Western Riverside Council of Governments
Executive Committee

REVISED AGENDA

Monday, December 3, 2018
2:00 p.m.

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

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Executive Committee meeting, please contact WRCOG at (951) 405-6703. 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 450, Riverside, CA, 92501.

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

1. CALL TO ORDER / ROLL CALL (Chuck Washington, Chair)

2. PLEDGE OF ALLEGIANCE

3. SPECIAL PRESENTATIONS TO OUTGOING EXECUTIVE COMMITTEE MEMBERS

4. PUBLIC COMMENTS

At this time members of the public can address the Executive Committee regarding any items within the subject matter jurisdiction of the Executive Committee that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agendized 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 Executive Committee in writing and only pertinent points presented orally.

5. MINUTES

A. Summary Minutes from the November 5, 2018, Executive Committee Meeting are Available for Consideration. **P. 1**

Requested Action: *1. Approve the Summary Minutes from the November 5, 2018, Executive Committee meeting.*

6. 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 Executive Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Executive Committee request specific items be removed from the Consent Calendar.

Action items:

A. Transportation Uniform Mitigation Fee Program Activities Update: Approval of Project Reimbursement Agreements and a Second Amendment to a Transportation Department On-Call Engineering Professional Services Agreement ***Christopher Gray*** **P. 11**

Requested Actions:
1. *Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Eastvale for the Planning and Engineering Phases of the Hamner Avenue Widening (Bellegrave Avenue to Limonite Avenue) Project in an amount not to exceed $689,000.*
2. *Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Eastvale for the Right of Way and Construction Phases of the Hamner Avenue Widening (Bellegrave Avenue to Limonite Avenue) Project in an amount not to exceed $2,288,000.*
3. *Approve the Second Amendment to the Professional Services Agreement between the Western Riverside Council of Governments and WG Zimmerman Engineering to provide TUMF Program technical support in an amount not to exceed $50,000 for this Amendment and $200,000 in total.*

B. Approval of General Assembly and Executive Committee Meeting Schedule for 2019 ***Janis Leonard*** **P. 73**

Requested Action: *1. Approve the Schedule of General Assembly and Executive Committee meetings for 2019.*

C. Appointment of WRCOG Representatives to Various Committees ***Rick Bishop*** **P. 79**

Requested Action: *1. Appoint representatives to the following Committees for the period commencing January 1, 2019, and ending December 31, 2020, as follows:*

a. California Association of Councils of Government (1 primary and 1 alternate).

Brian Tisdale (Lake Elsinore): Primary

Laura Roughton (Jurupa Valley): Alternate

b. *Riverside County Waste Management Local Task Force (2 primary and 2 alternates).*

Jordan Ehrenkranz (Canyon Lake): Primary
Linda Krupa (Hemet): Primary

c. *Santa Ana Watershed Protection Authority One Water One Watershed Steering Committee (1 appointment).*

Laura Roughton (Jurupa Valley): Primary

d. *San Diego Association of Governments Borders Committee (1 primary and 1 alternate).*

Crystal Ruiz (San Jacinto): Primary
Dr. Yxstian Gutierrez (Moreno Valley): Alternate

e. *Southern California Association of Governments Policy Committees (5 appointments – 1 vacancy to be appointed in January 2019).*

Jordan Ehrenkranz (Canyon Lake): Energy and Environment
Bonnie Wright (Hemet): Energy and Environment
Randon Lane (Murrieta): Transportation
Ben Benoit (Wildomar): Transportation
Linda Krupa (Hemet): Transportation

D. Approval of Revised Agency Investment Policy ***Andrew Ruiz*** **P. 81**

Requested Action: *1. Adopt WRCOG Resolution Number 44-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments adopting a revised Investment Policy.*

E. Approval of 1st Quarter Draft Budget Amendment for Fiscal Year 2018/2019 ***Andrew Ruiz*** **P. 99**

Requested Action: *1. Approve the 1st Quarter Draft Agency Budget Amendment for Fiscal Year 2018/2019.*

F. Approval of Allocation of Funds from the Beaumont Settlement ***Christopher Gray*** **P. 123**

Requested Actions:

1. Direct staff to allocate any existing and future funds received from the Beaumont 3rd party Settlements via the Nexus Study formula.
2. Direct staff to coordinate with the Riverside County Transportation Commission to add the I-10 Bypass, the I-10 / Cherry Valley Boulevard Interchange, and the I-10 / Highland Springs Interchange to the list of Regional TUMF Projects in the Pass Zone along with the SR-60 / Potrero Boulevard Interchange. along with the SR-60 / Potrero Boulevard Interchange.
3. Direct staff to distribute the initial funds allocated to the Pass Zone.
4. Direct staff that any additional 3rd Party settlement funds allocated to the Pass Zone be distributed using the existing Zone decision making process.

5. *Allocate $1.2 million from existing funds received through 3rd party settlements for recovery of legal expenses incurred related to the Beaumont Settlement.*

G. Approval of a Memorandum of Understanding to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year — ***Rick Bishop*** — **P. 131**

Requested Action: 1. *Approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.*

H. Memorandum of Understanding with Partner Agencies for the Riverside County Transportation Analysis Model (RIVCOM) — ***Christopher Gray*** — **P. 137**

Requested Action: 1. *Execute the Memorandum of Understanding with the listed partner agencies for the development of the Riverside County Transportation Analysis Model.*

I. Amendment to Professional Services Agreement for On-Call Planning Professional Services for Member Jurisdictions — ***Christopher Gray*** — **P. 147**

Requested Action: 1. *Approve the First Amendment to the Professional Services Agreement between WRCOG and Kearns and West, Inc., to provide WRCOG planning support and advisory services in an amount not to exceed $50,000 and $145,560 in total, and to extend the term of the Agreement through June 30, 2019.*

J. PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund — **Casey Dailey** — **P. 157**

Requested Actions: 1. *Adopt WRCOG Resolution Number 45-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving amendments to the Administrative Guidelines and Program Report for the Western Riverside Council of Governments Energy Efficiency and Water Conservation Program for Western Riverside County to modify the Ygrene Program to authorize the financing of the installation of authorized improvements on commercial properties.*

2. *Adopt WRCOG Resolution Number 46-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing Cleanfund Commercial PACE Capital, Inc., to administer and finance authorized improvements to be installed on commercial properties, and in connection with such authorization, approving amendments to the Program Report for the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the form of a Commercial Handbook, agreement to pay assessment and finance*

improvements, Administration Agreement, Master Assignment and Assumption Agreement, Depositary and Account Control Agreement and Master Indenture and Supplemental Indenture authorizing the issuance of bonds pursuant to such Master Indenture and the related Supplemental Indenture secured by assessments levied on commercial properties to finance the installation of authorized improvements on such commercial properties and approving other actions in connection thereto.

K. Proposal to Establish a Regional Energy Network (REN) with CVAG and SBCOG for Purposes of Developing a Joint Cooperative Agreement and Release of a Request for Proposal to Identify Consultant Services for REN Development — ***Casey Dailey*** — **P. 481**

Requested Actions:
1. *Recommend that the Executive Committee authorize the Executive Director to develop a joint cooperative agreement among CVAG, SBCOG, and WRCOG to move forward with the coordination & development of a Regional Energy Network (REN) between all three entities.*
2. *Recommend that Executive Committee direct the Executive Director to release a Request for Proposals for feasibility & implementation of a Regional Energy Network that would be used to identify a consultant to assist all three COGs for the development of a Business Plan and Implementation Plan.*

L. Western Riverside Energy Partnership Activities Update — ***Tyler Masters*** — **P. 493**

Requested Action:
1. *Direct the Executive Director to execute the Ninth Contract Amendment with Southern California Edison to jointly deliver the 2010-2012 Energy Leader Partnership Program, including the continuation of the Western Riverside Energy Leader Partnership, through year 2019, substantially as to form.*

Information items:

M. Finance Department Activities Update — ***Andrew Ruiz*** — **P. 505**

Requested Action: 1. *Receive and file.*

N. WRCOG Committees and Agency Activities Update — ***Rick Bishop*** — **P. 511**

Requested Action: 1. *Receive and file.*

O. Regional Streetlight Program Activities Update — ***Tyler Masters*** — **P. 527**

Requested Action: 1. *Receive and file.*

P. Santa Ana Watershed Project Authority One Water One Watershed Activities Update — *Laura Roughton* — **P. 531**

Requested Action: *1. Receive and file.*

7. REPORTS / DISCUSSION

A. Experience Regional Innovation Center Feasibility Analysis Activities Update and Selection of Host Site — *Andrea Howard, WRCOG* — **P. 547**

Requested Actions:

1. *Accept the Experience Feasibility Analysis as to form.*
2. *Authorize staff to proceed with the next phase regarding the implementation of the Experience Center.*
3. *Select the City of Riverside as the host jurisdiction.*
4. *Direct staff to negotiate a Memorandum of Understanding (MOU) with the City of Riverside to implement the Experience Center.*
5. *Direct staff to include a cost sharing mechanism in the MOU to limit future WRCOG expenditures to share staffing costs to support Experience.*
6. *Direct staff to include specific milestones for the development and implementation of the MOU, including deadlines related to funding commitment and site selection.*
7. *Appoint two of members to represent WRCOG in negotiating an MOU with the City of Riverside.*

8. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

George Johnson, County of Riverside

9. REPORT FROM COMMITTEE REPRESENTATIVES

SCAG Regional Council and Policy Committee representatives
SCAQMD, Ben Benoit
CALCOG, Brian Tisdale

10. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop

11. ITEMS FOR FUTURE AGENDAS

Members

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

12. GENERAL ANNOUNCEMENTS

Members

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

13. NEXT MEETING:

The next Executive Committee meeting is scheduled for Monday, January 7, 2019, at 2:00 p.m., at the County of Riverside Administrative Center, 1st Floor Board Chambers.

14. ADJOURNMENT

Western Riverside Council of Governments

Regular Meeting

~ Minutes ~

Monday, November 5, 2018 **2:00 PM** **County Administrative Center**

1. CALL TO ORDER

The meeting was called to order by Chair Chuck Washington at 2:03 p.m. on October 1, 2018, at the Riverside County Administrative Center, 4080 Lemon Street, Riverside

Jurisdiction	Attendee Name	Status	Arrived / Departed
City of Banning	Debbie Franklin	Present	1:55 PM
City of Beaumont	Nancy Carroll	Present	1:55 PM
City of Calimesa	Jeff Hewitt	Present	1:55 PM
City of Canyon Lake	Jordan Ehrenkranz	Present	1:55 PM
City of Corona	Eugene Montanez	Present	1:55 PM
City of Eastvale	Adam Rush	Present	2:28 PM
City of Hemet	Bonnie Wright	Present	1:55 PM
City of Jurupa Valley	Laura Roughton	Present	1:55 PM
City of Lake Elsinore	Brian Tisdale	Present	1:55 PM
City of Menifee	John Denver	Present	1:55 PM
City of Moreno Valley	Victoria Baca	Present	1:55 PM
City of Murrieta	Kelly Seyarto	Present	1:55 PM
City of Norco	Kevin Bash	Present	1:55 PM
City of Perris	Rita Rogers	Present	1:55 PM
City of Riverside	Rusty Bailey	Present	1:55 PM
City of San Jacinto	Crystal Ruiz	Present	1:55 PM
City of Temecula		Absent	
City of Wildomar	Ben Benoit	Present	1:55 PM
District 1	Kevin Jeffries	Present	2:06 PM / 2:30 PM
District 2		Absent	
District 3	Chuck Washington	Present	1:55 PM
District 5		Absent	
EMWD		Absent	
WMWD	Brenda Dennstedt	Present	1:55 PM
Morongo Band of Mission Indians	Robert Martin	Present	1:55 PM
Office of Education (ex-officio)	Dr. Judy White	Present	1:55 PM
TAC Chair	George Johnson	Present	2:08 PM
Executive Director	Rick Bishop	Present	1:55 PM

Note: Times above reflect when the member logged in; they may have arrived at the meeting earlier.

2. PLEDGE OF ALLEGIANCE

Committee member Bonnie Wright led members and guests in the Pledge of Allegiance.

3. PUBLIC COMMENTS

Michael Sealy announced that he is an intern at the University of California, Riverside, and will be providing information on the Southern California Association of Governments (SCAG). On Thursday, December 6, 2018, SCAG and the Southern California Leadership Council will host the 9th Annual Southern California Economic Summit series, focusing on next generation jobs and industry. This year's Summit will be held at the L.A. Hotel in downtown Los Angeles. The theme is "Exponential Growth, Exponential Future."

SCAG and the South Coast Air Quality Management District (AQMD) have created a $2.7 million pilot program titled Future Communities. This Program will provide local cities and counties the resources needed to reduce vehicle miles traveled through the use of new technologies and new data solutions. The maximum project size is $500k and requires a 25% match from applicants. SCAG will be holding two workshops to provide additional information on this pilot Program; November 13, 2018, and December 4, 2018.

Applications for the 2018 Sustainability Communities Program are being accepted by SCAG and are due by November 15, 2018; $6M is available for integrated land use, green region, and active transportation projects The goals of the Program include providing needed planning resources for sustainability planning efforts, developing local plans, and increasing the region's competitiveness for federal and state funding. A significant portion of this funding is available through SB 1.

The Federal Highway Administration and the Federal Transit Administration have completed a review and evaluation of SCAG's regional transportation planning process for SCAG's 2018 certification. A final report will be issued indicating that SCAG substantially meets the requirements for federal code.

4. MINUTES

RESULT:	**APPROVED AS RECOMMENDED**
MOVER:	City of Moreno Valley
SECONDER:	City of San Jacinto
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Wildomar, District 1, District 3, WMWD, Morongo Band of Mission Indians
ABSENT:	Temecula, District 2, District 5, EMWD

A. Summary Minutes from the October 1, 2018, Executive Committee Meeting are Available for Consideration

Action: *1. Approved the Summary Minutes from the October 1, 2018, Executive Committee meeting.*

5. CONSENT CALENDAR

RESULT:	**APPROVED AS RECOMMENDED**
MOVER:	City of San Jacinto
SECONDER:	City of Murrieta
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Wildomar, District 1, District 3, WMWD, Morongo Band of Mission Indians
ABSENT:	Temecula, District 2, District 5, EMWD

A. Transportation Uniform Mitigation Fee Program Activities Update: Approval of Draft 2019 Northwest Zone Transportation Improvement Program and Project Reimbursement Agreements and Amendments to Reimbursement Agreements and Minor Zone Boundary Revisions

Actions:

1. *Approved the draft 2019 Northwest Zone Transportation Improvement Program.*
2. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Perris for the Construction Phase of the Ethanac Road Widening (Goetz Road to I-215) Project in an amount not to exceed $6,000,000.*
3. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Norco for the Engineering Phase of the Second Street Widening (Hamner Avenue to I-15 Freeway SB On-Ramp) Project in an amount not to exceed $17,000.*
4. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Norco for the Construction Phase of the Second Street Widening (Hamner Avenue to I-15 Freeway SB On-Ramp) Project in an amount not to exceed $69,000.*
5. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Norco for the Engineering Phase of the Sixth Street Widening (Hamner Avenue to I-15 Freeway SB On-Ramp) Project in an amount not to exceed $20,000.*
6. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Norco for the Construction Phase of the Sixth Street Widening (Hamner Avenue to I-15 Freeway SB On-Ramp) Project in an amount not to exceed $250,000.*
7. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Norco for the Planning and Engineering Phases of the Hamner Avenue Widening (Third Street to Fifth Street) Project in an amount not to exceed $110,000.*
8. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Norco for the Construction Phase of the Hamner Avenue Widening (Third Street to Fifth Street) Project in an amount not to exceed $788,000.*
9. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the County of Riverside for the Construction Phase of the Temescal Canyon Road Widening Project in an amount not to exceed $3,000,000.*
10. *Authorized the Executive Director to execute a TUMF Reimbursement Agreement with the City of Jurupa Valley for the Planning and*

Engineering Phases of the Market Street Bridge over the Santa Ana River Project in an amount not to exceed $465,000.

11. *Authorized the Executive Director to execute an Amendment to a TUMF Reimbursement Agreement with the March Joint Powers Authority for the Engineering Phase of the Van Buren Boulevard Widening (Barton Street to Just West of I-215) Project in an amount not to exceed $1,148,951.*
12. *Approved minor revisions to the TUMF Zone boundaries to better align with County of Riverside Supervisorial Districts.*
13. *Directed staff to invite all Riverside County Supervisors that fall within a specific TUMF Zone to Zone Committee meetings.*

B. Amendment to the Appendix of the WRCOG Conflict of Interest Code

Action:

1. *Adopted WRCOG Resolution Number 42-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Amending the Conflict of Interest Code Pursuant to the Political Reform Act of 1974.*

C. Update to WRCOG JPA and Bylaws

Actions:

1. *Adopted WRCOG Resolution Number 43-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Amending its Bylaws Making a Series of Technical Changes.*
2. *Directed WRCOG to forward the JPA Amendment to WRCOG member agencies for their approval.*

D. Local Assistance for WRCOG Member Agencies: Grant Writing Assistance & BEYOND Program Activities Updates

Action:

1. *Directed staff to extend the BEYOND Round I and BEYOND Round II project deadlines to March 31, 2019, establishing a firm deadline for the completion of all work eligible for reimbursement.*

E. Western Community Energy Activities Update

Action:

1. *Received and filed.*

F. Finance Department Activities Update

Action:

1. *Received and filed.*

G. WRCOG Committees and Agency Activities Update

Action:

1. *Received and filed.*

H. Regional Streetlight Program Activities Update

Action:

1. *Received and filed.*

I. Environmental Department Activities Update

Action:

1. *Received and filed.*

J. Single Signature Authority Report

Action: *1. Received and filed.*

K. Public Service Fellowship Activities Update

Action: *1. Received and filed.*

L. Update on Assembly Bill 1912: Public Employees' Retirement: Joint Powers Agreements: Liability

Action: *1. Received and filed.*

6. REPORTS / DISCUSSION

A. Report from the League of California Cities

Eris Sasse, League of California Cities representative, reported that the Cities of Corona and Riverside won the Digital Cities Survey affiliated with the National League of Cities. At the last CALPERS election, Jason Perez, a Police Sergeant with the City of Corona won a seat on the CALPERS Board of Directors. The next League Membership dinner is scheduled for November 19, 2018, in the City of Banning.

The New Mayors and Councilmembers Academy is holding workshops in Sacramento and Irvine.

The Bureau of Cannabis Controls proposed regulations that undermine Proposition 64, forcing cities to allow deliveries, and provides for an expedited timeline for licenses.

The FCC proposed some regulations regarding 5G deployment. The regulations would limit local authority over using public right of ways; it limits the application fees and rent local authorities can charge for using these public right of ways; it shortens the shock clock for local agencies to consider applications filed by telecommunications companies. Leagues of Cities have joined across the country and filed a lawsuit against this. Cities are able to join the lawsuit.

The League distributed a survey requesting feedback on next year's priorities.

Committee member Eugene Montanez indicated that Sergeant Perez will be reaching out to different city members and associations for support in items for discussion on the CALPERS Board. Committee member Montanez encouraged individuals to run for the open seat on LAFCO once his term ends.

Action: *1. Received and filed.*

B. Presentation by Riverside County Superintendent of Schools

Dr. Judy White, Riverside County Superintendent of Schools, reported that the Riverside County Office of Education has recently launched a "Million Deliberate Act of Kindness" initiative to address bullying throughout the County. We have to do more than tell the young students to stop bullying, we have to teach them what to do and set high expectations of them acting kindly toward one another. One way government can provide deliberate acts of kindness is to take a

pledge on committing to post acts of kindness signs throughout the city, recognizing and awarding students and individuals at city council meetings. Flyers will be distributed to the faith-based communities and businesses throughout the county. Perhaps Act of Kindness programs can be included in parades.

Committee member Brenda Dennstedt indicated that it has been just over one year since her daughter passed away, and people will still comment on the kindness her daughter showed to them; so do not underestimate the power of doing even a small act of kindness. All of the leftover candy from employees at the Western Municipal Water District was dropped off at Benny's Sandwich Shop in Murrieta; the owner will be packaging the candy and delivering it to an agency which will be sending it to veterans and active military members.

Action: *1. Received and filed.*

C. PACE Programs Activities Update

Casey Dailey, WRCOG Director of Energy and Environmental Programs, reported that as of October 22, 2018, the Program has completed just over 89,000 projects. The Program has cleared the $2B mark in financed projects.

A delinquent assessment occurs when a property owner has not made a timely property tax payment in the tax year required. In past years, this Committee has elected to defer the assignment of collection rights. For the 2017/2018 tax year, 386 of the 51,395 enrolled parcels are delinquent, or .70%, totaling $1,126,270.20. In comparison, the County's delinquency rate is 2.43%.

Renovate America has the first right of refusal to purchase WRCOG's collection rights and has indicated that it will not purchase the delinquent residential assessment receivables this year. Staff has identified a third party, First National Assets, which has agreed to purchase the collection rights on an annual and ongoing basis.

There is one commercial property located in the City of Fresno in which the property owner has failed to make its PACE property tax payments; no response has been received on the numerous notifications which have been transmitted to the property owner. As part of the Master Indenture, WRCOG has pledged to the owner of the bonds that WRCOG will initiate judicial foreclosure proceedings. Adoption of Resolution Number 41-18 being presented today will authorize WRCOG to proceed in the proceedings.

Committee member Adam Rush asked what the timeframe for a foreclosure process is.

Murnal Shah, Best & Krieger legal counsel, responded that prior to a judicial foreclosure, multiple communications are initiated with the mortgage holder. The bank generally pays, because the amount the property owner has to pay for the PACE assessment within the lien priority is very small. When this occurs, it can take several months, and the judicial foreclosure proceedings to not occur. If the matter continues, the timeframe depends on when the courts can hear the case; it could be months or years.

Committee member Laura Roughton asked, regarding new construction, if developers can utilize PACE for installing solar on new homes, which will be required at some point, will this automatically place a lien on the buyer's property taxes

Mr. Dailey responded that at this time this is unknown, as there is no legislation on the matter. Staff is thinking about this as new legislation is developed.

Actions:

1. *Deferred the judicial foreclosure proceedings on delinquent residential parcels of the 2017/2018 tax year and assign WRCOG's collection rights to a third party for 386 delinquent parcels totaling $1,126,270.20.*
2. *Authorized the Executive Director to enter in a Purchase and Sales Agreement with a third party, First National Assets, for the purchase of the delinquent assessment receivables.*
3. *Adopted WRCOG Resolution Number 41-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Ordering the Initiation of Judicial Foreclosure Proceedings Pursuant to the Improvement Bond Act Of 1915 of Certain Property for Which the Payment of Assessment Installments Are Delinquent.*

RESULT:	**APPROVED AS RECOMMENDED**
MOVER:	City of Moreno Valley
SECONDER:	City of Murrieta
AYES:	Banning, Beaumont, Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Wildomar, District 3, WMWD, Morongo Band of Mission Indians
ABSENT:	Temecula, District 1, District 2, District 5, EMWD

D. Regional Climate Adaptation Toolkit for Transportation Infrastructure Activities Update

Andrea Howard, WRCOG Program Manager, reported that this project is a collaborative effort between WRCOG and the San Bernardino County Transportation Agency (SBCTA), funded by Caltrans at approximately $680k by SB 1 funds, in order to increase the subregion's resiliency to climate-related hazards such as wildfires and droughts. Research indicates that these risks, as well as flooding and extreme heat, are increasing. Transportation infrastructure has been identified as a top priority issue. The Toolkit looks at addressing not just roadway infrastructure, but also matters such as bus stop shelters.

The Toolkit is focusing on creating some of the most critical tools needed to improve the resilience of the subregion's transportation infrastructure. An Inland Empire Regional Climate Collaborative (IERCC) will be established, convening local stakeholders and providing a forum to connect with peers across the state. A region-specific guidebook will be created which will include best practices on transportation infrastructure, such as recommended pavement types and set back distances. An update to the vulnerability assessment will occur to reflect some of the latest sciences across the region. The IERCC is also embarking on a pilot project to assess the true financial cost across the community of potential roadway and/or infrastructure outages.

A set of city-level maps identifying hazards and safe evacuation routes will be created, as well as a Regional Climate Adaptation and Resiliency Template for General Plans. SB 379 requires that these elements be in place.

Consultants have been onboarded and will be working with the Local Government Commission to conduct outreach and engagement components. IERCC is also working with consultants from WSP, whose staff have quite a bit of expertise knowledge, on the guidebook and pilot project. The project will be led by consultants from Placeworks.

Work has begun and is anticipated to be complete by February 2020.

Committee member Adam Rush asked what the make-up of the IERCC is.

Mrs. Howard responded that the IERCC is part of a paid-to-participate membership, statewide effort. Local stakeholders are being determined.

Action: *1. Received and filed.*

7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR

George Johnson, WRCOG Technical Advisory Committee (TA) Chair, reported that the TAC received a presentation from staff on the Fellowship Program, seeking ideas for improving the Program; a survey will be distributed to City Managers and Fellowship alum. Staff recommended the formation of an Ad Hoc Committee; volunteers included representatives from the Cities of Beaumont, Lake Elsinore, Moreno Valley, Murrieta, Temecula, and the Eastern Municipal Water District.

8. REPORT FROM COMMITTEE REPRESENTATIVES

Debbie Franklin, SCAG Community, Economic, and Human Development Committee representative, reported that there is an upcoming grant on a Future Communities Initiative and will require a 25% match. Funding can be used for a short-term work program, supports big data, open data, local planning, and reducing the transportation demand. A presentation on SCAG's RTP/SCS update was provided; 16 of the 19 WRCOG representatives were present. For the upcoming RHNA, the state has approved SB 828 and AB 1771, which provides the CEHD more authority over housing regarding RHNA numbers. The CEHD does not have a lot of authority over what it can and cannot do regarding the RHNA numbers, and the state has taken some of the local authority away. First Five provided a presentation and indicated that 90% of the brain is developed by the age of five. Only $160 is invested per child within their first five years of age; for people going to state prison, $71k is invested.

Ben Benoit, South Coast Air Quality Management District (AQMD) representative for cities in Riverside County, reported that Rule 1407.1 was presented to a subcommittee five times before being passed unanimously at the last Board meeting. This item pertains to the melting of chromium alloy and the release of chemicals into the atmosphere.

9. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop, WRCOG Executive Director, reported that requests for participation in a number of committees will be distributed within the next few days. WRCOG makes committee appointments to a number of agencies, including SCAG, CALCOG, SANDAG, the Santa Ana Watershed Project Authority, and the Riverside County Waste Management Local Task Force. Appointments are two-year commitments.

The Scott Road Interchange ground breaking was recently held; a video was shared with the Committee.

10. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

11. GENERAL ANNOUNCEMENTS

Committee member Nancy Carroll reported that the City of Beaumont recently had a groundbreaking for a Waste Water Treatment Plant that cost $111M. 43% of the funding was provided by current development; the rest is paid for by bonds for sewer fees.

12. CLOSED SESSION

This item was not heard.

13. NEXT MEETING

The next Executive Committee meeting is scheduled for Monday, December 3, 2018, at 2:00 p.m., at the County of Riverside Administrative Center, 1st Floor Board Chambers.

14. ADJOURNMENT

The meeting adjourned at 2:52 p.m.

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Transportation Uniform Mitigation Fee Program Activities Update: Approval of Project Reimbursement Agreements and a Second Amendment to a Transportation Department On-Call Engineering Professional Services Agreement**

Contact: **Christopher Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710**

Date: **December 3, 2018**

The purpose of this item is to *seek approval of TUMF Reimbursement Agreements with the City of Eastvale and a Second Amendment to the existing Professional Services Agreement for On-Call Engineering Services with WG Zimmerman Engineering.*

Requested Actions:

1. Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Eastvale for the Planning and Engineering Phases of the Hamner Avenue Widening (Bellegrave Avenue to Limonite Avenue) Project in an amount not to exceed $689,000.
2. Authorize the Executive Director to execute a TUMF Reimbursement Agreement with the City of Eastvale for the Right of Way and Construction Phases of the Hamner Avenue Widening (Bellegrave Avenue to Limonite Avenue) Project in an amount not to exceed $2,288,000.
3. Approve the Second Amendment to the Professional Services Agreement between the Western Riverside Council of Governments and WG Zimmerman Engineering to provide TUMF Program technical support in an amount not to exceed $50,000 for this Amendment and $200,000 in total.

WRCOG's Transportation Uniform Mitigation Fee (TUMF) Program is a regional fee program designed to provide transportation and transit infrastructure that mitigates the impact of new growth in Western Riverside County. Each of WRCOG's member jurisdictions and the March Joint Powers Authority (JPA) participate in the Program through an adopted ordinance, collect fees from new development, and remit the fees to WRCOG. WRCOG, as administrator of the TUMF Program, allocates TUMF to the Riverside County Transportation Commission (RCTC), groupings of agencies – referred to as TUMF Zones – based on the amount of fees collected in these groups, and the Riverside Transit Agency and the Regional Conservation Authority.

TUMF Reimbursement Agreements

Two Reimbursement Agreements for TUMF projects are summarized below.

City of Eastvale (two agreements):

1. Hamner Avenue Widening (Bellegrave Avenue to Limonite Avenue), *Planning and Engineering* Phases, in an amount not to exceed $689,000: This project will widen Hamner Avenue to provide two full northbound through lanes and new public improvements in addition to minor widening of Hamner Avenue south of 58th Street to provide two southbound lanes.

2. Hamner Avenue Widening (Bellegrave Avenue to Limonite Avenue), *Right of Way and Construction* Phases, in an amount not to exceed $2,288,000: This project will widen Hamner Avenue to provide two full

northbound through lanes and new public improvements in addition to minor widening of Hamner Avenue south of 58th Street to provide two southbound lanes.

On-Call Engineering Professional Services – Second Amendment to the Agreement with WG Zimmerman Engineering

WRCOG entered into an Agreement for On-Call Professional Services with WG Zimmerman Engineering in October 2016 and amended this Agreement in March 2018. This Agreement incorporated a "TUMF Invoice Review" task, which included reviewing invoices submitted by member agencies for TUMF reimbursement and project funding reconciliations.

WG Zimmerman Engineering continues to assist WRCOG with reviewing invoices submitted for TUMF reimbursement as well as reviewing project funding sources at the request of member agencies. WG Zimmerman Engineering assisted WRCOG with project reconciliations for the Cities of Moreno Valley and Murrieta.

As WRCOG provides further assistance through the timely review of TUMF invoices, WRCOG seeks to amend the Professional Services Agreement with WG Zimmerman Engineering. This Agreement Amendment extends through February 2019. WRCOG anticipates releasing a Request for Proposals in the coming months for on-call engineering services through Fiscal Year 2020/2021.

Prior Action:

March 5, 2018: The Executive Committee approved the First Amendment to the Professional Services Agreement between the Western Riverside Council of Governments and WG Zimmerman Engineering to provide TUMF Program technical support in an amount not to exceed $50,000 for this Amendment and $200,000 in total.

Fiscal Impact:

TUMF Program activities are included in the Agency's adopted Fiscal Year 2018/2019 Budget under the Transportation Department.

Attachments:

1. TUMF Reimbursement Agreement with the City of Eastvale for the Planning and Engineering Phases of the Hamner Avenue Widening Project.
2. TUMF Reimbursement Agreement with the City of Eastvale for the Right of Way and Construction Phases of the Hamner Avenue Widening Project.
3. Second Amendment to the Professional Services Agreement between the Western Riverside Council of Governments and WG Zimmerman Engineering.

Item 6.A

Transportation Uniform Mitigation Fee Program Activities Update: Approval of Project Reimbursement Agreements and a Second Amendment to a Transportation Department On-Call Engineering Professional Services Agreement

Attachment 1

TUMF Reimbursement Agreement with the City of Eastvale for the Planning and Engineering Phases of the Hamner Avenue Widening Project

Page Intentionally Left Blank

TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM
AGREEMENT TO REIMBURSE TUMF FUNDS
HAMNER AVENUE WIDENING PROJECT – PA&ED AND PS&E

THIS REIMBURSEMENT AGREEMENT ("Agreement") is entered into as of this day of ____, 2018, by and between the Western Riverside Council of Governments ("WRCOG"), a California joint powers authority and the CITY OF EASTVALE, a California municipal corporation ("AGENCY"). WRCOG and AGENCY are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

RECITALS

A. WRCOG is the Administrator of the Transportation Uniform Mitigation Fee Program of Western Riverside County ("TUMF Program").

B. WRCOG has identified and designated certain transportation improvement projects throughout Western Riverside County as projects of regional importance ("Qualifying Projects" or "Projects"). The Qualifying Projects are more specifically described in that certain WRCOG study titled "TUMF Nexus Study", as may be amended from time to time. Qualifying Projects can have Regional or Zonal significance as further described in the TUMF Nexus Study.

C. The TUMF Program is funded by TUMF fees paid by new development in Western Riverside County (collectively, "TUMF Program Funds"). TUMF Program Funds are held in trust by WRCOG for the purpose of funding the Qualifying Projects.

D. The AGENCY proposes to implement a Qualifying Project, and it is the purpose of this Agreement to identify the project and to set forth the terms and conditions by which WRCOG will release TUMF Program Funds.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, the Parties hereby agree as follows:

1. Description of the Qualifying Project. This Agreement is intended to distribute TUMF Program Funds to the AGENCY for **HAMNER AVENUE WIDENING PROJECT – PA&ED AND PS&E** (the "Project"), a Qualifying Project. The Work, including a timetable and a detailed scope of work, is more fully described in Exhibit "A" attached hereto and incorporated herein by reference and, pursuant to Section 20 below, is subject to modification if requested by the AGENCY and approved by WRCOG. The work shall be consistent with one or more of the defined WRCOG Call for Projects phases detailed herein as follows:

1) PA&ED – Project Approvals & Environmental Document
2) PS&E – Plans, Specifications and Estimates

2. WRCOG Funding Amount. WRCOG hereby agrees to distribute to AGENCY, on the terms and conditions set forth herein, a sum not to exceed **SIX HUNDRED EIGHTY NINE THOUSAND DOLLARS ($689,000.00),** to be used for reimbursing the AGENCY for

eligible Project expenses as described in Section 3 herein ("Funding Amount"). The Parties acknowledge and agree that the Funding Amount may be less than the actual cost of the Project. Nevertheless, the Parties acknowledge and agree that WRCOG shall not be obligated to contribute TUMF Program Funds in excess of the maximum TUMF share identified in the TUMF Nexus Study ("Maximum TUMF Share"), as may be amended from time to time.

3. Project Costs Eligible for Advance/Reimbursement. The total Project costs ("Total Project Cost") may include the following items, provided that such items are included in the scope of work attached hereto as Exhibit "A" ("Scope of Work"): (1) AGENCY and/or consultant costs associated with direct Project coordination and support; (2) funds expended in preparation of preliminary engineering studies; (3) funds expended for preparation of environmental review documentation for the Project; (4) all costs associated with right-of-way acquisition, including right-of-way engineering, appraisal, acquisition, legal costs for condemnation procedures if authorized by the AGENCY, and costs of reviewing appraisals and offers for property acquisition; (5) costs reasonably incurred if condemnation proceeds; (6) costs incurred in the preparation of plans, specifications, and estimates by AGENCY or consultants; (7) AGENCY costs associated with bidding, advertising and awarding of the Project contracts; (8) construction costs, including change orders to construction contract approved by the AGENCY; (9) construction management, field inspection and material testing costs; and (10) any AGENCY administrative cost to deliver the Project.

4. Ineligible Project Costs. The Total Project Cost shall not include the following items which shall be borne solely by the AGENCY without reimbursement: (1) any AGENCY administrative fees attributed to the reviewing and processing of the Project; and (2) expenses for items of work not included within the Scope of Work in Exhibit "A".

5. Procedures for Distribution of TUMF Program Funds to AGENCY.

(a) Initial Payment by the AGENCY. The AGENCY shall be responsible for initial payment of all the Project costs as they are incurred. Following payment of such Project costs, the AGENCY shall submit invoices to WRCOG requesting reimbursement of eligible Project costs. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to the AGENCY, and documents evidencing the AGENCY's payment of the invoices or demands for payment. Documents evidencing the AGENCY'S payment of the invoices shall be retained for four (4) years and shall be made available for review by WRCOG. The AGENCY shall submit invoices not more often than monthly and not less often than quarterly.

(b) Review and Reimbursement by WRCOG. Upon receipt of an invoice from the AGENCY, WRCOG may request additional documentation or explanation of the Project costs for which reimbursement is sought. Undisputed amounts shall be paid by WRCOG to the AGENCY within thirty (30) days. In the event that WRCOG disputes the eligibility of the AGENCY for reimbursement of all or a portion of an invoiced amount, the Parties shall meet and confer in an attempt to resolve the dispute. If the meet and confer process is unsuccessful in resolving the dispute, the AGENCY may appeal WRCOG's decision as to the eligibility of one or more invoices to WRCOG's Executive Director. The WRCOG Executive Director shall provide his/her decision in writing. If the AGENCY disagrees with the Executive Director's

decision, the AGENCY may appeal the decision of the Executive Director to the full WRCOG Executive Committee, provided the AGENCY submits its request for appeal to WRCOG within ten (10) days of the Executive Director's written decision. The decision of the WRCOG Executive Committee shall be final. Additional details concerning the procedure for the AGENCY's submittal of invoices to WRCOG and WRCOG's consideration and payment of submitted invoices are set forth in Exhibit "B", attached hereto and incorporated herein by reference.

(c) Funding Amount/Adjustment. If a post Project audit or review indicates that WRCOG has provided reimbursement to the AGENCY in an amount in excess of the Maximum TUMF Share of the Project, or has provided reimbursement of ineligible Project costs, the AGENCY shall reimburse WRCOG for the excess or ineligible payments within 30 days of notification by WRCOG.

6. Increases in Project Funding. The Funding Amount may, in WRCOG's sole discretion, be augmented with additional TUMF Program Funds if the TUMF Nexus Study is amended to increase the maximum eligible TUMF share for the Project. Any such increase in the Funding Amount must be approved in writing by WRCOG's Executive Director. In no case shall the amount of TUMF Program Funds allocated to the AGENCY exceed the then-current maximum eligible TUMF share for the Project. No such increased funding shall be expended to pay for any Project already completed. For purposes of this Agreement, the Project or any portion thereof shall be deemed complete upon its acceptance by WRCOG's Executive Director which shall be communicated to the AGENCY in writing.

7. No Funding for Temporary Improvements. Only segments or components of the construction that are intended to form part of or be integrated into the Project may be funded by TUMF Program Funds. No improvement which is temporary in nature, including but not limited to temporary roads, curbs, tapers or drainage facilities, shall be funded with TUMF Program Funds, except as needed for staged construction of the Project.

8. AGENCY's Funding Obligation to Complete the Project. In the event that the TUMF Program Funds allocated to the Project represent less than the total cost of the Project, the AGENCY shall provide such additional funds as may be required to complete the Project.

9. AGENCY's Obligation to Repay TUMF Program Funds to WRCOG; Exception For PA&ED Phase Work. Except as otherwise expressly excepted within this paragraph, in the event that: (i) the AGENCY, for any reason, determines not to proceed with or complete the Project; or (ii) the Project is not timely completed, subject to any extension of time granted by WRCOG pursuant to the terms of this Agreement; the AGENCY agrees that any TUMF Program Funds that were distributed to the AGENCY for the Project shall be repaid in full to WRCOG, and the Parties shall enter into good faith negotiations to establish a reasonable repayment schedule and repayment mechanism. If the Project involves work pursuant to a PA&ED phase, AGENCY shall not be obligated to repay TUMF Program Funds to WRCOG relating solely to PA&ED phase work performed for the Project.

10. AGENCY's Local Match Contribution. AGENCY local match funding is not required, as shown in Exhibit "A" and as called out in the AGENCY's Project Nomination Form submitted to WRCOG in response to its Call for Projects.

11. Term/Notice of Completion. The term of this Agreement shall be from the date first herein above written until the earlier of the following: (i) the date WRCOG formally accepts the Project as complete, pursuant to Section 6; (ii) termination of this Agreement pursuant to Section 15; or (iii) the AGENCY has fully satisfied its obligations under this Agreement. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of this Agreement.

12. Representatives of the Parties. WRCOG's Executive Director, or his or her designee, shall serve as WRCOG's representative and shall have the authority to act on behalf of WRCOG for all purposes under this Agreement. The AGENCY hereby designates **BRYAN JONES, INTERIM CITY MANAGER**, or his or her designee, as the AGENCY's representative to WRCOG. The AGENCY's representative shall have the authority to act on behalf of the AGENCY for all purposes under this Agreement and shall coordinate all activities of the Project under the AGENCY's responsibility. The AGENCY shall work closely and cooperate fully with WRCOG's representative and any other agencies which may have jurisdiction over or an interest in the Project.

13. Expenditure of Funds by AGENCY Prior to Execution of Agreement. Nothing in this Agreement shall be construed to prevent or preclude the AGENCY from expending funds on the Project prior to the execution of the Agreement, or from being reimbursed by WRCOG for such expenditures. However, the AGENCY understands and acknowledges that any expenditure of funds on the Project prior to the execution of the Agreement is made at the AGENCY's sole risk, and that some expenditures by the AGENCY may not be eligible for reimbursement under this Agreement.

14. Review of Services. The AGENCY shall allow WRCOG's Representative to inspect or review the progress of the Project at any reasonable time in order to determine whether the terms of this Agreement are being met.

15. Termination.

(a) Notice. Either WRCOG or AGENCY may, by written notice to the other party, terminate this Agreement, in whole or in part, in response to a material breach hereof by the other Party, by giving written notice to the other party of such termination and specifying the effective date thereof. The written notice shall provide a 30 day period to cure any alleged breach. During the 30 day cure period, the Parties shall discuss, in good faith, the manner in which the breach can be cured.

(b) Effect of Termination. In the event that the AGENCY terminates this Agreement, the AGENCY shall, within 180 days, repay to WRCOG any unexpended TUMF Program Funds provided to the AGENCY under this Agreement and shall complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. In the event that WRCOG terminates this Agreement, WRCOG shall, within 90 days, distribute to the

AGENCY TUMF Program Funds in an amount equal to the aggregate total of all unpaid invoices which have been received from the AGENCY regarding the Project at the time of the notice of termination; provided, however, that WRCOG shall be entitled to exercise its rights under Section 5(b), including but not limited to conducting a review of the invoices and requesting additional information. Upon such termination, the AGENCY shall, within 180 days, complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. This Agreement shall terminate upon receipt by the non-terminating Party of the amounts due to it hereunder and upon completion of the segment or portion of Project work for which TUMF Program Funds have been provided.

(c) Cumulative Remedies. The rights and remedies of the Parties provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.

16. Prevailing Wages. The AGENCY and any other person or entity hired to perform services on the Project are alerted to the requirements of California Labor Code Sections 1770 et seq., which would require the payment of prevailing wages were the services or any portion thereof determined to be a public work, as defined therein. The AGENCY shall ensure compliance with these prevailing wage requirements by any person or entity hired to perform the Project. The AGENCY shall defend, indemnify, and hold harmless WRCOG, its officers, employees, consultants, and agents from any claim or liability, including without limitation attorneys, fees, arising from its failure or alleged failure to comply with California Labor Code Sections 1770 et seq.

17. Progress Reports. WRCOG may request the AGENCY to provide WRCOG with progress reports concerning the status of the Project.

18. Indemnification.

(a) AGENCY Responsibilities. In addition to the indemnification required under Section 16, the AGENCY agrees to indemnify and hold harmless WRCOG, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of the AGENCY or its subcontractors. The AGENCY will reimburse WRCOG for any expenditures, including reasonable attorneys' fees, incurred by WRCOG, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of the AGENCY.

(b) WRCOG Responsibilities. WRCOG agrees to indemnify and hold harmless the AGENCY, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of WRCOG or its sub-consultants. WRCOG will reimburse the AGENCY for any expenditures, including reasonable attorneys' fees, incurred by the AGENCY, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of WRCOG.

(c) Effect of Acceptance. The AGENCY shall be responsible for the professional quality, technical accuracy and the coordination of any services provided to complete the Project. WRCOG's review, acceptance or funding of any services performed by the AGENCY or any other person or entity under this Agreement shall not be construed to operate as a waiver of any rights WRCOG may hold under this Agreement or of any cause of action arising out of this Agreement. Further, the AGENCY shall be and remain liable to WRCOG, in accordance with applicable law, for all damages to WRCOG caused by the AGENCY's negligent performance of this Agreement or supervision of any services provided to complete the Project.

19. Insurance. The AGENCY shall require, at a minimum, all persons or entities hired to perform the Project to obtain, and require their subcontractors to obtain, insurance of the types and in the amounts described below and satisfactory to the AGENCY and WRCOG. Such insurance shall be maintained throughout the term of this Agreement, or until completion of the Project, whichever occurs last.

(a) Commercial General Liability Insurance. Occurrence version commercial general liability insurance or equivalent form with a combined single limit of not less than $1,000,000.00 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the Project or be no less than two times the occurrence limit. Such insurance shall:

(i) Name WRCOG and AGENCY, and their respective officials, officers, employees, agents, and consultants as insured with respect to performance of the services on the Project and shall contain no special limitations on the scope of coverage or the protection afforded to these insured;

(ii) Be primary with respect to any insurance or self-insurance programs covering WRCOG and AGENCY, and/or their respective officials, officers, employees, agents, and consultants; and

(iii) Contain standard separation of insured provisions.

(b) Business Automobile Liability Insurance. Business automobile liability insurance or equivalent form with a combined single limit of not less than $1,000,000.00 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.

(c) Professional Liability Insurance. Errors and omissions liability insurance with a limit of not less than $1,000,000.00 Professional liability insurance shall only be required of design or engineering professionals.

(d) Workers' Compensation Insurance. Workers' compensation insurance with statutory limits and employers' liability insurance with limits of not less than $1,000,000.00 each accident.

20. Project Amendments. Changes to the characteristics of the Project, including the deadline for Project completion, and any responsibilities of the AGENCY or WRCOG may be requested in writing by the AGENCY and are subject to the approval of WRCOG's Representative, which approval will not be unreasonably withheld, provided that extensions of time for completion of the Project shall be approved in the sole discretion of WRCOG's Representative. Nothing in this Agreement shall be construed to require or allow completion of the Project without full compliance with the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.;* "CEQA") and the National Environmental Policy Act of 1969 (42 USC 4231 *et seq.*), if applicable, but the necessity of compliance with CEQA and/or NEPA shall not justify, excuse, or permit a delay in completion of the Project.

21. Conflict of Interest. For the term of this Agreement, no member, officer or employee of the AGENCY or WRCOG, during the term of his or her service with the AGENCY or WRCOG, as the case may be, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

22. Limited Scope of Duties. WRCOG's and the AGENCY's duties and obligations under this Agreement are limited to those described herein. WRCOG has no obligation with respect to the safety of any Project performed at a job site. In addition, WRCOG shall not be liable for any action of AGENCY or its contractors relating to the condemnation of property undertaken by AGENCY or construction related to the Project.

23. Books and Records. Each party shall maintain complete, accurate, and clearly identifiable records with respect to costs incurred for the Project under this Agreement. They shall make available for examination by the other party, its authorized agents, officers or employees any and all ledgers and books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or related to the expenditures and disbursements charged to the other party pursuant to this Agreement. Further, each party shall furnish to the other party, its agents or employees such other evidence or information as they may require with respect to any such expense or disbursement charged by them. All such information shall be retained by the Parties for at least four (4) years following termination of this Agreement, and they shall have access to such information during the four-year period for the purposes of examination or audit.

24. Equal Opportunity Employment. The Parties represent that they are equal opportunity employers and they shall not discriminate against any employee or applicant of reemployment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

25. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California.

26. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit.

27. Time of Essence. Time is of the essence for each and every provision of this Agreement.

28. Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

29. Public Acknowledgement. The AGENCY agrees that all public notices, news releases, information signs and other forms of communication shall indicate that the Project is being cooperatively funded by the AGENCY and WRCOG TUMF Program Funds.

30. No Joint Venture. This Agreement is for funding purposes only and nothing herein shall be construed to make WRCOG a party to the construction of the Project or to make it a partner or joint venture with the AGENCY for such purpose.

31. Compliance With the Law. The AGENCY shall comply with all applicable laws, rules and regulations governing the implementation of the Qualifying Project, including, where applicable, the rules and regulations pertaining to the participation of businesses owned or controlled by minorities and women promulgated by the Federal Highway Administration and the Federal Department of Transportation.

32. Notices. All notices hereunder and communications regarding interpretation of the terms of this Agreement or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

If to AGENCY:
City of Eastvale
122363 Limonite Ave., Suite 910
Eastvale, California 91752
Attention: Interim City Manager
Telephone: (951)361-0990
Facsimile: (951)361-0888

If to WRCOG:
Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Christopher Gray, Director of Transportation
Telephone: (951) 405-6710
Facsimile: (951) 223-9720

Any notice so given shall be considered served on the other party three (3) days after deposit in the U.S. mail, first class postage prepaid, return receipt requested, and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred regardless of the method of service.

33. Integration; Amendment. This Agreement contains the entire agreement between the PARTIES. Any agreement or representation respecting matters addressed herein that are not expressly set forth in this Agreement is null and void. This Agreement may be amended only by mutual written agreement of the PARTIES.

34. Severability. If any term, provision, condition or covenant of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

35. Conflicting Provisions. In the event that provisions of any attached appendices or exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the Agreement.

36. Independent Contractors. Any person or entities retained by the AGENCY or any contractor shall be retained on an independent contractor basis and shall not be employees of WRCOG. Any personnel performing services on the Project shall at all times be under the exclusive direction and control of the AGENCY or contractor, whichever is applicable. The AGENCY or contractor shall pay all wages, salaries and other amounts due such personnel in connection with their performance of services on the Project and as required by law. The AGENCY or consultant shall be responsible for all reports and obligations respecting such personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance and workers' compensation insurance.

37. Effective Date. This Agreement shall not be effective until executed by both Parties. The failure of one party to execute this Agreement within forty-five (45) days of the other party executing this Agreement shall render any execution of this Agreement ineffective.

38. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective on the day and year first above-written.

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By:_____ Date:_____
Rick Bishop
Executive Director

Approved to Form:

By:_____ Date:_____
Steven C. DeBaun
General Counsel

CITY OF EASTVALE

By: _____ Date:_____
Bryan Jones
Interim City Manager

Approved to Form:

By: _____ Date:_____
Erica Vega
City Attorney

Attest:

By: _____ Date:_____
Steven Aguilar
City Clerk

EXHIBIT "A"

SCOPE OF WORK

SCOPE OF WORK:

Widening of Hamner Avenue 17 feet for 2,000 linear feet, within the public right of way, in front of Swan Lake Mobile Home Park to provide two full northbound through lanes and new public improvements. Minor widening of Hamner Avenue south of 58th Street will be performed to provide for two southbound lanes. These efforts will improve the primary bottleneck within the City on Hamner Ave between Limonite Avenue and Amberhill Avenue. The scope of work also include new rubberized asphalt concrete pavement from Amberhill Avenue to Limonite Avenue on Hamner Avenue.

EXHIBIT "A-1"

ESTIMATE OF COST

Phase	TUMF	LOCAL	TOTAL
PA&ED	$ 197,000.00		$ 197,000.00
PS&E	$ 492,000.00		$ 492,000.00
RIGHT OF WAY			
CONSTRUCTION			
TOTAL	$ 689,000.00		$ 689,000.00

*** This agreement is for the Planning and Engineering Phases only.**

EXHIBIT "A-2"

PROJECT SCHEDULE

TIMETABLE:

Phase	Estimated Completion Date	Estimated Cost	Comments
PA&ED	FY 17/18	$ 197,000.00	
PS&E	FY17/18	$ 492,000.00	
RIGHT OF WAY			
CONSTRUCTION			
TOTAL		$ 689,000.00	

Elements of Compensation

EXHIBIT "B"

PROCEDURES FOR SUBMITTAL, CONSIDERATION AND PAYMENT OF INVOICES

1. For professional services, WRCOG recommends that the AGENCY incorporate this Exhibit "B-1" into its contracts with any subcontractors to establish a standard method for preparation of invoices by contractors to the AGENCY and ultimately to WRCOG for reimbursement of AGENCY contractor costs.

2. Each month the AGENCY shall submit an invoice for eligible Project costs incurred during the preceding month. The original invoice shall be submitted to WRCOG's Executive Director with a copy to WRCOG's Project Coordinator. Each invoice shall be accompanied by a cover letter in a format substantially similar to that of Exhibit "B-2".

3. For jurisdictions with large construction projects (with the total construction cost exceeding $10 million) under construction at the same time, may with the approval of WRCOG submit invoices to WRCOG for payment at the same time they are received by the jurisdiction. WRCOG must receive the invoice by the 5th day of the month in order to process the invoice within 30 days. WRCOG will retain 10% of the invoice until all costs have been verified as eligible and will release the balance at regular intervals not more than quarterly and not less than semi-annually. If there is a discrepancy or ineligible costs that exceed 10% of the previous invoice WRCOG will deduct that amount from the next payment.

4. Each invoice shall include documentation from each contractor used by the AGENCY for the Project, listing labor costs, subcontractor costs, and other expenses. Each invoice shall also include a monthly progress report and spreadsheets showing the hours or amounts expended by each contractor or subcontractor for the month and for the entire Project to date. Samples of acceptable task level documentation and progress reports are attached as Exhibits "B-4" and "B-5". All documentation from the Agency's contractors should be accompanied by a cover letter in a format substantially similar to that of Exhibit "B-3".

5. If the AGENCY is seeking reimbursement for direct expenses incurred by AGENCY staff for eligible Project costs, the AGENCY shall provide the same level of information for its labor and any expenses as required of its contractors pursuant to Exhibit "B" and its attachments.

6. Charges for each task and milestone listed in Exhibit "A" shall be listed separately in the invoice.

7. Each invoice shall include a certification signed by the AGENCY Representative or his or her designee which reads as follows:

"I hereby certify that the hours and salary rates submitted for reimbursement in this invoice are the actual hours and rates worked and paid to the contractors or subcontractors listed.

Signed _____

Title _____

Date _____

Invoice No. _____

8. WRCOG will pay the AGENCY within 30 days after receipt by WRCOG of an invoice. If WRCOG disputes any portion of an invoice, payment for that portion will be withheld, without interest, pending resolution of the dispute, but the uncontested balance will be paid.

9. The final payment under this Agreement will be made only after: (I) the AGENCY has obtained a Release and Certificate of Final Payment from each contractor or subcontractor used on the Project; (ii) the AGENCY has executed a Release and Certificate of Final Payment; and (iii) the AGENCY has provided copies of each such Release to WRCOG.

EXHIBIT "B-1"
[Sample for Professional Services]

For the satisfactory performance and completion of the Services under this Agreement, Agency will pay the Contractor compensation as set forth herein. The total compensation for this service shall not exceed (_____INSERT WRITTEN DOLLAR AMOUNT___) ($___INSERT NUMERICAL DOLLAR AMOUNT___) without written approval of Agency's City Manager [or applicable position] ("Total Compensation").

1. ELEMENTS OF COMPENSATION.

Compensation for the Services will be comprised of the following elements: 1.1 Direct Labor Costs; 1.2 Fixed Fee; and 1.3 Additional Direct Costs.

1.1 DIRECT LABOR COSTS.

Direct Labor costs shall be paid in an amount equal to the product of the Direct Salary Costs and the Multiplier which are defined as follows:

1.1.1 DIRECT SALARY COSTS

Direct Salary Costs are the base salaries and wages actually paid to the Contractor's personnel directly engaged in performance of the Services under the Agreement. (The range of hourly rates paid to the Contractor's personnel appears in Section 2 below.)

1.1.2 MULTIPLIER

The Multiplier to be applied to the Direct Salary Costs to determine the Direct Labor Costs is _____, and is the sum of the following components:

1.1.2.1 Direct Salary Costs _____

1.1.2.2 Payroll Additives _____

The Decimal Ratio of Payroll Additives to Direct Salary Costs. Payroll Additives include all employee benefits, allowances for vacation, sick leave, and holidays, and company portion of employee insurance and social and retirement benefits, all federal and state payroll taxes, premiums for insurance which are measured by payroll costs, and other contributions and benefits imposed by applicable laws and regulations.

1.1.2.3 Overhead Costs _____

The Decimal Ratio of Allowable Overhead Costs to the Contractor Firm's Total Direct Salary Costs. Allowable Overhead Costs include general, administrative and overhead costs of maintaining and operating established offices, and consistent with established firm policies, and as defined in the Federal Acquisitions Regulations, Part 31.2.

Total Multiplier _____
(sum of 1.1.2.1, 1.1.2.2, and 1.1.2.3)

1.2 FIXED FEE.

1.2.1 The fixed fee is $_____.

1.2.2 A pro-rata share of the Fixed Fee shall be applied to the total Direct Labor Costs expended for services each month, and shall be included on each monthly invoice.

1.3 ADDITIONAL DIRECT COSTS.

Additional Direct Costs directly identifiable to the performance of the services of this Agreement shall be reimbursed at the rates below, or at actual invoiced cost.

Rates for identified Additional Direct Costs are as follows:

ITEM	REIMBURSEMENT RATE
	[___insert charges___]
Per Diem	$ /day
Car mileage	$ /mile
Travel	$ /trip
Computer Charges	$ /hour
Photocopies	$ /copy
Blueline	$ /sheet
LD Telephone	$ /call
Fax	$ /sheet
Photographs	$ /sheet

Travel by air and travel in excess of 100 miles from the Contractor's office nearest to Agency's office must have Agency's prior written approval to be reimbursed under this Agreement.

2. DIRECT SALARY RATES

Direct Salary Rates, which are the range of hourly rates to be used in determining Direct Salary Costs in Section 1.1.1 above, are given below and are subject to the following:

2.1 Direct Salary Rates shall be applicable to both straight time and overtime work, unless payment of a premium for overtime work is required by law, regulation or craft agreement, or is otherwise specified in this Agreement. In such event, the premium portion of Direct Salary Costs will not be subject to the Multiplier defined in Paragraph 1.1.2 above.

2.2 Direct Salary Rates shown herein are in effect for one year following the effective date of the Agreement. Thereafter, they may be adjusted annually to reflect the Contractor's adjustments to individual compensation. The Contractor shall notify Agency in writing prior to a change in the range of rates included herein, and prior to each subsequent change.

POSITION OR CLASSIFICATION	RANGE OF HOURLY RATES
[___sample___]	
Principal	$ .00 - $ .00/hour
Project Manager	$ .00 - $ .00/hour
Sr. Engineer/Planner	$ .00 - $ .00/hour
Project Engineer/Planner	$ .00 - $ .00/hour
Assoc. Engineer/Planner	$ .00 - $ .00/hour
Technician	$ .00 - $ .00/hour
Drafter/CADD Operator	$ .00 - $ .00/hour
Word Processor	$ .00 - $ .00/hour

2.3 The above rates are for the Contractor only. All rates for subcontractors to the Contractor will be in accordance with the Contractor's cost proposal.

3. INVOICING.

3.1 Each month the Contractor shall submit an invoice for Services performed during the preceding month. The original invoice shall be submitted to Agency's Executive Director with two (2) copies to Agency's Project Coordinator.

3.2 Charges shall be billed in accordance with the terms and rates included herein, unless otherwise agreed in writing by Agency's Representative.

3.3 Base Work and Extra Work shall be charged separately, and the charges for each task and Milestone listed in the Scope of Services, shall be listed separately. The charges for each individual assigned by the Contractor under this Agreement shall be listed separately on an attachment to the invoice.

3.4 A charge of $500 or more for any one item of Additional Direct Costs shall be accompanied by substantiating documentation satisfactory to Agency such as invoices, telephone logs, etc.

3.5 Each copy of each invoice shall be accompanied by a Monthly Progress Report and spreadsheets showing hours expended by task for each month and total project to date.

3.6 If applicable, each invoice shall indicate payments to DBE subcontractors or supplies by dollar amount and as a percentage of the total invoice.

3.7 Each invoice shall include a certification signed by the Contractor's Representative or an officer of the firm which reads as follows:

I hereby certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed.

Signed _____

Title _____

Date _____

Invoice No. _____

4. PAYMENT

4.1 Agency shall pay the Contractor within four to six weeks after receipt by Agency of an original invoice. Should Agency contest any portion of an invoice, that portion shall be held for resolution, without interest, but the uncontested balance shall be paid.

4.2 The final payment for Services under this Agreement will be made only after the Contractor has executed a Release and Certificate of Final Payment.

EXHIBIT B-2
Sample Cover Letter to WRCOG

Date
Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Director of Transportation
ATTN: Accounts Payable

Re: Project Title - Invoice #__

Enclosed for your review and payment approval is the AGENCY's invoice for professional and technical services that was rendered by our contractors in connection with the 2002 Measure "A" Local Streets and Roads Funding per Agreement No. _____ effective __(Month/Day/Year)__. The required support documentation received from each contractor is included as backup to the invoice.

Invoice period covered is from __Month/Date/Year__ to __Month/Date/Year__.

Total Authorized Agreement Amount:	$0,000,000.00
Total Invoiced to Date:	$0,000,000.00
Total Previously Invoiced:	$0,000,000.00
Balance Remaining:	$0,000,000.00
Amount due this Invoice:	**$0,000,000.00**
	==========

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the contractors listed.

By: _____
Name
Title

cc:

EXHIBIT B-3
Sample Letter from Contractor to AGENCY

Month/Date/Year

Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Director of Transportation
Attn: Accounts Payable Invoice #_____

For **[type of services]** rendered by **[contractor name]** in connection with **[name of project]** This is per agreement No. XX-XX-XXX effective Month/Date/Year .

Invoice period covered is from Month/Date/Year to Month/Date/Year .

Total Base Contract Amount:	$000,000.00
Authorized Extra Work (if Applicable)	$000,000.00

TOTAL AUTHORIZED CONTRACT AMOUNT:	$000,000.00
Total Invoice to Date:	$000,000.00
Total Previously Billed:	$000,000.00
Balance Remaining:	$000,000.00
Amount Due this Invoice:	$000,000.00
	==========

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed,

By: _____
Name
Title

EXHIBIT B-4
SAMPLE TASK SUMMARY SCHEDULE
(OPTIONAL)

EXHIBIT B-5
Sample Progress Report

REPORTING PERIOD: Month/Date/Year to Month/Date/Year
PROGRESS REPORT: #1

A. Activities and Work Completed during Current Work Periods

TASK 01 – 100% PS&E SUBMITTAL
1. Responded to Segment 1 comments from Department of Transportation
2. Completed and submitted Segment 1 final PS&E

B. Current/Potential Problems Encountered & Corrective Action

Problems	Corrective Action
None	None

C. Work Planned Next Period

TASK 01 – 100% PS&E SUBMITTAL
1. Completing and to submit Traffic Signal and Electrical Design plans
2. Responding to review comments

Page Intentionally Left Blank

Item 6.A

Transportation Uniform Mitigation Fee Program Activities Update: Approval of Project Reimbursement Agreements and a Second Amendment to a Transportation Department On-Call Engineering Professional Services Agreement

Attachment 2

TUMF Reimbursement Agreement with the City of Eastvale for the Right of Way and Construction Phases of the Hamner Avenue Widening Project

Page Intentionally Left Blank

TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM
AGREEMENT TO REIMBURSE TUMF FUNDS
HAMNER AVENUE WIDENING PROJECT – ROW & CON

THIS REIMBURSEMENT AGREEMENT ("Agreement") is entered into as of this day of ____, 20__, by and between the Western Riverside Council of Governments ("WRCOG"), a California joint powers authority and **the City of Eastvale**, a California municipal corporation or _____, a subdivision of the State ("AGENCY"). WRCOG and AGENCY are sometimes hereinafter referred to individually as "Party" and collectively as "Parties".

RECITALS

A. WRCOG is the Administrator of the Transportation Uniform Mitigation Fee Program of Western Riverside County ("TUMF Program").

B. WRCOG has identified and designated certain transportation improvement projects throughout Western Riverside County as projects of regional importance ("Qualifying Projects" or "Projects"). The Qualifying Projects are more specifically described in that certain WRCOG study titled "TUMF Nexus Study", as may be amended from time to time. Qualifying Projects can have Regional or Zonal significance as further described in the TUMF Nexus Study.

C. The TUMF Program is funded by TUMF fees paid by new development in Western Riverside County (collectively, "TUMF Program Funds"). TUMF Program Funds are held in trust by WRCOG for the purpose of funding the Qualifying Projects.

D. The AGENCY proposes to implement a Qualifying Project, and it is the purpose of this Agreement to identify the project and to set forth the terms and conditions by which WRCOG will release TUMF Program Funds.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, the Parties hereby agree as follows:

1. Description of the Qualifying Project. This Agreement is intended to distribute TUMF Program Funds to the AGENCY for the **HAMNER AVENUE WIDENING PROJECT ROW AND CON**, (the "Project"), a Qualifying Project. The Work, including a timetable and a detailed scope of work, is more fully described in Exhibit "A" attached hereto and incorporated herein by reference and, pursuant to Section 20 below, is subject to modification if requested by the AGENCY and approved by WRCOG. The work shall be consistent with one or more of the defined WRCOG Call for Projects phases detailed herein as follows:

3) R/W – Right of Way Acquisition and Utility Relocation
4) CON – Construction

2. WRCOG Funding Amount. WRCOG hereby agrees to distribute to AGENCY, on the terms and conditions set forth herein, a sum not to exceed **TWO MILLION, TWO HUNDRED EIGHTY-EIGHT THOUSAND DOLLARS ($2,288,000),** to be used for

reimbursing the AGENCY for eligible Project expenses as described in Section 3 herein ("Funding Amount"). The Parties acknowledge and agree that the Funding Amount may be less than the actual cost of the Project. Nevertheless, the Parties acknowledge and agree that WRCOG shall not be obligated to contribute TUMF Program Funds in excess of the maximum TUMF share identified in the TUMF Nexus Study ("Maximum TUMF Share"), as may be amended from time to time.

3. Project Costs Eligible for Advance/Reimbursement. The total Project costs ("Total Project Cost") may include the following items, provided that such items are included in the scope of work attached hereto as Exhibit "A" ("Scope of Work"): (1) AGENCY and/or consultant costs associated with direct Project coordination and support; (2) funds expended in preparation of preliminary engineering studies; (3) funds expended for preparation of environmental review documentation for the Project; (4) all costs associated with right-of-way acquisition, including right-of-way engineering, appraisal, acquisition, legal costs for condemnation procedures if authorized by the AGENCY, and costs of reviewing appraisals and offers for property acquisition; (5) costs reasonably incurred if condemnation proceeds; (6) costs incurred in the preparation of plans, specifications, and estimates by AGENCY or consultants; (7) AGENCY costs associated with bidding, advertising and awarding of the Project contracts; (8) construction costs, including change orders to construction contract approved by the AGENCY; (9) construction management, field inspection and material testing costs; and (10) any AGENCY administrative cost to deliver the Project.

4. Ineligible Project Costs. The Total Project Cost shall not include the following items which shall be borne solely by the AGENCY without reimbursement: (1) any AGENCY administrative fees attributed to the reviewing and processing of the Project; and (2) expenses for items of work not included within the Scope of Work in Exhibit "A".

5. Procedures for Distribution of TUMF Program Funds to AGENCY.

(a) Initial Payment by the AGENCY. The AGENCY shall be responsible for initial payment of all the Project costs as they are incurred. Following payment of such Project costs, the AGENCY shall submit invoices to WRCOG requesting reimbursement of eligible Project costs. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to the AGENCY, and documents evidencing the AGENCY's payment of the invoices or demands for payment. Documents evidencing the AGENCY'S payment of the invoices shall be retained for four (4) years and shall be made available for review by WRCOG. The AGENCY shall submit invoices not more often than monthly and not less often than quarterly.

(b) Review and Reimbursement by WRCOG. Upon receipt of an invoice from the AGENCY, WRCOG may request additional documentation or explanation of the Project costs for which reimbursement is sought. Undisputed amounts shall be paid by WRCOG to the AGENCY within thirty (30) days. In the event that WRCOG disputes the eligibility of the AGENCY for reimbursement of all or a portion of an invoiced amount, the Parties shall meet and confer in an attempt to resolve the dispute. If the meet and confer process is unsuccessful in resolving the dispute, the AGENCY may appeal WRCOG's decision as to the eligibility of one or more invoices to WRCOG's Executive Director. The WRCOG Executive Director shall

provide his/her decision in writing. If the AGENCY disagrees with the Executive Director's decision, the AGENCY may appeal the decision of the Executive Director to the full WRCOG Executive Committee, provided the AGENCY submits its request for appeal to WRCOG within ten (10) days of the Executive Director's written decision. The decision of the WRCOG Executive Committee shall be final. Additional details concerning the procedure for the AGENCY's submittal of invoices to WRCOG and WRCOG's consideration and payment of submitted invoices are set forth in Exhibit "B", attached hereto and incorporated herein by reference.

(c) Funding Amount/Adjustment. If a post Project audit or review indicates that WRCOG has provided reimbursement to the AGENCY in an amount in excess of the Maximum TUMF Share of the Project, or has provided reimbursement of ineligible Project costs, the AGENCY shall reimburse WRCOG for the excess or ineligible payments within 30 days of notification by WRCOG.

6. Increases in Project Funding. The Funding Amount may, in WRCOG's sole discretion, be augmented with additional TUMF Program Funds if the TUMF Nexus Study is amended to increase the maximum eligible TUMF share for the Project. Any such increase in the Funding Amount must be approved in writing by WRCOG's Executive Director. In no case shall the amount of TUMF Program Funds allocated to the AGENCY exceed the then-current maximum eligible TUMF share for the Project. No such increased funding shall be expended to pay for any Project already completed. For purposes of this Agreement, the Project or any portion thereof shall be deemed complete upon its acceptance by WRCOG's Executive Director which shall be communicated to the AGENCY in writing.

7. No Funding for Temporary Improvements. Only segments or components of the construction that are intended to form part of or be integrated into the Project may be funded by TUMF Program Funds. No improvement which is temporary in nature, including but not limited to temporary roads, curbs, tapers or drainage facilities, shall be funded with TUMF Program Funds, except as needed for staged construction of the Project.

8. AGENCY's Funding Obligation to Complete the Project. In the event that the TUMF Program Funds allocated to the Project represent less than the total cost of the Project, the AGENCY shall provide such additional funds as may be required to complete the Project.

9. AGENCY's Obligation to Repay TUMF Program Funds to WRCOG; Exception For PA&ED Phase Work. Except as otherwise expressly excepted within this paragraph, in the event that: (i) the AGENCY, for any reason, determines not to proceed with or complete the Project; or (ii) the Project is not timely completed, subject to any extension of time granted by WRCOG pursuant to the terms of this Agreement; the AGENCY agrees that any TUMF Program Funds that were distributed to the AGENCY for the Project shall be repaid in full to WRCOG, and the Parties shall enter into good faith negotiations to establish a reasonable repayment schedule and repayment mechanism. If the Project involves work pursuant to a PA&ED phase, AGENCY shall not be obligated to repay TUMF Program Funds to WRCOG relating solely to PA&ED phase work performed for the Project.

10. AGENCY's Local Match Contribution. AGENCY local match funding is not required, as shown in Exhibit "A" and as called out in the AGENCY's Project Nomination Form submitted to WRCOG in response to its Call for Projects.

11. Term/Notice of Completion. The term of this Agreement shall be from the date first herein above written until the earlier of the following: (i) the date WRCOG formally accepts the Project as complete, pursuant to Section 6; (ii) termination of this Agreement pursuant to Section 15; or (iii) the AGENCY has fully satisfied its obligations under this Agreement. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of this Agreement.

12. Representatives of the Parties. WRCOG's Executive Director, or his or her designee, shall serve as WRCOG's representative and shall have the authority to act on behalf of WRCOG for all purposes under this Agreement. The AGENCY hereby designates **BRYAN JONES, INTERIM CITY MANAGER**, or his or her designee, as the AGENCY's representative to WRCOG. The AGENCY's representative shall have the authority to act on behalf of the AGENCY for all purposes under this Agreement and shall coordinate all activities of the Project under the AGENCY's responsibility. The AGENCY shall work closely and cooperate fully with WRCOG's representative and any other agencies which may have jurisdiction over or an interest in the Project.

13. Expenditure of Funds by AGENCY Prior to Execution of Agreement. Nothing in this Agreement shall be construed to prevent or preclude the AGENCY from expending funds on the Project prior to the execution of the Agreement, or from being reimbursed by WRCOG for such expenditures. However, the AGENCY understands and acknowledges that any expenditure of funds on the Project prior to the execution of the Agreement is made at the AGENCY's sole risk, and that some expenditures by the AGENCY may not be eligible for reimbursement under this Agreement.

14. Review of Services. The AGENCY shall allow WRCOG's Representative to inspect or review the progress of the Project at any reasonable time in order to determine whether the terms of this Agreement are being met.

15. Termination.

(a) Notice. Either WRCOG or AGENCY may, by written notice to the other party, terminate this Agreement, in whole or in part, in response to a material breach hereof by the other Party, by giving written notice to the other party of such termination and specifying the effective date thereof. The written notice shall provide a 30 day period to cure any alleged breach. During the 30 day cure period, the Parties shall discuss, in good faith, the manner in which the breach can be cured.

(b) Effect of Termination. In the event that the AGENCY terminates this Agreement, the AGENCY shall, within 180 days, repay to WRCOG any unexpended TUMF Program Funds provided to the AGENCY under this Agreement and shall complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. In the event that WRCOG terminates this Agreement, WRCOG shall, within 90 days, distribute to the

AGENCY TUMF Program Funds in an amount equal to the aggregate total of all unpaid invoices which have been received from the AGENCY regarding the Project at the time of the notice of termination; provided, however, that WRCOG shall be entitled to exercise its rights under Section 5(b), including but not limited to conducting a review of the invoices and requesting additional information. Upon such termination, the AGENCY shall, within 180 days, complete any portion or segment of work for the Project for which TUMF Program Funds have been provided. This Agreement shall terminate upon receipt by the non-terminating Party of the amounts due to it hereunder and upon completion of the segment or portion of Project work for which TUMF Program Funds have been provided.

(c) Cumulative Remedies. The rights and remedies of the Parties provided in this Section are in addition to any other rights and remedies provided by law or under this Agreement.

16. Prevailing Wages. The AGENCY and any other person or entity hired to perform services on the Project are alerted to the requirements of California Labor Code Sections 1770 et seq., which would require the payment of prevailing wages were the services or any portion thereof determined to be a public work, as defined therein. The AGENCY shall ensure compliance with these prevailing wage requirements by any person or entity hired to perform the Project. The AGENCY shall defend, indemnify, and hold harmless WRCOG, its officers, employees, consultants, and agents from any claim or liability, including without limitation attorneys, fees, arising from its failure or alleged failure to comply with California Labor Code Sections 1770 et seq.

17. Progress Reports. WRCOG may request the AGENCY to provide WRCOG with progress reports concerning the status of the Project.

18. Indemnification.

(a) AGENCY Responsibilities. In addition to the indemnification required under Section 16, the AGENCY agrees to indemnify and hold harmless WRCOG, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of the AGENCY or its subcontractors. The AGENCY will reimburse WRCOG for any expenditures, including reasonable attorneys' fees, incurred by WRCOG, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of the AGENCY.

(b) WRCOG Responsibilities. WRCOG agrees to indemnify and hold harmless the AGENCY, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including all design and construction activities, due to negligent acts, errors or omissions or willful misconduct of WRCOG or its sub-consultants. WRCOG will reimburse the AGENCY for any expenditures, including reasonable attorneys' fees, incurred by the AGENCY, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of WRCOG.

(c) Effect of Acceptance. The AGENCY shall be responsible for the professional quality, technical accuracy and the coordination of any services provided to complete the Project. WRCOG's review, acceptance or funding of any services performed by the AGENCY or any other person or entity under this Agreement shall not be construed to operate as a waiver of any rights WRCOG may hold under this Agreement or of any cause of action arising out of this Agreement. Further, the AGENCY shall be and remain liable to WRCOG, in accordance with applicable law, for all damages to WRCOG caused by the AGENCY's negligent performance of this Agreement or supervision of any services provided to complete the Project.

19. Insurance. The AGENCY shall require, at a minimum, all persons or entities hired to perform the Project to obtain, and require their subcontractors to obtain, insurance of the types and in the amounts described below and satisfactory to the AGENCY and WRCOG. Such insurance shall be maintained throughout the term of this Agreement, or until completion of the Project, whichever occurs last.

(a) Commercial General Liability Insurance. Occurrence version commercial general liability insurance or equivalent form with a combined single limit of not less than $1,000,000.00 per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the Project or be no less than two times the occurrence limit. Such insurance shall:

(i) Name WRCOG and AGENCY, and their respective officials, officers, employees, agents, and consultants as insured with respect to performance of the services on the Project and shall contain no special limitations on the scope of coverage or the protection afforded to these insured;

(ii) Be primary with respect to any insurance or self-insurance programs covering WRCOG and AGENCY, and/or their respective officials, officers, employees, agents, and consultants; and

(iii) Contain standard separation of insured provisions.

(b) Business Automobile Liability Insurance. Business automobile liability insurance or equivalent form with a combined single limit of not less than $1,000,000.00 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.

(c) Professional Liability Insurance. Errors and omissions liability insurance with a limit of not less than $1,000,000.00 Professional liability insurance shall only be required of design or engineering professionals.

(d) Workers' Compensation Insurance. Workers' compensation insurance with statutory limits and employers' liability insurance with limits of not less than $1,000,000.00 each accident.

20. Project Amendments. Changes to the characteristics of the Project, including the deadline for Project completion, and any responsibilities of the AGENCY or WRCOG may be requested in writing by the AGENCY and are subject to the approval of WRCOG's Representative, which approval will not be unreasonably withheld, provided that extensions of time for completion of the Project shall be approved in the sole discretion of WRCOG's Representative. Nothing in this Agreement shall be construed to require or allow completion of the Project without full compliance with the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.;* "CEQA") and the National Environmental Policy Act of 1969 (42 USC 4231 *et seq.*), if applicable, but the necessity of compliance with CEQA and/or NEPA shall not justify, excuse, or permit a delay in completion of the Project.

21. Conflict of Interest. For the term of this Agreement, no member, officer or employee of the AGENCY or WRCOG, during the term of his or her service with the AGENCY or WRCOG, as the case may be, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

22. Limited Scope of Duties. WRCOG's and the AGENCY's duties and obligations under this Agreement are limited to those described herein. WRCOG has no obligation with respect to the safety of any Project performed at a job site. In addition, WRCOG shall not be liable for any action of AGENCY or its contractors relating to the condemnation of property undertaken by AGENCY or construction related to the Project.

23. Books and Records. Each party shall maintain complete, accurate, and clearly identifiable records with respect to costs incurred for the Project under this Agreement. They shall make available for examination by the other party, its authorized agents, officers or employees any and all ledgers and books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or related to the expenditures and disbursements charged to the other party pursuant to this Agreement. Further, each party shall furnish to the other party, its agents or employees such other evidence or information as they may require with respect to any such expense or disbursement charged by them. All such information shall be retained by the Parties for at least four (4) years following termination of this Agreement, and they shall have access to such information during the four-year period for the purposes of examination or audit.

24. Equal Opportunity Employment. The Parties represent that they are equal opportunity employers and they shall not discriminate against any employee or applicant of reemployment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

25. Governing Law. This Agreement shall be governed by and construed with the laws of the State of California.

26. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit.

27. Time of Essence. Time is of the essence for each and every provision of this Agreement.

28. Headings. Article and Section Headings, paragraph captions or marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

29. Public Acknowledgement. The AGENCY agrees that all public notices, news releases, information signs and other forms of communication shall indicate that the Project is being cooperatively funded by the AGENCY and WRCOG TUMF Program Funds.

30. No Joint Venture. This Agreement is for funding purposes only and nothing herein shall be construed to make WRCOG a party to the construction of the Project or to make it a partner or joint venture with the AGENCY for such purpose.

31. Compliance With the Law. The AGENCY shall comply with all applicable laws, rules and regulations governing the implementation of the Qualifying Project, including, where applicable, the rules and regulations pertaining to the participation of businesses owned or controlled by minorities and women promulgated by the Federal Highway Administration and the Federal Department of Transportation.

32. Notices. All notices hereunder and communications regarding interpretation of the terms of this Agreement or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

If to AGENCY:
City of Eastvale
122363 Limonite Ave., Suite 910
Eastvale, California 91752
Attention: Interim City Manager
Telephone: 951-361-0990
Facsimile: 951-361-0888

If to WRCOG:
Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Christopher Gray, Director of Transportation
Telephone: (951) 405-6710
Facsimile: (951) 223-9720

Any notice so given shall be considered served on the other party three (3) days after deposit in the U.S. mail, first class postage prepaid, return receipt requested, and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred regardless of the method of service.

