set forth procedures for approving these developments and would set forth various limitations for these developments. The bill would authorize the Department of Housing and Community Development to review, adopt, amend, and repeal guidelines, rules, and regulations to implement uniform standards or criteria that supplement or clarify the terms, references, or standards set forth by this process.

Comment:

- We are watching this legislation closely as it includes a definition for priority development areas.
- AB 6 Comparison: the proposal associated with MPOs would allow regions to define priority growth areas. This approach allows that to be defined by statute and HCD.

Brown Act Legislation

AB 817 (Pacheco D) Open meetings: teleconferencing: subsidiary body.

Summary: This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. In order to use teleconferencing pursuant to the Brown Act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter.

Comment: Submitted coalition support letter with Cal Cities, CSAC and other statewide and regional organizations. Only helps subsidiary bodies, such as advisory committees, that do not have final decision-making authority.

SB 411 (Portantino D) Open meetings: teleconferences: bodies with appointed membership.

Summary: This bill would authorize a legislative body to use alternate teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. The bill would alternatively define “legislative body” for this purpose to mean a board, commission, or advisory body of a local agency, the membership of which board, commission, or advisory body is appointed and which board, commission, or advisory body is otherwise subject to the Ralph M. Brown Act.

Comment: Author’s staff confirmed the rumor that this bill will be amended to be LA focused. We submitted a support letter for the version of the bill currently in print. We will engage with the author if amendments are made and may change to an oppose position.

SB 537 (Becker D) Open meetings: local agencies: teleconferences.

Summary: This bill would authorize certain legislative bodies to use alternate teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. The bill would also require a legislative body to provide a record of attendance on its internet website within 7 days after a teleconference meeting, as specified. The bill would define “legislative body” for this purpose to mean a board, commission, or advisory body of a multijurisdictional cross county agency, the membership of which board, commission, or advisory body is appointed and which board, commission, or advisory body is otherwise subject to the act. The bill would also define “multijurisdictional” to mean a legislative body that includes representatives from more than one county, city, city and county, special district, or a joint powers entity.

Comment: The author is taking amendments from the Senate Government and Finance Committee that reduce the flexibility of the bill, including a distance restriction in which local officials would have to live 40 miles or more from the meeting location. We submitted a support letter for the version of the bill currently in print and are meeting with the author’s staff to influence amendment language.

Other Priority Legislation

AB 744 (Carrillo, Juan D) California Transportation Commission: data, modeling, and analytic software tools procurement.

Comment: Signed coalition support letter with Cal Cities, CSAC, and Transportation California.

Summary: Current law establishes the CTC in the Transportation Agency. Current law vests the California Transportation Commission with various powers and duties relative to the programming of transportation capital projects and allocation of funds to those projects pursuant to the state transportation improvement program and various other transportation funding programs. Upon the appropriation of funds by the Legislature, this bill would require the commission to acquire public domain or procure commercially available or open-source licensed solutions for data, modeling, and analytic software tools to support the state's sustainable transportation, congestion management, affordable housing, efficient land use, air quality, and climate change strategies and goals. The bill would require the commission to provide access to the data, modeling, and analytic software tools to state and local agencies, as specified.

SB 670 (Allen D) State Air Resources Board: vehicle miles traveled: maps.

Summary: Requires ARB, in consultation with OPR and Caltrans, to develop a methodology for assessing and spatially representing VMT traveled and to develop maps to display average VMT per capita at the local, regional, and statewide level. Methodology to be no later by 2025, and maps published 6 months later. Methodology update every 4 years.

Comment: We have concerns that this is not only duplicative of other existing tools to analyze VMT impacts, but could create a requirement for regional organizations to use a specific tool that may not be as robust as what is already used by members.

SB 695 (Gonzalez D) Department of Transportation: state highway system: public data portal.

Summary: Requires Caltrans to make available information and data (back to 2012 and going forward) about activities on the state highway system on a public data portal. The CTC would include this data and information in its annual report to the Legislature. The bill would require the department to prepare and make available data and information on a public data portal on planned, pending projects on the state highway system.

Comment: There have been discussions amongst members and stakeholders that the current state data categories do not do a good job of describing the types of projects getting delivered (e.g., a complete street project gets labeled as a road improvement). But we are doing our due diligence to ensure that this would not have unintended consequences.

SB 825 (Limón D) Local government: public broadband services.

Summary: Would add metropolitan planning organizations and regional transportation planning authorities to that list of local government agencies included in the definition of "local agency."

Comment: PUC was not recognizing some COGs that happen to be MPOs as COGs. (Literally saying that since they are an MPO they cannot qualify for programs for COGs. This bill eliminates PUC's ability to error on this point. Support letter submitted.

SCR 13 (Roth D) Joseph Tavaglione Interchange.

Summary: Would designate the interchange where State Highway Routes 60 and 91 meet Interstate 215 in the County of Riverside as the Joseph Tavaglione Interchange.

Comment: Joint support letter submitted with Self-Help Counties Coalition.

AB 914 (Friedman) Electrical infrastructure: California Environmental Quality Act: exemptions: review time period.

Summary: Would provide CEQA exemptions for specified projects relating to electrical substations and electrical line facilities owned by, and constructed by or under contract with, electrical corporations serving not less than 10,000 customers or local publicly owned electric utilities.

Comment: We've been asked to join a coalition letter and the bill seems consistent with legislative principles and related enough to EVs that could sign on. We are checking with CTA on their position since the bill could potentially help with charging infrastructure for transit fleets.

AB 558 (Arambula) Fresno County Transportation Authority.

Summary: Would increase the membership of the authority to 13 members by adding to the authority a member of the public at large who represents a labor organization, a youth member, a local community member who is from a disadvantaged, unincorporated area of the county, and an educational member representing the county, as specified.

Comment: We are analyzing recent amendments and watching this bill as it is an interesting development for a self-help county.

AB 1525 (Bonta) Transportation Agency: allocations for projects in priority populations.

Summary: Would require the Transportation agency, to ensure that at least 60% of the moneys allocated for agency, Caltrans, or CTC projects, are allocated for projects that are located in priority populations, address an important need of priority populations, and provide at least 5 direct, meaningful, and assured benefits, or additional cobenefits, to priority populations. Would require the agency to evaluate each agency, Caltrans, or CTC project to determine if the project would be located in a priority population, address an important need of a priority population, and provide a direct, meaningful, and assured benefit to a priority population, and to develop and adopt criteria and an evaluation process for that purpose.

Comment: We are analyzing and watching this bill.

3. CTP & RTPA Guidelines Update

[Draft CTP Guidelines](#) are out now and scheduled to be approved at the CTC meeting June 28 and 29. We like some of the language they have added regarding the inclusion

of a fiscal analysis and planning assumptions that should be part of future CTPs. It's a recognition that while the plan is not fiscally constrained it will need to be implemented in a fiscally constrained environment.

Attachment

SANDAG Borders Committee Agenda



Borders Committee

Friday, April 28, 2023

Item No.		Action
1.	Public Comments/Communications/Member Comments Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Borders Committee on any issue within the jurisdiction of the Committee that is not on this agenda. Public speakers are limited to three minutes or less per person. Committee members also may provide information and announcements under this agenda item. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Subjects of previous agenda items may not again be addressed under public comment.	
2.	Agency Report <i>Victoria Stackwick, SANDAG</i> Chief of Staff Victoria Stackwick will present an update on key programs, projects, and agency initiatives.	Discussion
Consent		
+3.	Approval of Meeting Minutes <i>Francesca Webb, SANDAG</i> The Borders Committee is asked to approve the minutes from its February 24, 2023, meeting.	Approve
Reports		
+4.	San Ysidro Mobility Hub <i>Zach Hernandez, SANDAG</i> Staff will present an overview of the San Ysidro Mobility Hub project, which advances the implementation of Mobility Hubs in the 2021 Regional Plan.	Information
5.	Bike Projects and Activities Along the U.S.-Mexico International Border	
	5A. Border to Bayshore Bikeway <i>Madai Parra, SANDAG</i> Staff will present an update on the Border to Bayshore Bikeway project.	Information
	5B. City of Tijuana Ciclovia Del Rio <i>Rafael Luna, Instituto Metropolitano de Planeación, City of Tijuana</i> Rafael Luna will present an update on City of Tijuana's planned bike routes, including the rehabilitation of the existing Ciclovia del Rio and plans for its future connection to the San Ysidro-Puerta Mexico Port of Entry.	Information

5C. 2023 Bike Anywhere Day and Other Border Bike Updates

Information

Elizabeth Hensley-Chaney and Daniel Gómez, Alianza por la Movilidad Activa, A.C.

Tomás Pérez-Vargas, Tijuana Economic Development Council

Since 2011, San Diego and Tijuana share a Border bike event to celebrate and promote the use of bicycles. Elizabeth Hensley-Chaney, Daniel Gómez, and Tomás Pérez-Vargas will present an update on efforts to plan and coordinate activities for the 2023 Annual Bike Anywhere Day and Tijuaneando en Bici, and other Border bike updates.

6. Upcoming Meetings

The next Borders Committee meeting is scheduled for Friday, May 26, 2023, at 12:30 p.m.

7. Adjournment

+ next to an item indicates an attachment



Western Riverside Council of Governments

WRCOG Executive Committee

Staff Report

Subject: 2022 Fee Comparison Analysis Update - Final Report
Contact: Christopher Tzeng, Program Manager, ctzeng@wrcog.us, (951) 405-6711
Date: May 1, 2023

Requested Action(s):

1. Receive and file.

Purpose:

The purpose of this item is to provide the final report of the 2022 Fee Comparison Analysis Update.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #5 - Develop projects and programs that improve infrastructure and sustainable development in our subregion.

Background:

In 2016 WRCOG conducted a study to analyze fees / exactions required and collected by jurisdictions / agencies in and immediately adjacent to the WRCOG subregion. The study was presented to various WRCOG committees and subsequent presentations were completed to various City Councils in the subregion. Based on the feedback provided and the requests made for data and presentations, WRCOG indicated that the study would be updated on a consistent basis to enable jurisdictions the value of understanding the impact of fees on development and the regional economy. An updated analysis utilizing 2018 data was completed at the beginning of 2019. An update to the analysis utilizing data available in 2022 commenced in May 2022. Updates of the analysis were provided to the WRCOG Administration & Finance, Planning Directors, Public Works, and Technical Advisory Committees in late 2022. The final report will be provided to the WRCOG committees at their April / May 2023 meetings.

The information analyzed and presented in the final report is solely for information purposes. WRCOG is not proposing any fee updates as part of the Fee Comparison Analysis.

Overview

The update to the Fee Comparison Analysis follows the same methodology as in 2016 and 2018, and updates the fee structures of the various fees. The Analysis provides WRCOG jurisdictions with comprehensive fee comparisons and also discusses the effect of other development costs, such as the cost of land and interest rates, within the overall development framework. Another key element of this study is an analysis documenting the economic benefits of transportation investment. Summary and comparison data for WRCOG member agencies is provided in the final report in Attachment 1 to this

Staff Report.

Fee Comparison Methodology

In addition to the jurisdictions within the WRCOG subregion, the study analyzed sample jurisdictions within the Coachella Valley, San Bernardino County, and the northern portion of San Diego County. The inclusion of additional neighboring / peer communities allows for consideration of relative fee levels between the WRCOG subregion and jurisdictions in surrounding areas that may compete for new development.

Land Uses and Development Prototypes

Fee comparisons have been conducted for five key land use categories, “development prototypes,” including single-family residential, multi-family residential, office, retail, and industrial developments. Since every development project is different, and because fee structures are often complex and derived based on different development characteristics, it is helpful to have “development prototypes” for each of the land uses studied. The use of consistent development prototypes increases the extent to which the fee comparison is an “apples-to-apples” comparison.

Development prototypical projects that were analyzed are as follows:

- Single-family residential development: 50-unit residential subdivision; 2,700 square foot homes, and 7,200 square foot lots
- Multi-family residential development: 200-unit market-rate, 260,000 gross square foot apartment buildings
- Retail development: 10,000-gross square foot retail buildings
- Office development: 20,000-gross square foot, Class A or Class B office buildings
- Industrial development: 265,000 gross square foot high-cube industrial buildings

Fee Categories

The primary focus of the analysis is on the array of fees charged on new development to pay for a range of infrastructure / capital facilities. The major categories of fees include 1) school development impact fees, 2) water / sewer connection / capacity fees, 3) city capital facilities fees, 4) regional transportation fees (TUMF in Western Riverside County), and 5) other capital facilities / infrastructure / mitigation fees charged by other regional / subregional agencies. These fees typically represent 80% to 90% of the overall development fees on new development. Additional processing, permitting, and entitlement fees are not included in this analysis. The analysis focused on development impact fees, as these fees are much larger than planning / processing fees for comparison purposes.

Service Providers and Development Prototypes

The system of infrastructure and capital facilities fees in most California jurisdictions is complicated by multiple service providers and, often, differential fees in different parts of individual jurisdictions. Multiple entities charge infrastructure / capital facilities fees – e.g., city, water districts, school districts, and regional agencies. In addition, individual jurisdictions are often served by different service providers (e.g., more than one water district or school district) with different subareas within a jurisdiction, sometimes paying different fees for water facilities and school facilities. Also, some city fees, such as

storm drain fees, are sometimes differentiated by jurisdictional subareas. To maintain consistency, the service providers utilized in the previous analyses are utilized in this analysis. Individual service providers were selected where multiple service providers were present, and an individual subarea was selected where different fees were charged by subarea.

Prior Action(s):

April 20, 2023: The Technical Advisory Committee received and filed.

April 13, 2023: The Public Works Committee received and filed.

April 13, 2023: The Planning Directors Committee received and filed.

April 12, 2023: The Administration & Finance Committee received and filed.

December 14, 2022: The Administration & Finance Committee received and filed.

November 17, 2022: The Technical Advisory Committee received and filed.

October 13, 2022: The Public Works Committee received and filed.

October 13, 2022: The Planning Directors Committee received and filed.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact. Transportation and Planning Department activities are included in the Agency's adopted Fiscal Year 2022/2023 Budget under the Transportation Department. This analysis is covered under TUMF (Fund 110) to provide additional information on development fees charged to support the TUMF Nexus Study.

Attachment(s):

[Attachment 1 - WRCOG Fee Comparison Study Final Report](#)

The Economics of Land Use



Report

2022-23 Analysis and Regional Comparison of Development Impact Fees in Western Riverside County

Prepared for:

Western Riverside Council of Governments (WRCOG)

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January 9, 2023

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1. Introduction and Findings

The Western Riverside Council of Governments (WRCOG) commissioned this Report to provide increased regional understanding of development impact fees on new development in Western Riverside County. More specifically, the purpose of this report is to: (1) indicate the types and relative scale of the development impact fees placed on different land uses within WRCOG member jurisdictions, and (2) indicate the level of fees relative to overall development costs in Western Riverside County. The report is also intended to provide helpful background information on the impact of the regional Transportation Uniform Mitigation Fee (TUMF) by placing the TUMF in the context of the broader development impact fee composition, overall development costs, and other regional dynamics.

This report (the 2022-23 Study) represents an update to the 2018-19 Study, which provided similar information on development impact fees and development costs. Information in this report is primarily based fee schedules and development cost estimates from 2022, while the prior study was primarily on schedules and estimates from 2018.

This report recognizes that there are substantive and ongoing debates about the appropriate levels of development impact fees in regions throughout California and elsewhere in the United States. On the one hand, development impact fees provide revenue to support the construction of critical infrastructure and capital facilities (or in-kind capital facility development) that can generate development value, economic development, and quality of life benefits. On the other hand, these fees act as an additional development cost that can influence development feasibility and potentially impact the pace of new development. **Each fee-adopting jurisdiction must weigh the costs and benefits of potential new or increased fee levels in the context of their goals, capital improvement needs, and economic and development dynamics.**

This report considers development impact fees defined as one-time fees collected for the purposes of funding infrastructure and capital facilities.¹ Reflecting the broad range of land use and development projects in Western Riverside County, prototype development projects for single-family, multifamily, retail, Class A/B office, and large industrial use types were all selected to support comparisons of fees in different jurisdictions.

A summary of key findings is provided below, followed by a description of the organization of this report.

¹ As used in this report and discussed further below, the phrase “development impact fee” includes all fees adopted pursuant to the Mitigation Fee Act and other monetary exactions due at the time of development. The term “fee,” as used in this report, means “development impact fee.”

Summary of Findings

FINDING #1: New development in Western Riverside County pay a wide range of one-time infrastructure/capital facilities associated fees with different public agencies.

New development in Western Riverside County is required to pay development impact fees to help fund:

- Water and Sewer Facilities
- School Facilities
- Regional Transportation Infrastructure
- Additional Local Infrastructure/Capital Facilities (local transportation, parks and recreation, public facility, community/civic facilities, and storm drain infrastructure).
- Subregional/Area Fees (habitat mitigation fees, Road and Bridge Benefit Assessment Districts, and other area-specific infrastructure/capital facilities fees).

These fees are set/administered by a combination of water districts, school districts, individual cities, the County, the Western Riverside Council of Governments, the Western Riverside County Resource Conservation Authority, and other special districts.

- **Fees for each land use type have increased on average by between 6.9 and 24.5 percent since the prior 2018-19 Study.** As shown in **Table 1**, average fee totals for residential uses now range from \$32,099 for multifamily units to \$57,078 for single-family units, and average fee totals for nonresidential uses now range from \$6.48 per square foot for industrial projects to \$25.27 per square foot for retail projects.

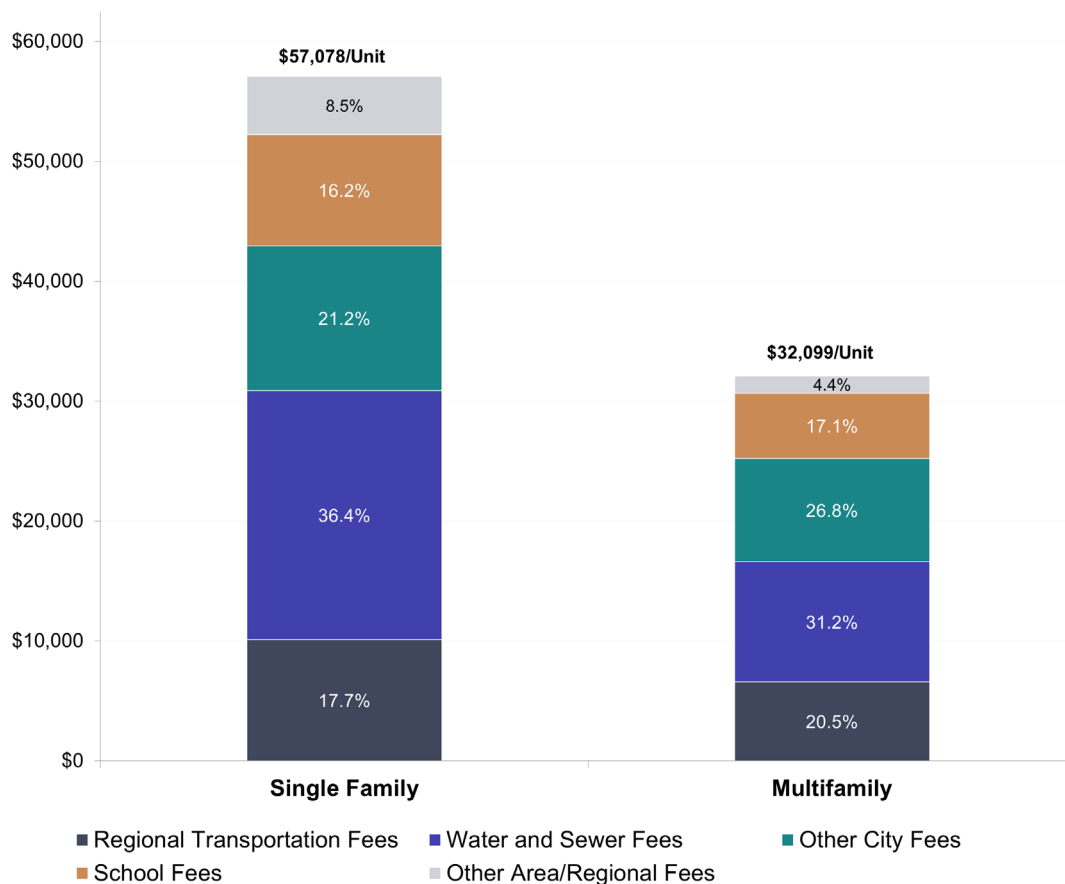
Table 1 Average Total Fee Amounts & Changes since 2018-19 Study by Land Use Type

Land Use	2022-23	2018-19	% Change
Single Family			
Total Fees per Unit	\$57,078	\$47,470	20.2%
Multifamily			
Total Fees per Unit	\$32,099	\$29,706	8.1%
Retail			
Total Fees per SF	\$25.27	\$23.63	6.9%
Office			
Total Fees per SF	\$17.04	\$14.06	21.2%
Industrial			
Total Fees per SF	\$6.48	\$5.20	24.5%

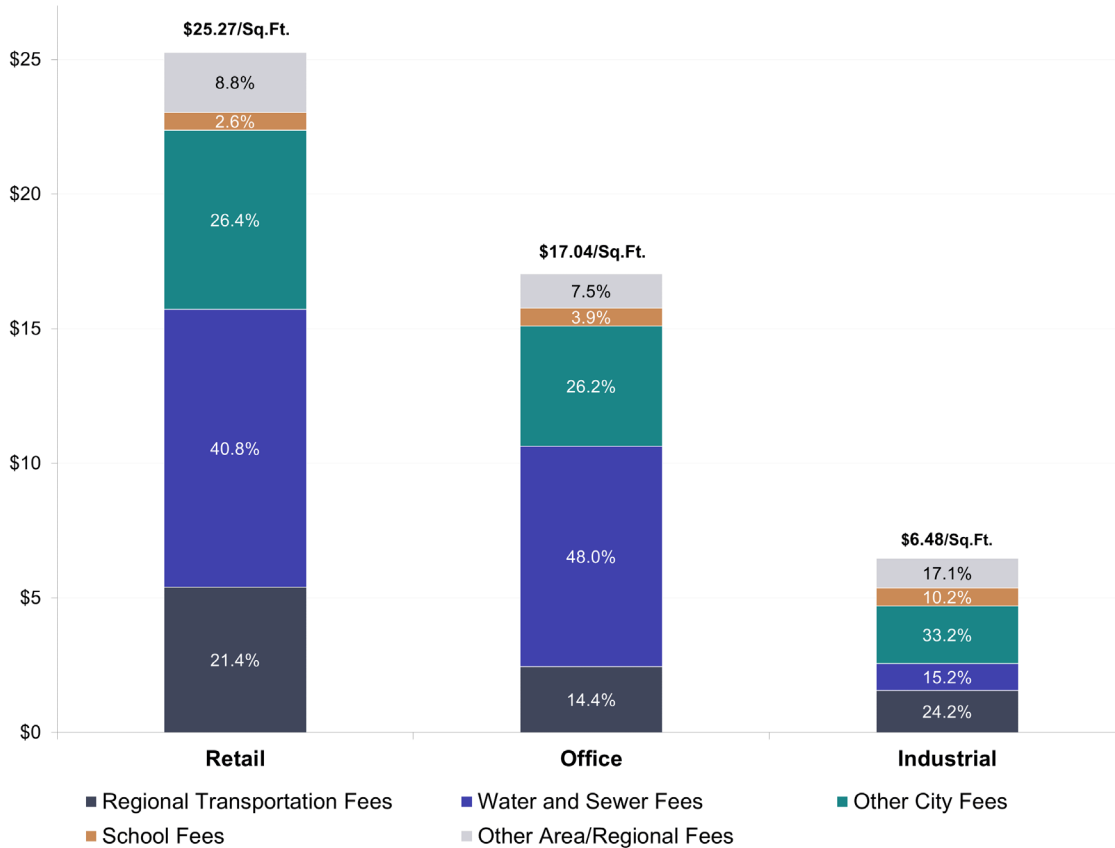
FINDING #2: TUMF represents a modest proportion of total residential development impact fees in Western Riverside County and a more variable proportion of nonresidential development impact fees.

- **For residential developments, TUMF represents close to 20 percent of total development impact fees for both single-family and multifamily development.** Other fee categories are shown in **Figure 1** below. Water and Sewer Fees together represent the greatest proportion of residential development impact fees. The smallest proportion is associated with Other Area/Regional Fees.

Figure 1 Average WRCOG Residential Development Impact Fees by Fee Category

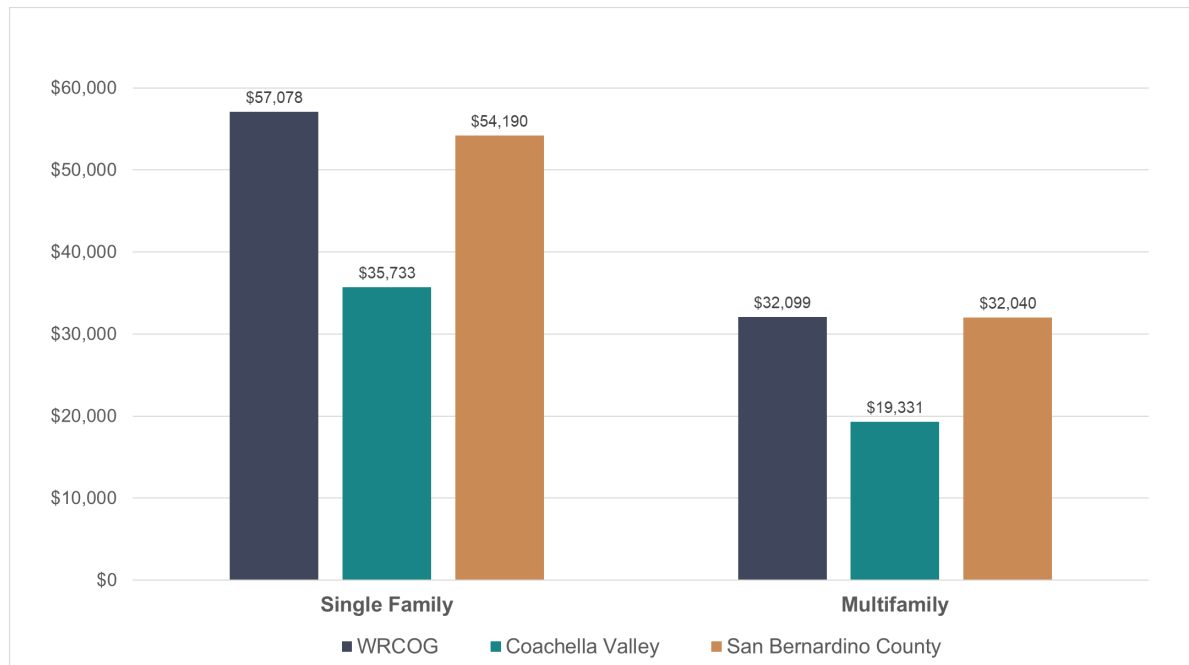


- **Regional Transportation Fees (TUMF) as a proportion of total development impact fees show more variation for nonresidential land uses.** Retail and office fees are dominated by Water and Sewer Fees. For industrial developments, Water and Sewer Fees are substantially lower and Other City Fees are the greatest proportion of total fees (**Figure 2**).