33. Integration; Amendment. This Agreement contains the entire agreement between the PARTIES. Any agreement or representation respecting matters addressed herein that are not expressly set forth in this Agreement is null and void. This Agreement may be amended only by mutual written agreement of the PARTIES.

34. Severability. If any term, provision, condition or covenant of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

35. Conflicting Provisions. In the event that provisions of any attached appendices or exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the Parties and the interpretation of the Parties' understanding concerning the Agreement.

36. Independent Contractors. Any person or entities retained by the AGENCY or any contractor shall be retained on an independent contractor basis and shall not be employees of WRCOG. Any personnel performing services on the Project shall at all times be under the exclusive direction and control of the AGENCY or contractor, whichever is applicable. The AGENCY or contractor shall pay all wages, salaries and other amounts due such personnel in connection with their performance of services on the Project and as required by law. The AGENCY or consultant shall be responsible for all reports and obligations respecting such personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance and workers' compensation insurance.

37. Effective Date. This Agreement shall not be effective until executed by both Parties. The failure of one party to execute this Agreement within forty-five (45) days of the other party executing this Agreement shall render any execution of this Agreement ineffective.

38. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective on the day and year first above-written.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: _____ Date: _____
Rick Bishop
Executive Director

Approved to Form:

By: _____ Date: _____
Steven C. DeBaun
General Counsel

CITY OF EASTVALE

By: _____ Date: _____
Bryan Jones
Interim City Manager

Approved to Form:

By: _____ Date: _____
Erica Vega
City Attorney

Approved to Form:

By: _____ Date: _____
Steven Aguilar
City Clerk

EXHIBIT "A"

SCOPE OF WORK

SCOPE OF WORK:

Widening of Hamner Avenue 17 feet for 2,000 linear feet, within the public right of way, in front of Swan Lake Mobile Home Park to provide two full northbound through lanes and new public improvements. Minor widening of Hamner Avenue south of 58th Street will be performed to provide for two southbound lanes. These efforts will improve the primary bottleneck within the City on Hamner Ave between Limonite Avenue and Amberhill Avenue. The scope of work also includes new rubberized asphalt concrete pavement from Amberhill Avenue to Limonite Avenue on Hamner Avenue.

EXHIBIT "A-1"

ESTIMATE OF COST

Phase	TUMF	LOCAL	TOTAL
PA&ED			
PS&E			
RIGHT OF WAY	$ 210,000		$ 210,000
CONSTRUCTION	$ 2,078,000		$ 2,078,000
TOTAL	$ 2,288,000		$ 2,288,000

*** This agreement is for the Right-of-Way and Construction Phases only.**

EXHIBIT "A-2"

PROJECT SCHEDULE

TIMETABLE:

Phase	Estimated Completion Date	Estimated Cost	Comments
PA&ED			
PS&E			
RIGHT OF WAY	FY 17/18	$ 210,000	
CONSTRUCTION	FY 17/18	$ 2,078,000	
TOTAL		$ 2,288,000	

Elements of Compensation

EXHIBIT "B"

PROCEDURES FOR SUBMITTAL, CONSIDERATION AND PAYMENT OF INVOICES

1. For professional services, WRCOG recommends that the AGENCY incorporate this Exhibit "B-1" into its contracts with any subcontractors to establish a standard method for preparation of invoices by contractors to the AGENCY and ultimately to WRCOG for reimbursement of AGENCY contractor costs.

2. Each month the AGENCY shall submit an invoice for eligible Project costs incurred during the preceding month. The original invoice shall be submitted to WRCOG's Executive Director with a copy to WRCOG's Project Coordinator. Each invoice shall be accompanied by a cover letter in a format substantially similar to that of Exhibit "B-2".

3. For jurisdictions with large construction projects (with the total construction cost exceeding $10 million) under construction at the same time, may with the approval of WRCOG submit invoices to WRCOG for payment at the same time they are received by the jurisdiction. WRCOG must receive the invoice by the 5th day of the month in order to process the invoice within 30 days. WRCOG will retain 10% of the invoice until all costs have been verified as eligible and will release the balance at regular intervals not more than quarterly and not less than semi-annually. If there is a discrepancy or ineligible costs that exceed 10% of the previous invoice WRCOG will deduct that amount from the next payment.

4. Each invoice shall include documentation from each contractor used by the AGENCY for the Project, listing labor costs, subcontractor costs, and other expenses. Each invoice shall also include a monthly progress report and spreadsheets showing the hours or amounts expended by each contractor or subcontractor for the month and for the entire Project to date. Samples of acceptable task level documentation and progress reports are attached as Exhibits "B-4" and "B-5". All documentation from the Agency's contractors should be accompanied by a cover letter in a format substantially similar to that of Exhibit "B-3".

5. If the AGENCY is seeking reimbursement for direct expenses incurred by AGENCY staff for eligible Project costs, the AGENCY shall provide the same level of information for its labor and any expenses as required of its contractors pursuant to Exhibit "B" and its attachments.

6. Charges for each task and milestone listed in Exhibit "A" shall be listed separately in the invoice.

7. Each invoice shall include a certification signed by the AGENCY Representative or his or her designee which reads as follows:

"I hereby certify that the hours and salary rates submitted for reimbursement in this invoice are the actual hours and rates worked and paid to the contractors or subcontractors listed.

Signed _____

Title _____

Date _____

Invoice No. _____

8. WRCOG will pay the AGENCY within 30 days after receipt by WRCOG of an invoice. If WRCOG disputes any portion of an invoice, payment for that portion will be withheld, without interest, pending resolution of the dispute, but the uncontested balance will be paid.

9. The final payment under this Agreement will be made only after: (I) the AGENCY has obtained a Release and Certificate of Final Payment from each contractor or subcontractor used on the Project; (ii) the AGENCY has executed a Release and Certificate of Final Payment; and (iii) the AGENCY has provided copies of each such Release to WRCOG.

EXHIBIT "B-1"
[Sample for Professional Services]

For the satisfactory performance and completion of the Services under this Agreement, Agency will pay the Contractor compensation as set forth herein. The total compensation for this service shall not exceed (_____INSERT WRITTEN DOLLAR AMOUNT___) ($___INSERT NUMERICAL DOLLAR AMOUNT___) without written approval of Agency's City Manager [or applicable position] ("Total Compensation").

1. ELEMENTS OF COMPENSATION.

Compensation for the Services will be comprised of the following elements: 1.1 Direct Labor Costs; 1.2 Fixed Fee; and 1.3 Additional Direct Costs.

1.1 DIRECT LABOR COSTS.

Direct Labor costs shall be paid in an amount equal to the product of the Direct Salary Costs and the Multiplier which are defined as follows:

1.1.1 DIRECT SALARY COSTS

Direct Salary Costs are the base salaries and wages actually paid to the Contractor's personnel directly engaged in performance of the Services under the Agreement. (The range of hourly rates paid to the Contractor's personnel appears in Section 2 below.)

1.1.2 MULTIPLIER

The Multiplier to be applied to the Direct Salary Costs to determine the Direct Labor Costs is _____, and is the sum of the following components:

1.1.2.1 Direct Salary Costs _____

1.1.2.2 Payroll Additives _____

The Decimal Ratio of Payroll Additives to Direct Salary Costs. Payroll Additives include all employee benefits, allowances for vacation, sick leave, and holidays, and company portion of employee insurance and social and retirement benefits, all federal and state payroll taxes, premiums for insurance which are measured by payroll costs, and other contributions and benefits imposed by applicable laws and regulations.

1.1.2.3 Overhead Costs _____

The Decimal Ratio of Allowable Overhead Costs to the Contractor Firm's Total Direct Salary Costs. Allowable Overhead Costs include general, administrative and overhead costs of maintaining and operating established offices, and consistent with established firm policies, and as defined in the Federal Acquisitions Regulations, Part 31.2.

Total Multiplier _____
(sum of 1.1.2.1, 1.1.2.2, and 1.1.2.3)

1.2 FIXED FEE.

1.2.1 The fixed fee is $_____.

1.2.2 A pro-rata share of the Fixed Fee shall be applied to the total Direct Labor Costs expended for services each month, and shall be included on each monthly invoice.

1.3 ADDITIONAL DIRECT COSTS.

Additional Direct Costs directly identifiable to the performance of the services of this Agreement shall be reimbursed at the rates below, or at actual invoiced cost.

Rates for identified Additional Direct Costs are as follows:

ITEM	REIMBURSEMENT RATE
	[___insert charges___]
Per Diem	$ /day
Car mileage	$ /mile
Travel	$ /trip
Computer Charges	$ /hour
Photocopies	$ /copy
Blueline	$ /sheet
LD Telephone	$ /call
Fax	$ /sheet
Photographs	$ /sheet

Travel by air and travel in excess of 100 miles from the Contractor's office nearest to Agency's office must have Agency's prior written approval to be reimbursed under this Agreement.

2. DIRECT SALARY RATES

Direct Salary Rates, which are the range of hourly rates to be used in determining Direct Salary Costs in Section 1.1.1 above, are given below and are subject to the following:

2.1 Direct Salary Rates shall be applicable to both straight time and overtime work, unless payment of a premium for overtime work is required by law, regulation or craft agreement, or is otherwise specified in this Agreement. In such event, the premium portion of Direct Salary Costs will not be subject to the Multiplier defined in Paragraph 1.1.2 above.

2.2 Direct Salary Rates shown herein are in effect for one year following the effective date of the Agreement. Thereafter, they may be adjusted annually to reflect the Contractor's adjustments to individual compensation. The Contractor shall notify Agency in writing prior to a change in the range of rates included herein, and prior to each subsequent change.

POSITION OR CLASSIFICATION	RANGE OF HOURLY RATES
[___sample___]	
Principal	$ .00 - $ .00/hour
Project Manager	$ .00 - $ .00/hour
Sr. Engineer/Planner	$ .00 - $ .00/hour
Project Engineer/Planner	$ .00 - $ .00/hour
Assoc. Engineer/Planner	$ .00 - $ .00/hour
Technician	$ .00 - $ .00/hour
Drafter/CADD Operator	$ .00 - $ .00/hour
Word Processor	$ .00 - $ .00/hour

2.3 The above rates are for the Contractor only. All rates for subcontractors to the Contractor will be in accordance with the Contractor's cost proposal.

3. INVOICING.

3.1 Each month the Contractor shall submit an invoice for Services performed during the preceding month. The original invoice shall be submitted to Agency's Executive Director with two (2) copies to Agency's Project Coordinator.

3.2 Charges shall be billed in accordance with the terms and rates included herein, unless otherwise agreed in writing by Agency's Representative.

3.3 Base Work and Extra Work shall be charged separately, and the charges for each task and Milestone listed in the Scope of Services, shall be listed separately. The charges for each individual assigned by the Contractor under this Agreement shall be listed separately on an attachment to the invoice.

3.4 A charge of $500 or more for any one item of Additional Direct Costs shall be accompanied by substantiating documentation satisfactory to Agency such as invoices, telephone logs, etc.

3.5 Each copy of each invoice shall be accompanied by a Monthly Progress Report and spreadsheets showing hours expended by task for each month and total project to date.

3.6 If applicable, each invoice shall indicate payments to DBE subcontractors or supplies by dollar amount and as a percentage of the total invoice.

3.7 Each invoice shall include a certification signed by the Contractor's Representative or an officer of the firm which reads as follows:

I hereby certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed.

Signed _____

Title _____

Date _____

Invoice No. _____

4. PAYMENT

4.1 Agency shall pay the Contractor within four to six weeks after receipt by Agency of an original invoice. Should Agency contest any portion of an invoice, that portion shall be held for resolution, without interest, but the uncontested balance shall be paid.

4.2 The final payment for Services under this Agreement will be made only after the Contractor has executed a Release and Certificate of Final Payment.

EXHIBIT B-2
Sample Cover Letter to WRCOG

Date
Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Director of Transportation
ATTN: Accounts Payable

Re: Project Title - Invoice #__

Enclosed for your review and payment approval is the AGENCY's invoice for professional and technical services that was rendered by our contractors in connection with the 2002 Measure "A" Local Streets and Roads Funding per Agreement No. _____ effective __(Month/Day/Year)__. The required support documentation received from each contractor is included as backup to the invoice.

Invoice period covered is from __Month/Date/Year__ to __Month/Date/Year__.

Total Authorized Agreement Amount:	$0,000,000.00
Total Invoiced to Date:	$0,000,000.00
Total Previously Invoiced:	$0,000,000.00
Balance Remaining:	$0,000,000.00
Amount due this Invoice:	**$0,000,000.00**
	==========

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the contractors listed.

By: _____
Name
Title

cc:

EXHIBIT B-3
Sample Letter from Contractor to AGENCY

Month/Date/Year

Western Riverside Council of Governments
3390 University Avenue; Suite 450
Riverside, California 92501
Attention: Director of Transportation
Attn: Accounts Payable Invoice #_____

For **[type of services]** rendered by **[contractor name]** in connection with **[name of project]** This is per agreement No. XX-XX-XXX effective Month/Date/Year .

Invoice period covered is from Month/Date/Year to Month/Date/Year .

Total Base Contract Amount:	$000,000.00
Authorized Extra Work (if Applicable)	$000,000.00

TOTAL AUTHORIZED CONTRACT AMOUNT:	$000,000.00
Total Invoice to Date:	$000,000.00
Total Previously Billed:	$000,000.00
Balance Remaining:	$000,000.00
Amount Due this Invoice:	$000,000.00
	==========

I certify that the hours and salary rates charged in this invoice are the actual hours and rates worked and paid to the employees listed,

By: _____
Name
Title

EXHIBIT B-4
SAMPLE TASK SUMMARY SCHEDULE
(OPTIONAL)

EXHIBIT B-5
Sample Progress Report

REPORTING PERIOD: Month/Date/Year to Month/Date/Year
PROGRESS REPORT: #1

A. Activities and Work Completed during Current Work Periods

TASK 01 – 100% PS&E SUBMITTAL
1. Responded to Segment 1 comments from Department of Transportation
2. Completed and submitted Segment 1 final PS&E

B. Current/Potential Problems Encountered & Corrective Action

Problems	Corrective Action
None	None

C. Work Planned Next Period

TASK 01 – 100% PS&E SUBMITTAL
1. Completing and to submit Traffic Signal and Electrical Design plans
2. Responding to review comments

Page Intentionally Left Blank

Item 6.A

Transportation Uniform Mitigation Fee Program Activities Update: Approval of Project Reimbursement Agreements and a Second Amendment to a Transportation Department On-Call Engineering Professional Services Agreement

Attachment 3

Second Amendment to the Professional Services Agreement between the Western Riverside Council of Governments and WG Zimmerman Engineering

Page Intentionally Left Blank

SECOND AMENDMENT TO

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
WG ZIMMERMAN ENGINEERING, INC.

1. PARTIES AND DATE.

This Second Amendment is made and entered into this _____ day of December, 2018, by and between the Western Riverside Council of Governments, a public agency with its principal place of business at Citrus Tower, 3390 University Avenue, Suite 450, Riverside, California 92501-3679 ("WRCOG") and WG Zimmerman Engineering, Inc. a California corporation ("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 Professional Services Agreement dated October 3, 2016 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant have entered into the First Amendment for the purpose of providing additional compensation for project invoice reviews (“Services”).

2.3 Second Amendment.

WRCOG and Consultant desire to enter into this Second Amendment for the purpose of providing additional compensation for TUMF project invoice reviews and project reconciliation for various completed projects (“Services”).

3. TERMS.

3.1 Additional Compensation.

The maximum compensation for Services performed under this Second Amendment shall not exceed Fifty Thousand Dollars ($50,000) without written approval of WRCOG’s Executive Director. Work shall be performed in a manner that is consistent with the Scope of Services and Compensation set forth in Exhibits “A” and “B”, respectively, to the Master Agreement.

The total not-to-exceed value of the Master Agreement, the First Amendment, and this Second Amendment shall be increased from One Hundred Thousand Dollars ($150,000) to One Hundred Fifty Thousand Dollars ($200,000).

3.4 Continuation of Existing Provisions.

Except as amended by this Second Amendment, all provisions of the Master Agreement and First Amendment, 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 First Amendment.

3.5 Counterparts.

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

[Signatures on the following page]

SIGNATURE PAGE TO

SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
WG ZIMMERMAN ENGINEERING, INC.

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

WRCOG

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Rick Bishop
Executive Director

CONSULTANT

WG ZIMMERMAN ENGINEERING, INC.,
a California corporation

By: _____
William Zimmerman
President

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

EXHIBIT "A"
GENERAL SCOPE OF SERVICES

On-Call and As-Needed Engineering Services

Such engineering services may include, but are not limited to, the following work activities:

Task 1-Review of One Simple TUMF Invoice

The Consultant will be asked to review TUMF project invoices submitted by member jurisdictions for reimbursement. The invoice should contain all necessary support documentation and the Consultant shall review each invoice to ensure that the work invoiced against is for the identified project. As part of the review of invoices and support documentation, the Consultant will prepare a memo to WRCOG staff authorizing payment for eligible expenses under the Program. Exhibit A provides a sample of a typical invoice submitted to WRCOG for review.

Task 2-Review of One Complex TUMF Invoice

On occasions, member jurisdictions submit invoices and do not receive full reimbursement due to issues that arise during the review process. Issues that typically occur include, but are not limited to the following: expenses for work ineligible under the Program, expenses for work outside the scope of the project, local match contribution rate is not applied, amount invoice exceeds amount programmed on the Zone Transportation Improvement Program. With situations in which invoice issues are found, a meeting between WRCOG, the Consultant, and member jurisdiction staff is convened to discuss the issues pertaining to the invoice. Exhibit B provides a sample of an invoice that contains some of the issues previously described.

Task 3- Meeting Attendance

WRCOG anticipates that Consultants could be asked to attend meetings on WRCOG's behalf related to a variety of issues involving the Transportation Department. For purposes of cost estimating, please assume that each meeting requires one hour traveling to the meeting site, 4 hours of meeting attendance, and one hour to prepare a summary of each meeting.

Task 4- Other Duties as Assigned

WRCOG anticipates that Consultants could be asked to perform other duties as they related to the Transportation Department. Such duties can include but are not limited to the review/reconciliation of TUMF Improvement and Credit Agreements and reviewing bid packets to advise WRCOG whether specific items are eligible expenses under the TUMF Program.

EXHIBIT "B"
COMPENSATION

Classification	**Rate**
Principal	$ 215.00/Hr
Registered Traffic Engineer	$ 215.00/Hr
Senior Project Manager (Registered)	$ 210.00/Hr
Project Manager (Registered)	$ 190.00/Hr
Senior Project Engineer (Registered)	$ 180.00/Hr
Project Engineer	$ 145.00/Hr
Senior Associate Engineer	$ 125.00/Hr
Associate Engineer	$ 115.00/Hr
CAD Manager/Senior Designer	$ 102.00/Hr
Microstation CAD/Technician	$ 110.00/Hr
AutoCAD/Technician	$ 95.00/Hr
Administration/Office Support	$ 75.00/Hr
Non-Labor Expenses	
Mileage (local) Federal Rate¢ per Mile	
Printing Cost plus 5%	
Reproduction (Blue lines) Cost plus 5%	
Other Expenses (such as sub-consultants, outside services or special equipment needs) Cost plus 5%	

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Approval of General Assembly and Executive Committee Meeting Schedule for 2019**

Contact: **Janis Leonard, Administrative Services Manager, jleonard@wrcog.us, (951) 405-6702**

Date: **December 3, 2018**

The purpose of this item is to *provide and obtain approval of a meeting schedule for 2019.*

Requested Action:

1. Approve the Schedule of General Assembly and Executive Committee meetings for 2019.

Attached are the proposed meeting dates for the General Assembly and Executive Committee meetings for 2019. All Executive Committee meeting dates are proposed for the first Monday of the month and are scheduled to begin at 2:00 p.m. at the County of Riverside, Administrative Center, Board Chambers, 4080 Lemon St, Riverside.

The General Assembly annual meeting is scheduled for the third Thursday, June 20, 2019, at 6:30 p.m.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

1. Schedule of General Assembly and Executive Committee meetings for 2019.

Page Intentionally Left Blank

Item 6.B

Approval of General Assembly and Executive Committee Meeting Schedule for 2019

Attachment 1

Schedule of General Assembly and Executive Committee meetings for 2019

Page Intentionally Left Blank

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
SCHEDULE OF MEETINGS FOR 2019

WRCOG Standing Committees	Day	Time	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
General Assembly	3rd Thur. in June	6:30 p.m.	-	-	-	-	-	20	-	-	-	-	-	-
Executive Committee	1st Mon.	2:00 p.m.	7	4	4	1	6	3 & 21*	1	5	9**	7	4	2

*June 21 Executive Committee meeting will be held at 10:00 a.m. at a location yet to be determined.
**September Executive Committee meeting scheduled for the 2nd Monday (September 9) due to observance of Labor Day.

Agendas are available at www.wrcog.us approximately seven (7) days prior to the meeting. This schedule is subject to change by action of the committees.

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Appointment of WRCOG Representatives to Various Committees**

Contact: **Rick Bishop, Executive Director, rbshop@wrcog.us, (951) 405-6701**

Date: **December 3, 2018**

The purpose of this item is to *provide a listing of elected officials who have expressed interest in serving on various committees, and to request that the Executive Committee approve a number of appointments as recommended by the Administration & Finance Committee.*

Requested Action:

1. Appoint representatives to the following Committees for the period commencing January 1, 2019, and ending December 31, 2020, as follows:

   a. *California Association of Councils of Government (1 primary and 1 alternate).*

Brian Tisdale (Lake Elsinore):	*Primary*
Laura Roughton (Jurupa Valley):	*Alternate*

   b. *Riverside County Waste Management Local Task Force (2 primary and 2 alternates).*

Jordan Ehrenkranz (Canyon Lake):	*Primary*
Linda Krupa (Hemet):	*Primary*

   c. *Santa Ana Watershed Protection Authority One Water One Watershed Steering Committee (1 appointment).*

Laura Roughton (Jurupa Valley):	*Primary*

   d. *San Diego Association of Governments Borders Committee (1 primary and 1 alternate).*

Crystal Ruiz (San Jacinto):	*Primary*
Dr. Yxstian Gutierrez (Moreno Valley):	*Alternate*

   e. *Southern California Association of Governments Policy Committees (5 appointments – 1 vacancy to be appointed in January 2019).*

Jordan Ehrenkranz (Canyon Lake):	*Energy and Environment*
Bonnie Wright (Hemet):	*Energy and Environment*
Randon Lane (Murrieta):	*Transportation*
Ben Benoit (Wildomar):	*Transportation*
Linda Krupa (Hemet):	*Transportation*

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)

- Southern California Association of Governments (SCAG) Policy Committees (six appointments)
- San Diego Association of Governments (SANDAG) Borders Committee (one appointment plus an alternate)
- Riverside County Waste Management Local Task Force (two appointments plus two alternates)
- SAWPA's One Water One Watershed (OWOW) Steering Committee (one appointment)

Per policy, all WRCOG appointees to committees serve for a two-year term. Current terms for WRCOG appointees expire on December 31, 2018.

WRCOG notified all City and County elected officials of opportunities to serve on the above committees and requested that individuals interested in serving express their interest by Tuesday, November 13, 2018.

The Administration & Finance Committee reviewed the listing and has forwarded recommended appointments included in this staff report (requested actions) to the Executive Committee for consideration.

The Riverside County Waste Management Local Task Force provides for two appointments, plus two alternates. Only two individuals expressed interest in this appointment; two alternate positions are still available.

The final sixth appointment to a SCAG Policy Committee will be made at the January 7, 2019, Executive Committee meeting.

Agency policy is that priority in selection be given to elected officials who serve on WRCOG as Executive Committee Members or Alternates.

Prior Action:

November 14, 2018: The Administration & Finance Committee reviewed a list of interested members for appointments.

Fiscal Impact:

Stipends are allocated in WRCOG's Fiscal Year 2018/2019 Budget under the General Fund.

Attachment:

None.

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Approval of Revised Agency Investment Policy**

Contact: **Andrew Ruiz, Interim Chief Financial Officer, ruiz@wrcog.us, (951) 405-6741**

Date: **December 3, 2018**

The purpose of this item is to *request consideration of a revised WRCOG Investment Policy.*

Requested Action:

1. Adopt WRCOG Resolution Number 44-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments adopting a revised Investment Policy.

Updates to Agency Investment Policy

On May 1, 2017, the Executive Committee adopted WRCOG Resolution Number 06-17, revising an Investment Policy from 2005. During the recent audit of Fiscal Year (FY) 2017/2018, it was recommended that WRCOG update its current investment policy.

Public Financial Management (PFM) serves as WRCOG's financial advisor and manages WRCOG's investment portfolio. The goal of the portfolio is to remain liquid enough to meet all reasonable anticipated operating requirements. During FY 2017/2018, WRCOG moved approximately 50% of its investments from Citizen's Business Bank (CBB) to the California Asset Management Program (CAMP), a JPA that provides public agencies with professional investment services. The reason for this change was due to the yield of CAMP being approximately 30 times greater than the yield WRCOG was receiving at the time with CBB.

During the FY 2017/2018 audit, it was noted that WRCOG's Investment Policy only allows investments of up to 25% in Local Government Investment Portfolio's (LGIP), which CAMP would fall under, and as such, it was recommended to either move the monies out of CAMP to be in compliance with the current Agency Investment Policy, or to change the current Agency Investment Policy to allow for more money to be invested into CAMP. Government Code allows for up to 100% of an agency's investments to be in CAMP. Due to the current yield and the overall safety of investing in CAMP, staff is recommending to change the current Agency Investment Policy to allow for up to 100% (as allowed by law) of its investments to be in CAMP; however, WRCOG expects to maintain approximately 50% of its investments in CAMP. Investments in CAMP would only exceed 50% in a situation where WRCOG's other investments were yielding significantly less.

Prior Action:

November 14, 2018: The Administration & Finance Committee recommended that the Executive Committee adopt WRCOG Resolution Number 44-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments adopting a revised Investment Policy.

Fiscal Impact:

Changes to the current Agency Investment Policy could provide for greater yields based on the ability to place an additional percentage of Agency investments, consistent with Government Code, in, for example, the California Asset Management Program.

Attachment:

1. WRCOG Resolution Number 44-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments adopting a revised Investment Policy.

Item 6.D

Approval of Revised Agency Investment Policy

Attachment 1

WRCOG Resolution Number 44-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments adopting a revised Investment Policy

Page Intentionally Left Blank

RESOLUTION NUMBER 44-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS ADOPTING A REVISED INVESTMENT POLICY

WHEREAS, the Executive Committee of the Western Riverside Council of Governments (the "Executive Committee" and "WRCOG" respectively) previously adopted Resolution Number 06-17, which approved an investment policy (the "Prior Policy"); and

WHEREAS, the California Legislature has provided standards for governing bodies authorized to make investment decisions for local agencies, which are set forth in Sections 16429.1, 53600-53609 and 53630-53686 of the California Government Code (the "Investment Act"); and

WHEREAS, the Investment Act allows local agencies to annually approve a statement of investment policy; and

WHEREAS, it has been determined that it is in the best interests of WRCOG to review and update the Prior Policy; and

WHEREAS, the Executive Committee has been presented with an updated investment policy (the "Investment Policy") attached hereto as Exhibit "A;" and

WHEREAS, the Executive Committee, with the aid of its staff, have reviewed the Investment Policy, which is designed to conform to the requirements of the Investment Act, and wishes to approve the Investment Policy.

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

Section 1. The above recitals are true and correct.

Section 2. The revised Investment Policy is hereby approved and adopted, a copy of which is attached hereto as Exhibit "A" and by this reference is made a part hereof.

Section 3. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Executive Committee of the Western Riverside Council of Governments on December 3, 2018.

_____	_____
Chuck Washington, Chair	Rick Bishop, Secretary
WRCOG Executive Committee	WRCOG Executive Committee

Approved as to form:

_____
Steven DeBaun
WRCOG Legal Counsel

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

Exhibit "A"

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
INVESTMENT POLICY

Policy
The purpose of this investment policy ("Policy") is to identify prudent policies and procedures that shall govern the investment of the Western Riverside Council of Governments' ("WRCOG") funds. The ultimate goal of this Policy is to protect the safety of the invested funds, enhance the economic status of WRCOG, and to ensure that all investments comply with federal, state, and local laws governing the investment of the funds covered by this Policy.

Scope
This Policy shall cover all funds and investment activities under the direct authority of WRCOG and accounted for in the Comprehensive Annual Financial Report (CAFR), except for the employee's retirement and deferred compensation funds. In addition, deposits with banks under the provision California Government Code's "Deposit of Funds" provisions are excluding from this Policy's requirements.

Bond proceeds shall be invested in the securities permitted by the applicable bond documents. If the bond documents are silent as to the permitted investments, the bond proceeds will be invested in the securities permitted by this Policy. Notwithstanding the other provisions of this Policy, the percentage limitations listed in elsewhere in this Policy do not apply to bond proceeds.

Objectives
The primary objectives, in priority order, for WRCOG's investment activities shall be:

1. **Safety:** Safety of principal is the foremost objective of the investment program. WRCOG's investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. **Liquidity:** WRCOG's investment portfolio will remain sufficiently liquid to enable WRCOG to meet all operating requirements, which might be reasonably anticipated.
3. **Return on Investment**: WRCOG's investment portfolio shall be managed with the objective of attaining a market rate of return throughout budgetary and economic cycles.

The remainder of this Policy describes the policies and procedures to be followed in support of these objectives.

Prudence
All persons authorized to make investment decisions on behalf of WRCOG are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Authorized persons, acting in accordance with written procedures and this Policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Delegation of Authority
Responsibility for the investment program is hereby delegated by WRCOG's Executive Committee to the Chief Financial Officer ("CFO"), for a period of one-year, who shall thereafter assume full responsibility for the investment program until the delegation of authority is revoked. Subject to review, the Executive Committee may renew the delegation of authority each year. The CFO may delegate the day-to-day investment activities to his/her designee(s) but not the responsibility for the overall investment program. If authorized by the Executive Committee, the CFO may also utilize the services of an external investment advisor to assist with the investment program. The investment advisor shall never take possession of WRCOG's funds or assets. No person may engage in investment activities except as provided under the terms of this Policy and the procedures established by the CFO.

Ethics and Conflicts of Interest
Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Additionally, the CFO, other employees designated by WRCOG, and the Investment Advisor, if one is used; are required to prepare an Annual Conflict of Interest Statement (FPPC Form 700).

Internal Controls
The CFO is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of WRCOG are protected from loss, theft or misuse. The procedures should include references to individuals authorized to execute transactions or transfers, safekeeping agreements, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgement by management. Compliance with this Policy and internal controls shall be reviewed annually by WRCOG's independent auditor.

Authorized Financial Dealers and Institutions
Investments not purchased directly from the issuer, shall be purchased either from an institution licensed by the state as a broker-dealer or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a savings association or federal association or from a brokerage firm designated as a primary government dealer by the Federal Reserve bank. If WRCOG is utilizing financial dealers or institutions to execute transactions, the CFO shall maintain a list of the firms that have been approved for investment purposes. A copy of this Policy shall be sent annually to all firms with which WRCOG executes investments.

If WRCOG has contracted with an investment advisor to provide investment services, the investment advisor may use their own list of approved issuers, brokers/dealers and financial institutions with which to conduct transactions on WRCOG's behalf.

Authorized and Suitable Investments
The California Government Code provides basic investment limits and guidelines for government entities. In the event an apparent discrepancy is found between this Policy and the Government Code, the more restrictive parameters will take precedence. Percentage holding limits listed in this Policy apply at the time the security is purchased. Credit ratings, where shown, specify the minimum credit rating category required at purchased. In the event a security held by WRCOG is subject to a credit rating change that brings it below the minimum credit ratings specified in this Policy, the CFO should notify the Executive Committee of the change in the next quarterly investment report. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the change, prognosis for recovery or further rate drops, and the market price of the security.

A. **U.S. Treasury Instruments**. United States Treasury notes, bonds, bills, or certificates of

indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of WRCOG's portfolio that may be invested in this category.

B. **Federal Agency Securities**. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of WRCOG's portfolio that may be invested in this category.

C. **Supranational Obligations**. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by a Nationally Recognized Statistical Rating Organization ("NRSRO"). A maximum of 30% of WRCOG's portfolio may be invested in this category.

D. **Municipal Debt**. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

Purchases are limited to securities rated in a rating category of "A" (long-term) or "A-1" (short-term) or their equivalents or better by an NRSRO. A maximum of 30% of WRCOG's portfolio may be invested in this category.

E. **Medium-Term Notes**. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities rated in a rating category of "A" or its equivalent or better by an NRSRO. A maximum of 30% of WRCOG's portfolio may be invested in this category.

F. **Negotiable CDs**. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases are limited to securities rated in a rating category of "A" (long-term) or "A-1" (short-term) or their equivalents or better by an NRSRO. A maximum of 30% of WRCOG's portfolio may be invested in this category.

G. **Asset-Backed Securities**. A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be issued by an

issuer rated in a rating category of "A" or its equivalent or better for the issuer's debt as provided by an NRSRO and rated in a rating category of "AA" or its equivalent or better by an NRSRO. A maximum of 20% of WRCOG's portfolio may be invested in this category.

H. **Commercial Paper**. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):

(1) The entity meets the following criteria: (A) Is organized and operating in the United States as a general corporation; (B) Has total assets in excess of five hundred million dollars ($500,000,000), and (C) Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or better by an NRSRO.
(2) The entity meets the following criteria: (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company, (B) Has program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond, and (C) Has commercial paper that is rated "A-1" or better, or the equivalent, by an NRSRO.

Purchases are limited to securities that have a maximum maturity of 270 days. A maximum of 30% of WRCOG's portfolio may be invested in this category.

I. **State of California's Local Agency Investment Fund (LAIF)**. Whenever WRCOG has funds invested in LAIF, the CFO shall periodically review the program's investments. The maximum amount invested in this category may not exceed the limit set by LAIF for operating accounts.

J. **Local Government Investment Pools ("LGIP")**. Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in Government Code. WRCOG will limit investments to LGIPs that seek to maintain a stable net asset value. Whenever WRCOG has any funds invested in a LGIP, the CFO shall maintain on file a copy of the LGIP's current information statement and periodically review the LGIP's investments. A maximum of 100% of WRCOG's portfolio may be invested in this category.

K. **Money Market Funds ("MMF")**. Purchases are restricted to Government Money Market Funds. Furthermore, these Money Market Funds must have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs, or (B) Retained an investment advisor with not less than five years' experience and registered or exempt from registration with the SEC, with assets under management in excess of five hundred million dollars ($500,000,000). Whenever WRCOG has any funds invested in a MMF, the CFO shall maintain on file a copy of the MMF's current information statement. A maximum of 20% of WRCOG's portfolio may be invested in this category.

Ineligible Investments

WRCOG shall not invest in any investment authorized by the Government Code, but not explicitly listed in this Policy without the prior approval of the Executive Committee. Furthermore, WRCOG will not invest in inverse floaters, range notes, mortgage-derived, interest-only strips, or any security that could result in zero interest accrual if held to maturity. WRCOG may hold any previously permitted but currently prohibited investments until their maturity dates.

Diversification

WRCOG shall diversify the investments within the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. To promote diversification, no more than 5% of the portfolio may be invested in the securities of any one

issuer, regardless of security type; excluding U.S. Treasuries, federal agencies, supranationals, and pooled investments such as LAIF, money market funds, or local government investment pools.

Maximum Maturities
The CFO and/or his/her designee(s) shall maintain a system to monitor and forecast revenues and expenditures so that WRCOG funds can be invested to the fullest extent possible while providing sufficient liquidity to meet WRCOG's reasonably anticipated cash flow requirements. Maturities of investments will be selected to provide necessary liquidity, manage interest rate risk, and optimize earnings. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds.

The weighted average maturity of the investment portfolio shall not exceed 3.0 years. For those investment types for which this Policy does not specify a maturity limit, no individual investment shall exceed a maturity of five years from the date of purchase unless the Executive Committee has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board of Directors no less than three months prior to the investment.

This Policy authorizes investing bond project and reserve funds beyond five years if the maturities of such investments do not exceed the expected use of the funds, the investments are deemed prudent in the opinion of the CFO, and the investments are not prohibited by the applicable bond documents.

Safekeeping and Custody
To protect against potential losses by collapse of individual securities dealers, all deliverable securities owned by WRCOG, including collateral on repurchase agreements, shall be held in safekeeping by a third party bank trust department acting as agent for WRCOG under the terms of a custody agreement executed by the bank and by WRCOG. All deliverable securities will be received and delivered using standard delivery-versus-payment procedures.

Performance Standards
The investment portfolio shall be managed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. WRCOG will employ an active management approach that allows for the sale of securities prior to their scheduled maturity dates for purposes of improving the portfolio's credit quality, liquidity, or return in response to changing market conditions or WRCOG circumstances. This Policy recognizes that in a diversified portfolio occasional measured losses are inevitable and must be considered within the context of the overall portfolio's structure and expected investment return, with the proviso that adequate diversification and credit analysis have been implemented.

An appropriate performance benchmark shall be established against which portfolio performance shall be compared on a regular basis. The selected performance benchmark shall be representative of WRCOG's overall investment objectives and liquidity requirements.

Reporting
The CFO will prepare a quarterly investment report that shall include a description of the portfolio, type of investments, issuers, maturity dates, par values and current market values of each component of the portfolio, list of transactions, including funds managed for WRCOG by third party contract managers. The report will include a certification that: (1) all investment actions executed since the last report have been made in full compliance with this Policy and (2) the report shall include a statement denoting the ability of WRCOG to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

Investment Policy Adoption
WRCOG's investment policy shall be adopted by resolution of the Executive Committee. This Policy shall be reviewed periodically by the CFO and any modifications made thereto must be approved by the Executive Committee.

Adopted by WRCOG Executive Committee on December 3, 2018.

GLOSSARY

The glossary is provided for general information only. It is not to be consider a part of the Policy for determining Policy requirements or terms.

AGENCIES: Securities issued by federal agency securities and/or Government-sponsored enterprises (e.g. FNMA, FHLMC, FHLB).

AMORTIZED COST (or Book Value): For investments purchased at a discount, amortized cost constitutes cost plus interest earned to date.

ASKED: The price at which securities are offered for sale; also known as offering price.

ASSET-BACKED SECURITIES (ABS): Securities whose income payments and hence value is derived from and collateralized (or "backed") by a specified pool of underlying assets which are receivables. Pooling the assets into financial instruments allows them to be sold to general investors, a process called securitization, and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets. The pools of underlying assets can comprise common payments credit cards, auto loans, mortgage loans, and other types of assets. Interest and principal is paid to investors from borrowers who are paying down their debt.

BASIS POINT: One hundredth of one percent (i.e. 0.01 percent).

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CALLABLE BOND: A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Large denomination CD's are typically negotiable.

COMMERCIAL PAPER: An unsecured promissory note with a fixed maturity no longer than 270 days.

COLLATERAL: Securities, evidence of deposit or other property, which secures repayment of an investment. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report of the (entity). It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.
(b) A certificate attached to a bond evidencing interest due on a payment date.

CREDIT RISK: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security and a loss will result.

CUSTODIAN: A bank or other financial institution that keeps custody of stock certificates and other assets.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value (e.g., U.S. Treasury Bills, commercial paper.)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. Duration is expressed as a number of years. The duration of a security is a useful indicator of its price volatility for given changes in interest rates. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits.

FEDERAL FARM CREDIT BANK (FFCB): Government-sponsored institution that consolidates the financing activities of the Federal Land Banks, the Federal Intermediate Credit Banks and the Banks for Cooperatives. Its securities do not carry direct U.S. Government guarantees.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or Freddie Mac):
Established in 1970 to help maintain the availability of mortgage credit for residential housing. FHLMC

finances these operations by marketing guaranteed mortgage certificates and mortgage participation certificates. FHLMC's securities are highly liquid and are widely accepted. FHLMC is currently operated under conservatorship of the U.S. Government.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae):
FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a Federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA is currently operated under conservatorship of the U.S. Government.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the U.S. which consists of seven member Board of Governors, 12 regional banks, and about 5,700 commercial banks that are members.

FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA): The Financial Industry Regulatory Authority (FINRA) is the largest independent regulator for all securities firms doing business in the United States. All told, FINRA oversees nearly 4,750 brokerage firms, about 167,000 branch offices and approximately 634,000 registered securities representatives.

INTEREST RATE RISK: The risk of gain or loss in market values of securities due to changes in interest-rate levels. For example, rising interest rates will cause the market value of portfolio securities to decline.

INVESTMENT POLICY: A clear and concise statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment purposes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): A type of pooled investment program in which funds from local agency investors/participants are aggregated together for investment purposes.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM-TERM NOTES (MTNs): Unsecured corporate obligations. For purposes of the California Government Code, they have a maximum remaining maturity of five years or less.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

MONEY MARKET FUND. A type of mutual fund that invests exclusively in short-term investments.

MORTGAGE-BACKED SECURITIES (MBS): These securities represent an ownership interest in mortgage loans made by financial institutions (savings and loans, commercial banks, or mortgage companies) to finance the borrower's purchase of a home or other real estate. MBS are created when these loans are packaged, or "pooled," by issuers or servicers for sale to investors. As the underlying mortgage loans are paid off by the homeowners, the investors receive payments of interest and principal.

MUTUAL FUND: A fund operated by an investment company that raises money from shareholders and invests it on their behalf. Profits are distributed to shareholders after the investment company deducts its management fee. Mutual funds are regulated by the SEC.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO): A credit rating agency that issue credit ratings that the U.S. Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes. The largest three NRSROs are Standard & Poor's, Moody's Investors Service and Fitch Ratings.

NEGOTIABLE: Something that can be sold or transferred to another party.

NEGOTIABLE CERTIFICATES OF DEPOSIT: Large denomination certificates of deposit with a fixed maturity date, which can be sold in the money market. They are not collateralized.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PAR VALUE: The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in increments of $1,000 per bond.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PREMIUM: The amount by which a security sells above its par value.

PRINCIPAL: The face or par value of a debt instrument or the amount of capital invested in a given security.

PRUDENT INVESTORS RULE: An investment standard. In California, persons authorized to make investment decisions on behalf of a local agency are considered trustees and therefore fiduciaries subject to the Prudent Investor Rule. A trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the

payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

SAFEKEEPING: A service banks offer to clients for a fee, where physical securities are held in the bank's vault for protection and book-entry securities are on record with the Federal Reserve Bank or Depository Trust Company in the bank's name for the benefit of the client. As agent for the client, the safekeeping bank settles securities transactions, collects coupon payments, and redeems securities at maturity or, if called, on the call date.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES: Investment instruments such as notes, bonds, stocks, money market instruments and other instruments of indebtedness of equity.

SECURITIES & EXCHANGE COMMISSION (sec): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SPREAD: The difference between two figures or percentages. It may be the difference between the bid (price at which a prospective buyer offers to pay) and asked (price at which an owner offers to sell) prices of a quote, or between the amount paid when bought and the amount received when sold.

SUPRANATIONAL: Supranational entities are formed by two or more central governments with the purpose of promoting economic development for the member countries. Supranational institutions finance their activities by issuing debt, such as supranational bonds. Examples of supranational institutions include the European Investment Bank and the World Bank. Similarly to the government bonds, the bonds issued by these institutions are considered direct obligations of the issuing nations and have a high credit rating.

TREASURY SECURITIES. Obligations issued by the federal government, which are backed by the U.S. Government's full faith & credit. Generally considered to have the lowest credit risk of any security. They are issued in a range of maturities:

- TREASURY BILLS. Are short-term, non-interest bearing discount security having initial maturities of one-year or less.
- TREASURY NOTES. Are Intermediate-term coupon-bearing securities having initial maturities from two to ten years.
- TREASURY BONDS. Are long-term coupon-bearing securities having initial maturities of more than ten years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

WEIGHTED AVERAGE MATURITY (OR DURATION): The sum of the amount of each investment

multiplied by the number of days to maturity (or duration), divided by the total amount of investments.

YIELD: The annual rate of return on an investment expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security.

YIELD CURVE: Yield calculations of various maturities of instruments of the same quality at a given time to show yield relationships.

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Approval of 1st Quarter Draft Budget Amendment for Fiscal Year 2018/2019**

Contact: **Andrew Ruiz, Interim Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741**

Date: **December 3, 2018**

The purpose of this item is to *request approval of WRCOG's 1st Quarter Draft Budget Amendment for Fiscal Year (FY) 2018/2019. The staff report includes a summary of increases and/or decreases to revenues and expenditures by department.*

Requested Action:

1. Approve the 1st Quarter Draft Agency Budget Amendment for Fiscal Year 2018/2019.

Administration Department

Administration Program expenditures exceeded the budgeted amount by $652, primarily due to publication costs associated with a job posting. These expenditures will be offset by a decrease in expenditures in storage expenses.

Net Expenditure increase to the Administration Department: $0

Transportation & Planning Department

Transportation & Planning Department expenditures exceeded the budgeted amount by $8,751, primarily due to legal costs associated with the Fellowship Program and salaries and wages related to the Experience and BEYOND Programs. These expenditures will be offset by a decrease in expenditures in other budgeted categories.

Net Expenditure increase to Transportation & Planning Department: $0

Energy Department

Energy Department expenditures exceeded the budgeted amount by $22,516, primarily due to costs associated with a Building Operator Certification (BOC) training course hosted by WRCOG in partnership with the Northwest Energy Efficiency Council (NEEC); legal costs associated with PACE provider SAMAS Capital were also incurred in the amount of $9,262. SAMAS is expected to pay back the legal costs. $13,254 in expenditures will be offset by a decrease in expenditures in other budgeted categories.

Net Expenditure increase to the Energy Department: $9,262

Environmental Department

Environmental Department expenditures exceeded the budgeted amount by $26,468, primarily due to costs associated with a new waste and recycling communication platform, ReCollect. ReCollect will provide education to residents, reduce calls to city staff, and provide analytical data on the disposal of solid waste materials. These expenditures will be offset by a decrease in expenditures in other budgeted categories along with an increase in revenues for the Solid Waste Program.

Net Expenditure increase to the Environment Department: $0

Prior Actions:

November 14, 2018: The Administration & Finance Committee recommended that the Executive Committee approve the 1st Quarter Draft Agency Budget Amendment for Fiscal Year 2018/2019.

October 25, 2018: The Finance Directors Committee recommended that the Executive Committee approve the 1st Quarter Draft Agency Budget Amendment for Fiscal Year 2018/2019.

Fiscal Impact:

For the 1st Quarter of Fiscal Year 2018/2019, there will a net increase in expenditures of $9,262 related to legal costs associated with PACE provider SAMAS Capital, which is expected to be paid back to WRCOG.

Attachment:

1. Fiscal Year 2018/2019 1st Quarter Budget amendment.

Item 6.E

Approval of 1st Quarter Draft Budget Amendment for Fiscal Year 2018/2019

Attachment 1

Fiscal Year 2018/2019 1st Quarter Budget amendment

Page Intentionally Left Blank

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: General Fund

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
WRCOG Auto Maintenance	84	0	**(84)**
Subscriptions/Publications	568	0	**(568)**
Storage	0	1000	**652**
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Planning

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Salaries & Wages	44,092	542,586	306
General Legal Services	4,083	-	(4,083)
Parking Validations	220	200	(20)
Total net (increase)/decrease			**(3,797)**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Government Relations (BEYOND - 4600)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
BEYOND Salaries & Wages	1,510	-	(1,510)
Total net (increase)/decrease			**(1,510)**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Government Relations (Fellowship - 4700)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Salaries & Wages	40,296	542,586	4,103
General Legal Services	4,083	-	(4,083)
Parking Validations	220	200	(20)
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Planning (Experience - 4900)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Salaries and Wages	2,287	-	(2,287)
Total net (increase)/decrease			**(2,287)**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Transportation

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Computer Software	13	-	(13)
Subscriptions/Publications	392	-	(392)
Meeting Support Services	348	-	(348)
Postage	3	-	(3)
Equipment Maintenance - Computers	24	-	(24)
Communications - Cellular Phones	505	4,000	709
Travel - Mileage Reimbursement	-	1,500	71
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Transportation (TUMF - 1148)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Computer Software	13		(13)
Subscriptions/Publications	392		(392)
Meeting Support Services	348		(348)
Postage	3		(3)
Equipment Maintenance - Computers	24		(24)
Communications - Cellular Phones	434	4,000	780
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Transportation (Transportation Planning)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Communications - Cellular Phones	71	-	(71)
Travel - Mileage Reimbursement	-	1,500	71
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Energy

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Overhead Allocation	9,525	38,100	3,165
General Legal Services	9,262	2,000	(8,262)
Event Support	15,330	6,086	(9,244)
General Supplies	2,174	1,000	(1,424)
Meeting Support Services	282	1,000	718
Seminars/Conferences	-	1,750	1,750
Travel - Mileage Reimbursement	99	1,750	1,000
Travel - Airfare	-	1,000	282
Marketing - Materials/Supplies	-	1,669	829
Bank Fees	1,713	-	(1,713)
Postage	85	-	(85)
Meals	6	-	(6)
Consulting Labor	44,085	600,000	3,727
Membership Dues	-	1,000	32
Subscriptions/Publications	32	-	(32)
		Total net (increase)/decrease	**(9,262)**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Energy (WREP - 2010)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
General Legal Services	-	2,000	1,000
Event Support	7,665	3,586	(4,079)
General Supplies	-	750	500
Meeting Support Services	-	1,000	1,000
Seminars/Conferences	-	250	250
Travel - Mileage Reimbursement	-	750	500
Marketing - Materials/Supplies	-	1,669	829
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Energy (Gas Co. Partnership - 2020)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Overhead Allocation	9,525	38,100	3,165
Event Support	7,665	2,500	(5,165)
Seminars/Conferences	-	1,500	1,500
Travel - Mileage Reimbursement	99	1,000	500
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Energy (Streetlights - 2026)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Bank Fees	1,713	-	(1,713)
Postage	85	-	(85)
Meals	6	-	(6)
Consulting Labor	-	100,000	1,803
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Energy (CCA - 2040)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Program/Office Supplies	2,174	250	(1,924)
Consulting Labor	44,085	500,000	1,924
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Energy (PACE Funding - 2104)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Meeting Support Services	282	-	(282)
Travel - Airfare	-	1,000	282
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Energy (SAMAS - 2106)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
General Legal Services	9,262	-	(9,262)
Total net (increase)/decrease			**(9,262)**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Energy (California HERO - 5000)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Membership Dues	-	1,000	32
Subscriptions/Publications	32	-	(32)
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Environmental

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Revenues			
Solid Waste Revenues	-	95,000	12,313
Expenditures			
Salaries & Wages	5,429	53,017	11,873
Parking Validations	53	-	(53)
Event Support	33,057	5,500	(27,557)
Subscriptions/Publications	32	-	(32)
Other Expenses	14	-	(14)
Seminars/Conferences	128	-	(128)
Travel - Airfare	-	500	500
Travel - Lodging	-	750	750
Meals	149	-	(149)
Other Incidentals	61	-	(61)
Marketing - Brochures	-	1,000	1,000
Advertising - Radio/TV Ads	-	4,500	1,558
Total net (increase)/decrease			**-**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Environmental (Solid Waste - 1038)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Revenues			
Solid Waste Revenues	-	95,000	12,313
Expenditures			
Salaries & Wages	5,429	53,017	11,873
Parking Validations	53		(53)
Event Support	29,999	4,000	(25,999)
Subscriptions/Publications	32		(32)
Other Expenses	14		(14)
Seminars/Conferences	128		(128)
Travel - Airfare	-	500	500
Travel - Lodging	-	750	750
Meals	149		(149)
Other Incidentals	61		(61)
Marketing - Brochures	-	1,000	1,000
Total net (increase)/decrease			-

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2019

Department: Environmental (Riverside UO - 2052)

	Thru 9/30/2018 Actual	Approved 6/30/2019 Budget	Amendment Needed 9/30/2018
Expenditures			
Event Support	3,058	1,500	(1,558)
Advertisement - Radio & TV	-	4,500	1,558
Total net (increase)/decrease			-

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Approval of Allocation of Funds from the Beaumont Settlement**

Contact: **Christopher Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710**

Date: **December 3, 2018**

The purpose of this item is to *discuss and direct staff on how to allocate funds WRCOG has received from the Beaumont Settlement, including those funds received from actions taken jointly by WRCOG and the City of Beaumont against various 3rd parties, as well as additional funds that may be realized in the future as articulated in the Settlement Agreement.*

Requested Actions:

1. Direct staff to allocate any existing and future funds received from the Beaumont 3rd party Settlements via the Nexus Study formula.
2. Direct staff to coordinate with the Riverside County Transportation Commission to add the I-10 Bypass, the I-10 / Cherry Valley Boulevard Interchange, and the I-10 / Highland Springs Interchange to the list of Regional TUMF Projects in the Pass Zone along with the SR-60 / Potrero Boulevard Interchange.
3. Direct staff to distribute the initial funds allocated to the Pass Zone.
4. Direct staff that any additional 3rd Party settlement funds allocated to the Pass Zone be distributed using the existing Zone decision making process.
5. Allocate $1.2 million from existing funds received through 3rd party settlements for recovery of legal expenses incurred related to the Beaumont Settlement.

Background

One provision of the settlement agreement between WRCOG and the City of Beaumont is that both parties agreed to pursue action against a variety of 3rd parties including former City staff, firms providing professional services to the City, and other entities who bear some responsibility for harm which occurred to WRCOG and the City of Beaumont. Any funds received from these persons or entities are collectively known as 3rd Party Settlement funds. To date, WRCOG has received $12 million in these funds which are currently being held by WRCOG.

The majority of these funds are payments from former City staff members and consultants who pled guilty to various criminal charges and were required to pay restitution.

WRCOG and the City of Beaumont are currently pursuing a variety of actions against other parties which could yield additional recoveries. At this point, the magnitude of any additional recoveries are unknown given that several of these actions are subject to existing or potential litigation. However, it is likely that additional funds will be received from one or more of these 3rd parties. Therefore, it is important to identify a method to allocate these existing and future funds, less recovery costs, so that they may be distributed to the appropriate parties consistently.

There are three primary questions relating to these settlement dollars, as follows:

1. How should the funds be allocated?
2. How to address the issue of regional projects?
3. Are there limitations on how the funds should be spent?

Additional information regarding each question is provided below. Staff has worked with staff from the Cities of Banning and Calimesa, the County of Riverside, and the Riverside County Transportation Commission to develop the recommendations listed below.

The recommendations below were presented to the Administration & Finance Committee on November 14, 2018.

1. Allocation of Funds

Staff recommended that all current and future 3rd Party Settlement funds be distributed using the Nexus Study formula, subject to one variation for the amount received to date as presented / to be determined in Number 3 below. This approach is consistent with all previous allocations for TUMF dollars by using this same process and creates a precedent should a similar event occur in the future.

2. Pass Zone Regional Projects

Regional projects are designated within the Nexus Study and are potentially eligible for RCTC's (Riverside County Transportation Commission) share of the TUMF funds. Prior to Beaumont rejoining the TUMF Program, there were no regional projects within the Pass Zone. While these agencies would benefit from Regional Projects in other Zones since their residents travel daily to other areas in Western Riverside County, the fact is that the Pass Zone jurisdictions were the only jurisdictions in the Program that did not have a designated regional project.

Since the inception of the TUMF Program, the only regional project in the Pass Zone was the SR-60 / Potrero Boulevard Interchange. When Beaumont was removed from the TUMF Program, this project was removed as well, which meant that there were no regional projects in the Pass Zone. When Beaumont rejoined the TUMF Program, this project was added back as a regional project. However, there still are no regional projects in Banning, Calimesa, or the unincorporated areas of the County in the Pass Zone.

Staff recommends that the following projects in the Pass Zone be added to the list of regional projects:

- I-10 Bypass (Riverside County)
- I-10 / Cherry Valley Boulevard Interchange (Calimesa)
- I-10 / Highland Springs Interchange (Banning, Beaumont)

With this recommendation, it now means that each jurisdiction within the Pass Zone would have at least one regional project that is eligible to compete for its share of RCTC's TUMF funds and other funding sources tied to this designation.

3. Geographic Restrictions on Use of Initial 3rd Party Settlement Funds

Staff requested input and direction from the Administration & Finance Committee on November 14, 2018, regarding the allocation of initial funds allocated to the Pass Zone (the $12 million collected thus far, which would amount to approximately $5 million allocated to the Pass Zone in accordance with the Nexus Study). Specifically, the direction requested was on the question of whether the initial 3rd party settlement funds should be restricted to a particular jurisdiction(s) or project(s). The Administration & Finance Committee recommended that the decision-making process of the Pass Zone should determine the allocation of these funds to any agency and project in the Pass Zone.

4. Future 3rd Party Settlement Funds

Any future 3rd Party Settlement funds would be allocated via the Pass Zone governance structure and would

be treated as typical Zone dollars with no special restrictions on the decision-making process to determine their use.

It should be noted that this recommendation does not affect any TUMF funds collected from developers by the agencies in the Pass Zone. These funds will be allocated using the Pass Zone governance structure, as with all other Zone TUMF funds in accordance with the Nexus Study.

Next Steps

Should the Executive Committee approve the presented recommendations, staff will work with the various agencies within the Pass Zone to allocate these funds accordingly. Staff has been working with member jurisdictional staff within the Pass Zone, including the City of Beaumont, to identify high priority projects to receive Zone TUMF funds and other funding sources. This prioritization effort, which is summarized in Attachment 1, identified high priority projects in each of the jurisdictions within the TUMF Zone. This prioritization effort will be used to guide any allocation decisions within the Pass Zone.

It is important to note that this prioritization exercise identified a key project within each of the Cities within the Pass Zone based on a quantitative exercise that involved staff from all of the jurisdictions. The top four ranked projects included:

- Sunset Avenue Grade Separation (Banning)
- SR-60 / Potrero Boulevard Interchange (Beaumont)
- I-10 / Cherry Valley Interchange (Calimesa)
- I-10 / Highland Springs Avenue Interchange (Banning & Beaumont)

This list of high priority projects is also consistent with the recommendation of member jurisdictions that the list of regional projects be updated within the Pass Zone as three of the top scoring projects would now be designated as Regional Projects.

At its November 14, 2018, meeting, the Administration & Finance Committee recommended that WRCOG recover its legal expenses incurred related to the Beaumont Settlement, prior to the initial distribution of funds through the allocation in the Nexus Study.

Prior Action:

November 14, 2018: The Administration & Finance Committee 1) directed staff to allocate any existing and future funds received from the Beaumont 3rd party Settlements via the Nexus Study formula; 2) directed staff to coordinate with the Riverside County Transportation Commission to add the I-10 Bypass, the I-10 / Cherry Valley Boulevard Interchange, and the I-10 / Highland Springs Interchange to the list of Regional TUMF Projects in the Pass Zone along with the SR-60 / Potrero Boulevard Interchange; 3) directed staff to distribute the initial funds allocated to the Pass Zone; 4) directed staff that any additional 3rd Party settlement funds allocated to the Pass Zone be distributed using the existing Zone decision making process; and 5) requested the allocation of $1.2 million from existing funds received through 3rd party settlements for recovery of legal expenses incurred related to the Beaumont Settlement.

Fiscal Impact:

Any funds received through this action will be distributed through the existing procedures associated with the WRCOG TUMF Program. Any funds received related to WRCOG legal fees will be reimbursed to WRCOG for the expenditures related to the collection of these 3rd party funds.

Attachment:

1. Pass Zone Prioritization Exercise.

Item 6.F

Allocation of Funds from the Beaumont Settlement

Attachment 1

Pass Zone Prioritization Exercise

2018 Pass Area Prioritization

Agency	Project	Score	Funding Request
City of Banning	*Sunset Ave Grade Separation**	***49***	*$754,725 to address funding shortfall* *Total project cost = $30,419,302*
City of Calimesa	Cherry Valley Interchange	**43**	Project Costs PSR/PDS = $500,000 (completed) PA&ED = $1,980,000 (sufficient funding secured) PSE = $2,515,000 (sufficient funding secured) ***ROW = $6,800,000 (req. to add to current FY)*** ***CON = $37,800,000 (req. to add in future FY)***
City of Beaumont	Potrero Interchange - Phase II	**41**	Requested funding = $6,800,000 Total Project Cost = $17,500,000
City of Banning/ City of Beaumont	Highland Springs Interchange	**36**	$17.9 million = Max TUMF Share $50 - 60 million = Total Project Cost
City of Calimesa	County Line Interchange	**33**	Project Costs ***(request funding for each phase)*** PSR/PDS = $500,000 (unfunded) PA&ED = $1,500,000 (unfunded) PSE = $1,500,000 (unfunded) ROW = $2,000,000 (preliminary estimate) CON = $20,000,000 (estimated)
City of Banning	Sun Lakes Extension	**31**	*City plans to apply for grant funding, no specific request in City's application*
City of Beaumont	Pennsylvania Grade Separation	**27**	Requested funding = $33,445,000 Total Project Cost = $35,745,000
City of Calimesa	Roberts Road (I-10 Bypass)	**23**	Approx. $20 million total (estimated $10 million from local match funding)
County of Riverside	I-10 Bypass	**23**	Funding secured for PA&ED, no specific request in County's application

Page Intentionally Left Blank

2018 Pass Area Prioritization

Agency	Project	Score	Funding Request
City of Banning	*Sunset Ave Grade Separation**	***49***	*$754,725 to address funding shortfall* *Total project cost = $30,419,302*
City of Calimesa	Cherry Valley Interchange	**43**	Project Costs PSR/PDS = $500,000 (completed) PA&ED = $1,980,000 (sufficient funding secured) PSE = $2,515,000 (sufficient funding secured) ***ROW = $6,800,000 (req. to add to current FY)*** ***CON = $37,800,000 (req. to add in future FY)***
City of Beaumont	Potrero Interchange - Phase II	**41**	Requested funding = $6,800,000 Total Project Cost = $17,500,000
City of Banning/ City of Beaumont	Highland Springs Interchange	**36**	$17.9 million = Max TUMF Share $50 - 60 million = Total Project Cost
City of Calimesa	County Line Interchange	**33**	Project Costs ***(request funding for each phase)*** PSR/PDS = $500,000 (unfunded) PA&ED = $1,500,000 (unfunded) PSE = $1,500,000 (unfunded) ROW = $2,000,000 (preliminary estimate) CON = $20,000,000 (estimated)
City of Banning	Sun Lakes Extension	**31**	*City plans to apply for grant funding, no specific request in City's application*
City of Beaumont	Pennsylvania Grade Separation	**27**	Requested funding = $33,445,000 Total Project Cost = $35,745,000
City of Calimesa	Roberts Road (I-10 Bypass)	**23**	Approx. $20 million total (estimated $10 million from local match funding)
County of Riverside	I-10 Bypass	**23**	Funding secured for PA&ED, no specific request in County's application

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Approval of a Memorandum of Understanding to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year**

Contact: **Rick Bishop, Executive Director, rbishop@wrcog.us, (951) 405-6701**

Date: **December 3, 2018**

The purpose of this item is to *recommend an extension of the Memorandum of Understanding (MOU) between WRCOG and the Riverside County Superintendent of Schools providing for the Superintendent to continue serving as an ex-officio representative to the Executive Committee for a term of three years.*

Requested Action:

1. Approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.

WRCOG has an MOU with the Riverside County Superintendent of Schools for an advisory, ex-officio membership on the Executive Committee. Ex-officio membership would continue on an annual basis as authorized by a letter extending the MOU by written agreement, to be executed by both parties. The Executive Director is authorized to execute said letter.

The Executive Director and the Riverside County Superintendent of Schools have discussed the ex-officio arrangement and are proposing to the Executive Committee that the current arrangement as articulated in the MOU be extended for one year. Attached is a draft MOU extension letter to be executed by both parties, upon approval by the Executive Committee.

Prior Action:

November 14, 2018: The Administration & Finance Committee recommended that the Executive Committee approve a one-year extension to the MOU between WRCOG and the Riverside County Superintendent of Schools for the Superintendent to serve as an ex-officio member of the Executive Committee.

Fiscal Impact:

The Riverside County Superintendent of Schools pays annual dues to WRCOG in the amount of $17,000, which is budgeted in the General Fund and recorded as revenue.

Attachment:

1. Draft letter of Fourth Extension of MOU by Written Agreement.

Page Intentionally Left Blank

Item 6.G

Approval of Memorandum of Understanding (MOU) to Provide Continued Membership of the Riverside County Superintendent of Schools on WRCOG for a Period of One Year

Attachment 1

Draft letter of Fourth Extension of MOU by Written Agreement

Page Intentionally Left Blank

December 3, 2018

Dr. Judy D. White
Riverside County Superintendent of Schools
3939 Thirteenth Street
PO Box 868
Riverside, CA 92502

Subject: Letter of Fourth Extension of MOU by Written Agreement

Dear Superintendent White:

On November 7, 2011, the Riverside County Superintendent of Schools (Superintendent) and the Western Riverside Council of Governments (WRCOG) entered into a Memorandum of Understanding (MOU), which set forth the understanding of the parties regarding the Superintendent's position as an ex-officio, advisory member of WRCOG in order to help address the educational challenges of the region.

Pursuant to Section 3 of the MOU, the Superintendent and WRCOG may extend the ex-officio arrangement by written agreement. On June 11, 2014, a 1st letter of extension was executed. On December 5, 2016, a 2nd letter of extension was executed. On April 2, 2018, a 3rd letter of extension was executed.

This 4th letter of extension constitutes the Superintendent and WRCOG's mutual written agreement to extend the ex-officio arrangement through December 31, 2019, unless earlier terminated as provided in the MOU.

To affirm and agree to the extension of Superintendent's position as an ex-officio, advisory member of WRCOG, as set forth in this letter, please sign both letters; keep one for your files and return the other to WRCOG.

Sincerely,

By: _____
Rick Bishop
Executive Director

Affirmed and Agreed:

RIVERSIDE COUNTY SUPERINTENDENT OF SCHOOLS

By: _____
Judy D. White, Ed.D.
Riverside County Superintendent of Schools

DRAFT

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Memorandum of Understanding with Partner Agencies for the Riverside County Transportation Analysis Model (RIVCOM)**

Contact: **Christopher Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710**

Date: **December 3, 2018**

The purpose of this item is to *provide a report on the status of the transportation model which is now known as the Riverside County Transportation Analysis Model (RIVCOM). WRCOG kicked-off the project in August and is requesting the Executive Committee execute the Memorandum of Understanding (MOU) with the partner agencies.*

Requested Action:

1. Execute the Memorandum of Understanding with the listed partner agencies for the development of the Riverside County Transportation Analysis Model.

As one of the agencies which regularly uses the Riverside County Transportation Analysis Model (formerly known as RIVTAM), WRCOG expressed an interest in participating in an update of RIVTAM, as the last major update occurred in 2009. The project team selected to lead the development of this transportation model will be led by consultant WSP. This model will be brand new so to make this effort distinct the model will now be called RIVCOM. An MOU was executed when the original model was developed, so staff is following this same protocol and has a MOU for the WRCOG Executive Committee to execute. The WRCOG Public Works Committee recommended that the Executive Committee execute the MOU at their October 2018 meeting.

Memorandum of Understanding (MOU)

The MOU contains details on the RIVCOM development process, how the model will be maintained after it is developed, how RIVCOM will be utilized by local government agencies, how RIVCOM will be utilized by private entities, how subsequent updates will be developed, and a recommended process of how sub-area models may be developed. It should be noted that the Model User Agreement private entity users must sign prior to the release of RIVCOM files will be completed prior to the completion of the RIVCOM.

Using the 2009 executed MOU for the original model development as a guide, the MOU for RIVCOM has been prepared by staff and reviewed by WRCOG General Counsel. If the Executive Committee executes the MOU, staff will request that the original MOU signatories (the Riverside County Transportation and Land Management Agency (TLMA), Coachella Valley Association of Governments (CVAG), the Riverside County Transportation Commission (RCTC), the Southern California Association of Governments (SCAG), and Caltrans), and their respective governing boards execute the document.

Progress Update

Since August, the project team has held bi-weekly conference calls that staff has participated in. Amongst the tasks the project team has focused on (in the beginning) is the traffic analysis zone (TAZ) structure. This is a vital task since a lot of vehicle trip destinations are outside of the County boundaries (“external boundaries”).

The project team is conducting research on the best methods to reflect these trips to external boundaries. Another important component of the TAZ structure is how best to incorporate existing city-wide or sub-area models.

The project team is also focused on developing outreach materials to local jurisdictions as input from local jurisdictions are key to the success of the model development. Staff would like to ensure key inputs are provided, so the consultant team will be made available to local jurisdictions to conduct further outreach. The team is aware of the need to consider the limited resources WRCOG member agencies have to review data and results. Along these lines, staff and the project team also provided an update to the Riverside County Transportation Commission Technical Advisory Committee in September on this project.

Prior Action:

October 11, 2018: The Public Works Committee recommended that the Executive Committee execute the MOU with the listed partner agencies for the development of the RIVCOM.

Fiscal Impact:

The RIVCOM is included in the Agency's adopted Fiscal Year 2018/2019 Budget under the Transportation Department.

Attachment:

1. Riverside County Transportation Analysis Model (RIVCOM) Executive Summary and MOU.

Item 6.H

Memorandum of Understanding with Partner Agencies for the Riverside County Transportation Analysis Model (RIVCOM)

Attachment 1

Riverside County Transportation Analysis Model (RIVCOM) Executive Summary and MOU

Page Intentionally Left Blank

RIVERSIDE COUNTY TRANSPORTATION ANALYSIS MODEL (RIVCOM)

EXECUTIVE SUMMARY

September 4, 2018

The Western Riverside Council of Governments (WRCOG), in cooperation with the Riverside County Transportation Commission (RCTC), the Coachella Valley Council of Governments (CVAG), the Riverside County Transportation Department (RCTD), the Southern California Association of Governments (SCAG), and the California Department of Transportation (Caltrans), all previously partnered in the development of RIVTAM, a regional travel demand model for Riverside County.

Since its initial development in 2008, RIVTAM has been used by various public agencies for studies throughout Riverside County. As there has been no comprehensive update since 2008, it is appropriate to engage in the development of a new transportation analysis model. The benefits of a new model, which will be deemed the Riverside County Transportation Analysis Model (RIVCOM) include:

- Consistency with the updated SCAG Regional Transportation Model. SCAG recently completed a comprehensive update of its Regional Transportation Model to include updated growth projections and also to include updated projects as identified in the 2016 Sustainable Communities Strategy/Regional Transportation Plan (SCS/RTP).

- Reflects recent changes to the land use and transportation systems. Since the development of RIVTAM, there have been significant investments in the transportation system such as the completion of a new Metrolink line (the Perris Valley Line) and numerous major roadway projects. The County has also added nearly 300,000 residents since the initial development of RIVTAM.

- The planning and regulatory environment has changed with a greater focus on forecasting vehicle miles traveled (VMT) and multi-modal transportation including transit, walking, and biking.

Developing RIVCOM will allow its continued use by the various agencies in Riverside County for efforts such as general plans, specific plans, environmental documents, and infrastructure studies.

MOU FOR RIVTAM MODEL DEVELOPMENT, MAINTENANCE, AND USAGE

This Memorandum of Understanding ("MOU") is made and entered into effective as of _____ by and between the Western Riverside Council of Governments ("WRCOG"), the Riverside County Transportation Department ("RCTD"), the Riverside County Transportation Commission ("RCTC"), the Coachella Valley Association of Governments ("CVAG"), Southern California Association of Governments ("SCAG"), and the California Department of Transportation ("Caltrans"). WRCOG, RCTD, RCTC, CVAG, SCAG, and Caltrans are sometimes individually referred to as a "MOU Signatory" and collectively as the "MOU Signatories"

WHEREAS the MOU Signatories previously partnered in the development of the Riverside County Traffic Analysis Model ("RIVTAM"), a regional travel demand model for Riverside County;

WHEREAS RIVTAM has been used by various public agencies located in Riverside County ("Agencies") for studies throughout Riverside County since its development in 2008; however, there has been no comprehensive update of RIVTAM since its development and the MOU Signatories now desire to develop a new Riverside County Transportation Analysis Model, "RIVCOM";

WHEREAS WRCOG, RCTC, CVAG, and RCTD desire to jointly fund the development of RIVCOM using TransCAD software;

WHEREAS SCAG and Caltrans desire to actively participate in the development of RIVCOM by providing data, guidance, and reviewing RIVCOM materials and results, and desire to verify that the development process conforms with accepted modeling practices and standards;

WHEREAS RCTD, RCTC, WRCOG, CVAG, SCAG, and Caltrans wish to ensure that future sub-area models developed for use in Riverside County be consistent with RIVCOM;

WHEREAS the MOU Signatories desire that the RIVCOM will provide a consistent tool for cities, Agencies, and the County of Riverside to evaluate their plans, programs and projects;

WHEREAS the MOU Signatories desire that RIVCOM be used as the forecasting tool for regional transportation planning purposes;

WHEREAS the MOU Signatories desire to encourage Agencies in Riverside County to use RIVCOM as the basis for their own transportation planning purposes, where appropriate; and

WHEREAS the MOU Signatories desire to encourage private entities, such as developers and consultants to continue to use RIVCOM as the basis for their own transportation planning purposes in Riverside County, where appropriate.

NOW THEREFORE, the MOU Signatories hereby agree as follows:

1. **RIVCOM Development Process.** The MOU Signatories agree to participate in a forthcoming RIVCOM development, which began in 2018. The responsibilities for this update are as follows:

   1.1. WRCOG, RCTC, CVAG, and RCTD agree to jointly fund the RIVCOM update effort;

   1.2. All MOU Signatories agree to provide oversight for this effort;

1.3. All MOU Signatories agree to review the proposed RIVCOM specifications (Attachment A);

1.4. All MOU Signatories agree to participate in the consultant selection process including the review of any request for qualifications (RFQ), request for proposals (RFP's), consultant short-list meetings, any preproposal meetings, and other activities as necessary;

1.5. All MOU Signatories will receive an equal vote during the consultant selection process;

1.6. WRCOG agrees to serve as the prime contractor for the consultant selection process;

1.7. WRCOG agrees and will issue the consultant contract and serve as the consultant project manager; and

1.8. All MOU Signatories will participate in the Project Development Team (PDT) which will meet regularly.

2. **RIVCOM Maintenance.**

2.1. WRCOG will maintain official versions of RIVCOM for base and future years. WRCOG therefore commits to perform the following routine maintenance activities including:

2.1.1. Incorporating into RIVCOM any updates necessary due to changes in plans and programs of Agencies;

2.1.2. Corrections, such as facility type or number of lanes, that may arise during the use of RIVCOM as identified by the MOU Signatories, Agencies, and other parties using RIVCOM;

2.1.3. Documenting and keeping a record of all model revisions and corrections;

2.1.4. Informing MOU Signatories, Agencies, and other users of RIVCOM of revisions and corrections;

2.1.5. Providing regular training in the use of RIVCOM; and

2.1.6. Other tasks that may be needed by agreement of the MOU Signatories.

3. **Use of RIVCOM by the Agencies.**

3.1. RIVCOM will be freely available for use by all MOU Signatories and other Agencies within Riverside County. Each Agency using RIVCOM shall bear the cost for its own use and running of RIVCOM;

3.2. RIVCOM was designed to address most city and county level modeling needs in Riverside County;

3.3. The model inputs and zone system were designed with sufficient detail to support most city/county planning applications. The modeling methodology can support the evaluation of a range of highway, HOV and transit scenarios. The MOU Signatories will encourage the use of

RIVCOM by Agencies, other governmental jurisdictions, and private entities for their own transportation planning purposes;

3.4. Universal use of RIVCOM by the various parties including but not limited to the MOU Signatories, Agencies, private entities, and their consultants will ensure that planning decisions in Riverside County are made based on accurate and consistent travel forecasts;

3.5. Agencies and other public agencies within Riverside County may choose to employ consultants to apply RIVCOM at their sole discretion. These entities wishing to apply RIVCOM in-house would need to obtain software licensing agreements computer equipment, and staff capabilities as appropriate;

3.6. Off-the-shelf modeling input assumptions, datasets, and results, such as socio-economic data, network information, and daily and peak hourly traffic volume forecasts from completed RIVCOM runs will be available to Agencies directly from WRCOG at no cost. WRCOG will distribute this information via websites and other electronic media as appropriate; and

3.7. More extensive modeling efforts such as specific model runs, sub-area model development, and other related items will not be provided by WRCOG. MOU signatories, at their sole discretion, may choose to fund or directly provide RIVCOM analysis services to their member Agencies using their own resources.

4. Use of RIVCOM by Private Entities.

4.1. It is anticipated that RIVCOM will be used most frequently by consultants, on behalf either of an Agency or for a private entity. Use of RIVCOM by consultants is subject to the following provisions:

4.1.1. Each consultant must sign a Model User Agreement prior to the initial release of RIVCOM files. This Model User Agreement will be completed prior to the completion of the RIVCOM;

4.1.2. Each user must notify WRCOG of any errors found in RIVCOM which will entail updates to RIVCOM; and

4.1.3. Users must also notify WRCOG of any changes in the RIVCOM inputs, which may then be incorporated into RIVCOM updates depending on the nature of the changes.

4.2. Violating the provisions of the Model User Agreement may disqualify a consultant from further access to RIVCOM. The MOU Signatories shall have final say on whether any particular set of circumstances may constitute a violation of the User Agreement;

4.3. Each consultant desiring to use RIVCOM would need to obtain necessary software licenses, computer equipment, and staff capabilities as appropriate for the use of RIVCOM;

4.4. WRCOG will not provide any technical assistance in the set up or use of RIVCOM by consultants. It is the responsibility of consultants using RIVCOM to obtain appropriate training in the use of TransCAD; and

4.5. WRCOG will provide technical documentation and training in the use of RIVCOM subsequent to

the initial model development and on an annual basis after that at no cost to MOU Signatories, Agencies, and their consultants.

5. **Subsequent Updates to RIVCOM**

5.1. The Agencies agree that updates to RIVCOM may be necessary in response to changes in the plans and programs of the Agencies, or other reasons;

5.2. RCTC, RCTD, CVAG, SCAG, and Caltrans will notify WRCOG when they make changes in plans and programs that will necessitate updating the official version of RIVCOM;

5.3. WRCOG will make updates, as appropriate, and inform RCTC, WRCOG, CVAG, SCAG, and Caltrans, and other users of RIVCOM when minor updates are made to the official version of RIVCOM;

5.4. The Agencies, or their consultants, will not make any updates that are not consistent with RIVCOM modeling concepts and assumptions; and

5.5. Periodic updates of RIVCOM will be considered at such time as SCAG adopts new Socio-Economic forecasts, and only be made when the updates affect the RIVCOM consistency with SCAG's Regional Transportation Model assumptions. RCTC, WRCOG, CVAG, and RCTD will negotiate the cost of such major updates and make a recommendation for funding.

6. **Sub-Area Model Development**

6.1. The MOU Signatories acknowledge that there may be instances in which an Agency desires the development of a refined sub-area model for local planning purposes. Any Agency which develops a sub-area model must demonstrate, by submitting appropriate documentation to the MOU Signatories, that the finished model is consistent with RIVCOM before the model can be used for any purpose;

6.2. Consistency documentation will be reviewed and a consistency determination will be made jointly by the MOU Signatories; and

6.3. The MOU Signatories may issue future detailed guidelines regarding sub-area model consistency as required.

[*Signatures on following page*]

SIGNATURE PAGE
TO
MOU FOR RIVCOM MODEL UPDATE, MAINTENANCE, AND USAGE

IN WITNESS WHEREOF, the MOU Signatories hereby have made and executed this MOU effective as of the date first above written.

Western Riverside Council of Governments

By: _____

Name: _____

Title: _____

Coachella Valley Association of Governments

By: _____

Name: _____

Title: _____

Riverside County Transportation Department

By: _____

Name: _____

Title: _____

Southern California Association of Governments

By: _____

Name: _____

Title: _____

Riverside County Transportation Commission

By: _____

Name: _____

Title: _____

California Department of Transportation

By: _____

Name: _____

Title: _____

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Amendment to Professional Services Agreement for On-Call Planning Professional Services for Member Jurisdictions**

Contact: **Christopher Gray, Director of Transportation & Planning, cgray@wrcog.us, (951) 405-6710**

Date: **December 3, 2018**

The purpose of this item is to *request approval of an Amendment to the existing Professional Services Agreement for On-Call Planning Services with Kearns and West, Inc.*

Requested Actions:

1. Approve the First Amendment to the Professional Services Agreement between WRCOG and Kearns and West, Inc., to provide WRCOG planning support and advisory services in an amount not to exceed $50,000 and $145,560 in total, and to extend the term of the Agreement through June 30, 2019.

Background

In July 2017, the Administration & Finance Committee received a staff report on the selection of 14 qualified consulting firms / teams for WRCOG on-call planning activities. Shortly after, WRCOG executed a Professional Services Agreements (Agreements) with the qualified firms / teams.

The need for WRCOG on-call planning activities has become evident as WRCOG receives requests from member agencies for assistance on a variety of disciplines related jurisdictions' planning efforts. WRCOG identified disciplines to provide direct assistance to its member agencies. WRCOG has utilized some of the qualified firms / teams for on-call planning activities to assist member agencies and WRCOG.

Per WRCOG policy, the Executive Director has single signature authority for contracts up to $50,000. Contracts between $50,001 and $100,000 are to be approved by the Administration & Finance Committee, and Contracts amounting to larger than $100,000 are to be approved by the Executive Committee.

On-Call Planning Professional Services – Amendment to Kearns and West Agreement

WRCOG entered into an Agreement for On-Call Professional Services with Kearns and West in August 2017. This Agreement incorporated duties in the Clean Cities Coalition discipline for On-Call Planning Services. WRCOG conducts the coordinator duties for the Western Riverside County Clean Cities Coalition that provides outreach on alternative fuel vehicles to Coalition members and the general public. The Coalition is increasing its activities and trying to bring more value to its members with increased services for alternative fuel vehicles in the subregion in order to capitalize on the upcoming increases in funding. Namely, a mapping tool to analyze alternative fueling infrastructure and vehicles is being developed and will be a task that requires more attention in order to obtain valuable data from members. Kearns and West is assisting WRCOG take on some of these tasks in order for WRCOG to better provide services to the Coalition members.

Prior Action:

None.

Fiscal Impact:

Expenditures for On-Call Engineering Services are included in the Fiscal Year 2018/2019 Agency Budget under the Transportation Department.

Attachment:

1. First Amendment to the Professional Services Agreement between the Western Riverside Council of Governments and Kearns and West, Inc.

Item 6.I

Amendment to Professional Services Agreement for On-Call Planning Professional Services for Member Jurisdictions

Attachment 1

First Amendment to the Professional Services Agreement between the Western Riverside Council of Governments and Kearns and West, Inc.

Page Intentionally Left Blank

FIRST AMENDMENT TO

PROFESSIONAL SERVICES AGREEMENT
BETWEEN
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
AND
KEARNS AND WEST, INC.

1. PARTIES AND DATE.

This First Amendment is made and entered into this 30th day of June, 2018, by and between the Western Riverside Council of Governments, a California public agency ("WRCOG"), and Kearns and West, Inc., a Massachusetts corporation ("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 Professional Services Agreement dated August 11, 2017 ("Master Agreement").

2.2 First Amendment.

WRCOG and Consultant desire to enter into this First Amendment for the purpose of extending the term of the Master Agreement and providing additional compensation for professional services, on an on-call basis ("Services").

3. TERMS.

3.1 Term.

The term of the Master Agreement shall be amended to extend the term to June 30, 2019, (the "First Extended Term"), unless earlier terminated as provided in the Master Agreement.

3.2 Additional Compensation.

The maximum compensation for Services performed under this First Amendment shall not exceed Fifty Thousand Dollars ($50,000) without written approval of WRCOG's Executive Director. The Task Order for the Master Agreement shall be amended to provide for additional services, as more particularly described in the Task Order attached to this Amendment as Attachment 1. Work shall be performed in manner that is consistent with the Scope of Services and Compensation set forth in Exhibits "A" and "B", respectively, to the Master Agreement. **No Services shall be performed unless authorized by a fully executed Task Order.**

The total not-exceed-value of the Master Agreement, and this First Amendment shall be increased from Ninety-Five Thousand Five Hundred Sixty Dollars ($95,560) to One Hundred Forty-Five Thousand Five Hundred Sixty Dollars ($145,560).

3.3 Continuation of Existing Provisions.

Except as amended by this First 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 First Amendment.

3.4 Counterparts.

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

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

WRCOG

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: _____
Rick Bishop
Executive Director

CONSULTANT

KEARNS AND WEST, INC.,
a Massachusetts corporation

By: _____
Taylor York
Senior Associate

Approved to Form:

By: _____
Steven C. DeBaun
General Counsel

ATTACHMENT 1

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

TASK ORDER

Task Order No. 2018-038

Contract: WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AGREEMENT FOR ON-CALL PROFESSIONAL SERVICES

Consultant: KEARNS & WEST

The Consultant will be requested to perform tasks on a monthly basis and are hereby authorized to perform the following work subject to the provisions of the Contract identified above. Dollar value for each month is estimated.

October 2018 - $4,500
- Coalition Meeting preparation and facilitation.
- Participation on monthly Clean Cities Regional call with Regional Manager and other California Coalitions.
- Support of GIS Storymap project.
- Clean Cities Quarterly Reporting for subtasks.
- Alternative Fuel Price Report – Provide direction to intern.
- Track Volkswagen Mitigation, MSRC and other funding opportunities.
- Technology Focus Group (Task 3.1) preparation and facilitation
- Preparation for Clean Cities Coordinator Workshop.
- Attendance on informational webinars including funding opportunities, as appropriate.
- Participate in networking and Coalition building and strategy activities as appropriate.
- Respond to NREL and DOE requests as appropriate.
- Work with Grid Alternatives on potential project for EV charger MSRC funding.

November 2018 - $9,500
- Participation on monthly Clean Cities Regional call.
- Attendance at Clean Cities Coordinator Training, including participation on Renewable Natural Gas panel for Peer Exchange portion.
- Support of GIS Storymap project.
- Respond to NREL and DOE requests as appropriate
- Assist with planning for Alternative Fuels Panel at Future of Cities Conference.
- Track Volkswagen Mitigation, MSRC and other funding opportunities.
- Participate in networking and Coalition building and strategy activities as appropriate
- Technology Focus Group (Sub-Task 3.1) prep and facilitation.

December 2018 - $3,000
- Participation on monthly Clean Cities Regional call.
- Support of GIS story map project.
- Assist with planning for Alternative Fuels Panel at Future of Cities Conference.
- Respond to NREL and DOE requests as appropriate
- Assist with planning for transportation conference
- Track Volkswagen Mitigation, MSRC and other funding opportunities

- Participate in networking and Coalition building and strategy activities as appropriate
- Begin collection of 2018 Annual Report Data.
- Technology Focus Group (Sub-Task 3.1) follow-up.

January 2019 - $4,500
- Coalition Meeting preparation and facilitation
- Assist with planning for Alternative Fuels Panel at Future of Cities Conference.
- Assist with Annual Report and other end-of-year reporting.
- Assist with AB2766 Report.
- Alternative Fuel Price Report – Provide direction to intern.
- Participation on monthly Clean Cities Regional call.
- Support of GIS Storymap project.
- Respond to NREL and DOE requests as appropriate
- Track Volkswagen Mitigation, MSRC and other funding opportunities
- Participate in networking and Coalition building and strategy activities as appropriate
- Quarterly reporting

February 2019 - $4,500
- Assistance with Annual Report Preparation
- Assistance with AB2766 Report Preparation
- Participation on monthly Clean Cities Regional call
- Support of GIS story map project.
- Respond to NREL and DOE requests as appropriate
- Track Volkswagen Mitigation, MSRC and other funding opportunities
- Participate in networking and Coalition building and strategy activities as appropriate

March 2019 - $6,000
- Coalition Meeting facilitation and preparation.
- Participation on monthly Clean Cities Regional call
- Support of GIS story map project.
- Respond to NREL and DOE requests as appropriate
- Track Volkswagen Mitigation, MSRC and other funding opportunities
- Participate in networking and Coalition building and strategy activities as appropriate

April 2019 - $6,000
- Participation on monthly Clean Cities Regional call
- Alternative Fuel Price Report – Provide direction to intern.
- Support of GIS story map project.
- Respond to NREL and DOE requests as appropriate
- Track Volkswagen Mitigation, MSRC and other funding opportunities
- Participate in networking and Coalition building and strategy activities as appropriate
- Quarterly reporting

May 2019 - $6,000
- Participation on monthly Clean Cities Regional call.
- Support of GIS story map project.
- Respond to NREL and DOE requests as appropriate.
- Track Volkswagen Mitigation, MSRC and other funding opportunities.

- Participate in networking and Coalition building and strategy activities as appropriate.
- Alternative Clean Transportation Expo

June 2019 - $6,000
- Participation on monthly Clean Cities Regional call.
- Support of GIS story map project.
- Respond to NREL and DOE requests as appropriate.
- Track Volkswagen Mitigation, MSRC and other funding opportunities.
- Participate in networking and Coalition building and strategy activities as appropriate.

Dollar Amount of Task Order: Not to exceed $50,000

Completion Date: June 30, 2019

The undersigned consultant hereby agrees that it will provide all equipment, furnish all materials, except as may be otherwise noted above or in Exhibit "B" of the Agreement for On-Call Professional Services, and perform all services for the work above specified in accordance with the Contract identified above and will accept as full payment therefore the amount shown above.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS	**Consultant**
Dated: _____	Dated: _____
By: _____	By: _____

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund**

Contact: **Casey Dailey, Director of Energy & Environmental Programs, cdailey@wrcog.us, (951) 405-6720**

Date: **December 3, 2018**

The purpose of this item is to *provide a general PACE Program update and incorporate Ygrene Energy Fund and CleanFund Commercial PACE Capital as Commercial PACE Providers under the WRCOG Commercial PACE Program.*

Requested Actions:

1. Adopt WRCOG Resolution Number 45-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving amendments to the Administrative Guidelines and Program Report for the Western Riverside Council of Governments Energy Efficiency and Water Conservation Program for Western Riverside County to modify the Ygrene Program to authorize the financing of the installation of authorized improvements on commercial properties.
2. Adopt WRCOG Resolution Number 46-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing Cleanfund Commercial PACE Capital, Inc., to administer and finance authorized improvements to be installed on commercial properties, and in connection with such authorization, approving amendments to the Program Report for the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the form of a Commercial Handbook, agreement to pay assessment and finance improvements, Administration Agreement, Master Assignment and Assumption Agreement, Depositary and Account Control Agreement and Master Indenture and Supplemental Indenture authorizing the issuance of bonds pursuant to such Master Indenture and the related Supplemental Indenture secured by assessments levied on commercial properties to finance the installation of authorized improvements on such commercial properties and approving other actions in connection thereto.

WRCOG's PACE Programs provide financing to property owners to implement energy saving, renewable energy, water conservation, and seismic strengthening improvements to their homes and businesses. Financing is paid back through a lien placed on the property tax bill. The HERO Program was initiated in December 2011 and was expanded in 2014 (an effort called "California HERO") to allow for jurisdictions throughout the state to join WRCOG's Program and allow property owners in these jurisdictions to participate. WRCOG now offers CaliforniaFIRST, Greenworks, and PACE Funding as additional PACE Providers under the WRCOG PACE Program.

Overall PACE Program Update

The following table provides a summary of all residential projects that have been completed under the residential WRCOG PACE Programs through November 14, 2018:

PACE Program	Date Program Launched	Projects Completed	Total Project Value	Product Type Installed
WRCOG HERO	December 2011	26,660	$560,776,534	HVAC: 32.0%; Solar: 26.1%; Windows / Doors: 18.1%; Roofing: 9.1%; Landscape: 4.4%
California HERO	December 2013	62,428	$1,444,864,855	HVAC: 29.5%; Solar: 27.3%; Windows / Doors: 17.7%; Roofing:10.3 %; Landscape: 5.2%
CaliforniaFIRST	May 2017	163	$4,996,872	HVAC: 30.0%; Solar: 30.0%; Windows / Doors: 16.5%; Roofing:11.0 %; Landscape: 4.9%
PACE Funding	November 2017	232	$4,856,998	HVAC: 31.5%; Solar: 28.2%; Windows / Doors: 24.1%; Roofing: 7.4%; Landscape: 4.5%
Total:		**89,483**	**$2,015,495,259**	

The following table provides a summary of the total estimated economic and environmental impacts for projects completed in both the WRCOG and the California HERO Programs to date.

Estimated Economic and Environmental Impacts	
KW Hours Saved – Annually	1,101 GWh
GHG Reductions – Annually	222,221 tons
Gallons Saved – Annually	555 Million
$ Saved – Annually	$117 Million
Projected Economic Impact	$ 3.4 Billon
Projected Job Creation/Retention	20,225 Jobs

New Commercial PACE Provider – Ygrene

On October 2, 2017, the Executive Committee authorized staff to enter into contract negotiations and execute necessary documents to include Ygrene Energy Fund under WRCOG's PACE umbrella as a Commercial PACE provider. Since then, negotiations were executed, with counsel from Best Best & Krieger and Ygrene, to finalize the Ygrene Commercial Program Handbook and agreements for consideration of approval (Attachments 1 & 2).

Additionally, staff is bringing forward Resolution Number 45–18 (Attachment 3) to formally incorporate Ygrene in the WRCOG Commercial PACE Program. Staff is recommending the Executive Committee approve the requested action to adopt the resolution.

If the Executive Committee elects to adopt Ygrene as an additional provider, Ygrene will automatically be able to operate in each member jurisdiction unless the jurisdiction takes action to prohibit its inclusion. If a jurisdiction desires NOT to include Ygrene as an additional provider, it must adopt a resolution to opt-out of the Program, which is available upon request. Ygrene will not market its Program through WRCOG to the following member jurisdictions: Beaumont, Corona, Moreno Valley, Riverside, San Jacinto and the County unincorporated areas. These jurisdictions have approved a PACE Program sponsored by the Golden State Finance Authority, for which Ygrene is contractually obligated to provide Program administration services.

New Commercial PACE Provider – CleanFund

On August 6, 2018, the Executive Committee authorized staff to enter into contract negotiations and execute necessary documents to include CleanFund under WRCOG's PACE umbrella as a Commercial PACE

provider. Since then, negotiations were executed, with counsel from Best Best & Krieger and CleanFund, to finalize the following Program documents and agreements for consideration of approval (Attachments 4-8):

(i) Administration Agreement
(ii) Master Indenture
(iii) Master Assignment and Assumption Agreement
(iv) Depositary and Account Control Agreement
(v) CleanFund Commercial Program Handbook

Additionally, staff is bringing forward Resolution Number 46–18 (Attachment 9) to formally incorporate CleanFund in the WRCOG Commercial PACE Program. Staff is recommending the Executive Committee take the requested action to adopt the resolution.

If the Executive Committee elects to adopt CleanFund as an additional provider, CleanFund will automatically be able to operate in each member jurisdiction, unless the jurisdiction takes action to prohibit its inclusion. If a jurisdiction desires NOT to include CleanFund as an additional provider, it must adopt a resolution to opt-out of the Program, which is available upon request. CleanFund will not market its Program through WRCOG to the following member jurisdictions: Beaumont, Corona, Moreno Valley, Riverside, San Jacinto and the County unincorporated areas. These cities have approved a PACE Program sponsored by the California Statewide Communities Development Authority, for which CleanFund is contractually obligated to provide Program administration services.

Prior Actions:

November 5, 2018: The Executive Committee 1) deferred the judicial foreclosure proceedings on delinquent residential parcels of the 2017/2018 tax year and assign WRCOG's collection rights to a third party for 386 delinquent parcels totaling $1,126,270.20; 2) authorized the Executive Director to enter in a Purchase and Sales Agreement with a third party, First National Assets, for the purchase of the delinquent assessment receivables; and 3) adopted WRCOG Resolution Number 41-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Ordering the Initiation of Judicial Foreclosure Proceedings Pursuant to the Improvement Bond Act Of 1915 of Certain Property for Which the Payment of Assessment Installments Are Delinquent.

August 6, 2018: The Executive Committee 1) adopted WRCOG Resolution Number 36-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Authorizing the Issuance of Limited Obligation Improvement Bonds for the Ygrene Program, Amending the Program Report and Approving the Forms of an Administration Agreement with Ygrene Energy Fund California LLC And Trust Indenture and Bond Purchase and Draw Down Agreement for the Issuance of Bonds for the Ygrene Program of the WRCOG Program and Appointing a Trustee; 2) adopted WRCOG Resolution Number 37-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments Authorizing Judicial Validation Proceedings Relating to the Issuance and Sale of Limited Obligation Improvement Bonds Pertaining to the Ygrene Program of the Western Riverside Council of Governments California Hero Program and Other Matters Related Thereto and Approving Additional Actions Related to Such Proceedings; and 3) supported the Additional Pace Provider Ad Hoc Committee's pending and tentative recommendation to direct and authorize the Executive Director to enter into contract negotiations and execute any necessary documents to include CleanFund under WRCOG's Commercial PACE umbrella.

October 2, 2017: The Executive Committee authorized the Executive Director to enter into negotiations with Ygrene.

Fiscal Impact:

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

Attachments:

1. Redlined Ygrene and CleanFund Addition to the Program Report with Assessment Contract.
2. Ygrene Commercial Program Handbook.
3. WRCOG Resolution Number 45-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving amendments to the Administrative Guidelines and Program Report for the Western Riverside Council of Governments Energy Efficiency and Water Conservation Program for Western Riverside County to modify the Ygrene Program to authorize the financing of the installation of authorized improvements on commercial properties.
4. CleanFund Administration Agreement.
5. CleanFund Master Indenture.
6. CleanFund Master Assignment and Assumption Agreement.
7. CleanFund Depositary and Account Control Agreement.
8. CleanFund Commercial Program Handbook.
9. WRCOG Resolution Number 46-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing Cleanfund Commercial Pace Capital, Inc., to administer and finance authorized improvements to be installed on commercial properties, and in connection with such authorization, approving amendments to the Program Report for the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the form of a Commercial Handbook, agreement to pay assessment and finance improvements, Administration Agreement, Master Assignment and Assumption Agreement, Depositary and Account Control Agreement and Master Indenture and Supplemental Indenture authorizing the issuance of bonds pursuant to such Master Indenture and the related Supplemental Indenture secured by assessments levied on commercial properties to finance the installation of authorized improvements on such commercial properties and approving other actions in connection thereto.

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 1

Redlined Ygrene and CleanFund Addition to the Program Report with Assessment Contract

Page Intentionally Left Blank

Program Requirements for Participating in Ygrene Program Financing for Commercial Properties

Applicable Jurisdictions:

Banning	Calimesa	Hemet	Jurupa Valley	Lake Elsinore	Menifee
Murrieta	Norco	Perris	Temecula	Wildomar	Eastvale

A. Eligible Property Owners and Eligible Properties

Property owners may be individuals, associations, business entities, cooperatives, and virtually any owner of commercial property who pays real property taxes for such property. Certain eligibility criteria must be satisfied, and financing may be approved only if the all the following criteria are met.

If financing is provided under the Ygrene program (the "Ygrene Program") by Ygrene Energy Fund California LLC ("Ygrene") for commercial properties located within the cities aforementioned (the "Ygrene Program Area"), certain eligibility requirements will apply. Utilizing Ygrene Program financing for new commercial construction on eligible properties may be subject to additional underwriting and technical requirement as further described in the Ygrene Commercial Program Handbook.

All property owners and improved properties meeting the Ygrene Program's criteria for approved property types must meet the following underwriting criteria for participation:

1. The property must be improved (or will be improved by the project), be located within the Ygrene Program Area, and either be on the property tax rolls or be capable of being added to the rolls.
2. All owners of record must agree to participate and be willing to execute the documents required to participate in the Ygrene Program.
3. Prior to Ygrene Program financing, mortgage debt must not exceed 90% of the market value of the property.
4. Mortgages must be current and Property must not be subject to any Notices of Default.
5. Property owners must authorize Ygrene to notify all existing mortgage holders and servicers of their intent to participate in the Ygrene Program. Mortgage debt lender(s) have given consent to Ygrene Program financing.
6. Property owners must not be in bankruptcy.
7. Property taxes must be current for all encumbrances on the property tax bill.
8. There must be no involuntary liens or environmental liens on the property that exceed $1,000.
9. Minimum funding request is $5,000.
10. Ygrene Program funding must be less than 15% of the property value (inclusive of capitalized interest and fees). Funding requests exceeding $100,000 may be subject to additional underwriting during the project approval phase.
11. In no event will Ygrene Program funding exceed the amount authorized under applicable Ygrene Program policies or state law.

Property owners may be asked to provide utility records for the property for the two years prior to completion of the project.

Ygrene Program financing is not currently available for properties that are not subject to secured property taxes such as governmental entities and certain non-profit corporations.

Property owners may make more than one application for funding under the Ygrene Program if additional Eligible Products (defined below) are desired by the property owner, and the eligibility criteria and maximum assessment amount criteria are met.

Manufactured structures on a permanent foundation pursuant to Health & Safety Code Section 18551, the owner of the manufactured structure owns the underlying land upon which the manufactured structure has been installed, and such manufactured structure is subject to the payment of real property taxes (not DMV fees nor personal property taxes) are eligible. Manufactured structures not meeting the foregoing requirements are not eligible to participate in the Ygrene Program.

Condominium owners and/or property owners with commercial properties subject to Property Owner Association (POA) regulation are solely responsible for (a) determining (i) if the proposed Eligible Products are authorized to be installed on such property owners' properties and (ii) if the installation of such Eligible Products requires the approval or authorization from the applicable POA and (b) applying for and obtaining such POA approval or authorization, if applicable. Such property owners may, upon request by Ygrene, need to provide written authorization from the condominium management or POA stating that the applicant is authorized to install certain Eligible Products under the CC&R's or other governing regulations.

These eligibility regulations may be clarified as deemed necessary by Ygrene without amending the Program Report if such clarification will not result in a substantial revision of such eligibility requirements.

B. ELIGIBLE PRODUCTS

Ygrene affords property owners in the Ygrene Program Area the opportunity to take advantage of a wide range of eligible energy-savings, water conservation/efficiency, renewable energy, electric vehicle charging infrastructure, and seismic strengthening improvements consistent with the following provisions:

1. Ygrene Program financing is intended principally for retrofit activities to replace outdated inefficient equipment and to install new equipment that reduces energy or water consumption, produces renewable energy or provides seismic strengthening to existing structures. However, Ygrene Program financing may also be available for purchasers of new commercial properties that wish to add eligible energy efficiency, renewable energy, water conservation/efficiency and seismic strengthening products and/or electric vehicle charging infrastructure to such properties after taking title of the property.

2. Ygrene Program financing is available only for Eligible Products that are permanently affixed to real property.

3. Ygrene Program financing is available only for those products specified in the Ygrene Commercial Program Handbook ("Eligible Products"). Broadly, these include:

a. Water Conservation/Efficiency
b. Energy Efficiency Eligible Products
c. Renewable Energy Systems
d. Electric Vehicle Charging Infrastructure
e. Seismic Strengthening Products
f. Approved Custom Products

4. The property owner must ensure that any and all permits required by the jurisdiction for the installation of the Eligible Products are acquired.

5. Ygrene Program financing is also available for projects that combine Eligible Products, such as bundling of water conservation/efficiency, energy efficiency, renewable energy and seismic strengthening improvements. For instance, a property owner may choose to replace an aging and inefficient furnace, install weather stripping, install low flow toilets, and install a photovoltaic system as part of a single project.

C. ELIGIBLE COSTS

Eligible costs of the Eligible Products include the cost of equipment and installation. Installation costs may include, but are not limited to, energy and water audit consultations, labor, design, drafting, engineering, permit fees, and inspection charges.

The cost of installation of Eligible Products shall be eligible to be financed only if such installation is completed by a contractor who is registered with the Ygrene Program. A list of contractors who are registered with the Ygrene Program will be located on Ygrene's website; however, WRCOG and Ygrene will not make recommendations for contracting assistance.

Property owners who elect to engage in broader projects – such as business remodeling – may only receive Ygrene Program financing for that portion of the cost of retrofitting existing structures with Eligible Products.

Ygrene staff evaluates conditions in the construction and installation market and establishes maximum price levels for each measure on its Eligible Improvement list. While the property owner may choose the contractor, the amount available for financing will be limited by these maximum price levels. Ygrene may consider exceptions based on internal guidelines and specific project characteristics.

Property owners may wish to consider whether public utility, federal, state or local rebates are available for the Eligible Products desired. No rebates will be deducted from the assessment amount except upon written request by the property owner. If the property owner requests the deduction of a rebate that later becomes unavailable, this request is at the property owner's risk. State or federal tax credits and performance-based incentives will not be deducted from the assessment amount, but property owners may wish to consider these additional benefits in determining the amount of their financing request.

D. ADMINISTRATIVE COSTS/*FEES*

As required pursuant to Section 5898.22 of Chapter 29, WRCOG met and consulted with the staff of the County Auditor-Controller's office on March 29, 2010 concerning the additional fees, if any, that will be charged to WRCOG for incorporating the proposed contractual assessments into the assessments of the general taxes on real property. The consultations revealed that the Auditor-Controller will charge WRCOG the same fees applicable to other fixed charges to be placed on the secured property tax roll as are established from time to time by the Board of Supervisors. The payment of such fees shall be included as a part of the annual assessment administration and collection costs that will be added each year to the annual assessment on property tax bills. Such annual administration and collection costs are described below.

The Ygrene Program will cover all or a portion of its costs through program fees covering the cost of providing the Ygrene Program services. Such Ygrene Program fees and costs, to the extent permitted in the Ygrene Commercial Program Handbook, may be included in the principal amount to be financed. In addition, an assessment reserve amount (not to exceed 10% and to be added to the assessment amount) may be required by bond holders or other investors. If available, the assessment reserve will be applied to assessment payments due and payable at the end of the financing term.

There are additional costs that are not covered in these expense and reserve components and will be borne by the property owners (unless permitted by the Ygrene Commercial Program Handbook to be included in the financing request). These costs include:

1. An application fee, which shall not exceed the actual cost to process the applicable application.

2. Title and escrow costs, including title insurance, where required; processing and underwriting; recording and documentation; program cost recovery; and funding fees will be paid by the property owner.

3. Permitting costs. Property owners are required to verify whether a permit is required by the participating jurisdictions and to ensure that any required permit is obtained. Permit costs will be paid by the property owner.

4. The County Auditor Controller Charges an annual administration fee for placing assessments on the property tax roll. The tax administrator, trustee, and servicer have similar fees estimated to be approximately $60 per year but are subject to change.

5. Onsite Validation Fees. Onsite validation fees may be required for Ygrene Program staff to confirm proposed Eligible Products were actually installed prior to funding; provided, however, that such fee may not exceed the actual cost to undertake such validation.

6. Eligible Products may be eligible for partial disbursements in order to make progress payments. Check with Ygrene and the Ygrene Commercial Program Handbook for applicability and terms. The making of partial disbursements may be subject to additional processing fees as set forth in the Ygrene Commercial Program Handbook.

ASSESSMENT CONTRACT

This Assessment Contract, dated ..... , including the Addendum (as defined below) hereto and as amended from time to time in accordance with the terms hereof (this "**Assessment Contract**"), is between Western Riverside Council of Governments, a California joint exercise of powers authority (the "**Authority**") and all of the persons or entities identified below as the record owner(s) (collectively, the "**Property Owner**") of the fee title to the real property identified below and described in Exhibit A hereto (the "**Property**").

Owner No. 1:		
Owner No. 2:		
Owner No. 3:		
Owner No. 4:		
Trust:		
Legal Entity:		
Project ID No.:	**APN:**	
Property Street Address:		
City:	**State:**	**Zip:**

RECITALS

WHEREAS, the Authority has established a property assessed clean energy ("**PACE**") program (the "**Program**") to allow the financing and refinancing of the installation of distributed generation renewable energy sources, energy efficiency improvements, water efficiency improvements, seismic strengthening improvements and electric vehicle charging infrastructure that are permanently fixed to real property (including, but not limited to, residential and commercial properties) (the "**Eligible Improvements**") through the levy of contractual assessments (each, an "**Assessment**") pursuant to Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California, as amended ("**Chapter 29**"); and

WHEREAS, the Authority has conducted the proceedings required by Chapter 29 and other applicable California law to enter into this Assessment Contract with the Property Owner; and

WHEREAS, the Authority and the Property Owner wish to enter into this Assessment Contract pursuant to which the Authority will agree to finance (including through leases and power purchase agreements, if applicable) and/or refinance the costs of installing the Eligible Improvements, which are initially in the Eligible Improvement Summary delivered to the Property Owner when the Property Owner signed this Assessment Contract, and which will be modified and finalized in an Addendum or Addenda to this Assessment Contract (collectively, the "**Addendum**") to be entered into upon completion of the installation of the Eligible Improvements (the "**Project**"), and the Property Owner freely and willingly agrees to the imposition by the Authority of an Assessment on the Property in order to repay the costs incurred by the Authority and/or the Administrator (as defined below) with respect to financing or refinancing the installation of the Project, all on the terms set forth in this Assessment Contract; and

WHEREAS, the Authority has contracted with Ygrene Energy Fund California LLC (together with any successors or assigns, the "**Administrator**") to act as the administrator of the Program pursuant to a Third Party Administration Agreement dated as of [ ], 2018 (as may be amended, amended and restated, supplemented or modified from time to time, the "**Administration Agreement**") between the Authority and the Administrator.

NOW, THEREFORE, in consideration of the foregoing and the material covenants hereinafter contained, the Property Owner and the Authority formally covenant, agree and bind themselves and their successors and assigns as follows:

AGREEMENT

Section 1. Purpose.

The Property Owner and the Authority are hereby and willingly entering into this Assessment Contract for the purpose of establishing the Property Owner's agreement to the levy and collection of an Assessment in exchange for the financing or refinancing of the Project. The Authority will not finance or refinance the installation of any improvements pursuant to this Assessment Contract other than the Project.

Section 2. Property Owner Representations, Warranties, Covenants and Events of Default.

a) The Property Owner hereby represents and warrants as of the Effective Date (as defined below) and as of the date of each disbursement made pursuant to a Funding Request that:

i. The Property Owner is all of the record owner(s) of the Property and possesses all legal authority necessary to execute this Assessment Contract;

ii. Each signatory executing this Assessment Contract on behalf of the Property Owner is duly authorized to execute and deliver this Assessment Contract on behalf of the Property Owner and is able to perform the Property Owner's obligations hereunder and under any other documents or agreements delivered in connection herewith. This Assessment Contract is legally valid, binding and enforceable against the Property Owner in accordance with its terms;

iii. No consent or approval of any third party is required for the Property Owner's execution of this Assessment Contract or the performance of its obligations under this Assessment Contract except for the consents and approvals, if any, that the Property Owner has already obtained;

iv. If a signatory to this Assessment Contract is signing on behalf of a corporation, partnership, limited liability company, or other entity that is not a natural person, then (A) he or she is authorized to sign and deliver this Assessment Contract on that entity's behalf, (B) the entity for which he or she signs is authorized and able to perform the Property Owner's obligations under this Assessment Contract and under all other documents the Property Owner delivers to the Authority or the Administrator in connection with this Assessment Contract, and (C) the entity has complied with all laws and regulations concerning its organization and existence and the transaction of its business and is in good standing in each state in which it conducts its business;

v. Neither the Property Owner nor the Property is in violation of, and the terms and provisions of this Assessment Contract do not conflict with, any regulation or ordinance, any order of any court or governmental entity, or any building restrictions or governmental requirements affecting the Property;

vi. All documents, information, and forms of evidence that have been delivered to the Administrator in connection with the Property Owner's application for Program funding are accurate and sufficiently complete to provide accurate and complete knowledge of their subject matter;

vii. There are sufficient resources, including the financing contemplated by this Assessment Contract, to complete the Project;

viii. There are no actions, suits, proceedings, tax claims, investigations, or other disputes pending, or to the knowledge of the Property Owner threatened, against or affecting the Property Owner or the Property that could materially adversely affect the installation of the Project or may impair the Property Owner's ability to satisfy its obligations under this Assessment Contract or may impair the Authority's ability to levy and collect the Assessments or any other amounts owing under the Program;

ix. There is no event that is, or with notice of lapse of time or both would be, an Event of Default under this Assessment Contract;

x. If a person other than the Property Owner is installing the Project, the Property Owner has or will enter into contracts with one or more contractors licensed in the state, county, and/or city where the Property is located and such contractors must also be on Administrator's list of contractors eligible to participate in Administrator's PACE programs (each such person, a "**Registered Contractor**" and, in the aggregate, "**Registered Contractors**"); and

b) The Property Owner hereby covenants and agrees as follows:

i. The Property Owner shall cause its contractor or contractors to do the following: promptly obtain all required building permits; thereafter promptly begin installation the Project and diligently continue the work to completion in a good and workmanlike manner and in accordance with sound installation practices. The same standard applies if the Property Owner installs the Project;

ii. The Property Owner shall complete the Project, or cause the Project to be completed, in conformity with all applicable laws, including all applicable federal, state, and local occupation, safety, and health laws, rules, regulations, and standards. The Property Owner shall comply with and keep in effect all permits, licenses, and approvals required to install and operate the Project;

iii. The Property Owner shall maintain the Project in good condition and repair;

iv. The Property Owner shall promptly pay or otherwise discharge any claims and liens for labor done and materials and services furnished to the Property in connection with the Project. The Property Owner may, in good faith, contest any claim or lien but must do so diligently and without delay in completing the Project;

v. If the Maximum Financing Amount exceeds $60,000, then the Property Owner shall provide, maintain, and keep in force at all times until the Project is completed, a policy of builder's "all risk" property-damage insurance on the Property, with a policy limit equal to the amount of the Maximum Financing Amount. Alternatively, the Property Owner may require that each Registered Contractor installing the Project provides, maintains, and keeps such insurance in force. Upon request, the Property Owner shall provide the Administrator with documents (e.g., a certificate of insurance) confirming compliance with this Section 2(b)(v); and

vi. The Property Owner shall complete installation of the Project no later than date set forth in the applicable Program Handbook.

c) The following shall constitute an Event of Default hereunder:

The failure of any of the Property Owner's representations and warranties to be true and correct in all material respects or a breach by the Property Owner of any of its covenants in this Assessment Contract and, if capable of cure, such failure or breach has not been cured within thirty (30) days after the Property Owner first becomes aware of such failure or breach.

If an Event of Default has occurred and is continuing, then the Authority and/or Administrator may exercise any or all of the rights and remedies available to it under applicable law, at equity, or as otherwise provided herein. If, at the time of the Event of Default, there has been no disbursement made pursuant to a Funding request, then the Authority may elect to terminate this Assessment Contract.

With respect to the installation of the Project only, the performance of the Property Owner's covenants under Section 2(b)(vi) of this Assessment Contract and the compliance of conditions imposed upon the Property Owner by this Assessment Contract will be excused while and to the extent that the Property Owner, through no fault or negligence of its own, is prevented from performing or complying by war, riots, strikes, lockouts, action of the elements, accidents, or acts of nature beyond the Property Owner's reasonable control; however, the excused covenants or conditions will be restored to full force as soon as the cause or event preventing compliance is removed or ceases to exist, and the Property Owner shall immediately resume installation of the Project.

Section 3. Financing or Refinancing of the Project; Registered Contractors; Agreement to Pay Assessments; Disbursement of Funds

a) Agreement to Finance Project. The Authority hereby agrees to finance or refinance the Project, including applicable Program costs and fees, subject to the Property Owner's compliance with the conditions for such financing or refinancing established by the Authority.

b) Registered Contractor; Construction. The Property Owner may enter into one or more contracts with a Registered Contractor or Registered Contractors to complete the Project according to applicable State and local law, and must obtain all appropriate building permits. The Property Owner shall be solely responsible for the selection of any and all Registered Contractors for the Project, and the Property Owner acknowledges that a Registered Contractor's registration with the Administrator is not an endorsement by the Authority or the Administrator of the suitability or performance of such Registered Contractor.

c) Agreement to Pay Assessment. The Property Owner agrees to pay the Assessment levied under this Assessment Contract to pay for the cost of the Project. The amount of the Assessment is based on the final cost of the Eligible Improvements including audits and inspections (the "**Project Costs**"), Program fees, capitalized interest, and administrative costs as set forth in this Assessment Contract and permitted by applicable law. The maximum authorized total financing amount and the maximum authorized annual Assessment installment are set forth in Exhibit B hereto. The Property Owner agrees to (i) accept financing in an amount up to the maximum authorized total financing amount set forth in Exhibit B hereto, (ii) pay annual Assessment installments up to the maximum authorized annual Assessment Installment set forth in Exhibit B hereto, and (iii) the recording of the Addendum by the Authority or its designee after the funding date, so long as the total Project Costs and Annual Assessment Installment set forth in the Addendum are equal to or less than the maximum authorized Project Costs and the maximum authorized Annual Assessment Installment, respectively, set forth in Exhibit B hereto.

d) Disbursement of Funds. Upon completion of the Project (or, if approved by the Administrator, a portion or phase of the Project), the Property Owner and Registered Contractor(s) shall submit all of the following to the Administrator: (i) a certificate of completion in which the Property Owner and the Registered Contractor(s) attest that the work has been completed as set forth in the Assessment Contract; (ii) conditional lien releases subject only to receipt of payment and final lien releases upon receipt of payment; (iii) a request for funding designating to whom the Project Costs are to be paid; (iv) if applicable, written confirmation from the appropriate government department performing building inspection services for the jurisdiction within which the Property is located, that the work has been completed in accordance with the building permit; (v) confirmation that, as of the date of disbursement, no stop payment or mechanic's lien notice pertaining to the Project has been filed and remains in effect, except such as will be removed through the payment of some or all of the disbursed amounts requested in the Funding Request; and (vi) such other documents or information as may be reasonably required by the Administrator, including documents referred to in the applicable Administrator's handbook for the Program (each, a "**Program Handbook**" and clauses (i) – (iv) collectively, a "**Funding Request**"). Upon the satisfactory review or waiver of such items by the Authority or the Administrator, as determined in their sole discretion, the Authority or the Administrator shall disburse the amount shown on each Funding Request. The Property Owner shall only use disbursed funds under this Assessment Contract to pay for the Project Costs or used purely as a reimbursement of expenses incurred for the Project. Acceptance of financing under this Agreement to finance the installation of the Project while refusing to pay for installation of the Project may constitute fraud against the Program.

Section 4. Agreement to Pay Assessment; Non-Completion Assessment and Administrative Costs and Expenses; Prepayment of Assessment

a) Payment of Assessment. Prior to the disbursement of any funds pursuant to Section 3 of this Assessment Contract, the Authority will record a Notice of Assessment and Payment of Contractual Assessment Required (together, the "**Notice of Assessment**") which will set forth the maximum annual assessment installment (the "**Maximum Annual Assessment Installment**") based on the Maximum Authorized Total Financing Amount set forth in Exhibit B hereto (the "**Maximum Financing Amount**"), the interest rate identified in Exhibit B hereto (the "**Estimated Interest Rate**"), and the repayment term identified in Exhibit B hereto. Upon completion of the Project, the Authority may record an addendum to the Notice of Assessment to update the Maximum Annual Assessment Installment to reflect the actual annual assessment installment (the "**Annual Assessment Installment**") based on the final amount financed and disbursed hereunder (the "**Final Assessment**") and the final interest rate as described in the next sentence (the "**Final Interest Rate**") and the Property Owner hereby freely and willingly agrees to pay the Final Assessment together with interest thereon at the Final Interest Rate and any applicable annual Program fees. THE PROPERTY OWNER ACKNOWLEDGES AND AGREES THAT THE FINAL INTEREST RATE WILL BE THE SAME AS THE ESTIMATED INTEREST RATE IF THE PROPERTY OWNER SUBMITS A VALID FUNDING REQUEST WITHIN THE INTEREST RATE LOCK PERIOD SET FORTH IN EXHIBIT B HERETO; OTHERWISE THE FINAL INTEREST RATE WILL BE BASED ON MARKET CONDITIONS EXISTING AT THE TIME THAT FUNDS ARE RELEASED AND MAY BE MORE THAN THE ESTIMATED INTEREST RATE, RESULTING IN A CORRESPONDING INCREASE IN THE ANNUAL ASSESSMENT INSTALLMENT. IN ADDITION, THE PROPERTY OWNER ACKNOWLEDGES AND AGREES THAT ALL OF THE AMOUNTS SET FORTH IN EXHIBIT B HERETO WILL CHANGE IF THE PROPERTY OWNER REQUESTS A CHANGE IN THE TERM OVER WHICH ANNUAL ASSESSMENT INSTALLMENTS ARE TO BE PAID. The Authority shall not be obligated to provide financing in an amount in excess of the Maximum Financing Amount. If the actual Project Costs, together with the Program Fees, capitalized interest, and administrative cost set forth in this Assessment Contract, exceed the Maximum Financing Amount, then the Property Owner will be solely responsible for the payment of all such Project Cost in excess thereof and shall complete the Project and fund all such excess amounts.

b) Payment of Non-Completion Assessment. The Property Owner understands and hereby acknowledges that in the event that the Property Owner begins

the installation of the Project and for any reason the Project is not completed in compliance with the Program rules and this Assessment Contract (a "**Project Non-Completion**"), the Authority and/or Administrator may be obligated to pay expenses incurred prior to Project Non-Completion. To the extent the Authority and/or the Administrator incurs such expenses, including any disbursements made with respect to progress payments on such Project, the Property Owner hereby freely and willingly agrees to pay a non-completion assessment (the "**Non-Completion Assessment**"), which, in the case of a Project Non-Completion, will be treated the same as the Final Assessment. Additionally, and not by way of limitation, failure to sign all the required Program documents within thirty (30) days of the successful inspection of the Project will constitute Project Non-Completion. Upon Project Non-Completion, the Property Owner agrees that the Authority or the Administrator will record a Notice of Assessment. THE PROPERTY OWNER ACKNOWLEDGES AND AGREES THAT THE INTEREST RATE APPLICABLE TO THE NON-COMPLETION ASSESSMENT WILL BE BASED ON MARKET CONDITIONS EXISTING AT THE TIME THE AUTHORITY OR THE ADMINISTRATOR RECORDS SUCH NOTICE OF ASSESSMENT AND MAY BE MORE THAN THE ESTIMATED INTEREST RATE (THE "**NON-COMPLETION INTEREST RATE**"). Interest will accrue on the Non-Completion Assessment at the Non-Completion Interest Rate. The Property Owner acknowledges that the purpose of the Non-Completion Assessment is to provide for redemption of any bonds issued by the Authority or repayment or prepayment of any financial obligation entered into by or on behalf of the Authority and/or the Administrator to finance the Project, and to pay any costs incurred by the Authority and/or the Administrator in connection with the matters contemplated by this Assessment Contract or incurred by the Authority and/or the Administrator in order to release the lien of the Assessment on the Property. The Property Owner further agrees and acknowledges that the Authority will levy the Non-Completion Assessment beginning in the first fiscal year in which the Authority and/or the Administrator is able to cause the Non-Completion Assessment to be placed on the property tax roll. The Property Owner hereby freely and willingly agrees to pay the Non-Completion Assessment, together with interest thereon at the Non-Completion Interest Rate. In the event a Non-Completion Assessment is applicable hereunder, any reference to Assessment in this Assessment Contract shall also apply to such Non-Completion Assessment.

c) Administrative Costs and Expenses. The Property Owner hereby agrees and acknowledges that the Authority may add amounts to the Annual Assessment Installment (including any Non-Completion Assessment) in order to pay for the costs of collecting the Assessment and reimbursement of costs and expenses of the Authority and the Administrator in administering the Program, issuing bonds, or any financial obligation entered into by the Authority and/or the Administrator to finance the Project. These amounts may vary based on the applicable County's Tax Collector fee schedule and the costs of the Authority and the Administrator in administering the Program. Subject to applicable law, the Property Owner agrees that the amount to be added to tax roll, together with the Annual Assessment Installment, pursuant to this Section 4(c) may change from time to time as determined by the Authority and the Administrator.

d) Prepayment of the Assessment. The Final Assessment may be prepaid at any time upon the payment of (i) the amount of any delinquent Annual Assessment Installments and any outstanding annual administration fees as set forth in the applicable Program Handbook (such fees, the "**Annual Administration Fee**"), together with penalties and interest accrued to the date of prepayment; (ii) the whole or, subject to the terms and limitations set forth in the applicable Program Handbook, a portion of, the unpaid non-delinquent principal component of the Final Assessment; (iii) the accrued but unpaid interest on the principal amount of the unpaid Final Assessment being prepaid through the earlier of March 2 or September 2 that occurs at least fifty (50) days following the date the prepayment is made; (iv) a prepayment premium, but only if included on Exhibit B hereto and then in the amount set forth on Exhibit B hereto; and (v) to the extent permitted by applicable law, a reasonable fee, if charged by the Authority or the Administrator, for the cost of administering the prepayment and redemption of bonds.

e) Absolute Obligation. The Property Owner hereby agrees and acknowledges that the Assessment will not be subject to reduction, offset or credit of any kind in the event that any bonds or other financial obligation secured thereby is prepaid, refunded or otherwise refinanced or for any other reason.

Section 5. Collection of the Assessment; Lien

The Assessment (including any administrative cost and expenses added thereto pursuant to Section 4(c) hereto), together with any penalties and interest thereon as a result of a delinquency in the payment of any Assessment, shall be a lien on the Property until they are paid and shall be collected as set forth in Chapter 29. Such lien shall be coequal to and independent of the lien for general real property taxes.

The Property Owner acknowledges that if any Annual Assessment Installment, together with the Annual Administration Fee, is not paid when due, even if the Property Owner is not delinquent on its general real property taxes, penalties and interest may accrue on such amounts that are due in the same manner as general real property taxes. In addition, the Authority has the right to have such delinquent amounts and their associated penalties and interest stripped off the secured property tax roll and immediately enforced through a judicial foreclosure action that could result in a sale of the Property for the payment of the delinquent amounts and all costs of suit, including attorneys' fees. The Property Owner acknowledges that, if bonds are sold or other financial obligations are entered into by or on behalf of the Authority and/or the Administrator to finance the Project, the Authority and/or the Administrator may, as permitted by applicable law, sell, assign, pledge grant a security interest in or otherwise transfer this Assessment Contract and the related Assessment and lien in connection therewith and obligate itself, through a covenant with the owners of such bonds or otherwise, to exercise its judicial foreclosure rights with respect to delinquent Assessment Installments under circumstances specified in such covenant.

The Property Owner covenants and agrees not to take any action by direct challenge or action, by way of property tax appeal or otherwise, that would have the effect of challenging or calling into question the amount, validity, or existence of the Assessment or the basis of payment of the same. If the Property Owner pursues a tax appeal of the Property, the Property Owner covenants and agrees that no such appeal shall reduce the amount of the Assessment payable pursuant to this Assessment Contract, even if the value of the Property or the amount of taxes payable is reduced as a result thereof, and the Property Owner shall timely pay the Assessment.

Section 6. Term; Agreement Runs with the Land; Subdivision

a) Subject to the three (3) day rescission right in favor of the Property Owner set forth in Section 22 below, this Assessment Contract shall become effective upon the execution hereof by each of the parties hereto (the "**Effective Date**"). Except as otherwise set forth in this Assessment Contract, this Assessment Contract shall expire upon the final payment or prepayment in full of the Assessment.

b) This Assessment Contract establishes rights and obligations that are for the benefit of the Property and such rights and obligations, including the obligation to pay the Assessments, are covenants that run with the land and shall be rights and obligations of the Property Owner and all future owners of the Property.

c) In the event the Property is subdivided while the Assessment remains unpaid, the Assessment will be apportioned on all subdivided parcels that were used to calculate property value at the time of funding in proportion to the benefit received by such parcels from the Project. If the Project no longer exists, the Assessment will be apportioned to each of the newly created parcels on a per-acre basis unless the Authority, in its sole discretion, determines that the Assessment should be allocated in an alternate manner.

Section 7. Recordation of Documents

The Property Owner hereby authorizes and directs the Authority (or the Administrator on the Authority's behalf) to cause to be recorded in the public records of the applicable County the various notices and other documents, including the Notice of Assessment and an Addendum, required or authorized by applicable law to be recorded against the Property.

Section 8. Sole Responsibility to Deal with Lenders

The Property Owner authorizes the Program to send to the holders or loan servicers of record of any existing mortgages or deeds of trust encumbering or otherwise secured by the Property a notice of the Property Owner's intent to enter into this Assessment Contract together with the maximum authorized total financing amount and Maximum Annual Assessment Installment as set forth in the description of estimated costs and terms of financing for the Project described in Exhibit B hereto (each such notice, a "**Lender Notice**"). Such notice may also include notice that the Property Owner intends to authorize the recordation of a Notice of Assessment against the Property.

The Property Owner acknowledges and agrees to the following:

a) When the Property Owner enters into this Assessment Contract with the Authority and the Authority finances any Eligible Improvements, the Assessment or the Annual Assessment Installments that are due at any given time will constitute a lien on the Property.

b) By law, the lien will have the same priority as the lien for general real property taxes. It thus will be superior to the lien of any existing mortgage or deed of trust the Property Owner may have previously executed in favor of a lender.

c) Existing lenders may contend that by entering into this Assessment Contract the Property Owner has violated the loan agreements, mortgages or deeds of trust.

d) The fact that the Program sent a Lender Notice will not preclude the lenders from later alleging that the Property Owner has violated the loan agreements, mortgages or deeds of trust, and there is a risk that the lenders may prevail in any litigation over the alleged violation.

e) Neither the Authority nor the Administrator can advise the Property Owner about any loan agreements with lenders or related mortgages or deeds of trust. The Property Owner's contractual relations with lenders are the Property Owner's sole responsibility. The Property Owner must understand that the use of the Lender Notice does not mean:

i. that any issue regarding obligations resulting from private loan documents has been resolved;
ii. that the Property Owner's lenders cannot take action against the Property Owner if they believe loan agreements have been violated; or
iii. that the Authority or the Administrator will assist the Property Owner in any way if lenders take such action.

f) MANY BANKS THAT MAKE HOME LOANS DESIRE TO PRESERVE THE OPTION TO SELL THOSE LOANS TO U.S. GOVERNMENT-SPONSORED ENTERPRISES (THE "**GSEs**") THAT ARE REGULATED BY THE FEDERAL HOUSING FINANCE AGENCY ("**FHFA**"). THE FHFA APPEARS TO HAVE INSTRUCTED THE GSEs NOT TO PURCHASE HOME LOANS WHERE THERE IS A SUPERIOR LIEN FOR IMPROVEMENTS LIKE THE ELIGIBLE IMPROVEMENTS. THEREFORE, IN ORDER TO REFINANCE THEIR HOME LOAN, OR FOR A PROSPECTIVE PURCHASER OF THE PROPERTY TO OBTAIN A LOAN SECURED BY THE PROPERTY, THE ASSESSMENTS MAY NEED TO BE PREPAID IN FULL. SIMILARLY, SOME LENDERS HAD PREVIOUSLY BEEN APPROVED BY THE FEDERAL HOUSING ADMINISTRATION ("**FHA**") TO MAKE MORTGAGE LOANS THAT ARE INSURED BY THE FHA. WHILE PROPERTIES ENCUMBERED WITH A PROPERTY-ASSESSED CLEAN ENERGY OBLIGATION WERE AT ONE POINT ELIGIBLE FOR FHA-INSURED MORTGAGE FINANCING UNDER CERTAIN CIRCUMSTANCES, THAT NO LONGER APPEARS TO BE THE CASE. THUS, IN ORDER TO REFINANCE THEIR HOME LOAN WITH AN FHA-INSURED MORTGAGE, OR FOR A PROSPECTIVE PURCHASER OF THE PROPERTY TO OBTAIN AN FHA-INSURED LOAN SECURED BY THE PROPERTY, THE ASSESSMENT MAY NEED TO BE PREPAID IN FULL. THE PROPERTY OWNER ACKNOWLEDGES THIS RISK AND HAS CONSIDERED THE LIKELIHOOD AND THE TIMING OF A POSSIBLE REFINANCING OR SALE OF THE PROPERTY AND THE POTENTIAL ASSOCIATED COSTS OF PREPAYING THE ASSESSMENTS IN DECIDING WHETHER TO ENTER INTO THIS ASSESSMENT CONTRACT.

PO NO.1 INITIALS PO NO.2 INITIALS PO NO.3 INITIALS PO NO.4 INITIALS

Section 9. Notice

The Property Owner hereby agrees to provide written notice to any subsequent purchaser of the Property of the obligation to pay the Assessments pursuant to this Assessment Contract. The failure of the Property Owner to provide such notice to a prospective purchaser shall not give rise to any cause of action by the Property Owner or any prospective purchaser against the Authority or the Administrator, and the Authority and the Administrator shall not have any liability resulting from such failure.

Section 10. Waivers, Acknowledgement and Agreement

This Assessment Contract reflects the Property Owner's free and willing consent to the imposition of the Assessment. The Property Owner hereby waives any otherwise applicable requirements of Article XIIID of the California Constitution or any other provision of California law for an engineer's report, notice, public hearing, protest or ballot. The Property Owner hereby waives its right to repeal the Assessment by initiative or any other action, or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the Authority or the Administrator undertaken in connection with the Program. The Property Owner hereby agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Project. The Property Owner hereby acknowledges that the Property Owner will be responsible for payment of the Assessment regardless of whether the Project is properly installed, operated, maintained or perform as expected.

The Property Owner hereby agrees that the Authority is entering into this Assessment Contract solely for the purpose of assisting the Property

Owner with the financing or refinancing of the Project, and that the Authority and the Administrator have no responsibility of any kind for, and shall have no liability arising out of, the installation, operation, financing, refinancing, maintenance or performance of the Project, including, without limitation, the performance of any contractor.

Based upon the foregoing and to the fullest extent permitted by law, the Property Owner hereby waives the right to recover from and fully and irrevocably releases the Authority and the Administrator and any and all agents, employees, board members, attorneys, representatives and successors and assigns of the Authority and the Administrator (collectively, the "Transaction Parties"), from any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), relating to:

(a) the subject matter of this Assessment Contract and any other documents executed or delivered in connection with this Assessment Contract;
(b) the advance of or failure to advance any disbursement;
(c) the levy and collection of the Assessment;
(d) the imposition of the Assessment;
(e) the issuance and sale of any bonds or other evidences of indebtedness, or other financial arrangements entered into by the Authority or the Administrator pursuant to the Program;
(f) the Project or the performance thereof;
(g) any damage or diminution in value of the Property that may result from installation or operation of the Project;
(h) any personal injury or death that may result from installation or operation of the Project;
(i) the selection of manufacturers, dealers, suppliers, contractors, or installers or their action or inaction with respect to the Project;
(j) the merchantability and fitness of the Project for any particular purpose, use or application;
(k) the amount of energy, water or other savings resulting from the Project;
(l) the workmanship of any third parties; and
(m) any other matter with respect to the Program;

In each case, that the Property Owner may now have or hereafter acquire against any or all of the Transaction Parties (collectively, the "Liabilities"). Notwithstanding the foregoing, the Property Owner's release of a Transaction Party under this Section shall not extend to Liabilities arising from such Transaction Party's intentional default, gross negligence or willful misconduct.

To the extent that the foregoing waivers and agreements are subject to section 1542 of the California Civil Code or similar provisions of other applicable law, it is the intention of the Property Owner that the foregoing waivers and agreements will be effective as a bar to any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), of whatever character, nature and kind, known or unknown, suspected or unsuspected, and the Property Owner agrees to waive any and all rights and benefits conferred upon the Property Owner by the provisions of section 1542 of the California Civil Code. Section 1542 reads as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

By initialing below, the Property Owner hereby waives the provisions of Section 1542 solely in connection with the matters which are the subject of the foregoing waivers and releases.

PO NO.1 INITIALS _____ PO NO.2 INITIALS _____ PO NO.3 INITIALS _____ PO NO.4 INITIALS _____

The waivers, releases and agreements set forth in this Section 10 shall survive termination of this Assessment Contract.

Section 11. Indemnification

To the fullest extent permitted by law, the Property Owner agrees to indemnify, defend, protect, and hold harmless the Transaction Parties from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in connection with (i) the Assessments, (ii) the financing by or on behalf of the Authority of the Project, (iii) the Project, (iv) any contractor, or (v) any other fact, circumstance or event related to the subject matter of this Assessment Contract, regardless of whether such losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) accrue before or after the date of this Assessment Contract.

Additionally, and not in limitation of the foregoing, the Property Owner agrees to release, defend, indemnify and hold harmless the Transaction Parties for the dissemination of information by the Transaction Parties about the Property Owner, the Property, or the Project provided by the Property Owner to third parties. In the event the Property Owner wishes for any Property Owner, Property, or Project-related information to remain confidential, the Property Owner shall submit a written notice to the Authority and the Administrator identifying such information as confidential and listing the particular parties with whom such information may be shared. The Authority shall only respond to written notices, and shall not be responsible for any requested actions submitted orally or electronically.

The provisions of this Section 11 shall survive the termination of this Assessment Contract.

By initialing below, the Property Owner hereby acknowledges, understands, and agrees to the foregoing indemnification.

_____ _____ _____ _____

PO NO.1 INITIALS PO NO.2 INITIALS PO NO.3 INITIALS PO NO.4 INITIALS

Section 12. No Representation by Authority or Administrator as to Suitability or Effectiveness of Project

THE PROPERTY OWNER HEREBY ACKNOWLEDGES THAT IT HAS DONE ITS OWN INVESTIGATION AND ANALYSIS OF THE SUITABILITY OF THE PROJECT FOR THE PROPERTY AND THE POTENTIAL COST SAVINGS AND ENVIRONMENTAL IMPACT OF THE PROJECT. NEITHER THE AUTHORITY NOR THE ADMINISTRATOR REPRESENTS OR GUARANTEES (A) THAT THE PROJECT IS SUITABLE FOR ITS INTENDED PURPOSES, (B) THE ENERGY SAVINGS OR OTHER COST SAVINGS TO THE PROPERTY OWNER, (C) THE SUITABILITY OR PERFORMANCE OF ANY CONTRACTOR, REGARDLESS OF SUCH CONTRACTOR'S REGISTRATION WITH THE ADMINISTRATOR, OR (D) THE ECONOMIC VALUE OR THE ENVIRONMENTAL IMPACT OF THE PROJECT. IN PARTICULAR, NEITHER THE AUTHORITY NOR THE ADMINISTRATOR REPRESENTS OR GUARANTEES THAT UTILITY COMPANIES WILL NOT CHANGE THEIR RATES IN THE FUTURE AND THEREBY OFFSET ALL OR A PORTION OF THE PROPERTY OWNER'S PROJECTED SAVINGS AS A RESULT OF INSTALLING THE PROJECT NOR THAT THE INSTALLATION OF THE PROJECT WILL RESULT IN ANY INCREASE IN THE VALUE OF THE PROPERTY. THE PROPERTY OWNER HEREBY ACKNOWLEDGES AND AGREES THAT THE AUTHORITY AND THE ADMINISTRATOR ARE MERELY ASSISTING THE PROPERTY OWNER BY PROVIDING A FINANCING MECHANISM FOR THE PROJECT AND HAVE NO ROLE IN DETERMINING THE ECONOMIC, FINANCIAL OR ENVIRONMENTAL VALUE OR IMPACT OF THE PROJECT. THE PROPERTY OWNER HEREBY AGREES THAT THE WAIVERS AND RELEASES IN SECTION 10 AND THE INDEMNIFICATION PROVISIONS IN SECTION 11 APPLY SPECIFICALLY TO, AMONG OTHER THINGS, THE MATTERS REFERRED TO IN THIS SECTION 12.

THE PROVISIONS OF THIS SECTION 12 SHALL SURVIVE THE TERMINATION OF THIS ASSESSMENT CONTRACT.

BY INITIALING BELOW, THE PROPERTY OWNER HEREBY ACKNOWLEDGES, UNDERSTANDS, AND AGREES TO THE FOREGOING LIMITATIONS.

PO NO.1 INITIALS PO NO.2 INITIALS PO NO.3 INITIALS PO NO.4 INITIALS

Section 13. Right to Inspect Property

The Property Owner hereby grants the Authority and/or the Administrator, their agents and representatives the right to enter the Property and inspect the Project at any reasonable time during installation of the Project and, upon reasonable notice, for eighteen (18) months following completion of the Project. The Property Owner further hereby grants the Authority and/or the Administrator, their agents and representatives the right to examine and copy any documentation relating to the Project.

Section 14. Carbon Credits

The Property Owner agrees, upon direction of the Administrator, to transfer any carbon credits, renewable-energy credits, solar-renewable-energy credits, offsets, or other tradable environmental certificate or permit attributable to the Project (collectively, "Carbon Credits") to the Authority; following which, such Carbon Credits will be owned by the Authority. Should installation of the Project qualify for a monetary incentive or rebate program that requires transfer of Carbon Credits to the provider of the monetary incentive or rebate, then the Authority shall waive its rights to the transfer of the Carbon Credits to it by the Property Owner in conjunction with the provision of the monetary incentive or rebate to the provider of monetary incentive or rebate.

Section 15. Program Application

The Property Owner hereby represents and warrants to the Authority and the Administrator that the information set forth in the program application (the "**Program Application**") submitted to the Administrator in connection with its request for financing is true and correct as of the date hereof, and that the representations set forth in the Program Application with respect to the Property and the Property Owner are true and correct as of the date hereof as if made on the date hereof.

Section 16. Entire Agreement; Counterparts; Amendment

This Assessment Contract, together with the other documents executed and delivered herewith, contains the parties' entire understanding regarding the matters addressed and is intended to be their final, complete, and exclusive expression of those matters. It supersedes all prior or contemporaneous agreements, representations, and negotiations, whether written, oral, express, or implied. Any amendment to this Assessment Contract must be in writing and signed by all parties. If the Property Owner consists of more than one person or entity, then all such persons and entities will be jointly and severally obligated by this Assessment Contract. This Assessment Contract may be executed in several counterparts, each of which will be considered an original, but all of which together will constitute the same agreement.

Section 17. Binding Effect; Assignment

This Assessment Contract inures to the benefit of and is binding upon the Authority, the Property Owner and their respective successors and assigns. The Authority has the right to assign or delegate to any person or entity (whether by way of sale, assignment, pledge, grant of security interest, or otherwise) this Assessment Contract and any or all of its rights (including rights to payment, the Assessment, the related lien or liens, the right to pursue judicial foreclosure of the Assessment lien, and the right to enforce the collection of the Assessment against the Property) and obligations under this Assessment Contract, without the consent of the Property Owner. Any such delegation of obligations by the Authority shall release the Authority from such obligations to the extent stated in such delegation, without the need for any consent of the Property Owner. The obligation to pay the Assessments set forth in this Assessment Contract and in the Addendum is an obligation of the Property and no agreement or action of the Property Owner will serve to impair in any way the Authority's and/or the Administrator's rights, including, but not limited to, the right to pursue remedies for the failure to pay the Assessments or the right to enforce the collection of the Assessments against the Property by judicial foreclosure or otherwise.

Section 18. Exhibits.

The Exhibits to this Assessment Contract are incorporated into this Assessment Contract by this reference as if set forth in their entirety in this Assessment

Contract.

Section 19. Severability

If any provision of this Assessment Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Assessment Contract**.**

Section 20. Additional Instruments

The Authority and the Property Owner agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments, including the Addendum, as may reasonably be required in order to carry out the expressed intention of this Assessment Contract.

Section 21. Governing Law; Venue

This Assessment Contract is governed by and construed in accordance with the laws of the State of California. Any legal action brought under this Assessment Contract must be instituted in the Superior Court of California, County of Riverside; provided, however, that actions to foreclose delinquent installments of the Assessment will be filed and maintained in the Superior Court of California in the county in which the Property is located.

Section 22. Right to Cancel

Notwithstanding anything to the contrary, this Assessment Contract will terminate and be of no further force if, within three (3) business days from the date the Property Owner executes this Assessment Contract, the Property Owner submits to the Administrator a notice of the Property Owner's decision to cancel this Assessment Contract. The Property Owner may use any written statement that is signed and dated by the Property Owner and states the Property Owner's intention to cancel this Assessment Contract, or, alternatively, the Property Owner may use the Notice of Right to Cancel delivered to the Property Owner when the Property Owner signed this Assessment Contract.

Section 23. Earned and Vested Right to Obligations

Upon execution of this Assessment Contract, the Property Owner irrevocably and unconditionally conveys an earned and vested right to any or all obligations of the Property Owner described herein to the Authority and any of its successors or assigns.

Section 24. No Waiver of Governmental Immunity

Nothing in this Assessment Contract shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to the Authority, its officials, employees, contractors, or agents, or any other person acting on behalf of the Authority.

Section 25. Additional Remedies

The remedies herein provided shall be in addition to and not in substitution for the rights and remedies that would otherwise be vested in the Authority at law or in equity, all of which rights and remedies are specifically reserved by the Authority. The remedies herein provided or otherwise available to the Authority shall be cumulative and may be exercised concurrently. The failure to exercise any of the remedies herein provided shall not constitute a waiver thereof, nor shall use of any of the remedies hereby provided prevent the subsequent or concurrent resort to any other remedy or remedies. It is intended that all remedies herein provided for or otherwise available to the Authority shall continue and be available to the Authority until all sums due it by reason of this Assessment Contract have been paid to it in full.

Section 26. Interpretation

"Include" and its variants are terms of enlargement rather than of limitation. For example, "includes" means "includes but not limited to," and "including" means "including but not limited to."

Section 27. No Waiver

A disbursement based upon inadequate or incorrect information will not constitute a waiver of the Authority's right to receive a refund of any disbursement from the Property Owner.

Section 28. Signature Authority

By initialing below, each Property Owner of the Property agrees that any one Property Owner has the authority to provide certifications, representations, agreements, and acknowledgments to the Authority and the Administrator on behalf of all Property Owners, and each of the Property Owners of the Property hereby agrees that the Authority and the Administrator, their members, officers, employees, and agents, may rely on such certifications, representations, agreements, and acknowledgments and act upon them and that the indemnities contained in this Assessment Contract apply specifically hereto.

PO NO.1 INITIALS PO NO.2 INITIALS PO NO.3 INITIALS PO NO.4 INITIALS

IN WITNESS WHEREOF, the Authority and the Property Owner have caused this Assessment Contract to be executed in their respective names by their duly authorized representatives, all as of the date first above written.

(SIGNATURE PAGES FOLLOW)

PROPERTY OWNER NO. 1

First Name:	Middle:	Last Name:
Mailing Address:		
City:	**State:**	**Zip Code:**
Trust:		
Legal Entity:		

IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.

IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith, Trustee

.....

PROPERTY OWNER NO. 1 SIGNATURE

.....

DATE

Print Name & Title of Authorized Person:

STATE OF CALIFORNIA)
)**SS**
COUNTY OF _____)

The foregoing instrument was acknowledged before me this.....day of .....20....., by

....., who is/are personally known to me or who

has/have produced.....as identification.

[SEAL]

.....

Notary Public, State of California

.....

PRINT NAME OF NOTARY

.....

COMMISSION EXPIRES

.....

COMMISSION NUMBER

PROPERTY OWNER NO. 2

First Name:	Middle:	Last Name:
Mailing Address:		
City:	**State:**	**Zip Code:**
Trust:		
Legal Entity:		

IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.

IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith, Trustee

.....

PROPERTY OWNER NO. 2 SIGNATURE

.....

DATE

Print Name & Title of Authorized Person:

STATE OF CALIFORNIA)
)**SS**
COUNTY OF _____)

The foregoing instrument was acknowledged before me this.....day of .....20....., by

....., who is/are personally known to me or who

has/have produced.....as identification.

[SEAL]

.....
Notary Public, State of California

.....
PRINT NAME OF NOTARY

.....
COMMISSION EXPIRES

.....
COMMISSION NUMBER

PROPERTY OWNER NO. 3

First Name:	Middle:	Last Name:
Mailing Address:		
City:	**State:**	**Zip Code:**
Trust:		
Legal Entity:		

IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.

IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith, Trustee

.....

PROPERTY OWNER NO. 3 SIGNATURE

.....

DATE

Print Name & Title of Authorized Person:

STATE OF CALIFORNIA)
)SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this.....day of ......, 20....., by

....., who is/are personally known to me or who

has/have produced.....as identification.

[SEAL]

.....
Notary Public, State of California

.....
PRINT NAME OF NOTARY

.....
COMMISSION EXPIRES

.....
COMMISSION NUMBER

PROPERTY OWNER NO. 4

First Name:	Middle:	Last Name:
Mailing Address:		
City:	**State:**	**Zip Code:**
Trust:		
Legal Entity:		

IMPORTANT SIGNATURE INSTRUCTIONS: PLEASE SIGN YOUR NAME EXACTLY AS SHOWN ABOVE IN THE NAME FIELDS.

IF YOU ARE A TRUSTEE, PLEASE INCLUDE THE TITLE "TRUSTEE" AFTER YOUR SIGNATURE. EXAMPLE: John M. Smith, Trustee

.....

PROPERTY OWNER NO. 4 SIGNATURE

.....

DATE

Print Name & Title of Authorized Person:

STATE OF CALIFORNIA)
)SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this.....day of .....20....., by

....., who is/are personally known to me or who

has/have produced.....as identification.

[SEAL]

.....
Notary Public, State of California

.....
PRINT NAME OF NOTARY

.....
COMMISSION EXPIRES

.....
COMMISSION NUMBER

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

Signature of Authorized Person:

Print Name and Title of Authorized Person:

Date:

STATE OF CALIFORNIA)
)SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this……day of ……, 20……, by

……, who is/are personally known to me or who

has/have produced……as identification.

[SEAL]

……
Notary Public, State of California

……
PRINT NAME OF NOTARY

……
COMMISSION EXPIRES

……
COMMISSION NUMBER

EXHIBIT A

PROPERTY (LEGAL DESCRIPTION)

EXHIBIT B

DESCRIPTION OF ESTIMATED COSTS AND TERMS OF FINANCING

INTEREST RATE: ..... **%** **PROJECT ID:** .....

PREPAYMENT PREMIUM: ..... **%** **REPAYMENT TERM:** ..... **years**

INTEREST RATE LOCK PERIOD*:

	MAXIMIUM AUTHORIZED	**PROPOSED****	**PROPOSED****
	.....	.....	.....
ELIGIBLE PROJECT FUNDING:	$	$	$ .....
PROGRAM FEES:	$	$	$ .....
BUYERS POINTS FEE:	$	$	$ .....
CAPITALIZED INTEREST:	$	$	$ .....
TOTAL FINANCING AMOUNT	**$**	$	$ .....
ANNUAL ASSESSMENT INSTALLMENT PAYMENT TO REPAY FUNDING:	$	$	$ .....
ANNUAL ADMINISTRATION FEE***:	$	$	$ .....
TOTAL ANNUAL ASSESSMENT INSTALLMENT :	$	$	$ .....
YOUR FIRST PAYMENT WILL BE DUE ON:		.....	.....

PO 1 PO 2 PO 3 PO 4

....

Please initial above to accept these terms.

PROPERTY OWNER NO. 1	**PROPERTY OWNER NO. 2**
SIGNATURE:	**SIGNATURE:**
NAME:	**NAME:**
TITLE	**TITLE**
TRUST:	**TRUST:**
LEGAL ENTITY	**LEGAL ENTITY**

PROPERTY OWNER NO. 3	**PROPERTY OWNER NO. 4**
SIGNATURE:	**SIGNATURE:**
NAME:	**NAME:**
TITLE:	**TITLE:**
TRUST:	**TRUST:**
LEGAL ENTITY:	**LEGAL ENTITY:**

PROGRAM REQUIREMENTS FOR PARTICIPATION IN CLEANFUND COMMERCIAL FINANCING FOR COMMERCIAL PROPERTIES

If financing is provided for the Program by CleanFund for commercial properties, the following eligibility requirements will apply:

Jurisdictions: CleanFund will only operate their Commercial Financing Program within the WRCOG subregion.

A. ELIGIBLE PROPERTY OWNERS AND ELIGIBLE PROPERTIES

CleanFund Commercial financing is available for commercial property owners and will finance alternative energy systems, energy efficiency, water conservation and seismic strengthening improvements, using CleanFund Commercial financing.

Property owners may be individuals, associations, business entities, cooperatives, and virtually any owner of Commercial property for which real property taxes are paid or assessments may otherwise be collected on the property tax bill. New construction of eligible properties are subject to additional underwriting and technical requirements as further described in Sections 4.1 and 4.4 of the CleanFund Commercial Handbook. Certain eligibility criteria must be satisfied, and financing may be approved only if all of the following criteria are met:

- Applicant property owner(s) must be the property owner(s) of record.
- Mortgage debt lender(s) have given consent to Program financing, exempting projects that are 4-units.
- Property owner(s) must be current on property taxes and the property owner(s) certify(ies) that such owner(s) have not had a late payment on their property tax more than once during the prior three (3) years (or since the purchase of the property, if owned by such property owner(s) less than three (3) years).
- Property owners must be current on all property debt for a period of six (6) months prior to the application, including no payment defaults or technical defaults (or since purchase if the property has been owned less than six (6) months by the current owner(s)), through funding.
- Property owner(s) or their affiliated companies have not been involved in a bankruptcy proceeding during the past seven (7) years and the property proposed to be subject to the contractual assessment must not currently be an asset in a bankruptcy proceeding.
- All individual property owners must sign the application, assessment contract and all required notices. For properties owned by corporations, LLC's or LLP's, signatures by authorized representatives and/or corporate resolutions are required.
- Property must not have any liens other than lender debt or liens recorded by community facility districts or similar financing districts.
- Eligible Product costs are reasonable in relation to property value. Proposed Eligible Products must not exceed 20% of the market value of the property.
- Mortgage-related debt on the property plus the principal amount of the contractual assessment does not exceed 90% of the market value of the property.
- The total annual property tax and assessments, including the contractual assessment, on the property will not exceed 5% of the property's market value, as determined at the time of approval of the contractual assessment.

Program financing is not currently available for properties that are not subject to secured property taxes, such as governmental entities and certain non-profit corporations.

Program financing may, however, be available to such properties if assessments levied on such properties may be placed on the tax roll. Property owners may make more than one application for funding under the Program if additional energy, water or seismic strengthening improvements are desired by the owner and the eligibility criteria and maximum assessment amount criteria are met.

The eligibility requirements for CleanFund Commercial financing may be clarified as deemed necessary by the Program Administrator without amending the Administrative Guidelines and Program Report if such clarification will not result in a substantial revision of such eligibility requirements.

B. ELIGIBLE PRODUCTS

The Program affords commercial property owners in Western Riverside County the opportunity to take advantage of a wide range of energy-savings, water conservation/efficiency and seismic strengthening measures, consistent with the following provisions:

1. The Program is intended principally for retrofit activities to replace outdated inefficient equipment and to install new equipment that reduces energy or water consumption or produces renewable energy or provides seismic strengthening to existing structures. However, the Program is also available for purchasers of new businesses that wish to add eligible energy efficiency, renewable energy, water conservation/efficiency and seismic strengthening Products to such homes or businesses after taking title to the property.
2. The Program provides financing only for Eligible Products that are permanently affixed to real property.
3. The Program provides financing only for Eligible Products specified in Appendix A of the report. Broadly, these include:

    a. Water Conservation/Efficiency Eligible Products
    b. Energy Efficiency Eligible Products
    c. Renewable Energy Systems
    d. Seismic Strengthening Products
    e. Approved Custom Eligible Products

The property owner must ensure that any and all permits required by the jurisdiction for the installation of the Eligible Products are acquired,

Financing is also available for projects that combine Eligible Products, such as bundling of water conservation/efficiency, energy efficiency, renewable energy and seismic strengthening measures. For instance, a property owner may choose to replace an aging and inefficient furnace, install weather stripping, install artificial turf, and install a photovoltaic system as part of a single project.

Proposed Products Must Meet Minimum Eligibility Requirements

Eligible Improvements must meet the minimum efficiency specifications of the PACE Act and the Program. For retrofits of existing buildings, minimum energy efficiency specifications are set at EnergyStar, California Title 24 and Title 20, and WaterSense standards or other new standards or other new standards as may be appropriate and as agreed upon by WRCOG. Any Solar PV system must be

eligible for CSI or an equivalent utility rebate program unless the property is not connected to the electricity grid or such utility rebate program is not available.

For new construction projects, Water Conservation/Efficiency Eligible Products and Energy Efficiency Eligible Products Eligible Improvements must exceed the minimum specifications for retrofit projects as set forth above. 100% of the cost of any individual Water Conservation/Efficiency Eligible Products and Energy Efficiency Eligible Products in the construction of a new building that exceeds the minimum specifications is eligible for C-PACE financing. Renewable Energy Systems are eligible in new construction projects. However, any Solar PV system must be eligible for CSI or an equivalent utility rebate program unless the property is not connected to the electricity grid or such utility rebate program is not available.

Property Owners and their Contractors must submit supporting documentation to the Program Administrator to summarize their proposed project and to demonstrate that the proposed Eligible Improvements meet the minimum efficiency specifications. New construction projects specifically will require additional supporting documentation including building plans, equipment cut sheets, and code compliance certificates as required by the Program Administrator. The supporting documentation will be reviewed by the Program Administrator to ensure the installation of the product(s) is designed to meet the minimum energy efficiency specifications listed above.

For new construction, the property developer must provide:

- Resumes of the development team including experience of on comparable properties
- As complete appraisal including full financial projections for property lease up or revenue
- Summary of capital stack showing sources and uses for property construction
- Financial documentation of developer equity allocated toward property construction

C. Eligible Costs

Eligible costs of the improvements include the cost of equipment and installation. Installation costs may include, but are not limited to, energy and water audit consultations, labor, design, drafting, engineering, permit fees, and inspection charges.

The cost of installation of Eligible Products shall be eligible to be financed only if such installation is completed by a contractor that is registered with the Program or by the property owner is self-installing subject to the limitation in the last sentence of this paragraph. A list of contractors registered with the Program shall also be located on the Program website; however, WRCOG will not make recommendations for contracting assistance. Eligible costs do not include labor costs for property owners that elect to do the work themselves.

Property owners who elect to engage in broader projects – such as business remodeling – may only receive Program financing for that portion of the cost of retrofitting existing structures with renewable energy, energy efficiency and water conservation/efficiency or seismic strengthening improvements. Repairs and/or new construction do not qualify for Program financing except to the extent that the construction is required for the specific approved improvement. Repairs to existing infrastructure, such as water and sewer laterals, are considered repairs and are not eligible.

Program staff will evaluate conditions in the construction and installation market for the proposed Eligible Products and may require the property owner to obtain additional bids to determine whether costs

are reasonable. While the property owner may choose the contractor, the amount available for financing may be limited to an amount determined reasonable by Program staff and may be reviewed by the Program Administrator.

All available reservation rebates will be deducted from the assessment amount at the time of financing.

State or federal tax credits and performance-based incentives such as the CSI PBI rebate will not be deducted from the assessment amount, but property owners may wish to consider these additional benefits in determining the amount of their financing request.

D. ADMINISTRATIVE COSTS/FEES

As required pursuant to Section 5898.22 of Chapter 29, WRCOG met and consulted with the staff of the County Auditor-Controller's office on March 29, 2010 concerning the additional fees, if any, that will be charged to WRCOG for incorporating the proposed contractual assessments into the assessments of the general taxes on real property.
The consultations revealed that the Auditor-Controller will charge WRCOG the same fees applicable to other fixed charges to be placed on the secured property tax roll as are established from time to time by the Board of Supervisors. The payment of such fees shall be included as a part of annual assessment administration and collection costs which will be added each year to the annual assessment on property tax bills. Such annual administration and collection costs are described below and in Section IV.D.

The Program will cover all or a portion of its costs through an expense component to be added to the amount of the financing request, not to exceed 7%. In addition, there are six other costs that are not covered in the expense component and will be borne by the property owners. These costs include:

1. An application fee may be required and will not exceed the greater of $250 or one percent (1%) of the financing amount per application for commercial properties; provided however, such fee may not exceed the actual cost of processing the application. The owner may not include this cost in the financing request. Except as otherwise provided in applicable federal or state law, the application fee is nonrefundable, unless the property owner is deemed ineligible and the unused portion of the application fee may be prorated, however, may be waived by CleanFund.

2. Title and recording costs, including title insurance, where required, will be paid by the property owner.

3. Permitting costs. Property owners are required to verify whether or not a permit is required by the participating jurisdictions. Permit costs will be paid by the property owner and are an eligible cost to include in the financing.

4. Annual assessment administration and collection costs will be added each year to the annual assessment on property tax bills and will be adjusted in subsequent years for cost of living increases using the U.S. Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for all urban consumers for the Los Angeles, Riverside, and Orange Counties.