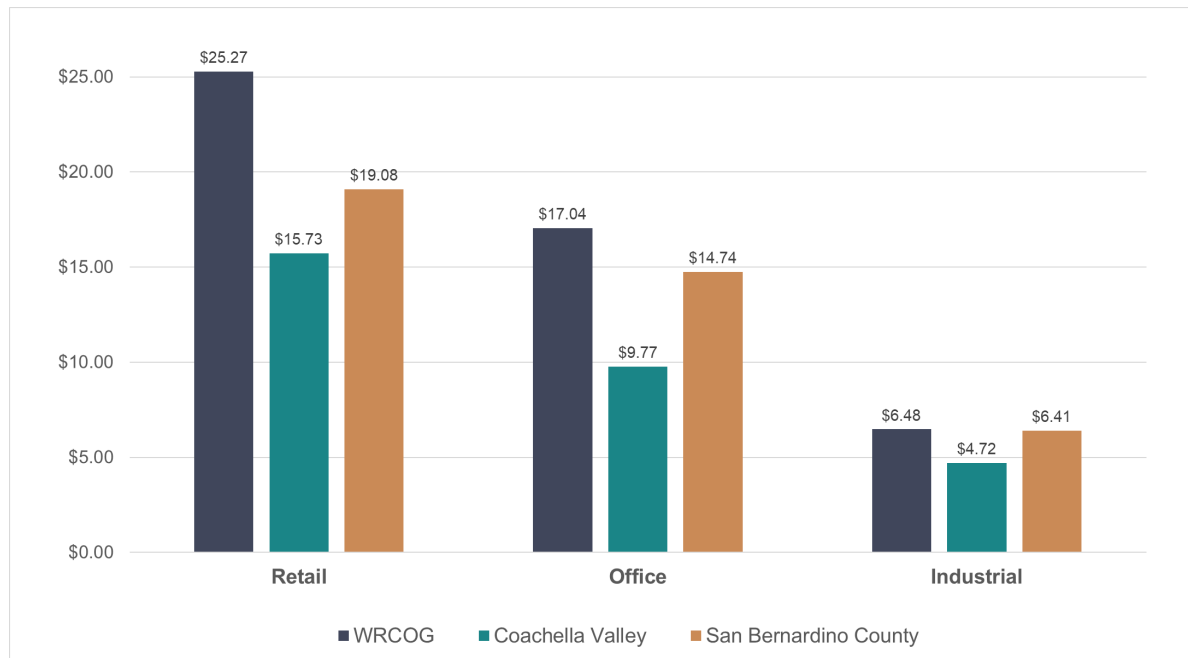
Figure 2 Average WRCOG Nonresidential Development Impact Fees

FINDING #3: Average development impact fees in WRCOG member jurisdictions are generally similar to those in San Bernardino County, though higher than those in Coachella Valley.

- **Average residential development impact fees for WRCOG jurisdictions are equal to or somewhat higher than the average of selected San Bernardino County cities and the average of selected Coachella Valley cities.** As seen in **Figure 3** below, when compared with the average of selected San Bernardino County cities (Fontana, Yucaipa, San Bernardino, Ontario, Chino, and Rialto) and Coachella Valley cities (Indio, Palm Desert, and Palm Springs), the WRCOG average is slightly higher than the San Bernadino County fees for single-family development and the same for multifamily development. Coachella Valley has substantially lower fees on both single-family and multifamily development.

Figure 3 Average Residential Development Impact Fees in Neighboring Jurisdictions

- Average nonresidential development impact fees for WRCOG jurisdictions are either higher than or similar to the average of selected San Bernardino County cities for the different land use categories. The average of selected Coachella Valley cities is lower for all land use categories.** As seen in **Figure 4** below, comparing average nonresidential development impact fees in WRCOG to selected San Bernardino County cities shows that, on average, WRCOG fees are substantially higher for retail, somewhat higher for office development, and the same for industrial development. The selected Coachella Valley cities have the lowest average fees in all these nonresidential land uses.

Figure 4 Average Nonresidential Development Impact Fees in Neighboring Jurisdictions

FINDING #4: Average development impact fees among WRCOG member jurisdictions represent between 3.9 percent and 8.9 percent of total development costs/returns, with TUMF as a lower fraction of these proportions.

- Total development impact fees represent between 3.9 percent and 8.9 percent of total development costs/returns for the prototype feasible projects.** As shown in **Table 2** below, development impact fees represent 8.9 percent of total development costs/returns for the prototype single-family and 7.9 percent of total costs/returns for multifamily developments. As is common, nonresidential development impact fees are lower as a percent of total development cost/return at 3.9 percent for industrial development and 4.7 percent for office development. For retail development, the fee level is 6.8 percent of total costs/returns, between that of residential uses and other nonresidential uses.
- TUMF represents between 0.7 percent and 1.6 percent of total development costs/returns for the prototype feasible projects. While changes in the TUMF can add or subtract from total development costs, it would take a substantial change to increase/decrease overall development costs/returns by more than 1 percent.** As a proportion of overall development costs, TUMF represents 1.6 percent for both single-family and multifamily. For nonresidential uses, TUMF represents 0.7 percent of total development costs for office development, 1.0 percent for industrial development, and 1.4 percent for retail development. TUMF represents between 14.4 percent and 21.4 percent of total development impact fees with the highest ratios for retail and industrial development and lowest for office development, as seen previously in **Figure 2**.

Table 2 Development Impact Fees as % of Total Developments Cost/Returns*

Development Impact Fees	Single Family	Multifamily	Industrial	Retail	Office
TUMF	1.6%	1.6%	1.0%	1.4%	0.7%
Other Development Impact Fees	<u>7.4%</u>	<u>6.2%</u>	<u>3.0%</u>	<u>5.3%</u>	<u>4.0%</u>
Total Development Fees	8.9%	7.9%	3.9%	6.8%	4.7%

*Totals may not sum due to rounding.

Organization of Report

After this initial chapter, this report is divided into three other chapters and several appendices. **Chapter 2** describes the definitions, methodology, and results of the fee review and comparison for WRCOG and non-WRCOG jurisdictions. **Chapter 3** describes the TUMF and other development impact fees as components of overall estimated development costs and returns for each development prototypes evaluated. Finally, **Chapter 4** provides a brief conclusion on the purposes and goals of this and other development impact fee comparison studies.

The appendices provide a substantial amount of additional supporting detail and information, including:

- **APPENDIX A** provides detailed information on the Development Prototypes.
- **APPENDIX B** provides information on assumptions around location and corresponding service provider (e.g., water district, school district) assignments within each jurisdiction.
- **APPENDIX C** provides fee comparison summaries and detailed fee estimation information for each WRCOG jurisdiction/area and each land use category.

2. Development Impact Fee Review and Comparison

To accomplish the study purpose outlined in **Chapter 1**, development impact fees were estimated for each WRCOG jurisdictions as well as for selected neighboring jurisdictions in Coachella Valley and San Bernardino County. This required detailed research into fee schedules and calculation methodologies for each of these jurisdictions and associated service providers.

All the development impact fee estimates shown are based on fee schedules and information available at the time the research was conducted, primarily during the summer of 2022. EPS attempted to use the most current and up-to-date fee information to enhance comparability and create a representation of fee levels at a single moment in time. However, limited online availability of complete fee information in some jurisdictions and annual fee program update schedules (typically in July) in several jurisdictions added an additional challenge in pinpointing fees at a given moment in time. While every effort was made to ensure that fees are updated and comparable, the final estimates should be considered as planning-level approximations. The actual fees due for a particular project will depend on the specifications of the individual project and the fee schedule at the time of project application.

The first section below provides some key definitions. The subsequent section provides a detailed description of the fee research methodology. The final section provides findings concerning development impacts fees in WRCOG member jurisdictions and other jurisdictions studied. In general, the definitions and approach in this study are consistent with those in the 2018-19 Study to maintain consistency. In some situations, as noted below, refinements were necessary; for example, some water districts provided new information on the water meter assumptions to be used in fee calculations.

Study Definition

Development impact fees have become an increasingly used mechanism among California jurisdictions to require new development to fund the demands it places on local and regional infrastructure and capital facilities. As already noted, this report defines development impact fees as one-time fees collected for the purposes of funding infrastructure and capital facilities. This includes fees for the funding of a broad range of capital improvements, including water, sewer, storm drain, transportation, parks and recreation, public safety, and numerous other types of civic/community facilities. The majority of these fees are adopted under or consistent with the Mitigation Fee Act, though the analysis also includes other one-time capital facilities fees, such as parkland in-lieu fees under the Quimby Act and one-time charges through Community Facilities Districts or Benefit Assessment Districts among others.

This report does not include estimates of other types of fees charged by cities including permitting, planning, and processing fees that are charged on new development, and that do not fund capital facilities/infrastructure. These fees are typically associated with some sort of review

or administrative service provided by a jurisdiction and are typically more modest charges relative to development impact fees (most studies find them to be in the 5 to 15 percent range of development impact fees, between 1 and 2 percent of total development costs).

Some typical fee types that fall in this category of permitting, planning, and processing fees and that are standard across most development projects include:

- **Building Permit Fee** – This fee is charged in a various of ways. Jurisdictions charge based on development size, development valuation, or flat fee.
- **Plan Check Fee** – This fee is charged in a various of ways. Jurisdictions charge based on development size, development valuation, flat fee, percentage of the Building Permit Fee, or an hourly charge.
- **California Building Standards Commission Fee** – This fee is calculated by charging \$1 per \$25,000 of a development's valuation multiplied by the development's area.
- **Strong Motion Instrumentation Program Fee** – This fee is calculated by charging \$13 per \$100,000 of a development's valuation multiplied by the development's area.
- **Technology Surcharge** – This fee is charged differently by jurisdiction. Some jurisdictions charge based on the development's valuation and area, while other some jurisdictions choose to charge this as a percentage of the Building Permit Fee.

Many other fee types exist that are project-dependent and may be related to: various inspections, tentative tract/parcel maps, conditional use permits, plan amendments, annexations, and a wide variety of minor permits. These are typically charged through some combination of flat fee, deposit, and/or actual hourly costs incurred by planning or building department staffs.

Methodology

In order to provide a fee comparison that was as close as possible to an “apples-to-apples” comparison, WRCOG staff and EPS identified the following parameters to guide the study:

- Jurisdictions to be studied.
- Land uses to be evaluated and associated development prototypes.
- Selection of service providers where there are multiple service providers in same jurisdiction.
- Categorization of the various types of development impact fees

This section describes these study parameters as well as the process of review with the jurisdictions/relevant service providers.

Selection of Jurisdictions for Prototype Analysis

Jurisdictions selected for this analysis include all eighteen (18) WRCOG member cities. WRCOG staff and the EPS also identified three additional unincorporated areas to study, the March JPA, Temescal Valley, and Winchester, all locations where substantial growth is occurring and/or planned within the WRCOG region.

A separate prototype was tested for each city within the WRCOG, as well as three unincorporated areas. Wherever possible, this analysis sought to use the same jurisdictional assumptions as in the 2018-19 Study. Where cities or unincorporated areas are served by multiple school districts, utility districts, and other subdistricts or assessment zones, assumptions were made around subarea locations, as discussed later in this Chapter.

Table 3 shows the cities/communities evaluated, including the twenty-one (21) WRCOG cities/communities and the nine (9) non-WRCOG comparison communities.

Table 3 Jurisdictions Included in Fee Study

WRCOG Jurisdiction		Coachella Valley	San Bernardino County
Banning	Murrieta	Indio	Fontana
Beaumont	Norco	Palm Desert	Yucaipa
Calimesa	Perris	Palm Springs	San Bernardino
Canyon Lake	Riverside		Ontario
Corona	San Jacinto		Chino
Eastvale	Temecula		Rialto
Hemet	Wildomar		
Jurupa Valley	Temescal Valley		
Lake Elsinore	Winchester		
Menifee	March JPA		
Moreno Valley			

Land Uses and Development Prototypes

Land Uses

Development impact fees are levied on a variety of residential and nonresidential land uses with variations for different uses and certain product types often built into the fee programs.

For the purposes of this study, five (5) common land use types that reflect typical development projects and are consistent with prior studies were selected: single-family residential, multifamily residential, retail, office, and "high-cube" industrial²

Development Prototype Selections

Within each of the five (5) general land use types selected, this study identifies a detailed development prototype meant to represent a typical development that may likely occur anywhere within the WRCOG region. Based on the characteristics of the prototype, the development impact fees can be calculated for each jurisdiction based on applicable fee levels.

² "High Cube" is defined as warehouses/distribution centers with a minimum gross floor area of 200,000 sq. ft., minimum ceiling height of 24 feet, and minimum dock-high door loading ratio of 1 door per 10,000 sq. ft.

Choosing a representative prototype that is the same across all jurisdictions ensures that the fee comparison will be “apples-to-apples”.

As a starting point, this study utilized the development prototypes used in the 2018-19 Study for each of the five land uses. EPS then reviewed recent data on new single-family, multifamily, office, retail, and industrial developments throughout WRCOG jurisdictions to confirm whether the prototypes still match common characteristics.

Information on multifamily, retail, office, and industrial developments built between 2017 and 2022 was reviewed as was information on single-family developments between 2019 and 2022. Single-family developments were reviewed over a shorter timeframe based on the much larger size of the dataset available (the number of homes built has been much greater relative to the number of other projects). From this data, EPS identified the median building/home size in square feet (and lot size for single-family developments) for each of the land use types and compared these against the prior prototypes.

Based on this analysis, EPS confirmed that all prototypes were still representative of typical projects in the WRCOG region and could be used in this study update. That said, the number of very large industrial projects has increased in recent years, along with the median project size. WRCOG Staff and EPS considered doubling the size of the industrial prototype to reflect this trend and focus specifically on high-cube development, however, it was ultimately decided that utilizing the same prototype as prior studies would be more valuable in providing a better comparison to fee levels in the 2018-19 Study. Furthermore, it was determined that the selected industrial prototype still reflects a common, high-cube industrial development, and the per square foot fee estimates can still be viewed as representative of typical development impact fees for industrial projects.

These prototypes used were also vetted and reviewed in 2018 by the WRCOG Planning Directors’ Committee, Public Works Committee, and Technical Advisory Committee. The prototypes are summarized below along with images that represent examples projects with matching characteristics.

Single-Family Residential Development

50-unit residential subdivision; 2,700 square foot homes and 7,200 square foot lots



Example Prototype Single-Family Home, City of Riverside

Multifamily Residential Development

200-unit market-rate, 260,000 gross square foot apartment building



Example Prototype Multi-Family Development, City of Temecula

Retail Development

10,000-gross square foot retail building



Example Prototype Retail Development, City of Hemet

Office Development

20,000-gross square foot, Class A or Class B office building



Example Prototype Office Development, City of Hemet

Industrial Development

265,000 gross square foot “high cube” industrial building³



Example Prototype Industrial Development, City of Perris

In addition to building size, several other development characteristics can affect development impact fees. For example, many water facilities fees are tied to the number and size of meters

³ “High cube” is defined as warehouses/distribution centers with a minimum gross floor area of 200,000 sq. ft., minimum ceiling height of 24 feet, and minimum dock-high door loading ratio of 1 door per 10,000 sq. ft.

associated with a new development. Other fees are tied to the gross site or lot area. EPS utilized a set of additional development prototypes assumptions detailed in **Appendix A**.

In general, and wherever possible, these assumptions were kept consistent with those used in the 2018-19 Study to improve comparability. The 2018-19 assumptions were developed based on a review of equivalent assumptions used in other regional fee studies (e.g., in the San Joaquin Valley and the Sacramento Valley) and refined through feedback from Western Riverside County service providers. In a few cases, fee calculation formulas required even more assumptions, such as estimates of water/sewage flow rates, which were specific to and provided by each service provider.

Where assumptions differed from 2018-19, changes primarily occurred where service providers provided updated information on their typical water meter assumptions or otherwise recommended changes. In certain cases, small deviations from listed prototype assumptions were used. For example, Jurupa Community Services District (JCSD) indicated that they typically permit new single-family homes with $\frac{3}{4}$ " water pipes, which is slightly smaller than the prototype assumption of a 1" pipe, but $\frac{3}{4}$ " is more representative of typical/comparable development fees (JCSD charges much higher fees for the larger 1" pipes, so developers rarely use them) and was used in the estimate.

Subarea Location Assumptions

In some cities, there are multiple service providers providing the same type of facilities in different parts of the city. For example, some cities are served by two or more distinct school districts, and many cities are served by two or more water and/or sewer districts. Therefore, an assumption around location within a subarea or zone associated with a given service provider had to be made in order to calculate each fee estimate. Where possible, these assumptions were kept consistent with those used in the 2018-19 Study, and which were developed based on the following factors:

- Suggestions from the City.
- Commonality of service provider between multiple cities; for example, Eastern Municipal Water District serves many cities.
- Scale/nature of service areas was also considered; for example, in some cases the majority of a City was served by one service provider and/or the majority of the growth areas were served by a particular service provider.
- In some cases, there was one service provider – e.g., the City – with different fees by City subarea (e.g., storm drain). In these cases, an effort was made to select the area expected to see the most growth based on discussions with City and WRCOG staff.
- In other cases, area-specific one-time fees/assessments/special taxes were in place to cover the costs of capital facilities in a new growth area. Where substantial in scale, these areas and the associated area fees were used in the fee comparison.

The location and corresponding service provider assignment assumptions are shown in **Appendix B**.

Fee Types and Categories

The primary focus of the fee research is to develop estimates of existing development impact fees charged on new development in the selected jurisdictions. While some fees are highly uniform, such as school district fees, there is substantial variation in the naming and types of facilities included in other development impact fees. The fee review sought to organize the full set of fees in a normalized set of categories to allow for best comparison. The key fee categories are as follows, which are consistent with the 2018-19 Study:

- **Regional Transportation Fees.** This category includes the respective TUMFs in Western Riverside County and Coachella Valley. TUMF in Western Riverside County is charged by WRCOG directly on the following bases:
 - **Single-Family Residential Development** - Per unit basis.
 - **Multifamily Residential Development** - Per unit basis.
 - **Retail Development** - Per gross building square foot basis. There is no fee on the first 3,000 square feet of an retail development.
 - **Industrial Development** - Per gross building square foot basis. The industrial fee includes a base fee on square footage up to 200,000 square feet and then, where the building meets the definition of a "high cube" building⁴, an effective discount of 73 percent in the base fee for all additional development above 200,000 square feet.
 - **Office Development** - Per gross building square foot basis.

This category also includes regional transportation impact fees in other subregions/jurisdictions where they are clearly called out. In San Bernardino County, cities are similarly required to contribute towards regional transportation funding, but not all of them distinguish between local and regional fees, in which case all transportation fees fall under the "Other City Fees" category.

- **Water and Sewer Fees.** All development locations studied were subject to some form of water and sewer development impact fees, whether a connection or capacity related charge, and these are combined into one category. These are typically collected either by a city or directly by a service provider
- **Other City Fees.** Beyond water/sewer fees (which are sometimes charged or collected by cities), jurisdictions frequently adopt a large number of additional citywide (or countywide)

⁴ "High Cube" is defined as warehouses/distribution centers with a minimum gross floor area of 200,000 sq. ft., minimum ceiling height of 24 feet, and minimum dock-high door loading ratio of 1 door per 10,000 sq. ft.

fees used to fund various capital facilities. This category captures a wide variety of fees including: local transportation fees, parks and recreation facilities fees, Quimby Act in-lieu parkland fees, storm drain fees, public safety facilities fees, other civic/community facilities fees, and, on occasion, affordable housing, or public art in-lieu fees.

- **School Fees.** School facilities fees are governed by State law and therefore show more similarity between jurisdictions than most fees. Under State law, School Districts can charge specified Level 1 development impact fees. If School Districts go through the process of identifying and estimating required capital improvement costs, higher Level 2 fees can be charged to fund up to 50 percent of the School District's capital improvement costs. Only five school districts serving WRCOG jurisdictions charged Level 2 fees at the time of this study.
- **Other Area/Regional Fees.** A final category was developed to capture other fees not included in the above categories, typically other sub-regional fees or area-specific fees. For example, this category includes the Western Riverside County Multiple Species Habitat Conservation Plan mitigation fee, various Road and Bridge Benefit Districts (RBBD) fees, as well as other one-time community facilities district charges/fees for infrastructure/capital facilities applied in particular growth areas.

Fee Estimation and Review Process

For WRCOG member jurisdictions, EPS worked with WRCOG staff to complete the following data collection and review process to come up with each fee estimate:

- Confirm base assumptions including development prototype characteristics and set of service providers
- Use online sources to obtain development impact fee schedules from each jurisdiction or service provider.
- Identify and list development impact fees charged in jurisdiction and/or for each service provider.
- Where fee schedule provided insufficient information, review available mitigation fee nexus studies, ordinances, or resolutions, as applicable.
- Where sufficient data was not available or incomplete, contact City, County, or other service provider to obtain/confirm appropriate fee schedules.
- Develop initial estimates of each development impact fee for each development prototype.
- Review estimates in comparison with 2018 fee amounts to identify unusual or unexpected discrepancies or large changes in fee levels.
- Compile summary charts showing initial fee estimates and share with representatives of each jurisdiction and/or relevant service providers (e.g., Eastern Municipal Water District).
- Receive feedback, corrections, and refinements (and in some cases actual fee calculations).
- Refine fee estimates based on feedback and confirm changes with jurisdictions.

For non-WRCOG jurisdictions, the process followed was largely the same, except that fee estimate information was not reviewed by jurisdiction representatives.

Findings from WRCOG Member Jurisdiction Fee Review

General findings from fee research for the WRCOG region are summarized below.

On average, WRCOG TUMF residential fees represent close to 20 percent of total development impact fees for both single-family and multifamily development. Regional Transportation Fees (or TUMF) for both single-family TUMF and multifamily TUMF represent around 20 percent of the respective average total development impact fees, with the percentage for single-family development being slightly lower at 17.7% compared with 20.5% for multifamily development. However, within individual jurisdictions, fee totals vary widely – from \$41,338 per unit to \$82,711 per unit for single-family development and from \$19,267 per unit to \$47,196 per unit for multifamily development – and TUMF, which is the same across jurisdictions, therefore varies as a percent of total fees from 12.2 percent to 24.4 percent for single-family development and 13.9 percent to 34.2 percent for multifamily development (see **Table 4**, and **Figure 5**). Nominal average fee totals by fee category are shown in **Table 5**.

Table 4 TUMF as a Proportion of Total Fees

Item	Average	Range	
		Low	High
Single Family			
Total Fees per Unit	\$57,078	\$41,338	\$82,711
TUMF as a % of Total Fees	17.7%	24.4%	12.2%
Multifamily			
Total Fees per Unit	\$32,099	\$19,267	\$47,196
TUMF as a % of Total Fees	20.5%	34.2%	13.9%
Industrial			
Total Fees per SF	\$6.48	\$4.02	\$10.98
TUMF as a % of Total Fees	24.2%	39.0%	14.3%
Retail			
Total Fees per SF	\$25.27	\$14.21	\$39.61
TUMF as a % of Total Fees	21.4%	38.0%	13.6%
Office			
Total Fees per SF	\$17.04	\$8.30	\$25.11
TUMF as a % of Total Fees	14.4%	29.5%	9.8%

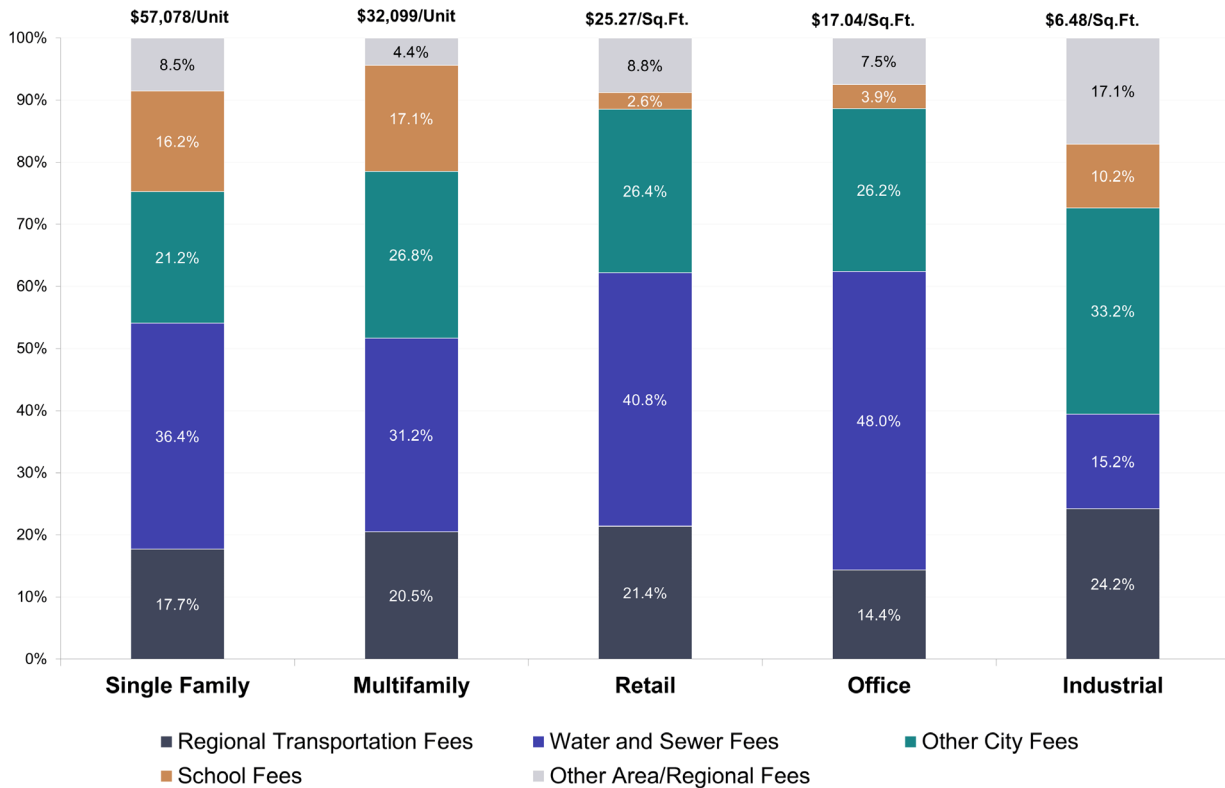
* Average and ranges as shown encompass 21 jurisdiction, including 18 cities and the incorporated areas of Temescal Valley, Winchester, and March JPA.