5. Environmental Reports and/or appraisals, as required by the Program.

6. Onsite Validation Fees. Onsite validation fees may be required for Program staff to confirm proposed eligible energy efficiency, water efficiency, and/or renewable generation Products

were actually installed prior to funding; provided, however, such fee may not exceed the actual cost to undertake suchvalidation.

7. The Program may offer multiple disbursements for assessments by a third-party provider. If multiple disbursements are offered, the partial disbursement funding requests may be subject to an additional processing fee; provided, however, that such fee may not exceed the actual cost of providing such service. The property owner will need to provide sufficient proof of purchased and delivered construction materials and/or completion of Eligible Products as required by the executed Assessment Contract. The terms of the financing provided by the third-party will be subject to the credit of the borrower. A draft Assessment Contract is provided in Appendix C-8 of this report.

Agreement to Pay Assessment and Finance Improvements

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
WRCOG PACE PROGRAM
(CleanFund Commercial PACE Program)

TABLE OF CONTENTS

Page

SECTION 1.	PURPOSE	2
SECTION 2.	THE PROPERTY	2
SECTION 3.	ASSESSMENT AND LIEN	2
SECTION 4.	COLLECTION OF ASSESSMENT; OTHER REMEDIES	3
SECTION 5.	FINANCING OF THE IMPROVEMENTS; INSTALLATION OF THE IMPROVEMENTS	4
SECTION 6.	PREPAYMENT OF THE ASSESSMENT	7
SECTION 7.	TERM; AGREEMENT RUNS WITH THE LAND; SUBDIVISION	7
SECTION 8.	RECORDATION OF DOCUMENTS	8
SECTION 9.	REPRESENTATIONS AND WARRANTIES OF PROPERTY OWNER	8
SECTION 10.	COVENANTS OF PROPERTY OWNER	12
SECTION 11.	WAIVERS, ACKNOWLEDGMENT AND AGREEMENT	16
SECTION 12.	CARBON CREDITS	18
SECTION 13.	CLEANFUND APPLICATION	18
SECTION 14.	EVENTS OF DEFAULT AND REMEDIES	18
SECTION 15.	AMENDMENT	19
SECTION 16.	BINDING EFFECT; ASSIGNMENT	19
SECTION 17.	EXHIBITS	20
SECTION 18.	SEVERABILITY	20
SECTION 19.	NOTICES	20
SECTION 20.	CORRECTIVE INSTRUMENTS	21
SECTION 21.	GOVERNING LAW; VENUE	21
SECTION 22.	COUNTERPARTS	21
SECTION 23.	NO WAIVER; AMENDMENTS	21
SECTION 24.	WAIVER OF JURY TRIAL AND CLASS ACTION	21

TABLE OF CONTENTS
(continued)

Page

EXHIBIT A	PROPERTY LEGAL DESCRIPTION	A-1
EXHIBIT B	IMPROVEMENTS	B-1
EXHIBIT C	ASSESSMENT SCHEDULE	C-1
EXHIBIT D	FORM OF PROPERTY OWNER'S CERTIFICATE AND REQUEST FOR DISBURSEMENT	D-1
EXHIBIT E	FORM OF COMPLETION CERTIFICATES	E-1
EXHIBIT F	FORM OF FINAL LIEN WAIVER AND RELEASE OF LIEN	F-1
EXHIBIT G	PERMITTED ENCUMBRANCES	G-1
EXHIBIT H	PROPERTY OWNER'S AUTHORIZED REPRESENTATIVES	H-1
EXHIBIT I	SCHEDULE OF PREPAYMENT PREMIUMS	I-1
EXHIBIT J	FORM OF ASSIGNMENT AND ASSUMPTION OF AGREEMENT TO PAY ASSESSMENT AND FINANCE IMPROVEMENTS	J-1
EXHIBIT K	DEPICTION OF PROPOSED SUBDIVISION OF PROPERTY	K-1
EXHIBIT L	FORM OF NOTICE OF SUBDIVISION	L-1

Agreement to Pay Assessment and Finance Improvements

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
WRCOG PACE PROGRAM
(CleanFund Commercial PACE Program)

This AGREEMENT TO PAY ASSESSMENT AND FINANCE IMPROVEMENTS (this "**Agreement**") is made and entered into as of this [__] day of [__], 2018, (the "**Effective Date**") by and between the Western Riverside Council of Governments, a joint exercise of powers authority (the "**Authority**"), and [___], the record owner(s) (the "**Property Owner**") of the fee title to the real property identified on Exhibit A (the "**Property**") and is acknowledged and accepted by CleanFund Commercial PACE Capital, Inc. ("**CleanFund**" or the "**PACE Program Administrator**"), in its role as the Program Administrator.

RECITALS

WHEREAS, the Authority is a joint exercise of powers authority the members of which include numerous cities and counties in the State of California; and

WHEREAS, the Authority has established the Energy Efficiency and Water Conservation Program for Western Riverside County (the "**Program**") to allow the financing of certain distributed generation renewable energy sources, energy and water efficiency improvements, electric vehicle charging infrastructure and seismic improvements (the "**Authorized Improvements**") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code ("**Chapter 29**") and the issuance of improvement bonds ("**Improvement Bonds**") under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the "**1915 Act**") upon the security of the unpaid contractual assessments; and

WHEREAS, the purpose and method of administration of the assessments under the Program are described in the WRCOG Program Report dated June 7, 2010, as such report has been and may be amended from time to time (the "**Program Report**") prior to the Effective Date of this Agreement; and

WHEREAS, the Authority executed an Administration Agreement with CleanFund to provide program administrative services to owners of commercial properties participating in the CleanFund Commercial PACE Program (the "**CleanFund Program**"), including but not limited to reviewing and approving application materials for proposed projects subject to compliance with the Program Report (a proposed project so approved, an "**Approved Project**"), processing all disbursement requests, including accepting disbursement request forms, reviewing submitted forms and attachments, and providing for the disbursement of funds for the Authorized Improvements; and

WHEREAS, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner(s) of each lot or parcel on which an assessment is levied at the time the assessment is levied pursuant to a contract between the property owner and the public agency; and

WHEREAS, the Authority has conducted the proceedings required by Chapter 29 with respect to the territory within the boundaries of the City of [__], California (the "**City**"); and

WHEREAS, the Property is located in the boundaries of the City and the City has consented to (i) owners of property within its jurisdiction (the "**Participating Property Owners**") participating in the Program and (ii) the Authority conducting assessment proceedings under Chapter 29 and issuing bonds under the 1915 Act to finance the Authorized Improvements; and

WHEREAS, the Property Owner has submitted application materials including a description of the Authorized Improvements that will be acquired, constructed on and/or installed on the Property and are to be financed pursuant to the CleanFund Program and CleanFund has determined it is an Approved Project; and

WHEREAS, pursuant to Chapter 29, the Authority and the Property Owner wish to enter into a contract pursuant to which the Property Owner would agree to pay an assessment in order to finance the installation on the Property of the Authorized Improvements described in Exhibit B (the "**Improvements**") and the Authority would agree to provide financing, all on the terms set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the material covenants hereinafter contained, the Property Owner and the Authority formally covenant, agree and bind themselves and their successors and assigns as follows:

AGREEMENT

Section 1. Purpose. The Property Owner and the Authority are entering into this Agreement for the purpose of financing the installation of the Improvements identified on Exhibit B on the Property.

Section 2. The Property. This Agreement relates to the real property identified in Exhibit A. The Property Owner has supplied to the Authority current evidence of its ownership of fee title to the Property and possesses all legal authority necessary to execute this Agreement as or on behalf of the Property Owner.

Section 3. Assessment and Lien.

(a) Pursuant to the terms of this Agreement, the Authority shall disburse funds, or cause funds to be disbursed, to or on behalf of the Property Owner in an amount equal to the total principal amount set forth on Exhibit C (the "**Financed Amount**"), of which $[__] shall be for the actual cost of the design, approval, acquisition, construction, financing, and/or installation of the Improvements, (the "**Project Cost**"), and of which $[__] shall be for Authority and PACE Program Administrator fees and expenses ("**Financing Expenses**"). If the actual cost of the Improvements exceeds the Project Cost, the Property Owner shall be solely responsible for the payment of such excess costs.

(b) Interest shall accrue on the Financed Amount from the Effective Date at [_____ (____%)] per annum until all outstanding obligations are paid in full. Interest shall be computed for the actual number of days which have elapsed, on the basis of a 360-day year and applied to the actual number of days elapsed until the first Delinquent After Date (as specified in Exhibit C) occurs and thereafter between subsequent Delinquent After Dates regardless of when each Assessment Installment (as defined herein) is paid. Property Owner acknowledges and agrees that the calculation of interest on the basis described in the immediately preceding sentence may result in the accrual and payment of interest in amounts greater than those which

would be payable if interest were calculated on the basis of a three hundred sixty-five (365) day year.

(c) The Property Owner agrees that upon the execution of this Agreement by the parties, the Property is subject to a voluntary contractual assessment levied against the Property pursuant to this Agreement, Chapter 29 and other applicable law in an amount equal to the Financed Amount plus any administration fees, accrued interest and penalties thereon and any Non-Completion Assessment, if applicable (the "**Assessment**"). Upon execution of this Agreement, the Authority will execute and cause to be recorded in the office of the County Recorder of the County within which the Property is located (the "**County**") a notice of assessment and payment of contractual assessment required (collectively, the "**Notice of Assessment**") as required pursuant to Chapter 29, together with a copy of this Agreement. The recordation of the Notice of Assessment will create a lien against the Property.

(d) The execution of this Agreement by the parties constitutes the levy of the Assessment by the Authority against the Property without any further action required by the parties.

(e) The Property Owner hereby promises to pay the Assessment for a period of [_____] years annually, in two installments (each such installment, an "**Assessment Installment**"), as permitted by the County tax collector, together with any Annual Assessment Administrative Fees as defined in paragraph (f) below, on the due dates set forth in Exhibit C hereto (the "**Assessment Schedule**"). The Property Owner agrees to pay each Assessment Installment by its due date in order to avoid delinquencies and related penalties.

(f) The Property Owner hereby freely and willingly agrees to pay an additional assessment (the "**Non-Completion Assessment**") in the event that the Property Owner fails to install the Improvements in compliance with the CleanFund Program rules or the Program rules, or the Property Owner otherwise fails to meet the financing conditions established by the Authority. The Non-Completion Assessment shall include, to the extent such costs are not otherwise paid by the Property Owner, (i) all costs of redeeming the Improvement Bonds from the unused proceeds of the Improvement Bonds, including but not limited to any portion of the prepayment premium that is not paid from the unused proceeds and (ii) all of the Authority's costs related to the release of the lien of the Assessment on the Property. The Property Owner acknowledges that the Non-Completion Assessment will be levied in full by the Authority as set forth in Section 5898.30 of Chapter 29 in the first fiscal year in which the Authority is able to cause the Non-Completion Assessment to be placed on the County property tax roll.

(g) The Property Owner hereby acknowledges that, pursuant to the 1915 Act, including Sections 8682(b) and 8682.1(a), the Authority may add amounts to an Assessment Installment each year in order to pay for the costs of collecting and administering the Assessment (the "**Annual Assessment Administrative Fees**"). The maximum Annual Assessment Administrative Fee shall not exceed $500.00 in the tax year commencing on July 1, 2018. The Annual Assessment Administrative Fee shall thereafter be adjusted annually commencing on July 1 of each subsequent tax year for cost of living based on the U.S. Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for all urban consumers applicable to the ~~County of [San Joaquin], California~~West Census Region. The PACE Program Administrator shall annually determine the amount of the Annual Assessment Administrative Fee, not to exceed the maximum Annual Assessment Administrative Fee determined in accordance with the preceding sentence.

(h) The Assessment shall constitute a lien upon the Property until paid. Failure to pay any Assessment Installment, like failure to pay any property taxes pertaining to the Property, will result in penalties and interest accruing on the amounts due. In addition, under those circumstances, the Authority has the right to judicially foreclose the lien of the Assessment, as set forth in paragraph 4(d) below.

Section 4. Collection of Assessment; Other Remedies.

(a) The Assessment Installments shall be collected on the property tax bill pertaining to the Property. The Assessment Installments shall be payable in the same manner and at the same time as the general taxes of the County on real property are payable, and shall be payable and become delinquent at the same times and shall bear the same penalties and interest after delinquency, and be subject to the same provisions for redemption and sale, as the general taxes on real property of the County.

(b) The Assessment Installments shall commence on the due dates set forth in the Assessment Schedule (Exhibit C).

(c) The lien of the Assessment (the "Assessment Lien") shall be co-equal to and independent of the lien for general taxes, and, pursuant to Government Code Section 53936, not subject to extinguishment by the sale of the Property on account of the nonpayment of any taxes, and prior and superior to all liens, claims and encumbrances on or against the Property except: (i) the lien for general taxes, special taxes or ad valorem assessments in the nature of and collected as taxes levied by the State of California or any county, city, special district or other local agency; (ii) the lien of any special assessment or assessments the lien date of which is prior in time to the lien date of the Assessment; (iii) easements constituting servitudes upon or burdens the Property; (iv) water rights, the record title to which is held separately from the title to the Property; and (v) restrictions of record.

(d) The Property Owner acknowledges that if any Assessment Installment is not paid when due, the Authority has the right to have the delinquent Assessment Installment and its associated penalties and interest stripped off the secured property tax roll and immediately enforced through a judicial foreclosure action that could result in a sale of the Property for the payment of the delinquent Assessment Installments, associated penalties and interest, and all costs of such action, including attorneys' fees. The Property Owner acknowledges that, if bonds are sold to finance the Improvements, the Authority may obligate itself, through a covenant with the owners of such bonds, to exercise its foreclosure rights with respect to delinquent Assessment Installments under specified circumstances. Additionally, if no action is taken by the Authority and the Property Owner remains delinquent on the payment of any Assessment Installment for a period of five (5) years, the County in which the Property is located may commence foreclosure proceedings.

Section 5. Financing of the Improvements; Installation of the Improvements.

(a) The Authority hereby approves the disbursement of funds against the Financed Amount subject to the provisions of this Section. The funds will be disbursed by the Trustee on behalf of the Authority, pursuant to the terms of this Agreement and applied by Property Owner to pay for the Improvements.

(b) Notwithstanding anything to the contrary contained herein, the PACE Program Administrator's obligation to disburse any of the Project Cost to Property Owner or their

contractor ("**Contractor**") shall be subject to satisfaction of the following conditions precedent, in the PACE Program Administrator's sole discretion, unless such conditions precedent are expressly waived in writing by the PACE Program Administrator and the Authority:

(i) the construction contract between the Property Owner and the Contractor, together with all major subcontracts thereunder (collectively, the "**Construction Contract**") shall have been approved in all respects by the PACE Program Administrator;

(ii) the Property Owner shall have provided copies of all permits required by law to the PACE Program Administrator;

(iii) the Property Owner shall have provided to the PACE Program Administrator the written consent of its existing mortgage lender to the Assessment;

(iv) the PACE Program Administrator shall have received confirmation from the applicable County Recorder that the Notice of Assessment, together with a copy of this Agreement has been recorded in the relevant land records;

(v) the Property Owner shall have provided to the PACE Program Administrator evidence acceptable to the PACE Program Administrator of incentive awards related to the Improvements, if applicable;

(vi) Property Owner shall have provided the PACE Program Administrator original, executed copies of this Agreement and any related certificates;

(vii) The PACE Program Administrator shall have determined that the representations of Property Owner contained in this Agreement are true and correct, and no Default (as defined in Section 14 below) shall have occurred and be continuing hereunder;

(viii) No order or notice shall have been given by any governmental agency stopping construction or stating that the work or construction is in violation of any law, ordinance, code or regulation, unless such order or notice has been rescinded and a copy of such rescission has been delivered to and shall be satisfactory to the PACE Program Administrator in its sole discretion. No stop payment or mechanic's lien notice pertaining to the Products has been filed and remains in effect as of the Effective Date;

(ix) the Property Owner shall have submitted to the Authority and the PACE Program Administrator a request for the disbursement in the form of the certification attached hereto as Exhibit D;

(x) the Property Owner shall have furnished to the PACE Program Administrator partial waivers and releases of liens (for labor, services or materials which have been performed and paid for or such lien waiver will be subject to payment) from the Contractor and all other contractors, subcontractors and suppliers performing labor, services or materials in connection with the Improvements in the form attached hereto as Schedule 2 to Exhibit D;

(xi) the Property Owner shall have provided a list of authorized representatives on whose instructions and directions the PACE Program Administrator may rely until such time as an updated list has been provided, as set forth on Exhibit H attached hereto; and

(xii) the Property Owner shall have provided to the PACE Program Administrator evidence satisfactory to the PACE Program Administrator of current insurance policies on the Property and has provided evidence satisfactory to the PACE Program Administrator that such insurance shall be maintained in force during the term of the Assessment.

(c) Upon satisfaction or waiver of the conditions described in paragraph (b), above, the PACE Program Administrator will disburse funds to or on behalf of the Owner.

(d) The PACE Program Administrator's obligation to authorize the final disbursement shall be subject to the satisfaction of the following conditions precedent in the PACE Program Administrator's sole discretion:

(i) Satisfaction of all conditions set forth in this Section;

(ii) Full completion of construction of the Improvements in accordance with the Construction Contract, as evidenced through a receipt by the PACE Program Administrator of the executed Completion Certificates in the forms attached hereto as Exhibit E.

(iii) If applicable, receipt by the PACE Program Administrator of the final unconditional Certificate of Occupancy for the Improvements or a conditional Certificate of Occupancy which conditions are punch-list items only;

(iv) Receipt by the PACE Program Administrator of final waivers and releases of liens from the Contractor and all other contractors, subcontractors and suppliers performing labor, services or materials in connection with the Improvements, substantially in the form of the waiver and release attached hereto as Exhibit F; and

(v) No stop payment or mechanic's lien notice pertaining to the Improvements has been served upon Property Owner, the PACE Program Administrator, or the Authority or recorded against the Property and which remains in effect.

(e) Amount and Frequency of Disbursements.

(i) Each disbursement of Project Costs shall either (x) reimburse the Property Owner for costs of the Improvements already incurred by the Property Owner, or (y) be disbursed directly to the Contractor and/or suppliers retained for the Improvements, for construction costs incurred by the Property Owner in accordance with the approved budget. The Property Owner may apply any savings or under-budget line item cost in the approved budget to increase the amount of any other line item in the approved budget, subject in each instance to the PACE Program Administrator's review and approval, which approval shall not be unreasonably withheld.

(ii) Disbursements shall be made upon the Property Owner's compliance with the terms hereof in such proportion of the total cost of that part of the work completed to the PACE Program Administrator's satisfaction in its sole discretion, so that at all times the undisbursed portion of the Project Cost shall be sufficient, in the PACE Program Administrator's sole discretion, to complete the Improvements (including, without limitation, to pay all non-construction costs associated with the Improvements). The PACE Program Administrator shall have the right to make the final determination in its sole discretion as to the amount of each disbursement. The PACE Program Administrator may, in its sole discretion, determine the number and frequency of each disbursement, which will not exceed one hundred percent (100%)

of the cost of the work then completed and in place less the standard retainage of ten percent (10%) for all construction costs (unless a higher retainage is specified in any contract). Such retainage will be disbursed to the Property Owner at the date on which the Completion Certificate has been executed.

(iii) The final disbursement will be made upon full completion of the Improvements in accordance with the Construction Contract and satisfaction of the conditions precedent set forth in Section 5 (d).

(iv) No disbursement shall be made for materials not yet installed or incorporated into the Improvements, except that the PACE Program Administrator may agree, in its sole discretion, to authorize a disbursement for such materials.

(v) In no event shall the amount of any disbursement exceed an amount equal to (x) the cost of the construction work in place at the Property, subject to the retainage provisions set forth in Section 5(e)(ii), plus the amount of non-construction costs paid or payable by the Property Owner pursuant to the approved budget as of the date of the requested advance, less (y) all disbursements previously disbursed.

(vi) In no event shall the aggregate amount of all disbursements exceed the Project Cost.

(vii) In no event shall any disbursement be made to the Property Owner from and after the date on which the final disbursement shall have been paid in accordance with Section 5 (d).

Section 6. Prepayment of the Assessment.

The outstanding principal balance of the Financed Amount may be prepaid, in whole or in any amount of at least $5,000, at any time upon the payment of (i) the whole or a portion of the outstanding balance of the Financed Amount, (b) the accrued but unpaid interest on the outstanding balance of the Financed Amount through the prepayment date or through the redemption date of Improvement Bonds issued to finance the Assessment, as applicable, and (c) a premium in an amount equal to a percentage of the amount of the principal to be prepaid as calculated pursuant to the schedule of prepayment premiums set forth in Exhibit I hereto. In addition, prepayment costs may also include any applicable recorder's fees, trustee fees, and other related charges incurred by the Authority in connection with the processing of the prepayment.

Section 7. Term; Agreement Runs with the Land; Subdivision.

(a) Except as otherwise set forth in this Agreement, this Agreement shall expire upon the final payment or prepayment of the Assessment. Following such expiration, the Authority shall cause to be executed, delivered and/or recorded such instruments as are necessary in order to release the lien of the Assessment.

(b) This Agreement establishes rights and obligations that are for the benefit of the Property and, therefore, such rights and obligations run with the land pursuant to Civil Code Section 1462.

(c) Property Owner shall not, without the express written consent of the Authority and the PACE Program Administrator, in their sole discretion, by act or omission impair the integrity of the Property as a single, separate, subdivided and zoned lot (as applicable) separate and apart from all other property, if any, owned by Property Owner. Property Owner hereby acknowledges that, in the event a subdivision of the Property is approved by the Authority and PACE Program Administrator while the Assessment remains unpaid, the Assessment will be assigned to each of the newly created parcels on a per acre basis unless the Authority, at the direction of the owners of a majority of any Improvement Bonds outstanding, determines that the Assessment should be allocated in an alternate manner so as to best assure repayment of the Assessment. Notwithstanding the foregoing, for the portion of the Property identified as Parcel S on Exhibit K attached hereto (the "Subdivision Parcel") no written consent of the Authority and the PACE Program Administrator shall be required so long as the Property Owner provides notice of the proposed subdivision, within five days of approval of the subdivision, to the Authority and the PACE Program Administrator in a form substantially similar to the one attached as Exhibit L.

Section 8. Recordation of Documents. The Property Owner hereby authorizes and directs the Authority to cause to be recorded in the office of the County Recorder the various notices and other documents required by Chapter 29 and other applicable laws to be recorded against the Property.

Section 9. Representations and Warranties of Property Owner. Property Owner represents and warrants to the Authority and PACE Program Administrator as follows, which representations and warranties shall be true and correct as of the date of this Agreement and at all times thereafter until the Assessment has been repaid in full:

(a) Corporate Existence; Qualification. Property Owner is duly organized, validly existing and in good standing in the state of its organization and with authority to do business under the laws of the State of California.

(b) Authorization; Enforceable Obligations.

(i) Property Owner has all necessary power and authority to own the Property and to conduct its business and enter into the transactions contemplated hereby. Property Owner has the right to enter into and perform this Agreement and all other documents executed in connection therewith have been duly authorized, executed and delivered and constitute valid and binding obligations of Property Owner, each enforceable in accordance with its respective terms.

(ii) No consent or authorization of, filing with, notice to or other act by or in respect of any governmental authority (Federal, State or Local) or any other person is required to be obtained by the Property Owner in connection with (1) the financing hereunder, (2) the execution, delivery, validity or enforceability of this Agreement or any related documents, or (3) the performance of this Agreement, except, in each case, for routine consents, authorizations, filings and notices required to be made in the ordinary course of business.

(iii) The Property Owner has secured all necessary approvals or consents required with respect to this transaction by any mortgagor, creditor, or other party having any financial interest in the Property Owner or the Property.

(c) No Legal Bar. The execution, delivery and performance of this Agreement or any related documents by the Property Owner, the financing hereunder and the use of the

proceeds thereof will not violate any applicable law, the Property Owner's organizational documents or any material agreement of the Property Owner.

(d) Financial Statements. All financial statements delivered to the Authority and the PACE Program Administrator are true and correct, have been prepared in accordance with generally accepted accounting principles (or such alternate accounting method acceptable to the Authority) consistently applied, fairly represent the financial condition of Property Owner as of the date thereof, and no material adverse change has occurred in the financial condition presented therein since such date.

(e) No Litigation. There are no actions, suits, claims or proceedings pending, or to the knowledge of Property Owner threatened, against or affecting it or the Property which could materially adversely affect Property Owner, its financial condition, any of its properties (including the Property), or the construction of the Improvements or which may impair Property Owner's ability to satisfy its obligations under this Agreement.

(f) Title. Property Owner has good, marketable and insurable title to the Property subject only to real property taxes, pari passu assessment liens of record, and the permitted encumbrances approved by the Authority and the PACE Program Administrator and set forth in Exhibit G attached hereto ("Permitted Encumbrances").

(g) Compliance with Laws. Property Owner has complied with, and will continue to comply with, all applicable statutes, regulations and ordinances in connection with the Property and construction of the Improvements. All permits, consents, approvals and authorizations required to be issued by any governmental body (collectively, the "Permits") necessary for (a) the installation and construction of the Improvements in accordance with the plans and specifications submitted by Property Owner; (b) the construction, connection and operation of all utilities necessary to service the Improvements; and (c) the construction and use of all roadways, driveways, curb cuts and other vehicular or other access to and egress from the Property, either (i) have been obtained, are valid, are in full force and effect and have been complied with by the Property Owner in all respects; or (ii) will be obtained, will be valid, will be in full force and effect prior to the initiation of construction, and Property Owner will be in compliance therewith in all respects prior to the PACE Program Administrator's disbursing any of the funds. Construction and installation of the Improvements will comply with applicable zoning, use, building or other applicable codes, laws, regulations and ordinances and any restrictive covenants affecting the Property.

(h) Marijuana and Environmental Matters. Property Owner does not and will not engage (nor will it allow any tenants of the Property to engage) in operations that involve the growth, testing, production or distribution of marijuana, nor the generation, manufacture, refining, transportation, treatment, storage or handling of hazardous materials or hazardous wastes, pursuant to applicable state law, or any other federal, state or local environmental laws or regulations, and, to the best of Property Owner's knowledge, after due inquiry, neither the Property nor any other of its buildings thereon has been so used previously, except as previously disclosed in writing to and approved by the Authority and the PACE Program Administrator. There are no underground storage tanks located on the Property. There is no present and to the best of Property Owner's knowledge there has been no past, non-compliance with environmental laws, or with permits issued pursuant thereto, in connection with the Property, which has not been fully remediated in accordance with environmental laws.

(i) No Default. No Default (as defined herein) has occurred hereunder, and no event has or shall have occurred and be continuing, which, with the lapse of time or the giving of notice, or both, would constitute a Default. No foreclosure action is currently threatened or has been commenced with respect to the Property. Property Owner is not currently in default on any mortgage or deed of trust loan(s) secured by the Property.

(j) No Misrepresentation or Material Nondisclosure. Property Owner has not made and will not make to the Authority or to the PACE Program Administrator, in this Agreement or otherwise, any untrue statement of a material fact, nor has it omitted and nor will it omit to state a material fact necessary to make any statement made not misleading. All information provided by Property Owner to the Authority or to the PACE Program Administrator in writing or in electronic form is complete, true and correct in all material respects.

~~(k) [Insurance. Property Owner has provided to the Authority and the PACE Program Administrator satisfactory evidence of the current insurance policies on the Property and has provided evidence that such insurance shall be maintained in force during the term of the Assessment. Such policies must be issued in form and content reasonably acceptable to the Authority and the PACE Program Administrator. Required insurance hereunder includes property insurance and, where and when applicable, builder's risk or inland marine insurance and flood insurance. [Property insurance shall be in an amount equal to the lesser of, as determined by the Authority and the PACE Program Administrator in their reasonable discretion: (i) the full replacement cost of the Property; (ii) the full value of the buildings located on the Property as determined by the Authority and PACE Program Administrator in their sole discretion; (iii) or the principal amount of the Assessment divided by 0.35.] Property Owner must obtain flood insurance if the Property is or is deemed to be located in a Special Flood Hazard Area as determined by the U.S. Flood Emergency Management Agency. The insurance policies shall also be subject to the following requirements:~~

~~(i) Each policy must provide for ten (10) days' prior notice to the Authority and the PACE Program Administrator in the event of cancellation or nonrenewal;~~

~~(ii) The PACE Program Administrator must be named as an additional insured (mortgagee/loss payee) on all insurance policies required hereunder (and in the certificate holder box list "CleanFund [__]"). The Property Owner hereby agrees to, upon request by the PACE Program Administrator, provide the PACE Program Administrator with updated certificates of insurance which endorse the required insurance policies and further agrees to, upon request by the PACE Program Administrator, add the PACE Program Administrator's assignees or successors in interest as loss payees and additional insureds; and~~

~~(iii) Should Property Owner fail to acquire and/or maintain the required insurance policies, the Authority shall have the right, but not the obligation, to obtain such policies in amounts and limits sufficient to protect the Authority. Property Owner shall be obligated to pay the Authority for the cost of such insurance.]~~

~~(l)~~(k) Approval of Plans and Budgets. The plans and specifications submitted by the Property Owner to the Authority and the PACE Program Administrator and approved thereby (the **"Plans"**) will be a true and accurate reflection of the Improvements (when completed) and have been approved as required by all governmental bodies or agencies having jurisdiction or will be approved prior to the first disbursement request. The budget for construction of the Improvements (the "**Budget**") submitted by the Property Owner to the Authority and the PACE Program Administrator is an accurate current estimate of all costs necessary to construct the

Improvements in accordance with the Plans and the cost of construction of the Improvements on any portion thereof is not expected to exceed the cost therefor set forth in the Budget.

~~(m)~~(l) Commercial Purpose. Property Owner will use the proceeds from the disbursements of funds for the Improvements only for the purposes specified in the Recitals to this Agreement. The primary purpose of the funds disbursed pursuant to this Agreement is for a commercial and business purpose, and said funds will not be used primarily for personal, family or household purposes.

~~(n)~~(m) Improvements. The proposed Improvements are consistent with the purpose of the Program.

~~(o)~~(n) Incorporation of Representations and Warranties. The request by Property Owner for a disbursement shall constitute a certification by Property Owner that the representations and warranties contained herein are true and correct as of the date of such request.

~~(p)~~(o) Insolvency Event. No Insolvency Event shall have occurred or shall be continuing with respect to the Property Owner. Property Owner is not aware of any circumstances or conditions with respect to the Property Owner, its properties, the Improvements, the Property, the Assessment or any Assessment Lien that could reasonably be expected to materially and adversely affect any of the Property Owner, its properties, the Improvements, the Property, the Assessment or any Assessment Lien. For purposes hereunder, "**Insolvency Event**" shall mean the Property Owner has (i) consented to the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceeding or of relating to the Property Owner or relating to all or substantially all of such Property Owner's property, (ii) failed to pay its debts as they become due and such failure has not been cured within thirty (30) days of the event; (iii) admitted in writing its inability to pay its debts as they become due, (iv) filed a petition to take advantage of any applicable insolvency or reorganization statute, (v) made an assignment for the benefit of its creditors, (vi) had filed against it a petition for involuntary bankruptcy or some other involuntary insolvency proceeding which is not dismissed within thirty (30) days, or (vii) or voluntarily suspended payment of its obligations.

~~(q)~~(p) Fraud. No fraud, error, omission, misrepresentation, negligence or similar occurrence with respect to the Property or Improvements has taken place on the part of the Property Owner or any other person, including, without limitation, to the best of Property Owner's knowledge, any appraiser, title company, closing or settlement agent, realtor, builder or developer or any other party involved in the Property or Improvements, that would impair in any way the rights of the Authority in the Property or Improvements or that violated applicable law.

~~(r)~~(q) No Damage/Condemnation. The Property is undamaged by waste, vandalism, fire, hurricane, earthquake or earth movement, windstorm, flood, tornado or other casualty adversely affecting the value of a Property or the use for which the Property was intended and the Property is in substantially the same condition it was at the time the most recent appraisal was obtained. There is no proceeding pending or, to the knowledge of the Property Owner, threatened for the total or partial condemnation of the Property.

~~(s)~~(r) Legally Occupied. With respect to the Property lawfully occupied as of the date hereof, all inspections, licenses and certificates required to be made or issued with respect to all occupied portions of the Property and, with respect to the use and occupancy of the same,

including but not limited to certificates of occupancy and fire underwriting certificates, have been made or obtained from the appropriate authorities.

Section 10. Covenants Of Property Owner.

The Property Owner covenants and agrees as follows:

(a) Completion and Maintenance of the Improvements. The Property Owner shall commence construction of the Improvements and shall diligently proceed with construction in accordance with the approved Plans and Budget in a good, substantial and workmanlike manner in accordance with all applicable laws, ordinances, codes, rules and regulations. Construction of the Improvements shall be completed on or prior to the completion date set forth in the Construction Contract. If, in the Authority's opinion, after thirty (30) days' written notice to Property Owner, the construction is not proceeding with reasonable dispatch, the Authority may (i) request that Property Owner remove and replace the general contractor with a general contractor acceptable to the Authority, the failure of which by Property Owner shall be a default under this Agreement, (ii) utilize funds and continue construction of the Improvements and such funds shall be considered disbursements of the Financed Amount, or (iii) deny any disbursements of the Financed Amount until such time as the construction resumes proceeding with reasonable dispatch.

(b) Changes to Construction Contract. There shall be no material revision to the Construction Contract, Plans or Budget without the prior written approval of the Authority and the PACE Program Administrator, whose consent shall not be unreasonably withheld. If the cost of construction of the Improvements or any portion thereof exceeds the cost therefor set forth in the approved Budget, the Property Owner shall immediately deposit with the Authority the deficiency between such budgeted cost and the actual cost.

(c) Payment of the Financing. The Property Owner shall pay punctually the Assessment Installments on this Agreement on each due date according to its terms and conditions and shall pay punctually any other amounts that may become due and payable to the Authority under or pursuant to the terms of this Agreement, regardless of whether or not the Assessment Installments appear on the Property Owner's property tax bill.

(d) Payment of All Charges. The Property Owner shall pay when due all taxes, assessments, water charges, sewer charges, liens for taxes past due with respect to the Property, carrier's, warehousemen's, mechanics', materialmen's, repairmen's or other liens and all other charges levied on or against the Property, and upon written request, submit to the Authority evidence of such payments.

(e) Compliance with Law and Agreements. In commencing and completing the Improvements, Property Owner shall comply with all existing laws, regulations, orders, building restrictions and requirements of, and all agreements with and commitments to, all governmental, judicial and legal authorities having jurisdiction over the Property or the Improvements and which are applicable to the Improvements, and with all recorded instruments, agreements, and covenants and restrictions affecting the Property.

(f) Permits, Licenses and Approvals. Property Owner shall properly obtain, comply with and keep in effect all permits, licenses and approvals which are required to be obtained from any governmental authority in order to commence and complete the Improvements. Property Owner, upon the request of the Authority or the PACE Program Administrator, shall

deliver within fifteen (15) days, copies of all such permits, licenses and approvals to the Authority or the PACE Program Administrator.

(g) Site Visits. Property Owner grants the Authority and the PACE Program Administrator, their agents and representatives the right to enter and visit the Property at any reasonable time, after giving reasonable notice to Property Owner, for the purposes of observing the Improvements. The Authority and the PACE Program Administrator, their agents and representatives will make reasonable efforts during any site visit to avoid interfering with Property Owner's use of the Property. Property Owner shall also allow Authority or the PACE Program Administrator to examine and copy records and other documents of Property Owner which relate to the Improvements. The Authority and the PACE Program Administrator are under no duty to visit the Property, or observe any aspects of the Improvements, or examine any records, and the Authority and the PACE Program Administrator shall not incur any obligation or liability by reason of not making any such visit or examination. Any site visit, observation or examination by the Authority or the PACE Program Administrator shall be solely for the purposes of protecting the PACE Program Administrator and the Authority's rights under the Agreement.

(h) Protection against Lien Claims. The Property Owner shall promptly pay and discharge all claims for labor performed and material and services furnished in connection with construction of the Improvements, and take all other steps necessary to prevent the assertion of claims or liens either against the Property or the Improvements, other than (i) the claims and lien provided herein, (ii) all liens, encumbrances and other matters expressly set forth in Exhibit G, (iii) liens, if any, for taxes imposed by any governmental authority not yet due or delinquent, and (iv) such other title and survey exceptions as the PACE Program Administrator has approved or may approve in writing in the PACE Program Administrator's sole discretion.

(i) Notice of Claims; Adverse Matters. Property Owner shall promptly notify the Authority and the PACE Program Administrator in writing of any potential Insolvency Event and all pending or threatened litigation or other matters that may materially and adversely affect the Property or Property Owner's ability to meet its obligations under this Agreement or otherwise with respect to the Improvements.

(j) Damage or Destruction. Property Owner shall promptly notify the Authority and the PACE Program Administrator if the Property is damaged or destroyed by fire, casualty, injury or any other cause (each such occurrence, a "Casualty"). The PACE Program Administrator shall have no obligation to make additional disbursements upon the occurrence of a Casualty. Upon the occurrence of such Casualty, the insurance proceeds will be applied to repayment of the total outstanding principal due and owing under this Agreement plus any applicable fees, unless the Authority and the PACE Program Administrator agree in their commercially reasonable discretion to the application of the insurance proceeds to the restoration of the Improvements. In the event restoration of the Improvements is permitted, Property Owner shall immediately proceed with the restoration thereof in accordance with the Construction Contract and Plans. If, in the Authority and PACE Program Administrator's commercially reasonable judgment, said insurance proceeds are insufficient to complete the restoration, Property Owner shall deposit with the PACE Program Administrator an amount necessary, in the Authority and PACE Program Administrator's sole judgment, to complete the restoration in accordance with the Plans and Construction Contract.

(k) Notice of Default. Property Owner shall notify in writing the Authority and the PACE Program Administrator within fifteen (15) days of any Default under this Agreement, or any event which, with notice or lapse of time or both, would constitute a Default hereunder.

(l) Changes to Ownership. Property Owner shall, prior to completing construction of the Improvements, preserve and keep in full force and effect its existence and retain title to the Property. After completion of the Improvements, Property Owner shall not transfer ownership of the Property without (a) prior written notice to the Authority and the PACE Program Administrator, and (b) execution by the purchaser of the Property of an assignment of this Agreement in the form of Exhibit J.

(m) Insurance. Property Owner shall maintain in force, and provide evidence thereof when requested by the Authority and the PACE Program Administrator, the insurance required by Section 9(k) of this Agreement throughout the term of the Assessment.

(n) Condemnation. If the Improvements or the Property or any part thereof are taken temporarily or permanently by any governmental authority as the result or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain, of all or any part of the Property, or any interest therein or right accruing thereto, including any right of access thereto or any change of grade affecting the Property or any part thereof (a "**Condemnation**"), or are subject to an imminent threat of Condemnation, the PACE Program Administrator's obligation to make further disbursements hereunder shall immediately terminate unless, in the Authority and the PACE Program Administrator's sole judgment, the Property and the Improvements can be replaced and restored in a manner which will enable the Improvements to be functionally and economically utilized and occupied as originally intended. If the Authority and the PACE Program Administrator so decide that the Improvements can be so restored, then the rights and obligations of the PACE Program Administrator, the Authority and the Property Owner subsequent to a taking by Condemnation or imminent threat thereof and the disbursement of any Condemnation proceeds actually paid to the Authority and undisbursed funds hereunder, shall be the same as described in the Section 10(j) hereof with regard to insurance proceeds.

(o) Indemnification.

(i) Without limitation of any other obligation or liability of the Property Owner or any right or remedy of the Authority contained herein, the Property Owner agrees to indemnify, defend, protect and hold harmless the Authority and PACE Program Administrator, as well as each of the respective directors, officers, employees, agents, subsidiaries and affiliates, and the successors and assigns of the foregoing (each, a "Person"), from and against all damages, losses, settlement payments, obligations, liabilities, claims, suits, penalties, fines, assessments, citations, directives, demands, judgments, actions or causes of action, whether statutorily created or under the common law, including all costs and expenses (including, without limitation, reasonable fees and disbursements of attorneys, engineers and consultants) and all other liabilities whatsoever (including, without limitation, liabilities under any applicable environmental laws, regulations or rules) which shall at any time or times be incurred, suffered, sustained or required to be paid by any such indemnified Person (except any of the foregoing to the extent it results from the gross negligence or willful misconduct of the indemnified Person) (collectively, the "Indemnified Amounts") on account of or in relation to or in any way in connection with (i) any of the arrangements or transactions contemplated by, associated with or ancillary to this Agreement, or any other documents executed or delivered in connection herewith or therewith, all as the same as may be amended from time to time, or any action taken or omitted to be taken by any Person in connection with or under any of the foregoing, whether or not all or part of the transactions contemplated by, associated with or ancillary to this Agreement or any such other documents are ultimately consummated, (ii) any violation or alleged violation of, non-compliance with or liability under any requirements of law or regulation, (iii) ownership of, liens on, security interests in or the exercise of rights or remedies under any of the items referred to in

the preceding clause (i), (iv) any taxes attributable to the execution, delivery, filing or recording of any this Agreement, or any other documents executed or delivered in connection herewith or therewith or any memorandum of any of the foregoing, (v) any lien or claim arising on or against the Property under any requirements of law or any liability asserted against any Person with respect thereto, (vi) (1) a past, present or future violation or alleged violation of any environmental laws in connection with the Property by any person or other source, whether related or unrelated to Property Owner, (2) any presence of any hazardous, toxic or harmful substances, materials, wastes, pollutants or contaminants defined as such in or regulated under any environmental law ("Materials of Environmental Concern") in, on, within, above, under, near, affecting or emanating from the Property, (3) the failure to timely perform any investigation, inspection, site monitoring, containment, clean–up, removal, response, corrective action, mitigation, restoration or other remedial work of any kind or nature because of, or in connection with, the current or future presence, suspected presence, Release (defined below) or threatened Release in or about the air, soil, ground water, surface water or soil vapor at, on, about, under or within all or any portion of the Property of any Materials of Environmental Concern, including any action to comply with any applicable environmental laws or directives of any governmental authority with regard to any environmental Laws, (4) any past, present or future activity by any person or other source, whether related or unrelated to Property Owner in connection with any actual, proposed or threatened use, treatment, storage, holding, existence, disposition or other release, generation, production, manufacturing, processing, refining, control, management, abatement, removal, handling, transfer or transportation to or from the Property of any Materials of Environmental Concern at any time located in, under, on, above or affecting the Property, (5) any past, present or future actual generation, treatment, use, storage, transportation, manufacture, refinement, handling, production, removal, remediation, disposal, presence or migration of Materials of Environmental Concern on, about, under or within all or any portion of the Property (a "Release") (whether intentional or unintentional, direct or indirect, foreseeable or unforeseeable) to, from, on, within, in, under, near or affecting the Property by any person or other source, whether related or unrelated to Property Owner , (6) the imposition, recording or filing or the threatened imposition, recording or filing of any lien on the Property with regard to, or as a result of, any Materials of Environmental Concern or pursuant to any environmental law, or (7) any misrepresentation or failure to perform any obligations pursuant this Agreement, or any other documents executed or delivered in connection herewith or therewith to environmental matters in any way, or (vii) Property Owner's conduct, activities, actions and/or inactions in connection with, relating to or arising out of any of the foregoing clauses of this Section 10(o), that, in each case, results from any conduct, act or failure to act by the Property Owner or its affiliates or related parties or the use or intended use of the proceeds of any disbursements made pursuant to this Agreement. To the extent that the undertaking to indemnify and hold harmless set forth in the preceding sentence may be unenforceable because it violates any law or public policy, Property Owner shall pay the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all liabilities set forth in the preceding sentence incurred by any Person. In the case of an investigation, litigation or other proceeding to which the indemnification in this Section 10.(o) applies, such indemnification shall be effective whether or not such investigation, litigation or proceeding is brought by Property Owner, a Person or any other person or any Person is otherwise a party thereto and whether or not any transactions contemplated by this Agreement are entered into. In any investigation, proceeding or litigation, or the preparation therefor, the Authority shall select its own counsel and, in addition to the foregoing indemnity, the Property Owner agrees to pay promptly the reasonable fees and expenses of such counsel. In the event of the commencement of any such proceeding or litigation, the Property Owner shall be entitled to participate in such proceeding or litigation with counsel of its choice at its own expense, provided that such counsel shall be reasonably satisfactory to the Authority. This section shall

survive the execution, delivery, performance and repayment of this Agreement, and the extinguishment of any Assessment Lien.

(ii) If for any reason the indemnification provided in this Section 10.(o) is unavailable to any Person or is insufficient to hold a Person harmless, even though such Person is entitled to indemnification under the express terms thereof, the Property Owner shall contribute to the amount paid or payable by such Person as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative benefits received by such Person on the one hand and Property Owner on the other hand, the relative fault of such Person, and any other relevant equitable considerations.

(iii) A Person may at any time send Property Owner a notice showing in reasonable detail the basis for and calculation of Indemnified Amounts, and Property Owner shall pay such Indemnified Amounts to such Indemnified Person within fifteen (15) days after Property Owner receives such notice. The obligations of Property Owner under this Section 10(o) shall apply to assignees and survive the termination of this Agreement.

(iv) Neither the Authority nor the PACE Program Administrator shall have any liability to the Property Owner or any other person on account of (i) the Property Owner engaging a contractor from the list of contractors submitted by the Authority or the PACE Program Administrator to the Property Owner, (ii) the services performed by the Contractor, or (iii) any neglect or failure on the part of the Contractor to perform or properly perform its services. Neither the Authority nor the PACE Program Administrator assumes any obligation of the Property Owner concerning Contractor, the quality of construction of the Improvements or the absence therefrom of defects. The authorization by the Authority of a disbursement shall not constitute the Authority's approval or acceptance of the construction theretofore completed. The Authority's inspection and approval of the Budget, the construction work, the Improvements comprising the Improvements, or the workmanship and materials used therein, shall impose no liability of any kind on the Authority, the sole obligation of the Authority as the result of such inspection and approval being to authorize the disbursements if, and to the extent, required by this Agreement. Any disbursement authorized by the Authority without the Authority having received each of the items to which it is entitled under this Agreement shall not constitute breach or modification of this Agreement, nor shall any written amendment to this Agreement be required as a result thereof.

Section 11. Waivers, Acknowledgment and Agreement. Because this Agreement reflects the Property Owner's free and willing consent to pay the Assessment following a noticed public hearing, the Property Owner hereby waives any otherwise applicable requirements of Article XIIID of the California Constitution or any other provision of California law for an engineer's report, notice, public hearing, protest or ballot.

The Property Owner hereby waives its right to repeal the Assessment by initiative or any other action, or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the Authority undertaken in connection with the Program. The Property Owner hereby agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Improvements. The Property Owner hereby acknowledges that the Property Owner will be responsible for payment of the Assessment regardless of whether the Improvements are properly installed, operated, maintained or perform as expected.

The Property Owner hereby agrees that the Authority is entering into this Agreement solely for the purpose of assisting the Property Owner with the financing of the installation of the

Improvements, and that the Authority, the City and the PACE Program Administrator have no responsibility of any kind for, and shall have no liability arising out of, the installation, operation, financing, refinancing, maintenance or performance of the Improvements. Based upon the foregoing, the Property Owner hereby waives the right to recover from and fully and irrevocably releases the Authority, the City, the PACE Program Administrator and any and all agents, employees, program administrators, attorneys, representatives and successors and assigns of the Authority. the City and the PACE Program Administrator from any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), relating to the subject matter of this Agreement that the Property Owner may now have or hereafter acquire against the Authority, the City, the PACE Program Administrator and any and all agents, employees, attorneys, representatives and successors and assigns of the Authority, the City or the PACE Program Administrator.

To the extent that the foregoing waivers and agreements are subject to Section 1542 of the California Civil Code or similar provisions of other applicable law, it is the intention of the Property Owner that the foregoing waivers and agreements will be effective as a bar to any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees), of whatever character, nature and kind, known or unknown, suspected or unsuspected, and Property Owner agrees to waive any and all rights and benefits conferred upon the Property Owner by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law. Section 1542 reads as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

By initialing below, the Property Owner agrees to waive the provisions of Section 1542 in connection with the matters that are the subject of the foregoing waivers and releases.

Property Owner's Initials: _____ _____ _____

The waivers, releases and agreements set forth in this Section 11 shall survive termination of this Agreement.

Section 12. Carbon Credits. The Property Owner hereby agrees that any carbon credits attributable to the Improvements shall be owned by the Authority.

Section 13. CleanFund Application. The Property Owner hereby represents and warrants to the Authority that the information set forth in all information submitted to the Authority and/or the PACE Program Administrator in connection with its request for financing is true and correct as of the date hereof, and that the representations set forth in such information with respect to the Property and the Property Owner are true and correct as of the date hereof as if made on the date hereof.

Section 14. Events of Default and Remedies

(a) Remedies with respect to the nonpayment of the Assessment or other amounts payable by Property Owner hereunder are governed by the provisions of Section 4 hereof and state law.

(b) The occurrence of any of the following events shall constitute a "**Default**" hereunder:

(i) Any of Property Owner's representations, disclosures or warranties made to the Authority or the PACE Program Administrator shall have been false or misleading in any material respect as of the date when made, or the failure or delay by Property Owner to perform any of its obligations under the terms or provisions of this Agreement, other than with respect to the payment of the Assessment, the Annual Assessment Administrative Fees, or other amount payable by Property Owner.

(ii) An Insolvency Event occurred with respect to the Property Owner or the Property Owner becomes insolvent or unable to pay its debts as they mature and such has not been cured within thirty (30) days of the event;

(iii) There occurs any event which in the Authority's sole discretion materially and adversely affects: (x) the ability of the Property Owner to perform any of its obligations hereunder; (y) the business or financial condition of the Property Owner; or (z) the timely repayment of the Assessment authorized by this Agreement, which Property Owner has not cured within thirty (30) days of receiving notice from the Authority of such breach;

(iv) Any encumbrance on any portion of the Property is hereinafter created, other than current liens for real estate property taxes or special assessments, which encumbrance purports to have priority over the Assessment Lien;

(v) The existence of any liens for taxes past due with respect to the Property, or carrier's, warehousemen's, mechanics', materialmen's, repairmen's or other liens which have not been dismissed, escrowed (subject to the Authority's sole approval) or bonded for thirty (30) days after the filing or recording thereof;

(vi) Any material deviation in the Improvements from the Plans without the prior written consent of the PACE Program Administrator, or the appearance of defective workmanship or materials, the PACE Program Administrator's sole discretion, which has not been cured for a period exceeding thirty (30) days; and

(vii) Any general contractor or any other contractor defaults under any construction contract, in a manner which the PACE Program Administrator deems to be material, and unless otherwise agreed in writing by the PACE Program Administrator, the obligor fails to exercise its rights and remedies under the construction contract, as applicable with respect to such default and such failure to exercise its rights has not been cured within thirty (30) days of when such right first arose.

(c) Upon the occurrence of a Default, the Authority may in addition to any other remedies which it may have, at its option and without prior demand or notice, take any of the following actions:

(i) The Authority may, in addition to any other remedies which it may have, at its option and without prior demand or notice, immediately cause the cancellation of any

pending disbursement (and the PACE Program Administrator shall have no obligation to make further disbursements) and from time to time apply all or any part of any undisbursed funds to payment of amounts owing on the Assessment and/or to any other obligations of the Property Owner hereunder. The Authority has authorized the PACE Program Administrator at its option and without prior demand or notice, to enter the Property and complete construction of the Improvements in accordance with the Plans and the Construction Contract with such changes therein as the PACE Program Administrator may from time to time and in its judgment deem appropriate, all at the risk and expense of the Property Owner.

(ii) Exercise any other rights and remedies available to it hereunder or at law or in equity

(iii) Except as otherwise expressly provided in this Agreement, no remedy provided for by this Agreement shall be exclusive of any other remedy, each and every remedy shall be cumulative and in addition to any other remedy, and no delay or omission to exercise any right or remedy shall impair any such right or remedy or shall be deemed to be a waiver of a Default.

(iv) Property Owner agrees to pay all costs of collection when actually incurred, by the Authority, including but not limited to reasonable attorneys' fees and all related costs. If any suit or action is instituted to enforce this Agreement, Property Owner promises to pay, in addition to the costs and disbursements otherwise allowed by law, such sum as the court may adjudge reasonable attorneys' fees and costs in such suit or action to the Authority as the prevailing party

Section 15. Amendment. This Agreement may be modified only by the written agreement of the Authority and the Property Owner. A modification of this Agreement shall be approved in writing by the owner(s) of any Improvement Bonds secured by the Assessment if the amendment will adversely impact the owner(s) of the Improvement Bonds.

Section 16. Binding Effect; Assignment. This Agreement inures to the benefit of and is binding upon the Authority, the Property Owner and their respective successors and assigns.

(a) The Authority has the right to assign any or all or any of its rights and obligations under this Agreement without the consent of the Property Owner. The obligation to pay the Assessment set forth in this Agreement is an obligation of the Property and no agreement or action of the Property Owner will be competent to impair in any way the Authority's rights, including, but not limited to, the right to pursue judicial foreclosure of the Assessment lien or the right to enforce the collection of the Assessment or any installment thereof against the Property. Any assignee shall be a party to this Agreement and shall have all of the rights and obligations of the Authority hereunder to the extent that such rights and obligations have been assigned by the Authority pursuant to the assignment documentation between the Authority and the assignee. The Authority may furnish any information concerning the Property Owner in its possession from time to time to prospective assignees.

(b) In no event shall Property Owner assign or transfer any portion of this Agreement or Property Owner's obligations under this Agreement without the prior express written consent of the Authority, which consent may be granted or withheld in the sole and absolute discretion of the Authority. Sale, transfer, or rental of the Property or any parcel thereof is not an assignment or transfer of this Agreement.

Section 17. Exhibits. The Exhibits to this Agreement are incorporated into this Agreement by this reference as if set forth in their entirety in this Agreement.

Section 18. Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

Section 19. Notices. Notices and demands shall be given in writing by first class mail, postage prepaid, by personal delivery (by recognized courier service or otherwise), or via electronic mail. Notices shall be considered given upon the earlier of (a) receipt of electronic mail or personal delivery or (b) five (5) business days following deposit in the United States mail, postage prepaid. Notices shall be addressed as provided below and incorporated herein by this reference for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice. Notwithstanding anything set forth above, after disbursement of the Disbursement Amount to Owner, all notices regarding the assessment shall be sent only as provided by state law.

If to Authority:	Western Riverside Council of Governments 3390 University Avenue, 4th Floor Riverside, CA 92501 Attention: Executive Director
If to Program Administrator:	CleanFund Commercial PACE Capital, Inc. 2330 Marinship Way, Suite 100 Sausalito, CA 94965 (415) 256-8000
If to Property Owner:	[___]

Section 20. Corrective Instruments. The Authority and the Property Owner agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required in order to carry out the expressed intention of this Agreement.

Section 21. Governing Law; Venue. This Agreement is governed by and construed in accordance with the laws of the State of California. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Riverside, State of California; provided, however, actions to foreclose delinquent installments of the Assessment will be instituted in the superior court of the County or as otherwise provided by law.

Section 22. Counterparts. This Agreement may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument.

Section 23. No Waiver; Amendments. No waiver of any default or breach by Property Owner hereunder shall be implied from any failure by the PACE Program Administrator or the Authority to take action on account of such default if such default persists or is repeated, and no

express waiver shall affect any default other than the default specified in the waiver. Waivers of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by Property Owner and the Authority. The Authority and the Property Owner agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonable be required in order to carry out the expressed intention of this Agreement

Section 24. Waiver of Jury Trial and Class Action. TO THE EXTENT ENFORCEABLE BY LAW, EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH PARTY WAIVES THE RIGHT TO LITIGATE IN COURT OR ARBITRATE ANY CLAIM OR DISPUTE AS A CLASS ACTION, EITHER AS A MEMBER OF A CLASS OR AS A REPRESENTATIVE, OR TO ACT AS A PRIVATE ATTORNEY GENERAL.

IN WITNESS WHEREOF, the Authority and the Property Owner have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first above written.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: _____

Its: _____

PROPERTY OWNER

By: _____

Its: _____

ACKNOWLEDGED AND ACCEPTED BY:

CLEANFUND COMMERCIAL PACE CAPITAL, INC.

By: _____

Its: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:_____ (seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:_____ (seal)

EXHIBIT A

PROPERTY LEGAL DESCRIPTION

[To be updated]

EXHIBIT B

IMPROVEMENTS[1]

IMPROVEMENT	AMOUNT

[1] To be updated/customized.

EXHIBIT C

ASSESSMENT SCHEDULE

Period	Bill date	Delinquent After Date	Payment	Interest	Principal	Principal Remaining	Annual Collection Costs**	**Total Payment Due**
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								

**Subject to modification pursuant to Section 3(f) of the Agreement.

EXHIBIT D

FORM OF PROPERTY OWNER'S CERTIFICATE AND REQUEST FOR DISBURSEMENT

PROPERTY OWNER'S CERTIFICATE AND REQUEST FOR DISBURSEMENT

Date:

RE: Agreement to Pay Assessment and Finance Improvements dated _____, 2018 ("Agreement")

Project: _____

This Property Owner's Certificate and Request for Disbursement is submitted by the Property Owner to CleanFund Commercial PACE Capital, Inc. ("CleanFund") in connection with the Assessment advance made pursuant to the Agreement. Capitalized terms used herein and not otherwise defined shall have their respective meanings set forth in the Agreement. The Property Owner hereby requests Greenworks to make a principal disbursement under the Assessment (a "Disbursement") in the amount of $_____which is to be funded as follows:

____ Issue a check to the Property Owner for reimbursement of proper costs

____ Issue a check to the Contractor at:
Full Legal Name: _____
Address: _____

____ Wire Transfer to the Property Owner or Contractor (circle one) at:
ABA
Bank Name
Bank Address
Account Name
Account Number
Reference:

To induce CleanFund to make the requested Disbursement, the Property Owner hereby certifies, warrants and represents to CleanFund that:

1. The proceeds of this Disbursement will be used for the purposes detailed in Schedule 1 attached hereto, which shall have attached to it (A) copies of invoices and other evidence of the items to be paid or reimbursed and (B) if required by CleanFund, certifications from the Architect in form satisfactory to CleanFund in its sole discretion.

2. The improvements will be completed as specified in the Agreement. All proceeds of all prior Disbursements have been expended solely for the purposes for which they were requisitioned, and no proceeds of the current or any prior Disbursement have been or will be returned to the Property Owner as a rebate, refund or otherwise. Each future Disbursement shall be at CleanFund's sole discretion and made in accordance with the Agreement

3. The Property Owner has paid all obligations incurred in connection with all work and materials supplied for the Approved Project through the date of the last requisition.

4. The Property Owner has not authorized, nor does the Property Owner contemplate, any change-orders or other modifications to any contracts entered into in connection with the Approved Project's development costs that have not been authorized in writing by CleanFund.

5. The cost to complete the Approved Project (including financing and other soft costs) is reasonably projected to be $_____, and the amount of the undisbursed portion of the Assessment is therefore sufficient to complete the Approved Project.

6. If the Approved Project is complete, the completion date of the Approved Project was _____. If the Approved Project is not yet completed, the projected completion date remains _____, which is within one year of the effective date of the Agreement.

7. Each condition precedent to the making of this Disbursement under the Agreement has been satisfied.

8. The Property Owner has no knowledge or notice of any mechanics' notices of intention, contracts, stop work notices, liens or claims for liens having been filed or threatened to be filed against the Project. The Property Owner has furnished to CleanFund partial waivers and releases of liens (for labor, services or materials which have been performed and paid for or such lien waiver will be subject to payment) from the Contractor and all other contractors, subcontractors and suppliers performing labor, services or materials in connection with the Approved Project, substantially in the form attached hereto as Schedule 2.

9. All required licenses, approvals and permits covering or required for the development of the Project have been issued and are in force, and there are no actions pending or threatened to revoke, rescind, alter or declare invalid any such licenses, approvals or permits or any laws, ordinances, regulations, permits, variances, certificates or agreements for or relating to the Approved Project.

10. No event of default under the terms of the Agreement has occurred.

11. The Property Owner is not a party to any lawsuit and the Property Owner has no knowledge of any actions, suits or proceedings pending or threatened, against or affecting the Property Owner which could materially adversely affect the Property Owner, any of its properties, its financial condition or which will hinder, delay, prevent or interfere with the construction of the Approved Project.

12. There have been no material adverse changes in the financial condition of the Property Owner since the date of the Agreement that have not been previously disclosed in writing to CleanFund.

13. A Builder's Risk (or hazard) or Inland Marine insurance policy issued by _____ Policy Number _____ is presently in effect and is equal to or greater than the total cost of the Project.

Property Owner: _____

_____

By: _____
Name:
Title:

SCHEDULE 1 TO EXHIBIT D

PURPOSE OF DISBURSEMENT

Equipment/Service	Amount	Description
1.		For equipment*, circle one: _____ $_____ (Installed/Stored/Contractor Custody) Additional Information:_____ _____
2.		For equipment*, circle one: _____ $_____ (Installed/Stored/Contractor Custody) Additional Information:_____ _____
3.		For equipment*, circle one: _____ $_____ (Installed/Stored/Contractor Custody) Additional Information:_____ _____
Total Amount:	$_____	

*For any equipment expenses answer the following question(s) by circling the appropriate answer in the 'Description' column:

Is the equipment installed on the Property? (Y/N)
If No, is the equipment stored on the Property or in a bonded warehouse? (Y/N) If No, is the equipment in the custody of the Contractor? (Y/N)
When is the equipment expected to be delivered and/or installed on the Property?

SCHEDULE 2 TO EXHIBIT D

FORM OF PARTIAL LIEN WAIVER AND RELEASE

Contractor: _____(the "Contractor")

Property Address: _____ (the "Property")

1. Contractor is the contractor pursuant to an agreement dated _____, (the "Contract") entered into by and between Contractor and _____ (the "Owner") in connection with the renovation or retrofit of the Property to reduce energy consumption or to install renewable energy systems at the Property (the "Project").

2. This Partial Lien Waiver and Release is delivered in consideration of a progress payment of $_____ ("Payment") under the Contract for labor performed and/or materials supplied by the Contractor through _____, (the "Waiver Date").

3. The Contractor and the individual signing on behalf of the Contractor warrant and represent that: (i) all taxes applicable to the materials furnished and the work performed under the Contract have been fully paid and (ii) all laborers, mechanics, subcontractors of any tier, materialmen and suppliers for all work done and for all materials, machinery, equipment, fixtures, tools, scaffolding and appliances furnished for the performance of the Contract and for any other indebtedness connected therewith have been paid in full to the date hereof. The undersigned acknowledges and agrees that Clean Fund Titling Trust, the Owner, lessees, lessors, mortgage holders, lenders, and any other persons or entities claiming an interest in connection with the Project or the Property, and any person or entity associated with the foregoing, may rely on the statements, agreements, and representations made by the undersigned herein.

4. The Contractor, for itself, its successors, and on behalf of all persons able to claim through or under the Contractor hereby:

(a) waives, relinquishes and releases Owner, its sureties, if any, and the Property from all mechanic's liens, claims of mechanic's lien, and claims against labor and material payment bonds that Contractor has for the labor and materials furnished to the Project or Property through the Waiver Date;

(b) releases Owner, and the Property of and from all, and all manner of action and actions, cause and causes of actions, suits, debts, dues, sums of money, accounts, reckoning, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever, in laws, in admiralty, or in equity from the beginning of the world to the Waiver Date; and

(c) agrees to save harmless CleanFund Commercial PACE Capital, Inc., Clean Fund Titling Trust and Owner from all liability, costs and expenses, including reasonable attorney's fees to discharge (by bond or otherwise) any such mechanic's lien or claim of mechanic's lien, to defend suit to enforce or foreclose upon any such mechanic's lien, claim of mechanic's lien, or bond substituted for such mechanic's lien, and to defend suit to enforce any such labor and material payment bond.

5. This Partial Release and Lien Waiver is intended to be enforceable to the fullest extent permitted by law and shall be governed under the laws of the state in which the Property is located. Should any term or provision herein be determined to be unenforceable or otherwise rendered null or void as a matter of law, the terms and provisions hereof shall be deemed modified only to the most limited extent necessary to render this Partial Release and Lien Waiver enforceable to the fullest extent permitted by law.

6. The undersigned is an authorized representative and signatory of the Contractor.

Dated: _____

Contractor:

_____

By: _____
Name:
Title:

EXHIBIT E

FORM OF COMPLETION CERTIFICATES

Property Owner's Completion Certificate

_____ (the "Property Owner") hereby certifies that the Project, as such term is defined in the Agreement to Pay Assessment and Finance Improvements entered into by and between the Property Owner and the Authority dated _____, 2018 (the "Agreement") has been completed at _____ (the "Property") in strict compliance with the requirements of the Agreement and the Construction Contract entered into by and between the Property Owner and _____ (the "Contractor") dated _____ (the "Construction Contract").

Note: Capitalized terms used but not defined in this Completion Certificate have the meaning assigned to them in the Agreement to which this Exhibit F is attached and of which it forms a part.

I HEREBY CERTIFY:

1. I am an authorized representative and signatory of the Property Owner.

2. The Contractor has completed the work in accordance with the terms of the Construction Contract that I have entered into and executed. I have no service requests and no unresolved complaints regarding the work performed.

3. The Project was completed in all material respects, in accordance with the Plans, Permits and Budget approved by CleanFund Commercial PACE Capital, Inc. (the "Program Administrator").

4. I have complied with, and will continue to comply with, all applicable statutes, regulations and ordinances in connection with the Property and construction of the Project.

5. I hold fee ownership in the Property on which the Project was completed.

6. The Contractor has not offered me any payment, refund, or any commission in return for completing the Project.

7. All funds provided to the Property Owner by the Program Administrator for this Project have been used in accordance with the Agreement and all sources and uses of funds as set forth and described in the Appendix of this Exhibit are correct.

NOTICE: DO NOT SIGN THIS COMPLETION CERTIFICATE UNLESS YOU AGREE TO EACH OF THE ABOVE STATEMENTS.

PROPERTY OWNER:

By: _____

Title: _____

Contractor's Completion Certificate

_____ (the "Contractor") is the contractor pursuant to an agreement dated _____ (the "Construction Contract") entered into by and between Contractor and _____ (the "Property Owner") in connection with the renovation, retrofit, or construction of _____ (the "Property") to reduce energy consumption or to install renewable energy systems at the Property (the "Project"). Contractor hereby certifies that the Project has been completed at the Property in strict compliance with the requirements of the Construction Contract.

I HEREBY CERTIFY:

1. I am an authorized representative and signatory of the Contractor.

2. I have completed the work in accordance with the terms of the Construction Contract that I have entered into and executed. I have not received any service requests or unresolved complaints regarding the work performed.

3. The Project was completed in all material respects, in accordance with the plans, permits and budget approved by CleanFund Commercial PACE Capital, Inc..

4. I have complied with, and will continue to comply with, all applicable statutes, regulations and ordinances in connection with the Property and construction of the Project.

5. I have not offered the Property Owner any payment, refund, or any commission in return for completing the Project.

NOTICE: DO NOT SIGN THIS COMPLETION CERTIFICATE UNLESS YOU AGREE TO EACH OF THE ABOVE STATEMENTS.

CONTRACTOR:

By: _____

Title: _____

EXHIBIT E – APPENDIX

Sources and Uses of Funds

EXHIBIT F

FORM OF FINAL LIEN WAIVER AND RELEASE OF LIEN

Contractor: _____(the "Contractor")

Property Address: _____ (the "Property")

1. Contractor is the contractor pursuant to an agreement dated _____ , 2018 (the "Contract") entered into by and between Contractor and _____ (the "Owner") in connection with the renovation or retrofit of the Property to reduce energy consumption or to install renewable energy systems at the Property (the "Project").

2. This Final Lien Waiver and Release is delivered in consideration of a final payment of $_____ ("Payment") under the Contract for labor performed and/or materials supplied by the Contractor in connection with the Project.

3. The Contractor and the individual signing on behalf of the Contractor warrant and represent that: (i) the undersigned is an authorized representative of the Contractor, (ii) all taxes applicable to the materials furnished and the work performed under the Contract have been fully paid and (iii) all laborers, mechanics, subcontractors of any tier, materialmen and suppliers for all work done and for all materials, machinery, equipment, fixtures, tools, scaffolding and appliances furnished for the performance of the Contract and for any other indebtedness connected therewith have been paid in full to the date hereof. The undersigned acknowledges and agrees that Clean Fund Titling Trust ("CleanFund"), the Owner, lessees, lessors, mortgage holders, lenders, and any other persons or entities claiming an interest in connection with the Project or the Property, and any person or entity associated with the foregoing, may rely on the statements, agreements, and representations made by the undersigned herein.

4. The Contractor, for itself, its successors, and on behalf of all persons able to claim through or under the Contractor hereby:

(a) Waives, relinquishes and releases Owner, its sureties, if any, and the Property from all mechanic's liens, claims of mechanic's lien, and claims against labor and material payment bonds that Contractor has for the labor and materials furnished to the Project or Property;

(b) Releases Owner, and the Property of and from all, and all manner of action and actions, cause and causes of actions, suits, debts, dues, sums of money, accounts, reckoning, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever, in laws, in admiralty, or in equity from the beginning of the world to the date hereof; and

(c) Agrees to save harmless CleanFund and Owner from all liability, costs and expenses, including reasonable attorney's fees to discharge (by bond or otherwise) any such mechanic's lien or claim of mechanic's lien, to defend suit to enforce or foreclose upon any such mechanic's lien, claim of mechanic's lien, or bond substituted for such mechanic's lien, and to defend suit to enforce any such labor and material payment bond.

5. This Final Release and Lien Waiver is intended to be enforceable to the fullest extent permitted by law and shall be governed under the laws of the state in which the Property is located. Should any term or provision herein be determined to be unenforceable or otherwise rendered null or void as a matter of law, the terms and provisions hereof shall be deemed modified only to the most limited extent necessary to render this Final Release and Lien Waiver enforceable to the fullest extent permitted by law.

Dated: _____

Contractor:

_____

By: _____
Name:
Title:

EXHIBIT G

PERMITTED ENCUMBRANCES

[To be updated]

EXHIBIT H

PROPERTY OWNER'S AUTHORIZED REPRESENTATIVES

Authorized Representatives for Property Owner

The following individuals are authorized to provide instructions and directions to CleanFund Commercial PACE Capital, Inc. ("CleanFund") and/or Western Riverside Council of Governments ("WRCOG") on behalf of the Property Owner until such time as an updated list has been provided. The Property Owner may change, modify, or amend, the list of authorized individuals by providing five (5) days prior written notice to CleanFund. Instructions may be provided via electronic mail and are valid so long as one of the individuals below are copied thereto.

Name:_____	Name:_____
Title:_____	Title:_____
Email:_____	Email:_____
Name:_____	Name:_____
Title:_____	Title:_____
Email:_____	Email:_____

EXHIBIT I

SCHEDULE OF PREPAYMENT PREMIUMS

The Assessment may not be prepaid, in whole or in part, without payment of a Prepayment Premium based on the following schedule:

Pre-payment within five years of the Effective Date	[__]%
Pre-payment after five years of the Effective Date but within ten years of the Effective Date	[__]%
Pre-payment after ten years of the Effective Date but within fifteen years of the Effective Date	[__]%
Pre-payment after Fifteen years of the Effective Date	[__]%

EXHIBIT J

FORM OF ASSIGNMENT AND ASSUMPTION OF AGREEMENT TO PAY ASSESSMENT AND FINANCE IMPROVEMENTS

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "**Assignment**"), is made and entered into as of the ____ day of _____, 2018, by and between **[Original Borrower]** ("**Assignor**"), and **[New Borrower]** ("**Assignee**").

W I T N E S E T H:

WHEREAS, pursuant to that certain Agreement to Pay Assessment and Finance Improvements (the "**Financing Agreement**") dated as of _____, 2018 by and between Assignor and the Western Riverside Council of Governments ("**WRCOG**") and in accordance with Chapter 29 of Division 7 of the Streets & Highways Code ("**Chapter 29**") and the Program (as such term is defined in the Financing Agreement) the Assignor has renovated or retrofitted, or is in the process of renovating or retrofitting, the property located at _____, _____, California (the "**Property**"), with financing for the Project provided by Clean Fund Titling Trust ("CleanFund") on behalf of WRCOG in the original principal amount of up to $_____ (the "**Project Advance**"), which is secured by a special charge levied against the Property (the "**Assessment**"); and

WHEREAS, the Assignor is obligated to pay the Assessment in accordance with the Financing Agreement; and

WHEREAS, Assignor is selling, and Assignee, is purchasing the Property including the Project and Assignee acknowledges receiving a material benefit from the transaction contemplated by this Assignment; and

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, and intending to be legally bound hereby, Assignor and Assignee hereby agree as follows.

Section 1. Assignment. Effective as of _____, 2018 (the "**Effective Date**"), Assignor hereby assigns, sells, transfers and sets over to and for the exclusive benefit of Assignee, all of the right, title and interest of Assignor, in and to, in the Financing Agreement, the Assessment, and all other documents evidencing or securing the Assessment together with the obligations of Assignor thereunder. In furtherance of the foregoing, Assignor and Assignee agree, represent and warrant that **Exhibit A** attached hereto and made a part hereof contains a true, correct and complete copy of the Financing Agreement.

Section 2. Assumption. From and after the Effective Date, Assignee hereby assumes and accepts all of Assignor's right, title and interest in and to the Financing Agreement, the Assessment, and all other documents evidencing or securing the Assessment. Assignee agrees to pay, perform and discharge, and otherwise be and remain responsible for, at its sole cost and expense, all obligations and liabilities of Assignor pursuant to the Financing Agreement, the Assessment, and all other documents evidencing or securing the Assessment and to comply with all the terms, covenants and conditions thereof, as Property Owner (as such term is defined in the Financing Agreement) thereunder, first arising and accruing on or after the Effective Date. Nothing in this Assignment shall be construed, nor do the parties intend, to modify any of the terms, obligations or definitions in the Financing Agreement. In the event of any conflict between

the terms of this Assignment and the Financing Agreement, the Financing Agreement shall prevail.

Section 3. Acknowledgement of Indebtedness. Assignee hereby acknowledges the validity of the indebtedness evidenced by the Financing Agreement, the Assessment and all other documents evidencing or securing the Assessment including the obligation to make all installment payments pursuant to the Assessment and the Financing Agreement, including any payment of any delinquent assessments and interest and penalties thereon. Assignor and Assignee hereby acknowledge and agree that the amounts owed under the Financing Agreement and the Assessment as of the Effective Date are as follows:

Unpaid Principal: $_____

Accrued Interest: $_____

Section 4. Binding Effect; Governing Law. All obligations, covenants and undertakings contained in this Assignment shall bind and be enforceable against, and shall inure to the benefit of, Assignor and Assignee, and their respective successors, legal representatives and assigns. This Assignment shall be governed by the laws of the State of California, and shall be construed in accordance with such laws.

Section 5. Notices. Every notice or other communication required or contemplated by this Assignment to Assignor or Assignee shall be in writing and sent by: (i) certified or registered mail, postage prepaid, return receipt requested, or (ii) nationally recognized overnight courier, such as Federal Express or UPS, in each case addressed to the intended recipient at the address set forth below or at such other address as the intended recipient previously designated by written notice to the other party, as follows:

If to Assignor: _____
_____

_____
Attention:_____

If to Assignee: _____
_____

_____
Attention:_____

Section 6. Representations. Assignor and Assignee each hereby represents to the other, to WRCOG and to CleanFund that it has the power and authority to execute and deliver this Assignment and perform its obligations hereunder and that the undersigned has the power and authority to bind said party to the terms hereof.

Section 7. Headings. Section captions contained herein are inserted as a matter of convenience and for reference only, and in no way define, limit, extend or describe the scope of this Assignment or any provision hereof.

Section 8. Severability. In the event that any covenant, condition or other provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the

same shall be deemed severable from the remainder of this Assignment and shall in no way affect, impair or invalidate any other covenant, condition or other provision herein contained. If such condition, covenant or other provision shall be deemed invalid due to its scope or breadth, such covenant, condition or other provision shall be deemed valid to the extent of the scope or breadth permitted by applicable law.

Section 9. Waivers; Modifications. No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision hereof shall not be deemed to be a waiver of any other breach of the same or any other provision hereof. This Assignment may be amended or modified only by a written agreement executed by the parties in interest at the time of the amendment or modification.

Section 10. Dispute Resolution. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and costs, both at the trial and appellate levels.

Section 11. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall be deemed to constitute one and the same agreement.

Section 12. Assignee hereby acknowledges and confirms that nothing contained in this Assignment shall be construed to modify, waive, impair or affect any of the covenants, agreements, terms, provisions or conditions contained in the Financing Agreement and all other documents evidencing or securing the Assessment (except as may be herein expressly provided), or to waive any obligation contained therein.

Section 13. Entire Agreement. This Assignment contains all of the agreements of the parties hereto with respect to the matters contained herein, and no prior agreement, arrangement or understanding pertaining to any such matters shall be effective for any purpose.

[Remainder of Page Left Blank. Signature Page to Follow]

IN WITNESS WHEREOF, Assignor and Assignee have hereunto caused this Assignment to be duly executed as of the date first set forth above.

ASSIGNOR:

[_____]

WITNESSES:

_____
Name

By:_____
Name:
Title:
Duly Authorized

_____
Name

Date:_____

ASSIGNEE:

[_____]

_____
Name

By:_____
Name:
Title:
Duly Authorized

_____
Name

Date:_____

Consented and Agreed to this __ day of _____, 20__ by:

Clean Fund Titling Trust

By:_____
Name:
Title:

EXHIBIT K

DEPICTION OF PROPOSED SUBDIVISION OF PROPERTY

EXHIBIT L

FORM OF NOTICE OF SUBDIVISION

Re: Notice of Subdivision of Property (WRCOG –CA- [_____])

This Notice of Subdivision is provided pursuant to Section 3.07(c) of that certain Agreement~~s~~ to Pay Assessment and Finance Improvements dated [__], 2018 (the "Assessment Contract") by and between [_____] (the "Property Owner") and Western Riverside Council of Governments (the "Authority"). The undersigned hereby represents as follows:

1. I am an authorized representative and signatory of the Property Owner; and

2. The portion of the Property being subdivided ~~in~~ is located solely within the parcel identified in Exhibit K of the Assessment Contract as Parcel S (the "Subdivision Parcel"); and

3. The Subdivision Parcel receives no benefit from the Improvements identified on Exhibit B of the Assessment Contract; and

4. Upon subdivision, the Subdivision Parcel will be identified as Assessor Parcel No. _____. The remainder of the Property will be identified as Assessor Parcel No. _____ (the "Remainder Property");

5. The Property Owner hereby allocates 100% of the Assessment, as defined in the Assessment Contract, to the Remainder Property and 0% to the Subdivision Parcel.

Dated:_____ By:_____

Name:_____

Title:_____

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 2

Ygrene Commercial Program Handbook

Page Intentionally Left Blank

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

COMMERCIAL PROGRAM HANDBOOK

December 3, 2018

Ygrene Energy Fund California LLC
2100 S. McDowell Boulevard
Petaluma, CA 94954

NEED HELP? CALL 1-866-634-1358

The Western Riverside Council of Governments ("WRCOG" or the "Authority") has established a property assessed clean energy ("PACE") program within western Riverside County entitled the "Energy Efficiency and Water Conservation Program for Western Riverside County" (the "Program"). For details regarding the Program, please refer to the WRCOG Administrative Guidelines and Program Report. In order to apply for Program funding, property owners must read and acknowledge receipt of this Program Handbook.

This Program Handbook, along with the documents you will execute with your participation in the Program (the "Program Documents"), outlines the Program process and requirements. It is important that property owners understand the provisions of this Program Handbook and the related Program Documents. The Authority has contracted with Ygrene Energy Fund ("Ygrene") to act as the Program Administrator. Ygrene reserves the right to amend this Program Handbook at anytime.

1. Purpose of the Program

The Program helps property owners finance the installation of a wide range of energy efficiency, renewable energy, water conservation, seismic, and other improvements ("Authorized Improvements"). Financing and administrative costs are repaid through a voluntary special assessment, referred to herein as a "contractual assessment," added to your property tax bill. Because there are many types of financing available, you should investigate whether this is your best financing option and seek help from your finance or tax professionals if you have questions.

2. Summary of the Program Process

Obtaining Program financing involves the following steps.