On average, WRCOG nonresidential TUMF shows more variation in level and in proportion of overall development impact fees (between 10 percent and 39 percent) than for the residential fee categories. Average total retail fees are about \$25 per square foot, of which Regional Transportation Fees represent 21 percent. Due to the variation in the total fees on retail development among jurisdictions (from \$14.21 to \$39.26 per square foot), TUMF as a percent of total fees ranges from 13.6 percent to 38 percent. Average total industrial fees are substantially lower at \$6.48 per square foot with a range from \$4.08 per square foot to \$10.98 per square foot. TUMF represents about 24 percent of the average total industrial fees, with a range from 14.3 percent to 39 percent. Total fees on office development fall in between the retail and industrial fees at an average of \$17.04 per square foot and a range from \$8.30 to \$25.11 per square foot. The TUMF fee represents a relatively low 14.4 percent of average overall fees on office development with a range from 9.8 percent to 29.5 percent (see **Table 4**, **Table 5**, and **Figure 5**).

Nonresidential development impact fees show more variation in terms of the distribution between fee categories. Retail fees are dominated by water and sewer fees (40.8 percent) as well as Regional Transportation Fees (21.4 percent). Fees for industrial buildings, which are typically less intensive water users, are lower overall and more dominated on a proportionate basis by Other City fees (33.2 percent) and Regional Transportation Fees (24.2 percent). Office fees reflect a different pattern with substantial Water and Sewer Fees at 48 percent followed by Other City fees at 26.2 percent (see **Table 5** and **Figure 5**).

Table 5 Average Development Impact Fee Costs by Category in WRCOG Region

Fee	Single Family (per Unit)	Multifamily (per Unit)	Industrial (per Sq.Ft)	Retail (per Sq.Ft)	Office (per Sq.Ft)
Regional Transportation Fees	\$10,104	\$6,580	\$1.57	\$5.40	\$2.45
Water and Sewer Fees	\$20,772	\$10,012	\$0.99	\$10.31	\$8.19
Other City Fees	\$12,075	\$8,608	\$2.15	\$6.66	\$4.47
School Fees	\$9,275	\$5,480	\$0.66	\$0.66	\$0.66
Other Area/Regional Fees	<u>\$4,853</u>	<u>\$1,418</u>	<u>\$1.11</u>	<u>\$2.23</u>	<u>\$1.27</u>
Total Fees	\$57,078	\$32,099	\$6.48	\$25.27	\$17.04

Figure 5 Average Development Impact Fee Costs in WRCOG Jurisdictions

Unincorporated jurisdictions have slightly lower total fees as compared to the average for all WRCOG study jurisdictions. For single-family and multifamily residential uses, total fees for the unincorporated study areas were 85 percent and 95 percent, respectively, of the WRCOG average total fee amount for residential uses, as shown in **Table 6**. For nonresidential uses, total fees for unincorporated study areas were between 67 and 73 percent of the WRCOG average for nonresidential uses. Across land use types, this difference can be primarily attributed to fewer fees in the Other City Fees category.

Table 6 Unincorporated Jurisdictions/March JPA and Total Jurisdictions Comparisons

Item	Single Family (per Unit)	Multifamily (per Unit)	Industrial (per Sq.Ft)	Retail (per Sq.Ft)	Office (per Sq.Ft)
Unincorporated Jurisdictions and March JPA	\$48,672	\$30,341	\$4.37	\$17.61	\$12.49
Total Jursidictions	\$57,078	\$32,099	\$6.48	\$25.27	\$17.04
Unincorporated Jurisdictions and March JPA / Total Jurisdiction	85%	95%	67%	70%	73%

Fee Level Changes since 2018-19 Study

Table 7 through **Table 11** provide additional detail on the changes in fee levels by fee category.

Table 7 Single Family 2018-2022 Fee Comparison

Single Family	Average Fee Per Dwelling Unit			
	2018	2022	\$ Change	% Change
Regional Transportation Fees	\$8,873	\$10,104	\$1,231.00	13.9%
Water and Sewer Fees	\$17,070	\$20,772	\$3,702	21.7%
Other City Fees	\$10,055	\$12,075	\$2,020	20.1%
School Fees	\$8,785	\$9,275	\$489	5.6%
Other Area/Regional Fees	\$2,686	\$4,853	\$2,167	80.7%
Total Fees	\$47,470	\$57,078	\$9,609	20.2%

Table 8 Multifamily 2018-2022 Fee Comparison

Multifamily	Average Fee Per Dwelling Unit			
	2018	2022	\$ Change	% Change
Regional Transportation Fees	\$6,134	\$6,580	\$446	7.3%
Water and Sewer Fees	\$9,636	\$10,012	\$376	3.9%
Other City Fees	\$7,231	\$8,608	\$1,377	19.0%
School Fees	\$5,191	\$5,480	\$289	5.6%
Other Area/Regional Fees	\$1,512	\$1,418	-\$94	-6.2%
Total Fees	\$29,706	\$32,099	\$2,393	8.1%

Table 9 Retail 2018-2022 Fee Comparison

Retail	Average Fee Per Square Foot			
	2018	2022	\$ Change	% Change
Regional Transportation Fees	\$7.50	\$5.40	-\$2.10	-27.9%
Water and Sewer Fees	\$9.84	\$10.31	\$0.47	4.8%
Other City Fees	\$4.75	\$6.66	\$1.91	40.3%
School Fees	\$0.59	\$0.66	\$0.07	11.7%
Other Area/Regional Fees	\$0.95	\$2.23	\$1.28	135.7%
Total Fees	\$23.63	\$25.27	\$1.64	6.9%

Table 10 Office 2018-2022 Fee Comparison

Office	Average Fee Per Square Foot			
	2018	2022	\$ Change	% Change
Regional Transportation Fees	\$2.19	\$2.45	\$0.26	11.9%
Water and Sewer Fees	\$7.34	\$8.19	\$0.84	11.5%
Other City Fees	\$3.39	\$4.47	\$1.07	31.6%
School Fees	\$0.59	\$0.66	\$0.07	11.7%
Other Area/Regional Fees	\$0.54	\$1.27	\$0.73	135.8%
Total Fees	\$14.06	\$17.04	\$2.98	21.2%

Table 11 Industrial 2018-2022 Fee Comparison

Industrial	Average Fee Per Square Foot			
	2018	2022	\$ Change	% Change
Regional Transportation Fees	\$1.45	\$1.57	\$0.11	7.9%
Water and Sewer Fees	\$1.04	\$0.99	-\$0.05	-4.7%
Other City Fees	\$1.65	\$2.15	\$0.50	30.1%
School Fees	\$0.59	\$0.66	\$0.07	11.7%
Other Area/Regional Fees	\$0.47	\$1.11	\$0.64	137.1%
Total Fees	\$5.20	\$6.48	\$1.27	24.5%

Findings from Fee Comparison with Non-WRCOG Jurisdictions

Figure 6 through **Figure 9** compare the average overall WRCOG development impact fees (and their proportionate distributions between the five major fee categories) with other cities/groups of cities for all five land uses/development prototypes studied. The comparative cities/subregions include selected jurisdictions in the Coachella Valley and San Bernardino County.

Average development impact fees for WRCOG jurisdictions are equal to or somewhat higher than the average of selected San Bernardino County cities. When compared with the average of selected San Bernardino County cities (Fontana, Yucaipa, San Bernardino, Ontario, Chino, and Rialto), the WRCOG average is higher for all land uses, and roughly equivalent for multifamily and industrial. New development in San Bernardino County cities is required to make payments towards regional transportation infrastructure, though the distinction between the regional and local transportation fees is often unclear. Overall, the combination of Regional Transportation Fees, Other City fees, and Area/Other Regional fees is lower in San Bernardino County than in Riverside County for all land uses.

The average development impact fees for selected Coachella Valley cities are lower than the WRCOG averages for all land uses. The average for selected Coachella Valley cities (Indio, Palm Desert, and Palm Springs) is substantially lower for single-family, multifamily, office, and retail development, and modestly lower industrial development. In the case of residential uses, this is primarily due to lower Regional Transportation Fees and Other City Fees. For nonresidential uses, this is more generally attributable to lower Water and Sewer Fees and lower Other Area/Regional Fees.

Figure 6 Average Single-Family Development Impact Fee Costs and Proportions in Neighboring Jurisdictions

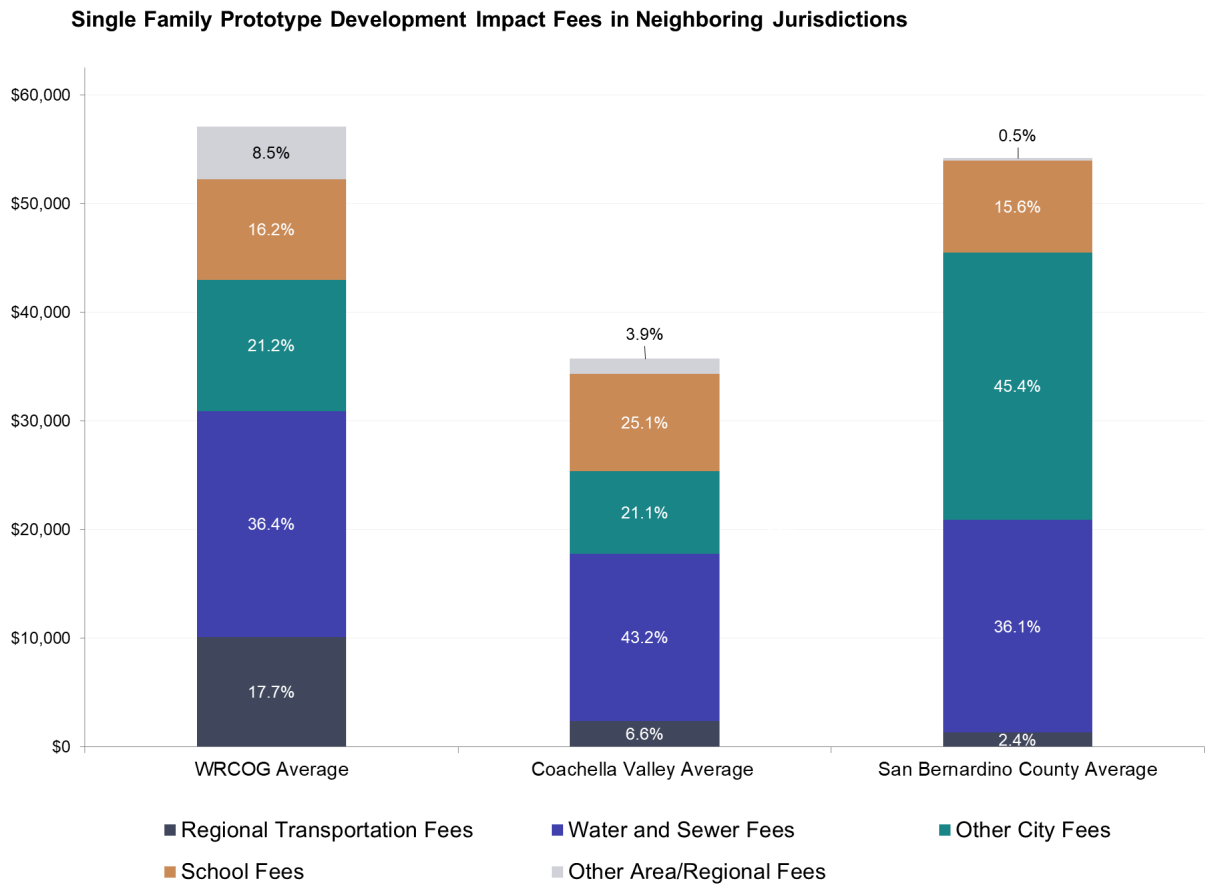


Figure 7 Average Multifamily Development Impact Fee Costs and Proportions in Neighboring Jurisdictions

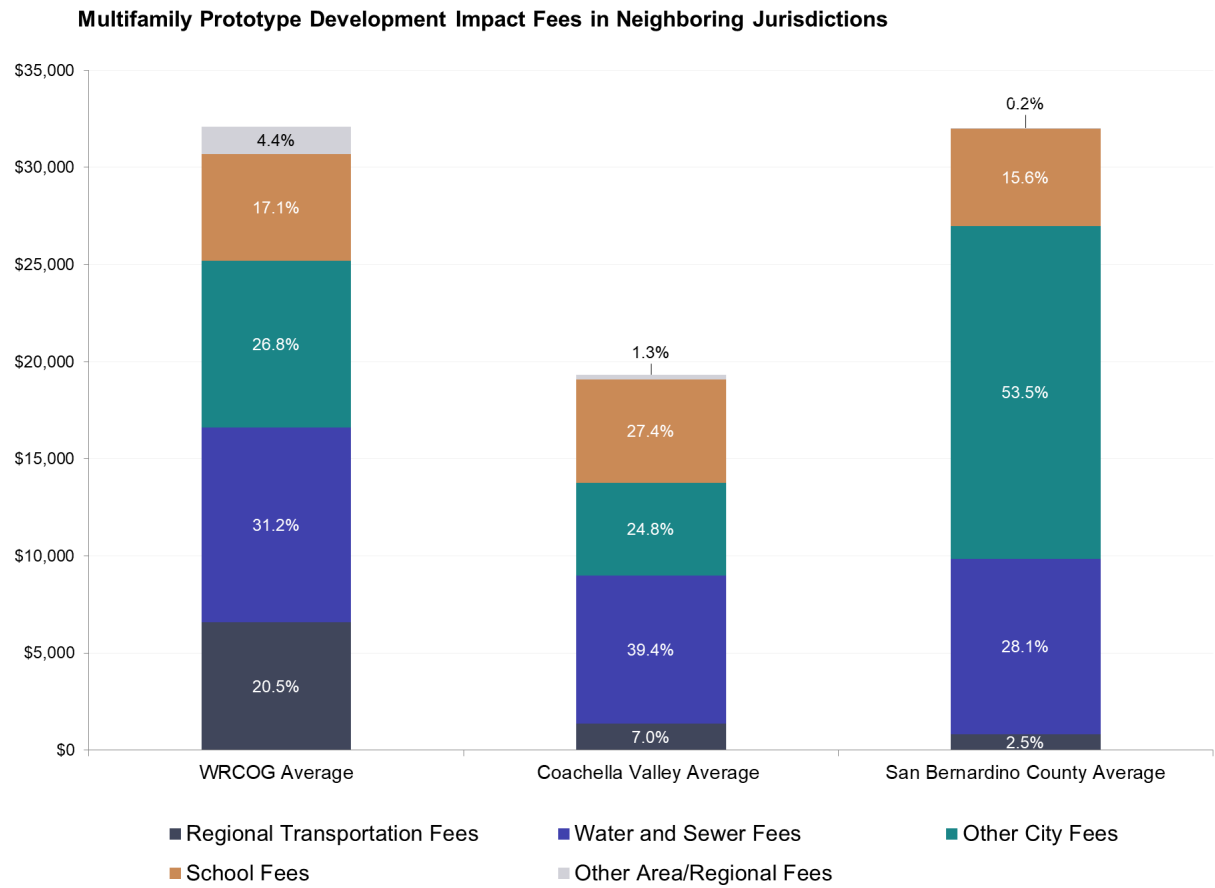


Figure 8 Average Retail Development Impact Fee Costs and Proportions in Neighboring Jurisdictions

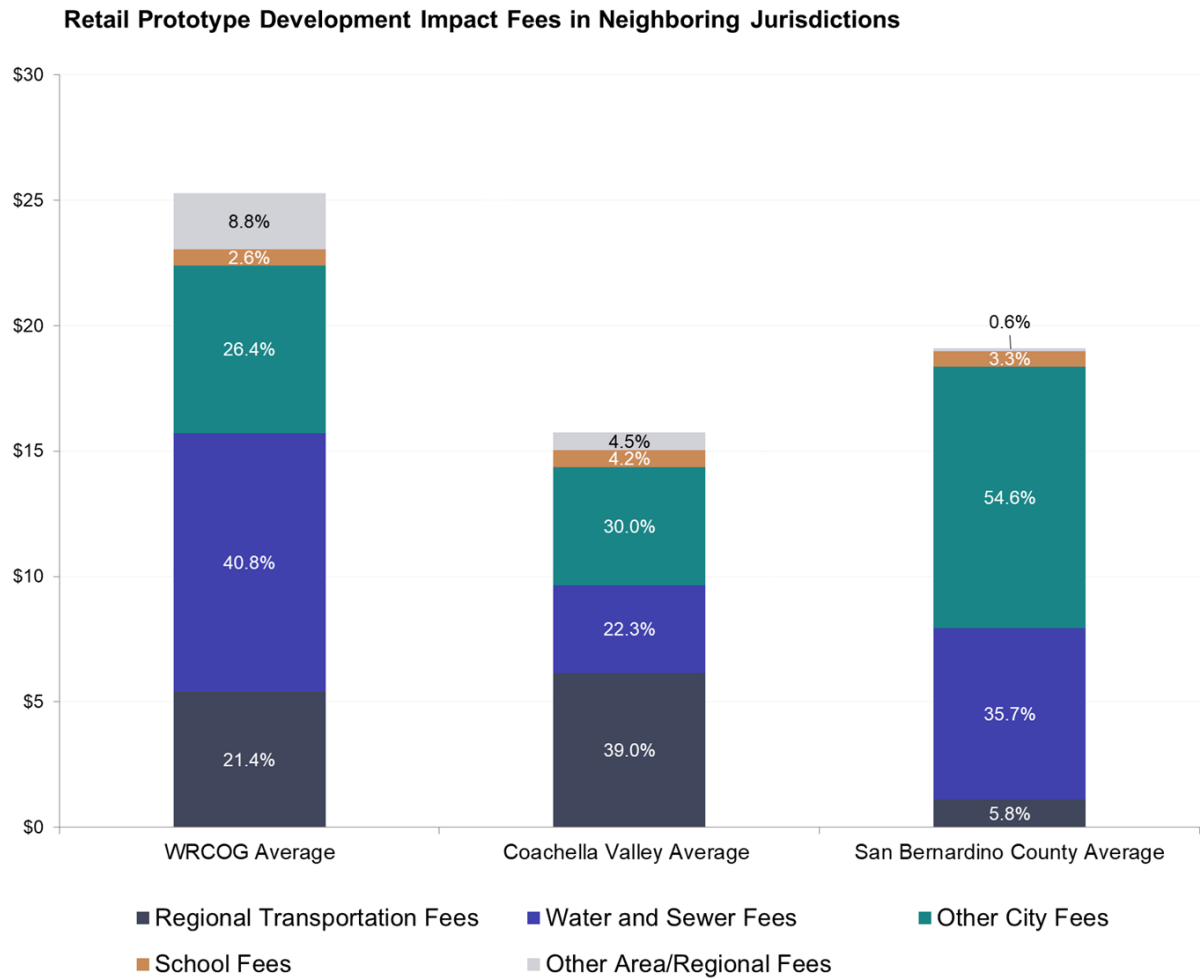


Figure 9 Average Office Development Impact Fee Costs and Proportions in Neighboring Jurisdictions

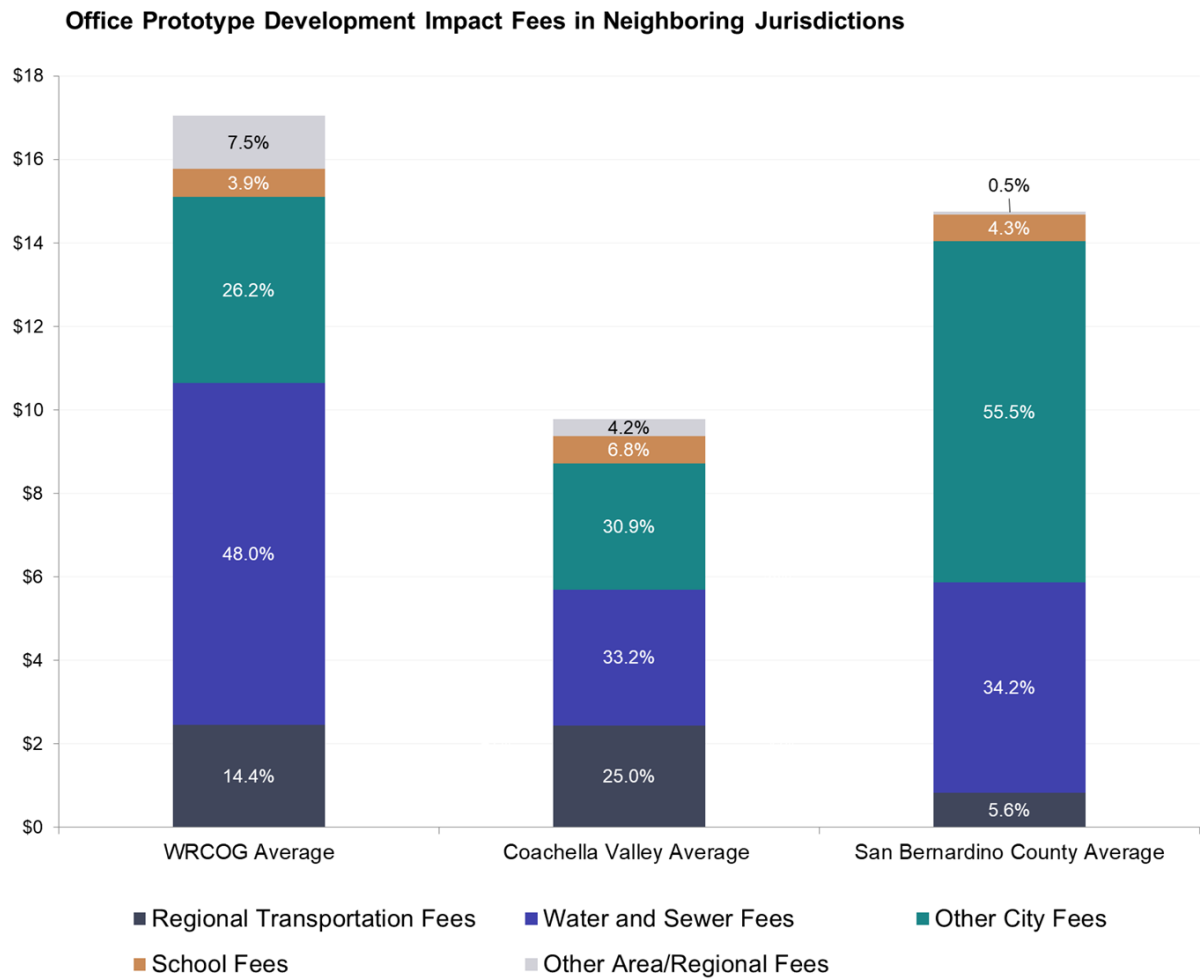
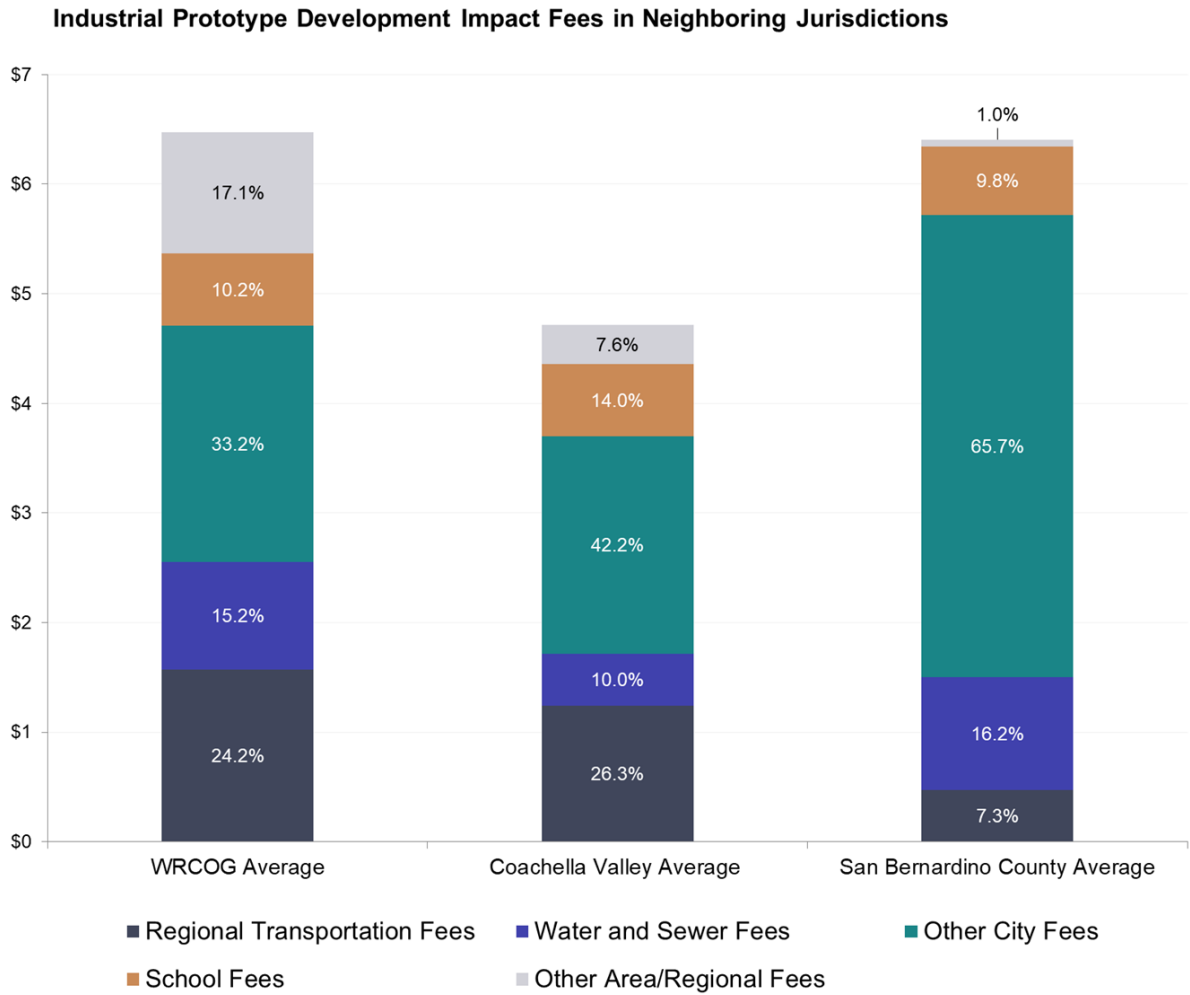


Figure 10 Average Industrial Development Impact Fee Costs and Proportions in Neighboring Jurisdictions



3. Development Impact Fees and Development Costs

This chapter evaluates development impact fees, including the TUMF, in Western Riverside County in the context of overall development costs. The first section below provides an overview of the complex factors that influence decisions to develop, one of which is development cost. The subsequent section describes the methodology used to estimate development costs for different land use types. The next section provides conclusions concerning the level of fees and TUMF in the context of overall costs.

It is critical to note that this analysis uses generalized development prototypes and development cost and return estimates to draw overall conclusions about development impact fees relative to development costs. This analysis does not represent a project-specific analysis as the development program, development costs, and returns associated with any individual project can vary widely. No conclusions concerning the feasibility of any specific project should be drawn from this analysis.

Economics of Development

Key Factors in New Development

The drivers of growth and development are complex and multifaceted, and market conditions influenced by broader global, national, and regional economic conditions are typically the strongest factor. Though regional and local policies (including the choice of whether and how much to charge in impact fees) will not be sufficient to attract or capture development when market conditions are poor, they can influence the feasibility and pace of development during more moderate or strong market conditions. Market strength is typically reflected by the price point or lease rate that users/homeowners/renters are willing to pay.

Developers (whether looking to do speculative development or to provide build-to-suit developments for larger users) will review a number of conditions before determining whether to move forward with site acquisition/optioning and pre-development activities. Factors will include: (1) the availability of appropriate sites, (2) the availability of/proximity to/quality of infrastructure/facilities (e.g., proximity to transportation corridors, schools, and other amenities), (3) local market strength (achievable sales prices/lease rates) in the context of competitive supply, (4) expected development costs (including land acquisition costs, construction materials and labor costs, the availability and costs of financing, and development impact fees, among others), and, (5) where sites are unentitled, the entitlement risk.

When the strength of market demand for new residential and nonresidential development is sufficient, it typically spurs more detailed review and evaluation of sites by developers. Even in cases where market factors look strong, there is a complex balance between development revenues, development costs, land costs, and required developer returns that must be achieved

to catalyze new development. Modest fluctuations in development revenues (i.e., market prices), development costs (materials, labor costs, etc.), and landowner expectations (perceived value of land) can all affect development decisions as can assessments of entitlement risk and complexity, where entitlements are still required.

While many of these factors, such as the price of steel, the complexities of CEQA, the market for labor, and land values, are outside of the control of local public agencies, development impact fees represent one factor that can be adjusted at the local level. That said, given limited sources of revenue for local jurisdictions, there are policy tradeoffs to not charging development impact fees, especially as they can have long-term influence on other factors that influence market demand, including local infrastructure/amenities, transportation connections to job centers, and school district quality.

Methodology

Every development project is different and will have different development costs. For the purposes of this analysis, EPS considered the same set of land use prototypes as for the fee review and comparison and developed an illustrative estimate of the full set of development costs. The steps taken in developing the development cost estimates are described in the subsections below.

Land Uses Evaluated

The development cost evaluation was completed for the same development prototypes as used in the estimation of development impact fees described in **Chapter 2**:

- Residential Single-family Development – Single-family homes in a 50-unit subdivision
- Residential Multifamily Development – Multifamily apartments in a 200-unit building
- Industrial Development – Industrial space in a 265,000 square foot “high cube” building
- Office Development – Office space in a 20,000 square foot office building
- Retail Development – Retail space in a 10,000 square foot retail building

Development Cost Estimates

An illustrative static pro forma structure was developed. The pro forma incorporated different categories of development costs (see below). It also considered potential land values/acquisition costs based on a residual land value approach that considered potential development values, subtracted direct and indirect development costs and developer return requirements, and indicated a potential residual land value. The development values were refined based on available market data ranges and the need to generate a land value of an appropriate level to support land acquisition and new development. Available information on land transactions was also reviewed. As noted above, this analysis is designed to provide overall insights on general economic relationships and does not draw conclusions concerning the feasibility of individual projects.

It is also important to note that the pro formas developed were specifically configured to represent a potentially feasible set of relationships, in terms of revenues, costs, and returns. This allows for consideration of development impact fees in the context of illustrative projects that would make sense to undertake. To the extent, development costs/returns are higher than those indicated – a reality which could certainly be true for many projects – development values would need to be higher or feasibility is not likely to be attained. To the extent, this is true, development impact fees as a proportion of development costs/returns would be lower than those shown.

In this study, major cost categories were revised from the 2018-19 Study, including direct construction costs, land costs, and development impact fees.

- **Direct Construction Costs** – Site Work/Improvements and Vertical Construction Costs. Estimates were taken from Marshal & Swift (a construction cost data provider) estimates, available pro formas, and information from developers where available.
- **Indirect Costs** – Architecture and Engineering Costs, Sales and Marketing, Financing, Development Impact Fee, and other soft costs. Estimates were taken from Marshal & Swift, the WRCOG Fee Comparison, available pro formas, and information from developers where available.
- **Developer Return Requirements** – Developer return requirements were set to be equal to between 9 and 10 percent of development value for all land uses. This represented between 10 and 20 percent of direct and indirect construction costs consistent with typical developer hurdle returns.
- **Land Costs** – Land costs were based on the estimated residual land values when costs and returns were subtracted from estimates of development value and/or information on actual land transactions. Land costs as a percent of development value were reviewed to make sure they fell within a viable range.

Results

As context for the description of the results of this analysis, it is worth repeating that there will be considerable variation throughout Western Riverside County in terms of different development cost components and overall development costs. On an average/illustrative basis, overall development costs included in this analysis may be conservative as they do not include union labor costs and may be conservative with regard to entitlement costs. Given that the focus of this analysis is on the relationship between development impact fees and total development costs, an underestimate in total development costs would mean that the proportionate significance of impact fees has been overestimated.

It is again important to note that the analysis shown here is not an evaluation of development feasibility. Such an analysis would require a more-location specific analysis and is highly dependent on site characteristics, local market conditions, and site land values, among other factors.

Table 12 summarizes the estimated development costs/returns on a per residential unit and per Nonresidential building square foot basis. **Table 13** converts the cost estimates into percent allocations out of the total development/return. It should be noted that the total cost/return (equivalent to the 100 percent) equals the sum of direct and indirect costs, estimated land costs, and required development return. This total cost/return is equivalent to the sales prices/capitalized building value a developer would need to command to cover all costs/return requirements. To the extent, actual costs are higher (e.g., higher land costs or construction costs), the achievable sales prices/capitalized lease rates would also need to be higher.

Table 12 Average Development Cost and Return Estimates by Development Prototype

Development Costs, Land Values, and Return	Single Family (per Unit)	Multifamily (per Unit)	Industrial (per Sq.Ft)	Retail (per Sq.Ft)	Office (per Sq.Ft)
<u>DIRECT</u>					
Basic Site Work/ Lot Improvement	\$30,000	\$9,257	\$11.50	\$25.00	\$14.29
Direct Construction Cost	<u>\$302,400</u>	<u>\$220,350</u>	<u>\$80.00</u>	<u>\$158.00</u>	<u>\$203.00</u>
Hard Cost Total	\$332,400	\$229,607	\$91.50	\$183.00	\$217.29
<u>INDIRECT</u>					
TUMF	\$10,104	\$6,580	\$1.57	\$5.40	\$2.45
Other Development Impact Fees	\$46,974	\$25,519	\$4.91	\$19.87	\$14.59
Other Soft Costs	<u>\$74,420</u>	<u>\$53,791</u>	<u>\$18.30</u>	<u>\$35.46</u>	<u>\$44.34</u>
Soft Cost Total	\$131,498	\$85,890	\$24.78	\$60.73	\$61.38
Total Direct and Indirect Costs:	\$463,898	\$315,497	\$116.28	\$243.73	\$278.66
Developer Return Requirement	\$63,800	\$40,863	\$15.00	\$34.61	\$38.18
Land Value	\$110,302	\$52,269	\$33.80	\$95.93	\$45.70
TOTAL COST/RETURN	\$638,000	\$408,629	\$165.08	\$374.27	\$362.54

* Assumes generally feasible market conditions (i.e. ability to generate developer return and positive land value).

Table 13 Proportional Development Costs and Returns by Development Prototype

Development Costs, Land Values, and Return	Single Family	Multifamily	Industrial	Retail	Office
<u>DIRECT</u>					
Basic Site Work/ Lot Improvement	4.7%	2.3%	7.0%	6.7%	3.9%
Direct Construction Cost	<u>47.4%</u>	<u>53.9%</u>	<u>48.5%</u>	<u>42.2%</u>	<u>56.0%</u>
Hard Cost Total	52.1%	56.2%	55.4%	48.9%	59.9%
<u>INDIRECT</u>					
TUMF	1.6%	1.6%	1.0%	1.4%	0.7%
Other Development Impact Fees	7.4%	6.2%	3.0%	5.3%	4.0%
Other Soft Costs	<u>11.7%</u>	<u>13.2%</u>	<u>11.1%</u>	<u>9.5%</u>	<u>12.2%</u>
Soft Cost Total	20.6%	21.0%	15.0%	16.2%	16.9%
Total Direct and Indirect Cost:	72.7%	77.2%	70.4%	65.1%	76.9%
Developer Return Requirement	10.0%	10.0%	9.1%	9.2%	10.5%
Land Value	17.3%	12.8%	20.5%	25.6%	12.6%
TOTAL COST/RETURN (%)	100.0%	100.0%	100.0%	100.0%	100.0%

* Assumes generally feasible market conditions (i.e. ability to generate developer return and positive land value).

Key findings include:

- **Direct construction costs represent the largest proportion of total development costs/returns, typically followed by other land costs, other soft costs (collectively), developer returns, and development impact fees.** Unsurprisingly, direct construction costs are the largest cost, representing between 42.2 percent and 56 percent of total costs/returns for the prototypes evaluated. Land costs are likely to be most variable, and depending on circumstance, range from 12.6 percent to 25.6 percent for the prototypes. Other soft costs collectively are the next highest component, though their subcomponents (not shown), such as sales and marketing, architecture and engineering, financing costs, are smaller. The expected hurdle developer return at 9 to 10 percent is the next highest factor. The range for total development impact fees is below all these other ranges, though when indirect costs are considered individually development impact fees are larger than other subcomponents.
- **Total development impact fees represent between 4 percent and 8.9 percent of total development costs/returns for the prototype feasible projects.** Total development impact fees represent 8.9 percent and 7.9 percent of total development costs/returns respectively for single-family and multifamily developments, respectively. As discussed in Chapter 2, these capital facilities fees included water and sewer fees, school district fees, other local jurisdiction fees, TUMF, and other agency/subarea fees. As is common, nonresidential development impact fees are lower as a percent though show a

significant range from 4 percent for industrial development, to 4.7 percent for office development, to 6.8 percent for retail development. Since the 2018-19 Study, the percent of costs that the development impact fees represent has seen a minimal change. The largest change was seen in the proportion of fees on multifamily projects, which decreased by 1 percentage point.

- **TUMF represent between 0.7 percent and 1.6 percent of total development costs/returns for the prototype feasible projects.** As a proportion of overall development costs, TUMF represent 1.6 percent total residential development costs for both single-family and multifamily. For nonresidential uses there is greater variation with TUMF representing 0.7 percent of total costs for office development, 1 percent of total costs for industrial development, and 1.4 percent of total costs for retail development. TUMF represent between 14.4 percent and 24.2 percent of total development impact fees, on average, as indicated in the Fee Comparison with the highest ratios for industrial development and lowest for office development.

4. Conclusions

The Western Riverside Council of Governments (WRCOG) commissioned this and prior studies to provide increased regional understanding of development impact fees on new development in Western Riverside County. It is common practice for new and updated Development Impact Fee Nexus Studies to be accompanied by some consideration of impact fees in neighboring and peer communities and, less frequently, by consideration of impact fees in the context of overall development costs and economics. This is true where individual jurisdictions are introducing/updating a single development impact fee category (e.g. transportation or parks) as well as when undertaking a more comprehensive update to multiple fee categories.

Following the first study in 2016, WRCOG recommended that this report and study be updated periodically to ensure the regional understanding of the region's impact fees remains current in the context of: (1) frequent adjustments to fee levels by individual jurisdictions, (2) changing development cost and economic conditions, and (3) less frequent, but highly significant changes in State law that affect the use and availability of other public financing tools.

The development of this updated study follows that recommendation and represents the second effort to bring the original study up to date.

APPENDIX A: Development Prototypes



Single Family Prototype

- Reflects median home size for Western Riverside County home sales since 2014

Product Type:	Single Family Detached Unit
Development Type:	Residential Subdivision
No. of Acres:	10 Acres
No. of Units:	50 Units
Building Sq.Ft.	2,700 Sq.Ft.
No. of Bedrooms:	4
No. of Bathrooms:	3
Garage Space (Sq.Ft.):	500 Sq.Ft.
Habitable Space (Sq.Ft.):	2,200 Sq.Ft.
Lot Size:	7,200 Sq.Ft.
Density:	5 DU/AC
Lot Width:	60 Ft.
Lot Depth:	120 Ft.
Total Lot Dimensions (Sq.Ft.):	7,200 Sq.Ft.
Water Meter Size	One 1 Inch Meter



Example Prototype Home, City of Riverside

Multi-Family Prototype

- Reflects median building size for multi-family developments since 2010



Example Prototype Multi-Family Development, City of Temecula

Product Type:	Multi Family Apartment Unit
Development Type:	Multi Family Apartment Building
Number of Acres:	10 Acres
Apartment Building Square Feet:	260,000 Sq.Ft.
FAR:	0.60
Number of Stories:	3
Dwelling Units:	200
Density:	20.0 DU/AC
Average Unit Size:	1,100
Water Meter Sizes*:	Eight 2 inch Meters
Roof Area:	86,667 Sq.Ft.
Lot Width:	515.0 Ft.
Lot Depth:	846.6 Ft.

*Note: Assumption is for analytical simplicity. Different assumptions are used where recommended by individual jurisdictions.

Industrial Prototype

- Reflects median building size for industrial developments since 2010

Product Type:	Warehouse/ Distribution
Criteria:	Meets criteria for High-Cube
No. of Acres:	15.2 Acres
Rentable Square Feet:	265,000 Sq.Ft.
FAR:	0.4
Water Meter Sizes:	One 2 Inch Meter
Roof Area:	265,000 Sq.Ft.
Lot Width:	813.7 Ft.
Lot Depth:	813.7 Ft.



Example Prototype Industrial Development, City of Perris

Retail Prototype

- Reflects building size for retail developments since 2010



Example Prototype Retail Development, City of Hemet

Product Type:	Retail Building
No. of Acres:	1.15 Acres
Rentable Square Feet:	10,000 Sq.Ft.
FAR:	0.2
No. of Stories:	1
Water Meter Sizes:	One 2 Inch Meter
Roof Area:	10,000 Sq.Ft.
Lot Width:	223.6 Ft.
Lot Depth:	223.6 Ft.

Office Prototype

- Reflects median building size for office developments since 2010

Product Type:	Office Building
Number of Acres:	1.3 Acres
Rentable Square Feet:	20,000 Sq.Ft.
FAR:	0.35
No. of Stories:	2
Water Meter Sizes:	One 2 Inch Meter
Roof Area:	10,000 Sq.Ft.
Lot Width:	239.0 Ft.
Lot Depth:	239.0 Ft.



Example Prototype Office Development, City of Hemet

APPENDIX B:

Location & Service Provider Assumptions



Study Location and Service Provider Assumptions

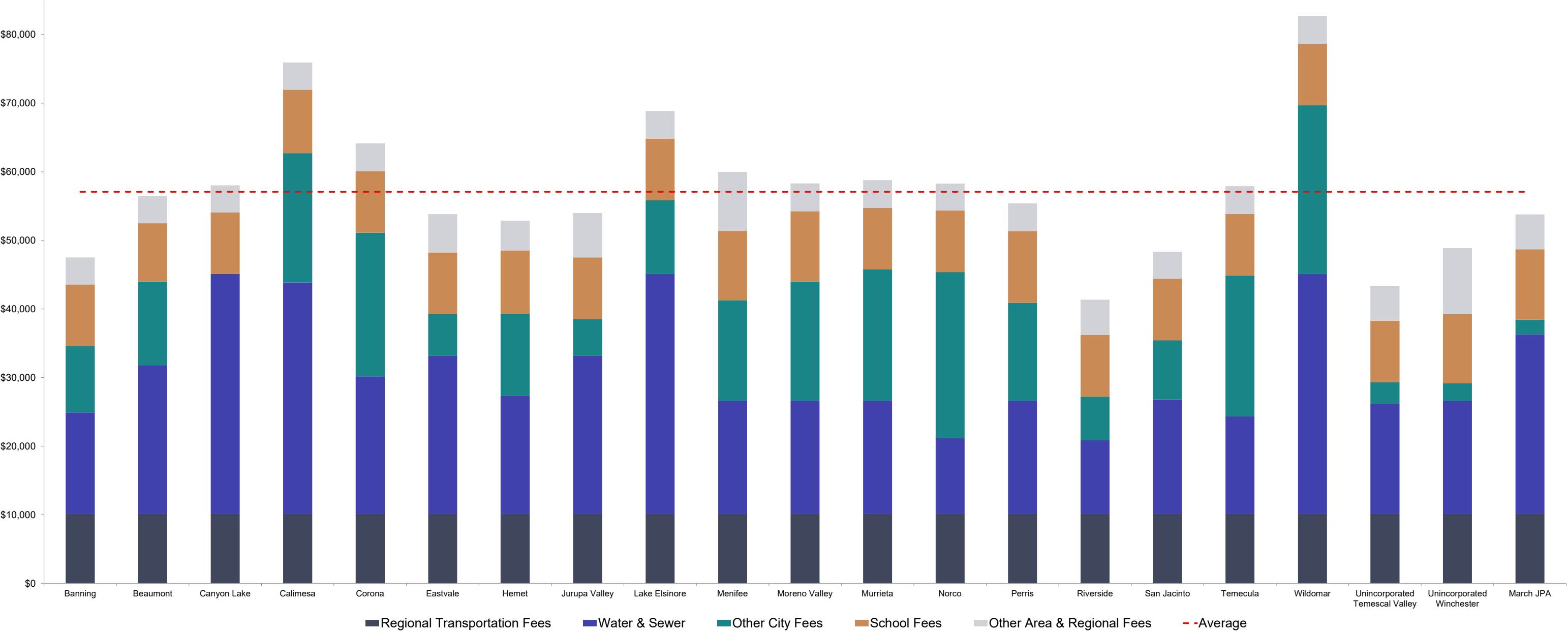
City / Location	School District	Water District	Sewer District
<u>Western Riverside Council of Governments</u>			
1 Banning	Banning Unified School District	City of Banning	City of Banning
2 Beaumont	Beaumont Unified School District	Beaumont-Cherry Valley Water District	City of Beaumont Sewer & Refuse Service
3 Calimesa	Yucaipa- Calimesa Joint Unified School District	Yucaipa Valley Water District	Yucaipa Valley Water District
4 Canyon Lake	Lake Elsinore Unified School District	Elsinore Valley Municipal Water District	Elsinore Valley Municipal Water District
5 Corona	Corona-Norco Unified School District	City of Corona	City of Corona
6 Eastvale	Corona-Norco Unified School District	Jurupa Community Services District (JCSD)	Jurupa Community Services District (JCSD)
7 Hemet	Hemet Unified School District	Eastern Municipal Water District (EMWD)	Eastern Municipal Water District (EMWD)
8 Jurupa Valley	Jurupa Unified School District	Jurupa Community Services District (JCSD)	Jurupa Community Services District (JCSD)
9 Lake Elsinore	Lake Elsinore Unified School District	Elsinore Valley Municipal Water District	Elsinore Valley Municipal Water District
10 Menifee	Menifee Union (Elementary) & Perris Union (High)	Eastern Municipal Water District (EMWD)	Eastern Municipal Water District (EMWD)
11 Moreno Valley	Moreno Valley Unified School District	Eastern Municipal Water District (EMWD)	Eastern Municipal Water District (EMWD)
12 Murrieta	Murrieta Valley Unified School District	Eastern Municipal Water District (EMWD)	Eastern Municipal Water District (EMWD)
13 Norco	Corona-Norco Unified School District	City of Norco	City of Norco
14 Perris	Perris Union High & Perris Union Elementary	Eastern Municipal Water District (EMWD)	Eastern Municipal Water District
15 Riverside	Riverside Unified School District	City of Riverside	City of Riverside
16 San Jacinto	San Jacinto Unified School District	Eastern Municipal Water District	Eastern Municipal Water District (EMWD)
17 Temecula	Temecula Valley Unified School District	Rancho California Water District	Eastern Municipal Water District (EMWD)
18 Wildomar	Lake Elsinore Unified School District	Elsinore Valley Municipal Water District	Elsinore Valley Municipal Water District
19 Unincorporated Temescal Valley	Corona-Norco Unified School District	Temescal Valley Water District	Temescal Valley Water District
20 Unincorporated Winchester	Menifee Union (Elementary) & Perris Union (High)	Eastern Municipal Water District (EMWD)	Eastern Municipal Water District (EMWD)
21 March JPA	Moreno Valley Unified School District	Western Municipal Water District (WMWD)	Western Municipal Water District (WMWD)
<u>San Bernardino County</u>			
1 Fontana	Fontana unified School District	Fontana Water Company	City of Fontana
2 Yucaipa	Yucaipa- Calimesa Joint Unified School District	Yucaipa Valley Water District	Yucaipa Valley Water District
3 San Bernardino	San Bernadino City Unified School District	East Valley Water District	San Bernardino Municipal Water Department
4 Ontario	Ontario-Montclier School District	Inland Empire Utilities Agency	Inland Empire Utilities Agency (formerly Ontario Municipal Utilities Company)
5 Chino	Chino Valley Unified School District	Inland Empire Utilities Agency	Inland Empire Utilities Agency (formerly City of Chino Public Works Department)
6 Rialto	Rialto Unified School District	Rialto Water Services	Rialto Water Services
<u>Coachella Valley Association of Governments</u>			
1 Indio	Desert Sands Unified School District	Indio Water Authority	Valley Sanitary District
2 Palm Desert	Desert Sands Unified School District	Coachella Valley Water District	Coachella Valley Water District
3 Palm Spring	Palm Springs Unified School District	Desert Water Agency	Desert Water Agency

APPENDIX C:

Development Impact Fee Comparison by WRCOG Jurisdictions

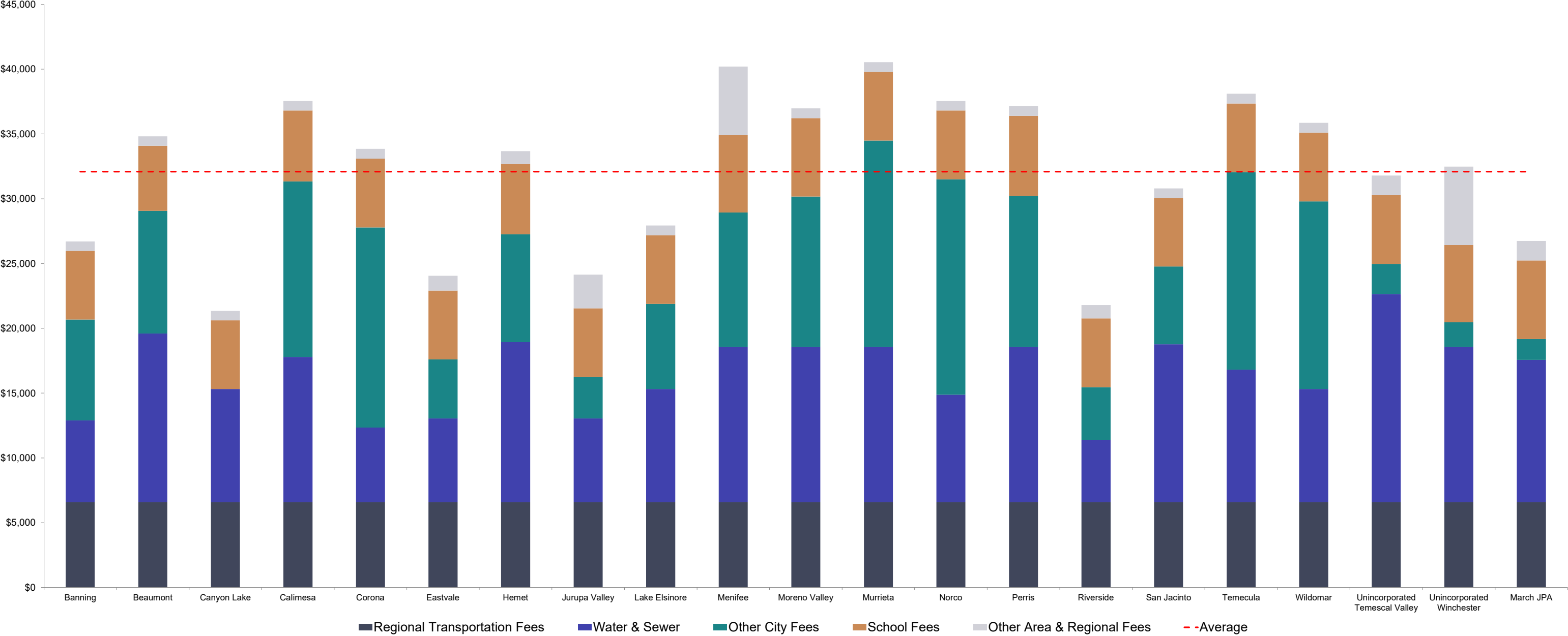


Single Family Prototype
Development Fees by Jurisdiction (Per Unit)



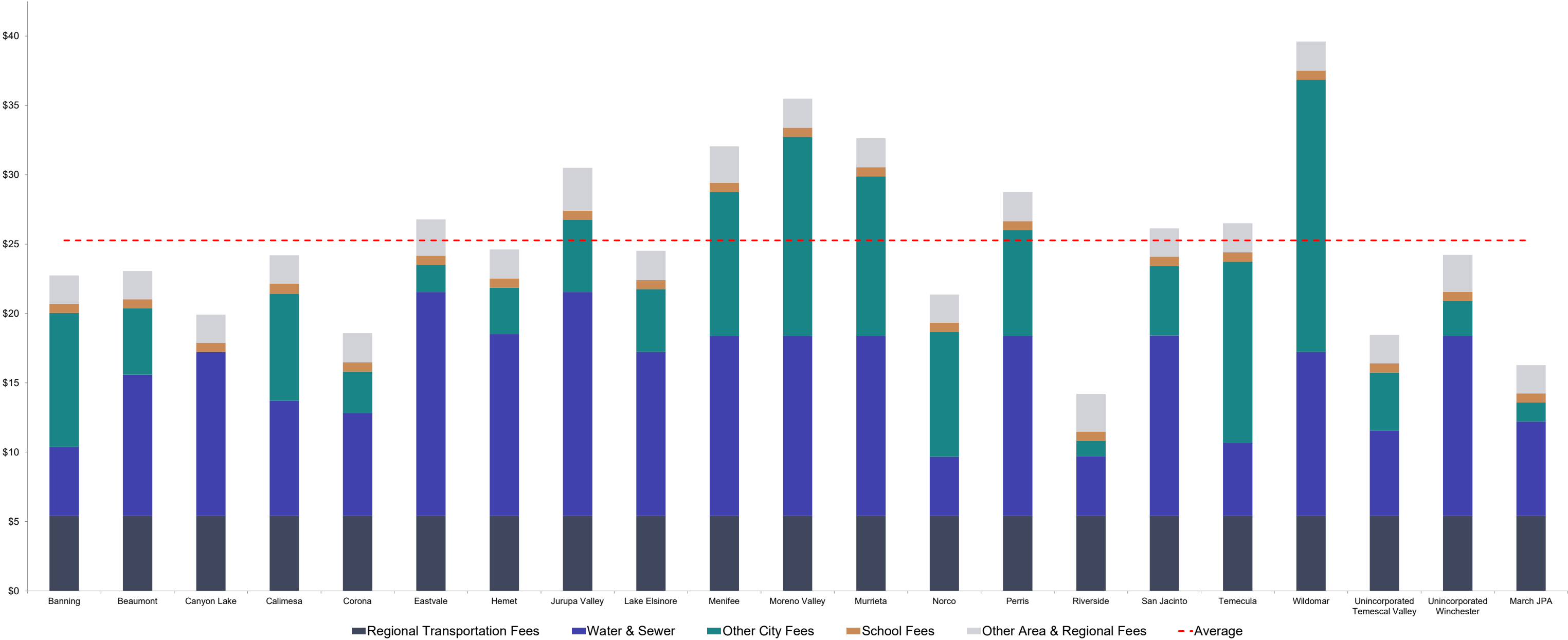
Fee estimates for specified development prototypes as of 2022. Actual fees will vary based on project specifics and any fee updates.
"Other Area Fees/ Regional Fees" include, but are not limited to, roads and bridges, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Multifamily Prototype
Development Fees by Jurisdiction (Per Unit)