- Determine you meet the eligibility requirements (see "Eligibility").
- Apply directly or through a registered Contractor of your choosing (see "Applications").
- Obtain Mortgage Lender Consent for your participation in the Program.
- Receive a Notice of Approval from Ygrene.
- Sign and electronically verify signatures for the Assessment Contract.
- Receive a Notice to Proceed from Ygrene and authorize your contractor to begin construction.
- Submit a Payment Request to Ygrene upon project completion.
- Pay the assessment when it appears on your property tax bill.

3. Eligibility

The Program can be used to finance Authorized Improvements on all types of property - residential, commercial, industrial, and agricultural. This Program Handbook sets forth the terms and conditions applicable to commercial, industrial, agricultural and residential (containing more than 4 dwelling units) properties:

- The property must be located within a jurisdiction that has agreed to participate in the

Program and is included as an applicable jurisdiction in the applicable chapter of the WRCOG Administrative Guidelines and Program Report for Ygrene financings.

- All of the owners of the property must sign the Assessment Contract. Therefore, before submitting an application, you must ensure that each person or business entity with an ownership interest will agree to participate.
- Mortgage debt lender(s) have given consent to Program financing.
- The proposed project must meet the required underwriting criteria specified in Appendix C.
- Property owner(s) must be current on property taxes.
- Property owner(s) must be current on all mortgage debt and the property is not subject to any notice(s) of default.
- Property owner(s) must not be in bankruptcy.
- Prior to Program funding, mortgage debt must not exceed 90% of the market value of the property. To determine compliance with this requirement, Ygrene will check mortgages, equity lines of credit, assessments and tax liens.
- There must be no involuntary liens on the property that exceed $1,000.
- Funding requests exceeding $100,000 may require additional underwriting during the project approval phase.
- The total annual property tax and assessments, including the contractual assessment, on the property will not exceed 5% of the property's market value, as determined at the time of approval of the contractual assessment.
- In some cases, Ygrene may request additional information during the approval process. These requests are common when commercial property is held by trusts or entities other than individuals but may be made for other reasons at Ygrene's discretion.

Please see the list of underwriting criteria and considerations included in Appendix C.

Variances from any eligibility or underwriting requirements or guidelines listed in this Program Handbook (but not specifically required by applicable state or federal statute or regulation), will not release the owner(s) from the obligations incurred under the Assessment Contract and assessment, including the lien on the applicable property. The Authority does not intend these requirements or guidelines to be strict legal requirements and does intend that the Assessment Contract, assessment, and lien, assuming compliance with applicable state and federal statutes and regulations, will be deemed to be in substantial compliance with this Program Handbook and be valid and enforceable as to all parties despite any such variances. Consistent with this, the Authority will construe any eligibility or underwriting requirements or guidelines contained in a local government opt-in resolution or other related document to likewise not affect the validity or enforceability of any Assessment Contract, assessment, or lien on property in the jurisdiction of such local government, despite any variances from those local government requirements or

guidelines, unless the opt-in resolution or related document explicitly states a contrary intention. This paragraph is intended to be consistent with the rest of the Program Handbook, but if an inconsistency arises, this paragraph will govern (including, without limitation, with respect to this Section 3 and Section 5, and Appendix C). This paragraph applies to all Assessment Contracts, assessments and liens approved since the inception of the Program.

4. Application

To participate in the Program, you must submit an online application. Ygrene provides telephone assistance at 1-866-634-1358 for property owners who have questions or need help applying. In addition, registered Contractors are familiar with the application process and can coordinate with Ygrene on your behalf. The following are the steps in the application process:

- Submit an application form online.
- Following review by Ygrene, you will receive a Notice of Approval, a Notice of Denial, or a request for additional information.
- For properties with mortgage liens, when Ygrene issues your Notice of Conditional Approval, it will submit notification and consent forms on your behalf to all lenders of record with secured loans on your property. Once all lenders of record provide written consent to your participation in the Program, a Notice of Approval may be issued.
- Once your application is approved, a Ygrene representative will prepare electronic documents for signature by all property owners. These documents include the Assessment Contract, which is the financing agreement through which you agree to pay the assessment when due and authorize recordation of the notice of assessment on your property. You have three days after signing to cancel the agreement if you decide against participating in the Program.
- Ygrene can process information received from your registered Contractor in preparation for issuing a Notice to Proceed with construction (see the Contractors and Construction section below).
- Should your application be denied for any reason, the Notice of Denial will include recommended remedial action, if any, that you can pursue.

5. General Provisions

The following apply to all projects submitted for funding under the Program:

- Only Authorized Improvements are eligible for funding. A list of Authorized Improvements is provided in Appendix A. You should consult with your registered Contractor to ensure that the improvements proposed to be installed on your property qualify under the Program guidelines.
- Neither the Authority nor Ygrene is responsible for the installation of the Authorized Improvements or their performance. The registered Contractor that provides construction services for your project works for you and you should be sure that you are satisfied with the quality and completeness of the work before authorizing payments.

- Under the applicable law authorizing and regulating the Program, Authorized Improvements must be permanently affixed to the property.

- Authorized Improvements must be installed by registered Contractors, or you may install such improvements yourself. If you choose to do the work yourself, Program financing will not cover the cost of your labor; only material and equipment costs are funded.

- Minimum Program funding is $5,000. Commercial underwriting and title costs can result in fees that make the Program financing impractical for very small commercial projects.

- The total of all Program funding on your property shall not exceed (i) 15% of the fair market value of the property; (ii) an amount that, when added to your existing secured indebtedness, exceeds 100% of the fair market value of the property; or (iii) the final cost of installing the Authorized Improvements, including Program fees and applicable capitalized interest. In no event will Program funding exceed the amount authorized under applicable Program policies or state law.

6. Contractors and Construction

You can begin working with a registered Contractor before or after you apply to the Program. If you consult with a contractor early, you may be able to submit for project approval at the time you apply. Ygrene cannot issue a notice to proceed with construction until you select a registered Contractor and provide information about the nature and cost of improvements you wish to finance. This information may be in the form of a Construction Contract or project cost breakdown. The following are the steps that lead to construction authorization:

- Select a registered Contractor or ask your preferred contractor to register and obtain Program approval. A list of registered Contractors is available on the Program website or from a Ygrene customer service representative. You may wish to obtain bids and advice from more than one registered Contractor.

- Work with your selected registered Contractor to determine project scope, obtain bids, verify that the proposed work qualifies for funding, and help complete the approval process with Ygrene. If you plan to use more than one registered Contractor, or if you plan to have the project completed in phases, please contact the Ygrene to discuss.

- Once Ygrene approves the project, it will prepare the Assessment Contract and other financing documents and submit them to you for electronic signatures. All owners of the property must sign these documents and obtain electronic third-party verification of their signatures.

- When Ygrene receives completed documents, it can authorize construction with a Notice to Proceed. It will help expedite approvals if you select and consult with your registered Contractor early in the process.

- If you begin construction prior to receipt of Ygrene's Notice to Proceed, you run the risk of not qualifying for Program funding.

- If Ygrene denies the project, it will issue a Notice of Denial letter that outlines remedies you may employ to obtain approval.

- You (or your contractor) shall complete installation of the project no later than 180 days after the execution of your Assessment Contract unless the project costs $500,000 or more and you and Ygrene have agreed on later completion date. You and Ygrene may agree to an extension of the completion date for good cause shown on any project regardless of cost.

7. Funding

- Once your registered Contractor completes installation of the Authorized Improvements, he/she can help you submit a Payment Request. Your registered contractor will also be required to provide the following project verification documents. Ygrene will review your submittal, produce final Program forms, and email or mail them to you in accordance with your instructions. Once Ygrene receives the executed documents, it will schedule funding -usually within a few days. The following are requirements for funding:

  i. Execution of the Program Certificate of Completion by the property owner and your registered Contractor and/or, if applicable, a final sign-off on the building permit for the project from the authorized building official in the participating jurisdiction

  ii. Summary of Improvements listing installed Authorized Improvements by type and invoice amounts, which is consistent with the Certificate of Completion

  iii. A signed Estimated Settlement Statement

  iv. A signed Right to Receive Financing Proceeds form (with lien release) if the payment is to be assigned to someone other than the property owner

  v. For seismic safety improvements, engineering reports or final building permits approved by local building officials.

  vi. Ygrene reserves the right to physically or virtually inspect the completed project and may require documentation of the completed improvement with photographic evidence.

- Unless Ygrene authorizes additional time, property owners must sign and return the closing documents to Ygrene within seven (7) days following transmittal of a Payment Request or the request may expire. In that event, an updated Payment Request will be required. If the Program interest rate changes between the date of the original funding request and an updated request, the interest rate may increase.

- Following final review, Ygrene will reconfirm eligibility of the project and the final assessment details and approve issuance of checks or bank wires in accordance with your instructions.

- In the event you cancel the financing after submitting a request for funding, all expenses incurred by the Program for recording documents or other notices, preparing documents, any amounts previously funded and other district and Ygrene costs will be your responsibility. Property owners may also be responsible for expenses incurred by contractors according to their construction agreements. Under no circumstances does the Authority or Ygrene have any obligation to release funds if the work has not been completed.

8. Repayment

- In order to receive funding, property owners agree to pay an assessment in an amount adequate to repay the financing including (i) the amount funded by the Program, (ii) interest on the funded amount, and (iii) initial and ongoing administrative expenses. A detailed breakdown of estimated costs and fees will be included as an exhibit to the Assessment Contract, and the final costs and fees will be detailed in the Estimated Closing Statement and the Final Closing Statement.

- Funded Amount. This is the total amount disbursed at closing. It can include construction and materials costs, Program fees, permit fees, energy audit expenses, application fees, SelectRate Buyers Points Fees (if any) (see "Program Fees" below) and capitalized interest (see "Capitalized Interest" below).

- Interest Rate. This is the interest rate applied to the Funded Amount to calculate the annual assessment payment that repays the financing. The interest rate is fixed for the full term of the financing. The rate will be set on the date the property owner signs the Assessment Contract and will be locked for 90 days. The term of the rate lock may change from time to time and will be reflected in the current version of the Program Handbook.

- Capitalized Interest. Because assessments are placed on county tax rolls only once each year, it may be several months before Program assessments appear on your property tax bill. Consequently, interest from the funding date until the assessment is placed on the tax roll will be added to the funding and you will have no payments for that period. Ygrene estimates capitalized interest on the Estimated Settlement Statement and itemizes the final amount on the Final Settlement Statement.

- Prepayment. In the event you elect to pay the assessment in full before the end of the financing term, the Authority may impose a prepayment premium not to exceed 5% of the unpaid principal on the assessment. Please see Exhibit B of your Assessment Contract to determine whether a prepayment premium will apply to your financing or you may ask a Ygrene customer service representative. Partial prepayments shall be applied to the then outstanding principal balance as shown on the payment schedule provided with the Final Closing Statement plus reasonable administrative costs (including the costs to provide a revised payment schedule for the remaining term). The minimum partial prepayment amount is $2500. Prepayments of the Assessment will not satisfy or reduce the amount reflected in the current year's installment of the Assessment that appears on the property tax bill.

9. Program Fees

The following charges apply to the Program. Ygrene may change these charges at any time in response to increases or decreases in the cost of providing Program services.

COMMERCIAL PROGRAM FEE SCHEDULE[1]		
Item	**Amount**	**When Payable**
Application Fee	$250 maximum	Time of Application
Processing and Underwriting	$350 maximum	At disbursement*
Recording and Documentation	$590 maximum	At disbursement*
Program Cost Recovery	Not to exceed 1% or minimum $100	At disbursement*
Title and Escrow Fee	$350 maximum	At disbursement*
Reserve Fund	Not to exceed 0.075%	At disbursement*
Funding Fee	Not to exceed 4%	At disbursement*
SelectRate Buyers Points Fee (at option of applicant)	Not to exceed 5% of project costs for 1% interest rate reduction; Not to exceed 10% of project costs for 2% interest rate reduction	At disbursement*

*These charges may be included in the principal amount to be financed.

The Riverside County Auditor Controller charges an annual administration fee for placing assessments on the property tax roll. The tax administrator, trustee, Ygrene and WRCOG may have similar annual fees, estimated to be approximately $60 per year, but are subject to change from time to time. Should you choose to prepay your Program financing, the tax administrator charges an administrator fee for preparing a payoff quote and executing payoff documents. This fee is approximately $100.

10. Assessments & Foreclosures

A property owner must pay the agreed-upon assessment regardless of personal financial circumstances, the condition of the property, or the performance of the Authorized Improvements. Property owners should not apply for financing if they are not certain they can meet the assessment obligations. Failure to pay property taxes in full or in part will result in financial repercussions including penalties, interest, and possibly foreclosure. If property owners use an escrow account (impound) to pay their property taxes, they should notify the escrow company of the assessment. In such cases, property owners may need to increase monthly payments to the escrow account by an amount equivalent to the annual assessment, divided by 12 months.

11. Compliance with Existing Mortgages; Notice and Consent

Recordation of the Notice of Assessment will establish a continuing lien as security for the

[1] All costs that appear as a percentage in this table shall be calculated as a percentage of the project costs (i.e. excluding any program fees or capitalized interest).

obligation to pay the assessments. The lien will be senior to private liens, including existing mortgage(s). Many mortgage and loan documents limit the ability of borrowers to place senior liens on their property without the consent of the lender. Program participants are encouraged to confirm with their lender(s) that participation in the Program does not violate their existing loan documents. Ygrene notifies lenders on your behalf of your intention to participate in the Program after application approval.

The Program requires that commercial property owners provide a signed acknowledgement and consent form from each existing entity holding a mortgage, lien or other indebtedness secured by the property stating that each entity understands, acknowledges, and consents to the fact that a contractual assessment will be levied on the commercial property and will be collected in the same manner and will be subject to the same interest and penalties, remedies and lien priority as real property taxes.

12. Sale of the Property

Ownership or use of any Authorized Improvements on the property may transfer to the buyer when you sell the property. Therefore, if you sell your property prior to the end of the financing term, the new owner may assume the assessments. You are obligated to make all legally required disclosures to prospective buyers regarding the assessment lien on the property.

13. Rebates and Taxes

Participation in this Program does not reduce incentives available through federal, state, utility, or other rebate programs. More information on available programs can be found online or through registered Contractors. Property owners should consult with their tax advisors with respect to the state and federal tax benefits and consequences of participating in the Program.

14. Changes in Program Terms

Program terms, including interest rates and underwriting requirements, are subject to change at any time. However, no such changes will affect your obligation to pay assessments in accordance with the Program Documents. Participation in the Program is subject to the requirements of the Program Report, Program Handbook, and Program Documents in effect at the time you apply for financing.

APPENDIX A

AUTHORIZED IMPROVEMENTS

The Program offers financing for a variety of energy-efficiency improvements, water conservation measures, solar and other distributed generation systems, electric vehicle charging infrastructure and seismic retrofitting. In each case, any rebates received by or approved for property owners prior to funding must be deducted from the amount of financing requested. In addition, property owners are encouraged to pursue the most cost-effective improvements (or combination of improvements) to maximize their long-term utility savings and return on investment. The following list is not intended to be comprehensive. Any projects that measurably save energy beyond the level required by legislation, or that generate renewable energy, add to the conservation of water resources or seismic strengthening, can be financed through the program. Consult Ygrene for details.

Energy Efficiency Improvements

- Additional building openings to increase natural light
- Air sealing and ventilation
- Air filtration
- Ceiling, attic, and whole house fans
- Building envelope
- Duct leakage and sealing
- Insulation
- Attic, floor, walls, and roof ducts
- Home Sealing
- Geothermal exchange heat pumps
- HVAC systems
- Evaporative coolers (coolers must have separate ducting from that used for air conditioning and heating systems)
- Natural gas storage water heater
- Energy Star listed tankless water heater
- Solar water heating system
- Reflective insulation or radiant barriers
- Cool roof
- Windows and glass doors (U value of 0.40 or less and solar heat gain coefficient of 0.40 or less) Window filming
- Skylights
- Solar tubes
- Lighting (Energy Star listed; no bulb; fixture retrofits only)
- Pool equipment (circulating pumps, etc.)
- Occupancy sensor lighting fixtures
- SMART parking lot bi-level fixture
- SMART parking garage bi-level fixtures
- SMART pathway lighting
- SMART wall-pack fixtures
- Task ambient office lighting
- Classroom lighting
- Refrigerator case LED lighting with occupancy sensors
- Wireless daylight lighting controls
- Kitchen exhaust variable air volume controls
- Wireless HVAC controls & fault detection
- Energy storage

Renewable Energy Improvements

- Solar thermal hot water systems
- Solar thermal systems (pool heating)
- Photovoltaic systems (electricity)
- Wind turbine power systems
- Geothermal power systems
- Emerging technologies

Water Conservation Improvements

- Core plumbing systems
- Gray water systems
- Instantaneous hot water heater
- Recirculation hot water systems
- Demand-initiated hot water systems
- Hot water pipe insulation
- Irrigation systems
- Rainwater cisterns
- Whole-house water manifold systems
- Leak repairs
- Cooling condensate reuse
- Cooling tower conductivity controllers
- Deionization equipment
- Filter upgrades
- Foundation drain water
- Water-saving landscaping
- Industrial process water use reduction
- Pre-rinse spray valves
- Recycled water sources
- Urinals
- Waterless urinals

Seismic Improvements

- Shear Walls
- Moment Frames
- New Steel Columns
- Column Strengthening
- Frame Strengthening
- Foundation Strengthening
- Foundation Connection Systems
- Structural Connection Systems
- Masonry Reinforcement
- Emergency Shut-Off Systems
- Other seismic improvements or repair work consistent with subdivision (i) of CA Government Code section 53313.5

Custom Improvements

Ygrene can evaluate and approve financing for Eligible Improvements that are not "off the shelf" ("Custom Improvements"). Custom Improvements may involve large-scale industrial or commercial energy efficiency improvements, processing or industrial mechanical systems, and renewable energy generation from sources such as geothermal and fuel cells. Custom Improvements that will be considered for Program funding include the following:

- Building energy management controls
- HVAC duct zoning control systems
- Irrigation pumps and controls
- Lighting controls
- Industrial and process equipment motors and controls
- Fuel cells
- Wind-turbine power system
- Natural gas retrofits
- Hydrogen fuel systems
- Electric vehicle charging stations
- Other fuel sources (emerging technologies)
- Co-generation (heat and energy)

APPENDIX B

SAMPLE THREE-DAY RIGHT TO CANCEL

Your Right to Cancel

You are entering into an Assessment Contract for financing under the Program that will result in a Notice of Assessment being placed on your property at the following address:

_____

Ygrene is offering you the right to cancel this transaction without cost within three (3) business days from the date you execute the Assessment Contract. If you cancel this transaction during this three-day period, the Authority will not record the assessment lien on the property.

Acknowledgement of Receipt

I/We hereby acknowledge reading and receiving a copy of this Notice of Right to Cancel.

PROPERTY OWNER NO.1	PROPERTY OWNER NO. 2
SIGNATURE:	SIGNATURE:
NAME:	NAME:
TITLE:	TITLE:
TRUST:	TRUST:
LEGAL ENTITY:	LEGAL ENTITY:

PROPERTY OWNER NO.3	PROPERTY OWNER NO. 4
SIGNATURE:	SIGNATURE:
NAME:	NAME:
TITLE:	TITLE:
TRUST:	TRUST:
LEGAL ENTITY:	LEGAL ENTITY:

How to Cancel

If you decide to cancel this transaction, you must notify Ygrene in writing at 2100 S. McDowell Boulevard, Petaluma, CA 94954 or email your cancellation to customer.care@ygrene.us. You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below.

I Wish to Cancel

_____ _____

Owner Signature *Date*

I would like to cancel my Assessment Contract for the reason(s) described below:

APPENDIX C

UNDERWRITING REQUIREMENTS

All property owners and improved properties in the district that meet the Program's criteria for approved property types must meet the following underwriting criteria for participation:

Property Address The property must be improved (or will be improved by the project), be located within the Program boundaries, and either be on the property tax rolls or be capable of being added to the rolls.	**Applicants** All owners of record must agree to participate and be willing to execute the Program Documents.	**Mortgage Debt** Prior to Program funding, mortgage debt must not exceed 90% of the market value of the property.
Mortgage Payments Mortgages must be current. The property must not be subject to any Notices of Default.	**Bankruptcy** Property owners must not be in bankruptcy.	**Property Taxes** Property owners must be current on property taxes.
Involuntary Liens There must be no involuntary liens on the property that exceed $1,000. No environmental liens allowed.	**Minimum Financing** Minimum funding request is $5,000.	**Maximum Financing** Funding requests must not exceed limits provided by the Act. Projects with funding Commercial property funding is limited to 15% of the property value (inclusive of capitalized interest and fees). Funding requests exceeding $100,000 may require additional underwriting during the project approval phase.

Property owners must authorize Ygrene to notify all existing mortgage holders of their intent to participate in the Program.

Property owners may be asked to provide utility records for the property for the two years prior to completion of the project.

These requirements may change from time to time. A copy of the most up to date version of this Program Handbook may be obtained from a Ygrene customer service representative.

Summary Report

November 20, 2018 4:31 PM

	Document	Location
	Commercial Program Handbook_v16 (Ygrene draft 11-20-18) (2)_31628893_1	iManage:iManage (31628893,1:)
	BBK 11	iManage:iManage (31628868,1:)

	Number of Changes	Markup
	7	Sample Text
	4	
	0	Move From
	11	

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 3

WRCOG Resolution Number 45-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments approving amendments to the Administrative Guidelines and Program Report for the Western Riverside Council of Governments Energy Efficiency and Water Conservation Program for Western Riverside County to modify the Ygrene Program to authorize the financing of the installation of authorized improvements on commercial properties

Page Intentionally Left Blank

RESOLUTION NUMBER 45-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS APPROVING AMENDMENTS TO ADMINISTRATIVE GUIDELINES AND PROGRAM REPORT FOR THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS ENERGY EFFICIENCY AND WATER CONSERVATION PROGRAM FOR WESTERN RIVERSIDE COUNTY TO MODIFY THE YGRENE PROGRAM TO AUTHORIZE THE FINANCING OF THE INSTALLATION OF AUTHORIZED IMPROVEMENTS ON COMMERCIAL PROPERTIES

WHEREAS, the Executive Committee of the Western Riverside Council of Governments ("WRCOG") previously approved the Energy Efficiency and Water Conservation Program for Western Riverside County Administrative Guidelines and Program Report (the "WRCOG PACE Program Report") and established the Energy Efficiency and Water Conservation Program for Western Riverside County (commonly referred to as the "WRCOG PACE Program") for the purpose of financing the cost of installing distributed generation renewable energy sources, energy and water efficiency improvements, electric vehicle charging and seismic strengthening infrastructure that are permanently affixed to their property ("Authorized Improvements") on residential and commercial properties ("Residential Properties" and "Commercial Properties," respectively) located within the program area of the WRCOG PACE Program (the "Program Area") as authorized under and defined by the WRCOG PACE Program; and

WHEREAS, Ygrene Energy Fund California LLC ("Ygrene") previously requested that Ygrene be authorized to establish a program within certain cities within the Program Area to administer and finance the installation of Authorized Improvements on both residential and commercial properties for the WRCOG PACE Program; and

WHEREAS, on August 6, 2018, the Executive Committee, by the adoption of Resolution No. 36-18 (the "Approving Resolution"), approved Ygrene as an additional program administrator for a separate program of the WRCOG PACE Program to be known as the Ygrene Program to finance the installation of Authorized Improvements on residential properties within certain cities within the WRCOG Program Area and approved an updated WRCOG PACE Program Report incorporating program requirements for the Ygrene Program and a program handbook for the Ygrene Program (the "Ygrene Program") applicable to commercial properties; and

WHEREAS, by adopting the Approving Resolution, the Executive Committee also approved the issuance of bonds one or more series of limited obligation improvement bonds (the "Bonds") to finance the installation of Authorized Improvements on properties participating in the Ygrene Program; and

WHEREAS, at this this time there has been submitted to the Executive Committee a further updated WRCOG PACE Program Report and a Ygrene Commercial Program Handbook incorporating the program requirements for the Ygrene Program applicable to commercial properties; and

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

Section 1. Approval of the Amended WRCOG PACE Program Report and the Ygrene Commercial Program Handbook Applicable. The Executive Committee hereby approves the forms of the amended WRCOG PACE Program Report and the Ygrene Commercial Program Handbook to authorize Ygrene to finance the installation of Authorized Improvements on commercial properties participating in the Ygrene Progam in substantially the form on file with the Secretary of the Executive Committee, together with any changes therein or additions thereto approved by the Executive Director of WRCOG (the "Executive Director") and the execution thereof by the Executive Director or any designee of the Executive Director (each, an "Authorized Representative") shall be conclusive evidence of the approval of any such changes or additions.

Section 2. Application of the Provisions of the Authorizing Resolution. All terms of the Authorizing Resolution shall remain in full force and effect and apply to the Ygrene Program as modified by the adoption of this Resolution.

Section 3. Official Actions with Regard to the Bonds. Each officer of WRCOG or Authorized Representative is hereby authorized and directed, for and in the name and on behalf of WRCOG, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance and sale of the Bonds as authorized by the Authorizing Resolution. All actions heretofore taken by the officers and agents of WRCOG with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified.

Section 4. Other Additional Action. All actions heretofore taken by the officers and agents of WRCOG with respect to the other matters contemplated by this Resolution and the Program Report are hereby approved, confirmed and ratified, and the proper officers of WRCOG, including but not limited to the Executive Director, the Secretary, and the Director of Energy and Environmental Programs, and their designees, are hereby authorized, for and in the name and on behalf of WRCOG, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements, assignments, notes and other documents which they, or any of them, may deem necessary or advisable with respect to the establishment, implementation and administration of the Ygrene Program and in order to consummate the matters contemplated by this Resolution and the WRCOG PACE Program Report, as amended. The Executive Director or any Authorized Representative is hereby authorized and directed to approve any other documents related to the Ygrene Program necessary in the judgment of the Executive Director or such Authorized Representative to conform such documents to the actions taken by the adoption of this Resolution.

Section 5. Effective Date. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED at a Meeting of the Executive Committee of the Western Riverside Council of Governments held on December 3, 2018.

Chuck Washington, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
WRCOG Bond Counsel

AYES: _____ NOES: _____ ABSENT: _____ ABSTAIN: _____

Page Intentionally Left Blank

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 4

CleanFund Administration Agreement

Page Intentionally Left Blank

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

WRCOG PACE PROGRAM AND CALIFORNIA PACE PROGRAM

CLEANFUND COMMERCIAL PACE PROGRAM

ADMINISTRATION AGREEMENT

1. PARTIES AND DATE.

This CleanFund Commercial PACE Program Administration Agreement is made and entered into as of [__], 2018 (the "Dated Date"), by and between the Western Riverside Council of Governments, a California public agency ("WRCOG") and CleanFund Commercial PACE Capital, Inc., a Delaware corporation ("CleanFund"). WRCOG and CleanFund are sometimes individually referred to as a "Party" and collectively as the "Parties." This agreement may be referred to herein as this "Administration Agreement" or this "Agreement."

2. RECITALS.

2.1 The Executive Committee of WRCOG (the "Executive Committee") has established a property assessed clean energy ("PACE") program designated as the Energy Efficiency and Water Conservation Program for Western Riverside County (the "WRCOG PACE Program") pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the California Streets and Highways Code (commencing at Section 5898.12) ("Chapter 29"); the joint exercise of powers agreement under which WRCOG was formed, originally made and entered into April 1, 1991, as further amended to date (as so amended, the "JPA"); and separate Implementation Agreements entered into pursuant to the JPA by and between WRCOG and its member agencies that elected to participate in the WRCOG PACE Program (the "Member Agencies") to assist owners of commercial properties (the "Commercial Properties") within the jurisdictional boundaries of such Member Agencies to finance the cost of installation of distributed generation renewable energy sources, energy efficiency or water conservation improvements, seismic improvements or electric vehicle charging infrastructure (the "Eligible Improvements") that are permanently fixed to the properties of such owners (each such project, a "Commercial PACE Project").

2.2 As a part of such proceedings, the Executive Committee initially approved and has subsequently amended a report prepared pursuant to and addressing all of the matters set forth in Streets and Highways Code Section 5898.22 and 5898.23 (as amended, the "WRCOG PACE Program Report") as set forth in Exhibit A hereto and may be subsequently amended, including a map showing the boundaries of the territory within which the voluntary contractual assessments may be offered (the "PACE Program Area"), a form of contract specifying the terms and conditions that would be agreed to by an owner of property within such boundaries and WRCOG (each, an "Assessment Contract"), a statement of policies of WRCOG concerning such voluntary contractual assessments and a plan for raising a capital amount required to pay for the work performed pursuant to the voluntary contractual assessments.

2.3 As a further part of such proceedings, the Executive Committee provided that one or more series of limited obligation improvement bonds would be issued under the Bond Act of 1915, being Division 10 of the Streets & Highways Code of the State of California (the "1915 Bond Act") or other financing relationships would be entered for the purpose of financing the installation of Eligible Improvements.

2.4 Additionally, the Executive Committee of WRCOG authorized CleanFund to administer and finance a separate program (the "CleanFund Commercial PACE Program" or the "CleanFund Program") to finance the installation of Eligible Improvements on Commercial Properties within the PACE Program Area.

2.5 WRCOG and CleanFund now desire and intend to enter into this Administration Agreement, pursuant to which CleanFund shall provide administrative services for the CleanFund Program.

2.6 The Parties hereto desire that taken together, the following documents shall represent the operating relationship between the Parties pertaining to the CleanFund Program: (i) this Administration Agreement, (ii) that certain Master Assignment and Assumption Agreement by and between WRCOG and Clean Fund Titling Trust (the "Master AAA"), which shall provide for and establish the terms and conditions pursuant to which WRCOG will assign to Clean Fund Titling Trust Transferred Interests (as defined in the Master AAA) (iii) that certain Depositary and Account Control Agreement by and among WRCOG, Clean Fund Titling Trust, CleanFund and Wilmington Trust, National Association, as despositary (the "Depositary and Account Control Agreement") that shall specify, among other things, the flow and management of funds in connection with Transferred Interests (iv) that certain Master Indenture by and between WRCOG and Wilmington Trust, National Association, as trustee (the "Master Indenture"), which shall provide for the issuance of limited obligation improvement bonds (the "Bonds") to finance or refinance the installation of Eligible Improvements on Commercial Properties and (v) that certain Investor Letter and Receipt for Bonds (the "Investor Letter"), pursuant to which Clean Fund Titling Trust will make certain representations, warranties and agreements in connection with its purchase of the Bonds from WRCOG. Both parties agree that any amendments or modifications to the agreements listed above shall not be made without the prior written consent of WRCOG and the other parties to such agreements.

3. THE PURPOSE OF THIS ADMINISTRATION AGREEMENT.

WRCOG and CleanFund desire to enter into this Administration Agreement to establish the terms and conditions pursuant to which CleanFund shall provide administration services within the PACE Program Area, as set forth in Exhibit B attached hereto and incorporated herein by this reference (the "Program Administration Services"). CleanFund desires to perform and assume responsibility for the provision of such Program Administration Services on the terms and conditions set forth in this Agreement. CleanFund represents that it is legally qualified to provide such Program Administration Services, and has or will obtain all necessary licenses and authorizations from the State of California and any agency of the federal government with the authority to regulate the provision of such Program Administration Services.

WRCOG desires to engage CleanFund to render such Program Administration Services as set forth in and pursuant to the terms and conditions of this Agreement.

4. TERMS.

4.1 Scope of Program Administration Services and Term of Agreement.

4.1.1 General Scope of Program Administration Services. CleanFund promises and agrees to provide Program Administration Services and to furnish financing necessary to provide labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately implement the provision of the Program Administration Services. All Program Administration Services shall be subject to, and performed in accordance with, (i) this Agreement, the exhibits attached hereto and incorporated herein by reference, and (ii) all applicable local, state and federal laws, rules and regulations.

In the event that the Program Administration Services conflict with the WRCOG PACE Program Report, the provisions of the WRCOG PACE Program Report shall prevail; *provided that* any changes to the WRCOG PACE Program Report subsequent to the date hereof, shall be provided to CleanFund and CleanFund shall expressly acknowledge and agree to any such changes before they shall be deemed to control pursuant to this Section 4.1.1.

4.1.2 Term. The initial term of this Agreement shall commence on December 4, 2018 and shall terminate on December 31, 2021 (the "Initial Term") and shall automatically extend for an additional year at the end of each succeeding year provided CleanFund has at all times performed pursuant to and is in compliance with the material terms and conditions of this Agreement or, unless earlier terminated as provided herein.

4.2 Responsibilities of CleanFund and WRCOG.

4.2.1 Control and Payment of Subordinates; Independent Contractor and Other Costs. The Program Administration Services shall be performed by CleanFund or one of its affiliates, provided that CleanFund may delegate to a third-party services provider its duties and obligations with respect to the Program Administration Services as well as support services upon obtaining the written consent of WRCOG, provided that any such delegation by CleanFund shall not relieve CleanFund of the duties or obligations so delegated. CleanFund will determine the means, methods and details of performing the Program Administration Services subject to the requirements of this Agreement. WRCOG retains CleanFund on an independent contractor basis and not as an employee. Any personnel performing Program Administration Services under this Agreement on behalf of CleanFund shall not be employees of WRCOG and shall at all times be under CleanFund's direction and control or under contract as an independent contractor to provide services to CleanFund. CleanFund shall pay all wages, salaries, if any, and other amounts due such personnel in connection with their performance of Program Administration Services under this Agreement and as required by law. CleanFund shall be responsible for all reports and obligations respecting any of its employees, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers compensation insurance.

4.2.2 Rights to provide Program Administration Services to other entities and limitations thereon.[1]

(a) CleanFund shall market the CleanFund Program to cities within the PACE Program Area, as identified in Exhibit E, attached hereto, provided, that CleanFund shall not be required to market the CleanFund Program to cities that have adopted PACE programs sponsored by California Statewide Communities Development Authority ("CSCDA").

(b) CleanFund hereby acknowledges that WRCOG has appointed and may, in its sole discretion, appoint additional administrators for the WRCOG PACE Program, however WRCOG shall not appoint additional administrators to the CleanFund Program without the express written consent of CleanFund.

(c) CleanFund represents that it is duly authorized to enter into this Administrative Agreement and entry into this Administrative Agreement does not interfere with its obligations under any other agreement or contract.

(d) CleanFund may continue to provide administrative services to CSCDA outside of the PACE Program Area and to cities in the PACE Program Area that have adopted PACE programs sponsored by CSCDA as of the date of this Agreement. If, after the date of this Agreement, the County or a city currently part of the WRCOG PACE Program requests, of its own accord, CleanFund to provide services similar to Program Administration Services for such city or the County through CSCDA, (i) CleanFund shall provide WRCOG with notice of such a request, and (ii) if requested by WRCOG, CleanFund shall use commercially reasonable efforts to facilitate and attend a meeting with such city or the County to discuss such request. If such city or the County adopts a PACE program sponsored by CSCDA after the date of this Agreement and CleanFund is required to originate assessment contracts through CSCDA for such city or the County pursuant to the terms of the CSCDA agreement (the "CSCDA Agreement"), CleanFund shall immediately cease originating Assessment Contracts through the WRCOG PACE Program in such city or the County; provided however, CleanFund may continue to process and fund any applications for Assessment Contracts submitted prior to such city's or the County's adoption of a PACE program sponsored by CSCDA. CleanFund shall not commence originating assessment contracts for CSCDA in such city or County until it has received an acknowledgment from such city or the County that, as of the date of adoption of the PACE Program sponsored by CSCDA, CleanFund will be originating assessment contracts in such city or the County through CSCDA rather than through WRCOG. Notwithstanding the foregoing, in no event shall CleanFund be required to take any action pursuant to this Section 4.2.2(d) that would constitute or result in a breach of CleanFund's obligations under the CSCDA Agreement.

(e) CleanFund may provide administrative services to other PACE programs operating outside of the PACE Program Area.

(f) Additionally, CleanFund may enter into agreements to provide administrative services to other PACE programs within the PACE Program Area (each an "Other Issuer"); provided, however, CleanFund must (a) obtain prior written consent of WRCOG and (b) any term of such agreement shall not limit CleanFund's ability to originate Assessment Contracts through the WRCOG PACE Program.

(g) If the County or a city currently part of the WRCOG PACE Program requests, of its own accord, CleanFund to provide services similar to Program Administration Services for such city or the County through an Other Issuer, CleanFund shall have the right, but not the obligation, to perform such services for such Other Issuer; provided that (i) CleanFund shall provide WRCOG with prior notice of such a request, (ii) WRCOG shall have the right to meet with such city or the County to discuss such request any time within 30 days of such notice and (iii) CleanFund shall use commercially reasonable efforts to facilitate and attend such meetings, provided that such right of WRCOG to have such meeting shall not impair CleanFund's efforts to provide the requested services to the city or the County 30 days after notice to WRCOG.

(h) WRCOG shall work with and use its best efforts to add new cities to the PACE Program Area that CleanFund has designated to WRCOG in writing as priority areas.

4.2.3 Schedule of Responsibilities. CleanFund shall perform Program Administration Services and WRCOG shall perform the WRCOG Responsibilities (defined in 4.2.4 below) upon and pursuant to a schedule of responsibilities (the "Schedule of Responsibilities") to be agreed upon by the WRCOG Representative (defined in 4.2.7 below) and the CleanFund Representative (defined in 4.2.8 below). Execution of the Schedule of Responsibilities by both the WRCOG Representative and the CleanFund Representative shall indicate the approval and acceptance of such Schedule of Responsibilities and the incorporation of such Schedule of Responsibilities into this Agreement. The Schedule of Responsibilities shall, upon execution, be attached to this Agreement as Exhibit C hereto and shall thereafter be incorporated herein by this reference. CleanFund represents that it has the professional and technical personnel and financial resources required to perform Program Administration Services in conformance hereto. WRCOG represents that it has the professional personnel and financial resources required to perform the WRCOG Responsibilities in conformance hereto.

4.2.4 WRCOG Responsibilities. In order to facilitate CleanFund's performance of Program Administration Services, WRCOG shall respond to CleanFund's requests and submittals as set forth in the Schedule of Responsibilities, or otherwise in a prompt and timely manner including reviewing, approving, acting upon and/or executing documents listed in the Schedule of Responsibilities (together, the "WRCOG Responsibilities").

4.2.5 Costs of Program. CleanFund shall pay all costs related to the CleanFund Program that are in excess of amounts paid from monies on deposit in the Costs of Issuance Account or the Administrative Expense Fund established pursuant to the Master Indenture. Such fees and charges may include, but are not limited to, recording fees, fees or charges of the County tax collectors, fees of the Assessment Administrator, fees and charges of the Trustee, and

legal fees incidental to Assessment Contracts originated by CleanFund (i.e., legal fees incurred while resolving a dispute in connection with an Assessment Contract originated by CleanFund).

4.2.6 Compensation for Performance of Program Administration Services. CleanFund shall be compensated for the provision and performance of its Program Administration Services hereunder solely from the funds disbursed or Bond proceeds received to finance the Eligible Improvements and not by payment directly by WRCOG. CleanFund and WRCOG will each be compensated for the Program Administration Services and their administrative costs relating to the CleanFund Commercial PACE Program in accordance with Exhibit D attached hereto.

4.2.7 Failure to Originate. In the event CleanFund does not originate one or more Assessment Contracts in excess of $15,000,000 prior to the expiration of the Initial Term of this Agreement, CleanFund shall pay to WRCOG the lesser of (a) the costs incurred by WRCOG and its consultants in establishing the CleanFund Program or (b) $150,000.

4.2.8 Conformance to Applicable Requirements. At the beginning of each calendar year, CleanFund shall meet with the WRCOG Representative and other WRCOG representatives to review and approve CleanFund's marketing and customer service plans for the CleanFund Program. To the extent there are subsequent material changes to the marketing and customer service plans, CleanFund shall meet with the WRCOG Representative and other WRCOG representatives to review and approve the revised marketing and customer service plans. CleanFund and WRCOG shall schedule monthly meetings at CleanFund's offices, a location otherwise mutually agreed to by the Parties or via teleconference, for an update on the CleanFund Program.

4.2.9 The WRCOG Representative. WRCOG hereby designates Rick Bishop, Executive Director, or his or her designee, to act as its representative for the performance of this Agreement (the "WRCOG Representative"). The WRCOG Representative shall have the power to act on behalf of WRCOG for all purposes under this Agreement. CleanFund shall not accept direction or orders from any person on behalf of WRCOG other than the WRCOG Representative or his or her designee. The WRCOG Representative shall provide written notice to CleanFund of the appointment or the rescission of the appointment of any designee of the WRCOG Representative hereunder.

4.2.10 The CleanFund Representative. CleanFund hereby designates Greg Saunders, Chief Executive Officer, or his designee**,** to act as its representative for the performance of this Agreement (the "CleanFund Representative"). The CleanFund Representative shall have full authority to represent and act on behalf of CleanFund for all purposes under this Agreement. The CleanFund Representative shall supervise and direct Program Administration Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of Program Administration Services under this Agreement. The CleanFund Representative shall provide written notice to the WRCOG Representative of the appointment or the rescission of the appointment of any designee of the CleanFund Representative hereunder.

4.2.11 Coordination of Program Administration Services. CleanFund agrees to work closely with WRCOG staff and WRCOG's other consultants engaged to assist WRCOG in the CleanFund Program (the "CleanFund Program Consultants") in the performance of Program Administration Services and shall be reasonably available to WRCOG's staff and the CleanFund Program Consultants.

4.2.12 Standard of Care. CleanFund shall perform all Program Administration Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. CleanFund represents and maintains that it is skilled in the professional calling and has the financial resources necessary to perform Program Administration Services. CleanFund warrants that all employees and/or agents of CleanFund shall have sufficient skill and experience to perform Program Administration Services assigned to them. Finally, CleanFund represents that it, its employees and agents have, or will have prior to the performance of Program Administration Services, all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform Program Administration Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. CleanFund shall perform, at its own cost and expense and without reimbursement from WRCOG, any services necessary to correct errors or omissions which are caused by CleanFund's failure to comply with the standard of care provided for herein.

4.2.13 Laws and Regulations. CleanFund shall keep itself fully informed of and in compliance in all material respects with all local, state and federal laws, rules and regulations in any manner affecting the performance of the CleanFund Program or Program Administration Services, including without limitation, all Cal/OSHA requirements and all applicable federal and state securities laws and regulations, and shall give all notices required by law. CleanFund shall be liable for all violations of such laws, rules and regulations in connection with Program Administration Services. If CleanFund performs or fails to perform any work contrary to such laws, rules and regulations, CleanFund shall be solely responsible for all costs arising therefrom. CleanFund shall defend, indemnify and hold WRCOG, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure by CleanFund to comply with such laws, rules or regulations.

4.2.14 Green Attributes. Property Owners or third-party ownership leasing firms shall retain rights to any Federal Investment Tax Credit or State Incentives or Rebates related to renewable energy Projects. WRCOG shall retain rights to all of the green attributes that result from projects financed through the CleanFund Program, including but not limited to Carbon Credits, Renewable Energy Certificates, Green Tags, Tradable Renewable Certificates, Renewable Energy Credits and Green House Gas Offsets.

4.3 Accounting Records – Maintenance and Inspection.

CleanFund shall maintain complete and accurate records of all Commercial PACE Projects under this Agreement, consistent with its records retention policy, which policy shall be commercially reasonable and shall take into account the nature and duration of the instruments to

be issued in connection with the WRCOG PACE Program. All such records shall be clearly identifiable. CleanFund shall, during CleanFund's standard business hours and upon at least three (3) business days' notice, allow a representative of WRCOG during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. CleanFund shall, during CleanFund's standard business hours and upon at least three (3) business days' notice, allow inspection of all work, data, documents, proceedings, and activities related to the Agreement. CleanFund shall cooperate with WRCOG to facilitate WRCOG's compliance with its responsibilities under the California Public Records Act in relation to the Program Administration Services. The foregoing applies only in relation to a specific Commercial PACE Project for which CleanFund has submitted Approved Application Documents (as defined in Exhibit C attached hereto) and Pending CleanFund Program Assessment Contracts (as defined in Section 4.4.1.1) and such records or other documents shall exclude any financially or commercial sensitive information of a property owner).

4.4 General Provisions.

4.4.1 Grounds for Termination – At Will. Either WRCOG or CleanFund may, by written notice to the other party, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to such party of such termination, and specifying the effective date thereof, at least 180 days before the effective date of such termination. Notwithstanding the provisions of Section 4.4.1.1 of this Agreement, upon termination by WRCOG, CleanFund shall be compensated only for those services which have been rendered to WRCOG, and CleanFund shall be entitled to no further compensation.

4.4.1.1 Effect of Termination. Upon notification of termination CleanFund shall be required to notify WRCOG of all pending applications for WRCOG Assessment Contracts to fund Commercial PACE Projects originated by CleanFund during the course of CleanFund's provision of Program Administrative Services hereunder (each, a "Pending CleanFund Program Assessment Contract"), and CleanFund shall have the right but not the obligation to close such Pending WRCOG Assessment Contracts subject to the review of the appropriate documentation by WRCOG. Except in the case previously described, upon termination CleanFund shall be compensated in the amount and from the sources set forth in Section 4.2.5 only for those Program Administration Services which have been provided in accordance with standard industry practices as reasonably determined by WRCOG, and CleanFund shall be entitled to no further compensation. If this Agreement is terminated as provided in this Section 4.4, WRCOG may require CleanFund to provide all finished or unfinished documents and data and other information of any kind prepared by CleanFund in connection with Approved Application Documents or Pending CleanFund Program Assessment Contracts and the performance of services under this Agreement, and such finished or unfinished documents will remain subject to Section 4.4.2 of this agreement. CleanFund shall be required to provide such document and other information within fifteen (15) days of the request.

4.4.1.2 Additional Services. In the event this Agreement is terminated in whole or in part as provided in Section 4.4.1, WRCOG may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated upon effectiveness of such termination.

4.4.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

CleanFund:	CleanFund Commercial PACE Capital Inc. 2330 Marinship Way, Suite 100 Sausalito, CA 94965 (415) 256-8000 Attn: Chief Executive Officer
WRCOG:	Western Riverside Council of Governments 3390 University Avenue, 4th Floor Riverside, CA 92501 Attn: Executive Director Facsimile: (951) 955-7991
With copy to:	Best Best & Krieger LLP 3390 University Avenue, 5th Floor Riverside, CA 92502 Attn: Steven DeBaun, Esq., General Counsel, WRCOG Facsimile: (951) 686-3083

Such notice shall be deemed made when received via electronic mail, personally delivered, or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

4.4.3 Confidentiality, Intellectual Property and Data Compilation.

(a) *Confidentiality.* Except as otherwise set forth in this Agreement, all ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other documents and data provided by either Party to the other Party (including any copies or manuscripts of such information produced by a Party pursuant to this Agreement) or otherwise including any financial structure and financing approach of CleanFund in connection with the performance of this Agreement shall be held confidential by the other Party. Nothing furnished to either Party which is otherwise known to the receiving Party prior to such disclosure or is generally known, or has become known, to the related industry not in violation of this Agreement, shall be deemed confidential. CleanFund shall not use WRCOG's name or insignia in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of WRCOG. Notwithstanding the above, any documents prepared for the CleanFund Program that CleanFund

explicitly identifies in writing as intended to be provided to the public shall not be subject to the limitations of this Section 4.4.3.

(b) *Intellectual Property.* WRCOG expressly acknowledges and agrees that any and all computer software and all source code thereof, used or developed by CleanFund ("Proprietary Software") in performing the Program Administrative Services is proprietary to CleanFund or one of its affiliates and CleanFund and its affiliates, or its or their licensors, shall at all times exclusively own all rights, title, and interest in such software and Proprietary Software, including all intellectual property rights contained therein.

(c) *Data Compilation.* WRCOG acknowledges and agrees that CleanFund or its affiliate, or its licensors, will have spent substantial time and effort in collection and compiling data and information (the "Data Compilations") in connection with the Program Administration Services and that such Data Compilations may be used by CleanFund (or such licensors) for their own purposes, including, without limitation, sale or distribution to third parties; provided, however, that CleanFund will not, and shall ensure that its licensors will not, sell or distribute any of WRCOG's confidential information that may be contained in such Data Compilations, unless such confidential information is used only on an aggregated and anonymous basis.

4.4.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be reasonably necessary, appropriate or convenient to attain the purposes of this Agreement.

4.4.5 Arbitration and Equitable Relief. This Section shall govern the resolution of all controversies or claims between WRCOG and CleanFund that arise from this Agreement and any modifications hereto. The provisions of this Section, and the entitlement of one party to obtain damages, or other such appropriate legal or equitable remedies, for a breach by the other party, shall survive termination of this Agreement. Wherever this Agreement makes reference to any means of resolving and dispute between the Parties or termination of the Agreement, the Parties agree to follow the below arbitration procedures.

(a) *Arbitration.* In consideration of rights and obligations set forth by each party in this Agreement, CleanFund and WRCOG agree that any and all controversies, claims, or disputes with anyone (including WRCOG and any employee, officer, director, volunteer of WRCOG in his, her or its capacity as such or otherwise), whether brought on any individual, group or class basis, arising out of, relating to, or resulting from CleanFund's performance of the Program Administration Services under this Agreement or the termination of this Agreement, including any breach of this Agreement by either Party, shall be subject to binding arbitration conducted by the American Arbitration Association ("AAA") in Riverside, California, before a single arbitrator who shall be located in Riverside, California, with at least five (5) years' experience in arbitrating commercial disputes. The Arbitration shall be conducted in accordance with the Commercial Arbitration Rules (the "Rules") of the AAA, as they may be amended from time to time where not inconsistent with the further provisions hereof. The Parties hereby agree that judgment upon the award rendered by the arbitrator(s) may be entered

in Riverside Superior Court. The Parties submit to the jurisdiction of the Riverside Superior Court for purposes enforcing any such award and entering judgment thereon.

(b) *Procedure.* Appointment of the neutral arbitrator shall be made in accordance with the provisions of the Rules and administered by the AAA. CleanFund and WRCOG agree that the arbitrator shall have the power to decide any motions brought by any Party to the arbitration, including motions for summary judgment and/or adjudication, motions to dismiss and demurrers, and motions for class certification, prior to any arbitration hearing. CleanFund and WRCOG also agree that the arbitrator shall have the power to award any remedies available under applicable law, and that the arbitrator shall award attorneys' fees and costs to or among the Parties in such proportions as the arbitrator(s) may determine. Costs shall be allocated as set forth in the Rules. CleanFund and WRCOG agree that the decision of the arbitrator shall be in writing. The written opinion of the arbitrator or arbitrators, as the case may be, shall be governed by the Rules. The arbitrator(s) shall have the powers established by AAA, as delineated in the Rules, but shall have no authority to revise or vary the terms of this Agreement or the Parties' respective rights and obligations hereunder. Except as provided by the Rules and this Agreement, arbitration shall be the sole, exclusive and final remedy for any dispute between CleanFund and WRCOG. Accordingly, except as provided for by the Rules and this Agreement, neither CleanFund nor WRCOG will be permitted to pursue court action regarding claims that are subject to arbitration.

(c) *Survival*. The provisions of this Section, and the entitlement of one Party to obtain damages, or other such appropriate legal or equitable remedies, for a breach by the other Party, shall survive termination of this Agreement.

(d) *Availability of Injunctive Relief.* CleanFund and WRCOG agree that either CleanFund or WRCOG may petition a court for provisional relief, including injunctive relief. CleanFund and WRCOG understand that any breach or threatened breach of such an agreement (including this Agreement) will cause irreparable injury and that money damages will not provide an adequate remedy therefor and both WRCOG and CleanFund hereby consent to the issuance of an injunction.

4.4.6 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. However, the Parties acknowledge that the Master AAA and the Master Indenture shall contain related subject matter, which the Parties intend to respect and be bound by.

4.4.7 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

4.4.8 Time of Essence. Time is of the essence for each and every provision of this Agreement.

4.4.9 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

4.4.10 Assignment or Transfer. Neither Party may assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the other Party, provided, however, CleanFund may assign this Agreement in connection with a merger or the sale of all or substantially all of its assets provided that the successor entity expressly assumes all of the obligations, including this Agreement, and confirms all of the representations and warranties of CleanFund hereunder to the extent applicable to such successor or assign. Any attempt to assign, hypothecate, or transfer this Agreement in violation of this Section 4.4.10 shall be null and void, and any assignees, hypothecatees or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

4.4.11 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not workdays unless otherwise noted. All references to CleanFund include all personnel, employees, agents, and subcontractors of CleanFund, except as otherwise specified in this Agreement. All references to WRCOG include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

4.4.12 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

4.4.13 Waiver. No waiver of any default or breach hereunder shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

4.4.14 No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

4.4.15 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

4.4.16 Prohibited Interests. CleanFund maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for CleanFund or independent contractors and consultants engaged by CleanFund to perform services of the nature of those included on the Schedule of Responsibilities attached hereto to solicit or secure this Agreement. Further, other than its outside counsel, CleanFund warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for CleanFund, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, WRCOG shall have the right to rescind this Agreement

without liability. For the term of this Agreement, no member, officer or employee of WRCOG, during the term of his or her service with WRCOG, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

4.4.17 Equal Opportunity Employment. CleanFund represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

4.4.18 Labor Certification. By its signature hereunder, CleanFund certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of Program Administration Services.

4.4.19 Authority to Enter Agreement. CleanFund has all requisite power and authority to conduct its business and to execute, deliver, and perform this Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

4.5 Subcontracting.

4.5.1 Prior Approval Required. CleanFund shall not subcontract any portion of Program Administration Services, provided that CleanFund may delegate to a third party services provider its duties and obligations with respect to the Program Administration Services as well as support services upon obtaining the written consent of WRCOG, provided that any such delegation by CleanFund shall not relieve CleanFund of the duties or obligations so delegated, and (b) CleanFund shall remain liable for the activities of such affiliate or third party service provider to whom CleanFund delegates any such duties or obligations, provided further however, in any case, CleanFund may use third party services providers to perform support services. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

4.6 Insurance.

4.6.1 Time for Compliance. CleanFund shall not commence Program Administration Services under this Agreement until it has provided evidence satisfactory to WRCOG that it has secured all insurance required under this Section. In addition, CleanFund shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to WRCOG that the subcontractor has secured all insurance satisfactory to the requirements of a project.

4.6.2 Minimum Requirements. CleanFund shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the

Agreement by CleanFund, its agents, representatives, employees or subcontractors. CleanFund shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(a) *Minimum Scope of Insurance*. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers Compensation and Employers Liability*: Workers Compensation insurance as required by the State of California and Employers Liability Insurance.

(b) *Minimum Limits of Insurance*. CleanFund shall maintain limits no less than: (1) *General Liability:* $1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability:* $1,000,000 per accident for bodily injury and property damage; and (3) *Workers Compensation and Employers Liability:* Workers Compensation limits as required by the Labor Code of the State of California. Employers Liability limits of $1,000,000 per accident for bodily injury or disease.

4.6.3 Professional Liability. CleanFund shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of three (3) years following completion of Program Administration Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than $1,000,000 per claim, and shall be endorsed to include contractual liability.

4.6.4 Privacy/Network Security (Cyber) Liability Coverage. CleanFund shall procure and maintain insurance providing protection against liability for (1) privacy breaches (2) system breach (3) denial or loss of service (4) introduction, implantation, or spread of malicious software code (5) unauthorized access to or use of computer systems with limits of $2 million. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

4.6.5 Insurance Endorsements. The insurance policies shall contain the following provisions, or CleanFund shall provide endorsements on forms supplied or approved by WRCOG to add the following provisions to the insurance policies:

(a) *General Liability*. The general liability policy shall be endorsed to state that: (1) WRCOG, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to Program Administration Services or operations performed by or on behalf of CleanFund, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects WRCOG, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of CleanFund's scheduled underlying coverage. Any insurance or self-insurance maintained by WRCOG, its directors, officials, officers,

employees, agents and volunteers shall be excess of CleanFund's insurance and shall not be called upon to contribute with it in any way.

(b) *Automobile Liability*. The automobile liability policy shall be endorsed to state that: (1) WRCOG, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by CleanFund or for which CleanFund is responsible; and (2) the insurance coverage shall be primary insurance as respects WRCOG, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of CleanFund's scheduled underlying coverage. Any insurance or self-insurance maintained by WRCOG, its directors, officials, officers, employees, agents and volunteers shall be excess of CleanFund's insurance and shall not be called upon to contribute with it in any way.

(c) *Workers Compensation and Employers Liability Coverage*. The insurer shall agree to waive all rights of subrogation against WRCOG, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by CleanFund.

(d) *All Coverages*. Each insurance policy required by this Agreement shall be endorsed to state that: (1) the respective insurer (or in the case of professional liability insurance provided pursuant to Section 4.6.3, the respective insurer or CleanFund) shall provide WRCOG with written notice within thirty (30) days of any suspension, voiding or cancellation of the insurance policy; and (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to WRCOG, its directors, officials, officers, employees, agents and volunteers.

4.6.6 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to WRCOG, its directors, officials, officers, employees, agents and volunteers.

4.6.7 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions in an amount greater than $10,000 must be declared to and approved by the WRCOG. CleanFund shall guarantee that, at the option of WRCOG, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects WRCOG, its directors, officials, officers, employees, agents and volunteers; or (2) CleanFund shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

4.6.8 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Bests rating no less than A:VII, licensed to do business in California.

4.6.9 Verification of Coverage. CleanFund shall furnish WRCOG with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to WRCOG. The certificates and endorsements for each insurance policy

shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by WRCOG if requested. All certificates and endorsements must be received and approved by WRCOG before work commences. WRCOG reserves the right to require complete, certified copies of all required insurance policies, at any time.

4.7 Indemnification.

CleanFund shall defend, indemnify and hold (i) WRCOG, (ii) Wilmington Trust, National Association in its capacity as trustee under the Master Indenture (the "Trustee") and (iii) their respective directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any allegedly negligent or wrongful acts or omissions or willful misconduct of CleanFund, its officials, officers, employees, agents, consultants, contractors and subcontractors, arising out of or in connection with the performance of the Program Administration Services, the CleanFund Program or this Agreement, the Master Indenture, and any documents executed in connection therewith, including without limitation, the negligent disclosure of Data Compilations under Section 4.4.3(a) of this Agreement. Such costs, expenses, liability, loss, damage or injury shall include without limitation the payment of attorneys' fees and other related costs and expenses. CleanFund shall defend, at CleanFund's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against WRCOG, the Trustee and/or their respective directors, officials, officers, employees, agents or volunteers. CleanFund shall pay and satisfy any judgment, award or decree that may be rendered against WRCOG, the Trustee and/or their respective directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. CleanFund shall reimburse WRCOG, the Trustee and their respective directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. CleanFund's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by WRCOG, the Trustee and/or their respective directors, officials, officers, employees, agents or volunteers.

WRCOG shall defend, indemnify and hold CleanFund, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any reckless acts or omissions or willful misconduct of WRCOG, its officials, officers, employees, agents, consultants, contractors and subcontractors, arising out of or in connection with the performance of the Program Administration Services, the CleanFund Program or this Agreement, including without limitation the payment of attorneys' fees and other related costs and expenses. WRCOG shall defend, at WRCOG's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against CleanFund, its directors, officials, officers, employees, agents or volunteers. WRCOG shall pay and satisfy any judgment, award or decree that may be rendered against CleanFund or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. WRCOG shall reimburse CleanFund and its directors, officials, officers, employees, agents

and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. WRCOG's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the CleanFund, its directors, officials, officers, employees, agents or volunteers.

No third party, other than the Trustee, shall be a direct beneficiary of this Section 4.7.

4.8 Press Release. CleanFund may issue a press release and other publicity in respect of the execution of this Agreement, subject to the prior consent of WRCOG; provided, however, such consent shall not be unreasonably withheld, conditioned or delayed.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereby have made and executed this Agreement as of the date first written above.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS	CLEANFUND COMMERCIAL PACE CAPITAL, INC.
By: _____	By: _____
Rick Bishop, Executive Director	Greg Saunders, Chief Executive Officer

APPROVED AS TO FORM:

By: _____
General Counsel
Best Best & Krieger LLP

EXHIBIT "A"

WRCOG PACE PROGRAM REPORT

EXHIBIT "B"

SCOPE OF PROGRAM ADMINISTRATION SERVICES

CleanFund shall provide the following Program Administrative Services:

Program Design	As part of Program Administration Services, CleanFund shall provide program design services which include: (1) review and edit all policies relating to Commercial Projects; (2) provide documentation, processes and procedures required for registering contractors, accepting, processing and approving property owner applications, reviewing eligibility of and approving proposed improvements, providing and tracking all financing disclosures and accepting, processing and approving funding requests, obtaining signatures on contractual assessment agreements (property owner and issuer), recording or causing to be recorded lien documents, issuing and executing assignments of the contractual assessments and/or Bond documents, evaluating project disbursement requests and disbursing project funds, drafting CleanFund Program guidelines, Eligible Improvement workbook, contractor registration/approval forms, commercial applications, all financing disclosure forms, all forms required to approve improvements, funding request form(s), and contractual assessment agreement and lien recordation documents (unless provided by municipality); (3) design and build the CleanFund Program website; (4) integration of CleanFund's origination systems with the CleanFund Program website.
Origination	As part of Program Administration Services, CleanFund shall provide origination services, which origination services shall be set forth in a CleanFund Commercial PACE Program Handbook [____] 2018-Version 1.0 (the "CleanFund Handbook") in accordance with the WRCOG PACE Program Report and as may be amended with the written consent of WRCOG, and which origination services shall include: (1) process all commercial applications, including accepting applications (online and hard copy), entering hard copy applications into online system, pulling all credit, title, valuation and other reports as needed, reviewing eligibility of proposed property, applicants, equipment and contractors, tracking all financing disclosures, application and authorization forms, contacting applicants, contractors and other parties as needed, providing notifications of approval, denial or incomplete status; (2) providing capital for approved Commercial PACE Projects; (3) obtaining or assisting property owners to obtain consent of the first mortgage holder, if any; (4) process all funding requests for Commercial PACE Projects participating in the

	CleanFund Program, including accepting funding request forms, reviewing submitted forms and attachments, providing notification of funding request approval, denial or incomplete status; (5) process and finalize all contractual assessment documentation, including issuance of contractual assessment and financing disclosures; (6) provide telephone and email customer service support; (7) track and report to WRCOG key CleanFund Program statistics, including applications received, approved, assessment contracts issued and signed and (8) periodically assess and/or adjust policies and procedures of the CleanFund Program as needed to resolve any recurring issues.
Marketing of Program:	As part of Program Administration Services, CleanFund shall work with WRCOG and its Member jurisdictions to promote the CleanFund Program including notices on appropriate governmental web sites, press interviews and public meetings and announcements. CleanFund shall also publicize the CleanFund Program on its web site as well as through direct contact with property owners. CleanFund shall maintain sufficient resources to answer any questions by potential participants in the CleanFund Program. CleanFund shall also work with WRCOG and Members within the PACE Program Area in order to utilize the CleanFund Program to help bring industry and developments to the areas in which the CleanFund Program are offered.
Documentation:	As part of Program Administration Services, CleanFund shall work with WRCOG to develop and produce a standard set of documents suitable to the parties that shall document the legal obligations associated with the contractual assessments, the assignment of contractual assessments, and the issuance of Bonds, and any other legal requirements of the transaction.
Assessment Tax Roll Management:	CleanFund shall work with the Program Assessment Administrator, and the counties within which the CleanFund Program are offered to ensure that the proper contractual assessment installment are placed on the appropriate property owners property tax bills and that the contractual assessment installments shall be collected promptly for the properties subject to such contractual assessments.
Regular reporting Of complaints, claims Or legal actions	CleanFund shall provide quarterly reports to WRCOG showing all complaints and claims made by property owners to CleanFund

who have applied and/or are participants in the CleanFund Program and any resolution thereto. In addition, CleanFund shall promptly notify WRCOG of any suits that have been filed against CleanFund relating to the Program Administration Services.

EXHIBIT "C"

SCHEDULE OF RESPONSIBILITIES

Responsibilities of CleanFund

For any owner(s) submitting a Commercial PACE Project for approval in the CleanFund Program (each, an "Owner") of a property that will be subject to a contractual assessment (each, the "Property"), CleanFund will collect all financial, technical, and legal documentation as required in its sole discretion to determine whether such Owner, Property, and Commercial PACE Project meet the requirements of the WRCOG PACE Program Report and CleanFund Program Handbook. If CleanFund determines that the Owner, Property, and Commercial PACE Project meet all of the requirements of the WRCOG PACE Program Report, the CleanFund Program Handbook and Chapter 29, the following documents shall be submitted to WRCOG (the "Approved Application Documents").

- Financing Summary Form
- Executed mortgage lender consent
- Engineer letter confirming Eligible Improvements
- Copy of title report dated within 60 days of the Financing Summary Form
- Disclosure of Risk Form
- Unexecuted Assessment Contract

Such Financing Summary Form will be executed by CleanFund and shall include confirmation that, as of the date of the Financial Summary Form:

- Owner is the property owner(s) of record.
- CleanFund is in receipt of all requisite organizational documents of the Owner to identify the authorized representatives of the Owner that must execute the Assessment Contract.
- Mortgage debt lender(s) have given consent to Program financing.
- Owner is current on property taxes and has not had a serious delinquency within three (3) years (or since the purchase of the property, if owned by such property owner(s) less than three (3) years).
- Owner is current on all property debt
- Owner has not been involved in a bankruptcy proceeding during the past seven (7) years and the property proposed to be subject to the contractual assessment is not an asset in a bankruptcy proceeding.
- The Property does not have any liens other than lender debt or liens recorded by community facility districts or similar financing districts.
- LTV, per the CleanFund Program Handbook, is under 35%.
- DTV, per the CleanFund Program Handbook is under 95%.
- The total annual property tax and assessments, including the contractual assessment, on the property will not exceed 5% of the property's market value, as determined at the time of approval of the contractual assessment.
- The property value exceeds $1,000,000

- One or more methods set forth in the CleanFund Program Handbook have been used to determine property value.

Upon receipt of written confirmation from WRCOG that the Commercial PACE Project in the Approved Application Materials is an Approved Commercial PACE Project (as defined below), CleanFund will prepare the closing package and send the following documents to the Owner of the Property for signature (the "Assessment Contract Closing Documents"):

Assessment Contract

No less than 10 business days before the effective date of the Assessment Contract, CleanFund shall deliver original copies of the Assessment Contract Closing Documents executed by the Owner to WRCOG for signature.

Upon receipt of verification that all Assessment Contract Closing Documents have been properly executed by the Owner, WRCOG will execute the Assessment Contract, record the Assessment Contract in the applicable land records per the WRCOG Responsibilities.

Upon written instruction from CleanFund, either i) WRCOG will execute an assignment of a Transferred Interest to Clean Fund Titling Trust, or any permitted assignee or designee pursuant to the Master AAA; or ii) Clean Fund Titling Trust or any assign, affiliate, subsidiary, or any other person or entity that Clean Fund Titling Trust designates will purchase the Bond or Series of Bonds pursuant to the Master Indenture and Investor Letter.

Upon receipt of verification that all CleanFund Closing Documents and any other documents under the Master AAA or Master Indenture have been properly executed and, if applicable, recorded, CleanFund will disburse funds to the Property Owner.

No less than 10 business days before the effective date of the Assessment Contract, CleanFund will electronically send the contractual assessment data file for each Assessment Contract executed, along with all Assessment Assignment documents and/or Bond Documents for each Bond or Series of Bonds, to Bond Counsel, the Trustee, and 30 Three Sixty, and Public Financial Management for review and set-up.

If CleanFund elects to make Assessment Installments, as defined in the Assessment Contract, on behalf of a property owner from excess financing proceeds, CleanFund shall assume sole liability for any missed or deficient payments to the extent said missed or deficient payments were to be covered by the excess financing proceeds. CleanFund shall make property owner whole if property owner must make any Installment Payments for which CleanFund was responsible for payment without any limitations. This provision is expressly subject to the indemnification provisions set forth in Section 4.7 thereof.

If CleanFund elects to complete the construction of any improvement authorized to be financed pursuant to the Assessment Contract, CleanFund hereby agrees to indemnify the Authority from any and all claims, demands, causes of action, costs, expenses, liabilities, loss, damage or injury to person or any property, without any limitations.

CleanFund shall be solely responsible for funding any improvements financed pursuant to an Assessment Contract originated by the CleanFund Program.

Responsibilities of WRCOG

Upon receipt of the Approved Application Documents and confirmation that the Commercial PACE Project included in the Approved Application Documents meets all the requirements of the CleanFund Program Handbook and Chapter 29, WRCOG will provide a written confirmation to CleanFund, which confirmation shall not be unreasonably withheld, that such Commercial PACE Project is approved (an "Approved Commercial PACE Project").

Upon receipt of the executed Closing Documents from CleanFund for each Approved Commercial PACE Project, WRCOG will execute on or before the effective date of the Assessment Contract, and then promptly cause recordation of and notification to the financing team electronically of recordation of:

> Notice of Assessment and Payment of Contractual Assessment Required (which shall include as an exhibit the Assessment Contract)

WRCOG will send CleanFund copies of the recorded Notice of Assessment and Payment of Contractual Assessment Required within 5 business days of execution by WRCOG.

If WRCOG receives written instruction from CleanFund that a Transferred Interest (as defined in the Master AAA) will be assigned to Clean Fund Titling Trust or Clean Fund Titling Trust's designee pursuant to the Master AAA, immediately after the recordation of the Notice of Assessment and Payment of Contractual Assessment Required, WRCOG will cause execution of and notification to the financing team of the Assignment Instrument as required pursuant to the Master AAA, which Assignment Instrument shall effect the foregoing assignment. WRCOG will send CleanFund copies of the Assignment Instrument within 5 business days of execution by WRCOG. Additionally, on the Assignment Date WRCOG shall provide or cause to be provided to CleanFund the applicable assignment-level closing documents as specified in Exhibit F of the Master AAA.

If WRCOG receives instruction from CleanFund to issue a Complying PACE Bond pursuant to the Master AAA, WRCOG will promptly execute and deliver all documents as described herein (the "WRCOG Bond Closing Documents") to Bond Counsel at the closing location or shall cause all such WRCOG Bond Closing Documents to be so executed and delivered, as applicable, on or before the Issue Date (as defined in the Master AAA).

WRCOG Bond Closing Documents:

Master Indenture
Supplemental Indenture
Improvement Bond
Assessment Contract
Notice of Assessment and Payment of Contractual Assessment Required
Omnibus Closing Certificate of WRCOG
Certificate of WRCOG for Disbursement from Costs of Issuance Fund
Certificate of WRCOG for Disbursement from Program Fund
Certificate of Trustee
Instructions to Trustee Regarding Disbursement of Proceeds of Bond
Receipt for Bond Proceeds
Compliance Certificate (Program Administrator)
Receipt for Improvement Bond
Opinion of Bond Counsel
Supplemental Opinion of Bond Counsel
Reliance Letter of Bond Counsel
Investor Letter

WRCOG will execute, by facsimile or original signatures, and deliver the Bond or Series of Bonds to the Trustee for authentication (with electronic copy to remainder of financing team) and delivery to CleanFund.

EXHIBIT "D"

COMPENSATION SCHEDULE

- WRCOG shall receive 1.15% of the Project Costs (as defined in each Assessment Contract).

- CleanFund shall receive a percentage of the Project Costs for each Assessment Contract, as negotiated and agreed to by CleanFund and the property owner in such Assessment Contract.

- Fees and costs of 30 Three Sixty, as set forth in the Western Riverside Council of Governments Professional Services Agreement (CleanFund) dated [_____], 2018 by and between CleanFund, WRCOG and 30 Three Sixty.

- Fees and costs of Wilmington Trust, National Association ("WTNA"), as set forth in the Fee Schedule dated [_____], 2018 between WTNA and CleanFund.

- Best Best & Krieger LLP ("BBK") shall receive the fee set forth in the Side Letter EXHIBIT "E"

PARTICIPATING JURISDICTION

Page Intentionally Left Blank

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 5

CleanFund Master Indenture

Page Intentionally Left Blank

MASTER INDENTURE

between

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

and

WILMINGTON TRUST, NATIONAL ASSOCIATION
as Trustee

Dated as of [__], 2018

Relating to:

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
CLEANFUND COMMERCIAL PACE PROGRAM
LIMITED OBLIGATION IMPROVEMENT BONDS
(First Commercial Property Tranche)

ARTICLE I
STATUTORY AUTHORITY AND DEFINITIONS
3

Section 1.01. Authority for this Master Indenture 3
Section 1.02. Definitions 3
Section 1.03. Interpretation 13
Section 1.04. Indenture Constitutes Contract 13

ARTICLE II
THE BONDS
14

Section 2.01. Bonds Authorized 14
Section 2.02. Payment of Principal of and Interest on the Bonds 14
Section 2.03. Redemption 15
Section 2.04. Execution of Bonds 18
Section 2.05. Transfer of Bonds 18
Section 2.06. Exchange of Bonds 18
Section 2.07. Bond Register 19
Section 2.08. Temporary Bonds 19
Section 2.09. Bonds Mutilated, Lost, Destroyed or Stolen 19

ARTICLE III
SECURITY; ISSUANCE OF BONDS
21

Section 3.01. Security for the Bonds; Pledge of Assessments and Funds 21
Section 3.02. Limited Obligation 21
Section 3.03. No Parity Debt 22
Section 3.04. Requirements for Issuance of Bonds 22
Section 3.05. No Acceleration 23
Section 3.06. Refunding of Bonds 23
Section 3.07. Agreement for Benefit of Bond Owners 24

ARTICLE IV
FUNDS AND ACCOUNTS
25

Section 4.01. Redemption Fund 25
Section 4.02. Program Fund 28
Section 4.03. Reserve Fund 30

TABLE OF CONTENTS
(continued)

Page

Section 4.04. Establishment of Subaccounts 30

ARTICLE V
COVENANTS OF WRCOG
32

Section 5.01. Collection of Assessments 32
Section 5.02. Foreclosure 33
Section 5.03. Punctual Payment 34
Section 5.04. Extension of Time for Payment 34
Section 5.05. Against Encumbrance 34
Section 5.06. Books and Accounts 34
Section 5.07. Protection of Security and Rights of Owners 35
Section 5.08. Compliance with Law; Completion of Improvements 35
Section 5.09. Further Assurances 35

ARTICLE VI
INVESTMENTS; LIABILITY OF WRCOG
36

Section 6.01. Deposit and Investment of Moneys in Funds 36
Section 6.02. Limited Liability of WRCOG 37
Section 6.03. Employment of Agents by WRCOG 37

ARTICLE VII
THE TRUSTEE
38

Section 7.01. Appointment of Trustee 38
Section 7.02. Liability of Trustee 39
Section 7.03. Information; Books and Accounts 41
Section 7.04. Notice to Trustee 41
Section 7.05. Compensation; Indemnification 42
Section 7.06. Trustee as Owner 42

ARTICLE VIII
MODIFICATION OR AMENDMENT OF THE INDENTURE
43

Section 8.01. Conditions for Amendment 43
Section 8.02. Procedure for Amendment with Written Consent of Owners 44

TABLE OF CONTENTS
(continued)

Page

Section 8.03. Disqualified Bonds 45
Section 8.04. Effect of Supplemental Indenture 45
Section 8.05. Endorsement or Replacement of Bonds Issued After Amendment 45
Section 8.06. Amendatory Endorsement of Bonds 46
Section 8.07. Execution of Supplemental Indenture 46

ARTICLE IX
EVENTS OF DEFAULT; REMEDIES
47

Section 9.01. Events of Default 47
Section 9.02. Remedies of Owners 47
Section 9.03. Application of Funds After Default 48

ARTICLE X
MISCELLANEOUS
50

Section 10.01. Discharge of Indenture 50
Section 10.02. Benefits of Agreement Limited to Parties 50
Section 10.03. Successor is Deemed Included in All Reference to Predecessor 51
Section 10.04. Execution of Documents and Proof of Ownership by Owners 51
Section 10.05. Waiver of Personal Liability 51
Section 10.06. Notices to and Demand on Authority and Trustee 52
Section 10.07. Partial Invalidity 52
Section 10.08. Unclaimed Moneys 52
Section 10.09. Applicable Law 52
Section 10.10. Content of Certificates 53
Section 10.11. Conclusive Evidence of Regularity 53
Section 10.12. Payment on Business Day 53
Section 10.13. Counterparts 53

ARTICLE I
DEFINITIONS; AUTHORIZATION AND PURPOSE OF SERIES ___ BONDS; EQUAL SECURITY; COVENANTS
2

Section 1.01. Definitions 2

TABLE OF CONTENTS
(continued)

Page

Section 1.02. Interpretation 2
Section 1.03. Authorization 2
Section 1.04. Representations of WRCOG 2

ARTICLE II
ISSUANCE OF SERIES ___ BONDS
4

Section 2.01. Terms of Series ___ Bonds 4
Section 2.02. Redemption of Series ___ Bonds 4
Section 2.03. Form of Series ___ Bonds 4
Section 2.04. Validity of Bonds 5
Section 2.05. Registration of Series ___ Bonds 5

ARTICLE III
USE OF PROCEEDS
5

Section 3.01. Issuance of Series ___ Bonds 5
Section 3.02. Application of Proceeds of Sale of Series ___ Bonds 5

ARTICLE IV
ADDITIONAL PROVISIONS
5

Section 4.01. Applicable Law 5
Section 4.02. Conflict with Bond Law 5
Section 4.03. Conclusive Evidence of Regularity 5
Section 4.04. Confirmation of Master Indenture; Conflict With Master Indenture 5
Section 4.05. Counterparts 6

Exhibit A – Form of Supplemental Indenture A-1
Exhibit B - Form of Transfer Letter B-1

MASTER INDENTURE

THIS MASTER INDENTURE (this "**Master Indenture**") is made and entered into as of [_____], 2018, between the **WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS**, a joint exercise of powers agency duly organized and existing under the Constitution and laws of the State of California ("**WRCOG**"), and **WILMINGTON TRUST, NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America (the "**Trustee**").

BACKGROUND:

WHEREAS, acting under the provisions of Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29"), WRCOG has established the Energy Efficiency and Water Conservation Program for Western Riverside County (the "Program") pursuant to which WRCOG is authorized to enter into contractual assessments with the owners of residential or commercial real property located within the County of Riverside and the cities within the western portion of the County of Riverside that have elected to participate in the Program to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Authorized Improvements"); and

WHEREAS, WRCOG is authorized to issue limited obligation improvement bonds pursuant to Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the "Bond Act"), to finance the installation of Authorized Improvements that are permanently fixed to residential or commercial real property located within cities or counties participating in the Program; and

WHEREAS, on [__], 2018, the Executive Committee adopted Resolution Number __-18, entitled "Resolution of the Western Riverside Council of Governments Authorizing CleanFund Commercial PACE Capital, Inc. to Administer and Finance Eligible Improvements to be Installed on Commercial Properties Located within the Boundaries of Both the WRCOG Energy Efficiency And Water Conservation Program for Western Riverside County and in Connection with such Authorization, Approving Amendments To The Program Report for the Program and the Forms of a Commercial Handbook, Commercial Application, Assessment Contract, Administration Agreement, Master Assignment and Assumption Agreement, Depositary and Account Control Agreement, and Master Indenture, and Authorizing the Issuance of Bonds Pursuant to such Master Indenture Secured by Assessments Levied on Commercial Properties to Finance the Installation of Authorized Improvements on Such Commercial Properties and Approving Other Actions in Connection Thereto" (the "Resolution of Issuance") to authorize CleanFund Commercial PACE Capital, Inc. ("CleanFund") to implement a commercial property assessed clean energy program to be known as the "CleanFund Commercial PACE Program" under and pursuant to the Program within the boundaries of the Program; and

WHEREAS, the Executive Committee did, by the adoption of the Resolution of Issuance, approve the form of this Master Indenture, appoint Wilmington Trust, National Association, as trustee hereunder and authorize WRCOG to issue limited obligation improvement bonds

pursuant to this Master Indenture (defined herein as the "Bonds") to finance the installation of Authorized Improvements on commercial properties the owners of which have elected to participate in the CleanFund Commercial PACE Program; and

WHEREAS, it is in the public interest and for the benefit of WRCOG and the owners of the Bonds that WRCOG and the Trustee enter into this Master Indenture to provide for the issuance of the Bonds, the disbursement of proceeds of such bonds, the disposition of the assessments securing the Bonds and the administration and payment of the Bonds; and

WHEREAS, WRCOG has determined that all things necessary to cause the Bonds, when authenticated by the Trustee and issued as provided in the Bond Act, the Resolution of Issuance, and this Master Indenture, to be legal, valid and binding limited obligations in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Master Indenture and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

STATUTORY AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Master Indenture. This Master Indenture is entered into under Chapter 29, the Bond Act and the Resolution of Issuance.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 will, for all purposes of this Master Indenture, of any Supplemental Indenture (as herein defined), and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"Accredited Investor" means an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the United States Securities Act of 1933, as amended.