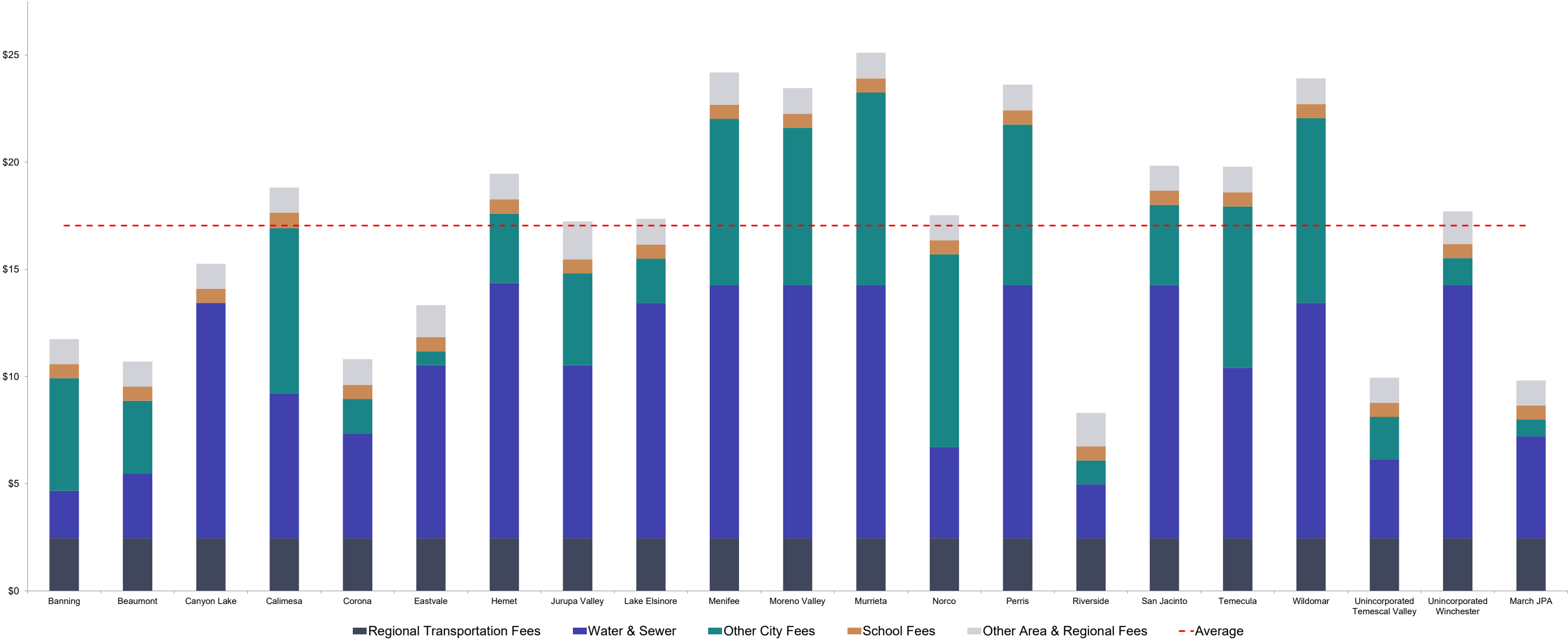
Fee estimates for specified development prototypes as of 2022. Actual fees will vary based on project specifics and any fee updates.
"Other Area Fees/ Regional Fees" include, but are not limited to, roads and bridges, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Retail Prototype
Development Fees by Jurisdiction (Per Square Foot)



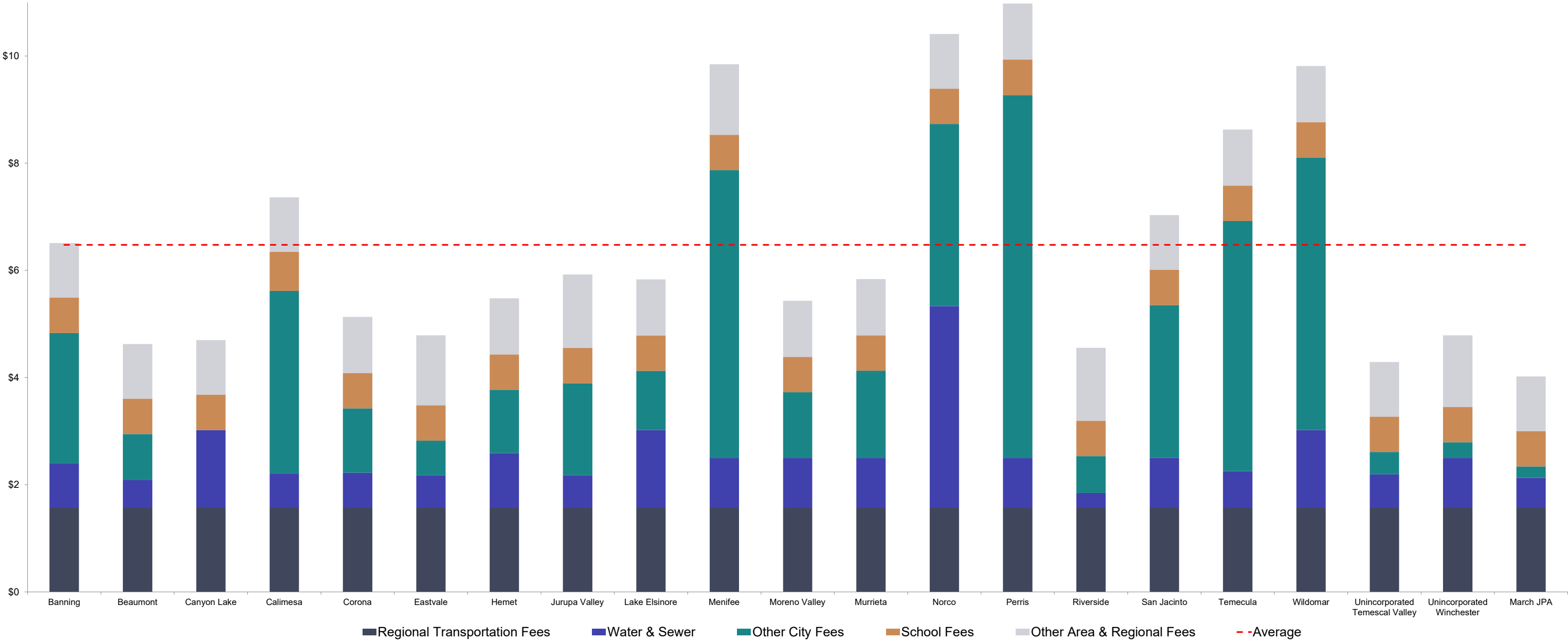
Fee estimates for specified development prototypes as of 2022. Actual fees will vary based on project specifics and any fee updates.
"Other Area Fees/ Regional Fees" include, but are not limited to, roads and bridges, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Office Prototype
Development Fees by Jurisdiction (Per Square Foot)



Fee estimates for specified development prototypes as of 2022. Actual fees will vary based on project specifics and any fee updates.
"Other Area Fees/ Regional Fees" include, but are not limited to, roads and bridges, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Industrial Prototype
Development Fees by Jurisdiction (Per Square Foot)



Fee estimates for specified development prototypes as of 2022. Actual fees will vary based on project specifics and any fee updates.
"Other Area Fees/ Regional Fees" include, but are not limited to, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.



Western Riverside Council of Governments WRCOG Executive Committee

Staff Report

Subject: Approval of Third Amendment to the Professional Services Agreement with PFM Financial Advisors

Contact: Daniel Soltero, Program Manager, dsoltero@wrcog.us, (951) 405-6738

Date: May 1, 2023

Requested Action(s):

1. Authorize the Executive Director to enter into a Third Amendment to the Professional Services Agreement between WRCOG and PFM Financial Advisors, LLC, to extend the term of the Agreement to June 30, 2024.

Purpose:

The purpose of this item is to receive authorization for the Executive Director to execute a Third Amendment to the Professional Services Agreement with PFM Financial Advisors, LLC.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #5 - Develop projects and programs that improve infrastructure and sustainable development in our subregion.

Background:

WRCOG regularly contracts with and utilizes a variety of consultants that provide services to support, manage, and implement its programs, projects, and operations. On July 1, 2019, WRCOG entered into a three-year Professional Services Agreement (Agreement) with PFM Financial Advisors (PFM) to provide debt issuance and financial programs' development, operations, funding, ongoing management, and other financial advisory services on an as-needed basis to support WRCOG's long-term planning, Residential PACE Program, Commercial PACE (C-PACE) Program, and the Regional Streetlight Program.

On May 21, 2021, WRCOG and PFM executed a First Amendment to the Agreement for the purpose of modifying the scope of services to add additional services related to Western Community Energy (WCE). On July 1, 2022 WRCOG executed a Second Amendment to the Agreement to modify the scope of services to remove WCE-related services from the Agreement, modify compensation to an hourly rate for services provided to the Streetlight Program, and extend the term to June 30, 2023. Since entering into this Agreement with PFM, the services provided have been satisfactory and meet the needs of the Residential PACE and C-PACE Programs, as well as the Regional Streetlight Program.

Staff are requesting a Third Amendment to the Agreement between WRCOG and PFM to extend the term one fiscal year to June 30, 2024. In accordance with WRCOG's Purchasing and Procurement

Policy, this proposed Third Amendment is the last term extension that could be completed, which if approved would bring the total contract length to five years. Following Amendment approval, staff will be developing and releasing a Request for Proposal (RFP) to solicit bids for a financial advisor that can provide services to the Residential PACE and C-PACE Programs, as well as the Regional Streetlight Program.

Prior Action(s):

May 11, 2022: The Administration & Finance Committee authorized the Executive Director to enter into a Second Amendment to the Professional Services Agreement between WRCOG and PFM Financial Advisors LLC to extend the term of the Agreement to June 30, 2023, and to modify the scope of services and compensation for financial advisory services.

Fiscal Impact:

The Regional Streetlight Program's budget (110-67-2026) includes funding for consulting expenses related to the Streetlight Program arising from this agreement.

Attachment(s):

[Attachment 1 - Third Amendment to the Professional Services Agreement - PFM Financial Advisors LLC](#)

Attachment

Third Amendment to the
Professional Services
Agreement with PFM Financial
Advisors LLC

THIRD AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
PFM FINANCIAL ADVISORS LLC

1. PARTIES AND DATE.

This Third Amendment to the Western Riverside Council of Governments Agreement for Professional Services is made and entered into as of the 1st day of May 2023, by and between the Western Riverside Council of Governments, a public agency ("WRCOG"), and PFM Financial Advisors LLC, a Delaware limited liability company ("**Consultant**"). WRCOG and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Master Agreement.

WRCOG and Consultant have entered into that certain Western Riverside Council of Governments Professional Services Agreement dated July 1, 2019 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant entered into the First Amendment on May 21, 2021 for the purpose of modifying the Scope of Services as defined in the Master Agreement, to add additional services related to Western Community Energy ("WCE").

2.3 Second Amendment

WRCOG and Consultant entered into the Second Amendment on July 1, 2022 for the purpose of modifying the Scope of Services, modifying the Compensation, and updating the Notice Section.

2.4 Third Amendment

WRCOG and Consultant desire to enter into this Third Amendment for the purposes of extending the term.

3. TERMS.

3.1 Term

The Term, as defined in the Master Agreement, is hereby amended to extend to June 30, 2024.

3.2 Continuation of Existing Provisions.

Except as amended by this Third Amendment, all provisions of the Master Agreement, including, without limitation, the indemnity and insurance provisions, shall remain in full force and effect and shall govern the actions of the Parties under this Third Amendment.

3.3 Counterparts.

This Third Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute one instrument.

3.4 Electronic Delivery of Amendment; Electronic Signatures.

A manually signed copy of this Third Amendment which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Third Amendment for all purposes. This Third Amendment may be signed using an electronic signature.

[Signatures on the following page]

SIGNATURE PAGE TO
THIRD AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND PFM FINANCIAL ADVISORS LLC

IN WITNESS WHEREOF, the Parties hereto have made and executed this Third Amendment as of the date written above.

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

PFM FINANCIAL ADVISORS LLC

By: _____
Dr. Kurt Wilson
Executive Director

By:  _____
Michael Berwanger
Managing Director

APPROVED AS TO FORM:

By:  _____
General Counsel
Best Best & Krieger LLP



Western Riverside Council of Governments WRCOG Executive Committee

Staff Report

Subject: Letter Recommending that the State of California Reconsider the Closure of Chuckawalla Valley State Prison in Blythe

Contact: Christopher Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710

Date: May 1, 2023

Requested Action(s):

1. Authorize the Executive Director to submit a letter to the State of California advocating for a reconsideration of the closure of Chuckawalla Valley State Prison in Blythe.

Purpose:

The purpose of this item is to seek authorization for a letter asking the State to reconsider the closure of the Chuckawalla Valley State Prison in Blythe.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #2 - Identify and help secure grants and other potential funding opportunities for projects and programs that benefit member agencies.

Background:

This is a request from the City of Norco.

Based on recent and projected declines in the number of incarcerated persons, the State of California has determined that it would be appropriate to reduce the number of correctional facilities operated by the State. One facility targeted for closure is the Chuckawalla Valley State Prison (CVSP) in Blythe in March 2025.

A number of agencies are opposed to the closure of the CVSP including the City of Norco. The City of Norco has identified that the California Rehabilitation Center (CRC) in the City of Norco would be a more optimal candidate for closure including economic impacts, costs, and other programmatic considerations. Members of the State Senate and Assembly, Riverside County Board of Supervisors, the Riverside County Sheriff, the Coachella Valley Association of Governments (CVAG), and others have submitted letters asking the State to reconsider the closure of the CVSP. The following WRCOG member agencies have also submitted letters supporting this reconsideration:

- City of Beaumont
- City of Calimesa
- City of Canyon Lake
- City of Corona

- City of Hemet
- City of Perris

The City of Norco has requested that WRCOG submit a letter encouraging the Governor to reconsider the closure of the CVSP. If directed to do so, the Executive Director would submit the attached letter to the State on behalf of WRCOG.

Prior Action(s):

None.

Fiscal Impact:

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

Attachment(s):

[Attachment 1 - WRCOG Letter of Support](#)



Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Calimesa • City of Canyon Lake • City of Corona • City of Eastvale • City of Hemet City of Jurupa Valley • City of Lake Elsinore • City of Menifee • City of Moreno Valley • City of Murrieta • City of Norco • City of Perris • City of Riverside • City of San Jacinto • City of Temecula • City of Wildomar • Eastern Municipal Water District • Western Municipal Water District • Riverside County Superintendent of Schools

May 2, 2023

The Honorable Gavin Newsom Governor
State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Subject: Reconsideration of the Closure of Chuckawalla Valley State Prison in Blythe

Dear Governor Newsom:

The Western Riverside Council of Governments (WRCOG) recognizes the State of California's desire to close correctional facilities based on an anticipated decline in the number of incarcerated persons reported by the state's Legislative Analyst's Office. Closing these facilities will reduce costs to the State and provide other benefits as well.

In 2023, the State of California announced that it would be closing the Chuckawalla Valley State Prison (CVSP) in 2025. WRCOG supports the City of Blythe in their request that you reconsider the closure of the CVSP. Closing the CVSP will have devastating negative impacts to the City of Blythe, one of the most economically challenged areas in the entire state and could cause a further impact on the Coachella Valley and larger Riverside County. The potential job loss in the city is debilitating to all who live there and would put families living in Blythe in further economic hardship. As an alternative WRCOG supports the closing of the California Rehabilitation Center (CRC) in the City of Norco instead of CVSP which will achieve many of the same goals without the same impacts.

The City of Blythe is geographically located on the eastern border of California, adjacent to Arizona. The Chuckawalla Valley State Prison serves as one of the city's most important institutions economically, educationally, and socially. The CVSP provides jobs to 852 individuals within Blythe, 6% of the entire population. The closure of the facility would result in rising unemployment numbers. This would only worsen as impacts would also be felt at Palo Verde Hospital. As the only hospital in 100+ miles, it is the primary source of care for all of whom live in the area. With a subsequent loss of patients and funding, the hospital will have to remove approximately 115 hospital employees. In conjunction with this, Palo Verde College, the nearest higher education institution, would lose the equivalent funding of about 250 full time students if the prison no longer participates in its innovative inmate education program which has since become a statewide program.

All these negative outcomes would be avoided if an alternative facility was closed instead. The benefits of closing the CRC would include:

- The LAO's 2020 report estimates cost for on-going maintenance and repairs for the CVSP would be \$430 million compared to the necessary \$1.16 billion for Norco's CRC.
- The CRC only provides 20 rehabilitation programs while the CVSP provides 24 including inmate education programs, vocational training in computer literacy, Caltrans employment training, and a host of other vocational, academic, PIA, OSATS, and other programs.

- The CVSP is adjacent to several other facilities which are not scheduled for closure including the Ironwood State Prison (ISP). The CVSP and ISP share facilities such as a fire house, water treatment plant, wastewater treatment plant, vehicle maintenance garage, and laundry service. If the CVSP is closed, those facilities will have to be maintained to serve the ISP. Therefore, there are likely to be nominal savings from the closure of the CVSP.

Given the above, closing the CRC is a clearly superior alternative to closing the CVSP.

Both the City of Blythe and Norco deserve an opportunity to discuss the proposed closure. We support Blythe and the City of Norco in their efforts to keep the Chuckawalla Valley State prison open while closing Norco's California Rehabilitation Center.

Sincerely,

Kurt Wilson
WRCOG Executive Director

Cc: Lori Sassoon, City of Norco
Kevin Bash, City of Norco



Western Riverside Council of Governments WRCOG Executive Committee

Staff Report

Subject: Affirm the Recommendation of the Administration & Finance Committee to Appoint Wes Speake to SAWPA OWOW Steering Committee, and Malcom Lilienthal to SCAG's Transportation Policy Committee

Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710

Date: May 1, 2023

Requested Action(s):

1. Appoint Wes Speake (City of Corona) as the WRCOG representative to the Santa Ana Watershed Project Authority's One Water One Watershed Steering Committee for a term commencing May 1, 2023, and ending December 31, 2024.
2. Appoint Malcom Lilienthal (City of Hemet) to SCAG's Transportation Policy Committee for a term commencing May 1, 2023, and ending December 31, 2024.

Purpose:

The purpose of this item is to request appointments to outside agencies.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #1 - Serve as an advocate at the regional, state, and federal level for the Western Riverside subregion.

Background:

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

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

As of April 2023, two vacancies exist. The first vacancy is for the SAWPA OWOW Steering Committee and the second vacancy is related to the SCAG Policy Committees.

The SAWPA OWOW vacancy exists due to the untimely passing of Ted Hoffman, City of Norco. Mr.

Hoffman served as WRCOG's representative to the SAWPA OWOW Steering Committee for multiple terms and provided regular updates to the WRCOG Executive Committee regarding SAWPA's activities.

The SCAG Policy Committee vacancy exists due to the election of Linda Krupa (City of Hemet) to a Regional Council position. Earlier this year, Council member Krupa was elected to Regional Council District 3. With her elevation to the Regional Council, her position as a WRCOG SCAG Policy Committee representative is vacated, as all Regional Council members are automatically appointed to one of the SCAG Policy Committees. This allows WRCOG to appoint another representative to one of the Policy Committees. The current WRCOG Policy Committee appointments by WRCOG include:

1. Crystal Ruiz (San Jacinto) - Transportation Committee
2. Wes Speake (Corona) - Transportation Committee
3. Colleen Wallace (Banning) - Transportation Committee
4. Joseph Morabito (Wildomar) - CEHD Committee
5. Dale Welty (Canyon Lake) - Energy & Environment Policy Committee
6. VACANT

Therefore, there is one additional SCAG Policy Committee appointment available.

Prior Action(s):

April 12, 2023: The Administration & Finance Committee recommended that the Executive Committee make the following appointments:

1. Wes Speake (City of Corona) - Santa Ana Watershed Project Authority's One Water One Watershed Steering Committee for a term commencing May 1, 2023, and ending December 31, 2024.
2. Malcom Lilienthal (City of Hemet) - SCAG Transportation Policy Committee for a term commencing May 1, 2023, and ending December 31, 2024.

December 5, 2022: The Executive Committee made the following appointments to various committees including:

1. Appointed Council member Brian Tisdale as the primary representative, and Mayor Chris Barajas as the alternate representative, to the California Association of Councils of Governments for a term commencing January 1, 2023, and ending December 31, 2024.
2. Appointed Council member Linda Krupa and Mayor Greg Newton as the two primary representatives, and Mayor Chris Barajas and Mayor Pro Tem Joseph Morabito as the two alternate representatives, to the Riverside County Solid Waste Advisory Council / Local Task Force for a term commencing January 1, 2023, and ending December 31, 2024.
3. Appointed Council member Ted Hoffman as the representative to the Santa Ana Watershed Project Authority's One Water One Watershed Steering Committee for a term commencing January 1, 2023, and ending December 31, 2024.
4. Appointed Mayor Crystal Ruiz as the primary representative, and Mayor Pro Tem Colleen Wallace as the alternate representative, to the San Diego Association of Governments' Borders Committee for a term commencing January 1, 2023, and ending December 31, 2024.
5. Appointed the following representatives to SCAG Policy Committees for a term commencing January 1, 2023, and ending December 31, 2024:
 - i. Linda Krupa (Hemet) - Transportation Policy Committee

- ii. Crystal Ruiz (San Jacinto) - Transportation Policy Committee
- iii. Wes Speake (Corona) - Transportation Policy Committee
- iv. Colleen Wallace (Banning) - Transportation Policy Committee
- v. Joseph Morabito (Wildomar) - CEHD Policy Committee
- vi. Dale Welty (Canyon Lake) - Energy & Environment Policy

Fiscal Impact:

WRCOG stipends are included in the Agency's adopted Fiscal Year 2022/2023 Budget under the General Fund (Fund 110). Appointments to SCAG Policy Committees has no fiscal impact to WRCOG since SCAG provides stipends to elected officials for attendance at its meetings.

Attachment(s):

None.



Western Riverside Council of Governments WRCOG Executive Committee

Staff Report

Subject: Good Neighbor Guidelines for Siting New and/or Modified Warehouse / Distribution Facilities

Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710

Date: May 1, 2023

Requested Action(s):

1. Recommend that the Executive Committee withdraw the WRCOG Good Neighbor Guidelines for Siting New and/or Modified Warehouse / Distribution Facilities.

Purpose:

The purpose of this item is to provide direction regarding WRCOG's Good Neighbor Guidelines.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #5 - Develop projects and programs that improve infrastructure and sustainable development in our subregion.

Background:

In January 2003, a Regional Air Quality Task Force was formed to study air quality issues in Western Riverside County. In response to the increased development of warehouses and distribution centers in the region, the Task Force developed the Good Neighbor Guidelines. These guidelines were intended to provide practical measures that could be incorporated into the design of warehouse and distribution centers to minimize adverse effects of diesel emissions, especially for those in close proximity to sensitive receptors. The Good Neighbor Guidelines (Attachment 1) was endorsed by the Executive Committee on September 12, 2005. Nearly 20 years has passed since the original development of these guidelines. Since that time, no updates to the document have been made.

The logistics industry has and continues to drive much of the economy within the Inland Empire. As e-commerce continues to grow and local jurisdictions continue to see warehouse and distribution center development interests, community concerns such as traffic, pollution, community character, and environmental justice also grow. In response, many jurisdictions have adopted a good neighbor policy or guidelines to help mitigate the impacts associated with warehouse and distribution centers. These guidelines also help jurisdictions proactively plan for logistics development within their boundaries. This type of guidance benefits the community and environment but it also can be a benefit to development interests by providing clear and predictable expectations. These are not new issues or ideas, but they have evolved over the past 20 years.

When the Regional Air Quality Task Force was formed in 2003, it sought to develop Good Neighbor

Guidelines to meet the following objectives: 1) provide local governments with specific strategies that can be considered and implemented to minimize potential diesel impacts from new warehouses and distribution centers, and 2) educate existing warehouse and distribution centers about strategies that can be implemented to minimize potential diesel impacts from their operations. In developing the guidance document, several goals were developed, each with corresponding benefits and recommended guidelines. In 2005 when the Good Neighbor Guidelines document was completed, and it was endorsed by the Executive Committee.

Since then, more recent guidance has been developed. Several WRCOG cities have developed their own Good Neighbor Guidelines, and in 2022, the Governor's Office of Planning and Research published a document, *Warehouse Projects: Best Practices and Mitigation Measures to Comply with the California Environmental Quality Act*. Additionally, the South Coast Air Quality Management District has developed new source rules to reduce pollution and promote electrification, and additional requirements for outreach and siting for warehouses are now required in environmental justice communities pursuant to SB 1000. These more recent requirements are generally more stringent than the guidance found in WRCOG's Good Neighbor Guidelines.

WRCOG's principal role is to serve its member agencies. Sometimes this is done by developing a collective voice or direction on key issues; other times this is best achieved by sharing resources and serving as a repository for information. Given the resources currently available, and in acknowledging the uniqueness of each jurisdiction and its community, WRCOG staff believes the topic of warehouse development is best addressed at a local level. WRCOG can assist by acting as a resource and sharing available information, or through the development of new and updated content.

The Planning Directors Committee (PDC) discussed the benefits and drawbacks of creating new guidelines as the current guidelines are outdated to the point they could not be updated. PDC members discussed the idea of helping cities on a one-on-one basis, but at a minimum WRCOG should not endorse the current guidelines due to them being outdated. The PDC did not take formal action on this item since no action was agendized.

The Technical Advisory Committee (TAC) also discussed this issue and recommended that the Executive Committee withdraw the guidelines which were previously adopted in 2005. As part of this discussion, TAC members noted several key items. First, the Guidelines were last adopted in 2005 and had not been updated since then. Second, the majority of WRCOG member agencies had either adopted their own guidelines or were in the process of developing guidelines. The TAC did request that staff return with an update at a future meeting on what resources are available for agencies that wish to develop their own guidelines.

Prior Action(s):

April 20, 2023: The Technical Advisory Committee recommended that the Executive Committee withdraw the 2005 Good Neighbor Guidelines.

April 13, 2023: The Planning Directors Committee received and filed.

September 12, 2005: The Executive Committee endorsed the Good Neighbor Guidelines for Siting New and/or Modified Warehouse/Distribution Facilities, and directed staff to distribute the document to member jurisdictions with the recommendation to consider adopting all or part of the document into their

planning practices.

Fiscal Impact:

If recommended to rescind, this item will result in no fiscal impact. If the document is updated, this activity would be included in the Transportation & Planning Department budget for Fiscal Year 2023/2024, and funded utilizing LTF.

Attachment(s):

[Attachment 1 - Good Neighbor Guidelines for Siting Warehouse Distribution Facilities](#)

Good Neighbor Guidelines for Siting New and/or Modified Warehouse/Distribution Facilities

(Final, September 12, 2005)



Regional Air Quality Task Force

Western Riverside Council of Governments

4080 Lemon Street, 3rd Fl., MS 1032

Riverside, CA 92501-3679

(951) 955-7985

Acknowledgements

The Western Riverside Council of Governments (WRCOG) staff would like to acknowledge the exceptional contributions made to this document by members of the Regional Air Quality Task Force (RAQTF). Since 2003, WRCOG staff has consistently relied on the RAQTF to provide critical and constructive input on developing and implementing environmental policies and actions.

The RAQTF is convened by WRCOG, and is comprised of representatives from South Coast Air Quality Management, County of Riverside, Office of District 2 Supervisor John F. Tavaglione, Eastern Municipal Water District, American Lung Association of the Inland Counties, Center for Community Action and Environmental Justice, March Joint Powers Authority, City of Riverside, City of Norco, Clean Energy, City of Moreno Valley, and the Waste Haulers Association. Their suggestions and input throughout the development of these guidelines are appreciated.

In particular, the following individuals are acknowledged for their work on this document:

Regional Air Quality Task Force Policy Committee

John Tavaglione, Supervisor, District 2;
John Field, Senior Deputy, Office of Supervisor John Tavaglione, District 2;
Larry Dressel, Mayor, City of Beaumont;
Frank Hall, Council Member, City of Norco;
Ron Loveridge, Mayor, City of Riverside.

Regional Air Quality Task Force Technical Staff

Patricia Burbano-Brenes, City of Riverside;
Patricia Byrd, American Lung Association of the Inland Counties;
Mike Harrod, County of Riverside Planning Department;
Dan McGivney, Eastern Municipal Water District;
Mark Minard, Assistant Engineer, City of Moreno Valley, Public Works/Transportation Engineering Division;
Susan Nakamura, South Coast Air Quality Management District;
Penny Newman, Executive Director, Center for Community Action and Environmental Justice;
Paul Ryan, P.F. Ryan and Associates, Inc.;
Matt Shea, Clean Energy;
Colleen Smethers, Center for Community Action and Environmental Justice;
Barbara Spoonhour, Program Manager, Western Riverside Council of Governments;
Rosa Washington, Staff Analyst I, Western Riverside Council of Governments.

Introduction

On January 16, 2003, the Riverside County Board of Supervisors (Board) directed Executive Office staff to initiate the establishment of a Regional Air Quality Task Force to study air quality issues in western Riverside County. This task force was envisioned to be an important tool for implementing air quality mitigation measures for the region.

The Regional Air Quality Task Force (RAQTF) continues to research the different areas of air quality mitigation that is needed for the subregion. Since many communities within the region either have a separate air quality element or address air quality issues in their land use section of their General Plan, the RAQTF undertook the need for a policy for local governments to voluntarily adopt when siting new warehouse/distribution centers. It should be noted that air quality agencies, such as, SCAQMD and CARB have broadly addressed this issue with in their Guidance Documents and Air Quality Handbook, but have not created stand alone documentation. The Guidelines that follow appear to be the first stand alone document that local governments can use when siting warehouses.

The RAQTF has developed these “Good Neighbor Guidelines for Siting New and/or Modified Warehouse/Distribution Facilities,” (referred to as “Good Neighbor Guidelines”) to promote and assist planning departments, developers, property owners, elected officials, community organizations, and the general public as a tool to potentially help address some of the complicated choices associated with permitting warehouse/distribution facilities and understanding the options available when addressing environmental issues. These Good Neighbor Guidelines are designed to help minimize the impacts of diesel particulate matter (PM) from on-road trucks associated with warehouses and distribution centers on existing communities and sensitive receptors located in the subregion.

Sensitive receptors are considered:

- ✦ Residential Communities;
- ✦ Schools;
- ✦ Parks;
- ✦ Playgrounds;
- ✦ Day care centers;
- ✦ Nursing homes;
- ✦ Hospitals;
- ✦ And other public places where residents are most likely to spend time.

Objective

The mission of the RAQTF is to develop air quality measures that can be considered and potentially adopted by local governing bodies to address adverse air quality issues in the inland region through their planning activities.

The RAQTF has developed the Good Neighbor Guidelines to help achieve the following objectives:

✚ **Provide local governments with specific strategies that can be considered and implemented to minimize potential diesel impacts from new warehouse and distribution centers;**

✚ **Educate existing warehouse and distribution centers about strategies that can be implemented to minimize potential diesel impacts from their operations.**

Some communities in western Riverside County, because of their proximity to freeways, arterial highways, rail lines, and warehouse/distribution facilities experience higher diesel emissions exposure associated with warehouse/distribution centers than others. In particular, warehouse/distribution center projects sited close to sensitive receptors (homes, schools, parks, day care centers, nursing homes, hospitals and other places public places) can result in adverse health impacts. The reverse is also true – siting sensitive receptors too close to an existing source of diesel emissions can also be a problem.

Audience

These Good Neighbor Guidelines focus on the relationship between land use, permitting, and air quality, and highlight strategies that can help minimize the impacts of diesel emissions associated with warehouse/distribution centers.

The California Resources Air Board (CARB) defines warehouses/distribution centers as facilities that serve as a distribution point for the transfer of goods. Such facilities include cold storage warehouses; goods transfer facilities, and inter-modal facilities such as ports. These operations involve trucks, trailers, shipping containers, and other equipment with diesel engines.

For the purpose of these Guidelines, warehouse/distribution center means a building or premises in which the primary purpose is to store goods, merchandise or equipment for eventual distribution and may include office and maintenance areas. A warehouse or distribution center includes 3 or more loading bays, or is expected to have more than 150 diesel truck trips per day. For the purpose of these Guidelines, a warehouse and distribution center is not intended to include “big box” discount or warehouse stores that sell retail goods, merchandise or equipment, or storage and mini-storage facilities that are offered for rent or lease to the general public.

While the primary users of these Guidelines will likely be agencies responsible for land use planning and air quality, they may also be useful for:

- ✚ Planners;
- ✚ Architects;
- ✚ Developers;
- ✚ Elected officials;
- ✚ School districts;
- ✚ Community advisory councils;
- ✚ Public/community organizations.

Purpose

The purpose of the Good Neighbor Guidelines is to provide local government and developers with a variety of strategies that can be used to reduce diesel emissions from heavy-duty trucks that are delivering goods to and from warehouse and distribution centers.

In 1998, the SCAQMD conducted its second Multiple Air Toxics Emissions Study (MATES II) ¹. Considered the nation's most comprehensive study of toxic air pollution to date, the study found that:

- Diesel exhaust is responsible for about 70 percent of the total cancer risk from air pollution;
- Emissions from mobile sources -- including cars and trucks as well as ships, trains and planes -- account for about 90 percent of the cancer risk. Emissions from businesses and industry are responsible for the remaining 10 percent; and
- The highest cancer risk occurs in south Los Angeles County -- including the port area-- and along major freeways.

The RAQTF is recommending that the Good Neighbor Guidelines be approved by WRCOG member jurisdictions and considered for all new warehouse/distribution centers that attract diesel trucks. Implementation of the recommended guidance for proposed facilities is technically more feasible than retroactive application to existing warehouse/distribution centers. However and as previously mentioned, there is an educational component of these Guidelines aimed at existing facilities. There are mechanisms in the planning process that will encourage developers to incorporate the recommended guidelines upfront in the design phase of a project.

The RAQTF recommends that jurisdictions consider these Guidelines when issuing permits such as conditional use permits, or zoning permits. In addition, the recommended Guidelines can be used to mitigate potentially significant adverse environmental impacts that are identified under the California Environmental Quality Act (CEQA). The recommended Guidelines are intended to be used for new warehouses and can be incorporated in the design phase of the proposed warehouse or distribution center. Many of the recommended guidelines can, however, be incorporated into existing facilities.

The recommended Guidelines format identifies the overall goal, benefits and the recommended strategies that can be implemented to achieve the goal. The Guidelines include a series of strategies that can be implemented in part or whole, or tailored to the specific needs of a project. The purpose of the guidelines is to provide a general framework for planners and developers regarding how they can achieve a specified goal.

It should be noted that CARB has adopted two airborne toxic control measures that will reduce diesel particulate materials (PM) emissions associated with warehouse/distribution centers. The first will limit nonessential (or unnecessary) idling of diesel-fueled commercial vehicles, including those entering from other states or countries. This measure prohibits idling of a vehicle for more than five minutes at any one location. The second measure requires that transport refrigeration units (TRUs) operating in California become cleaner over time. The measure establishes in-use performance standards for existing TRU engines that operate in California, including out-of-state TRUs. The requirements are phased-in beginning in 2008, and extend to 2019.²

CARB also operates a smoke inspection program for heavy-duty diesel trucks that focuses on reducing truck emissions in California communities. Areas with large numbers of distributions centers are a high priority.

While CARB has these measures in place, local agencies need to acknowledge that the enforcement of these measures is through the California Highway Patrol and do not provide a swift resolve to local air quality issues. Local agencies can adopt local control measures, like the ones being mentioned, that can be enforced by code enforcement and law enforcement officials and provide a more immediate affect to the regions air quality.

Recommended Local Guidelines

1. Goal: Minimize exposure to diesel emissions to neighbors that are situated in close proximity to the warehouse/distribution center.

Benefits:

1. Reduces exposure of diesel emissions to residences and other sensitive receptors.
2. Reduces potential future health, odor and noise related issues, particularly when in close proximity to residential neighborhoods.

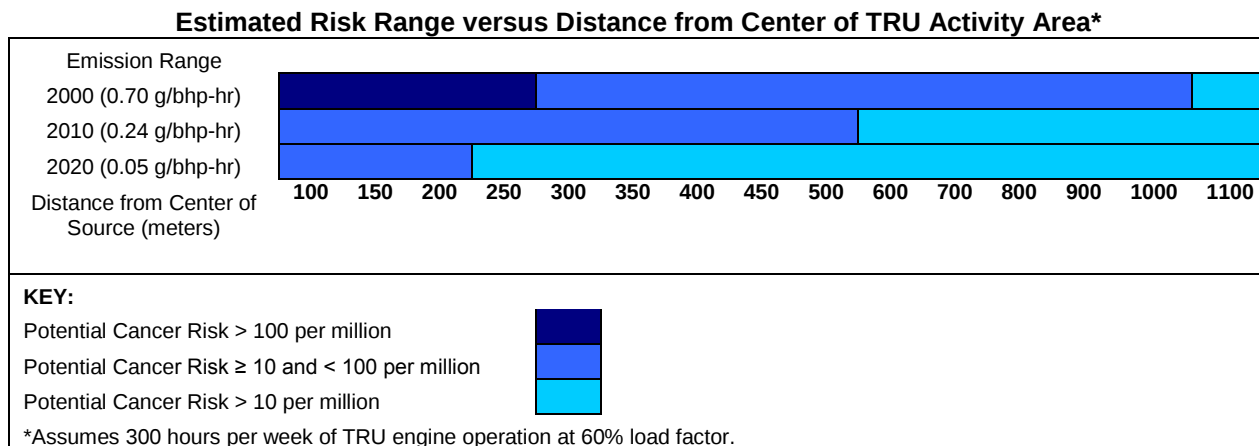
Recommended Strategies:

- Create buffer zone of at least 300 meters (roughly 1,000 feet, can be office space, employee parking, greenbelt) between warehouse/distribution center and sensitive receptors (housing, schools, daycare centers, playground, hospitals, youth centers, elderly care facilities, etc.);
- Site design shall allow for trucks to check-in within facility area to prevent queuing of trucks outside of facility;
- Take into account the configuration of existing distribution centers and avoid locating residences and other new sensitive land uses near entry and exit points³;
- Design warehouse/distribution center so that interior vehicular circulation shall be located away from residential uses or any other sensitive receptors.

Why do we suggest buffer zones?

The reduction of potential cancer risk levels at locations where TRUs operate is a direct result of the reduction of diesel PM emissions. Figure 1-1 compares the cancer risk range at various distances assuming 300 hours of TRU activity per week. For year 2000, the current fleet average emission rate of 0.7 g/bhp-hr was used. In 2020, the statewide fleet PM emission rate would be reduced 92 percent from the 2000 baseline year to 0.05 g/bhp-hr. Figure 1-1 below illustrates the significant reduction of the estimated near source risk as the diesel PM emission rate is reduced from the current fleet emission rate to the much lower emission rate in 2020.⁴

Figure 1-1



2. Goal: Eliminate diesel trucks from unnecessarily traversing through residential neighborhoods.

Benefits:

1. Reduces exposure of diesel emissions to residences and other sensitive receptors.
2. Reduces or eliminate trucks in residential neighborhoods.
3. Reduces truckers travel time if key destinations are clearly identified.

Recommended Guidelines:

- Require warehouse/distribution centers to clearly specify on the facility site plan primary entrance and exit points;
- Require warehouse/distribution centers to establish specific truck routes and post signage between the warehouse/distribution center and the freeway and/or primary access arterial that achieves the objective. The jurisdiction may not have an established truck route, but may take the opportunity to consider the development of one;
- Provide food options, fueling, truck repair and or convenience store on-site or within the warehouse/distribution center complex;
- Require warehouse/distribution centers to provide signage or flyers identifying where food, lodging, and entertainment can be found, when it is not available on site;

3. Goal: Eliminate trucks from using residential areas and repairing vehicles on the streets.

Benefits:

1. Reduces exposure of diesel emissions to residences and sensitive receptors.

Recommended Guidelines:

- Allow homeowners in the trucking business to acquire permits to park vehicles on property, residential areas or streets;
Note: Some jurisdictions already restrict parking of oversized vehicles on residential streets regardless of ownership.
- Establish overnight parking within the warehouse/distribution center;
- Allow warehouse/distribution facilities to establish an area within the facility for repairs.

4. Goal: Reduce and/or eliminate diesel idling within the warehouse/distribution center

Benefits:

1. Reduces exposure of diesel emissions to residences and other sensitive receptors.

Recommended Guidelines:

- Require the installation of electric hook-ups to eliminate idling of main and auxiliary engines during loading and unloading, and when trucks are not in use;
- Train warehouse managers and employees on efficient scheduling and load management to eliminate unnecessary queuing and idling of trucks within the facility;
- Require signage that informs truck drivers of the California Air Resources Board (CARB) regulations (which include anti-idling regulations);
- Post signs requesting that truck drivers turn-off engines when not in use;
- Restrict idling within the facility to less than ten (10) minutes.

5. Goal: Establish a diesel minimization plan for on- and off-road diesel mobile sources to be implemented with new projects.

Benefits:

1. Reduces exposure of diesel emissions to residences and sensitive receptors.
2. Establishes long-term goal for facility to eliminate diesel emissions at the facility.
3. Reduces on- and off-road diesel emissions that are associated with use of the facility.

Recommended Guidelines:

- Encourage warehouse/distribution center fleet owners to replace their existing diesel fleets with new model vehicles and/or cleaner technologies, such as electric or compressed natural gas;
- Require all warehouse/distribution centers to operate the cleanest vehicles available;
- Provide incentives for warehouses/distribution centers and corporations which partner with trucking companies that operate the cleanest vehicles available;
- Encourage the installation of clean fuel fueling stations at facilities.

6. Goal: Establish an education program to inform truck drivers of the health effects of diesel particulate and the importance of reducing their idling time.

Benefits:

1. Educates truck drivers of the health effects of diesel particulate to encourage drivers to implement diesel reduction measures.

Recommended Guidelines:

- Provide warehouse/distribution center owners/managers with informational flyers and pamphlets for truck drivers about the health effects of diesel particulates and the importance of being a good neighbor. The following information should include:
 - o Health effects of diesel particulates;
 - o Benefits of minimizing idling time;
 - o ARB idling regulations;
 - o Importance of not parking in residential areas.

7. Goal: Establish a public outreach program and conduct periodic community meetings to address issues from neighbors.

Benefits:

1. Informs the community regarding proactive strategies that the warehouse/distribution center has or is doing to reduce exposure to diesel particulate.
2. Allows the warehouse/distribution center to be more proactive.
3. Encourages partnerships to develop solutions for both parties.

Recommended Guidelines:

- Encourage facility owners/management to conduct periodic community meetings inviting neighbors, community groups, and other organizations;
- Encourage facility owners/management to have site visits with neighbors and members of the community to view measures that the facility has taken to reduce/and or eliminate diesel particulate emissions;
- Encourage facility owners/management to coordinate an outreach program that will educate the public and encourage discussion relating to the potential for cumulative impacts from a new warehouse/distribution center.
- Provide facility owners/management with the necessary resources and encourage the utilization of those resources such as, the California Air Resources Board (ARB) and the South Coast Air Quality Management District regarding information about the types and amounts of air pollution emitted in an area, regional air quality concentrations, and health risks estimates for specific sources;
- Require the posting of signs outside of the facility providing a phone number where neighbors can call if there is an air quality issue.

Recommended Regional Guidelines

The following guidelines can be implemented at the regional level for the siting of new and/or modified warehouses/distribution center (s):

- Develop, adopt and enforce truck routes both in and out of a jurisdiction, and in and out of facilities;
- Have truck routes clearly marked with trailblazer signs, so trucks will not enter residential areas;
- Promote the benefits of fleets rapidly adopting cleaner technologies;
- Provide incentives for local fleets to acquire cleaner technologies that can reduce idling;
- Adopt and implement the regional idling ordinance (being developed by this task force) to minimize idling at delivery locations warehouses, truck stops, etc;
- Provide local warehouses/distribution facilities incentives to reduce idling (i.e. reduce noise);
- Identify or develop secure locations outside of residential neighborhoods where truckers that live in the community can park their truck, such as a Park & Ride;
- Educate the local enforcement agencies (including law enforcement) on diesel emissions minimization strategies (specifications, how, etc.);
- Educate local governments of potential air quality impacts;
- Provide food options, fueling, truck repair and or convenience store on-site to minimize the need for trucks to traverse through residential neighborhoods.

GLOSSARY OF KEY TERMS

Buffer Zone: An area of land separating one parcel or land from another that acts to soften or mitigate the effects of one land use on the other.

California Environmental Quality Act (CEQA): A California law that sets forth a process for public agencies to make informed decisions on discretionary projects approvals. The process helps decision-makers determine whether any potential, significant, adverse environmental impacts are associated with a proposed project and to identify alternatives and mitigation measures that will eliminate or reduce such adverse impacts.

Distribution Center: See Warehouse

Idling: The operation of the engine of a vehicle while the vehicle is not in motion.

Land Use Agency: Local government agency that performs functions associated with the review, approval, and enforcement of general plans and plan elements, zoning, and land use permitting. For the purpose of these Guidelines, a land use agency is typically a local planning department.

Mobile Source: Sources of air pollution such as automobiles, motorcycles, trucks, off-road vehicles, boats, trains and airplanes.

Ordinance: A law adopted by a City Council or County Board of Supervisors. Ordinances usually amend, repeal or supplement the municipal code; provide zoning specifications; or appropriate money for specific purposes.

Risk: For cancer health effects, risk is expressed as an estimate of the increase chances of getting cancer due to facility emissions over a 70-year lifetime. This increase in risk expressed as chances in a million (e.g., 1,400 in a million).

Stationary Sources: Non-mobile sources such as manufacturing facilities, power plants, and refineries.

Warehouse(s): For the purpose of these Guidelines, warehouse/distribution center means a building or premises in which the primary purpose is to store goods, merchandise or equipment for eventual distribution and may include office and maintenance areas. A warehouse or distribution center includes 3 or more loading bays, or is expected to have more than 150 diesel truck trips per day. For the purpose of these Guidelines, a warehouse and distribution center is not intended to include “big box” discount or warehouse stores that sell retail goods, merchandise or equipment, or storage and mini-storage facilities that are offered for rent or lease to the general public

Zoning Ordinances: City councils and county boards of supervisors adopts zoning ordinances that set forth land use classifications, divides the county or city into land use zones as delineated on the official zoning, maps, and set enforceable standards for future development.

References

1. *Multiple Air Toxics Emissions Study (MATES II) (2000)*. South Coast Air Quality Management District.
2. *Air Quality and Land Use Handbook: A Community Health Perspective*. (April 2005) California Air Resources Board.
3. *Air Quality and Land Use Handbook: A Community Health Perspective*. (April 2005) California Air Resources Board.
4. *Air Quality and Land Use Handbook: A Community Health Perspective*. (April 2005) California Air Resources Board.



Western Riverside Council of Governments

WRCOG Executive Committee

Staff Report

Subject: Approval of Fiscal Year 2023/2024 Agency Budget

Contact: Dr. Kurt Wilson, Executive Director, kwilson@wrcog.us, (951) 405-6701
Andrew Ruiz, Chief Financial Officer, aruiz@wrcog.us, (951) 405-6740

Date: May 1, 2023

Requested Action(s):

1. Recommend that the General Assembly approve the Fiscal Year 2023/2024 Agency Budget.

Purpose:

The purpose of this item is to present the Agency's budget for Fiscal Year (FY) 2022/2023 for recommendation to the General Assembly.

WRCOG 2022-2027 Strategic Plan Goal:

Goal #3 - Ensure fiscal solvency and stability of the Western Riverside Council of Governments.

Background:

Fiscal Year 2023/2024 Budget Overview

As part of the ongoing analysis and evolution of the WRCOG budgeting process, this year's focus is largely on improving transparency in order to better communicate the Agency's finances. This provides a better vantage point to work toward the budgeting principles of 1) ensuring the fair distribution of funds and funding requests, 2) requiring non-comprehensive programs (those which do not benefit the entirety of the member agencies) to be self-sustaining, 3) focusing on the long-term health of each fund, and 4) moving toward these goals in an incremental way when full scale immediate changes are impractical.

The total agency budget is \$19,572,850 in revenues and transfers in against \$19,286,298 in expenditures, which includes all funds except for the Riverside County Habitat Conservation Agency (RCHCA) and the Transportation Uniform Mitigation Fee (TUMF) pass through funds described below. The General Fund budget totals \$7,230,158 in revenues and transfers in against \$7,592,023 in expenditures, and has an approximate fund balance at the end of Fiscal Year 2022/2023 of \$10.8M of approximately 142%. The Unfunded Accrued Liability (UAL) is -\$32K (103.8% funded) for PEPRA employees and \$2.2M (84.4% funded) for Classic employees. This is offset by a 115 Trust balance of \$334k. The Other Post-Employment Benefit (OPEB) liability is \$1.8M (52% funded).

New Programs: None.

New Positions: None.

Ending Programs: California Resiliency Challenge. Attached to this Staff Report is a draft budget message with additional details which will be included in the Fiscal Year 2023/2024 budget book at the General Assembly.

Revenue and Expenditure Proposals

The largest revenue change in the proposed budget is the result of an accounting change to WRCOG's largest program – Transportation Uniform Mitigation Fee (TUMF). The bulk of the revenues collected for the TUMF Program are redistributed to partner agencies. WRCOG's current practice has been to account for the full collection as revenue. WRCOG's new auditor, relying on Governmental Accounting Standards Board (GASB) Statement 84, has recommended the redistributed funds be treated as pass through funds rather than Agency revenues. For FY 2023/2024, only the 4% of TUMF funds retained by WRCOG will be counted as revenue. While this has no impact on the Program of its ability to fund projects, the year-over-year comparison of revenues may appear dramatic (reduction of approximately \$70M).

Energy and Environmental Programs

C-PACE: The Commercial Property Assessed Clean Energy (C-PACE) Program is currently limited to two providers: Twain and Nuveen (formerly known as Greenworks). In previous years, the revenues and expenditures were estimated in a similar manner as other programs – predicting the revenue level, then constraining expenses accordingly. Program revenues are the result of completed projects with one of the two providers. Projects happen at unpredictable intervals which makes estimating revenues more difficult and typically requires mid-year budget adjustments to reflect actual activity. With the exception of a fixed cost (\$148k), the PACE expenses increase and decrease in concert with revenue increases and decreases.

In order to more accurately predict revenues and constrain expenditures, this proposed budget downgrades revenues and expenditures to the maintenance level. Revenue estimates would then be increased as revenue from completed projects is realized and the related expenditures would be adjusted accordingly. This allows for a more accurate reflection of finances related to the project and provides a scalable solution that can be easily adapted as conditions change.

A second change in the proposed budget is to consolidate revenues and expenditures from both providers into a single budget line item (while continuing to track each provider separately). This allows for a more accurate allocation of overhead costs and paves the way for an easier transition in the event additional providers were added to C-PACE Program. It also provides a built-in safeguard against overspending if revenues come in lower than expected.

SoCalGas Company Partnership: The Energy Department is poised to re-establish its relationship with SoCalGas with a new partnership. This two-year agreement will provide WRCOG with revenues of \$100k a year for two years (for a total of \$200k). Anticipated expenditures will be aligned with revenues at \$100k. The Partnership will serve public agencies through customer incentives and deemed rebate programs, third-party energy efficiency programs, fill gaps in statewide programs, collaborate with local organizations and agencies, collaborate with customers to develop energy solutions and regional strategies, and provide Regional Ambassadors. Ambassadors will serve public agencies as an extension of staff to SoCalGas' Regional Energy Pathway team, ensuring public sector customers have

a local “go-to” resource that supports their agencies’ ability to increase energy efficiency.

Streetlight Program: The Streetlight Program, now in its maintenance phase, coordinates service contracts between entities and provides support on an as-needed basis to participating member jurisdictions. Revenue is relatively fixed with a 3% annual increase baked into the agreements with member jurisdictions. Revenues for FY 2023/2024 will be budgeted at \$139k and expenditures at \$125k.

I-REN: The Inland Regional Energy Network, or I-REN, will have an anticipated budget of \$10.4M in revenues and \$9.8M in expenditures in FY 2023/2024, spread across three Sectors: 1) Public, 2) Workforce Education & Training, and 3) Codes & Standards; however, it is important to note that the I-REN’s budget is \$65M over a six-year budget period, where funds can be rolled into subsequent years if they are not spent in earlier years, as long as it’s within the six-year Program period. While the I-REN was approved in November 2021, it has taken some time to organize the governing structure (I-REN Executive Committee) and associated agreements, onboard new staff, and solicit procurements for implementers necessary to begin the launch of programs. Now, as the I-REN brings on its implementers and consultants under contract, a substantial increase in activity is expected as work on those contracts begins. Staff will file an advice letter with the California Public Utilities Commission (CPUC) to roll over any unspent funds from 2022 and 2023 into the later years of the six-year budget period.