"***Administrative Expense Account***" means the account of that name established in the Program Fund and designated "Western Riverside Council of Governments CleanFund Commercial PACE Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Administrative Expense Account," established and administered pursuant to Section 4.02. [Unless otherwise instructed by WRCOG, such account will be established in the Program Fund for accounting purposes only.]

"***Administrative Expenses***" means costs directly related to the administration of the Program, as determined by WRCOG in its sole reasonable discretion, including, but not limited to: the actual costs of preparing the annual Assessment Installment collection schedules (whether by an employee of WRCOG or a consultant or both) and the actual costs of collecting the Assessment Installments (whether by a county or otherwise); actual fees and costs of the Trustee, in each case as evidenced by written documentation provided to WRCOG or the Program Administrator; the actual costs of remitting the Assessment Installments to the Trustee; actual costs of the Trustee (including its legal counsel) in the discharge of its duties under the Indenture; the actual costs of WRCOG or its designee of complying with the disclosure provisions of Chapter 29, the Bond Act, federal securities laws and the Indenture, including those related to public inquiries regarding the Assessments and disclosures to Owners of the Bonds; the actual costs of WRCOG or its designee related to an appeal or challenge of the Assessment; any amounts required to be rebated to the federal government; and an allocable share of the salaries of WRCOG staff directly related to the foregoing and a proportionate amount of Authority general administrative overhead related thereto. Administrative Expenses shall also include amounts advanced by WRCOG for any administrative purpose relating to the Program, including costs related to prepayments of Assessments and the costs of prosecuting foreclosure of delinquent Assessment Installments and actual fees and costs of the Program Administrator (including amounts advanced or incurred by the Program Administrator on behalf of WRCOG in the discharge of the duties of WRCOG under this Master Indenture).

*"**Annual Assessment Administrative Fee**"* means, as to each Participating Parcel, the administrative fee due and payable pursuant to an Assessment Contract that shall be collected on the property tax bill pertaining to such Participating Parcel.

"***Assessment*" *or* "*Assessments***" means the unpaid contractual assessment(s) levied on the Participating Parcel(s) pursuant to an Assessment Contract(s), but excludes Penalties and Interest.

"***Assessment Administrator***" means 30 Three Sixty Public Finance, and its successors, or any financial consultant or firm of such financial consultants judged by WRCOG to have experience in the administration for and on behalf of public agencies of assessments similar to the Assessments levied by such public agencies in the State of California.

"***Assessment Collection Account***" means the account within the Redemption Fund designated as the "Western Riverside Council of Governments CleanFund Commercial PACE Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Assessment Collection Account," established and administered by the Trustee pursuant to Section 4.01 hereof. [Unless otherwise instructed by WRCOG, such account will be established in the Redemption Fund for each Series of Bonds for accounting purposes only.]

"***Assessment Contract***" means the contract between WRCOG and the Property Owner pursuant to which the Property Owner agrees to pay the Assessment and WRCOG agrees to finance the installation of Improvements on the Participating Parcel.

"***Assessment Installment***" means, as to each Participating Parcel, the portion of the principal amount of the Assessment, together with the interest on the Assessment, due and payable pursuant to an Assessment Contract that shall be collected on the property tax bill pertaining to such Participating Parcel.

"***Auditor***" means the auditor/controller or tax collector of the applicable county in which the Participating Parcel is located, or such other official of the county who is responsible for preparing real property tax bills.

"***Authorized Denominations***" means the entire principal amount of the Outstanding Bonds of a Series.

"***Authorized Representative***" means the Executive Director of WRCOG or his or her designee or designees each of whom is authorized pursuant to a Certificate of WRCOG executed by the Executive Director.

"***Bond***" or "***Bonds***" means the Western Riverside Council of Governments CleanFund Commercial PACE Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) in one or more Series, authorized, executed and delivered under this Master Indenture.

"***Bond Counsel***" means Best Best & Krieger LLP, and its successors, or any other attorney or firm of attorneys of nationally recognized standing in matters pertaining to the issuance of bonds by states and their political subdivisions, duly admitted to the practice of law before the highest court of the State of California.

"***Bond Act***" means the Improvement Bond Act of 1915, being Division 10 of the California Streets and Highways Code (commencing with Section 8500 et seq.), and as it may be amended from time to time, to the extent not in conflict with Chapter 29.

"***Bond Register***" means the books maintained by the Trustee pursuant to Section 2.07 for the registration and transfer of ownership of the Bonds.

"***Bond Year***" means, with respect to the Bonds, the twelve-month period beginning on September 3 in each year and ending on September 2 in the following year except that (i) the first Bond Year will begin on the date of delivery of the Bonds and end on the next September 2, and (ii) the last Bond Year may end on a prior redemption date.

"***Business Day***" means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in California or in the state in which the Trustee has its principal corporate trust office are authorized or obligated by law or executive order to be closed.

"***Capitalized Interest Account***" means the account of that name established in the Redemption Fund and administered under Section 4.01. Such account will be established only as directed in a Supplemental Indenture with respect to a Series of Bonds [and unless otherwise instructed by WRCOG, such account will be established for accounting purposes only].

"***Certificate of WRCOG***" means a written certificate of WRCOG signed by an Authorized Representative of WRCOG.

"***Chapter 29***" shall have the meaning given such term in the recitals hereto.

"***Closing Date***" means, as to each Bond or Series of Bonds, the date of issuance of thereof.

"Collateral" shall have the meaning given such term in Section 3.01 hereto.

"***Commercial***" shall have the meaning given such term in the Program Report.

"***Costs of Issuance***" means all items of expense directly or indirectly payable by or reimbursable to WRCOG relating to the authorization, issuance, sale and delivery of the Bonds, including, but not limited to: printing expenses; rating agency fees; filing and recording fees; initial fees, expenses and charges of the Trustee and its counsel, including the Trustee's first annual administrative fee; fees, charges and disbursements of Bond Counsel and other attorneys, financing advisors, accounting firms, consultants and other professionals, the Program Administrator's fee, fees and charges for preparation, execution and safekeeping of the Bonds; and any cost, charge or fee in connection with the original issuance of a Series of Bonds.

"Costs of Issuance Account" means the account of that name established in the Program Fund and designated "Western Riverside Council of Governments CleanFund Commercial PACE Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Costs of Issuance Account," established and administered pursuant to Section 4.04 of this Master Indenture. [Unless otherwise instructed by WRCOG, such account will be established in the Program Fund for each Series of Bonds for accounting purposes only.]

"***County***" means the County of Riverside.

"***Covered Jurisdiction***" means the jurisdictional boundaries of the Member Agencies of WRCOG participating in the Program, as identified in the Administration Agreement between WRCOG and CleanFund dated _____, 2018.

"***Debt Service***" means, for each Bond Year, with respect to a Series of Bonds, the sum of (i) the interest due on the Outstanding Bonds of such Series in such Bond Year, assuming that the Outstanding Bonds of such Series are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds of such Series and the Sinking Fund Payments on such Bonds due in such Bond Year.

"***Debt Service Schedule***" means the schedule, as may be amended, established by WRCOG or its authorized agent, which sets forth the dates on which Debt Service shall be paid.

"Designated Transferee" means, as to any Series of Bonds, the party identified as the Designated Transferee, if any, in the Supplemental Indenture and/or Certificate of WRCOG with respect to a Series of Bonds providing for the issuance of such Series of Bonds.

"***Electronic Means***" shall mean the following communications methods: e-mail; facsimile transmission; secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee; or another method or system specified by the Trustee as available for use in connection with its services hereunder.

"***Event of Default***" means any event described as an Event of Default in Section 9.01.

"***Excess Program Account Proceeds***" means the proceeds, if any, from the issuance of a Series of Bonds deposited on the Closing Date in the respective Program Account within the Program Fund for the payment or reimbursement of Improvement Costs for the installation of Improvements on a Participating Parcel that remain on deposit in such account following the payment of all such Improvement Costs.

"***Executive Committee***" means the Executive Committee of WRCOG.

"***Extraordinary Mandatory Redemption Account***" means the account within the Redemption Fund designated as the "Western Riverside Council of Governments CleanFund Commercial PACE Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Extraordinary Mandatory Redemption Account," established by the Trustee pursuant to Section 4.01(A)(3).

"***Federal Securities***" means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Trustee:

(ii) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the United States Department of the Treasury) and obligations, the timely payment of principal of and interest on which are, directly or indirectly, fully and unconditionally guaranteed by the

United States of America, including, without limitation, such of the foregoing which are commonly referred to as stripped obligations and coupons; or

(iii) any of the following obligations of the following agencies of the United States of America:

(a) direct obligations of the Export-Import Bank;

(b) certificates of beneficial ownership issued by the Farmers Home Administration;

(c) participation certificates issued by the General Services Administration;

(d) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association;

(e) project notes issued by the United States Department of Housing and Urban Development; and

(f) public housing notes and bonds guaranteed by the United States of America.

"***Financed Amount***" has the meaning given that term in the Assessment Contract(s).

"***Improvement Costs"*** means the costs of installing the Improvements on Participating Parcels in accordance with the Program Report, the Program Handbook and the related Assessment Contract or Assessment Contracts.

"***Improvements***" means the distributed generation renewable energy, energy efficiency, water efficiency, seismic and electric vehicle charging infrastructure improvements to be installed on the Participating Parcel(s) pursuant to the Assessment Contacts.

"***Indenture***" means collectively this Master Indenture, as it may be amended, modified or supplemented from time to time, together with any Supplemental Indenture executed pursuant to the provisions of this Master Indenture.

"Initial Purchaser" means the party designated as the Initial Purchaser pursuant to each Supplemental Indenture and/or Certificate of WRCOG with respect to a Series of Bonds.

"***Interest Payment Dates***" means, as to any Series of Bonds, March 2 and September 2 of each year, commencing on the Interest Payment Date specified in the Supplemental Indenture pursuant to which such Series of Bonds have been issued.

"Joint Exercise of Powers Agreement" means that Joint Powers Agreement of WRCOG originally made and entered into April 1, 1991, as amended and to date and as it may be amended or supplemented from time in accordance with its terms.

"Master Indenture" means this Master Indenture, dated as of [_____], 2018, by and between WRCOG and the Trustee, as it may be amended, modified or supplemented from time to time pursuant to the provisions of this Master Indenture.

"***Non-Completion Assessment***" means an Assessment collected from the owner of the Participating Parcel(s) resulting from failure to install the Improvements or otherwise comply with requirements of WRCOG.

"***Outstanding***" when used as of any particular time with reference to the Bonds, means, subject to the provisions of Section 8.03, all Bonds except:

(iv) Bonds canceled by the Trustee or surrendered to the Trustee for cancellation;

(v) Bonds paid or deemed to have been paid within the meaning of Article X; and

(vi) Bonds in lieu of or in substitution for which other Bonds have been authorized, executed, issued and delivered by WRCOG pursuant to the Indenture.

"***Owner***" or "***Bond Owner***" means the registered owner of any Outstanding Bond as shown on the Bond Register of the Trustee under Section 2.07.

"***Participating Parcel(s)***" means the parcel(s) within a Program Area that is (are) subject to the lien of an Assessment pursuant to an Assessment Contract or Assessment Contracts securing a Series of Bonds as identified on Appendix I of each Supplemental Indenture.

"***Penalties and Interest***" means any (i) penalties on delinquent contractual assessments levied on a Participating Parcel(s) pursuant to an Assessment Contract and (ii) interest on delinquent contractual assessments levied on a Participating Parcel(s) pursuant to an Assessment Contract in excess of the interest rate of the related Series of Bonds, in both cases pursuant to Section 5898.30 of Chapter 29.

"***Penalties and Interest Account***" means the account within the Redemption Fund and designated "Western Riverside Council of Governments CleanFund Commercial PACE Program Limited Obligation Improvement Bonds (First Commercial Property Tranche), Penalties and Interest Account," established and administered under Section 4.01 hereof.

"***Permitted Investments***" means any of the following:

(a) Federal Securities.

(b) Federal Housing Administration debentures.

(c) Unsecured certificates of deposit, time deposits, demand deposits, overnight bank deposits, trust funds, trust accounts, interest-bearing deposits, interest-bearing money market accounts, other deposit products, and bankers' acceptances (having maturities of not more than thirty (30) days) of any bank

(including those of the Trustee and its affiliates) the short-term obligations of which are rated "A-1" or better by S&P.

(d) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $5 million (including those of the Trustee and its affiliates).

(e) Commercial paper (having original maturities of not more than 270 days) rated "A-1+" by S&P and "Prime-1" by Moody's.

(f) State Obligations, which means

(i) Direct general obligations of any state of the United States or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

(ii) Direct, general short-term obligations of any state agency or subdivision described in (i) above and rated "A-1+" by S&P and "Prime-1" by Moody's.

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (i) above and rated "AA" or better by S&P and "Aa" or better by Moody's.

(g) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

(i) the municipal obligations are (A) not subject to redemption prior to maturity or (B) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(ii) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(iii) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

(iv) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(v) no substitution of a United States Treasury Obligation will be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(vi) the cash or the United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(h) Investments in a money market mutual fund rated AAAm or AAAm-G or better by S&P and having a rating in the highest investment category granted thereby from Moody's, including, without limitation, any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, or custodian or subcustodian, or otherwise, notwithstanding that: (i) the Trustee or an affiliate of the Trustee receives and retains fees from funds for services rendered; (ii) the Trustee collects fees for services rendered pursuant to the Indenture, which fees are separate from the fees received from such funds; and (iii) services performed for such funds and pursuant to the Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

(i) Repurchase and reverse repurchase agreements collateralized with securities described in (a) and (b) above, including those of the Trustee or any of its affiliates.

(j) California's Local Agency Investment Fund ("LAIF").

"***Prepayment Account***" means the account within the Redemption Fund and designated "Western Riverside Council of Governments CleanFund Commercial PACE Program Limited Obligation Improvement Bonds (First Commercial Property Tranche) Prepayment Account," established and administered under Section 4.01 hereof. [Unless otherwise instructed by WRCOG, such account will be established in the Redemption Fund for each Series of Bonds for accounting purposes only.]

"***Prepayments***" means Non-Completion Assessments or prepayments of Assessments received by WRCOG or the Trustee, less any administrative fees or penalties collected as part of any such Non-Completion Assessment or prepayment of Assessments.

"***Principal Office***" means the corporate trust office of the Trustee in Costa Mesa, California, located at such address as will be specified in a written notice by the Trustee to WRCOG under Section 10.06 hereof or such other office of the Trustee designated for payment, transfer or exchange of the Bonds.

*"**Program**"* means the CleanFund Commerical PACE Program established pursuant to the Resolution of Issuance.

*"**Program Account**"* means the respective account within the Program Fund and designated "Western Riverside Council of Governments CleanFund Commercial PACE Limited Obligation Improvement Bonds (First Commercial Property Tranche) Program Account," established and administered under Section 4.01 hereof. [Unless otherwise instructed by WRCOG, such account will be established in the Program Fund for each Series of Bonds for accounting purposes only.]

*"**Program Administrator**"* means CleanFund, acting in its capacity as the administrator of the CleanFund Commercial PACE Program pursuant to the Resolution of Issuance and the CleanFund Commercial PACE Program Administration Agreement, dated as of [__], 2018, by and between WRCOG and CleanFund Commercial PACE Capital, Inc., as such agreement may be amended or supplemented from time to time.

"***Program Area***" has the meaning given to it in the recitals hereto.

"***Program Fund***" means the fund designated "Western Riverside Council of Governments CleanFund Commercial PACE Limited Obligation Improvement Bonds Program Fund" established and administered under Section 4.02.

*"**Program Handbook**"* means the "CleanFund Commercial PACE Program Handbook" as approved by WRCOG, as such handbook may be amended or supplemented from time to time with the approval of WRCOG.

"***Program Manager***" means the official of WRCOG designated as the program manager of the Program from time to time.

"***Program Report***" means the Administrative Guidelines and Program Report for the Program.

"***Property Owner***" means the owner of the Participating Parcel(s).

"*Qualified Institutional Buyer*" means a "qualified institutional buyer" as such term is defined in Rule 144A promulgated under the Securities Act of 1933, as amended.

"***Record Date***" means the 15th day of the calendar month immediately preceding the applicable Interest Payment Date, and any date established by the Trustee as a Record Date for the payment of defaulted interest on the Bonds, if any.

"***Redemption Fund***" means the fund designated "Western Riverside Council of Governments CleanFund Commercial PACE Program Limited Obligation Improvement Bonds (First Commercial Property Tranche), Redemption Fund," established and administered under Section 4.01.

"***Redemption Premium,***" when used in reference to a Series of Bonds, the redemption premium set forth in the Related Supplemental Indenture.

*"**Related,**"* when used in reference to a Series of Bonds, Assessments, Collateral, Improvements or Assessment Contract, means the Series of Bonds that financed or refinanced

the installation of the Improvements in respect of which the property owner agreed to pay the Assessment, the Assessment that relates to the Series of Bonds that financed or refinanced the installation of the Improvements in respect of which the Assessment was made and agreed to or the Collateral that includes those Assessments; the Improvements in respect of which the property owner agreed to pay the Assessment the installation of which are financed or refinanced from a Series of Bonds or the Assessment Contract pursuant to which the Assessment was levied that relates to the Series of Bonds that financed or refinanced the installation of the Improvements. *"**Related**,"* when used in reference to a Supplemental Indenture and a Series of Bonds, the Supplemental Indenture that supplements this Master Indenture to establish the terms and conditions set forth in such Supplemental Indenture related to the issuance of such Series of Bonds.

*"**Reserve Fund**"* means, as to any Series of Bonds, a debt service reserve fund established by the Trustee pursuant to the Related Supplemental Indenture.

"***Resolution of Issuance***" shall have the meaning given such term in the recitals hereto.

"Series" means each series of Bonds issued pursuant to this Master Indenture and the Related Supplemental Indenture. A "Series" may, as provided in such Related Supplemental Indenture, be a single Bond.

"***Sinking Account Payments***" means amounts to be paid by WRCOG with respect to any Term Bonds.

"***Supplemental Indenture***" means an agreement which is amendatory of and/or supplemental to this Master Indenture substantially in the form set forth in Exhibit A hereto executed and delivered in connection with the issuance of a Series of Bonds pursuant to this Master Indenture.

"***Teeter Plan***" means the alternative procedure for the distribution of property taxes and assessments adopted by a county pursuant to Revenue and Taxation Code sections 4701 through 4717.

"***Term Bonds***" means a Series of Bonds which are payable on or before their specified maturity dates from Sinking Account Payments established pursuant to the Related Supplemental Indenture for that purpose and calculated to retire such Series of Bonds on or before their specified maturity dates.

"***Trustee***" means Wilmington Trust, National Association, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01 hereof.

"***WRCOG***" means the Western Riverside Council of Governments, a joint exercise of powers agency duly organized and existing under the Constitution and laws of the State of California.

"***WRCOG Counsel***" means the general counsel of WRCOG or designated counsel to WRCOG with respect to the Bonds.

Section 1.03. Interpretation.

(A) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(B) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(C) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of the Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to the Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.04. Indenture Constitutes Contract. In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall hold the same from time to time, the Indenture shall be deemed to be and shall constitute a contract among WRCOG, the Trustee and the Owners of the Bonds. The pledge made in the Indenture and the provisions, covenants and agreements set forth in the Indenture to be performed by or on behalf of WRCOG shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by the Indenture.

ARTICLE II

THE BONDS

Section 2.01. Bonds Authorized.

(A) Authorized Bonds. WRCOG hereby authorizes the issuance of the Bonds in Authorized Denominations under and subject to the terms of the Resolution of Issuance, the Indenture, Chapter 29 and the Bond Act. Pursuant to the Resolution of Issuance, the Authorized Representatives of WRCOG are authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of the Bonds in accordance with the provisions of Chapter 29, the Bond Act, the Resolution of Issuance, this Master Indenture and any applicable Supplemental Indentures.

(B) Procedures for the Issuance of Bonds. WRCOG may at any time issue a Series of Bonds in Authorized Denominations payable from Assessments and secured by first priority perfected liens upon such Assessments on the Participating Parcels and the other Collateral pledged hereunder for the payment of such Series of Bonds, subject to the following specific conditions, which are hereby made conditions precedent to the issuance of such Series of Bonds:

(ii) All the requirements of Section 3.04 have been met.

(iii) The issuance of such Series of Bonds has been duly authorized pursuant to the Bond Act and all applicable laws, and the issuance of such Series of Bonds has been provided for by a Supplemental Indenture, in substantially the form attached hereto as Exhibit A, duly executed by WRCOG and the Trustee.

WRCOG acknowledges and agrees that the Initial Purchaser or its Designated Transferee (if applicable) may acquire such Series of Bonds issued hereunder through, or through the account maintained with, a registered broker dealer.

(C) Proceeds of the Bonds. Upon the receipt of payment for each Series of Bonds on the Closing Date thereof, the Trustee will apply the proceeds of sale thereof in the amounts and to the funds and accounts as provided for in the Related Supplemental Indenture.

Section 2.02. Payment of Principal of and Interest on the Bonds.

(A) Payment of Interest. Interest on each Bond will be computed on the basis of a 360-day year of twelve 30-day calendar months, and will be payable on each Interest Payment Date, pursuant to Debt Service Schedule set forth on Attachment A to the Related Bond. The Bonds will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless they are authenticated on a day during the period from the sixteenth day of the month next preceding an Interest Payment Date to such Interest Payment Date, both days inclusive, in which event they will bear interest from such Interest Payment Date; or unless they are authenticated on a day on or before the fifteenth day of the month next preceding the first Interest Payment Date, in which event they will bear interest from the date of delivery of such Bonds. Notwithstanding the foregoing, if interest on any Bond is in default at the time of

authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

The Bonds shall bear interest at the rate per annum, and mature on the date, shown thereon.

(B) Method of Payment. Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable in lawful money of the United States of America. As to each Series of Bonds, the Trustee shall pay interest on such Series of Bonds when due by wire transfer in immediately available funds to the person whose name appears on the Bond Register as the Owner thereof on the Record Date preceding such Interest Payment Date in accordance with such wire transfer instructions as shall be filed by such Owner with the Trustee from time to time prior to such Record Date.

The principal of any Bond and any premium on such Bond are payable in lawful money of the United States of America by the Trustee to the person whose name appears on the Bond Register as the Owner thereof on the Record Date immediately preceding the applicable Interest Payment Date upon surrender of the Bonds at the Principal Office of the Trustee. As to each Series of Bonds, payments of principal of such Series of Bonds shall, except on the final maturity thereof, be made without the requirement for presentation and surrender of such Series of Bonds at the Principal Office of the Trustee, and the Trustee shall pay such principal of such Series of Bonds when due by wire transfer in immediately available funds to the Owner in accordance with such wire transfer instructions as shall be filed by the Owner of such Series of Bonds with the Trustee from time to time prior to such Record Date. All Bonds paid by the Trustee under this Section will be canceled by the Trustee. The Trustee will destroy the canceled Bonds and, upon request of WRCOG, issue a certificate of destruction of such Bonds to WRCOG.

Notwithstanding anything contained herein to the contrary, the Initial Purchaser and any Designated Transferee shall not be required to present and surrender the Bond for any principal payment, mandatory redemption payment for the redemption of such Bond in part, or mandatory sinking fund payment other than the final principal payment at maturity.

Section 2.03. Redemption.

(A) General. The Supplemental Indenture with respect to any Bond or Series of Bonds may provide that all or a portion of such Bond is or such Series of Bonds are subject to optional or mandatory redemption prior to maturity pursuant to the terms thereof.

All Bonds will be subject to mandatory redemption from amounts received by WRCOG as Prepayments as provided in the applicable Supplemental Indenture and subject to the provisions of Part 11.1 of the Bond Act. WRCOG shall advise the Trustee of such provisions to the extent not specified herein.

Whenever less than all of the Outstanding Bonds issued as a Series of Bonds are called for redemption, the Trustee will select Bonds for redemption among maturities in such a way that the ratio of Outstanding Bonds to issued Bonds will be approximately the same in each maturity insofar as possible, and such that the remaining Assessments will be sufficient on a timely basis to pay the aggregate Debt Service on the Bonds. Within each maturity of such a Series, the

Trustee will select Bonds for retirement by lot from all Bonds not previously called for redemption; provided that the Trustee shall have not less than seventy-two (72) hours before such selection in which to make the selection.

(B) Refundings. The provisions of Part 11.1 of the Bond Act are applicable to the advance payment of Assessments and to the refunding and redemption of any Series of the Bonds. WRCOG will advise the Trustee of such provisions to the extent not specified herein.

(C) Partial Redemption. Whenever less than all of the Outstanding Bond or Bonds of a Series are called for redemption, the Trustee will select Bonds for redemption in accordance with written direction from WRCOG among maturities in such a way that the remaining Related Assessments will be sufficient on a timely basis to pay debt service on such Series of Bonds. Within each maturity, the Trustee will select Bonds of such Series for retirement by lot. Payment of principal of any Bond selected for redemption in part and accrued interest and premium, if any, on such Bond shall be payable without surrender of such Bond at the Principal Office of the Trustee.

The payment of the principal of, premium, if any, and accrued interest on a Bond upon redemption in part shall be payable without the surrender of such Bond to the Trustee.

If the Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Fund Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments on a pro rata basis in Authorized Denominations as set forth in a revised sinking fund schedule provided to the Trustee by WRCOG.

(D) Notice to Trustee. WRCOG will give the Trustee written notice of the aggregate amount of Bonds to be redeemed not less than sixty (60) days prior to the applicable redemption date.

(E) Redemption Procedure by Trustee.

(ii) Mailing of Notice. If any Bonds are designated for redemption pursuant to the related Supplemental Indenture, the Trustee will cause notice of any redemption to be mailed by first class mail to the respective Owners of any Bonds designated for redemption, at their addresses appearing on the Bond Register in the Principal Office of the Trustee, at least thirty (30) days but no more than sixty (60) days before the date designated for redemption.

Any failure of any person or entity to receive any such redemption notice if mailed in compliance with the previous paragraph, or any defect in any notice of redemption, will not affect the validity of the proceedings for the redemption of such Bonds.

(iii) Contents of Notice. Such notice will state the following:

(1) the redemption date;

(2) the redemption price;

(3) the date of issue of the Series of the Bonds;

(4) if less than all of the then Outstanding Bonds of a Series are to be called for redemption, the Bond numbers of the Bonds to be redeemed (by designating the Bond number of each Bond to be redeemed or by stating that all Bonds between two designated Bond numbers, both inclusive, are to be redeemed) or that all of the Bonds of one or more maturities have been called for redemption;

(5) as to any Bond called in part, the principal amount thereof to be redeemed;

(6) that such Bonds must be then surrendered at the Principal Office of the Trustee for redemption at the redemption price; provided that the Initial Purchaser and any Designated Transferee shall not be required to present and surrender the Bond for any principal payment, mandatory redemption payment, or mandatory sinking fund other than the final principal payment at maturity; and

(7) that further interest on the Bonds (or portion thereof) called for redemption will not accrue from and after the redemption date.

(iv) Rescission of Redemption. WRCOG may provide conditional notice of optional redemption and it may rescind any notice of optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption will be cancelled and annulled if for any reason adequate funds are not on deposit in the Redemption Fund on the redemption date, and such cancellation will not constitute an Event of Default hereunder. The Trustee will mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

(v) Identification of Bonds Redeemed. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose will, to the extent practicable, bear the Bond number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(F) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Bonds, Series of Bonds, or portion of Bonds so called for redemption have been deposited in the Redemption Fund on the date fixed for redemption, then such Bonds, Series of Bonds, or portion of Bonds so called for redemption will become due and payable at the redemption price specified in the redemption notice, and such Bonds, Series of Bonds or portion of Bonds will be defeased and will cease to be entitled to any benefit or security under the Indenture other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

All Bonds redeemed by the Trustee pursuant to this Section 2.03 and the related Supplemental Indenture will be canceled by the Trustee. The Trustee will destroy the canceled

Bonds and, upon request of WRCOG, issue a certificate of destruction of such Bonds to WRCOG.

Section 2.04. Execution of Bonds. The Bonds will be executed on behalf of WRCOG by the manual or facsimile signature of the Treasurer and attested by the manual or facsimile signature of the Secretary. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Owner, such signature will nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Owner. Any Bond may be signed and attested on behalf of WRCOG by such persons who, as of the actual date of the execution of such Bond will be the proper officers of WRCOG although at the nominal date of such Bond any such person will not have been such officer of WRCOG.

Only such Bonds as bear thereon a certificate of authentication in substantially the form set forth in the applicable Supplemental Indenture, manually executed and dated by the Trustee, will be valid or obligatory for any purpose or entitled to the benefits of the Indenture, and such certificate of authentication of the Trustee will be conclusive evidence that the Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of the Indenture.

Section 2.05. Transfer of Bonds.

(A) General. Any Bond may, in accordance with its terms and subject to paragraph (B) of this Section, be transferred, upon the Bond Register under Section 2.07 hereof by the person in whose name it is registered, in person or by such person's duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Trustee. The cost for any services rendered or any expenses incurred by the Trustee in connection with any such transfer will be paid by WRCOG. The Trustee will collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond is or Bonds are surrendered for transfer, WRCOG will execute and the Trustee will authenticate and deliver a new Bond or Bonds of the same Series, for like aggregate principal amounts, maturities, and interest rates in the denominations herein authorized. Neither WRCOG nor the Trustee will be required to make such transfer of Bonds on or after a Record Date and before the next ensuing Interest Payment Date.

(B) Transfer Restriction Applicable to Bonds. With respect to any Bond registered in the name of an entity, unless the Trustee shall have been otherwise directed in a Certificate of WRCOG accompanied by an opinion of Bond Counsel to the effect that such transfer is consistent with federal securities law, the Bond may only be transferred in an Authorized Denomination to (a) WRCOG (or the Trustee at the direction of WRCOG) or (b) an Accredited Investor or a Qualified Institutional Buyer who delivers to the Trustee and WRCOG an executed letter substantially in the form of Exhibit B attached to this Master Indenture.

Section 2.06. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Trustee for a like aggregate principal amount of Bonds of the same Series and of the same maturity. The cost for any services rendered or any expenses incurred by the Trustee in

connection with any such exchange will be paid by WRCOG. The Trustee will collect from the Owner requesting such exchange any tax or other governmental charge required to be paid with respect to such exchange.

Neither WRCOG nor the Trustee will be required to make such exchange of Bonds after a Record Date and before the next ensuing Interest Payment Date.

Section 2.07. Bond Register. The Trustee will keep, or cause to be kept, at its Principal Office the Bond Register for the registration and transfer of the Bonds. The Bond Register will show the Series number, date, maturity amount, rate of interest and last registered Owner of each Bond and will at all times be open to inspection by WRCOG during regular business hours on any Business Day, upon reasonable notice; and, upon presentation for such purpose, the Trustee will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

Section 2.08. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, will be of such authorized denominations as may be determined by WRCOG, and may contain such reference to any of the provisions of the Indenture as may be appropriate. Every temporary Bond will be executed by WRCOG and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If WRCOG issues temporary Bonds it will execute and furnish definitive Bonds without delay, but in no event more than fifteen (15) days from the date temporary Bonds are issued, and thereupon the temporary Bonds will be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Trustee or at such other location as the Trustee will designate, and the Trustee will authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds will be entitled to the same benefits under the Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond becomes mutilated, WRCOG, at the expense of the Owner of that Bond, will execute, and the Trustee will authenticate and deliver, a new Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee will be canceled by it and destroyed by the Trustee who will, upon request of WRCOG, deliver a certificate of destruction thereof to WRCOG.

If any Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee will be given, WRCOG, at the expense of the Owner, will execute, and the Trustee will authenticate and deliver, a new Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. WRCOG may require payment of a sum not exceeding the actual cost of preparing each new Bond delivered under this Section 2.09 and of the expenses that may be incurred by WRCOG and the Trustee for the preparation, execution, authentication and delivery. Any Bond delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen will constitute an original

additional contractual obligation on the part of WRCOG whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and will be equally and proportionately entitled to the benefits of the Indenture with all other Bonds issued under the Indenture.

ARTICLE III

SECURITY; ISSUANCE OF BONDS

Section 3.01. Security for the Bonds; Pledge of Assessments and Funds. Each Series of Bonds will be secured by a first pledge (which pledge will be effected in the manner and to the extent herein provided) of all of (i) the Related Assessment or Assessments together with all revenues, moneys, accounts receivable, contractual rights to payment, recoveries and other rights to payment of whatever kind with respect to such Related Assessment or Assessments or Related Assessment Contract or Assessment Contracts (except amounts required hereunder to be deposited into the Administrative Expense Account of the Program Fund) that are or may be owed to, or collected or received by, WRCOG or any other entity acting on WRCOG's behalf, including, without limitation, the Related Assessment Installments, Related Prepayments, the foreclosure on a Participating Parcel on which an Assessment has been levied, or any other payment or recovery with respect to an Assessment from any other source but excluding Annual Assessment Administrative Fees, and (ii) the Redemption Fund and all monies, securities or contractual or other rights to payment that are or may be owed or credited to, or deposited in, the Redemption Fund, or owed to, or collected, recovered, received or held by, any other person that is required to credit to or deposit such monies or securities in the Redemption Fund by Chapter 29, the Bond Act or the terms of this Master Indenture attributable to proceeds of such Series of Bonds, such Related Assessment or Assessments and such Related Assessment Contract or Assessment Contracts, in each case, derived from the Related Assessment Installments, Related Prepayments, penalties and interest with respect to any delinquent Related Assessment Installment, the foreclosure on a Participating Parcel on which a Related Assessment has been levied, or payments pursuant to a Teeter Plan with respect to Related Assessments, if applicable (the foregoing items in (i) and (ii) above collectively referred to as the "Collateral").

So long as any of the Bonds are Outstanding, the Collateral shall not be used for any other purpose except as provided in this Master Indenture. The security interest with respect to a Series of Bonds shall constitute a lien on the Related Collateral of such Series of Bonds and shall attach and be effective, binding and enforceable against WRCOG and all others asserting rights therein from and after delivery by the Trustee of such Series of Bonds, irrespective of whether those parties have notice thereof and without any physical delivery thereof or further act.

Section 3.02. Limited Obligation. All obligations of WRCOG under the Indenture and each Series of Bonds are not general obligations of WRCOG, but are limited obligations, payable solely from the Related Assessments and the funds pledged therefor hereunder. The faith and credit of WRCOG, any Covered Jurisdiction or the State of California, or any political subdivision thereof, is not pledged to the payment of the Bonds.

Each Series of Bonds are "Limited Obligation Improvement Bonds" under section 8769 of the Bond Act and each Series of Bonds is payable solely from and secured solely by the Related Assessments and the amounts in the Redemption Fund attributable to the Related Assessments. Notwithstanding any other provision of the Indenture, WRCOG is not obligated to advance available surplus funds from WRCOG treasury to cure any deficiency in the Redemption Fund; provided, however, WRCOG is not prevented, in its sole discretion, from so advancing funds.

Section 3.03. No Parity Debt. WRCOG may not issue additional Bonds payable from the Assessments other than refunding bonds pursuant to Section 3.05 below.

Section 3.04. Requirements for Issuance of Bonds. Each Series of Bonds issued under a Supplemental Indenture will constitute a Bond hereunder and will be secured by a first priority perfected security interest on the Assessment or Assessments securing the payment of such Bond and the other Collateral purported to be pledged and assigned for the payment of such Bond or Bonds hereunder. WRCOG may issue a Bond or Series of Bonds only if the following specific conditions precedent have been met:

(A) Due Authorization. WRCOG shall have reviewed all proceedings heretofore taken relative to the authorization of such Bond or Series of Bonds and shall conclude, as a result of such review, and find and determine that all things, conditions, and acts required by law to exist, happen and be performed precedent to and in the issuance of such Bond or Series of Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that WRCOG shall be authorized under Chapter 29, the Bond Act and each and every requirement of law, to issue such Bond or Series of Bonds in the manner and form provided in the Indenture

(B) Compliance. WRCOG shall be in compliance with all covenants set forth in this Master Indenture, and issuance of such Bond or Series of Bonds will not cause WRCOG to exceed the bonded indebtedness limit established for the Program or the maximum Bond authorization set forth in the Resolution of Issuance or as such maximum authorization may be amended by a resolution of the Executive Committee of WRCOG. Neither WRCOG nor anyone acting on its behalf shall have taken, or will take, any action that would subject the issuance or sale of the Bonds to the registration requirements set forth in the Securities Act of 1933, as amended, or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction, and the Bonds issued hereunder shall be subject to a valid exemption from all such registration requirements.

(C) Value. For each Participating Parcel, the value of such parcel (including the value of the Related Improvements financed from the proceeds of the Bond issued for such parcel) shall not be less than the minimum required value as determined at the time of the execution of the Related Assessment Contract by WRCOG pursuant to the requirements set forth in the Program Handbook.

(D) Coverage. The aggregate Assessment Installments payable under each Related Assessment Contract or Assessment Contracts specified in the Related Supplemental Indenture shall be at least 100% of the cumulative Debt Service on the Bond or Series of Bonds to be secured by the Related Assessment or Related Assessments levied pursuant to such Assessment Contract or Assessment Contracts, as applicable, through the final maturity date of such Bond or Series of Bonds and the Annual Assessment Administrative Fee or aggregate Annual Assessment Administrative Fees payable pursuant to an Assessment Contract or Assessment Contracts, as applicable, shall be sufficient to pay the total anticipated Administrative Expenses through the final maturity date of such Bond or Series of Bonds.

In addition, the scheduled Assessment Installments payable pursuant to the applicable Assessment Contract or Assessment Contracts in every Bond Year with respect to a Bond secured by an Assessment or Assessments levied pursuant to such Assessment Contract or Assessment Contracts, as applicable, shall be at least 100% of the annual Debt Service on such Bond through its final maturity date and the scheduled Annual Assessment Administrative Fees levied pursuant to the Assessment Contract or Assessment Contracts in every Bond Year shall be sufficient to pay the anticipated Administrative Expenses for such Bond Year.

(E) Notice of Assessment. A notice of assessment shall have been duly recorded against each Participating Parcel pursuant to Chapter 29 and the Bond Act and there shall have been created a perfected first priority security interest in and to the Assessment levied against each such Participating Parcel and the other Collateral pledged for the payment of each Bond pursuant to the applicable Assessment Contract, the Bond Act, Chapter 29 and this Master Indenture.

(F) Opinion of Bond Counsel. On the Closing Date of each Bond or Series of Bonds, WRCOG will deliver an opinion or opinions of Bond Counsel addressed to WRCOG and the Trustee in form and substance mutually agreed upon by Bond Counsel and the Initial Purchaser (and accepted by the Trustee). Bond Counsel shall either address each such opinion to the Initial Purchaser and the Designated Transferee (if applicable) or shall, on the Closing Date, provide a reliance letter addressed to the Initial Purchaser and the Designated Transferee (if applicable) indicating to the Initial Purchaser and the Designated Transferee (if applicable) that Bond Counsel has delivered such opinion or opinions to WRCOG and the Trustee on such date and that the Initial Purchaser may rely upon such opinions as if they had been addressed to the Initial Purchaser and the Designated Transferee (if applicable). In such opinion Bond Counsel shall opine that the issuance of the Bond or Series of Bonds has been duly authorized pursuant to the Bond Act and all other applicable laws and the issuance of the Bond or Series of Bonds has been provided for by the Related Supplemental Indenture.

Notwithstanding the foregoing, WRCOG may issue a Series of Bonds as refunding Bonds without the need to satisfy the requirements of paragraphs (C) or (D) above.

Section 3.05. No Acceleration. The principal of the Bonds will not be subject to acceleration hereunder. Nothing in this Section 3.04 will in any way prohibit the prepayment or redemption of Bonds under Section 2.03 hereof, or the defeasance of the Bonds and discharge of the Indenture under Article X hereof.

Section 3.06. Refunding of Bonds. The Bonds may be refunded by WRCOG pursuant to Divisions 11 or 11.5 of the California Streets and Highways Code upon the conditions as set forth in appropriate proceedings therefor. This Section will not apply to or in any manner limit advancement of the maturity of any of the Bonds as provided in Parts 8, 9, 11, or 11.1 of the Bond Act, nor will this Section apply to or in any manner limit the redemption and payment of any Bond pursuant to subsequent proceedings providing for the payment of amounts to eliminate previously imposed fixed lien assessments, including the Assessments. Nothing in this Section 3.05 affects WRCOG's obligation to comply with Section 2.03 hereof in connection with a redemption of the Bonds.

Section 3.07. Agreement for Benefit of Bond Owners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of WRCOG will be for the equal benefit, protection and security of the registered Owners of the Bonds.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Redemption Fund.

(A) Establishment of Redemption Fund. The Redemption Fund is hereby established as a separate fund to be held by the Trustee to the credit of which deposits will be made as required by Section 5.01(A), and any other amounts required to be deposited therein by the Indenture or the Bond Act. Moneys in the Redemption Fund, exclusive of those in the Penalties and Interest Account therein, will be held by the Trustee for the benefit of WRCOG and Owners of the related Series of Bonds and disbursed for the payment of the principal of (including Sinking Account Payments), and interest and any redemption premium on, the related Series of Bonds as provided below. The moneys held in the Penalties and Interest Account of the Redemption Fund will be held by the Trustee for the benefit of the Owners of the Related Series of Bonds and disbursed at the times and for the purposes set forth in Section 4.01(B).

(1) Within the Redemption Fund there is hereby established a Prepayment Account for each Series of Bonds, which will be used exclusively for the administration of any Related Prepayments pursuant to Section 8767 of the Bond Act and paragraph (C) of Section 2.03 and the provisions of the Related Supplemental Indenture to assure the timely redemption of the Related Series of Bonds. If all of the Related Assessments securing such Series of Bonds are paid in full WRCOG shall deliver a Certificate of WRCOG directing the Trustee to close such Prepayment Account.

Within the Redemption Fund there is also hereby established:

(i) the Capitalized Interest Account, to the credit of which a deposit will be made from the proceeds of the related Series of Bonds pursuant to Section 2.01;

(ii) the Extraordinary Mandatory Redemption Account which will be used exclusively for administration of any Excess Program Account Proceeds;

(iii) the Penalties and Interest Account, to the credit of which any Penalties and Interest will be deposited; and

(iv) the Assessment Collection Account to the credit of which deposits will be made as described below.

[Unless otherwise instructed by WRCOG, each such account will be established in the Redemption Fund for accounting purposes only].

(2) Assessment Collection Account. Except for Prepayments which shall be deposited in the Prepayment Account, Excess Program Account Proceeds which shall be deposited into the Extraordinary Mandatory Redemption Account, Penalties and Interest which shall be deposited in the Penalties and Interest Account, or as otherwise provided in this paragraph (b), the Trustee shall deposit into the Assessment Collection Account all proceeds and payments with respect to each Assessment, including, without limitation:

(i) Assessment Installments;

(ii) any amounts transferred to the Assessment Collection Account from the debt service reserve fund, if any, established pursuant to the Related Supplemental Indenture for the Related Series of Bonds;

(iii) any proceeds from the collection of delinquent Assessment Installments as a result of a foreclosure proceeding conducted pursuant to Section 5.02 against the Participating Parcel on which the applicable Assessment has been levied or otherwise (excluding (A) amounts identified as representing attorney's fees and costs incurred by WRCOG or such other person in prosecuting such foreclosure proceeding and (B) amounts required to be transferred hereunder to replenish the debt service reserve fund, if any, established for the Related Series of Bonds);

(iv) any amounts received pursuant to the County's Teeter Plan with respect to the Assessments securing the Related Series of Bonds; and

(v) any amount transferred to the Assessment Collection Account from the respective Program Account pursuant to a Certificate of WRCOG delivered to the Trustee.

All amounts in the Assessment Collection Account shall be used and withdrawn by the Trustee solely for the purpose of:

(i) paying the Debt Service on the Related Series of Bonds on an Interest Payment Date;

(ii) the payment of remaining principal with respect to the Related Series of Bonds on the respective maturity date thereof;

(iii) the payment of the principal of and the accrued but unpaid interest and premium, if any, on any Bond upon the redemption thereof as provided in a Supplemental Indenture (excluding mandatory redemptions occurring as a result of a Prepayment or application of Excess Program Account Proceeds); or

(iv) reimbursing WRCOG or a third party from the proceeds of payments representing the redemption of delinquent Assessment Installments for which advances were made by WRCOG or such third party.

All amounts in the Assessment Collection Account, including any earnings on the amounts held in the Assessment Collection Account, shall be held in trust for the benefit of the Bond Owners.

(3) Extraordinary Mandatory Redemption Account. The Trustee shall, upon receipt of a Certificate of WRCOG directing the Trustee to transfer Excess Program Account Proceeds to the Extraordinary Mandatory Redemption Account from the related Program Account, deposit such proceeds in such account. Amounts deposited in the Extraordinary Mandatory Redemption Account shall be credited to the Bond specified in such Certificate of WRCOG and used and

withdrawn by the Trustee solely for the purpose of redeeming such Bond, in whole or in part, on any Interest Payment. The principal amount of the Bond to be redeemed shall equal the amount of the Excess Program Account Proceeds plus the amount, if any, as specified in such Certificate of WRCOG that is then on deposit in the Assessment Collection Account and to be credited to the payment of principal amount of such Bond; provided, however, such principal amount shall be decreased if and to the extent that the amount on deposit in the Assessment Collection Account and/or the Capitalized Interest Account in connection with such Bond is insufficient to pay the accrued interest on such Bond to the date of redemption. The redemption price for such Bond shall be equal to the amount of the Excess Program Account Proceeds, plus the amount, if any, on deposit in the Assessment Collection Account to be credited to the payment of principal amount of such Bond, plus interest to the date of redemption to be paid from the Assessment Collection Account and/or the Capitalized Interest Account, without premium. Interest shall cease to accrue on such Bond, or the principal amount of such Bond that is subject to redemption, from and after the date of redemption. All amounts in the Extraordinary Mandatory Redemption Account, including any earnings on the amounts held therein, shall be held in trust for the benefit of the applicable Bond Owners.

(B) Disbursements. On or before each Interest Payment Date set forth in the table set forth in each Bond pursuant to the Related Supplemental Indenture with respect to each Series of Bonds, the Trustee will withdraw from the applicable accounts in the Redemption Fund and pay to the Owners of the Bonds the principal of (including Sinking Account Payments, if any), and interest and any redemption premium then due and payable on, the Related Series of Bonds. At least five (5) Business Days prior to each Interest Payment Date, WRCOG shall cause the Assessment Administrator to provide to the Trustee written information, upon which the Trustee may conclusively rely, as to amounts in the applicable accounts in the Redemption Fund that are for the credit of each Bond for purposes of making such payments pursuant to the Indenture. Funds on deposit in the Redemption Fund (and any account established thereunder) and credited to a Bond shall not be used to pay the principal of, or interest or any premium on, any other Bond.

If there are insufficient funds in the Redemption Fund to pay to the Owners of the Related Series of Bonds the principal of (including Sinking Account Payments), and interest and any redemption premium then due and payable on, the Related Series of Bonds, the Trustee will apply the available funds first to the payment of interest on the Related Series of Bonds, then to the payment of principal due on the Related Series of Bonds (including Sinking Account Payments), and then to payment of interest to the date of redemption and principal and any redemption premium due on the Related Series of Bonds by reason of Related Series of Bonds called for optional redemption or mandatory prepayment redemption.

On each September 2, in accordance with the direction of WRCOG, the Trustee will use any amounts remaining in the Redemption Fund after payment of interest on the Related Series of Bonds through such September 2 and the payment of principal due on the Related Series of Bonds through such September 2, but excluding any amounts remaining in the Prepayment Account, the Penalties and Interest Account, the Capitalized Interest Account or the Extra Mandatory Redemption Account, to reduce the installments of the Related Assessments that are levied in the current or succeeding Bond Year upon the Participating Parcel(s) to pay the principal of and interest on the Related Series of Bonds.

On or before each Interest Payment Date, the Trustee will, at the direction of WRCOG, withdraw from the Penalties and Interest Account and pay to the Owners of the Related Series of Bonds any amounts on deposit therein as additional interest on the Related Series of Bonds.

The Trustee will disburse the amounts in the Assessment Collection Account that are attributable to the payment of the Non-Completion Assessment pursuant to Section 5.01(A) to pay the redemption price for as many Bonds as possible on the first possible redemption date pursuant to Section 2.03, including accrued interest to the redemption date and the applicable redemption premium (if any) specified in Section 2.03.

(C) Investment. Moneys in the Redemption Fund (and the accounts therein) will be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit will be retained in the Redemption Fund and the accounts therein, as applicable.

(D) Transfers from Reserve Fund. Amounts transferred to the Redemption Fund from a debt service reserve fund, if any, established pursuant to the Related Supplemental Indenture for a Series of Bonds will be used in accordance with Part 16 of the Bond Act as directed in an appropriate Certificate of WRCOG.

Section 4.02. Program Fund.

(A) Establishment of Program Fund and the Accounts Therein. The Program Fund is hereby established as a separate fund to be held by the Trustee and within such fund the following accounts are established: (i) the Program Account, (ii) the Cost of Issuance Account and (ii) the Administrative Expense Account.

(B) Deposits to the Accounts within the Program Fund. The Trustee shall, pursuant to the Supplemental Indenture for the Related Series of Bonds, establish the foregoing accounts with respect to such Related Series of the Bonds, to the credit of which deposits will be made (i) from the proceeds of the Related Series of Bonds as specified in such Supplemental Indenture, (ii) as required by Section 5.01(A) and (iii) as otherwise required by the Indenture or the Bond Act .

(C) Disbursements. Moneys in the accounts of the Program Fund will be held by the Trustee and will be disbursed as provided in this paragraph (B).

(ii) Disbursements from Program Accounts. Amounts in each Program Account will be disbursed from time to time to pay for the costs of installing the Related Improvements in accordance with the Related Assessment Contract, as set forth in written instructions of the Program Administrator delivered to the Trustee containing the amounts to be paid to the designated payees. Such written instructions will be sufficient evidence to the Trustee of the facts stated therein and the Trustee will have no duty to confirm the accuracy of such facts.

The Trustee will maintain funds on deposit in the Program Account established for a Series of Bonds until receipt by the Trustee of a Certificate of WRCOG: (a) notifying the Trustee that all Improvement Costs to be paid from such account pursuant to a Related Assessment Contracts have been paid and directing the Trustee to transfer

the Excess Program Fund Proceeds remaining on deposit in such Program Account as follows: (i) transfer such Excess Program Fund Proceeds in the amount of $500 or more as specified in such Certificate of WRCOG to the Extraordinary Mandatory Redemption Account of the Redemption Fund to be applied to the redemption pursuant to paragraph (D) of Section 2.03 of the Related Series of Bonds, in whole or in part, specified in such Certificate of WRCOG; or (ii) directing the Trustee to transfer any moneys remaining on deposit in such account, including any investment earnings thereon, to the Assessment Collection Account of the Redemption Fund for the credit of such Series of Bond(s).

Funds on deposit in a Program Account and credited to a Bond shall be used solely to pay or reimburse the Improvement Costs associated with the Participating Parcel that has been levied by an Assessment that secures such Bond, and shall not be used to pay the Improvement Costs associated with any other Participating Parcel underlying any other Bond of the same Series or otherwise.

(iii) Disbursements from the Cost of Issuance Accounts. Moneys in each Costs of Issuance Account will be held in trust by the Trustee and will be disbursed as provided in this paragraph (ii) for the payment or reimbursement of Costs of Issuance for the Related Series of Bonds.

Amounts in the Costs of Issuance Account for a Related Series of Bonds will be disbursed from time to time to pay Costs of Issuance for such Related Series of Bonds, as set forth in a Certificate of WRCOG containing respective amounts to be paid to the designated payees and delivered to the Trustee concurrently with the delivery of the Related Series of Bonds, or in any future requisition submitted by WRCOG to the Trustee. Each such certificate will be sufficient evidence to the Trustee of the facts stated therein and the Trustee will have no duty to confirm the accuracy of such facts. The Trustee will pay all Costs of Issuance after receipt of the Certificate of WRCOG, or an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee pursuant to the Certificate of WRCOG requesting payment of Costs of Issuance. The Trustee will maintain the Costs of Issuance Account for a period of one hundred twenty (120) days from the final date of delivery of the Related Series of Bonds and then will transfer any moneys remaining therein, including any investment earnings thereon, to the Administrative Expense Account for such Relates Series of Bonds.

(iv) Disbursements from the Administrative Expense Accounts. Amounts in each Administrative Expense Account shall be used by WRCOG to pay Administrative Expenses for the Related Series of Bonds. Amounts in the Administrative Expense Account for a Related Series of Bonds will be disbursed from time to time to pay Administrative Expenses for such Related Series of Bonds, as set forth in a Certificate of WRCOG containing respective amounts to be paid to the designated payees and delivered to the Trustee. Each such certificate will be sufficient evidence to the Trustee of the facts stated therein and the Trustee will have no duty to confirm the accuracy of such facts. The Trustee will pay all Administrative Expenses after receipt of the Certificate of WRCOG, or an invoice from any such payee which requests payment in an amount

which is less than or equal to the amount set forth with respect to such payee pursuant to the Certificate of WRCOG requesting payment of Administrative Expenses.

(D) Closure of the Program Fund and the Accounts Therein.

(ii) Closure of the Program Fund. The Trustee will maintain the Program Fund until all amounts in the Program Fund and the accounts therein are expended or until WRCOG directs the Trustee to close the fund and all accounts therein, and then the Trustee will transfer any moneys remaining therein, including any investment earnings thereon, to the Redemption Fund to pay the redemption price for as many Bonds as possible on the first possible redemption date pursuant to Section 2.03(A), including accrued interest to the redemption date and the applicable redemption premium, or to make payments on the Bonds as they come due, as directed by WRCOG.

(iii) Closure of the Cost of Issuance Accounts. The Trustee will maintain the funds on deposit the Cost of Issuance Account for each Series of Bonds until all such funds are expended or until as directed by a Certificate of WRCOG directing the Trustee to close such account and to transfer any money remaining on deposit in such account to the Administrative Expense Account for such Series of Bonds.

(iv) Closure of the Administrative Expense Accounts. The Trustee shall maintain the Administrative Expense Account for each Series of Bonds until (a) the payment of all Bonds included in such Series and the surrender of such Bonds to the Trustee for cancellation and payment of all outstanding Administrative Expenses due and payable hereunder and (b) the receipt by the Trustee of a Certificate of WRCOG declaring that all obligations of WRCOG with respect to such Series of Bonds have been satisfied. Upon satisfaction of such conditions the Trustee shall deliver all amounts then remaining in such account to WRCOG and any outstanding Administrative Expenses shall be payable solely from WRCOG. All such amounts delivered to WRCOG and not required to pay Administrative Expenses for such Series of Bonds may be used for any lawful purpose of WRCOG.

(E) Investment. Moneys in the Program Fund and the accounts therein will be invested and deposited in accordance with Section 6.01. Earnings and profits resulting from said investment will be retained by the Trustee in the applicable account of the Program Fund to be used for the purposes of such account.

Section 4.03. Reserve Fund. As to any Series of Bonds, the Trustee may be directed pursuant to the Related Supplemental Indenture to establish and maintain a debt service reserve fund in trust separate and distinct from the other funds and accounts for such Series of Bonds established under the Indenture. The failure to maintain an amount in a debt service reserve fund which may be established for a Series of Bonds shall not be a default or an Event of Default hereunder.

Section 4.04. Establishment of Subaccounts. The Trustee may establish subaccounts within any of the funds or accounts established under this Master Indenture or any Supplemental Indenture at the written request of WRCOG or if the Trustee determines in its sole discretion that

such subaccounts are beneficial for the administration of the Bonds or for record-keeping purposes.

ARTICLE V

COVENANTS OF WRCOG

Section 5.01. Collection of Assessments. WRCOG will comply with all requirements of Chapter 29, the Bond Act and the Indenture to assure the timely collection of the Assessments, including, without limitation, the enforcement of delinquent Assessments. To that end, the following will apply:

(A) The Assessments, together with the interest thereon, will be payable in the installments specified in the Assessment Contracts. Each Assessment Installment will be payable in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and become delinquent at the same times and bear the same proportionate Penalties and Interest after delinquency as do the general taxes on real property. All sums received from the collection of the Assessments (except for amounts received by WRCOG as a result of the payment of a Non-Completion Assessment, which shall be deposited as set forth in the following paragraph, and amounts allocable to Administrative Expenses, which shall be deposited in the Administrative Expense Account) will be transferred from the County to the Trustee for deposit into the Assessment Collection Account. All sums received from the collection of any Penalties and Interest will be transferred to the Trustee for deposit into the Penalties and Interest Account of the Redemption Fund.

WRCOG will notify the Trustee when it receives the payment of a Non-Completion Assessment and (x) transfer the amount of the Non-Completion Assessment payment intended to be used to redeem the Related Series of Bonds to the Trustee with a direction to deposit such amount in the applicable Assessment Collection Account and (x) transfer the amount of the Non-Completion Assessment payment intended to be used to pay Administrative Expenses to the Trustee with a direction to deposit such amount in the Administrative Expense Account.

(B) WRCOG will, before the final date on which the Auditor will accept the transmission of the Assessment Installments for the Participating Parcels for inclusion on the next tax roll, prepare or cause to be prepared, and will transmit to the Auditor, such data as the Auditor requires to include the installments of the Assessments on the next secured tax roll. WRCOG is hereby authorized to employ consultants to assist in computing the installments of the Assessments hereunder.

(C) In the event that a County files a petition under Chapter 9 or is otherwise unable or unwilling to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll and to collect such amounts on the property tax bill for any Fiscal Year, WRCOG covenants to:

(ii) take such action as shall be necessary to enforce the statutory and contractual obligations of such County to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll each Fiscal Year and to collect such amounts on the property tax bills of the Participating Parcels for any Fiscal Year, and

(iii) exercise its best efforts to collect such Assessment Installments and Annual Assessment Administrative Fees by directly billing the owners of the Participating Parcels for their respective Assessment Installments and Annual Assessment Administrative Fees.

WRCOG makes no representation or warranty regarding its ability to collect such Assessment Installments and Annual Assessment Administrative Fees by such direct billing pursuant to paragraph (C)(ii) above or its ability or legal authority to enforce the payment of Assessment Installments and Annual Assessment Administrative Fees directly billed by WRCOG to the owners of Participating Parcels through a judicial foreclosure action in the event of the delinquency in the payment of any such Assessment Installments and Annual Assessment Administrative Fees.

If WRCOG is unable to enforce the statutory and contractual obligations of the County to include the Assessment Installments and the Annual Assessment Administrative Fees on the tax roll each Fiscal Year or to collect, or cause any other person acting on its or the County's behalf to collect, the Assessment Installments, the Annual Assessment Administrative Fees or any other amounts with respect to the Assessments, which is absolute and unconditional, to pay the interest and redemption premium (if any) on and principal of the related Series of Bonds to the respective Owners of the related Series of Bonds when due and all Administrative Expenses (including indemnity), as herein provided, out of the Related Assessments pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, then the Trustee may, on behalf of such Owners, institute suit to enforce such payment by virtue of the contract embodied in the respective Series of Bonds and in the Indenture. Nothing in this Section 5.01 shall limit in any way the rights of the Owners to declare an Event of Default pursuant to Section 9.01 hereof or to pursue all rights and remedies available to such Owners under this Master Indenture and applicable law.

Section 5.02. Foreclosure. WRCOG hereby covenants with and for the benefit of the Owners of the Bonds that it will order, and cause to be commenced, and thereafter diligently prosecute an action in the superior court to foreclose the lien of any Assessment or installment thereof which has been billed, but has not been paid, pursuant to and as provided in sections 8830 and 8835, inclusive, of the Bond Act and the conditions specified in this Section 5.02.

No later than October 1 each year, WRCOG will determine whether any single Participating Parcel is delinquent in the payment of two or more semiannual installments (or as long as there is a single Owner, of any semi-annual installments of Assessment payments, including any payment of principal, interest, redemption premium (if any) and Penalties and Interest, and, if so, will notify WRCOG Counsel, and the Owner of the related Series of Bonds as long as there is a single Owner, of any such delinquencies. WRCOG Counsel will commence, or cause to be commenced, the foreclosure proceedings against each such delinquent Participating Parcel, including collection actions preparatory to the filing of any complaint, but will file the complaint by the immediately succeeding December 1. WRCOG Counsel is hereby authorized to employ counsel to conduct any such foreclosure proceedings. The fees and expenses of any such counsel (including a charge for staff time) in conducting foreclosure proceedings shall be an Administrative Expense hereunder. In the event funds on deposit in the Administrative Fund are insufficient to pay for such fees and expenses, CleanFund shall advance funds for such fees and

expenses. CleanFund shall be entitled to reimbursement of such advances upon receipt by WRCOG of foreclosure proceeds.

However, notwithstanding the foregoing, WRCOG may elect, in its sole discretion, to defer foreclosure proceedings on any Participating Parcel if WRCOG has received funds equal to the delinquent Related Assessments from any other source, and those funds are available to contribute toward (i) Administrative Expenses and (ii) the payment of the principal of (including Sinking Account Payments) interest, redemption premium (if any) and Penalties and Interest on the Related Series of Bonds when due (including without limitation funds from the sale of the receivables associated with delinquent Related Assessments).

Further notwithstanding the foregoing, as to each Series of Bonds, as long as there is a single Owner of such Bond or Bonds, WRCOG will not initiate foreclosure proceedings unless directed in writing to do so within the time period contemplated by the Section 8834 of the Bond Act by the Owner of such Bond or Bonds, which written direction must be delivered to WRCOG along with an amount reasonably determined by WRCOG to be sufficient to pay its costs of prosecuting the foreclosure. Nothing in this paragraph is intended to limit any obligation imposed on WRCOG by the Revenue & Taxation Code with respect to tax defaulted properties. If the Owner of the Bond or Bonds pays the costs of prosecuting the foreclosure, it shall be entitled to recover such costs in the foreclosure proceedings to the extent permitted by law.

Penalties and Interest are payable to the Owner of the Bonds as set forth in Section 4.01(B).

Section 5.03. Punctual Payment. WRCOG will punctually pay or cause to be paid the principal of (including Sinking Account Payments), and interest and any redemption premium on, the Bonds when and as due in strict conformity with the terms of the Indenture, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Indenture and of the Bonds.

Section 5.04. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, WRCOG will not, directly or indirectly, extend or consent to the extension of the time for the payment of any interest on any of the Bonds and will not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding any claims for interest on any of the Bonds, or in any other manner.

Section 5.05. Against Encumbrance. WRCOG will not encumber, pledge or place any charge or lien upon any of the Assessments or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by the Resolution of Issuance, the Indenture, Chapter 29 and the Bond Act and with the written consent of the Owners.

Section 5.06. Books and Accounts. WRCOG will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of WRCOG, in which complete and correct entries will be made of all transactions relating to the Assessments and the application of amounts disbursed from the funds and accounts held by WRCOG hereunder,

which records will be subject to inspection by the Trustee upon reasonable prior notice on any Business Day.

Section 5.07. Protection of Security and Rights of Owners. WRCOG will preserve and protect the security of the Bonds and the rights of the Owners thereto, and will warrant and defend their rights to such security against all claims and demands of all persons. From and after the delivery of any of the Bonds by WRCOG, the Bonds will be incontestable by WRCOG. WRCOG will take all commercially reasonable measures to enforce the provisions of the Assessment Contract.

Section 5.08. Compliance with Law; Completion of Improvements. WRCOG will comply with all applicable provisions of Chapter 29 and the Bond Act in providing financing for the Improvements, but WRCOG will have no obligation to advance any funds to complete Related Improvements in excess of the proceeds of the Bonds available therefor.

Section 5.09. Further Assurances. WRCOG will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture, and for the better assuring and confirming unto the Owners of the rights and benefits provided in the Indenture.

ARTICLE VI

INVESTMENTS; LIABILITY OF WRCOG

Section 6.01. Deposit and Investment of Moneys in Funds. The following will apply to the investment of funds held by the Trustee:

(ii) Moneys in any fund or account created or established by the Indenture and held by the Trustee will be invested by the Trustee in Permitted Investments, as directed pursuant to a Certificate of WRCOG filed with the Trustee at least two (2) Business Days in advance of the making of such investments. Ratings of Permitted Investments shall be determined at the time of purchase of such Permitted Investments and without regard to ratings subcategories. In the absence of any such Certificate of WRCOG, the Trustee shall hold funds uninvested.

Obligations purchased as an investment of moneys in any fund will be deemed to be part of such fund or account, subject, however, to the requirements of the Indenture for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts.

(iii) The Trustee may act as principal or agent in the acquisition or disposition of any investment. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including investment maintenance fees. The Trustee will incur no liability for losses arising from any investments made pursuant to this Section. The Trustee will be entitled to rely upon any investment directions from WRCOG as conclusive a certification to the Trustee that the investments described therein are so authorized under the laws of the State of California.

The Trustee will not invest any cash held by it hereunder in the absence of timely and specific written direction from WRCOG. In no event will the Trustee be liable for the selection of investments.

(iv) Investments in any and all funds and accounts may at the discretion of the Trustee be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Trustee hereunder, provided that the Trustee will at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in the Indenture.

(v) The Trustee will sell, or present for redemption, any investment security whenever it is necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited. The Trustee will not be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

(v) Although WRCOG recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, WRCOG hereby agrees that confirmations of Permitted Investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

Section 6.02. Limited Liability of WRCOG. WRCOG will not be obligated to make any payments required hereunder or under any Bond, or be deemed to incur any liability hereunder or by reason hereof or arising out of any of the transactions contemplated hereby, payable from any funds or assets other than as specifically provided herein.

Section 6.03. Employment of Agents by WRCOG. In order to perform its duties and obligations hereunder, WRCOG may employ such persons or entities as it deems necessary or advisable. WRCOG will not be liable for any of the acts or omissions of such persons or entities employed by it with reasonable care and in good faith hereunder, and will be entitled to rely, and will be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities. Nothing in this Section 6.03 shall be interpreted to prevent the Owner of the Bonds from seeking remedies for an Event of Default as set forth in Section 9.02.

ARTICLE VII

THE TRUSTEE

Section 7.01. Appointment of Trustee. Wilmington Trust, National Association, is hereby appointed trustee and paying agent for the Bonds. The Trustee undertakes to perform such duties, and only such duties, as are specifically set forth in the Indenture, and no implied covenants or obligations will be read into the Indenture against the Trustee. With respect to the appointment of the Trustee, the following will apply:

(A) Any bank or company into which the Trustee may be merged or converted or with which it may be consolidated, or any bank or company resulting from any merger, conversion or consolidation to which it is a party, or any bank or company to which the Trustee may sell or transfer all or substantially all of its corporate trust business (if such bank or company is eligible under the following paragraph of this Section 7.01) will be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. The Trustee will give WRCOG written notice of any such succession hereunder.

(B) WRCOG may, upon not less than sixty (60) days' prior written notice, remove the Trustee initially appointed and any successor thereto, and may appoint a successor thereto, but any Trustee will be a national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least $75,000,000 and subject to supervision or examination by federal or state authority. If such national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, combined capital and surplus of such national banking association or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(C) The Trustee may at any time resign by giving written notice to WRCOG and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, WRCOG will promptly appoint a successor Trustee, satisfying the requirements of Section 7.01(B) above, by an instrument in writing. Any resignation or removal of the Trustee will become effective upon acceptance of appointment by the successor Trustee.

(D) If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, WRCOG will promptly appoint a successor Trustee by an instrument in writing.

(E) If no appointment of a successor Trustee is made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee has given to WRCOG written notice or after a vacancy in the office of the Trustee has occurred by reason of its inability to act, the Trustee or any Bond Owner may apply, at the expense of WRCOG, to any court of competent jurisdiction to appoint a successor Trustee. That court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee.

Section 7.02. Liability of Trustee. With respect to the liability of the Trustee, the following will apply:

(A) The recitals of facts, covenants and agreements herein and in the Bonds contained will be taken as statements, covenants and agreements of WRCOG, and the Trustee assumes no responsibility for the correctness of the same, makes no representations as to the validity or sufficiency of the Indenture or of the Bonds, or will incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Trustee will not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee assumes no responsibility or liability for any information, statement or recital in any official statement or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(B) The Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Trustee, the Trustee will be under a duty to examine the same to determine whether or not they conform to the requirements of the Indenture on their face.

Except as provided above in this paragraph, Trustee will be fully protected and will incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Indenture, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it in good faith reasonably believes to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of the Indenture, and the Trustee will not be under any duty to make any investigation or inquiry as to-any statements contained or matters referred to in any such instrument.

(C) The Trustee will not be liable for any error of judgment made in good faith by a responsible officer unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(D) No provision of the Indenture will require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(E) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request or direction of WRCOG or any of the Owners pursuant to the Indenture unless such Owners have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction. The permissive right of the Trustee to do things enumerated in this Master Indenture shall not be construed as a duty.

(F) The Trustee may become the owner of the Bonds with the same rights it would have if it were not the Trustee.

(G) The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event or occurrences beyond the control of the Trustee.

(H) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Master Indenture and delivered using Electronic Means; provided, however, that WRCOG shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions and containing specimen signatures of such Authorized Representatives, which incumbency certificate shall be amended by WRCOG whenever a person is to be added or deleted from the listing. If WRCOG elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. WRCOG understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Representative listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Representative. WRCOG shall be responsible for ensuring that only Authorized Representatives transmit such Instructions to the Trustee and that WRCOG and all Authorized Representatives are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Corporation. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. WRCOG agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by WRCOG; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(I) The Trustee will have no responsibility or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(J) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, affiliates, or receivers, and will be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee will not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care.

(K) The Trustee shall not be accountable for the use or application by WRCOG of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Master Indenture or any Supplemental Indenture or for the use and application of money received by any paying agent.

Section 7.03. Information; Books and Accounts. The Trustee will provide to WRCOG such information relating to the Bonds and the funds and accounts maintained by the Trustee hereunder as WRCOG may reasonably request, including, but not limited to, quarterly statements reporting funds held and transactions by the Trustee.

The Trustee will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Trustee, in which complete and correct entries will be made of all transactions made by it relating to the expenditure of amounts disbursed from the Redemption Fund and the accounts therein. Such books of record and accounts will, upon reasonable notice, at all times during business hours on any Business Day be subject to the inspection of WRCOG and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 7.04. Notice to Trustee. The Trustee may conclusively rely, without undertaking any investigation or inquiry, and will be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, warrant, bond or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or proper parties.

The Trustee may consult with counsel, who may be counsel to WRCOG, with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Trustee will not be bound to recognize any person as the Owner of a Bond unless and until such person is the registered Owner of such Bond and such Bond is submitted for inspection, if required, and such Owner's title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under the Indenture the Trustee deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the Trustee, be deemed to be conclusively proved and established by a certificate of an Authorized Representative of WRCOG, and such certificate will be full warrant to the Trustee for any action taken or suffered under the provisions of the Indenture or any Supplemental Indenture upon the faith thereof, but

in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 7.05. Compensation; Indemnification. WRCOG will pay to the Trustee from time to time reasonable compensation for all services rendered as Trustee under the Indenture, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of the Trustee's in house or other attorneys and agents, incurred in and about the performance of their powers and duties under the Indenture.

WRCOG further agrees, to the extent permitted by applicable law, to indemnify and save the Trustee, its officers, employees, directors and agents harmless against any losses, expenses, costs, claims, judgments, damages, suits or liabilities which it may incur in the exercise and performance of its powers and duties hereunder (including, without limitation, legal fees and expenses) which are not due to its negligence or willful misconduct. As security for the performance of the obligations of WRCOG under this section pertaining to exercise and performance of the powers and duties of the Trustee hereunder related to any Bond or Series of Bonds, the Trustee shall have a lien prior to such Bond or Series of Bonds upon all property and funds held or collected by the Trustee as such pertaining to such Bond or Series of Bonds, except funds held in trust for the payment of principal of or interest or premiums on such Bond or Series of Bonds.

The obligation of WRCOG under this Section will survive resignation or removal of the Trustee under the Indenture and payment of the Bonds and discharge of the Indenture.

Section 7.06. Trustee as Owner. In the event the Trustee wishes to purchase the Bonds, the Trustee may become the owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Trustee.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THE INDENTURE

Section 8.01. Conditions for Amendment.

(A) Amendment with Consent of Bond Owners. The Indenture and the rights and obligations of WRCOG and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture with the written consent of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding, or, alternatively, if such amendment or modification affects only one or more Series of Bonds, with the written consent of the Owners of at least a majority in aggregate principal amount of such Series (which may include Series to be issued contemporaneously with the amendment or modification), in each case exclusive of Bonds disqualified as provided in Section 8.03.

No such modification or amendment may:

(ii) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of WRCOG to pay the principal of, and the interest, any redemption premium or Penalties and Interest on, any Bond, without the express consent of the Owner of such Bond; or

(iii) permit the creation by WRCOG of any pledge or lien upon the Assessments pledged to any Series of Bonds superior to or on a parity with the pledges and liens created for the benefit of such Series of Bonds, without the express written consent of the Owners of all Outstanding Bonds of such Series; or

(iv) reduce the percentage of Bonds required for the amendment hereo; or

(v) amend this Section 8.01.

Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

(B) Amendment without Consent of Bond Owners. The Indenture and the rights and obligations of WRCOG and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(ii) Additions. To add to the covenants and agreements of WRCOG contained in the Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon WRCOG, so long as such addition, limitation or surrender does not adversely affect any outstanding Bonds in any material respect, as evidenced by an opinion of Bond Counsel delivered to the Trustee.

(iii) Not Materially Adversely Affecting Bonds. To make modifications not adversely affecting any outstanding Bonds in any material respect, as evidenced by an opinion of Bond Counsel delivered to the Trustee.

(iv) Corrections. To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Indenture, or in regard to questions arising under the Indenture, as WRCOG may deem necessary or desirable and not inconsistent with the Indenture, and which will not materially adversely affect the rights of the Owners of the Bonds as evidenced by an opinion of Bond Counsel delivered to the Trustee.

(v) Issuance of Bonds. To issue Bonds in accordance with the Indenture.

(vi) Credit Enhancements. To provide for the delivery of credit enhancements for one or more Bonds or Series of Bonds.

Section 8.02. Procedure for Amendment with Written Consent of Owners. WRCOG and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of the Indenture, to the extent that such amendment is permitted by Section 8.01, to take effect when and as provided in this Section. With respect to such Supplemental Indenture under this Section, the following will apply:

(A) A copy of such Supplemental Indenture, together with a request to respective Owners for their consent thereto, will be mailed by first class mail, by the Trustee to each Owner of respective Bonds Outstanding, but failure to mail copies of such Supplemental Indenture and request will not affect the validity of the Supplemental Indenture when assented to as provided in this Section.

(B) Such Supplemental Indenture will not become effective unless there has been filed with the Trustee the written consents of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding or, if such amendment or modification affects only one or more Series of Bonds, with the written consent of the Owners of at least a majority in aggregate principal amount of such Series as applicable (exclusive of Bonds disqualified as provided in Section 8.03) and a notice has been mailed as described in subsection (A) above. Each such consent will be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof will be such as is permitted by Section 10.04.

Any such consent will be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

(C) After the Owners of the required percentage of Bonds have filed their consents to the Supplemental Indenture, the Trustee will mail a notice to the Owners in the manner described in subsection (A) above for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section; provided, however, that failure to mail

copies of this notice will not affect the validity of the Supplemental Indenture or consents thereto.

Proof of the mailing of such notice will be filed with the Trustee. A record, consisting of the papers required by this Section 8.02 to be filed with the Trustee, will be proof of the matters therein stated until the contrary is proved.

The Supplemental Indenture will become effective upon the filing with the Trustee of (a) the proof of the required notice, and (b) an approving opinion of Bond Counsel to the effect that the Supplemental Indenture complies with this Section 8.02. The Supplemental Indenture will be deemed conclusively binding (except as otherwise specifically provided in this Article) upon WRCOG and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 8.03. Disqualified Bonds. Bonds owned or held for the account of WRCOG, excepting any pension or retirement fund, will not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and will not be entitled to consent to, or take any other action provided for in this Article VIII; except that in determining whether the Trustee will be protected in relying upon any such approval or consent of an Owner, only Bonds which a responsible officer of the Trustee having direct responsibility for the administration of the Indenture actually knows to be owned by or held for the account of WRCOG (excepting any pension or retirement fund) will be disregarded unless all Bonds are so owned, in which case such Bonds will be considered Outstanding for the purpose of such determination.

Upon request of the Trustee, WRCOG will specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section 8.04. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VIII, the Indenture will be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under the Indenture of WRCOG and all Owners of Bonds Outstanding will thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture will be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

Section 8.05. Endorsement or Replacement of Bonds Issued After Amendment. WRCOG may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII will bear a notation, by endorsement or otherwise, in form approved by WRCOG, as to such action. In that case, upon request of the Owner of any Bond Outstanding at such effective date and presentation of his or her Bond for that purpose at the Principal Office of the Trustee or at such other office as WRCOG may select and designate for that purpose, a suitable notation will be made on such Bond.

WRCOG may determine that new Bonds, so modified as in the opinion of WRCOG is necessary to conform to such Owners' action, will be prepared, executed and delivered. In that case, upon request of the Owner of any Bonds then Outstanding, such new Bonds will be exchanged at the Principal Office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.06. Amendatory Endorsement of Bonds. The provisions of this Article VIII will not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

Section 8.07. Execution of Supplemental Indenture. Prior to executing any Supplemental Indenture hereunder, the Trustee will be entitled to receive an opinion of Bond Counsel stating that the execution of such Supplemental Indenture is authorized and permitted by the Indenture and that all conditions precedent to the execution of such Supplemental Indenture have been met.

ARTICLE IX

EVENTS OF DEFAULT; REMEDIES

Section 9.01. Events of Default. Any one or more of the following events will constitute an "Event of Default":

(A) Default in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same will become due and payable, whether at maturity as therein expressed or from mandatory redemption;

(B) Default in the due and punctual payment of the interest on any Bond when and as the same will become due and payable; or

(C) Default by WRCOG in the observance of any of the other agreements, conditions or covenants on its part in the Indenture or in the Bonds contained, and the continuation of such default for a period of thirty (30) days after WRCOG has been given notice in writing of such default by the Trustee or any Owner; *provided, however,* if in the reasonable opinion of WRCOG the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure shall not constitute an Event of Default if corrective action is instituted by WRCOG within such thirty (30) day period and WRCOG shall thereafter diligently and in good faith cure such failure within a reasonable period of time, such period of time not to exceed one hundred eighty (180) days after such default notice is delivered to WRCOG .

Section 9.02. Remedies of Owners. Following the occurrence of an Event of Default, any Owner will have the right (and the right to instruct the Trustee, subject to the Trustee's rights under Section 7.02(E) hereof) for the equal benefit and protection of all Owners similarly situated:

(A) By mandamus or other suit or proceeding at law or in equity to enforce its, his or her rights against WRCOG and any of the members, officers and employees of WRCOG, and to compel WRCOG or any such members, officers or employees to perform and carry out their duties under Chapter 29 or the Bond Act and their agreements with the Owners as provided in the Indenture; or

(B) By suit in equity to enjoin any actions or things that are unlawful or violate the rights of the Owners.

(C) To exercise every power and remedy available to it under Chapter 29 or the Bond Act.

Nothing in this article or in any other provisions of the Indenture or in the Bonds will affect or impair the obligation of WRCOG, which is absolute and unconditional, to pay the interest, redemption premium (if any), and Penalties and Interest on and principal of the Bonds to the respective owners of the Bonds when due, as herein provided, out of the Related Assessments pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds and in the Indenture.

A waiver by any Owner of any default or breach of duty or contract will not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission by any Owner to exercise any right or power accruing upon any default will impair any such right or power and it will not be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners by Chapter 29 or the Bond Act or by this article may be enforced and exercised from time to time and as often as will be deemed expedient by the Owners.

If any suit, action or proceeding to enforce any right or exercise any remedy is abandoned or determined adversely to the Owners, WRCOG and the Owners will be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy will be cumulative and will be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by Chapter 29, the Bond Act or any other law. In any suit, action or proceeding to enforce the provisions of this Master Indenture, the prevailing party shall be entitled to receive reasonable attorney's fees. In no event will the Trustee have any responsibility to cure or cause WRCOG or any other person or entity to cure an Event of Default hereunder.