HERO Program: The HERO Program is in a winddown phase and has an anticipated budget of \$764k, a decrease of approximately \$366k. This decrease was anticipated and is primarily due to a decrease in early payoffs and outstanding assessments, which make up the Program’s annual administrative fee. Anticipated expenditures are \$1.15M, representing a deficit of approximately \$388k.

Clean Cities Program: The Clean Cities Program has an anticipated budget of \$434k in revenues, an increase of approximately \$94k compared to FY 2022/2023. This increase is primarily due to two additional grants and an increase in the allocation received from the U.S. Department of Energy. This also includes an allocation of \$70k from the Local Transportation Fund (LTF) Program. The proposed budget for Clean Cities also includes a proposed increase in member dues of approximately \$12k. Anticipated expenditures will be aligned with revenues at \$434k.

Solid Waste: The Solid Waste Program has an anticipated budget of \$183k in revenues and expenditures, a decrease of approximately \$57k compared to FY 2022/2023. This decrease is due to one-time revenues received for SB 1383 capacity planning in FY 2022/2023. The proposed budget for Solid Waste also includes a proposed increase in member dues of approximately \$62k.

Love Your Neighborhood Program: The Love Your Neighborhood Program, a partnership with the Riverside County Flood Control and Water Conservation District, will continue into next year with anticipated revenues and expenditures of \$50k - no change from this current year.

Used Oil Program: A grant from CalRecycle provides an anticipated budget of \$220k in revenues and expenditures, an increase of \$22k compared to FY 2022/2023.

Transportation and Planning Programs

TUMF Program: As noted earlier in this Staff Report, the TUMF Program budget will only include the

administrative fee, which is 4% of the total TUMF collections, in the upcoming budget. The administrative fee has an anticipated budget of \$2M in revenues and expenditures, which is based on \$50M in total collections. An additional \$52k is anticipated in revenues due to Beaumont Measure A funds to be allocated to WRCOG based on the Beaumont Settlement Agreement.

Local Transportation Fund (LTF) Program: This Program has an anticipated budget of \$1.2M in revenues and expenditures, an increase of approximately \$200k compared to FY 2022/2023.

RivCOM Program: This Program has an anticipated budget of \$25k in revenues and expenditures - no change from this current year.

REAP 1.0 Program: This grant will be expending its remaining funds in FY 2023/2024. The remaining funds are approximately \$300k based on current estimates.

REAP 2.0 Program: A new grant from SCAG will be commencing in FY 2023/2024 and has anticipated revenues and expenditures of \$500k.

Administration

Previously, the Administration Department grouped the Administrative Services, Finance, and Executive functions under one budget; however, for FY 2023/2024, these three functions will now have their own separate budgets. Member dues remain flat at \$294k; however, member dues will be discussed further in this agenda item. Interest revenues are estimated at \$200k, an increase of \$20k from FY 2022/2023. Lastly, overhead, which is charged across WRCOG's various programs, and is the primary funding source for the Administration function, is anticipated to be \$2.37M, a decrease of \$100k compared to Fiscal Year 2022/2023.

Administrative Services: Administrative Services houses the majority of Administration's expenses, such as legal, consulting, office lease, etc., and has anticipated expenditures of approximately \$2M.

Fellowship: The Fellowship Program has anticipated revenues and expenditures of \$100k, which is an assumption based on five Fellows funded at 100%; however, based on the current funding structure, some Fellows could be funded at 50%, or there could potentially be more than five Fellows.

Finance: Costs for a potential software upgrade are included in the FY 2023/2024 budget under Finance; however, a formal RFP process still needs to be performed to select a software vendor, and this is just an estimate based on what staff received from a potential software company, Tyler Technologies. Total anticipated expenditures are \$556k.

Executive: Anticipated expenditures are budgeted at approximately \$289k.

FY 2023/2024 Budget Summary

General Fund revenues and transfers in (overhead) are anticipated to be \$7,230,158 against \$7,592,023 in expenditures, a difference of \$361,865. This difference is primarily due to the HERO Program budget.

Clean Cities Fund revenues and transfers in (from Local Transportation Fund - LTF) are anticipated to be \$434,600 against \$434,600 in expenditures.

Used Oil Fund revenues are anticipated to be \$220,753 against \$220,115 in expenditures, a difference of \$638.

I-REN Fund revenues are anticipated to be \$10,478,589 against \$9,835,997 in expenditures, a difference of \$642,592. The I-REN's budget is \$65M over a six-year budget period, where funds can be rolled into subsequent years if they are not spent in earlier years, as long as it's within the six-year Program period.

LTF revenues are anticipated to be \$1,208,750 against \$1,203,562 in expenditures, a difference of \$5,188.

For FY 2023/2024, the total Agency budgeted revenues and transfers in (overhead) are anticipated to be \$19,572,850 against \$19,286,298 in expenditures, a difference of \$286,552.

Compared to FY 2022/2023, this represents a decrease of approximately \$68M in revenues and \$31M in expenditures; however, as previously noted, this drastic decrease is attributable to the TUMF collections (with the exception of the 4% admin fee) now no longer being considered a revenue for the Agency.

Excluding these revenues for an apples-to-apples comparison actually shows revenues for the Agency increasing by approximately \$2.2M, with expenditures increasing by approximately \$1.8M, which is primarily attributable to the increased I-REN revenues, decreased HERO revenues, and decreased TUMF Administrative revenues.

FY 2023/2024 Budget Discussion Items

Based on feedback received from the Executive Committee on April 3, 2023, and the Administration & Finance Committee on April 12, 2023, the Technical Advisory Committee (TAC) was requested to provide feedback on the modifications made to four areas of the proposed budget. Additionally, the launch of I-REN creates some unique budget authority challenges, and feedback is requested on the proposed process for addressing this issue.

Member Dues

Revised FY 2023/2024 Proposal: No changes are proposed to current year dues; however, the process will begin immediately to evaluate specific components of the dues structure and amount. Specifically, the TAC was asked to provide recommendations in two areas:

1. What criteria are most consistent with the fair and equitable distribution of costs related to member dues? The TAC was asked to evaluate whether the current process (adjusted for current data) remains appropriate, or whether a different methodology would best accomplish the goal. Criteria may include population, assessed value, or another measure.
2. Should dues 1) remain static until action is taken each year in the budget process, 2) contain an automatic escalator (fixed percentage, Consumer Price Index, etc.), or 3) be modeled after the practice of some peer agencies where the Administrative cost is determined each year then allocated among the member agencies in accordance with the prescribed formula?

Background: WRCOG member dues are currently set at \$294k, which is a fixed amount that has not changed since FY 2008/2009 where they were reduced by 15% due to the Great Recession, and were

never increased. Since then the only adjustment to the overall dues levels have been to the addition of the City of Beaumont and the Riverside County Superintendent of Schools, but the Morongo Band of Mission Indians also withdrew its membership from WRCOG.

Previously, WRCOG would distribute its dues based on population and assessed value (which is described in the WRCOG Bylaws), similar to what other regional agencies such as CVAG and SCAG, which calculate and distribute dues based off of population and Assessed Valuation. Others, such as SGVCOG, calculate its dues based off of its total general operating budget and assign a base fee plus a per capita amount.

WRCOG dues were originally calculated based off a weighted average of population and assessed value for cities and the county, while the Water Districts and the Riverside County Office of Education used fixed amounts. The weighted average allocation has not been updated, which provides an opportunity to adjust the allocation among agencies and improve the fairness of the cost. The core figure to be allocated has not been adjusted since 2009. At that time, the amount was decreased in response to global economic conditions but, unlike other fees that were decreased at that time, the fee did not recover as conditions improved. Separate from the decrease, CPI has increased approximately 27% in that time and has caused WRCOG to rely more heavily on revenues from other programs to fund core functions. The additional evaluation period will allow a more thorough analysis of the issue to be considered in time for the FY 2024/2025 budget process.

No immediate feedback was given by the Technical Advisory Committee; however, re-evaluating the dues structure will be an involved and lengthy process that cannot be resolved immediately and will require multiple discussions, analysis, and will be evaluated over the next fiscal year with a recommendation for any changes likely being a part of the Fiscal Year 2024/2025 budget process.

Solid Waste Dues

Revised FY 2023/2024 Proposal: Increase dues of those member agencies opting into the Solid Waste Program by \$1,116 - \$8,200 per member agency based on proportional share and participation in the optional AB 939 filing component. This action allows the Program to achieve self-sufficiency and reflects the current cost of responding to growing State mandates.

Background: The State of California requires local government compliance with an increasingly burdensome, complex, and technical set of mandates related to Solid Waste and Recycling programs. Citing the specialized skill set and time demands of interpreting and complying with this evolving body of mandates, several WRCOG member agencies asked WRCOG to serve as a convened, clearinghouse, and technical advisor for issues related to Solid Waste. The Program has been successful despite the challenges of implementing new requirements and provides technical assistance, serves as a central contractor, and allows participating members to collaborate and share information.

Providing these services falls outside of WRCOG's core functions and is intended to be a self-sustaining Program funded by the members who have requested and who benefit from the Program. Members of the Solid Waste Program pay dues which are calculated on a per household basis at a cost of \$0.17 per occupied housing unit (updated annually based on data from the California Department of Finance). The basis for the \$0.17 was set in the early 2000s on the Program's cost around that time, and while dues have gone up due to population increasing, they have not been adjusted based on current costs of

providing an expanded scope of services required by new State mandates.

An optional piece of the Solid Waste dues is report preparation for Assembly Bill 939 (AB 939) compliance, which is also based on outdated resource assumptions. Eighteen WRCOG member agencies are members of the Solid Waste Program, and 12 members elect to have WRCOG complete their AB 939 compliance reports. Current member dues are budgeted at a combined \$124k but fully allocating the associated overhead required to operate the Program would result in expenditures of \$160k. Reaching the goal of self-sufficiency for this Program will require dues to reflect the increased workload brought on by State actions and updated staffing costs. For FY 2023/2024, this requires adjusting the dues range for members opting into the Program. The adjustment increases the dues of participating agencies between \$1,116 - \$8,200 per member agency depending on their proportional share and whether they participate in the optional AB 939 filing program. For those participating in the AB 939 filing program, the annual fee increases from \$2,045 to \$3,722 and is included in the estimate above.

Clean Cities Dues

FY 2023/2024 Proposed Changes: Increase dues by 10% for members opting into the Program with the potential for future increases partially offset by securing new grant revenues as the program works toward self-sufficiency.

Background: The Clean Cities Program is comprised of 11 WRCOG member agencies whose dues combine with ongoing funding from the U.S. Department of Energy which oversees the national Clean Cities Program. At the current rates, those sources are not sufficient to support the Program at a level of self-sufficiency. Currently, additional funds are received from the University of West Virginia; however, those funds are expected to expire at the end of FY 2023/2024. Revenue increases or expenditure decreases will be needed to ensure the long-term sustainability of the Program.

Efforts are currently underway to evaluate Program expenditures in search of additional savings. Concurrently, aggressive efforts to acquire grant funding were approved as part of the current year's budget and those efforts are underway. As more grant funds are received, the burden on Clean Cities member dues is decreased. At both the State and Federal level, the Clean Cities initiative has gained momentum and the pool of potential grant funding sources has grown exponentially. While WRCOG is well-positioned and aggressively pursuing these funds, the predictability of receiving future grant awards is not accurate enough to quantify in the budget at this point.

WRCOG members participating in Clean Cities are able to fund the majority of their dues using funds provided by California Assembly Bill 2766 (AB 2766). AB 2766 is a statewide program which uses funds collected through vehicle registrations to fund air quality improvement programs throughout California. These funds are sent to the various Air Districts including the South Coast Air Quality Management District (AQMD), which then distributes these funds to each jurisdiction to implement programs that improve regional air quality. The Clean Cities Program meets these goals since it encourages the use of alternative fueled vehicles and conducts education and outreach. One of the main tasks of the Clean Cities Program is the preparation of AB 2766 compliance reports, which document activities related to improving regional air quality. The Program cost is directly related to the scope of services, amount of required labor, and cost of labor. While those costs have increased, the revenues have remained the same, and serve as a barrier to the program reaching a sustainable level of self-sufficiency. WRCOG submits these reports to AQMD on behalf of members who participate in the Clean Cities Program.

Agencies which elect not to participate in the Clean Cities Program are still required to prepare AB 2766 compliance reports but are able to do so separate from WRCOG. Currently, 11 WRCOG member agencies choose to participate in the Clean Cities Program.

WRCOG members currently participating in Clean Cities pay dues based off of a tiered population structure from \$3,000 to \$25,000 (from less than 25,000 to more than 250,000) as shown below with current and proposed amounts. Current expenditures are anticipated to be over \$400k against budgeted revenues of \$422k; however, the member dues and the DOE allocation make up \$240k of the \$422k in revenues, a difference of \$282k. Of the \$282k, most of these revenues are one-time grants / partnerships, but \$70k is being allocated from the LTF due to the nexus between transportation and Clean Cities justified in the LTF work plan. While there may be an opportunity for the LTF allocation to continue, there is still a significant deficit that needs to be made up either by securing additional grant revenues or significantly increasing Clean Cities membership dues.

Fellowship

FY 2023/2024 Proposed Changes: Continue the Program as is until or unless the Program funds are depleted and stop the Program if / when that happens. Seek additional funding from State or Federal government grants, targeted fundraising, sponsorships, or support from the WRCOG Supporting Foundation in order to extend the life of the Program.

The Fellowship Program was established in 2016 and has placed over 80 Fellows in WRCOG member agencies and has been widely recognized as a successful effort to entice and train local talent by introducing and preparing them for public service careers. These Fellows are treated as WRCOG employees, but work directly for member agency staff. The Program was funded through an initial allocation totaling \$1,380,000. In recent years, the Program instituted a cost sharing model with member agencies sharing the cost of their assigned Fellows; however, with no replenishment of the initial seed funding, the available funds have continued to deplete. At the start of FY 2023/2024 those available Program funds will only total approximately \$200k.

Despite its success, the lack of a dedicated funding source jeopardizes the sustainability of the Program. While no funding structure changes are proposed for FY 2023/2024, this proposal envisions the Program only lasting as long as the available funds. In order to delay or prevent the end of the Program, WRCOG staff will work with partners to identify possible funding sources from government, philanthropy, or the WRCOG Supporting Foundation.

I-REN Budget Authority

FY 2023/2024 Proposed Changes: Use the WRCOG annual Budget Resolution to 1) set the maximum revenue and expenditure limits for I-REN, 2) require all I-REN spending to conform to the WRCOG-approved I-REN Business Plan, 3) delegate full budget amendment authority to the WRCOG Executive Committee, and 4) delegate limited budget authority to the I-REN Executive Committee to meet the programming needs of I-REN.

I-REN is a cooperative effort between WRCOG, the Coachella Valley Association of Governments (CVAG), and the San Bernardino County Council of Governments (SBCOG) that is authorized and funded by the California Public Utilities Commission (CPUC). I-REN is governed by an Executive Committee consisting of voting members from each of the three participating agencies. They meet

regularly and devote substantial time and attention to the technical and governance responsibilities of I-REN.

I-REN is a partnership controlled by a series of agreements among the participating agencies, the CPUC, and the Investor-Owned Utilities (Southern California Edison and Southern California Gas Company). These agreements allocate roles and responsibilities among each organization and designate WRCOG as the Administrative Lead for I-REN. In that capacity, WRCOG administers the Program under the direction of the I-REN Executive Committee and with the consent of the WRCOG Executive Committee. While the I-REN is a partnership with clear roles and responsibilities along with a shared governance structure, it is not a Joint Powers Authority or other legal entity. Since it is not a standalone entity, WRCOG, acting in its capacity as the Administrative Lead for the Program, incorporates the I-REN budget into the WRCOG budget.

This creates a unique situation in which 1) the CPUC is committed to fully funding I-REN and thereby mitigating risk to WRCOG, 2) the I-REN Executive Committee makes programmatic budget decisions within any constraints imposed by the CPUC or the WRCOG Executive Committee, and 3) WRCOG retains final budget authority and responsibility as part of its own budget.

The I-REN Executive Committee includes three representatives from the WRCOG Executive Committee and is well-positioned to make the complex and technical financial allocations required to administer the Program. With no legal authority of its own, the I-REN Executive Committee must rely on delegated authority from WRCOG. Blanket authority would impose an undue risk to WRCOG, but retaining full line-item authority would force an undue burden on WRCOG.

In order to balance the need for WRCOG to protect itself from financial risk and liability, yet provide programmatic flexibility to the governing body of the Program, this proposal bifurcates duties. WRCOG would retain ultimate responsibility and authority over the I-REN budget but would, subject to revocation by WRCOG, delegate authority to the I-REN Executive Committee. In this scenario, WRCOG would establish the maximum revenue and expenditure limits for the I-REN. It would also prescribe the broad parameters for spending funds by limiting expenditures to items included in the WRCOG-approved I-REN Business Plan. This provides an added level of protection for WRCOG and retains WRCOG's ability to revoke the delegation in the future. It also provides limited authority to the I-REN Executive Committee to meet the programmatic needs of the I-REN.

An additional complication is that the CPUC allocates funding on a calendar basis rather than the fiscal year that WRCOG and its member agencies utilize. This creates an asymmetric budgeting cycle where the FY 2023/2024 WRCOG budget addresses only the second half of the I-REN 2023 budget and the first half of the I-REN 2024 budget. Fortunately, the six-year approval cycle approved by the CPUC includes a prescriptive amount of funding, so fluctuations are expected to be minor and likely the result of delayed or expedited projects.

The delegation of authority allowing the I-REN Executive Committee to approve the I-REN budget as long as it is within the WRCOG-approved dollar amount and consistent with the WRCOG-approved I-REN Business Plan will be addressed in the WRCOG Budget Resolution. Similarly, the delegation of budget amendment authority to the WRCOG Executive Committee will also be addressed in the WRCOG Budget Resolution.

Proposed Budget Resolution and Feedback

Attached to this Staff Report is the proposed resolution for the Fiscal Year 2023/2024 budget. At the Technical Advisory Committee (TAC) meeting on April 20, 2023, several members provided their feedback regarding the proposed budget resolution. Over the past year, staff reached out to a majority of WRCOG's member jurisdictions to gain a better understanding of each jurisdiction's budgetary authority, and while some are comparable in terms of authority, they mostly vary with respect to the authority granted to their City Manager or equivalent. Several changes were made to WRCOG's budget resolution, including clarification to the Executive Director's authority in making changes to the budget and budget authority surrounding the I-REN.

The feedback provided was specifically around the authority of the Executive Director with respect to making changes to the budget and staffing and salary changes. With respect to budgetary changes, a suggestion was made around assigning a specific dollar amount to the Executive Director's authority; however, after further explanation and dialogue from the TAC members, the idea would be too constrictive with respect to the intent of the proposed language. Ultimately, the intent with the ability to increase revenues (along with corresponding expenditures) is to be able to respond to grant opportunities in a timely manner; otherwise, this could risk the possibility of potentially losing out on a grant. Lastly, with respect to the Executive Director's authority in making changes to salaries and classifications, the concern was in regards to potential PERS implications and making salary adjustments outside of an approved salary schedule; however, that was not the intent of the language. Any changes to salaries and classifications would be within an existing, approved, salary schedule. An example would be bringing someone from an Analyst I to an Analyst II, or from Step 3 to Step 5 of an existing approved range.

Prior Action(s):

April 20, 2023: The Technical Advisory Committee received and filed.

April 12, 2023: The Administration & Finance Committee received and filed.

April 3, 2023: The Executive Committee received and filed.

March 16, 2023: The Technical Advisory Committee received and filed.

March 6, 2023: The Executive Committee received and filed.

February 23, 2023: The Finance Directors Committee received and filed.

Fiscal Impact:

The Fiscal Year 2023/2024 Agency Budget currently has anticipated revenues and transfers in (overhead) of \$19,572,850 against expenditures \$19,286,298 in expenditures, a difference of \$286,552.

Compared to Fiscal Year 2022/2023, this represents a decrease of approximately \$68M in revenues and \$31M in expenditures; however, as previously noted, this drastic decrease is attributable to the TUMF collections (with the exception of the 4% admin fee) now no longer being considered a revenue for the Agency. Excluding these revenues for an apples-to-apples comparison actually shows revenues for the

Agency increasing by approximately \$2.2M, with expenditures increasing by approximately \$1.8M, which is primarily attributable to the increased I-REN revenues, decreased HERO revenues, and decreased TUMF Administrative revenues.

Attachment(s):

[Attachment 1 - WRCOG FY 23-24 Budget Summary and Graphs](#)

[Attachment 2 - WRCOG FY 23-24 Draft Budget Resolution](#)

[Attachment 3 - WRCOG FY 23-24 Draft Budget Message](#)

Attachment

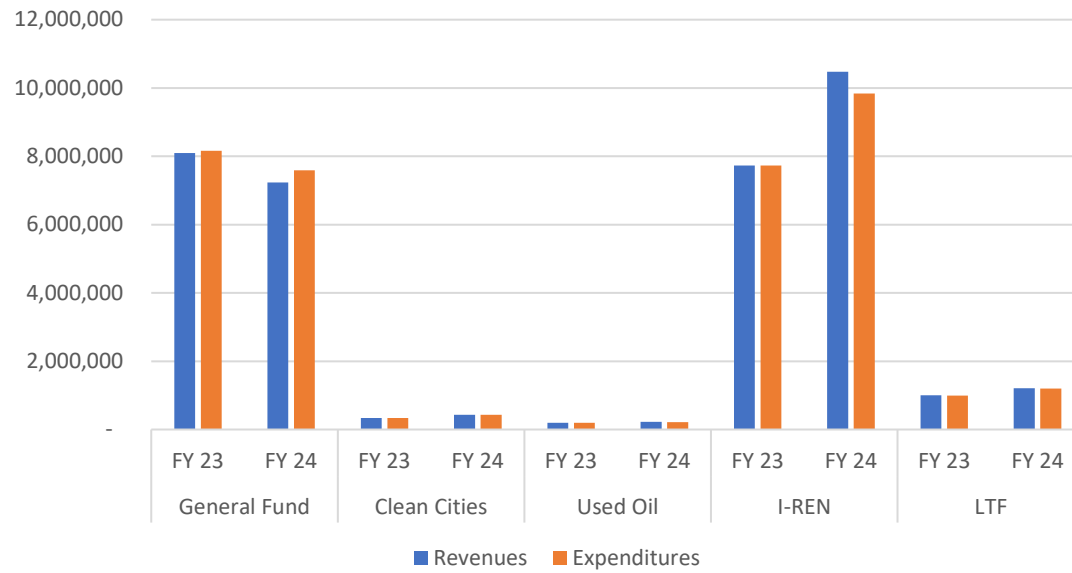
WRCOG FY 23-24 Budget Summary and Graphs

Fund Summary														
	General Fund		Clean Cities*		Used Oil		I-REN		LTF*		TUMF		Grand Total	
	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget
Revenues	8,098,481	7,230,158	340,167	434,600	198,398	220,753	7,728,330	10,478,589	1,002,500	1,208,750	70,263,068	-	87,630,944	19,572,850
Expenditures														
Salaries	4,555,109	4,227,466	292,783	393,589	134,725	125,815	1,174,522	1,051,230	721,940	913,262	-	-	6,879,079	6,711,363
Legal	699,850	565,200	-	-	1,000	1,000	45,000	60,000	2,000	20,000	-	-	747,850	646,200
General Operations	1,357,256	1,310,171	23,050	26,011	62,498	93,300	3,225,425	3,756,600	16,100	20,300	32,888,595	-	37,572,924	5,206,382
Consulting	1,544,650	1,489,186	23,950	15,000			3,283,383	4,968,167	250,000	250,000	-	-	5,101,983	6,722,353
Total	8,156,866	7,592,023	339,783	434,600	198,223	220,115	7,728,330	9,835,997	990,040	1,203,562	32,888,595	-	50,301,837	19,286,298
Excess Rev/Exp	(58,385)	(361,865)	384	-	175	638	-	642,592	12,460	5,188	37,374,473	-	37,329,107	286,552
Est Ending Fund Balances	10,421,169		32,590		-		-		2,610,661				13,064,421	

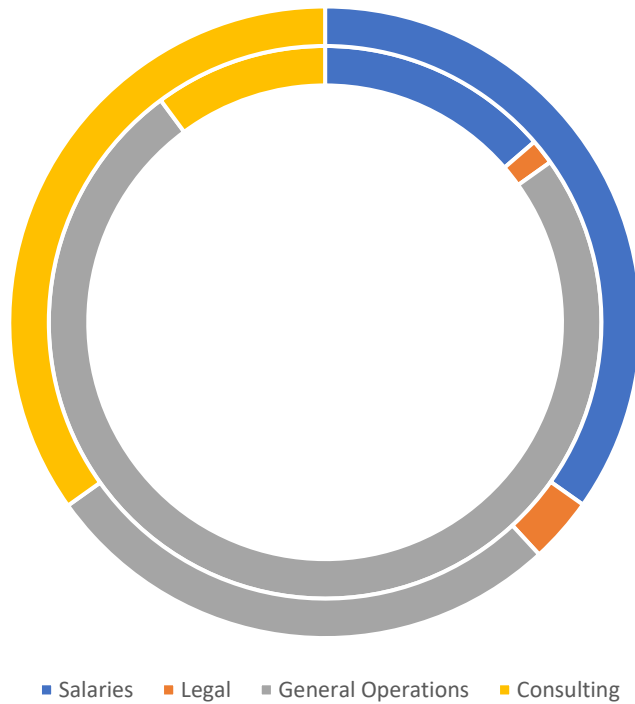
*70k allocation from LTF to Clean Cities

General Fund														
	Solid Waste		Love Your Neighborhood		Gas Company		Streetlights		PACE Commercial		HERO		TUMF	
	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget
Revenues	240,750	183,580	50,000	50,000	-	100,000	135,542	139,608	\$ 110,000	\$ 148,550	1,130,000	764,000	2,605,932	2,052,000
Expenditures														
Salaries	104,653	140,505	13,604	20,817	-	61,024	106,689	61,024	117,660	148,550	909,838	743,674	1,414,430	1,315,531
Legal	1,000	2,000	-	200	-	2,500	750	20,000	3000		500,000	325,000	75,000	100,000
General Operations	5,400	14,950	10,000	3,983	-	17,750	12,408	14,000	3,000		90,500	43,660	98,250	82,600
Consulting	129,556	26,125	26,396	25,000	-	18,726	15,433	30,000	29,757		70,000	40,000	450,000	550,000
Total	240,609	183,580	50,000	50,000	-	100,000	135,280	125,024	153,417	148,550	1,570,338	1,152,334	2,037,680	2,048,131
Excess Rev/Exp	141	0	-	0	-	0	262	14,584	(43,417)	-	(440,338)	(388,334)	568,252	3,869
	RivTAM		REAP 1.0		REAP 2.0		Administrative Services		Finance		Executive		Fellowship	
	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget	FY 23 Budget	FY 24 Budget
Revenues	25,000	25,000	750,000	300,000	-	500,000	2,951,257	2,021,421	0	556,280		289,719	100,000	100,000
Expenditures														
Salaries	10,288	16,532	249,183	90,586	-	146,079	1,438,691	717,100	-	392,553	-	277,719	190,072	95,774
Legal	-	-	5,000	-	-	15,000	115,000	100,000	-	-	-	-	100	500
General Operations	-		-	-	-	-	1,132,948	954,001	-	163,727	-	12,000	4,750	3,500
Consulting	14,571	1,000	558,437	209,414	-	338,921	250,000	250,000	-		-		500	
Total	24,859	17,532	812,620	300,000	-	500,000	2,936,639	2,021,101	-	556,280	-	289,719	195,422	99,774
Excess Rev/Exp	141	7,468	(62,620)	0	-	0	14,617	320	-	-	-	-	(95,422)	226