Section 9.03. Application of Funds After Default. If an Event of Default shall occur and be continuing with respect to a Series of Bonds, all monies held or thereafter received by the Trustee with respect to such Series of Bonds, and any other funds then held or thereafter received by the Trustee with respect to such Series of Bonds under any of the provisions of this Master Indenture shall be applied in the following order:

(A) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of such Series of Bonds and payment of reasonable fees and expenses of the Trustee (including reasonable fees and disbursements of its accountants and counsel) incurred with respect to such Series of Bonds in and about the performance of its powers and duties under the Indenture;

(B) To the payment of Administrative Expenses of such Series of Bonds;

(C) To the payment of the principal of and interest then due on such Series of Bonds, in accordance with the provisions of this Master Indenture, in the following order of priority:

(ii) First: To the payment to the persons entitled thereto of all installments of interest then due on such Series of Bonds, as applicable, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

(iii) Second: To the payment to the persons entitled thereto of all installments of unpaid principal of such Series of Bonds, as applicable, which shall have become due, whether at maturity or redemption, and, if the amount available shall not be sufficient to

pay in full all of such Series of Bonds together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference; and

(iv) Third: If there shall exist any remainder after the foregoing payments, such remainder shall be paid to WRCOG as directed in a Certificate of WRCOG.

ARTICLE X

MISCELLANEOUS

Section 10.01. Discharge of Indenture. Subject to the provisions of Section 2.03 hereof regarding redemption, if WRCOG pays and discharges the entire indebtedness on all or a portion of any Bonds or Series of Bonds Outstanding in any one or more of the following ways:

(A) by paying or causing to be paid the principal of (including any Sinking Account Payments) and interest and any redemption premium on, all Bonds or Series of Bonds Outstanding, as and when the same become due and payable;

(B) by irrevocably depositing with the Trustee, in trust, at or before maturity, money which, together with the amounts then on deposit in the funds and accounts provided for in Section 4.01, is fully sufficient to pay such Bonds or Series of Bonds Outstanding, including all principal (including Sinking Account Payments), interest and any applicable redemption premiums with respect to such Bond or Series of Bonds being discharged or defeased; or

(C) by irrevocably depositing with the Trustee, in trust, cash and Federal Securities in such amount as WRCOG may determine, as confirmed by an independent certified public accountant, will, together with the interest to accrue thereon and moneys then on deposit in the fund and accounts provided for in Section 4.01, be fully sufficient to pay and discharge the indebtedness on such Bonds or Series of Bonds, including all principal, Sinking Account Payments, interest and any applicable redemption premiums with respect to the Bond or Series of Bonds being discharged or defeased, at or before their respective maturity dates;

and if such Bonds or Series of Bonds are to be redeemed prior to the maturity thereof notice of such redemption has been given as required by the Indenture (or provision satisfactory to the Trustee has been made for the giving of such notice), then, at the election of WRCOG, and notwithstanding that any Bonds or Series of Bonds have not been surrendered for payment, the pledge of the Assessments and other funds provided for in the Indenture and all other obligations of WRCOG under the Indenture with respect to all Bonds or Series of Bonds Outstanding will cease and terminate, except only: (i) the obligation of WRCOG to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon and (ii) the obligation of WRCOG to pay or cause to be paid all amounts owing to the Trustee pursuant to Section 7.05 hereof.

If all Bonds or Series of Bonds outstanding are discharged pursuant to this Section, thereafter the Related Assessments will not be payable to the Trustee. Notice of election to discharge the Indenture with respect to such Bond or Series of Bonds will be filed with the Trustee.

Any funds thereafter held by the Trustee upon payment of all fees and expenses of the Trustee, which are not required for said purpose, will be paid over to WRCOG to be used by WRCOG as provided in Chapter 29 and the Bond Act.

Section 10.02. Benefits of Agreement Limited to Parties. Nothing in the Indenture, expressed or implied, is intended to give to any person other than WRCOG, the Trustee and the

Owners, any right, remedy or claim under or by reason of the Indenture. Any covenants, stipulations, promises or agreements in the Indenture contained by and on behalf of WRCOG will be for the sole and exclusive benefit of the Owners and the Trustee.

Section 10.03. Successor is Deemed Included in All Reference to Predecessor. Whenever in the Indenture or any Supplemental Indenture either WRCOG or the Trustee is named or referred to, such reference will be deemed to include the successors or assigns thereof, and all the covenants and agreements in the Indenture contained by or on behalf of WRCOG or the Trustee will bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 10.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which the Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and will be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of registered Bonds and the amount, maturity, number and date of holding the same will be proved by the registry books.

Any consent, request, declaration or other instrument or writing of the then registered Owner of any Bond will bind all future Owners of such Bond in respect of anything done or suffered to be done by WRCOG or the Trustee in good faith and in accordance therewith.

Section 10.05. Waiver of Personal Liability. No member, officer, agent or employee of WRCOG will be individually or personally liable for the payment of the principal of, or interest or any redemption premium on, the Bonds; but nothing herein contained will relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 10.06. Notices to and Demand on Authority and Trustee. All notices or communications herein required or permitted to be given to WRCOG or the Trustee shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telecopy or upon actual receipt by being deposited, postage prepaid, in a post office letter box, addressed as follows:

If to WRCOG:	Western Riverside Council of Governments 3390 University Avenue, Suite 450 Riverside, CA 92501 Attention: Executive Director
If to the Trustee:	Wilmington Trust, National Association 650 Town Center Drive, Suite 800, Costa Mesa, CA 92626 Attention: Corporate Trust Services

Section 10.07. Partial Invalidity. If any one or more of the provisions contained in the Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in the Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of the Indenture, and the Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. WRCOG hereby declares that it would have entered into the Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of the Indenture may be held illegal, invalid or unenforceable.

Section 10.08. Unclaimed Moneys. Notwithstanding any provisions of the Indenture, any moneys held by the Trustee in trust for the payment of the principal of, or interest on, any Bonds and remaining unclaimed for two (2) years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption as provided in the Indenture), if such moneys were so held at such date, or two (2) years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to WRCOG (without liability for interest) free from the trusts created by the Indenture upon receipt of an indemnification agreement acceptable to WRCOG and the Trustee indemnifying the Trustee with respect to claims of Owners of Bonds which have not yet been paid, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to WRCOG as aforesaid, the Trustee may (at the cost of WRCOG) first mail, by first class mail postage prepaid, to the Owners of Bonds which have not yet been paid, at the respective addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to WRCOG of the moneys held for the payment thereof.

Section 10.09. Applicable Law. The Indenture will be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 10.10. Content of Certificates. Every certificate with respect to compliance with a condition or covenant provided for in this Master Indenture shall include (a) a statement that the person or persons making or giving such certificate have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an officer of WRCOG may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate may be based, aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of WRCOG, or upon the certificate or opinion of or representations by an officer or officers of WRCOG, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

Section 10.11. Conclusive Evidence of Regularity. The issuance of each Series of Bonds pursuant to the Indenture will constitute conclusive evidence of the regularity of all proceedings under Chapter 29 and the Bond Act relative to their issuance and the levy of the Related Assessments.

Section 10.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal, including Sinking Account Payments, (and redemption premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to the Indenture is other than a Business Day, the payment of interest or principal, including Sinking Account Payments, (and any redemption premium) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no additional interest will accrue from such Interest Payment Date until such Business Day.

Section 10.13. Counterparts. This Master Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as WRCOG and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

****

IN WITNESS WHEREOF, WRCOG and the Trustee have caused this Master Indenture to be executed, all as of the date first written above.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By Treasurer

By:_____
Authorized Signatory

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By:_____
Authorized Representative

MASTER INDENTURE

EXHIBIT A

FORM OF SUPPLEMENTAL INDENTURE

SUPPLEMENTAL INDENTURE NO. [_]

between the

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

and

WILMINGTON TRUST, NATIONAL ASSOCIATION

as trustee

Dated as of [ ], 20__

Relating to

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
CLEANFUND COMMERCIAL PACE PROGRAM
LIMITED OBLIGATION IMPROVEMENT BONDS
SERIES ___
(First Commercial Property Tranche)

(Supplemental to the MASTER INDENTURE, dated as of [_____], 2018)

TABLE OF CONTENTS

Page

ARTICLE I
DEFINITIONS; AUTHORIZATION AND PURPOSE OF SERIES ___ BONDS; EQUAL SECURITY; COVENANTS

Section 1.01. Definitions 2
Section 1.02. Interpretation 2
Section 1.03. Authorization 2
Section 1.04. Representations of WRCOG 2

ARTICLE II
ISSUANCE OF SERIES ___ BONDS

Section 2.01. Terms of Series ___ Bonds 4
Section 2.02. Redemption of Series ___ Bonds 4
Section 2.03. Form of Series ___ Bonds 4
Section 2.04. Validity of Bonds 4
Section 2.05. Registration of Series ___ Bonds 5

ARTICLE III
USE OF PROCEEDS

Section 3.01. Issuance of Series ___ Bonds 5
Section 3.02. Application of Proceeds of Sale of Series ___ Bonds 5

ARTICLE IV
ADDITIONAL PROVISIONS

Section 4.01. Applicable Law 5
Section 4.02. Conflict with Bond Law 5
Section 4.03. Conclusive Evidence of Regularity 5
Section 4.04. Confirmation of Master Indenture; Conflict With Master Indenture 5
Section 4.05. Counterparts 5

APPENDIX 1 BOND SPECIFICS ..... APPENDIX 1
EXHIBIT A LIST OF PARTICIPATING PARCELS ..... A
EXHIBIT B FORM OF SERIES ___ BONDS ..... B

SUPPLEMENTAL INDENTURE NO. [__]

THIS SUPPLEMENTAL INDENTURE NO. [__], dated as of [ ], 20__ (this "**Supplemental Indenture")**, is made by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS, a joint exercise of powers agency duly organized and existing under and by virtue of the laws of the State of California (the "**WRCOG**"), and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America (the "**Trustee**");

B A C K G R O U N D:

WHEREAS, WRCOG and the Trustee have executed and delivered a MASTER INDENTURE, dated as of [_____], 2018 (the "**Master Indenture**"), to provide for the terms and conditions of the issuance by WRCOG of one or more Series of Bonds (as defined in the Master Indenture) from time to time;

WHEREAS, in order to provide for the authentication and delivery of the Series ___ Bonds, to establish and declare the terms and conditions upon which the Series ___ Bonds are to be issued, to secure the Series ___ Bonds by a lien and charge upon (i) the Assessment or Assessments (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, the "Assessment" herein) together with all revenues, moneys, accounts receivable, contractual rights to payment, recoveries and other rights to payment of whatever kind with respect to such Assessment or Assessments or the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto (except amounts required hereunder to be deposited into the Administrative Expense Account of the Program Fund) that are or may be owed to, or collected or received by, WRCOG or any other entity acting on WRCOG's behalf, including, without limitation, the Assessment Installments, a Prepayment of the Assessment, the foreclosure on a Participating Parcel(s) set forth on Exhibit A hereto on which an Assessment has been levied, or any other payment or recovery with respect to an Assessment from any other source but excluding Annual Assessment Administrative Fees, and (ii) the Redemption Fund and all monies, securities or contractual or other rights to payment that are or may be owed or credited to, or deposited in, the Redemption Fund, or owed to, or collected, recovered, received or held by, any other person that is required to credit to or deposit such monies or securities in the Redemption Fund by Chapter 29, the Bond Act or the terms of the Indenture attributable to proceeds of the Series ___ Bonds, such Assessment or Assessments and such Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, in each case, derived from the Assessment Installments, a Prepayment of the Assessment, penalties and interest with respect to any delinquent Assessment Installment, the foreclosure on a Participating Parcel(s) set forth on Exhibit A hereto on which an Assessment has been levied, or payments pursuant to a Teeter Plan with respect to Assessments, if applicable, (the foregoing items in (i) and (ii) above collectively referred to as the "Series ___ Bond Collateral"), the Executive Committee has authorized the execution and delivery of this Supplemental Indenture;

WHEREAS, all acts and proceedings required by law and the Master Indenture necessary to make the Series ___ Bonds, when executed by WRCOG and authenticated and delivered by the Trustee, the duly issued, valid, binding and legal special obligations of WRCOG, and to constitute this Supplemental Indenture a valid and binding agreement for the

uses and purposes herein set forth, in accordance with its terms, have been done and taken; and the execution and delivery of this Supplemental Indenture have been in all respects duly authorized; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS; AUTHORIZATION AND PURPOSE OF SERIES ___ BONDS; EQUAL SECURITY; COVENANTS

Section 1.01. Definitions. Unless the context clearly otherwise requires or unless otherwise defined in this Supplemental Indenture, the capitalized terms in this Supplemental Indenture will have the respective meanings that such terms have in the Master Indenture.

"***Closing Date***" means the date of initial issuance and delivery of the Series ___ Bonds hereunder.

"***Interest Payment Dates***" means March 2 and September 2 of each year, commencing as of the date indicated in Appendix 1.

Optional: Only applies if a Reserve Fund is established for the Series of Bonds.

[*"**Series ___ Bond Reserve Requirement**"* means, initially, $_____.]

[*"**Series ___ Bond Reserve Fund**"* means the fund by that name established and administered pursuant to this Supplemental Indenture.]

*"**Series ___ Bonds**"* means the Western Riverside Council of Governments CleanFund Commercial Pace Program Limited Obligation Improvement Bonds, Series 20__ (First Commercial Property Tranche) issued pursuant to this Supplemental Indenture.

Section 1.02. Interpretation. Section 1.03 of the Master Indenture shall govern interpretation of this Supplemental Indenture.

Section 1.03. Authorization. Each of the parties represents and warrants that it has full legal authority and is duly empowered to enter into this Supplemental Indenture and has taken all actions necessary to authorize the execution of this Supplemental Indenture by the officers and persons signing it.

Section 1.04. Representations of WRCOG. WRCOG hereby warrants and represents on the date hereof as follows:

(A) WRCOG is a joint powers authority duly organized, duly constituted and validly existing under the laws of the State of California, and has the full legal right, authority and power to enter into and carry out the terms and conditions of this Supplemental Indenture.

(B) No approval of, or consent from, any governmental authority (other than WRCOG's governing body) is required for the execution, delivery or performance by WRCOG of this Supplemental Indenture.

(C) The Indenture, when executed and delivered by WRCOG, shall be duly and validly authorized, executed and delivered by WRCOG.

(D) The execution, delivery and performance by WRCOG of this Supplemental Indenture and the performance by WRCOG of its obligations under the Indenture and the transactions contemplated hereby and thereby:

(i) do not contravene any provisions of law applicable to WRCOG, and

(ii) do not conflict with, and will not result (with or without the giving of notice or passage of time or both) in the breach of or constitute a default or require any consent under any credit agreement, indenture, mortgage, purchase agreement, deed of trust, security agreement, lease, guarantee or other instrument to which WRCOG is a party, by which WRCOG may be bound or to which WRCOG or its property may be subject.

(E) The Indenture constitutes the legal, valid and binding obligation of WRCOG, enforceable against WRCOG in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws and judicial decisions which may affect the remedies provided in the Indenture.

(F) WRCOG has complied with Section 3.04 of the Master Indenture in connection with the issuance of the Series ___ Bonds, and the aggregate initial principal amount of Bonds issued under the Master Indenture, after giving effect to the Series ___ Bonds, will be as indicated in Section 2.01(a) of Appendix 1.

(G) Each of the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto was executed and delivered by WRCOG in compliance with the requirements of the Act, the Program Report, all relevant and applicable laws and regulations of the federal government and the State of California and all relevant and applicable resolutions of WRCOG.

(H) Based on the information provided to WRCOG by, and representations of, the Property Owners (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto), the transactions represented by the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto, such Participating Parcels and such Property Owners satisfy all eligibility criteria under and underwriting requirements of the Act, the Program Report and all other relevant and applicable laws and regulations of the federal government and the State of California, and all relevant and applicable resolutions of WRCOG necessary to participate in the Program.

(I) The Series __ Bonds are limited obligation improvement bonds governed by the provisions of the Indenture, the Act and the Bond Law and have been issued in accordance with

and in satisfaction of all applicable terms and underwriting criteria for such bonds set forth in the Indenture, the Act, the Bond Law and all other relevant and applicable laws and regulations of the federal government and the State of California, the Program Report and all relevant and applicable resolutions of WRCOG.

(J) Without limiting Section 5.01(C) of the Master Indenture, WRCOG, either directly or through the Program Administrator or its other agents, has taken and shall continue to take all commercially reasonable steps necessary to ensure that all amounts owed under any and all Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto are accurately and timely entered on the tax roll of the applicable County.

ARTICLE II
ISSUANCE OF SERIES ___ BONDS

Section 2.01. Terms of Series ___ Bonds.

(A) The Series ___ Bonds authorized to be issued by WRCOG under and subject to the Bond Law and the terms of the Master Indenture, as supplemented and amended, and this Supplemental Indenture will be designated the Western Riverside Council of Governments CleanFund Commercial Pace Program Limited Obligation Improvement Bonds, Series 20__-(First Commercial Property Tranche)", and will be issued in the original principal amount as indicated in Appendix 1.

The Series ___ Bonds shall be issued as fully registered Bonds without coupons.

(B) The Series ___ Bonds will be dated the Closing Date and will be payable on the Payment Dates and in the principal amounts, and will bear interest at the rate per annum (with accrued and unpaid interest payable on each Payment Date in accordance with Sections 2.02(B) and (C) of the Master Indenture), set forth in the schedule indicated in Appendix 1.

Section 2.02. Redemption of Series ___ Bonds.

(A) The Series __ Bonds are subject to mandatory redemption from Prepayments and from Sinking Account Payments, optional redemption from amounts on deposit in the Redemption Fund and redemption from Excess Program Account Proceeds on deposit in the Extraordinary Mandatory Redemption Account, in each case as set forth in Appendix 1 hereto, but are not otherwise subject to optional redemption prior to maturity.

(B) Except as otherwise set forth in this Section 2.02 and in Appendix 1 hereto, Section 2.03 of the Master Indenture will govern redemption of the Series ___ Bonds.

Section 2.03. Form of Series ___ Bonds. The Series ___ Bonds, the Trustee's certificate of authentication, and the assignment to appear thereon, will be substantially in the form set forth in Exhibit B attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Supplemental Indenture, the Resolution of Issuance and the Bond Law.

Section 2.04. Validity of Bonds. The validity of the authorization and issuance of the Series ___ Bonds will not be dependent upon the installation or operation of the Improvements (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto) or upon the performance by any person of such person's obligation with respect to the Improvements.

Section 2.05. Registration of Series ___ Bonds. The Series __ Bonds shall be registered in the name of the Initial Purchaser indicated in Appendix 1.

ARTICLE III
USE OF PROCEEDS

Section 3.01. Issuance of Series ___ Bonds. Upon the execution and delivery of this Supplemental Indenture and satisfaction of the requirements for issuance of a Series of Bonds under Section 3.04 of the Master Indenture, WRCOG will execute and deliver the Series ___ Bonds in the aggregate principal amount as indicated in Appendix 1 to the Trustee for authentication and delivery to the Initial Purchaser thereof as indicated in Appendix 1.

Section 3.02. Application of Proceeds of Sale of Series ___ Bonds. Upon the receipt of payment for the Series ___ Bonds on the Closing Date, the Trustee will apply the proceeds of sale thereof (being an amount equal to the principal amount of the Series ___ Bonds) as indicated in Appendix 1.

ARTICLE IV
ADDITIONAL PROVISIONS

Section 4.01. Applicable Law. This Supplemental Indenture will be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 4.02. Conflict with Bond Law. In the event of a conflict between any provision of this Supplemental Indenture with any provision of the Bond Law as in effect on the Closing Date, the provision of the Bond Law will prevail over the conflicting provision of this Supplemental Indenture.

Section 4.03. Conclusive Evidence of Regularity. Series ___ Bonds issued pursuant to this Supplemental Indenture will constitute conclusive evidence of the regularity of all proceedings under the Bond Law relative to their issuance and the levy of the Assessment (as defined in the Assessment Contract(s) with respect to the Participating Parcel(s) set forth on Exhibit A hereto).

Section 4.04. Confirmation of Master Indenture; Conflict With Master Indenture. All representations, covenants, warranties and other provisions of the Master Indenture, as previously amended and supplemented, unless specifically amended, modified or supplemented by this Supplemental Indenture, are hereby confirmed as applicable to this Supplemental Indenture. In the event of any conflict between the provisions of this Supplemental Indenture and the Master Indenture, the provisions of this Supplemental Indenture will govern.

Section 4.05. Counterparts. This Supplemental Indenture may be executed in counterparts, each of which will be deemed an original.

IN WITNESS WHEREOF, WRCOG and the Trustee have caused this Supplemental Indenture to be executed, all as of the date first written above.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: _____
Authorized Representative

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

APPENDIX 1
BOND SPECIFICS

Article I

Section 1.01. Definitions

Interest Payment Dates: Interest on the Series __ Bonds is due and payable on March 2 and September 2 of each year, commencing on [DATE].

Principal of the Series __ Bonds is due on September 2 in the years identified below.

Article II

Section 2.01. Terms of Series ___ Bonds.

(a) Original principal amount of the Series ___ Bonds is $_____ and the aggregate principal amount of all Bonds issued under the Master Indenture, after giving effect to the Series ___ Bonds, is $_____.

(b) [Interest Rate of the Series ___ Bonds is: _____%.] [The Series ___ Bonds shall be payable at the rates, and will be payable on each Interest Payment Date, pursuant to Debt Service Schedule set forth on Attachment A to the Series ___ Bond and as set forth in the following schedule:

Payment Date	Interest	Principal	Total
	*		

* Represents amounts payable from Capitalized Interest Account, as provided in Section 4.01(B) of the Master Indenture.

Section 2.02. Redemption of Series ___ Bonds.

(a) *Mandatory Prepayment Redemption*. The Series ___ Bonds will be redeemed, as a whole or in part, and paid in advance of maturity, from amounts received by WRCOG as a Prepayment of the Assessment, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Series ___ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ___%.

Upon redemption of the Series ___ Bonds as set forth in this subsection, WRCOG shall cause the Financed Amount (as defined in the Assessment Contract) to be reduced in an amount equal to the principal amount of the Series ___ Bonds redeemed.

(b) *Optional Redemption*. The Series ___ Bonds are subject to optional redemption, as a whole or in part, on any Interest Payment Date from funds derived by WRCOG from any source other than Related Prepayments, at a price equal to:

(i) 100% of the principal amount of the Series ___ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ___%.

(c) *Extraordinary Mandatory Redemption from Excess Program Account Proceeds*. The Series ___ Bonds will be redeemed, as whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Excess Program Account Proceeds relating to this Bond and the Related Assessment Contract, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Series ___ Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

(d) *Mandatory Sinking Account Redemption*. All the Series ___ Bonds constitute Term Bonds, which will be subject to mandatory redemption in part by lot, from Sinking

Account Payments made by WRCOG from the Redemption Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts, as shown in Attachment A.

However, if the Series ___ Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Account Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Account Payments on a pro rata basis in Authorized Denominations as determined by the Trustee, notice of which determination will be given by the Trustee to WRCOG.

Section 2.05. Registration of Series ___ Bonds.

The name of the Initial Purchaser is _____.

Article III

Section 3.01. Application of Proceeds of Sale of Series ___ Bonds.

(a) $_____ to the Capitalized Interest Account for the Series ___ Bonds within the Redemption Fund representing capitalized interest on the Series ___ Bonds.

(b) $_____ to the Costs of Issuance Account for the Series ___ Bonds within the Program Fund established pursuant to the Master Indenture.

(c) $_____ to the Program Account for the Series ___ Bonds within the Program Fund established pursuant to the Master Indenture.

(d) $_____ to the Administrative Expense Account of the Program Fund established pursuant to the Master Indenture.

[Unless otherwise instructed by WRCOG, each such account will be established for accounting purposes only.]

Optional: Utilized only if Reserve Fund established for the Series ___ Bonds.

[(e) $_____ to the Series Bond Reserve Fund established pursuant to this Supplemental Indenture.]

Optional: Utilized only if Reserve Fund established for the Series ___ Bonds.

[Article IV

Section 4.01. Series ___ Bond Reserve Fund

(A) General. The Trustee shall establish and maintain the Series ___ Bond Reserve Fund in trust separate and distinct from the other funds and accounts established hereunder. Except as provided below, all moneys in the Series Bond Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on or the principal of the

Series __ Bonds in the event that insufficient moneys are available in the Assessment Collection Account for the Series ___ Bonds within the Redemption Fund for such purpose or for the redemption or payment of Series ___ Bonds under subparagraph (E) below.

(B) Investment; Maintenance of Funds in the Series ___ Bond Reserve Fund. Moneys in the Series ___ Bond Reserve Fund shall be invested in Permitted Investments with a maturity of not greater than five (5) years as directed in a Certificate of WRCOG; in the absence of direction the Trustee shall hold funds uninvested. The Trustee shall retain in the Series ___ Bond Reserve Fund all earnings on amounts on deposit in the Series ___ Bond Reserve Fund until the amount on deposit in the Series ___ Bond Reserve Fund exceeds the Series ___ Bond Reserve Requirement, then the amount in excess of the Series ___ Bond Reserve Requirement shall be transferred to the Assessment Collection Account for the Series ___ Bonds within the Redemption Fund.

Notwithstanding any other provision hereof, the failure to maintain an amount in the Series ___ Bond Reserve Fund equal to the Series ___ Bond Reserve Requirement shall not be a default or an Event of Default under the Master Indenture.

(C) Redemption as a Result of Principal Prepayments. In the event of a Prepayment (other than as a result of transfers made pursuant to subparagraph (E) below) of a Series __ Bond, WRCOG shall transfer a proportionate amount in the Series ___ Bond Reserve Fund to the Assessment Collection Account for the Series ___ Bonds within the Redemption Fund. The proportionate amount shall be determined by multiplying (i) the fraction equal to the principal amount of Outstanding Series __ Bonds to be redeemed pursuant to Section 2.03(C) of the Master Indenture over the total principal amount of the Outstanding Series __ Bonds by (ii) the amounts on deposit in the Series __ Bond Reserve Fund, but in any event not in excess of the amount that will leave the balance in the Series __ Bond Reserve Fund equal to the Series __ Bond Reserve Requirement for the Series __ Bonds that will remain Outstanding following the redemption pursuant to Section 2.03(C) of the Master Indenture. Upon receipt of a Written Request from WRCOG, the Trustee shall transfer the proportionate amounts from the Series __ Bond Reserve Fund to the Assessment Collection Account for the Series ___ Bonds within the Redemption Fund in the amounts set forth in the Written Request.

(D) Use for Final Assessment Installment. WRCOG may, but is not obligated to, use a proportionate amount in the Series ___ Bond Reserve Fund to pay the final fiscal year's Assessment Installments to be levied on a Participating Parcel(s) set forth on Exhibit A hereto that is not delinquent in the payment of Assessment Installments. The proportionate amount shall be determined on the basis of (i) the principal amount of Outstanding Series __ Bonds attributable to the Participating Parcel(s) set forth on Exhibit A hereto and the total principal amount of the Outstanding Series __ Bonds and (ii) the amounts on deposit in the Series ___ Bond Reserve Fund, but in any event not in excess of the amount that will leave the balance in the Series ___ Bond Reserve Fund equal to the Series ___ Bond Reserve Requirement for all Outstanding Series __ Bonds for which principal will not be paid with the Assessment Installments to be paid by the Participating Parcel(s) set forth on Exhibit A hereto in the next fiscal year. Upon receipt of a Written Request from WRCOG, the Trustee shall transfer the proportionate amounts from the Series ___ Bond Reserve Fund to the Assessment Collection

Account for the Series ___ Bonds within the Redemption Fund in the amounts set forth in the Written Request.

(E) Additional Use of Series ___ Bond Reserve Fund; Reduction in Series ___ Bond Reserve Requirement. Pursuant to the terms of the Assessment Contracts related to the Series ___ Bond, if certain conditions are met, the Property Owner may request that the amount in the Series ___ Bond Reserve Fund be utilized to prepay Assessments and redeem Series __ Bonds hereunder. Upon receipt of a Written Request from WRCOG, the Trustee will transfer all amounts in the Series ___ Bond Reserve Fund to the Prepayment Account for the Series ___ Bonds within the Redemption Fund to redeem Series __ Bonds under Section 2.03(C) of the Master Indenture. After such transfer, the Series ___ Bond Reserve Requirement thereafter will be zero and the Trustee will close the Series ___ Bond Reserve Fund.]

SUPPLEMENTAL INDENTURE

EXHIBIT A
LIST OF PARTICIPATING PARCELS

SUPPLEMENTAL INDENTURE

EXHIBIT B

FORM OF BOND

**** WHILE THE BONDS ARE OWNED BY AN ACCREDITED INVESTOR OR A QUALIFIED INSTITUTIONAL BUYER, THE BONDS ARE SUBJECT TO TRANSFER RESTRICTIONS PURSUANT TO SECTION 2.05 OF THE MASTER INDENTURE****

Number ___-1 ***$_____***

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
CleanFund Commercial PACE Program
Limited Obligation Improvement Bonds, Series 20__
(First Commercial Property Tranche)

STATED INTEREST RATE	MATURITY DATE	DATED DATE
_____%	September 2, 20__	_____, 20__

REGISTERED OWNER:

PRINCIPAL AMOUNT: *** _____ DOLLARS***

Under and by virtue of the Improvement Bond Act of 1915, Division 10 (commencing with Section 8500) of the California Streets and Highways Code (the "Bond Act"), the Western Riverside Council of Governments ("WRCOG"), will, out of the Redemption Fund established pursuant to a Master Indenture, dated as of [_____], 2018 (the "Master Indenture"), as amended or supplemented by Supplemental Indenture No. [__], dated as of _____, 20__ (the Master Indenture as supplemented, the "Indenture") relating to Series 20__ Bonds (the "Bonds"), each by and between WRCOG and Wilmington Trust, National Association, as trustee (the "Trustee"), pay to the registered owner named above, or registered assigns, the principal amount set forth above, and interest on such principal amount, at the times and in the amounts set forth in Attachment A in lawful money of the United States of America; in addition, the Bond shall accrue additional interest as set forth in Section 4.01(B) of the Indenture. In the event of the redemption of this Bond in part prior to maturity the principal amount and the interest on such principal amount if this Bond set forth in Attachment A will be subject to amendment without amending Attachment A and the Trustee shall have no obligation to revise Attachment A hereto to reflect such amendment.

Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Indenture.

This Bond bears interest from the Interest Payment Date next preceding its date of authentication and registration unless it is authenticated and registered (i) prior to an Interest Payment Date and after the close of business of the 15th day of the calendar month preceding such Interest Payment Date, in which event it will bear interest from such Interest Payment Date,

or (ii) prior to the close of business on the 15th day of the calendar month preceding the first Interest Payment Date above, in which event it will bear interest from its date of delivery, until payment of such principal sum has been discharged.

Interest (excluding the final interest payment due upon maturity or earlier redemption) on and principal (excluding the final principal payment upon maturity or earlier redemption) of this Bond are payable in lawful money of the United States of America by the Trustee to the person whose name appears on the Bond Register as the Owner thereof as of the close of business on the Record Date preceding the Interest Payment Date by wire transfer of immediately available funds made on such Interest Payment Date upon the written instructions by such Owner delivered to the Trustee at least five (5) Business Days prior to the applicable Record Date.

Payment of principal of this Bond and accrued interest and premium, if any, on this Bond upon final maturity or redemption in whole shall be payable in lawful money of the United States of America by the Trustee of immediately available funds, to the person whose name appears on the Bond Register as the Owner thereof, upon surrender of this Bond at the Corporate Trust Office of the Trustee.

Payment of principal of this Bond on any Interest Date and in the amount set forth in Attachment "A" hereto and accrued interest and premium, if any, on this Bond upon redemption in part shall be payable in lawful money of the United States of America by the Trustee to the person whose name appears on the Bond Register as the Owner thereof as of the close of business on the Record Date preceding the applicable Interest Payment Date, without surrender of this at the Corporate Trust Office of the Trustee, by wire transfer of immediately available funds made on such Interest Payment Date upon the written instructions by such Owner delivered to the Trustee at least five (5) Business Days prior to the applicable Record Date.

This Bond will continue to bear interest after maturity at the rate above stated if this Bond is presented at maturity and payment hereof is refused upon the sole ground that there are not sufficient moneys in the Redemption Fund with which to pay same. If this Bond is not presented at maturity, interest hereon will run only until maturity.

This Bond will not be entitled to any benefit under the Bond Act or the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon are dated and signed by the Trustee.

This Bond is issued by WRCOG under the Bond Act and the Indenture for the purpose of providing means for paying for the Improvements described in the Indenture. It is secured by certain moneys in the Redemption Fund, the unpaid portion of Related Assessments made for the payment of those Related Improvements and any Penalties and Interest (as defined in the Indenture) received by WRCOG relating to the Related Assessments. Principal, interest and redemption premium, if any, is payable exclusively out of the Redemption Fund. This Bond and any other Bonds issued under the Indenture are referred to as the "Bonds."

This Bond is transferable by the registered Owner hereof, in person or by the Owner's attorney duly authorized in writing, at the office of the Trustee, subject to the terms and conditions provided in the Resolution of Issuance and the Indenture, including the payment of

certain charges, if any, upon surrender and cancellation of this Bond. Upon such transfer, a new registered Bond or Bonds, of any authorized denomination or denominations, of the same maturity, and for the same aggregate principal amount, will be issued to the transferee in exchange therefor. This Bond may only be transferred in an Authorized Denomination to (i) an Accredited Investor or Qualified Institutional Buyer who delivers to the Trustee and WRCOG an executed letter substantially in the form of Exhibit B attached to the Indenture or (ii) WRCOG (or the Trustee at the direction of WRCOG).

Bonds will be registered only in the name of an individual (including joint owners), a corporation, a partnership or limited liability company, or a trust.

Neither WRCOG nor the Trustee will be required to make such exchange or registration of transfer of Bonds during the fifteen (15) days of the calendar month immediately preceding any Interest Payment Date.

WRCOG and the Trustee may treat the registered Owner hereof as the absolute owner for all purposes, and WRCOG and the Trustee will not be affected by any notice to the contrary.

Optional Redemption. The Bonds are subject to optional redemption, as a whole or in part, on any Interest Payment Date from funds derived by WRCOG from any source other than Related Prepayments, at a price equal to:

(ii) 100% of the principal amount of the Bonds to be prepaid;

(iii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iv) a redemption premium equal to ___%.

Mandatory Sinking Account Redemption. All the Bonds constitute Term Bonds, which will be subject to mandatory redemption in part by lot, from Sinking Account Payments made by WRCOG from the Redemption Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts, as shown in Attachment A.

However, if the Bonds have been redeemed pursuant to an optional redemption or a mandatory prepayment redemption, the total amount of all future Sinking Account Payments relating to such maturity will be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Account Payments on a pro rata basis in Authorized Denominations as determined by WRCOG, notice of which determination will be given by WRCOG to the Trustee.

Mandatory Prepayment Redemption. The Bonds will be redeemed, as a whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Related Prepayments, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ___%.

Upon redemption of the Bonds as set forth in this subsection, WRCOG shall cause the Financed Amount to be reduced in an amount equal to the principal amount of the Bonds redeemed.

Extraordinary Mandatory Redemption from Excess Program Account Proceeds. The Bonds will be redeemed, as whole or in part, and paid in advance of maturity, from amounts received by WRCOG as Excess Program Account Proceeds relating to this Bond and the Related Assessment Contract, on any Interest Payment Date, at a price equal to:

(i) 100% of the principal amount of the Bonds to be prepaid;

(ii) accrued but unpaid interest to the date of redemption, unless sooner surrendered, in which event said interest will be paid to the date of payment, all in the manner and as provided in the Bond Act; and

(iii) a redemption premium equal to ____%.

This Bond is a Limited Obligation Improvement Bond because, under the Indenture, WRCOG is not obligated to advance funds from WRCOG treasury to cover any deficiency that may occur in the related accounts of the Redemption Fund for the Bonds.

IN WITNESS WHEREOF, WRCOG has caused this Series ____ Bond to be executed in its name and on its behalf by the facsimile signatures of its Treasurer and Secretary all as of the Original Issue Date identified above.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By:_____
Treasurer

Attest:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Series 20__ Bonds described in the within mentioned Indenture.

Dated: _____, 20___

Wilmington Trust, National Association, as Trustee

By:_____
Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

Under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list

(FORM OF ASSIGNMENT)

For value received, the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____
(Name, Address and Tax Identification or Social Security Number of Assignee)

the within mentioned Bond and hereby irrevocably constitute(s) and appoint(s): _____ _____ attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____

NOTICE: The signature(s) on this assignment must correspond with the name(s) as written on the face of the registered Bond in every particular without alteration or enlargement or any change whatsoever.

ATTACHMENT A
DEBT SERVICE SCHEDULE

Interest Payment Date	Principal	Interest	Total

MASTER INDENTURE

EXHIBIT "B"

FORM OF TRANSFER LETTER

[NOTE: WILL NEED TO MATCH FINAL PURCHASER LETTER]

Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, CA 92501

Wilmington Trust, National Association
650 Town Center Drive, Suite 800
Costa Mesa, CA 92626

Re: Western Riverside Council of Governments
CleanFund Commercial PACE Program
Limited Obligation Improvement Bonds Series 20__
(First Commercial Property Tranche)

Ladies and Gentlemen:

The Western Riverside Council of Governments (the "Issuer") has issued the above-referenced bonds (the "Bonds"). Capitalized terms used in this letter but not defined have the meaning given them in the Indenture, dated as of ___, 20__ (the "Indenture") relating to the Bonds.

In connection with our purchase on the date hereof of the Bonds, the undersigned (the "Bond Purchaser") hereby represents, warrants and agrees as follows:

(a) The Bond Purchaser is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D, or a "Qualified Institutional Buyer" as defined in Rule 144A, promulgated under the Securities Act of 1933, as amended.

(b) The Bond Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal bonds similar to the Bonds, to be capable of evaluating the merits and risks of an investment in the Bonds, and the Bond Purchaser is able to bear the economic risks of such an investment.

(c) The Bond Purchaser is purchasing the Bonds for not more than one account for investment purposes and not with a view to distributing the Purchased Bonds, to the extent not permitted under the applicable securities laws.

(d) The Bond Purchaser recognizes that an investment in the Bonds involves significant risks, that there is no established market for the Bonds and that none is likely to develop and, accordingly, that the Bond Purchaser must bear the economic risk of an investment in the Bonds for an indefinite period of time.

(e) The Bond Purchaser: (i) has conducted its own independent inquiry, examination and analysis with respect to the Bonds; (ii) has had an opportunity to ask questions of and receive answers from the Issuer about the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing; (iii) has been provided by the Issuer with all documents and information regarding the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing that it has requested; and (iv) the Bond Purchaser has been provided with information sufficient to allow the Bond Purchaser to make an informed decision to purchase the Bonds.

(f) The Bond Purchaser (i) is not relying upon the Issuer, or any of its affiliates, officers, employees or agents, for advice as to the merits and risks of investment in the Bonds, and (ii) has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision.

(g) The Bond Purchaser understands and acknowledges (i) that the offering of the Bonds is not subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, and (ii) that the Issuer has not prepared or caused to be prepared, and is not delivering, a deemed final official statement with respect to the Bonds and has not undertaken to provide to or for the benefit of holders of the Bonds financial or operating data or any other information with respect to the Bonds on an ongoing basis.

(h) The Bond Purchaser is able to bear the economic risk of the investment represented by its purchase of the Bonds.

(i) In the event that the Bond Purchaser wishes to sell the Bonds in the future, the Bond Purchaser agrees and acknowledges that the Bonds cannot be sold without complying with transfer restrictions set forth in the Indenture, including, but not limited to, providing for execution and delivery by the proposed transferee of a letter in substantially the form of this letter, and the Bond Purchaser hereby agrees to assume the responsibility for disclosure of all material information that may be necessary to comply with all federal and related state securities laws.

(j) The Bond Purchaser acknowledges that Best Best & Krieger LLP ("Bond Counsel") is acting as bond counsel to the Issuer, that Bond Counsel has no attorney-client relationship with the Bond Purchaser, and that the Bond Purchaser has sought legal advice from its own counsel to the extent it concluded legal advice was necessary.

(k) Notwithstanding the foregoing, the Bond Purchaser and any successor of the Bond Purchaser may elect at its own expense to securitize its interest in the Bonds, sell the Bonds to an entity in connection with such securitization and sell the asset-backed securities to the investment community without the delivery of an investor letter in substantially the form of this letter, provided that (i) any such sale of the Bonds is to an Accredited Investor or a Qualified Institutional Buyer and (ii) the purchaser of the Bonds delivers a letter to the Issuer to the effect that it is an Accredited Investor or a Qualified Institutional Buyer and that acknowledges the transfer restrictions set forth in the Indenture; no further action or acknowledgement by the Issuer will be required to authorize such securitization or sale of the Bonds by the Bond Purchaser or a successor to the Bond Purchaser.

(l) Bond Purchaser agrees to defend, indemnify and hold harmless the Issuer from and against any and all claims, liabilities, obligations, losses, damages and penalties of any kind (including reasonable fees of outside counsel, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) that may be imposed on, incurred by or asserted against the Issuer in any way relating to or arising out of a transfer by the Bond Purchaser of the Bonds to which this letter relates in violation of the restrictions contained in Section 2.05(B) of the Indenture.

Very truly yours,

[Insert]_____

By: _____
Name:
Title:

Page Intentionally Left Blank

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 6

CleanFund Master Assignment and Assumption Agreement

Page Intentionally Left Blank

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
WRCOG PROGRAM AND CALIFORNIA PROGRAM
CLEANFUND COMMERCIAL PACE PROGRAM

MASTER ASSIGNMENT AND ASSUMPTION AGREEMENT

TABLE OF CONTENTS

Page

1. DEFINITIONS....4
2. ASSIGNMENT BY TRANSFEROR....6
3. CONTINUING ASSIGNMENT....7
4. REPRESENTATIONS AND WARRANTIES....7
5. COVENANTS....9
6. DELIVERABLES....11
7. ENTIRETY OF AGREEMENT....11
8. NOTICES....12
9. INDEMNITY....12
10. SEVERABILITY....12
11. AMENDMENT....12
12. COUNTERPARTS; SIGNATURES....12
13. GOVERNING LAW....12

EXHIBITS

EXHIBIT A - FORM OF ASSIGNMENT INSTRUMENT
EXHIBIT B - FORM OF ASSESSMENT CONTRACT
EXHIBIT C - FORM OF INDENTURE
EXHIBIT D - FORM OF RE-CONVEYANCE INSTRUMENT
EXHIBIT E - FORM OF DEPOSITARY AND ACCOUNT CONTROL AGREEMENT
EXHIBIT F - LIST OF ASSIGNMENT DELIVERABLES
EXHIBIT G - TEXT OF OPINION – CLEANFUND COMMERCIAL PACE PROGRAM
EXHIBIT H - FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

MASTER ASSIGNMENT AND ASSUMPTION AGREEMENT

This MASTER ASSIGNMENT AND ASSUMPTION AGREEMENT (this "***Agreement***") is made and entered into effective as of [_____], 2018 (the "***Effective Date***") by and between Western Riverside Council of Governments, a joint exercise of powers agency duly organized and existing under the Constitution and laws of the State of California ("***Transferor***" or "***WRCOG***"), and Clean Fund Titling Trust, a Delaware statutory trust ("***Transferee***").

RECITALS

WHEREAS, Transferor is authorized to act under Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "***Act***") pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California; and

WHEREAS, the Executive Committee of Transferor (the "***Executive Committee***") previously adopted Resolution No. 09-10 adopted March 1, 2010 for the County of Riverside (the "***County***"), and cities in the County, listed in the PACE Program Report as defined below (the "***Covered Jurisdictions***" and each, a "***Covered Jurisdiction***") entitled "Resolution of the Western Riverside Council of Governments Declaring its Intention to Finance Distributed Generation Renewable Energy Sources and Energy Efficiency Improvements through the use of Contractual Assessments Pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code and setting a public hearing thereon" (collectively, the "***WRCOG Resolution of Intention***"), to initiate proceedings under the Act in and for the territory within each Covered Jurisdiction (the "***Program Area***") to establish the Energy Efficiency and Water Conservation Program for Western Riverside County (the "***WRCOG Program***" or the "***Program***"), pursuant to which the Authority would enter into contractual assessments to finance the installation of distributed generation renewable energy, energy efficiency and water efficiency improvements as described in the Resolution of Intention; and

WHEREAS, after holding a duly noticed public hearing at which interested persons were allowed to object to or inquire about the proposed Program within the Program Area or any of the Program's particulars, the Executive Committee adopted Resolution No. 13-10 adopted June 7, 2010 entitled "Resolution of Western Riverside Council of Governments Confirming Report Relating to the Financing of the Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency and Water Efficiency Improvements and Approving and Ordering Other Related Matters," as subsequently amended, (the "***WRCOG Resolution Confirming Program Report***"), pursuant to which the Executive Committee, among other things, (i) confirmed and approved a report (the "***PACE Program Report***") addressing all the matters required by the Act, including a draft agreement between the Authority and property owners participating in the Program providing for payment of contractual assessments (the "Assessment Contracts"), (ii) established the Program, (iii) identified the types of improvements that may be financed through the use of contractual assessments (the "***Improvements***") and (iv) appointed Authorized Officers (as defined herein) to execute agreements with the owners of property in the Program Area to provide for the levy of contractual assessments to finance installation of distributed generation renewable energy, energy efficiency and water efficiency improvements; and

WHEREAS, under the Act and the Improvement Bond Act of 1915, Division 10 of the California Streets and Highways Code (as amended, the "***Bond Law***"), the Executive Committee adopted Resolution No. 03-12 on July 29, 2011, as subsequently amended, entitled "A Resolution Authorizing Issuance of Limited Obligation Improvement Bonds, Approving and Directing the Execution of Related Documents and Approving Related Documents and Actions" (the "***Resolution of Issuance***"), which among other matters, authorized the issuance of one or more series of improvement bonds of the Authority upon the security of assessments levied on the participating parcels within the Program Area under the Act and the

Bond Law, and provided that the issuance of improvement bonds would be in accordance with the Bond Law and a Master Indenture and authorized the execution thereof; and

WHEREAS, with respect to the WRCOG Program, Transferor obtained the default judgment rendered on July 1, 2011 by the Superior Court of the State of California County of Riverside in the validation action entitled *Western Riverside Council of Governments v. All Persons Interested, et al.*, Case No. RIC 1103283; and

WHEREAS, on June 10, 2017, the Executive Committee adopted Resolution No. 11-17 modifying the PACE Program Report to authorize the Program to finance certain seismic improvements; and

WHEREAS, on [_____], 2018 Transferor and CleanFund entered into that certain CleanFund Commercial PACE Program Administration Agreement dated as of [_____], 2018, (as amended, supplemented or otherwise modified from time to time, the "***Administrative Agreement***") whereby CleanFund shall provide Program Administration Services for Commercial PACE Projects participating in the CleanFund Commercial PACE Program (as such terms are defined in the Administrative Agreement) and wherein Transferor agreed to the WRCOG Responsibilities as set forth in the Administrative Agreement.

WHEREAS, on [_____], 2018, the Executive Committee did, by the adoption of Resolution No. [_____] authorize the issuance one or more series of Limited Obligation Improvement Bonds (the "***Bonds***") providing that each such Bond shall be issued pursuant to one or more Master Indentures (each a "***Master Indenture***"), by and between WRCOG and Wilmington Trust, National Association, as trustee (the "***Trustee***"), the form of which was approved by Resolution No. [_____]; and

WHEREAS, Section 5898.28(b) of the Act (i) authorizes Transferor to transfer its right, title, and interest in and to any voluntary contractual assessments, if bonds have not been issued, (ii) authorizes Transferor and any Transferee to enter into an agreement that, among other things, identifies the specific period of time during which the transfer of voluntary contractual assessments will be operative, not to exceed three years and (iii) provides that a transfer of any voluntary contractual assessments under this provision shall be treated as a true and absolute transfer of the asset so transferred for the period of the transfer and not as a pledge or grant of a security interest by the public agency for any borrowing; and

WHEREAS, in anticipation of the issuance of limited improvement bonds under the Act to provide long-term financing for the installation of authorized improvements, Transferor wishes to establish an interim financing mechanism as set forth in this Agreement.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. Definitions.

(a) "*Accredited Investor*" has the meaning given to it in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended.

(b) "*Assessment Contract*" means an Agreement to Pay Assessment and Finance Improvements by a Property Owner and the Transferor entered into as contemplated by the Act substantially in the form attached hereto as Exhibit B.

(c) "*Assignment Date*" means, for a particular Transferred Interest, the "date of transfer" indicated in an Assignment Instrument executed by Transferor and Transferee.

(d) "*Assignment Instrument*" means an Assignment Instrument in the form attached hereto as Exhibit A that specifies, among other things, the Assessment Contract(s) being assigned on such date and the consideration payable on such date by the Transferee.

(e) "*Assignment Term*" means with respect to any Transferred Interest, the period beginning on (and including) the applicable Assignment Date and ending on (but excluding) the applicable Assignment Termination Date.

(f) "*Assignment Termination Date*" means, with respect to a Transferred Interest, the earlier of (i) the third (3rd) anniversary of the Assignment Date of such Transferred Interest (in accordance with Section 5898.28(b) of the Act), or (ii) the re-conveyance of the Transferred Interest from Transferee to Transferor in exchange for a PACE Bond or cash, as applicable.

(g) "*Authorized Officer*" means the Executive Director of WRCOG or his or her designee or designees each of whom is authorized pursuant to a certificate of WRCOG executed by the Executive Director.

(h) "*Business Day*" means any day other than a Saturday, a Sunday, or a day on which banks in the state of California are authorized or permitted to close.

(i) "*CleanFund*" means CleanFund Commercial PACE Capital, Inc., in its capacity as program administrator of the CleanFund Commercial PACE Program.

(j) "*Collection Account*" means the deposit account by that name established and held by the Depositary subject to the Depositary and Account Control Agreement.

(k) "*Complying PACE Bonds*" means with respect to any Transferred Interests as of any date of determination, PACE Bonds having the PACE Bond Parameters with respect to such Transferred Interests.

(l) "*Depositary*" means Wilmington Trust, National Association or its successor, acting in such capacity under the Depositary and Account Control Agreement.

(m) "*Depositary and Account Control Agreement*" means that certain Depositary and Account Control Agreement in the form attached hereto as Exhibit E, by and among Transferor, Transferee, Depositary and CleanFund that specifies, among other things, the flow and management of funds during the Assignment Term.

(n) "*Exchanged Transferred Interests*" has the meaning set forth in Section 5(b) hereof.

(o) *"Indenture*" means a bond indenture substantially in the form attached hereto as Exhibit C.

(p) "*Issue Date*" has the meaning set forth in Section 5(b) hereof.

(q) "*PACE Bond*" means a bond issued by the Transferor under an Indenture secured by Transferor's right to receive payment pursuant to one or more Assessment Contracts.

(r) "*PACE Bond Parameters*" means, as of any date of determination, with respect to any PACE Bonds issued under this Agreement on such date of determination in exchange for the reassignment of one or more Transferred Interests on such date of determination, and/or in connection with Transferred Interests whose Assignment Terms are expiring on such date of determination, one or more PACE Bonds,

(i) the principal amount, maturity date(s), amortization schedules and interest rates of which, in the aggregate, produce cash flows that replicate the remaining scheduled principal and interest components of the contractual assessment installments under the Assessment Contract(s) relating to such Transferred Interest(s) after such date of determination;

(ii) any ongoing annual administrative fees of which replicate the annual assessment administrative fee components of the contractual assessment installments under the Assessment Contract(s) relating to such Transferred Interest(s) after such date of determination;

(iii) that accounts for or account for any additional interest or penalties due under the Assessment Contract(s) relating to such Transferred Interest(s) at the date of determination;

(iv) that accounts for or account for any prepayment penalty and related processing fee due under the Assessment Contract(s) relating to such Transferred Interest(s) at the date of determination;

(v) that complies or comply with the Authority's bond issuance policies as of the applicable Assignment Date;

(vi) any purchaser of which must be an Accredited Investor or Qualified Institutional Buyer; such purchaser shall execute and deliver to Transferor an investor letter in substantially the form and substance of Exhibit B to the form of Indenture attached hereto as Exhibit C; and

(vii) with respect to which bond counsel to Transferor shall have issued an unqualified bond counsel opinion addressed to Transferor, a reliance letter addressed to the purchaser and its assigns and a supplemental opinion addressed to the trustee under the Indenture and the purchaser.

To the extent there are any delinquent amounts under the Assessment Contracts relating to the Transferred Interest(s) referred to above as of such date of determination, for purposes of determining the applicable PACE Bond Parameters with respect to such Transferred Interest(s), such delinquent payments will be treated as being scheduled to be due and payable on such date of determination.

(s) "*Program Guidelines*" means, collectively, the PACE Program Report and the Program Handbook, each as amended from time to time.

(t) "*Program Handbook*" means the Program Handbook established by CleanFund, as may be amended from time to time with the written consent of the Transferor.

(u) "*Property Owner*" means an owner of non-residential real property, including four or more units of residential real property, that is a party to an Assessment Contract.

(v) "*Qualified Institutional Buyer*" has the meaning given to it by the Securities and Exchange Commission Rule 144A (17 CFR §230.144A).

(w) "*Re-Conveyance Instrument*" means an assignment instrument substantially in the form attached hereto as Exhibit D.

(x) "*Tax Collector*" means each applicable taxing authority responsible for the collection of amounts paid by Property Owners in connection with Assessment Contracts.

(y) "*Transferred Interest*" means, with respect to an Assessment Contract as to which Transferor and Transferee have executed an Assignment Instrument, all right, title and interest to receive payment from the applicable Property Owner of (i) the Financed Amount (as defined in the Assessment Contract) and (ii) interest on the unpaid Financed Amount receivable pursuant to the applicable Assessment Contract; provided, however, that in no event shall such Transferee or any other entity other than Transferor be permitted to initiate or prosecute any foreclosure action with respect to any Assessment Contract associated with a Transferred Interest. For an avoidance of a doubt and notwithstanding anything in the applicable Assessment Contract to the contrary, all principal, interest, delinquent interest, penalties, and prepayments shall accrue to the benefit of the Transferee from the date the Transferred Interest is assigned to Transferee pursuant to the terms of this Agreement; provided further that the Transferred Interest shall not include the Annual Assessment Administrative Fees (as defined in the Assessment Contract).

2. Assignment by Transferor.

(a) As of each applicable Assignment Date, Transferor hereby agrees to sell, assign and transfer to the Transferee identified in the Assignment Instrument, and such Transferee agrees to purchase from Transferor, for the Assignment Term, all of Transferor's right, title, and interest in, to, and under each Transferred Interest specified in the Assignment Instrument executed on such Assignment Date in exchange for (i) the consideration specified with respect to such Transferred Interest in such Assignment Instrument and (ii) Transferor's undertakings in Section 5 hereof. Transferee hereby acknowledges and agrees that each assignment made pursuant to this Agreement and an Assignment Instrument is solely of a Transferred Interest, and in no event shall such Transferee or any other entity other than Transferor be permitted to initiate or prosecute any foreclosure action with respect to any Assessment Contract associated with a Transferred Interest. Transferee also acknowledges and agrees that, as of the effective date of this Agreement, Transferor has no legal authority to initiate or prosecute any foreclosure action with respect to any Assessment Contract unless i) an event of default has occurred under Section 14 of the Assessment Contract; or ii) until PACE Bonds have been issued with respect to such Assessment Contract.

(b) Transferee hereby agrees to fund the Assessment Contract in an amount equal to the Financed Amount (as defined in the Assessment Contract) to finance the Project Cost and Financing Expenses (as defined in the Assessment Contract) identified in the Assessment Contract by making such funds available to the PACE Program Administrator to be disbursed, on behalf of WRCOG, pursuant to the provisions of the Assessment Contract.

(c) On each Assignment Date, Transferor shall deliver to Transferee the deliverables listed in Section C of Exhibit F.

3. Continuing Assignment. Pursuant to Section 5898(b) of the Act, the assignment of a Transferred Interest pursuant to this Agreement and an Assignment Instrument shall constitute a true and absolute transfer of such Transferred Interest for the period of the transfer and not a pledge or grant of a

security interest by the Transferor for any borrowing, and such assignment shall remain in full force and effect until the Assignment Termination Date applicable to such Transferred Interest, notwithstanding any obligation of the Transferor contained in Section 5 of this Agreement. Without in any way limiting the preceding sentence, for the protection of the Transferee, in the event that (a) the transfer is held not to be a true and absolute conveyance, or (b) an Assignment Termination Date occurs under clause (i) of the definition thereof with respect to a Transferred Interest before a Complying PACE Bond is issued with respect to such Transferred Interest, Transferor shall, within 30 days of the date on which an event in clause (a) or (b) occurs, (x) issue a Complying PACE Bond or (y) execute a new three-year Assignment Instrument for the benefit of Transferee if authorized by law, with the choice of (x) or (y) to be in Transferor's sole and absolute discretion.

The covenants on the part of Transferor in the previous paragraph are duties imposed by law and it is the duty of each and every public official of Transferor to take such action and do such things as are required by law in the performance of the official duty of such officials to enable Transferor to carry out and perform such covenants. The parties intend for Transferor's covenants in the previous paragraph to be enforceable by a writ of mandamus issued pursuant to California Civil Code Section 1084 et seq. In the event the Transferee obtains such a writ of mandamus from a court of applicable jurisdiction, Transferor shall pay Transferee's reasonable attorneys fees and costs.

4. Representations and Warranties.

(a) Each party represents and warrants to the other (i) that it has full power and authority to enter into this Agreement and to perform its obligations hereunder in accordance with the provisions hereof, (ii) that this Agreement has been duly authorized, executed and delivered by such party and (iii) that this Agreement constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity.

(b) Each party represents and warrants to the other that the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby (i) will not conflict with any law or order applicable to such party or any of its properties or assets and (ii) requires no consent from any party not already obtained.

(c) Transferee represents and warrants, as of the date hereof, (i) no applicable law would prevent or make unlawful its holding of any Transferred Interest, and (ii) no applicable law would prevent or make unlawful its holding of a PACE Bond to otherwise be conveyed to it pursuant to the terms hereof.

(d) Transferee represents and warrants:

(i) it is an Accredited Investor or Qualified Institutional Buyer;

(ii) it has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal bonds and other obligations similar to the Transferred Interests, to be capable of evaluating the merits and risks of an investment in the Transferred Interests, and such Transferee is able to bear the economic risks of such an investment;

(iii) it is purchasing the Transferred Interest for not more than one account for investment purposes and not with a view to distributing the Transferred Interests except in compliance with Section 5(g) hereof;

(iv) it recognizes that an investment in the Transferred Interests involves significant risks, that there is no established market for the Transferred Interests and that none is likely to develop and, accordingly, that such Transferee must bear the economic risk of an investment in the Transferred Interests for an indefinite period of time;

(v) it (A) has conducted its own independent inquiry, examination, and analysis with respect to the Transferred Interests, (B) has had the opportunity to ask questions of and receive answers from the Transferor regarding the Transferred Interests and the matters, transactions, and documents relating to the foregoing; (C) has been provided by the Transferor with all documents and information regarding the Transferred Interests and the matters, transactions, and documents relating to the foregoing that it has requested, and (D) has been provided with information sufficient to allow it to make an informed decision to purchase the Transferred Interests;

(vi) it (A) is not relying upon the Transferor, or any of its affiliates, officers, employees, or agents, for advice as to the merits and risks of investment in the Transferred Interests, and (B) has sought such accounting, legal, and tax advice as it has considered necessary to make an informed investment decision;

(vii) it understands and acknowledges (A) that the transaction contemplated hereby is not subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, and (B) that the Transferor has not prepared or caused to be prepared, and is not delivering, a deemed final official statement with respect to the Transferred Interests and has not undertaken to provide to or for the benefit of such Transferee financial or operating data or any other information with respect to the Transferred Interests on an ongoing basis; and

(viii) it is able to bear the economic risk of the investment represented by its purchase of the Transferred Interests.

(e) Transferor represents and warrants that it is the legal and beneficial owner of the Transferred Interest, free and clear of any liens, claims or encumbrances.

(f) Transferee acknowledges that except for the representation in paragraph (g), (A) Transferor shall not be responsible to any Transferee for (i) the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency of any Assessment Contract, (ii) any representations, warranties, recitals or statements made therein or in connection with any Assessment Contract and the transactions contemplated thereby or (iii) the financial condition of any Property Owner, and (B) Transferor is under no obligation to such Transferee to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of Assessment Contract or as to the use of the proceeds of the financing evidenced by the Assessment Contract.

(g) Transferor represents and warrants that each Assessment Contract and each Assignment Instrument will be duly authorized, executed and delivered by Transferor as of the Assignment Date and that each Assessment Contract and each Assignment Instrument will constitute as of the Assignment Date the legal, valid and binding obligation of Transferor enforceable against

Transferor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity.

(h) Transferor represents and warrants that to its actual current knowledge there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending with respect to which the Transferor has been served with process or threatened, in which any such Action (i) in any way questions the corporate existence of the Transferor or the titles of the officers of the Transferor to their respective offices, (ii) in any way questions the establishment of the Program, (iii) affects, contests or seeks to prohibit, restrain or enjoin the execution of any Assessment Contract or Assignment or the payment or collection of any amount pledged or to be pledged to pay the principal of and interest on each Assessment Contract or Assignment, or in any way contests or affects the validity of the Assessment Contract or Assignment or the consummation of the transactions on the part of the Transferor contemplated thereby, or contests the powers of the Transferor, or its authority to levy contractual assessments, and (iv) may result in any material adverse change relating to the financial condition of the Transferor; and as of the time of acceptance hereof, to the knowledge of the Transferor, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

(i) Transferor represents and warrants that each Assessment constituting the security for the related Assessment Contract has been duly and lawfully authorized and levied under the provisions of the Bond Law and the applicable laws of the State of California, and, pursuant to the provisions of the Bond Law, such Assessment, when levied, will constitute a valid and legally binding lien on the Property upon which it has been levied.

5. Covenants.

(a) Transferor hereby agrees to direct all applicable Tax Collectors to make all payments received in connection with any Transferred Interest during the related Assignment Term to the Collection Account; provided, however, that Transferee acknowledges and agrees that the Tax Collectors may not agree to make such payments to the Collection Account and that Transferor may continue to receive the payments. To the extent Transferor receives any such payment, Transferor agrees to promptly deposit such amount in the Collection Account.

(b) In accordance with the procedures set forth below, Transferor (i) shall, within four weeks of receipt of instructions by the Transferee or later as the Transferor or the Transferee may mutually agree as to any particular request and solely on a Business Day issue one or more Complying PACE Bonds and sell them to Transferee or its designee in exchange for one or more Transferred Interests and (ii) shall, no later than the Assignment Termination Date of any Transferred Interest, use good faith efforts to issue a Complying PACE Bond with respect to such Transferred Interest. In furtherance of the foregoing, Transferor shall, no later than four weeks before the date Transferor elects (in the case of clause (i)) or is required (in the case of clause (ii) to use good faith efforts) to issue Complying PACE Bonds, deliver to Transferee a notice specifying (1) the Business Day on which the Complying PACE Bonds will be issued, which may be no later than the applicable Assignment Termination Date (the "*Issue Date*"), (2) the applicable Transferred Interests that will be exchanged for such Complying PACE Bonds (the "*Exchanged Transferred Interests*"), (3) the number of Complying PACE Bonds that will be issued, (4) the principal amount, maturity date, interest rate and debt service schedule of each Complying PACE Bond and (5) a reconciliation of the scheduled debt service on such Complying PACE Bonds and the remaining scheduled principal and interest components of the applicable Transferred Interests (including any adjustments for overdue assessments, delinquent interest, penalties,

or partial prepayments) to enable Transferee to verify that such Complying PACE Bonds meet the applicable PACE Bond Parameters (and such verification shall occur, and be notified to the Transferor, at least five Business Days prior to the scheduled Issue Date).

(c) On each Issue Date, Transferor shall use reasonable efforts to issue the applicable Complying PACE Bond(s) to Transferee or its designee; Transferee will, as full consideration for the issuance of such bond(s), re-convey any Exchanged Transferred Interests to Transferor or its designee pursuant to a Re-Conveyance Instrument; Transferee shall execute and deliver any documents required to be executed and delivered by a purchaser of the PACE Bonds under the applicable Indenture; and Transferor and Transferee shall execute and deliver such instructions to the Depositary and/or the applicable Tax Collector(s) as are necessary to ensure that all future payments under the applicable Assessment Contracts are paid into the account required by the applicable Indenture, provided that to the extent any of Transferee's representations in Section 4(c)(ii), (d) or (f) is untrue as of the applicable Issue Date as determined by the Transferor in its sole discretion, Transferor shall have no obligation to convey such PACE Bond to the applicable Transferee or its designee. If Transferor makes such a determination, Transferor shall provide notice to the Transferee of the determination and allow Transferee to cure any untrue representations. If within ten (10) days following the transmittal of such notice the Transferee has cured the untrue statement, Transferor may, in its sole discretion, issue Complying PACE Bonds. All PACE Bonds issued to Transferee hereunder shall be issued under an Indenture substantially in the form of Exhibit C hereto. Nothing in this Agreement shall obligate Transferor to sell Complying PACE Bond(s) to more than 35 investors to the extent necessary for Transferor and the Complying PACE Bond(s) to comply with Securities and Exchange Executive Committee Rule 15c2-12 (17 CFR 240.15c2-12).

(d) Transferor may, with the prior written consent of the applicable Transferee and in Transferor's sole discretion, in lieu of issuing Complying PACE Bonds secured by one or more Assessment Contracts with respect to which applicable Transferee has acquired a Transferred Interest and selling them to the applicable Transferee pursuant to Section 5(b), issue Complying PACE Bonds and sell them to a third-party. If such Transferee consents to any such sale, Transferee, in exchange for the payment to such Transferee of the proceeds received by Transferor from such issuance, shall re-convey, pursuant to Re-conveyance Instrument, any remaining Transferred Interest in such Assessment Contracts on the date of the issuance of such PACE Bonds. In addition, Transferor and such Transferee shall execute and deliver such instructions to the Depositary and/or any applicable Tax Collector(s) as may be necessary to ensure that all future payments under the applicable Assessment Contracts are paid into the account required by the applicable Indenture.

(e) If, during the Assignment Term of a particular Transferred Interest, (i) the Property Owner is delinquent in the payment of any Assessment Installment, (ii) Transferee provides written instruction to Transferor requesting that Transferor initiate foreclosure proceedings, (iii) Transferor is expressly permitted by applicable laws or the applicable Assessment Contract to pursue foreclosure proceedings against an applicable Property Owner, and (iv) such Transferee agrees in writing to advance all estimated costs and expenses of any required proceedings (as determined in the sole judgment of the Transferor), Transferor will pursue foreclosure proceedings against delinquent Property Owner(s) and direct proceeds recovered in connection therewith to the Collection Account, with any penalties and interest to constitute additional interest for the benefit of such Transferee. In the event Transferor initiates a foreclosure action and incurs the costs and expenses thereof, at the direction of such Transferee but Transferee fails to advance such costs and expenses, Transferor may, in its sole and absolute discretion, either (y) halt all efforts to prosecute the foreclosure action or (z) pay the necessary costs and expenses, in which case the Transferor shall be entitled to recover all such costs and expenses from the foreclosure award before any amounts are deposited into the Collection Account.

(f) Transferor agrees that it shall not issue or convey any PACE Bond secured in whole or in part by any Assessment Contract with respect to which any Transferee has acquired a Transferred Interest and sell such PACE Bonds to any party other than such Transferee without the prior written consent of such Transferee.

(g) Transferee hereby covenants and agrees that it shall hold each Transferred Interest acquired hereunder throughout the applicable Assignment Term or until such date as such Transferred Interest is required to be re-conveyed under this Section 5 and shall not transfer any Transferred Interest to any party other than Transferor; provided however, that notwithstanding the foregoing, a Transferee may convey a Transferred Interest to (i) a wholly owned subsidiary, a parent company, or other affiliated entity; or (ii) a third party, where (A) the third party and such Transferee execute an assignment and assumption agreement that is in substantially similar form to the Assignment and Assumption Agreement attached hereto as Exhibit H, (B) the third party satisfies the representations set forth in Sections 4(a) through (d) and (f) hereof as of the date of transfer from such Transferee, and (C) the third party executes an investor letter in substantially the form of Exhibit B to the Indenture attached as Exhibit C to this Agreement.

(h) Transferee hereby covenants and agrees that it shall not incur, create, assume, or suffer to exist any liens or encumbrances upon any property or buildings upon which an assessment has been levied pursuant to an Assessment Contract.

(i) If, at any time of an Assignment Termination Date, the actions under Section 3 of this Agreement have not occurred with respect to a Transferred Interest with no Complying PACE Bond having been issued with respect thereto, Transferor agrees that it will either (A) execute a new three-year Assignment Instrument for the benefit of the applicable Transferee, as provided by law, (B) issue a Complying PACE Bond in accordance with the terms and conditions set forth herein with the choice of (A) or (B) to be in Transferor's sole and absolute discretion.

(j) Transferee may at any time request that Transferor issue Complying PACE Bonds with respect to any Transferred Interests and Transferor agrees to use good faith efforts to issue such bonds as soon as practicable after such request, subject to applicable law.

6. Deliverables. On or before the execution and delivery of this Agreement, Transferor shall deliver to Transferee the deliverables set forth in Exhibit F.

7. Entirety of Agreement. This Agreement sets forth the entire understanding of the parties with respect to the transactions contemplated hereby, and merges and supersedes all prior and contemporaneous understandings, representations and warranties with respect to such transactions. Except as expressly set forth in this Agreement, none of the parties hereto or thereto makes any representation or warranty to any other party.

8. Notices. Any notice or other communication to be given hereunder shall be in writing and shall be delivered by hand (including, without limitation, by express courier against written receipt) or sent by registered prepaid first-class mail or by facsimile copy to the persons or addresses specified below:

Transferor:

Western Riverside Council of Governments
3390 University Ave, 4th Floor
Riverside, CA 92501

Attention: Executive Director

Transferee:

Clean Fund Titling Trust
2330 Marinship Way, Suite 100
Sausalito, CA 94965
Attention: Greg Saunders

9. Indemnity. Transferee agrees to defend, indemnify and hold harmless Transferor from and against any and all claims, liabilities, obligations, losses, damages and penalties of any kind (including reasonable fees of outside counsel, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) that may be imposed on, incurred by or asserted against the Transferor in any way relating to or arising out of the transfer of any Transferred Interest in violation of Section 5(g).

10. Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such term or provision shall be enforced to the maximum extent permitted by law and, in any event, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

11. Amendment. This Agreement may be amended, waived or terminated only by a written instrument referencing this Agreement and signed by the parties to this Agreement.

12. Counterparts; Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures may be delivered by electronic means which shall have the same force and effect as the delivery of original signature pages.

13. Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of California, and venue shall be in Riverside County, California.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this MASTER ASSIGNMENT AND ASSUMPTION AGREEMENT as of the Effective Date.

TRANSFEROR:

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

_____

By:

TRANSFEREE:

CLEAN FUND TITLING TRUST

By: CleanFund Commercial PACE Capital, Inc., a Delaware corporation, its Settlor

_____

By: Greg Saunders, its Chief Executive Officer

EXHIBIT A

ASSIGNMENT INSTRUMENT NO. ____

As of [DATE]

Reference is made to that certain Master Assignment and Assumption Agreement, dated as of [____] 2018, by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS, as "***Transferor***", and CLEAN FUND TITLING TRUST, as "***Transferee***" (the "***Master Assignment Agreement***"). Capitalized terms used but not defined herein shall have the meaning given to such term in the Master Assignment Agreement.

As evidenced by the signature of each party hereto, pursuant to Section 2 of the Master Assignment Agreement, Transferor hereby sells, assigns and transfers to Transferee, and Transferee purchases from Transferor, as of the dates set forth on the attached Attachment 1 and for the Assignment Term, all of Transferor's right, title, and interest in, to, and under each Transferred Interest specified on the attached Attachment 1 in exchange for the (i) the consideration specified on the attached Attachment 1 with respect to such Transferred Interest, and (ii) Transferor's undertakings in Section 5 of the Master Assignment Agreement.

Each of the parties hereto acknowledges and agrees that the terms of Master Assignment Agreement are incorporated by reference hereto and shall apply as though the same were included in this assignment instrument. Each of the parties hereby represents and warrants that the representations and warranties made by such party in the Master Assignment Agreement are true and correct in all material respects as of the date hereof.

This assignment instrument may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

This assignment instrument shall be governed by, and construed in accordance with, the law of the State of California.

In the event of a prepayment under an Assessment Contract related to the Transferred Interest, the proceeds of the prepayment shall be applied for the following purposes in the following order of priority: (i) the Transferee shall be entitled to receive the prepayment premium paid by the Property Owner (as defined in the Assessment Contract), (ii) payment of accrued interest on the unpaid Financed Amount (as defined in the Assessment Contract) to the extent of such prepayment as of the date of the prepayment and (iii) reduction of the unpaid Financed Amount.

[*signature page follows*]

Acknowledged and Accepted as of [_____]:

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

_____

By:

CLEAN FUND TITLING TRUST

By: CleanFund Commercial PACE Capital, Inc.,
a Delaware corporation, its Settlor

_____

By: Greg Saunders, its Chief Executive Officer

Attachment 1

Property Owner	APN	Address	Date of Transfer	Principal Amount	Consideration*	Date of Assessment Contract

_____

* The consideration amount is net of fees payable to bond counsel and Transferor on the Issue Date in connection with the issuance by Transferor of Complying PACE Bonds in exchange for re-conveyance of the Transferred Interest, for which Transferee will be responsible.

EXHIBIT B

FORM OF ASSESSMENT CONTRACT

[*see attached*]

EXHIBIT C

FORM OF INDENTURE

[*see attached***]**

EXHIBIT D

RE-CONVEYANCE INSTRUMENT

(ASSIGNMENT INSTRUMENT NO. ___)

As of [DATE]

Reference is made to that certain Master Assignment and Assumption Agreement by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS ("***WRCOG***", or the "***Re-Conveyance Transferee***"), and CLEAN FUND TITLING TRUST ("***CleanFund***", or the "***Re-Conveyance Transferor***"), dated as of [_____], 2018 (the "***Master Assignment Agreement***"). Further reference is made to that certain Assignment Instrument No. ___, dated as of [_____], by and between WRCOG, as Transferor, and CleanFund, as Transferee. Capitalized terms used but not defined herein shall have the meaning given to such term in the Master Assignment Agreement.

As evidenced by the signature of each party hereto, pursuant to Section 5(b) of the Master Assignment Agreement, in exchange for the cash or bond consideration indicated below, Re-Conveyance Transferor hereby assigns and transfers to Re-Conveyance Transferee, and Re-Conveyance Transferee assumes from Re-Conveyance Transferor, all of Re-Conveyance Transferor's right, title, and interest in, to, and under each Exchanged Transferred Interest specified on the attached Attachment 1.

Each of the parties hereto acknowledges and agrees that the terms of Master Assignment Agreement are incorporated by reference hereto and shall apply as though the same were included in this assignment instrument. Re-Conveyance Transferor hereby reaffirms the representations in Section 4(c) and 4(d) of the Master Assignment Agreement as of the date hereof.

This re-conveyance instrument may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

This re-conveyance instrument shall be governed by, and construed in accordance with, the law of the State of California.

[*signature page follows*]

Acknowledged and Accepted as of [_____]:

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

_____

By:

CLEAN FUND TITLING TRUST

By: CleanFund Commercial PACE Capital, Inc.,
a Delaware corporation, its Settlor

_____

By: Greg Saunders, its Chief Executive Officer

Attachment 1

Property Owner	**APN**	**Address**	**Date of Transfer**	**Principal Amount**	Date of Assessment Contract

EXHIBIT E

DEPOSITARY AND ACCOUNT CONTROL AGREEMENT

[*see attached*]

EXHIBIT F

LIST OF ASSIGNMENT DELIVERABLES

A. MASTER ASSIGNMENT LEVEL CLOSING DOCUMENTS

1. Joint Powers Agreement, dated as of April 1, 1991, as amended.
2. Resolution Number [___] adopted by the Executive Committee of WRCOG on [_____] and entitled "A Resolution Of The Executive Committee Of The Western Riverside Council Of Governments Authorizing CleanFund Commercial PACE Capital, Inc., To Administer And Finance Authorized Improvements To Be Installed On Commercial Properties, And In Connection With Such Authorization, Approving Amendments To The Program Report [For Both The WRCOG Energy Efficiency And Water Conservation Program For Western Riverside County And The California Hero Program] And The Forms Of A Commercial Handbook, Assessment Contract, Administration Agreement, Master Assignment And Assumption Agreement, Depositary and Account Control Agreement, Bond Purchase Agreement And Indenture And Authorizing The Issuance Of Bonds Pursuant To Such Indenture Secured By Assessments Levied On Commercial Properties To Finance The Installation Of Authorized Improvements On Such Commercial Properties And Approving Other Actions In Connection Thereto"
3. Master Assignment and Assumption Agreement, dated as of [_____], 2018.
4. Depositary and Account Control Agreement, dated as of [_____], 2018.
5. Opinion of Counsel to Transferor as set forth in Exhibit G with a reliance letter addressed to the Transferee.
6. Opinion of Counsel to Depositary as to the due authorization, execution, delivery and enforceability of the Depositary and Account Control Agreement.

B. ASSIGNMENT LEVEL CLOSING DOCUMENTS

LOCAL JURISDICTION DOCUMENTS

1. Resolution of applicable jurisdiction authorizing WRCOG to implement the CleanFund Commercial PACE Program.
2. Default Judgments (see attached list).

C. PROPERTY-SPECIFIC DOCUMENTS [THIS SECTION MAY BE REPEATED FOR MULTIPLE PROPERTIES]

1. Written Confirmation of Approved Commercial PACE Project (as defined in Schedule C of the Administration Agreement).
2. Agreement to Pay Assessment and Finance Improvements.
3. Payment of Contractual Assessment Required/Notice of Assessment (recorded in real property records), along with confirmation of recording in real property records of applicable county.

4. Incumbency Certificate of the corporation and the corporation's good standing certificate and related documents.

5. CEQA Certification.

6. Property Owner Disbursement Request Letter.

7. Requisition from Program Account.

8. Closing Statement.

9. Lender Acknowledgement.

10. Title Report.

11. Property Owner Closing Certificate.

12. Direction of WRCOG to Depositary.

13. Receipt of Depositary.

14. Requisition from Cost of Issuance Account].

D. <u>ASSIGNMENT-LEVEL CLOSING DOCUMENTS</u>

1. Assignment Instrument.

2. Form of Investor Letter.

List of Default Judgments
Superior Court of the County of Riverside, California

Western Riverside Council of Governments v. All Persons Interested, et al., Case No. RIC 1103280, July 1, 2011.

EXHIBIT G

TEXT OF OPINION – CLEANFUND COMMERCIAL PACE PROGRAM

[month] [date], 20[__]

Executive Committee
Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, CA 92501

Re: *Western Riverside Council of Governments*
CleanFund Commercial PACE Program

Ladies and Gentlemen:

We are general counsel and bond counsel to the Western Riverside Council of Governments ("**WRCOG**") and have acted in such capacities in connection with the establishment, implementation and administration by WRCOG of those property assessed clean energy ("**PACE**") programs entitled the "Energy Efficiency and Water Conservation Program for Western Riverside County" (the "**WRCOG PACE Program**") and the "California HERO Program" (the "**California PACE Program**," and together with the WRCOG PACE Program, the "**PACE Program**") under which WRCOG intends to provide financing through Clean Fund Titling Trust ("**CleanFund**") to owners of Participating Properties (as defined herein) to fund the installation and construction of Qualifying Improvements (as defined herein) on such properties. Repayment of financing provided pursuant to the PACE Program ("**PACE Financing**") may be collected as an assessment (a "**PACE Assessment**") levied on Participating Properties pursuant to Chapter 29 of Part 3 of Division 7 of the Improvement Act of 1911 (California Streets & Highways Code Section 5898.10 and following)[1] ("**Chapter 29**").

WRCOG has requested our opinions with respect to certain aspects of the PACE Program, as set forth in Section IV of this opinion letter. Our opinions are based upon the PACE Documents (as defined in Section I of this opinion letter), the Model Transaction (as defined in Section II of this opinion letter), and laws and regulations as in effect on the date of this opinion letter.