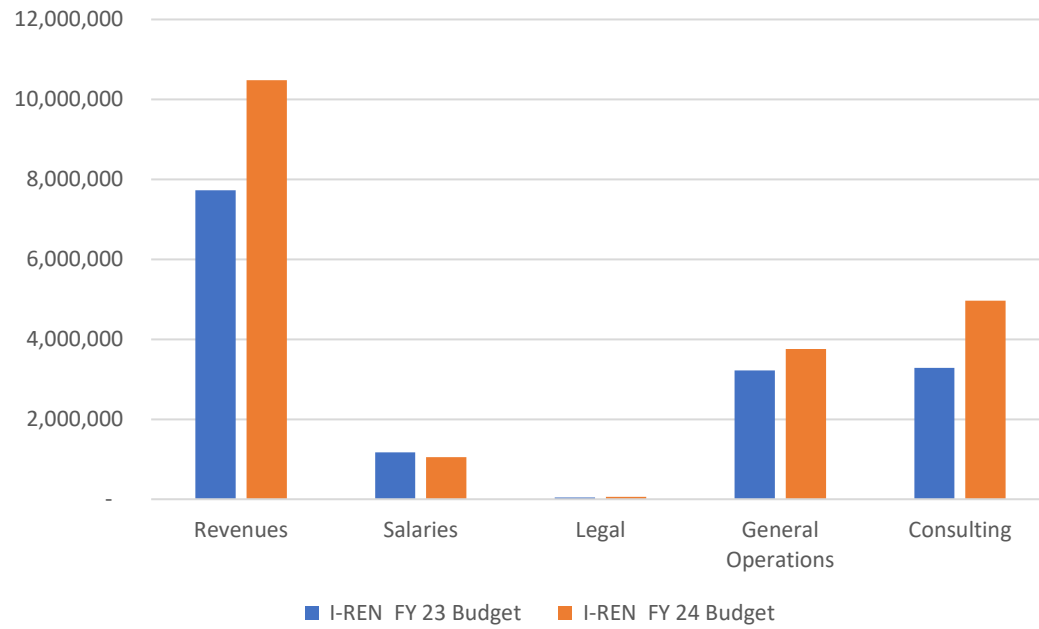
Budget Summary - Fund Level



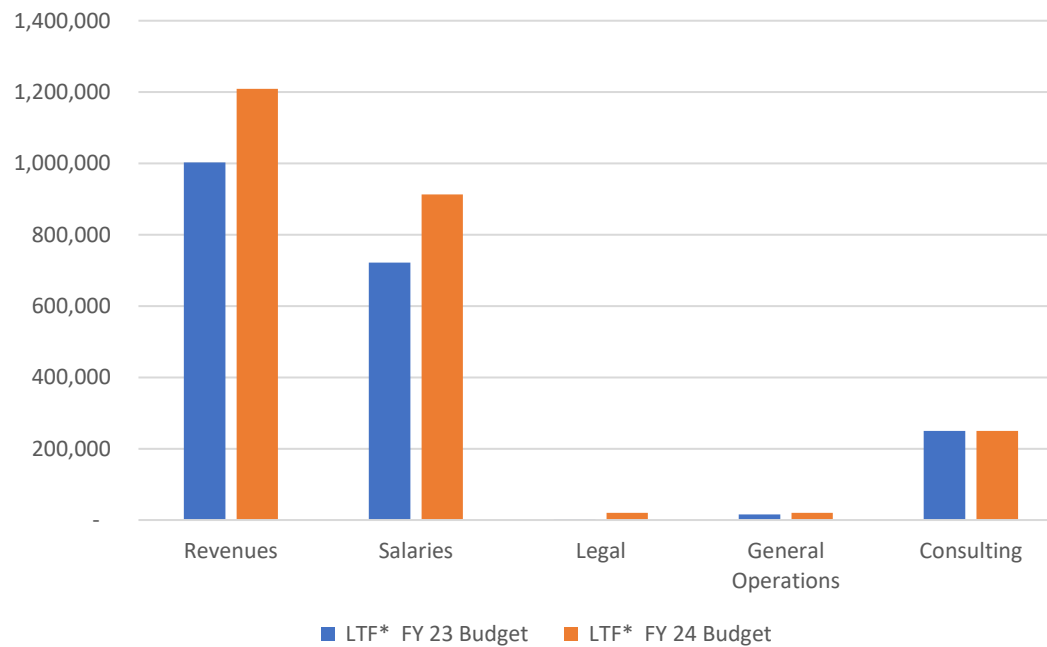
Expenditures - FY 24 (outside) vs FY 23 (inside)

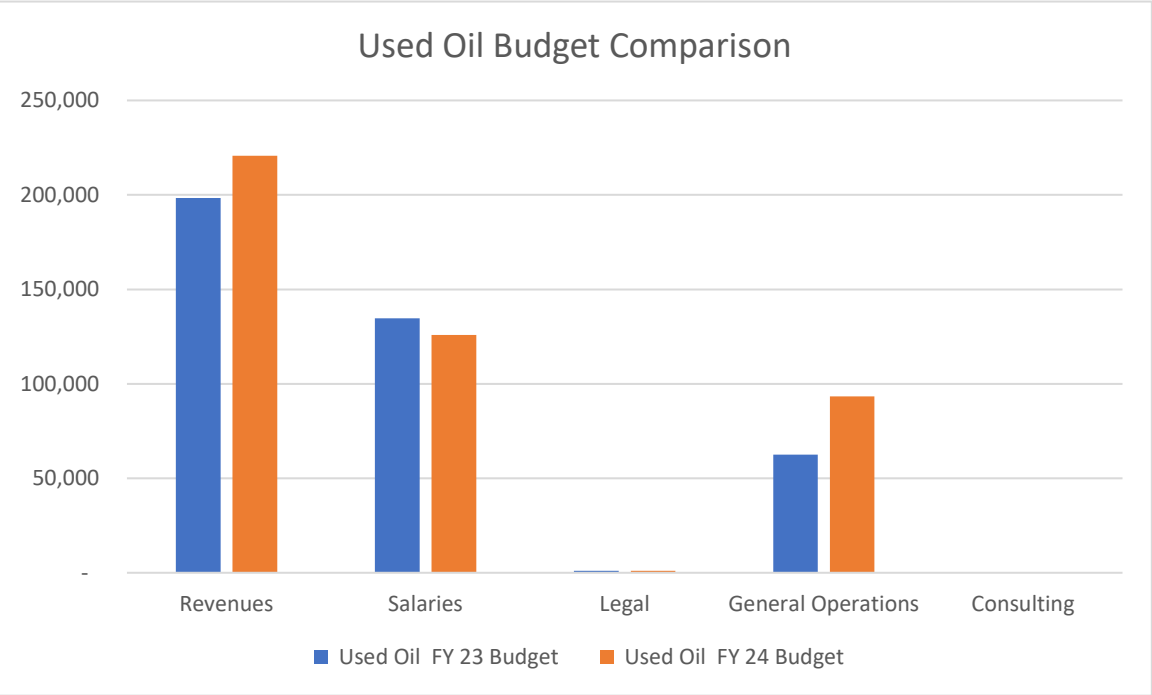
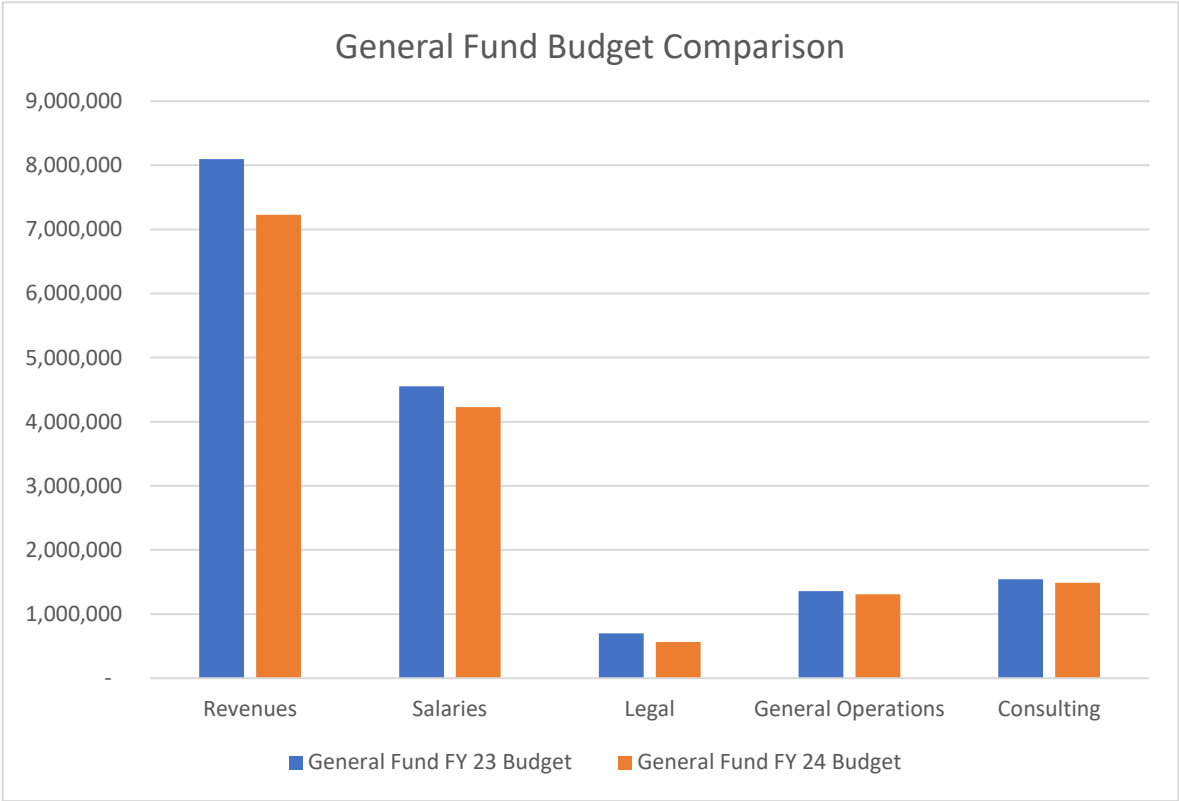


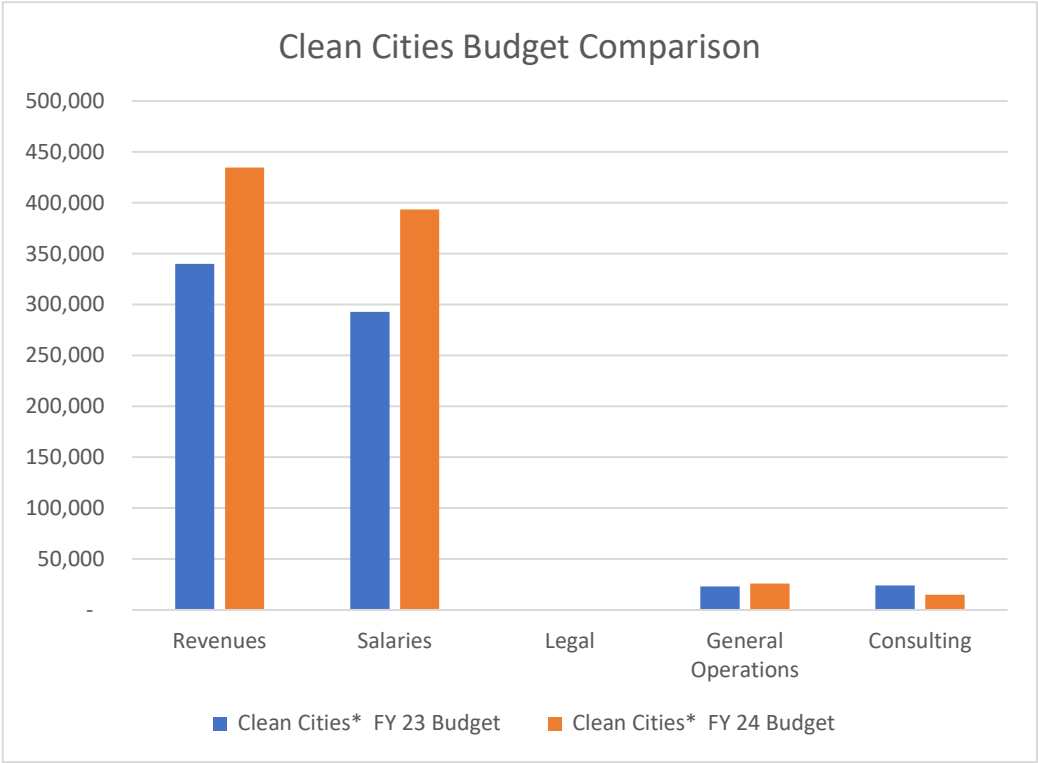
I-REN Budget Comparison



LTF Budget Comparison







Attachment

FY 23-24 Draft Budget
Resolution

Resolution NUMBER XX-XX

**A RESOLUTION OF THE GENERAL ASSEMBLY OF THE WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS ADOPTING THE FISCAL YEAR 2023/2024 AGENCY BUDGET**

WHEREAS, The Western Riverside Council of Governments (WRCOG) operates on a fiscal year basis, beginning on July 1 of each year and continuing until June 30 of the succeeding year; and

WHEREAS, Article III, Section 3.3 of the WRCOG Joint Powers Agreement states that prior to July 1 of each year, the General Assembly shall adopt a final budget for the expenditures of WRCOG during the following fiscal year; and

WHEREAS, Article III, Section 6, Subdivision (A) of the WRCOG Bylaws states that the Executive Committee of WRCOG shall prepare and recommend to the General Assembly a yearly budget for funds and distribution and to determine the estimated share of contributions from each member agency; and

WHEREAS, on May 1 2023, a proposed Agency Budget for Fiscal Year 2023/2024 was presented to the Executive Committee, and the Executive Committee recommended the proposed Agency Budget for Fiscal Year 2022/2023 to the General Assembly; and

WHEREAS, WRCOG serves as the administrative lead for the Inland Regional Energy Network (I-REN) and incorporates the I-REN Budget in the WRCOG budget; and

WHEREAS, the I-REN has a governing body consisting of elected officials from throughout the I-REN service area, including WRCOG; and

WHEREAS, the I-REN revenues are fixed, approved, and provided exclusively through the California Public Utilities Commission (CPUC); and

WHEREAS, the categories and amounts of I-REN spending are constrained by the WRCOG-approved I-REN business plan; and

WHEREAS, the CPUC allocates I-REN funding based on a calendar year rather than the WRCOG fiscal year; and

WHEREAS, WRCOG provided the public with proper notice that the meeting to approve the proposed Agency Budget for Fiscal Year 2023/2024 is to be held on June 29, 2023, at the General Assembly meeting; and

WHEREAS, on June 29, 2023, the proposed Agency Budget for Fiscal Year 2023/2024 was presented to the General Assembly and the General Assembly held a public hearing on the proposed Budget.

NOW THEREFORE, BE IT RESOLVED by the General Assembly of the Western Riverside Council of Governments as follows:

Section 1. RECITALS

The above recitals are incorporated herein by this reference.

Section 2. FINAL BUDGET

- (a) The General Assembly hereby approves and adopts the WRCOG Fiscal Year 2023/2024 Agency Budget with expenditure appropriations of \$XX,XXX,XXX.
- (b) The continuation of Fiscal Year 2022/2023 appropriations to FY 2023/2024 is authorized for the completion of programs and activities currently underway.

Section 3. INLAND REGIONAL ENERGY NETWORK (I-REN)

- (a) The General Assembly hereby directs the WRCOG Executive Committee to monitor the finances of the I-REN and provides for:
 - (1) Expanded budget authority to impose new fiscal requirements on the I-REN Executive Committee as it deems necessary; and
 - (2) Make mid-year budget adjustments in any amount, provided they meet the following criteria:
 - a) consistent with the intent and purpose of I-REN
 - b) revenue assumptions are consistent with CPUC allocations
 - c) expenditures are consistent with the WRCOG-approved I-REN Business Plan
- (b) The General Assembly hereby provides the I-REN Executive Committee with limited delegated authority to approve and amend the I-REN budget subject to the following conditions:
 - a. Revenues shall be consistent with the CPUC funds allocation.
 - b. Expenditures shall be consistent with the WRCOG-approved I-REN Business Plan.
 - c. The WRCOG Executive Committee may impose additional constraints at its sole discretion.
 - d. The WRCOG Executive Committee reserves the right to revoke this limited delegation of authority.

Section 4. AMENDING THE FINAL BUDGET

- (a) In accordance with Sections 4.1 and 1.2.2, Subdivision (f) of the WRCOG Joint Powers Agreement and Government Code Section 29092, the General Assembly hereby delegates its power to amend the WRCOG Fiscal Year 2023/2024 Agency Budget and approve Budget transfers throughout the Fiscal Year to the Executive Director within the following control levels:
 - (1) Level of Budgetary Control – Budgetary control is established at the following levels: a) General Fund – Department Level and b) Other Funds – Fund level.
 - (b) The Executive Director is authorized to establish and amend revenue estimates and expenditure appropriations subject to the receipt or award of corresponding revenues (i.e., grant funding, donations, contract or bond revenues, and reimbursements).
 - (c) The Executive Director may revise the schedule of any appropriation made in this resolution where the revision is of a technical nature, is consistent with the intent of the governing board, and provided that any net increase in expenditures is paired with a corresponding revenue

increase. Notice of any revisions shall be included in subsequent budget updates to the Executive Committee.

(d) The Executive Director is authorized to adjust classifications, including salary and benefit, and allocation adjustments, and to make related inter-fund transfers and appropriation adjustments, to ensure comparability with similar classifications to maintain equity in WRCOG's salary schedules and to incorporate changes into the Salary Schedule, as appropriate.

Section 5. IMPLEMENTATION OF ANNUAL BUDGET

The Executive Director is hereby authorized to take necessary and appropriate actions to carry out the purpose and intent of this resolution.

PASSED AND ADOPTED by the General Assembly of the Western Riverside Council of Governments on June 29, 2023.

Crystal Ruiz, Chair
WRCOG Executive Committee

Kurt Wilson, Secretary
WRCOG Executive Committee

Approved as to form:

Steven DeBaun
WRCOG Legal Counsel

AYES: _____ NAYS: _____ ABSENT: _____ ABSTAIN: _____

Attachment

WRCOG FY 23-24
Draft Budget Message

Members of the Western Riverside Council of Governments General Assembly:

I'm pleased to present the proposed FY 2024 budget for your consideration. I'd like to offer special thanks for the dedication and assistance of the management and finance staff as well as the guidance and direction provided by the Executive Committee.

After a recent period of transition, WRCOG's finances are stable and the agency is well-positioned to carryout the goals of the recently adopted Strategic Plan.

1. Serve as an advocate at the regional, state, and federal level for the Western Riverside subregion.
2. Identify and help secure grants and other potential funding opportunities for projects and programs that benefit member agencies.
3. Ensure fiscal solvency and stability of the Western Riverside Council of Governments.
4. Communicate proactively about the role and activities of the Council of Governments.
5. Develop projects and programs that improve infrastructure and sustainable development in our subregion.
6. Develop and implement programs that support resilience for our region.
7. Provide a safe, inclusive environment that values employees.

In addition to the Strategic Plan Goals, the Executive Committee directed a longer-term look at the agency's finances in order to better identify and mitigate potential risks. This resulted in a fiscal modeling exercise that demonstrated the long-term fiscal health of each fund based on current activity, recessions, and other scenarios.

The Executive Committee also directed further efforts toward fiscal transparency. Just as WRCOG is built on the premise of aligning collective resources, the budget is a work of various programs working together for the good of the member agencies. Historically, several programs were housed in the General Fund and the Administrative functions (Fiscal, HR/Admin, and Executive) were consolidated. This still resulted in the accurate reporting of data, but the tethering of programs obscured the readability which was in contrast with direction received from the Executive Committee. The proposed FY 2024 budget includes additional steps toward the disaggregation of fiscal data in order to improve transparency.

Guiding Principles

In order to incorporate feedback received from the Executive Committee, this budget was built on a set of guiding principles.

1. Ensuring fair distribution of funds and funding requests.
2. Requiring non-comprehensive programs (those who do not benefit the entirety of the member agencies) to be self-sustaining.
3. Focusing on the long-term health of each fund.
4. Moving towards these goals in an incremental way when full-scale immediate changes are impractical

Overview

The total agency budget is \$19,572,850 in revenues and transfers in against \$19,286,298 in expenditures, which includes all funds except for the Riverside County Habitat Conservation Agency

(RCHCA) the Transportation Uniform Mitigation Fee (TUMF) passthrough funds described below. The General Fund budget totals \$7,230,158 in revenues and transfers in against \$7,592,023 in expenditures, and has an approximate fund balance at the end of Fiscal Year 2022/2023 of \$10.8M of approximately 142%. The Unfunded Accrued Liability (UAL) is -\$32K (103.8% funded) for PEPRA employees and \$2.2M (84.4% funded) for Classic employees. This is offset by a 115 Trust balance of \$334k. The Other Post-Employment Benefit (OPEB) liability is \$1.8M (52% funded).

New Programs

None.

New Positions

None.

Ending Programs

California Resiliency Challenge

Focus Areas

While many programs remain static from the previous year, there are six areas of particular focus in this budget.

1. TUMF

The TUMF program operates by collecting fees from developers and then redistributing funds to member agencies and other regional entities for projects. In previous budgets, those funds were included as WRCOG revenues and expenditures. Our new auditor has cited Governmental Accounting Standards Board Statement 84 (GASB 84) and recommended those funds be treated as pass-through funds with the exception of the 4% Administrative fee that remains with WRCOG. Despite the change in accounting and appearance, this has no tangible impact on the operation or implementation of the program but does change the reporting in a way that reflects a substantial change in the total revenues and expenditures (decrease of \$70M in revenues and \$32M in expenditures).

2. Member Dues

Most public agencies rely primarily on tax revenues (property or sales) to fund general government activities. Some single-purpose agencies rely primarily on fees charged to customers in exchange for services. In the case of WRCOG, the programs are funded by revenues related to those specific programs and the Administrative function is funded through a combination of Member Dues and overhead charged to programs for their incremental Administrative burden. The Member Dues in the proposed budget account for \$294k. By contract, member dues in 2009 totaled \$320k. The decrease was the result of a policy decision to reduce fees during the Great Recession. Those fees have never been restored.

No change in Member Dues is proposed in the current budget. Over the next year, however, the Executive Committee has referred the item to the Technical Advisory Committee to evaluate and make recommendations to be considered as part of the FY 2025 budget.

3. Solid Waste

The Solid Waste program continues to benefit those member agencies who opt in to receive services. The costs of labor and materials have grown and the scope of those services has expanded as state mandates have increased. Despite these increases, the Solid Waste fees charged to those agencies who opt into the program have not been adjusted in more than 10 years. This proposed budget includes fee increases to the Solid Waste program ranging from \$1,116 to \$8,241 based on agency size and whether the agency opts in for a second service. This is necessary in order for the program to be self-sufficient.

4. Clean Cities

The Clean Cities program has received significant attention at the state and federal levels with new challenges and opportunities emerging every year. The current program has operated on a combination of funding from the U.S. Department of Energy (DOE), a temporary partnership with the University of West Virginia, and member dues. The DOE funds are determined solely by the DOE and the West Virginia funds will expire at the end of the upcoming fiscal year. The true cost associated with the program would require a substantial increase in member dues. Fortunately, staff has taken an aggressive stance in search of grant funding to offset the member obligation for the program. It is unclear when, or to what extent, those grant funds will materialize. This proposed budget recommends an increase in member dues of \$126,000 to \$138,600 based on the funding formula. The FY 2025 budget will either reflect the benefits of grants received in the upcoming fiscal year, or a proposal for an additional fee increase in order for the program to be self-sufficient.

5. Public Service Fellowship Program

The Fellowship program was borne of capacity related to the HERO residential PACE program. It provided two lump sum injections of funds to operate the program. Since 2019, no new funds have been added to the program. The only change has been for hosting agencies to share costs. This cost sharing has slowed the depletion of funds but the program can't continue without additional funding.

No changes are proposed in this budget, however, based on the guiding principles, if the program expends all of its available funding, the program will be discontinued. Over the course of the next year, in an attempt to prevent or delay the program's transition, staff will evaluate a variety of philanthropic or fundraising options to benefit the program.

6. HERO

The HERO program was effectively closed several years ago by action of the Executive Committee. This ended the process of taking on new customers or issuing new bonds related to the program but it did not relieve WRCOG of its responsibility to service existing bonds. HERO-related revenues continue to trickle in at a slow pace and the costs of servicing the existing bonds is also declining. The program built a small reserve in recent years with the expectation that, as the program came closer to winding down, it would have negative fiscal activity. That is the case for the FY 2024 year and is demonstrated by drawing on reserve funds.

7. I-REN

The Inland Regional Energy Network is a partnership between all three Councils of Government in the two-county region (WRCOG, Coachella Valley Association of Governments, and San Bernardino Council of Governments). It is funded by the California Public Utilities Commission (CPUC) through a six-year allocation of funds from the Public Goods Surcharge. The I-REN governance structure includes elected officials from each participating COG with each COG having three votes. They provide policy direction and technical guidance on issues related to I-REN. The I-REN, however, is not a separate legal entity so WRCOG, in its capacity as lead administrative agency, incorporates the I-REN funds in the WRCOG budget.

Unlike most public agencies, the CPUC issues funds based on the calendar year. This creates an offsetting approval and authorization process that is further complicated by the unusual governance structure. These issues are addressed in the proposed budget resolution by asking the General Assembly to specifically delegate budget authority to the Executive Committee and delegating limited authority to the I-REN governance structure (known as the I-REN Executive Committee). This provides the necessary programmatic latitude to the I-REN while protecting the fiduciary responsibility of WRCOG through continued oversight and the ability to intervene if necessary.

Conclusion

WRCOG is in a strong financial position but is committed not to take that for granted. The possibility of fiscal disruption from a recession, political shift, or even another pandemic remain on the forefront of fiscal decision-making for the agency. In response, this budget represents a series of purposeful steps to continue strengthening the organization's long-term fiscal position, mitigating financial risks, and maximizing the value to member agencies.