BACKGROUND

The State of California (the "**State**") has authorized a public agency (each, a "**Public Agency**") to establish a PACE program pursuant to Chapter 29 to finance the installation of distributed generation renewable energy sources, energy and water efficiency improvements, electric vehicle charging infrastructure and seismic strengthening improvements that are permanently fixed to residential, commercial, industrial, agricultural, or other real property. A Public Agency, as defined in Chapter 29, includes a city, county, or city and county.[2] Pursuant to the Joint Exercise of Powers Act (California Government Code § 6500 and following) (the "**Joint Powers Law**"), two or

[1] References to sections of the California Streets & Highways Code may be abbreviated herein as "S&H Code § ____."

[2] S&H Code §5898.20(c).

more public agencies[3] by agreement may jointly exercise any power common to the contracting parties if authorized by their legislative or other governing bodies.[4]

Pursuant to the Joint Powers Law, the County of Riverside and certain cities located in the western portion of the County of Riverside (such County and each such city, a "**Member**"[5]) entered into a joint exercise of powers agreement dated April 1, 1991 in the form attached hereto as Exhibit A (the "**Joint Powers Agreement**") to create WRCOG, a joint exercise of powers authority. WRCOG was formed pursuant to the Joint Powers Law and the Joint Powers Agreement for the purpose of providing an agency to conduct studies and projects designed to improve and coordinate the common governmental responsibilities and services on an area-wide and regional basis. Pursuant to the Joint Powers Agreement, WRCOG shall perform all necessary functions to fulfill the purposes of such agreement including, among other functions, exploring practical avenues for intergovernmental cooperation, coordination and action in the interest of local public welfare and means of improvements in the administration of governmental services.

The Joint Powers Agreement provides that when authorized by the Executive Committee, any affected Member or Members may execute an implementation agreement (each, an "**Implementation Agreement**") for the purpose of authorizing WRCOG to implement, manage and administer area-wide and regional programs in the interest of the local public welfare. Pursuant to such authority, WRCOG entered into Implementation Agreements with each Member authorizing WRCOG to undertake proceedings pursuant to Chapter 29 to establish the WRCOG PACE Program to make PACE Financing available to eligible owners of property located within the jurisdictions of the Members.

On March 1, 2010, the Executive Committee adopted Resolution Number 09-10 (the "**WRCOG PACE Program Resolution of Intention**") to initiate proceedings under Chapter 29 to establish the WRCOG PACE Program. By the adoption of such resolution, the Executive Committee provided that one or more series of bonds would be issued under Section 5898.22 and Section 5898.28 of Chapter 29 and the Improvement Bond Act of 1915, as amended, being Division 10 of the California Streets and Highways Code (the "**Bond Act**"), to finance the installation of distributed generation renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure that are permanently fixed to real property located within the jurisdiction of one of the Member.

On June 7, 2010, the Executive Committee adopted Resolution Number 13-10 (the "**Resolution Confirming the WRCOG PACE Program Report**"), pursuant to which the Executive Committee, among other things, (i) confirmed and approved a report (the "**Original WRCOG PACE Program Report**") addressing all of the matters set forth in Section 5898.22 of Chapter 29, including, but not limited to, (a) identification of types of facilities, distributed generation renewable energy sources and energy and water efficiency improvements that may be financed through the use of contractual assessments (the "**Authorized Improvements**") and (b) a plan for raising a capital amount required to pay for work performed pursuant to voluntary

[3] Government Code §6500 provides that a "public agency" includes, but is not limited to, a county or a city.

[4] Government Code §6502.

[5] There were eleven (11) cities that were original signatories to the Joint Powers Agreement. There are currently 18 cities within the western portion of Riverside County that are current Members of WRCOG and are participating in the WRCOG PACE Program.

contractual assessments, (ii) established the WRCOG PACE Program, and (iii) authorized execution of agreements with the owners of property located within the jurisdictions of the Member Agencies (the "**WRCOG PACE Program Area**") to provide for the levy of contractual assessments to finance installation of Authorized Improvements.

On January 12, 2011, the Executive Committee adopted Resolution Number 07-11 ("**Resolution Confirming WRCOG PACE Program Changes**"), pursuant to which the Executive Committee, among other actions, confirmed certain changes made to the Original WRCOG PACE Program Report to outline the program requirements for participation in three financing options then within the WRCOG PACE Program (the Original WRCOG PACE Program Report as so changed is referred to as the "**WRCOG PACE Program Report**").

On January 12, 2011, the Executive Committee adopted Resolution Number 09-11 (the "**WRCOG PACE Program Judicial Validation Authorizing Resolution**") authorizing the initiation of judicial validation proceedings required to for the judicial validation of the proceedings to establish the WRCOG PACE Program and other matters related thereto.

On February 18, 2011, WRCOG caused the complaint (the "**WRCOG PACE Program Commercial Validation Complaint**") initiating proceedings to validate and confirm the WRCOG PACE Program as it relates commercial and other non-residential property to be filed in the Superior Court of the State of California County of Riverside in Case No. RIC 1103283 (the "**WRCOG PACE Program Commercial Validation Action**").

On July 1, 2011, judgment was entered in the WRCOG PACE Program Commercial Validation Action (the "**WRCOG PACE Program Commercial Validation Action Judgment**").

On [_____], 2018, the Executive Committee adopted Resolution Number [____] ("**Resolution Approving the CleanFund Commercial PACE Program**") to, among other actions, (a) approve CleanFund Commercial PACE Capital, Inc. as a program administrator ("**CleanFund Program Administrator**") to administer the CleanFund Commercial PACE Program for the WRCOG PACE Program, (b) approve the form of amendment to the WRCOG PACE Program Report to incorporate the CleanFund Commercial PACE Program, the form Agreement to Pay Assessment and Finance Improvements and the form of the CleanFund Commercial Pace Program handbook, (c) approve the forms of (i) the Administration Agreement by and between WRCOG and CleanFund Program Administrator (the "**Administration Agreement**"), (ii) the Master Assignment and Assumption Agreement by and between WRCOG and CleanFund (the "**Master AAA**")and (iii) the Depositary and Account Control Agreement by and among WRCOG, CleanFund, Wilmington Trust, National Association, as depositary (the "**Depositary**") and CleanFund Program Administrator (the "**Depositary and Account Control Agreement**"); (d) authorize the issuance of limited obligation improvement bonds in the maximum principal amount of $[_____] (the "**Bonds**") to finance the installation of Authorized Improvements to be installed or caused to be installed on commercial properties that are participating in the CleanFund Commercial PACE Program and are located in one of the PACE Program Areas, (e) approving the forms of the Master Indenture and Supplemental Indenture by and between WRCOG and Wilmington Trust, National Association, as trustee thereunder, (f) authorizing the negotiated sale of the Bonds to CleanFund or an assignee thereof, and (g) approving the form of a Professional Services Agreement by and between WRCOG and [30 Three Sixty Public Finance ("30 Three Sixty")] to provide assessment administration services for the CleanFund Commercial PACE Program (the "**Assessment Administrator Agreement**").

DOCUMENTS REVIEWED.

In our capacity as counsel for WRCOG, we have examined copies of the following documents and form documents:

a. The Joint Powers Agreement, as amended to the date hereof;

b. The WRCOG PACE Program Resolution of Intention;

c. The Resolution Confirming the WRCOG PACE Program Report;

d. The Resolution Confirming WRCOG PACE Program Changes;

e. WRCOG PACE Program Judicial Validation Authorizing Resolution;

f. WRCOG PACE Program Commercial Validation Complaint; and

g. WRCOG PACE Program Commercial Validation Action Judgment.

h. The resolutions adopted by the cities and counties consenting to inclusion of the properties within the jurisdiction of such cities or counties in the California PACE Program;

i. The Resolution Approving the CleanFund Commercial PACE Program; and

j. The Administration Agreement attached hereto as Exhibit B.

k. The WRCOG PACE Program Report as amended by the Resolution Approving the CleanFund Commercial PACE Program;

l. The CleanFund Commercial PACE Program Handbook (the "Program Handbook") attached hereto as Exhibit C;

m. The form of the Agreement to Pay Assessment and Finance Improvements to be entered into between WRCOG and a Qualified Property Owner (each, an "Assessment Contract") attached hereto as Exhibit D;

n. The Master Assignment and Assumption Agreement attached hereto as Exhibit E;

o. The Depositary and Account Control Agreement attached hereto as Exhibit F;The form of Bond Purchase Agreement;

p. The form of the Master Indenture;

q. The form of the Supplemental Indenture;

r. The Assessment Administrator Agreement attached hereto as Exhibit G.

s. The form of mortgage lender consent ("Lender Consent") attached hereto as Exhibit H; and

t. The Notice of Assessment and Assessment Contract (collectively, the "Notice of Assessment") recorded against the related Participating Property; and

u. The Payment of Contractual Assessment Required ("PCAR") recorded against the related Participating Property.

v. The documents described in clauses a. through "v" above, including all of the schedules and exhibits thereto, are collectively referred to herein as the "PACE Documents."

The documents described in clauses "m," "p," "q" and "r" are collectively referred to herein as the "**PACE Agreements**."

In addition, we have reviewed such provisions of law deemed necessary to express the opinions set forth herein. As to various questions of fact material to our opinion, we have relied upon statements of fact contained in the documents we have examined.

MODEL TRANSACTION: MODEL APPLICATION, MODEL COLLECTION AND MODEL ENFORCEMENT.

As the basis for the opinions rendered herein, we have assumed that any Assessment Contracts entered into by and between WRCOG and the record owner or owners of a Participating Property (each, a "**PACE Property Owner**") through the CleanFund Commercial PACE Program will comply with the parameters of a "**Model Approval**" as described in Section II.A, that any PACE Financing by CleanFund through such CleanFund Commercial PACE Program will be paid by the PACE Property Owner through the levy of a PACE Assessment on the related Participating Property by WRCOG pursuant to Chapter 29 and the related Assessment Contract. Each such PACE Assessment is secured by a lien created by the recordation of a Notice of Assessment against such Participating Property (each, a "**PACE Assessment Lien**"). Annual assessment installments of such PACE Assessment shall be caused by WRCOG to be placed and collected on the property tax bill for such Participating Property according to the procedures outlined in Section II.B ("**Model Collection**"), and that any PACE Assessment that becomes delinquent according to the terms set forth in an applicable Assessment Contract will be enforced by WRCOG according to the procedures outlined in Section II.C ("**Model Enforcement**"). We define a "**Model Transaction**" as a transaction entered into utilizing the PACE Documents pursuant to a Model Approval, collected according to a Model Collection, and enforced (if applicable) according to the Model Enforcement, all as further described below in this Section II. Any material deviation from the following description of a Model Transaction in connection with any Assessment Contract may alter our analysis and the opinions contained herein.

Model Approval

A Model Approval has the elements set forth below in this Section II.A.

Pursuant to the provisions of Chapter 29 and Section 7.1 of the Program Handbook, a PACE Property Owner must apply to CleanFund Program Administrator for financing for the construction and installation of a "**Commercial PACE Project**" (as such term is defined in Section 2.1 of the Administration Agreement) under the CleanFund Commercial PACE Program. CleanFund Program Administrator will collect all financial, technical, and legal documentation as required in CleanFund Program Administrator's sole discretion to determine whether such PACE Property Owner, Participating Property, and Commercial PACE Project meet the requirements of the Program Report, the Program Handbook and Chapter 29. The PACE Property Owner must be the record owner of an "**Eligible Property**," i.e., a property that meets the requirements that are specified in Section 4.1 of the Program Handbook (a "**Participating Property**"). The PACE Property Owner must intend to construct and install or cause the construction and installation of qualifying energy efficiency, water efficiency or renewable energy improvements or electric vehicle charging infrastructure as required under Chapter 29 and that

otherwise meet the eligibility requirements set forth in Section 4.4 of the Program Handbook ("**Qualifying Improvements**"). The Property Owner must meet all of the "Eligible Property Owner" requirements of Section 4.2 of the Program Handbook. If CleanFund Program Administrator determines that the PACE Property Owner, the Participating Property and the Qualifying Improvements meet all of the requirements of the Program Report, the Program Handbook and Chapter 29, CleanFund Program Administrator will, pursuant to the Administration Agreement, submit the following documents to WRCOG (the "**Approved Application Documents**")[6]:

1. A Financing Summary Form containing the information specified in Exhibit "C", Schedule of Responsibilities, to the Administration Agreement and executed by an authorized representative of CleanFund;
2. Executed mortgage lender consent (if required);
3. Engineer letter confirming the Qualifying Improvements;
4. Copy of title report for the Participating Property dated within 60 calendar days of the Financing Summary Form;
5. Disclosure of Risk Form; and
6. Unexecuted form of the proposed Assessment Contract.

Upon receipt of the Approved Application Documents and confirmation that the Commercial PACE Project included in the Approved Application Documents meets all the requirements of the CleanFund Program Handbook and Chapter 29, WRCOG will provide a written confirmation to CleanFund Program Administrator, which confirmation shall not be unreasonably withheld, that such Commercial PACE Project is approved (an "**Approved Commercial PACE Project**").

Upon receipt of written confirmation from WRCOG that the Commercial PACE Project in the Approved Application Documents is an Approved Commercial PACE Project, CleanFund Program Administrator will send the Assessment Contract to the Property Owner for signature. No less than 10 business days before the effective date of the Assessment Contract, CleanFund Program Administrator shall deliver original copies of the Assessment Contract to WRCOG for signature.

Upon receipt of the executed Assessment Contract from CleanFund Program Administrator for each Approved Commercial PACE Project, WRCOG will execute on or before the effective date of the Assessment Contract, and then promptly cause recordation in the office of the County recorder in which the Participating Property is located of:

7. The Notice of Assessment; and
8. The Payment of Contractual Assessment Required.

If WRCOG receives written instruction from CleanFund Program Administrator to assign an Assessment Contract pursuant to the Master AAA, immediately after the recordation of the related Notice of Assessment, WRCOG will cause recordation of and notification to the financing team of the Assignment Instrument as required pursuant to the Master AAA assigning the Assessment Contract to CleanFund or CleanFund's designee. WRCOG will send CleanFund Program Administrator copies of the recorded Assignment Instrument within 5 business days of execution by WRCOG. Additionally, on the

[6] CleanFund and WRCOG to confirm.

Assignment Date WRCOG shall provide or cause to be provided to CleanFund the applicable Assignment-Level Closing Documents as specified in Exhibit F of the Master AAA.

If WRCOG receives instruction from CleanFund Program Administrator to issue a Complying PACE Bond (as defined in the Master AAA) pursuant to the Master AAA, WRCOG will promptly execute and deliver all documents as described in the Administration Agreement (the "**WRCOG Bond Closing Documents**") and in the related BPA to Bond Counsel or shall cause all such WRCOG Closing Documents to be so executed and delivered, as applicable, on or before the Closing Date, as specified in the related BPA (e.g. the Issue Date as defined in the Master AAA).

Model Collection

A Model Collection has the elements set forth below in this Section II.B.

Each Assessment Contract provides in Section 3(d) that the PACE Property Owner promises to pay the PACE Assessment for a period of years as specified in such Assessment Contract in two installments (each, a "**PACE Assessment Installment**"), together with annual assessment administrative fees ("**Annual PACE Assessment Administrative Fees**"). The annual proportion of each PACE Assessment levied pursuant to Chapter 29 and the Assessment Contracts coming due in any year, together with the annual interest on such PACE Assessment, shall be payable in the same manner and at the same time and in the same installments as the general taxes of the city or county in which the related Participating Parcel is located on real property are payable, and the PACE Assessment Installments and the annual interest on the PACE Assessment shall be payable and come delinquent at the same times and in the same proportionate amounts and shall bear the same proportionate penalties and interest after delinquency as do the general taxes on real property of such city or county.[7]

WRCOG shall cause to be submitted to the auditor-controller for each county in which a Participating Property that is subject to a PACE Assessment is located (each, an "**Auditor-Controller**") data pertaining to the annual PACE Assessment Installments to be collected on the property tax bill for such Participating Parcel for each tax year. The data submitted shall include the assessor's parcel number for each such Participating Property and the amount of the PACE Assessment Installments, together with the Annual PACE Administrative Fees, applicable to each such Participating Property. WRCOG has contracted with 30 Three Sixty pursuant to the Assessment Administrator Agreement to provide PACE Assessment administration and collection services. Included among the services to be provided by 30 Three Sixty is the preparation and submission of annual PACE Assessment Installment enrollment packages in accordance with direct assessment enrollment packages of the applicable Auditor-Controller.

The Auditor-Controller shall annually enter in the assessment roll on which taxes will next become due, opposite each Participating Property in a space marked "public improvement assessment," or by other suitable designation, the PACE Assessment Installments, together with the Annual PACE Administrative Fees, coming due during the tax year covered by the assessment roll. On or before the fourth Monday in September of each tax year, the Auditor-Controller shall deliver the secured roll, which includes the PACE Assessment Installments, together with the Annual PACE Administrative Fees, to be collected for such tax year, to the treasurer-tax collector of the County of Riverside (each, a "**Treasurer-Tax Collector**").[8] The Treasurer-Tax Collector is then responsible for collecting all property taxes and

[7] S&H Code §§5898.30 and 8680(a).

[8] California Revenue and Taxation Code § 2601. References to the California Revenue and Taxation Code may be abbreviated herein as "R&T § __."

assessments, including the PACE Assessment Installments.[9] Upon receipt of the property taxes and the PACE Assessment Installments and Annual PACE Administrative Fees for a Participating Property, the Treasurer-Tax Collector is required to mark the fact and date of payment on the tax roll, opposite the tax to which the payment relates.[10]

Each Treasurer-Tax Collector of a county in which a Participating Property is located that is subject to a PACE Assessment levied pursuant to an Assessment Contract and Chapter 29 shall be instructed, or caused to be instructed, by WRCOG to collect and pay over and distribute to the Depositary all PACE Assessment Installments and Annual PACE Administrative Fees received by such Treasurer-Tax Collector. The Depositary shall deposit such PACE Assessment Installments and Annual PACE Administrative Fees in the Collection Account established and held under the Depositary and Account Control Agreement (the "**Assessment Collection Account**"). The Depositary shall, pursuant to the Depositary and Account Control Agreement, make all payments of principal, penalties, Annual PACE Administrative Fees, if any, and interest on the PACE Assessments to one or more accounts, as specified in writing by CleanFund.

PACE Assessments levied pursuant to Chapter 29, and the interest and any penalties thereon constitute a lien against the Participating Property on which such PACE Assessment is made, until such PACE Assessment is paid.[11] Pursuant to Section 7 of each Assessment Contract, the Participating Property encumbered by a PACE Assessment will remain transferrable by the owner thereof, and a PACE Assessment will remain as an encumbrance on the Participating Property as a burden that runs with the land to become the obligation of the transferee. Pursuant to Section 16 of the PACE Agreement, WRCOG will retain the right to assign all or any portion of its rights and obligations under an Assessment Contract and any documents executed in connection therewith according to the terms and requirements of such Assessment Contract.

Model Enforcement

A Model Enforcement has the elements set forth below in this Section II.C.

Pursuant to Sections 4(c) of each Assessment Contract, if the Participating Property is delinquent in the payment of any PACE Assessment Installment or any accrued interest and penalties thereon, the Participating Property will be subject to the commencement of judicial foreclosure proceedings. Except as provided below, WRCOG will commence, or cause to be commenced, judicial foreclosure proceedings against the Participating Property, including collection actions preparatory to the filing of any complaint, but will file the complaint not later than sixty (60) days following the determination that the property is delinquent in the payment of such PACE Assessment Installments. Failure of such a complaint to be filed by such date shall not, however, invalidate any judicial foreclosure proceedings commenced after such date. The PACE Property Owner acknowledges that WRCOG shall have the delinquent PACE Assessment Installment and its associated penalties and interest stripped off the secured property tax roll and immediately enforced through a judicial foreclosure action that could result in a sale of the Participating Property for the payment of the delinquent PACE Assessment Installments, associated penalties and interest, and all costs of suit, including attorneys' fees.

[9] R&T §2602.

[10] R&T Code §1614.

[11] S&H §5898.30; Government Code §53931

ASSUMPTIONS.

For purposes of this opinion, we have also assumed the following:

Each PACE Property Owner, Commercial PACE Project and Model Transaction will be in compliance with the requirements of Chapter 29 and the Program Handbook.

Each Assessment Contract entered into by and between WRCOG and a PACE Property Owner under one of the PACE Program will be a Model Transaction in every respect, and will comply with all applicable law; and

Each such Assessment Contract will be with respect to a Participating Property that is in the jurisdiction of a Member with respect to the WRCOG PACE Program or an Associate Member with respect to the California PACE Program; and

The accuracy of all certificates and representations, documents and records and the representations and warranties made by all parties in the PACE Documents, in each case with respect to the factual matters set forth therein; and

All parties to the PACE Agreements will be validly existing and in good standing under the laws of their respective jurisdictions of organization and will have the requisite power and authority to enter into such PACE Agreements; and

The execution and delivery of the PACE Agreements will be duly authorized by all necessary action of the parties thereto; and the respective terms and provisions of each of the PACE Agreements, and the execution, delivery and performance of its obligations thereunder by each of such parties, will not violate the articles or certificates of incorporation, formation or organization or other charter document or bylaws, operating agreement, limited partnership agreement of any such party or any law, order or decree of any court, administrative agency or other governmental authority binding on any such party, or result in a breach of, or cause a default under any contract or indenture to which it is a party or by which it is bound; and

Each party to a PACE Agreement will remain in compliance with the provisions of all laws governing the transaction of its business and the exercise of its powers in the State; and

Each mortgagee holding a mortgage encumbering the applicable Participating Property will have executed a Lender Consent prior to WRCOG and the PACE Property Owner entering into an Assessment Contract; and

All of the PACE Agreements and the documents referenced therein will be duly authorized, executed and delivered by each of the parties thereto, and all blanks and exhibits will be completed and attached, as appropriate and contain all the exhibits, riders and attachments as required pursuant to the Program Handbook or any other requirement of WRCOG or CleanFund; and

Each natural person executing the PACE Agreements or related documents or certificates shall have the legal capacity to do so; and

All representations and warranties of factual matters made by all parties to the PACE Agreements will be accurate and complete; and

The PACE Agreements will accurately reflect the complete understanding of the parties thereto with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder; and

Upon execution, the PACE Agreements will be the valid and legally binding obligations of each of the parties thereto enforceable in accordance with the terms of such PACE Agreements; and

Each PACE Property Owner that enters into an Assessment Contract will utilize the funds received solely to pay the approved soft costs and costs of the construction and installation of the Qualified Improvements that are included in the related Approved Commercial PACE Project; and

WRCOG will act in compliance with all requirements and procedures for the collection, enforcement and foreclosure and sale of delinquent fixed lien assessments set forth in applicable State law and specifically Chapter 29 and the Bond Act; and

WRCOG, any PACE Property Owner, CleanFund Program Administrator, as the administrator of the CleanFund Commercial PACE Program, and CleanFund, who shall finance the installation and construction of the Commercial PACE Project (or its assignee), any contractor or engineer, and any agent of any of the foregoing will fully exercise and perform their rights and obligations as set forth in the PACE Documents; and

There is no oral or written agreement, instrument, understanding, course of dealing or usage of trade that affects the rights and obligations of the parties set forth in the PACE Agreements, or that would have an effect on the opinions expressed herein; none of the other documents executed and delivered by any of the parties to the PACE Agreements in connection with a PACE Financing conflict with the terms of or supersede the PACE Agreements or affect the rights and obligations of the parties set forth in the PACE Agreements, or have an effect on the opinions expressed herein; there are no judgments, decrees or orders that impair or limit the ability of any party to enter into, execute and deliver, and perform, observe and be bound by the PACE Agreements and the transactions contemplated therein; all material terms and conditions of the relevant transactions among the parties thereto are correctly and completely reflected in the PACE Agreements; and there has been no waiver of, or any amendment or other change to, any of the provisions of the PACE Agreements by conduct of the parties or otherwise; and

A correct, valid, sufficient and accurate legal description of a Participating Property and the assessor's parcel number(s) will be included in the applicable Assessment Contract; the applicable Assessment Contract will contain the correct name of the applicable PACE Property Owner(s); and

All of the parties to the PACE Agreements will have received adequate consideration to the execution and delivery of the PACE Agreements to which they are a party; and

The applicable PACE Property Owner will have the power to transfer rights in the Participating Property subject to the terms of the applicable Assessment Contract and the related PACE Agreements; and

The Notice of Assessment and the PCAR will be properly recorded and indexed in the Office of the County Recorder of the County in which the related Participating Property is located; and

The PACE Documents ultimately executed in conjunction with a PACE Financing made by WRCOG to a PACE Property Owner will not differ from the copies of the PACE Documents attached hereto in any way that would be relevant to the opinions expressed herein.

OPINIONS RENDERED

Based upon and subject to the foregoing assumptions, and subject also to the qualifications, exceptions and limitations set forth above and below, we are of the opinion that:

The State has authorized the imposition of PACE Assessments by WRCOG against Participating Properties pursuant to the Chapter 29, the Bond Act, the Program Report, the Program Handbook and the related Assessment Contracts.

The PACE Documents and PACE Agreements comply with, and any PACE Financing made pursuant to the PACE Documents and the related PACE Agreements will comply with, Chapter 29.

WRCOG has validly contracted with CleanFund Program Administrator for the administration of the PACE Program according to the terms of the Administration Agreement.

The execution of an Assessment Contract by WRCOG and the PACE Property Owner constitutes the levy of a PACE Assessment against the Participating Property. PACE Assessments levied against a Participating Property pursuant to Chapter 29 and the related Assessment Contract and the interest and penalties thereon shall constitute a lien against such Participating Property until such PACE Assessment and such interest and penalties are paid.

The obligations of WRCOG to levy and collect the PACE Assessment Installments set forth in the Assessment Contract and cause the collection thereof will not terminate upon any voluntary or involuntary sale of the Participating Property and the PACE Assessment Lien will constitute a lien against the Participating Property until the PACE Assessment is paid in full.

The lien of each PACE Assessment is coequal to and independent of the lien for general taxes, and, except as provided in Government Code Section 53936, not subject to extinguishment by the sale of the property on account of the nonpayment of any taxes, and prior and superior to all liens, claims and encumbrances except: (a) the lien for general taxes or ad valorem assessments in the nature of and collected as taxes levied by the State of California, the county or the city, special district or other local agency, if any, within which the applicable Participating Property is located; (b) the lien of any special assessment or assessments the lien date of which is prior in time to the lien date of such PACE Assessment; (c) easements constituting servitudes upon or burdens to the applicable Participating Properties; (d) water rights, the record title to which is held separately from the title to the applicable Participating Parcel; and (e) restrictions of record. The lien of each PACE Assessment has the same priority as the lien for general taxes or ad valorem assessments in the nature of and collected as taxes levied by the State of California, the county or the city, special district or other local agency, if any, within which the applicable Participating Parcel is located.

The validity and priority of a PACE Assessment will not be affected by the technological performance or completion of a Commercial PACE Project.

Transfers of Assessment Contracts pursuant to the Master AAA conform to the requirements of Chapter 29 and are valid and binding on the parties thereto.

QUALIFICATIONS, ETC.

The opinions expressed herein are solely based on a Model Transaction and are not expressed with respect to any particular transaction entered into with any particular PACE Property Owner.

No opinion is given with respect to any documents to be executed and delivered in connection with a property assessed clean energy program or a financing thereunder that are governed by the laws of any other jurisdiction.

The foregoing is subject to the following:

Our opinions are limited to only those laws, rules and regulations that we have, in the exercise of customary professional diligence, but without any special investigation, recognized as generally applicable to the transactions contemplated by the PACE Documents or to business organizations of the same type as the parties to the PACE Documents. In addition, we express no opinion as to any law, rule or regulation, the violation of which would not have a material effect on the PACE Program.

Our opinions are subject to the effect of any applicable bankruptcy, insolvency, fraudulent conveyance, equitable subordination, reorganization, readjustment of debt, moratorium or similar laws affecting creditors' rights generally. We note that Section 552 of the Federal Bankruptcy Code limits the extent to which property acquired by the debtor after the commencement of a case under the Federal Bankruptcy Code may be subject to a security interest arising from a security agreement entered into by the debtor before the commencement of the case.

We express no opinion as to the existence, nature or extent of the title to any personal or real property or the accuracy or adequacy of any descriptions thereof or the existence of any liens, charges or encumbrances thereon.

We express no opinion as to the laws of any jurisdiction other than the laws of the State.

Any reference to the State statutes or particular sections or chapters therein are to the State statutes in effect as of the date of this opinion;

Our opinions are limited to the specific matters addressed in Part IV, and except as expressly stated in Part IV, we express no opinion as to the validity and enforceability of the PACE Documents.

General principles of equity, regardless of whether such principles are considered in a proceeding in equity or at law, and limitations on the availability of specific performance, injunctive relief and other equitable remedies; principles which limit the availability of a remedy under certain circumstances where another remedy has been elected; principles requiring reasonableness, good faith and fair dealing in the performance and enforcement of an agreement by the party seeking enforcement; principles which may permit a party to cure a material failure to perform its obligations; and principles affording equitable defenses such as waiver, laches and estoppel.

The possible rights of third parties to the extent that the consent of any third party is necessary for the valid creation of a PACE Assessment and such consent has not been obtained.

No opinion is expressed as to the priority of the PACE Assessment Lien except as expressly set forth above.

This opinion is limited to the matters set forth herein, and no opinion may be inferred or implied beyond the matters expressly contained herein. This opinion is being furnished only to you and your successors, is solely for you and your successors' benefit, and is not to be used, quoted, relied upon or otherwise referred to by any other person or for any other purposes without our prior

written consent; [provided, however, that [_____] may also rely on this opinion in connection with its extension of credit accommodations to CleanFund for the funding of the PACE Financings]. Notwithstanding the foregoing, CleanFund may disclose this opinion to the agents and employees of (i) any institution providing credit enhancement or liquidity support to CleanFund, its successors or assigns, related to a Assessment Contract (ii) any parties to a securitization or other capital markets transaction that includes a Assessment Contract, or (iii) applicable regulatory authorities having jurisdiction over you to the extent disclosure of the opinion is required by applicable law or regulation; provided, however, that such limited disclosure by CleanFund shall not entitle any such parties to rely on this opinion. This opinion is based on factual matters in existence as of the date hereof and laws and regulations in effect on the date hereof, and we assume no obligation to revise or supplement this opinion should such factual matters change or should such laws or regulations be changed by legislative or regulatory action, judicial decision or otherwise.

Sincerely,

BEST BEST & KRIEGER LLP

EXHIBITS TO OPINION ATTACHED TO ORIGINAL

EXHIBIT H

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is dated this ___ day of _____, 20__ (the "Effective Date"), between [Clean Fund Titling Trust, a Delaware statutory trust] (the "Assignor"), and _____, a [state] [limited liability company] (the "Assignee").

WHEREAS, Western Riverside Council of Governments ("WRCOG") is authorized to act under Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "Act") pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California; and

WHEREAS, the Executive Committee of WRCOG (the "Executive Committee") previously adopted Resolution No. 09-10 adopted March 1, 2010 for the County of Riverside (the "County"), and cities in the County, listed at the PACE Program Report as defined below (the "Covered Jurisdictions" and each, a "Covered Jurisdiction") entitled "Resolution of the Western Riverside Council of Governments Declaring its Intention to Finance Distributed Generation Renewable Energy Sources and Energy Efficiency Improvements through the use of Contractual Assessments Pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code and setting a public hearing thereon" (collectively, the "WRCOG Resolution of Intention"), to initiate proceedings under the Act in and for the territory within each Covered Jurisdiction (the "WRCOG Program Area") to establish the Energy Efficiency and Water Conservation Program for Western Riverside County (the "WRCOG Program"), pursuant to which WRCOG would enter into contractual assessments to finance the installation of distributed generation renewable energy, energy efficiency and water efficiency improvements as described in the Resolution of Intention; and

WHEREAS, after holding a duly noticed public hearing at which interested persons were allowed to object to or inquire about the proposed Program within the Program Area or any of the Program's particulars, the Executive Committee adopted Resolution No. 13-10 adopted June 7, 2010 entitled "Resolution of Western Riverside Council of Governments Confirming Report Relating to the Financing of the Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency and Water Efficiency Improvements and Approving and Ordering Other Related Matters," as subsequently amended, (the "WRCOG Resolution Confirming Program Report"), pursuant to which the Executive Committee, among other things, (i) confirmed and approved a report (the "PACE Program Report") addressing all the matters required by the Act, including a draft agreement between WRCOG and property owners participating in the Program providing for payment of contractual assessments, (ii) established the Program, and (iii) Authorized Officers (as defined herein) to execute agreements with the owners of property in the Program Area to provide for the levy of contractual assessments to finance installation of distributed generation renewable energy, energy efficiency and water efficiency improvements; and

WHEREAS, under the Act and the Improvement Bond Act of 1915, Division 10 of the California Streets and Highways Code (as amended, the "Bond Law"), the Executive Committee adopted Resolution No. 03-12 on July 29, 2011, as subsequently amended, entitled "A Resolution Authorizing Issuance of Limited Obligation Improvement Bonds, Approving and Directing the Execution of Related Documents and Approving Related Documents and Actions" (the "Resolution of Issuance"), which among other matters, authorized the issuance of one or more series of improvement bonds of WRCOG upon the security of assessments levied on the participating parcels within the Program Area under the Act and the

Bond Law, and provided that the issuance of improvement bonds would be in accordance with the Bond Law and an indenture and authorized the execution thereof; and

WHEREAS, with respect to the WRCOG Program, WRCOG obtained the default judgment rendered on July 1, 2011, by the Superior Court of the State of California County of Riverside in the validation action entitled *Western Riverside Council of Governments v. All Persons Interested, et al.*, Case No. RIC 1103283; and

WHEREAS, WRCOG has entered into that certain CleanFund Commercial PACE Program Administration Agreement with CleanFund Commercial PACE Capital, Inc. dated as of [__], 2018, (as amended, supplemented or otherwise modified from time to time, the "Administrative Agreement") to provide Program Administrative Services for Commercial PACE Projects participating in the CleanFund Commercial PACE Program (as such terms are defined in the Administrative Agreement) and wherein WRCOG agreed to the WRCOG Responsibilities as set forth in the Administrative Agreement; and

WHEREAS, on [_____], 2018, the Executive Committee did, by the adoption of Resolution No. [_____] authorize the issuance of one or more series of Limited Obligation Improvement Bonds (the "Bonds") providing that each such Bond shall be issued pursuant to a master indenture and one or more supplemental indentures by and between WRCOG and Wilmington Trust National Association, as trustee (the "Trustee"), the forms of which were approved by the Resolution of Issuance; and

WHEREAS, prior to the issuance of the Bonds, WRCOG desires to transfer its right, title and interest in certain voluntary assessment contracts entered into in connection with the CleanFund Commercial PACE Program; and

WHEREAS, Section 5898.28(b) of the Act (i) authorizes WRCOG to transfer its right, title, and interest in and to any voluntary contractual assessments, if bonds have not been issued, (ii) authorizes WRCOG and any Transferee to enter into an agreement that, among other things, identifies the specific period of time during which the transfer of voluntary contractual assessments will be operative, not to exceed three years and (iii) provides that a transfer of any voluntary contractual assessments under this provision shall be treated as a true and absolute transfer of the asset so transferred for the period of the transfer and not as a pledge or grant of a security interest by the public agency for any borrowing; and

WHEREAS, WRCOG has entered into that certain Master Assignment and Assumption Agreement ("Master Assignment Agreement") with Clean Fund Titling Trust, (the "CleanFund Transferee"), dated as of [_____], 2018, whereby (A) WRCOG agrees to sell, assign and transfer to the CleanFund Transferee, and the CleanFund Transferee agrees to purchase from WRCOG, for the Assignment Term (as defined in the Master Assignment Agreement), all of WRCOG's right, title, and interest in, to and under each Transferred Interest specified in the Assignment Instrument (each, as defined in the Master Assignment Agreement in exchange for the (i) the consideration specified with respect to such Transferred Interest in such Assignment Instrument and (ii) WRCOG's undertakings in Section 5 of the Master Assignment Agreement; and (B) the CleanFund Transferee agrees that it will subsequently assign a Transferred Interest only to (i) a wholly owned subsidiary, a parent company, or other affiliated entity; or (ii) a third party, where (1) the third party and the CleanFund Transferee execute this Agreement, (2) the third party satisfies the representations set forth in Sections 4(a) through (d) and (f) of the Master Assignment Agreement as of the date of assignment, and (3) the third party executes an investor letter in substantially the form of Exhibit B to this Agreement; and

WHEREAS, in connection with the CleanFund Commercial PACE Program, WRCOG has entered into an Agreement to Pay Assessment and Finance Improvements dated _____, 20__ (the "Assessment Contract") for an Approved Commercial PACE

Project (as defined in the Administration Agreement) with [Property OWNER LEGAL NAME], a California [OWNER ENTITY TYPE] (the "Borrower"), for the financing of the installation of certain eligible improvements to be located at the Borrower's facility in [PROPERTY ADDRESS], California (as more specifically described in the attached Exhibit A), in the amount of $_____. A notice of assessment was recorded in the Office of the Recorder of Deeds for _____ County, California (the "Recorder's Office") on _____, 20__, as Instrument No. _____, in Book _____, Page _____ in connection with the execution of the Assessment Contract; and

WHEREAS, in connection with the Assessment Contract, WRCOG and the Assignor executed an Assignment Instrument dated _____, 20__ (the "Instrument") which was recorded in the Recorder's Office on _____, 20__ as Instrument No. _____, in Book _____, Page _____); and

WHEREAS, the Master Assignment Agreement, the Assessment Contract and the Instrument, as described above, are herein referred to, collectively, as the "Assessment Documents"; and

WHEREAS, the Assignor desires to assign and is transferring to the Assignee Assignor's rights under the Assessment Documents to the Assignee and the Assignee desires to assume the duties and obligations of the Assignor under the Assessment Documents, effective as of the Effective Date, and to take certain other actions required in relation thereto, subject in all respects to the provisions of this Agreement.

NOW, THEREFORE, in consideration of the transfer of the rights under the Assessment Documents, the assumption of the obligations and duties under the Assessment Documents, the foregoing premises and the mutual promises, covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

Recitals. The recitals set forth herein are true and accurate and are incorporated herein by reference.

Assignment of Rights of Assignor. The Assignor hereby grants, bargains, conveys, assigns and sets over to the Assignee, its successors and assigns, all of the Assignor's rights and benefits in, to and under the Assessment Documents, without recourse, representation or warranty, express or implied, except as may be set forth herein.

Assumption of Obligations by Assignee/Indemnification. The Assignee acknowledges and accepts the terms of each of the Assessment Documents. The Assignee hereby assumes, from and after the Effective Date, the Assignor's obligations, rights, responsibilities and liabilities as "Transferee" set forth in the Assessment Documents in accordance with their terms, subject to the limitations on recourse set forth therein, if any. Further, the Assignee agrees (subject to any limitation on recourse set forth in the Assessment Documents), from and after the Effective Date, to observe and perform each and every term, covenant, provision and condition required to be observed or performed by the Assignor as Transferee under each of the Assessment Documents, and further agrees, from and after the Effective Date, to perform all of the obligations and duties of the Assignor as Transferee under each of the Assessment Documents as though said documents had been originally executed by the Assignee. The Assignee assumes no obligations pursuant to this Agreement under any other document not listed on Exhibit C hereto. Notwithstanding the foregoing, the Assignee does not assume, and is hereby released from, any and all liabilities or obligations arising under the Assessment Documents on or prior to the Effective Date.

Release of Assignor. From and after the Effective Date, the Assignor (its members and the owners thereof), and its successors and assigns (other than the Assignee and its successors and assigns) are hereby released from any obligation or liability under the Assessment Documents; provided, however, that the Assignor is not released from any liability arising in connection with any violations of the Assessment Documents occurring on or prior to the Effective Date.

Representations of Assignee. The Assignee represents and covenants to the Assignor that:

The Assignee is a [state] [limited liability company], in good standing in its state of organization.

Representations of Assignor. The Assignor represents to the Assignee:

The Assignor is not in default under any of its obligations under the Assessment Documents as of the date hereof;

Exhibit C contains a true, correct and complete list of all documents that to the Assignor's knowledge, after due inquiry, are currently in effect relating exclusively to the Assessment Documents;

To the Assignor's knowledge, there has been no amendment to or other modification of the Assessment Documents, other than as described in the recitals or Exhibit C; and

The Assignor is a [state] [limited liability company] in good standing in its state of organization.

Representations of Parties. Each of the parties hereto severally represents, each with respect only to itself, as of the date hereof, as follows:

It is duly organized and existing under the laws of the jurisdiction of its organization, with full power and authority to execute and deliver this Agreement, to enter into the transactions contemplated hereby and to perform all the duties and obligations to be performed by it hereunder;

It has duly authorized this Agreement and the transactions contemplated hereby and the performance of all the duties and obligations to be performed hereunder by all necessary governmental, corporate and/or partnership action;

It has duly executed and delivered this Agreement and this Agreement constitutes its valid, legal and binding obligation enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization or similar laws or equitable principles relating to or limiting creditors' rights generally; and

The execution and delivery of this Agreement and the performance of the transactions contemplated hereby will not violate any agreement by which it is bound or to which it or any of its assets are affected, or its organizational documents or any statute, regulation, rule, order or judgment applicable to it.

Notices. The parties hereto hereby agree that the address for notices to the Transferee under the Assessment Documents is and shall be as follows:

[Assignee]
_____
_____
Attention: _____
Telephone: (___) _____
Email: _____

With a copy to:

_____
_____
_____
_____

and that the address for notices to the "Assignor" is and shall be as follows:

[Assignor]
_____
_____
Attention: _____
Telephone: (___) _____
Email: _____

Assumption of Fees, Costs, Etc. The Assignee acknowledges that from and after the Effective Date, the Assignee will be responsible for all fees, costs or payments due, if any, in accordance with the Instrument and assumed hereunder.

Miscellaneous.

Modifications and Amendments. This Agreement may only be modified, altered or amended by an agreement in writing executed by all the parties hereto.

Validity of Provisions. Any provision of this Agreement which may prove unenforceable under law shall not affect the validity of the other provisions hereof.

Construction. This Agreement shall be construed in accordance with the laws of the State of California without regard to the principles of conflicts of laws.

Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Merger. This Agreement constitutes the entire agreement among the parties with respect to the subject matter and merges with and supersedes all prior and contemporaneous agreements and understandings among the parties hereto.

Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement.

Recording. This Agreement shall be recorded in the Recorder's Office.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives all as of the date and year first above written.

[Assignor],
a [state] [limited liability company], as Assignor

By: _____
Name: [__]
Title: [__]

ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

BE IT REMEMBERED that on this __ day of _____, 20__, before me, _____, a Notary Public, personally appeared [Name], [Title] of [Assignor], a [state] [entity type], personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity on behalf of said company, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, the day and year last above written.

_____
Notary Public

My Commission Expires:

[Assignee],
a [state] [limited liability company], as Assignee

By: _____
Name:
Title:

ACKNOWLEDGMENT

STATE OF _____)
) SS.
COUNTY OF _____)

BE IT REMEMBERED that on this ___ day of _____, 20__, before me, _____, a Notary Public, personally appeared _____, [President] _____, a _____ limited liability company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity on behalf of said company, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal, the day and year last above written.

_____
Notary Public

My Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION

Real property lying and being situated in _____ County, California, more particularly described as follows:

[legal description]

EXHIBIT B

FORM OF INVESTOR LETTER

[Needs to match final Investor Letter]

Western Riverside Council of Governments
3390 University Avenue, Suite 450
Riverside, CA 92501

Wilmington Trust, National Association
650 Town Center Drive, Suite 800
Costa Mesa, CA 92626

_____, ___

Re: Western Riverside Council of Governments
CleanFund Commercial PACE Program
Limited Obligation Improvement Bonds
(First Commercial Property Tranche), Series 20__

Ladies and Gentlemen:

The Western Riverside Council of Governments (the "**Issuer**") has issued the above-referenced bonds (the "Bonds"). Capitalized terms used in this letter but not defined have the meaning given them in the Indenture, dated as of ___, 20__ (the "**Indenture**") relating to the Bonds.

In connection with our purchase on the date hereof of $_____ principal amount of the Bonds, the undersigned (the "**Bond Purchaser**") hereby represents, warrants and agrees as follows:

(a) The Bond Purchaser is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D, or a "Qualified Institutional Buyer" as defined in Rule 144A, promulgated under the Securities Act of 1933, as amended.

(b) The Bond Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal bonds similar to the Bonds, to be capable of evaluating the merits and risks of an investment in the Bonds, and the Bond Purchaser is able to bear the economic risks of such an investment.

(c) The Bond Purchaser is purchasing the Bonds for not more than one account for investment purposes and not with a view to distributing the Purchased Bonds, to the extent not permitted under the applicable securities laws.

(d) The Bond Purchaser recognizes that an investment in the Bonds involves significant risks, that there is no established market for the Bonds and that none is likely to develop and, accordingly, that the Bond Purchaser must bear the economic risk of an investment in the Bonds for an indefinite period of time.

(e) The Bond Purchaser (i) has conducted its own independent inquiry, examination and analysis with respect to the Bonds, (ii) has had an opportunity to ask questions of and receive answers from the Issuer about the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing, (iii) has been provided by the Issuer with all documents and information regarding the Bonds (including the security therefor) and the matters, transactions and documents relating to the foregoing that it has requested, and (iv) the Bond Purchaser has been provided with information sufficient to allow the Bond Purchaser to make an informed decision to purchase the Bonds.

(f) The Bond Purchaser (i) is not relying upon the Issuer, or any of its affiliates, officers, employees or agents, for advice as to the merits and risks of investment in the Bonds, and (ii) has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision.

(g) The Bond Purchaser understands and acknowledges (i) that the offering of the Bonds is not subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, and (ii) that the Issuer has not prepared or caused to be prepared, and is not delivering, a deemed final official statement with respect to the Bonds and has not undertaken to provide to or for the benefit of holders of the Bonds financial or operating data or any other information with respect to the Bonds on an ongoing basis.

(h) The Bond Purchaser is able to bear the economic risk of the investment represented by its purchase of the Bonds.

(i) In the event that the Bond Purchaser wishes to sell the Bonds in the future, the Bond Purchaser agrees and acknowledges that the Bonds cannot be sold without complying with transfer restrictions set forth in the Indenture, including but not limited to providing for execution and delivery by the proposed transferee of a letter in substantially the form of this letter, and the Bond Purchaser hereby agrees to assume the responsibility for disclosure of all material information that may be necessary to comply with all federal and related state securities laws.

(j) The Bond Purchaser acknowledges that Best Best & Krieger LLP ("Bond Counsel") is acting as bond counsel to the Issuer, that Bond Counsel has no attorney-client relationship with the Bond Purchaser, and that the Bond Purchaser has sought legal advice from its own counsel to the extent it concluded legal advice was necessary.

Notwithstanding the foregoing, the Bond Purchaser and any successor of the Bond Purchaser may elect at its own expense to securitize its interest in the Bonds, sell the Bonds to an entity in connection with such securitization and sell the asset-backed securities to the investment community without the delivery of an investor letter in substantially the form of this letter, provided that (i) any such sale of the Bonds is to an Accredited Investor or a Qualified

Institutional Buyer and (ii) the purchaser of the Bonds delivers a letter to the Issuer to the effect that it is an Accredited Investor or a Qualified Institutional Buyer and that acknowledges the transfer restrictions set forth in the Indenture; no further action or acknowledgement by the Issuer will be required to authorize such securitization or sale of the Bonds by the Bond Purchaser or a successor to the Bond Purchaser.

Bond Purchaser agrees to defend, indemnify and hold harmless the Issuer from and against any and all claims, liabilities, obligations, losses, damages and penalties of any kind (including reasonable fees of outside counsel, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) that may be imposed on, incurred by or asserted against the Issuer in any way relating to or arising out of a transfer by the Bond Purchaser of the Bonds to which this letter relates in violation of the restrictions contained in Section 2.05(B) of the Indenture.

EXHIBIT C

ASSESSMENT DOCUMENTS

Assessment Contract dated _____, 20__, between the Borrower and WRCOG (recorded with the Recorder's Office as set forth above).

Master Assignment Agreement dated as of [__] 2018, between WRCOG and Clean Fund Titling Trust.

Assignment Instrument dated _____, 20__, between WRCOG and [Clean Fund Titling Trust].

Page Intentionally Left Blank

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 7

CleanFund Depositary and Account Control Agreement

Page Intentionally Left Blank

DEPOSITARY AND ACCOUNT CONTROL AGREEMENT
dated as of [_____] 1, 2018

among

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS,

CLEAN FUND TITLING TRUST,
CLEANFUND COMMERCIAL PACE CAPITAL, INC.

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,

as Depositary

DEPOSITARY AND ACCOUNT CONTROL AGREEMENT

This DEPOSITARY AND ACCOUNT CONTROL AGREEMENT (this "***Agreement***") is made this 1st day of [_____], 2018 by and among the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS, a joint exercise of powers agency duly organized and existing under the Constitution and laws of the State of California ("***WRCOG***" or the "***Authority***"), CLEAN FUND TITLING TRUST, a Delaware statutory trust ("***CleanFund***"), CLEANFUND COMMERCIAL PACE CAPITAL, INC., a Delaware Corporation ("***Program Administrator***") and WILMINGTON TRUST, NATIONAL ASSOCIATION ("***Depositary***").

Recitals

WHEREAS, CleanFund and WRCOG have entered into that certain Master Assignment and Assumption Agreement, dated as of the date hereof, between WRCOG and CleanFund (the "***Assignment and Assumption Agreement***"), pursuant to which, in anticipation of the issuance of limited improvement bonds to provide long-term financing for improvements authorized under Chapter 29 of Part 3 of Division 7 of the California Streets and Highway Code, WRCOG will assign certain of its interests (defined as "Transferred Interests" in the Assignment and Assumption Agreement) in certain Assessment Contracts to CleanFund in compliance with California Streets & Highways Code Section 5898(b); and

WHEREAS, each of CleanFund, Program Administrator and WRCOG desire to establish the Accounts (defined herein) to streamline the process of collection and disbursement of amounts received (i) by WRCOG in connection with the assignment described in the preceding recital, and (ii) under the Assessment Contracts assigned pursuant to the Assignment and Assumption Agreement; and

WHEREAS, Wilmington Trust, National Association has agreed to act as Depositary hereunder in connection with the foregoing whereas clause.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants hereinafter set forth, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 will, for all purposes of this Agreement, have the meanings herein specified. Capitalized terms not defined in this Agreement shall have the meaning given to such respective terms in the Assignment and Assumption Agreement.

"***Agreement***" is defined in the Recitals hereto.

"***Accounts***" means one of, or collectively, the Program Account, the Administrative Expense Account, the Cost of Issuance Account, and/or the Collection Account.

"***Administrative Expense Account***" is defined in Section 3.01(b)(i) hereof.

"***Administrative Expenses***" means costs directly related to the administration of the CleanFund Commercial PACE Program, as determined by WRCOG in its sole discretion.

"***Assessment Contract***" means an Agreement to Pay Assessment and Finance Improvements between WRCOG and an Owner.

"***Assigned Interest***" means, with respect to an Assessment Contract as to which WRCOG and CleanFund have executed an Assignment Instrument, all right, title and interest to receive payment from the applicable Owner of (i) the Financed Amount (as defined in the Assessment Contract) and (ii) interest on the unpaid Financed Amount receivable pursuant to the applicable Assessment Contract; provided that notwithstanding anything in the applicable Assessment Contract to the contrary, any such interest shall accrue to the benefit of CleanFund from the date the Assigned Interest is assigned to CleanFund pursuant to the terms of an Assignment Instrument.

"*Assignment and Assumption Agreement*" is defined in the Recitals hereto.

"***Assignment Instrument***" is defined in the Assignment and Assumption Agreement.

"***Assignment Proceeds****"* means the proceeds received by WRCOG from CleanFund in exchange for each Assigned Interest.

"***Authorized Signatory****"* means an Authorized Signatory as designated by a resolution of the Commission of the Authority.

"***Bond Reserve Subaccount***" is defined in Section 3.01(c)(i) hereof.

"***Business Day***" means any day other than a Saturday, a Sunday, or any other day upon which banks in the state of California are authorized or permitted to close.

"***CleanFund***" is defined in the preamble hereto.

"***Capitalized Interest Subaccount***" is defined in Section 3.01(d)(i) hereof.

"***Collection Account***" is defined in Section 3.01(d)(i) hereof.

"***Conversion***" means the exchange of one or more Assigned Interests for one or more Complying PACE Bonds (as defined in the Assignment and Assumption Agreement).

"***Cost of Issuance Account***" is defined in Section 3.01(c)(i) hereof.

"***Costs of Issuance***" means all items of expense directly or indirectly payable or reimbursable to WRCOG relating to the authorization, sale and delivery of the Assigned Interests.

"***Depositary***" is defined in the Recitals hereto.

"***Non-Completion Assessment***" means an assessment collected from the Owner of the Participating Parcel resulting from the failure to install the Project as contemplated by the applicable Assessment Contract.

"***Owner***" means the contractual counterparty to WRCOG under an Assessment Contract.

"***Participating Parcel***" means the land and improvements on or within which a Project is developed or constructed and to which the Project is permanently affixed in compliance with Chapter 29 of Part 3 of Division 7 of the California Streets and Highway Code.

"***Permitted Investments***" means any investments authorized under California law for the funds to be invested.

"***Prepayment***" means a Non-Completion Assessment or prepayment of an Assessment Contract, less any Administrative Expenses or penalties collected as part of any such Non-Completion Assessment or prepayment of Assessment Contract.

"***Prepayment Subaccount***" is defined in Section 3.01(d)(i) hereof.

"***Program Account***" is defined in Section 3.01(a)(i) hereof.

"***Program Administrator***" is defined in the preamble hereto.

"***Project***" means an improvement authorized under Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code and the Program Reports.

"***Transaction Documents***" is defined in the Recitals hereto.

"***WRCOG***" is defined in the Recitals hereto.

ARTICLE II
APPOINTMENT OF DEPOSITARY

Section 2.01 Acceptance of Appointment of Depositary. The Depositary hereby agrees to act as such and as a securities intermediary (within the meaning of Section 8102(a)(14) of the California UCC) and to accept all cash, payments, other amounts and investments to be delivered to or held by the Depositary pursuant to the terms of this Agreement and the other Transaction Documents. The Depositary shall hold and maintain the Accounts during the term of this Agreement.

The Collections Account and the cash, instruments and investments in such Account shall be held in the custody of the Depositary, as agent solely for the benefit of CleanFund, but subject to the control and direction of WRCOG.

The Costs of Issuance Account, the Program Account and the Administrative Expense Account and the cash, instruments and investments in such Accounts shall be held in the custody of the Depositary, as agent solely for the benefit of WRCOG.

Section 2.02 Authority. WRCOG shall have no right to withdraw or transfer funds from the Accounts, as third party beneficiary or otherwise, other than the rights set forth in Sections 3.02(b) and (c) hereof.

Section 2.03 Successors. With respect to the appointment of the Depositary, the following will apply:

(i) Any bank or company into which the Depositary may be merged or converted or with which it may be consolidated, or any bank or company resulting from any merger, conversion or consolidation to which it is a party, or any bank or company to which the Depositary may sell or transfer all or substantially all of its corporate trust business (if such bank or company is eligible under the following paragraph of this Section 2.03) will be the successor to such Depositary without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. The Depositary will give each of WRCOG and CleanFund written notice of any such succession hereunder.

(ii) WRCOG and CleanFund may jointly agree to remove the Depositary initially appointed and any successor thereto, and may appoint a successor thereto, but any Depositary will be a national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least $75,000,000 and subject to supervision or examination by federal or state authority. If such national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this section, combined capital and surplus of such national banking association or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(iii) The Depositary may at any time resign by giving written notice of such resignation to each of WRCOG and CleanFund. Upon receiving notice of such resignation, the WRCOG and CleanFund will promptly and jointly appoint a successor Depositary, satisfying the requirements of Section 2.03(ii) above, by an instrument in writing. Any resignation or removal of the Depositary will become effective upon acceptance of appointment by the successor Depositary and the transfer of all Accounts to such successor.

(iv) If, by reason of the judgment of any court, the Depositary is rendered unable to perform its duties hereunder, WRCOG and CleanFund will promptly and jointly appoint a successor Depositary by an instrument in writing.

(v) If no appointment of a successor Depositary is made pursuant to the foregoing provisions of this Section 2.03 within forty-five (45) days after the Depositary has given to each of WRCOG and CleanFund written notice or after a vacancy in the office of the Depositary has occurred by reason of its inability to act, the Depositary or any other party hereto may apply to any court of competent jurisdiction to appoint a successor Depositary. That court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Depositary.

ARTICLE III
THE ACCOUNTS

Section 3.01 Establishment of Accounts.

(a) Program Account.

(i) The Program Account is hereby established as a separate account (the "***Program Account***"), to be held by the Depositary, to the credit of which deposits will be made from the Assignment Proceeds of each Assigned Interest pursuant to Section 3.01(e). Funds in the Program Account shall be held by the Depositary and disbursed as provided in Section 3.02(a).

(ii) Upon receipt of a Prepayment as the result of the payment of a Non-Completion Assessment, the Depositary shall transfer any remaining amounts that were previously deposited into the Program Account in respect of the related Assigned Interest to the Collection Account.

(iii) The Depositary will maintain the Program Account until all amounts in the Program Account are expended or until WRCOG and CleanFund direct the Depositary to close the Account, and then the Depositary will transfer any moneys remaining therein, including any investment earnings thereon, to the Collection Account.

(iv) Funds in the Program Account will be invested in accordance with Article IV, and earnings and profits resulting from said investment will be retained by the Depositary in the Program Account to be used for the purposes of such Account.

(b) Administrative Expense Account.

(i) The Administrative Expense Account is hereby established as a separate account (the "***Administrative Expense Account***"), to be held by the Depositary, to the credit of which deposits will be made (A) from the Assignment Proceeds of each Assigned Interest and (B) from payments received in respect of each Assigned Interest, in each case, in the amount identified for the payment of Administrative Expenses pursuant to Section 3.01(e). Funds in the Administrative Expense Account shall be held by the Depositary and disbursed as provided in Section 3.02(b).

(ii) The Depositary shall close the Administrative Expense Account following the Conversion of the final Assigned Interest pursuant to the Assignment and Assumption Agreement and payment of all Administrative Expenses associated with such Conversion. Upon closing the Administrative Expense Account, any remaining funds shall be transferred to the Collection Account.

(iii) Moneys in the Administrative Expense Account shall be invested in accordance with Article IV, and earnings and profits resulting from such investment shall be retained by the Depositary in the Administrative Expense Account to be used for the purposes of such Account.

(c) Cost of Issuance Account.

(i) The Cost of Issuance Account is hereby established as a separate account (the "***Cost of Issuance Account***"), to be held by the Depositary, to the credit of which deposits will be made from the Assignment Proceeds of each Assigned Interest in the amount allocable to Costs of Issuance of such Assigned Interest pursuant to Section 3.01(e). The Depositary shall establish a subaccount of the Cost of Issuance Account (the "***Bond Reserve Subaccount***") to the credit of which deposits will be made from the Cost of Issuance Account pursuant to Section 3.01(e) as a reserve for the payment of the costs of Conversion. Funds in the Cost of Issuance Account will be held by the Depositary and disbursed as provided Section 3.02(c).

(ii) The Depositary shall close the Cost of Issuance Account following the Conversion of the final Assigned Interest pursuant to the Assignment and Assumption Agreement and payment of all Costs of Issuance associated with such Conversion. Upon closing the Cost of Issuance Account, any remaining funds shall be transferred to the Collection Account.

(iii) Moneys in the Cost of Issuance Account shall be invested in accordance with Article IV, and earnings and profits resulting from such investment shall be retained by the Depositary in the Cost of Issuance Account to be used for the purposes of such Account.

(d) Collection Account.

(i) The Collection Account is hereby established as a separate account (the "***Collection Account***"), to be held by the Depositary, to the credit of which deposits will be made from the collection of all amounts due pursuant to each of the Assigned Interests (other than amounts allocable to the payment of Administrative Expenses pursuant to Section 3.01(e)).

Within the Collection Account there are hereby established the following subaccounts:

(1) the Prepayment Subaccount (the "**Prepayment Subaccount**") to the credit of which deposits will be made from the collection of any payment identified to the Depositary as a Prepayment; and

(2) the Capitalized Interest Subaccount (the "**Capitalized Interest Subaccount**"), to the credit of which deposits will be made from the Assignment Proceeds with respect to any Assigned Interest for which interest was capitalized.

Funds in the Collection Account will be held by the Depositary and disbursed as provided in Section 3.02(d) hereof.

(ii) Upon receipt of any payment identified to Depositary as a Prepayment, the Depositary shall deposit the funds received in the Prepayment Subaccount.

(iii) The Depositary will maintain the Collection Account until all amounts in the Collection Account are disbursed or until WRCOG and CleanFund direct the Depositary to close the Collection Account, and the subaccounts therein, whereupon the Depositary will transfer any moneys remaining therein, including any investment earnings thereon, to CleanFund.

(iv) Funds in the Collection Account, and the subaccounts therein, will be promptly distributed to CleanFund in accordance with Section 3.02(d).

(e) Deposits to the Accounts.

(i) On the date of each Assignment Instrument, WRCOG will cause to be delivered to the Depositary, for deposit into the Program Account, the Administrative Expense Account, the Capitalized Interest Subaccount and the Cost of Issuance Account, the full amount of the Assignment Proceeds received by WRCOG from CleanFund in exchange for such Assignment Instrument. Program Administrator, acting as agent for WRCOG, will advise the Depositary in writing on each such date as to the amount of the Assignment Proceeds to be deposited in each of the Accounts.

(ii) On or before the date on which payment is due to be received under the Assessment Contracts, Program Administrator, acting as agent for WRCOG, will advise the Depositary in writing as to the amount of each payment to be deposited to the Collection Account and the amount to be deposited to the Administrative Expense Account. The Depositary will accept from Program Administrator an aggregate schedule of installments under the Assessment Contracts and a direction to deposit into the Administrative Expense Account on each date on which payment is received the amount identified as being paid for Administrative Expenses. If a payment, including a Prepayment, is received before Program Administrator has notified the Depositary of the amount to be deposited in each account, the Depositary shall deposit the entire amount into the Collection Account pending receipt of instructions from Program Administrator.

Section 3.02 Disbursement of Accounts.

(a) Program Account. Amounts in the Program Account will be disbursed from time to time to pay authorized expenses in respect of Projects in accordance with the CleanFund Commercial PACE Program Handbook and the Program Reports upon the written request of WRCOG (signed by an Authorized Signatory). Such written notice will be sufficient evidence to the Depositary of the facts stated therein and the Depositary will have no duty to confirm the accuracy of such facts. To the extent that WRCOG (in a written certificate signed by an Authorized Signatory) notifies the Depositary that amounts remaining in the Program Account exceed authorized but unpaid expenses with respect to a particular Project, such excess amounts, and any earnings thereon, shall be transferred to the Collection Account.

(b) Administrative Expense Account. Unless otherwise directed in writing by WRCOG (signed by an Authorized Signatory), amounts in the Administrative Expense Account will be disbursed to WRCOG from time to time to pay Administrative Expenses upon the written request of WRCOG (signed by an Authorized Signatory). Alternatively, WRCOG may direct the Depositary to make payment of Administrative Expenses directly from the Administrative Expense Account to the applicable payees. Such written notice (signed by an Authorized Signatory) will be sufficient evidence to the Depositary of the facts stated therein and the Depositary will have no duty to confirm the accuracy of such facts. The Depositary will pay all Administrative Expenses after receipt of such notice or an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee pursuant to the notice requesting payment of Administrative Expenses.

(c) Cost of Issuance Account. Amounts in the Cost of Issuance Account, including the Bond Reserve Subaccount, will be disbursed from time to time to pay Costs of Issuance, upon the written request (signed by an Authorized Signatory) of WRCOG specifying the respective amounts to be paid to the designated payees and delivered to the Depositary concurrently with the execution and delivery of each Assignment Instrument and the payment to the Depositary of the related Assignment Proceeds, or in any future requisition submitted by WRCOG (signed by an Authorized Signatory) to the Depositary. Each such written notice (signed by an Authorized Signatory) will be sufficient evidence to the Depositary of the facts stated therein and the Depositary will have no duty to confirm the accuracy of such facts. Amounts in the Bond Reserve Subaccount shall be held until Conversion and used to pay Costs of Issuance of the Complying PACE Bonds. The Depositary will pay all Costs of Issuance after receipt of such written notice, or an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee pursuant to the written notice requesting payment of Costs of Issuance.

(d) Collection Account. Amounts in the Collection Account, including the Prepayment Subaccount therein, will be disbursed to CleanFund on the fifteenth day of each month during the term of this Agreement.

Amounts in the Capitalized Interest Subaccount will be disbursed to CleanFund on March 2 and September 2 or the subsequent Business Day thereto pursuant to written

instructions provided to the Depositary by WRCOG (in a written certificate signed by an Authorized Signatory).

Depositary shall make such distribution without notice or request from any party, to the following account unless CleanFund shall by written notice designate a different account:

Bank:	[KeyBank, N.A.
Address:	127 Public Square, Cleveland, OH 44114
ABA:	041-001-039
SWIFT:	KEYBUS33
Account Name:	Cortland Capital Market Services LLC FBO BP Purchasers-CleanFund
Account Number:	359681488086][1]

Reference: 1) security description (including PPN)
2) allocation of payment between principal and interest
3) confirmation of principal balance

ARTICLE IV
INVESTMENTS; LIABILITY OF THE AUTHORITY

Section 4.01. Deposit and Investment of Moneys in Funds. The following will apply to the investment of funds held by the Depositary:

(a) Moneys in any Account created or established by this Agreement and held by the Depositary will be invested by the Depositary in Permitted Investments, as directed pursuant to a written notice delivered by WRCOG (signed by an Authorized Signatory) to the Depositary at least two Business Days in advance of the making of such investments. In the absence of any such notice, the Depositary shall hold such moneys uninvested.

Obligations purchased as an investment of moneys in any Account will be deemed to be part of such Account, subject, however, to the requirements of this Agreement for transfer of earnings and profits resulting from investment of amounts in any Accounts.

(b) The Depositary may act as principal or agent in the acquisition or disposition of any Permitted Investment. The Depositary will incur no liability for losses arising from any investments made pursuant to this section. The Depositary will be entitled to rely upon any investment directions from WRCOG, Program Administrator or CleanFund (as applicable) as conclusive certification to the Depositary that the investments described therein are so authorized under the laws of the State of California. The Depositary will not invest any cash held by it hereunder in the absence of timely and specific written direction from the WRCOG. In no event will the Depositary be liable for the selection of investments.

[1] CleanFund to please confirm.

(c) Investments in any and all Accounts may at the discretion of the Depositary be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Accounts of amounts received or held by the Depositary hereunder, provided that the Depositary will at all times account for such investments strictly in accordance with the Accounts to which they are credited and otherwise as provided in this Agreement.

(d) The Depositary will sell, or present for redemption, any investment security whenever it is necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or Account to which such investment security is credited. The Depositary will not be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

Section 4.02 Limited Liability of WRCOG. WRCOG will not be obligated to make any payments required hereunder or under any Assigned Interest, or be deemed to incur any liability hereunder or by reason hereof or arising out of any of the transactions contemplated hereby, payable from any funds or assets other than as specifically provided herein.

Section 4.03 Employment of Agents by WRCOG. In order to perform its duties and obligations hereunder, WRCOG may employ such persons or entities as it deems necessary or advisable. WRCOG will not be liable for any of the acts or omissions of such persons or entities employed by it with reasonable care and in good faith hereunder, and will be entitled to rely, and will be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

ARTICLE V
DUTIES AND LIABILITY OF DEPOSITARY

Section 5.01 Liability of Depositary. With respect to the liability of the Depositary, the following will apply:

(a) The recitals of facts, covenants and agreements herein and in the Assigned Interests will be taken as statements, covenants and agreements of WRCOG, and the Depositary assumes no responsibility for the correctness of the same, makes no representations as to the validity or sufficiency of any Transaction Document, or will incur any responsibility in respect thereof, other than in connection with the duties or obligations herein assigned to or imposed upon it. The Depositary will not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Depositary assumes no responsibility or liability for any information, statement or recital in any official statement or other disclosure material prepared or distributed with respect to the Assigned Interests.

(b) The Depositary may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Depositary and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to

the Depositary, the Depositary will be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement on their face.

Except as provided above in this paragraph, the Depositary will be fully protected and will incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it in good faith reasonably believes to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of this Agreement, and the Depositary will not be under any duty to make any investigation or inquiry as to-any statements contained or matters referred to in any such instrument.

(c) The Depositary will not be liable for any error of judgment made in good faith by a responsible officer unless it is proved that the Depositary was negligent in ascertaining the pertinent facts.

(d) No provision of this Agreement will require the Depositary to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(e) The Depositary will be under no obligation to exercise any of the rights or powers vested in it hereunder at the request or direction of CleanFund unless CleanFund has offered to the Depositary security or indemnity satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) The Depositary will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of god or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the Project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event or occurrences beyond the control of the Depositary.

(g) The Depositary agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Depositary has received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate will be amended and replaced whenever a person is to be added or deleted from the listing. If WRCOG or CleanFund elects to give the Depositary e-mail or facsimile instructions (or instructions by a similar electronic method) and the Depositary in its discretion elects to act upon such instructions, the Depositary's understanding of such instructions will be deemed controlling.

The Depositary will not be liable for any losses, costs or expenses arising directly or indirectly from the Depositary's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. Each of WRCOG and CleanFund agree to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Depositary, including without limitation the risk of the Depositary acting on unauthorized instructions (absent negligence on the part of the Depositary), and the risk of interception and misuse by third parties.

(h) The Depositary will have no responsibility or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the Assigned Interests.

(i) The Depositary may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, affiliates, or receivers, and will be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Depositary will not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care.

Section 5.02 Information; Books and Accounts. The Depositary will provide to the each of WRCOG and CleanFund such information relating to the Accounts maintained by the Depositary hereunder as either may reasonably request, including but not limited to quarterly statements reporting Accounts held and transactions by the Depositary.

The Depositary will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Depositary, in which complete and correct entries will be made of all transactions made by it relating to the expenditure of amounts disbursed from all of the Accounts. Such books of record and accounts will, upon reasonable notice, at all times during business hours on any Business Day be subject to the inspection of each of WRCOG and CleanFund.

Section 5.03 Notice to Depositary. The Depositary may conclusively rely, without undertaking any investigation or inquiry, and will be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, warrant, or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or proper parties.

The Depositary may consult with counsel, who may be counsel to WRCOG, with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties hereunder the Depositary deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the Depositary, be deemed to be conclusively

proved and established by a certificate of an Authorized Signatory of WRCOG or CleanFund, as applicable.

Section 5.04 Compensation; Indemnification. WRCOG will pay to the Depositary from time to time reasonable compensation for all services rendered as Depositary hereunder, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of the Depositary's in house or other attorneys and agents, incurred in and about the performance of their powers and duties hereunder, but the Depositary will not have a lien therefor on any funds at any time held by it hereunder.

WRCOG further agrees, to the extent permitted by applicable law, to indemnify and save the Depositary, its officers, employees, directors and agents harmless against any losses, expenses, costs, claims, judgments, damages, suits or liabilities which it may incur in the exercise and performance of its powers and duties hereunder (including without limitation legal fees and expenses) which are not due to its negligence or willful misconduct.

The obligations of WRCOG under this Section will survive resignation or removal of the Depositary hereunder, Conversion of the Assigned Interests, and discharge of the Assessment Contracts.

ARTICLE VI
MISCELLANEOUS

Section 6.01 Notices. All notices or communications herein required or permitted to be given to a party hereto shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being delivered or sent by telecopy or upon actual receipt by being deposited, postage prepaid, in a post office letter box, addressed as follows:

If to WRCOG:	Western Riverside Council of Governments 3390 University Ave., 4th Floor Riverside, California 92501 Attention: Executive Director
If to CleanFund:	Clean Fund Titling Trust 2330 Marinship Way, Suite 100 Sausalito, California 94965-2800
If to the Depositary:	Wilmington Trust, National Association 650 Town Center Drive, Suite 800 Costa Mesa, California 92626 Attention: Corporate Trust Services
If to Program Administrator:	CleanFund Commercial PACE Capital, Inc. 2330 Marinship Way, Suite 100 Sausalito, California 94965-2800

Section 6.02 Partial Invalidity. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. WRCOG hereby declares that it would have entered into this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the Assessment Contracts and Assignment Instruments pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 6.03 Applicable Law. This Agreement will be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 6.04 Payment on Business Day. In any case where a payment hereunder is to be made on a day which is not a Business Day, such payment need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest will accrue from such date until such Business Day.

Section 6.05 Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as shall be preserved undestroyed, shall together constitute but one and the same instrument.

Section 6.06 Binding Effect; Assignment; Amendment. This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective successors, assigns, and personal representatives. CleanFund and any subsequent assignee of CleanFund may assign this Agreement to any person to which any Assigned Interest is transferred pursuant to a sale or financing of such Assigned Interest without the consent of the Depositary, but only to the extent that such transfer was in accordance with the terms of the Assignment and Assumption Agreement. WRCOG shall consent in writing to any such Assignment. CleanFund, Program Administrator and WRCOG (by Authorized Signatory) may direct Depositary, in writing, to close the accounts established hereunder at such time as no Assigned Interests are covered by this Agreement and that this Agreement shall thereafter be of no further force and effect.

WRCOG (by Authorized Signatory) may also direct Depositary, in writing, to transfer amounts held by Depositary in the funds and accounts established hereunder in connection with the transfer of an Assigned Interest. The terms and conditions of this Agreement may not be superseded, modified, or amended except in writing stating that it is such a modification and signed by an authorized representative of each party hereto.

Section 6.07 Further Assurances. Each of the parties hereto shall promptly deliver to the other upon reasonable request all such other and further documents, agreements, and instruments to enforce and confirm the transactions contemplated hereunder, and shall file any notices and obtain any consents as may be reasonably necessary or appropriate in connection therewith.

Section 6.08 Complete Agreement. This Agreement constitutes the entire agreement between the parties as to the subject matter hereof, and supersedes and replaces all prior and contemporaneous agreements, written or oral, regarding such subject matter.

Section 6.09 Negotiated Instrument. This Agreement was freely negotiated by the parties hereto and no provision hereof shall be construed against any party on the grounds that such party or its counsel was the drafter thereof.

Section 6.10 No Partnership or Joint Venture. Nothing herein shall be deemed or construed to create a joint venture or partnership between the parties.

Section 6.11 No Third Party Beneficiaries. No person not a party hereto shall have any rights hereunder, it being intended that there shall be no third party beneficiaries.

[*signature pages follow*]

IN WITNESS WHEREOF, the parties have executed this DEPOSITARY AND ACCOUNT CONTROL AGREEMENT as of the date hereof.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: _____
Authorized Signatory

CLEAN FUND TITLING TRUST, a Delaware statutory trust

By: **CLEANFUND COMMERCIAL PACE CAPITAL, INC., a Delaware Corporation, Settlor**

By: _____
Name: Greg Saunders
Title: CEO

WILIMINGTON TRUST, NATIONAL ASSOCIATION

By: _____

CLEANFUND COMMERCIAL PACE CAPITAL, INC., a Delaware Corporation

By: _____
Name: Greg Saunders
Title: CEO

Page Intentionally Left Blank

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 8

CleanFund Commercial Program Handbook

Page Intentionally Left Blank

CLEANFUND

Commercial PACEDirect
Program Handbook









CLEANFUND

Table of Contents

Table of Contents 2
Section 1. Introduction 3
1(a). Program Overview 3
1(b). Program Purpose 3
1(c). Legal Structure of the Program 3
1(d). Finance Structure of the Program 4
1(e). Program Administration 4
1(f). Local Participation 4
1(g). Program Contact Information 5
Section 2. Commercial PACEDirect Program Information 5
2(a). Program Details 5
2(a)(i). Program Parameters and Project Eligibility Requirements 5
2(a)(ii). Compliance with Existing Secured Lenders 7
2(a)(iii). Eligible Contractors 7
2(b). Finance Details 7
2(b)(i). Financing Structure 7
2(b)(ii). Transaction Costs and Interest Rates 8
2(b)(iii). Important Legal Terms 8
2(b)(iv). Financing Amount 8
2(b)(v). Administrative Fees 8
2(c). Application and Financing Process 9
2(c)(i). Overview of Application and Financing Process 9
2(c)(ii). Detailed Application and Financing Process 9
2(c)(iii). Transaction Process Diagram 12
2(c)(iv). Funding Request and Disbursement 13
2(c)(v). Transfer or Sale of the Property 13
2(d). Technical Details 13
2(d)(i). Qualified Improvements 13
2(d)(ii). Quality Assurance 14
2(d)(iii). Participation in Rebate/Incentive Programs 14
Section 3. General Terms and Provisions 14
3(a). Taxes 14
3(b). Changes in Local, State, and Federal Law 14
3(c). Changes in Program Terms; Severability 15
3(d). Disclosure of Property Owner Information 15
3(e). Environmental Attributes 15
3(f). Fraud 15
3(g). Exceptions to Terms and Conditions 15
Section 4. Glossary 17

Section 1. Introduction

1(a). Program Overview

In conjunction with Western Riverside Council of Governments (WRCOG), a joint powers authority, the Program Administrator will offer a commercial PACE program under WRCOG's Energy Efficiency and Water Conservation Program for Western Riverside County. The Program will be available to all property owners in certain Active Jurisdictions as approved by the WRCOG Executive Committee.

Under Chapter 29, the Program Administrator facilitates the financing of Qualified Improvements using the PACE financing structure. To the extent permitted by Chapter 29, Qualified Improvements may be owned by people or entities besides the Property Owner, pursuant to leases or PPAs.

As set forth in this Handbook, the Program Administrator assumes the responsibilities of administering the Program. These duties include underwriting, approving, and funding projects with its own capital, as well as facilitating transactions with outside capital providers. To the extent permitted by Chapter 29, the Program finances Qualified Improvements through the levy of a contractual assessment, based on an Assessment Contract between WRCOG and the Property Owner, as well as the issuance of Bonds or an Assignment.

Installments of contractual assessments are levied annually, paid bi-annually, and are usually included as a line item on the secured property tax bill prepared by the county taxing authority. Contractual assessments are paid to the county taxing authority, along with the regular *ad valorem* taxes and other contractual assessments and special taxes.

This Handbook assumes that the Qualified Improvements will be permanently affixed to the Property upon which the contractual assessment will be levied, and that the Property Owner will execute the Assessment Contract. However, to the extent permitted by Chapter 29, the Program may provide financing for the installation of Qualified Improvements on property other than that upon which the contractual assessment will be levied. In that case, the owner of the benefitted parcel will execute the Assessment Contract.

1(b). Program Purpose

The primary purpose of the Program is to create a structure under which Property Owners in Active Jurisdictions can finance Qualified Improvements which benefit the public, as specified in Chapter 29, including increased public safety, greenhouse gas reductions, reduced water consumption, and increased employment. At the same time, the Program permits Property Owners to reduce the financial burden of the upfront capital costs of the Qualified Improvements by spreading the cost of the Qualified Improvements over a longer period of time as compared to traditional financing.

1(c). Legal Structure of the Program

The Program utilizes Chapter 29 to enable WRCOG to enter into a contractual assessment with a Property Owner for the purpose of financing the installation of Qualified Improvements. The contractual assessment is levied on the Property under an Assessment Contract, executed by WRCOG and the Property Owner. A form of the Assessment Contract is available from the Program Administrator upon request.

Chapter 29 permits "public agencies" (such as WRCOG) to enter into contractual assessments, issue bonds, assign contractual assessments to third-parties, and collect installments of contractual assessments on the Property Owner's secured tax bill.

Under an Assessment Contract, WRCOG will provide funds sufficient enough to: (i) finance the installation of the improvements over the term of the contractual assessment; (ii) pay Capitalized Interest; (iii) fund a Debt Service Reserve Fund, if required by the Program Administrator or third-party capital provider; and (iv) pay the administrative costs of financing the project and administering the Program.

The bi-annual installments of the contractual assessments are collected by the county in which the Property is located, via a line-item on the secured tax bill. The obligation to pay the contractual assessment remains with the Property, even if the Property is sold or transferred. In the event that the payment of contractual assessments are either delinquent or defaulted, WRCOG may initiate a judicial foreclosure action to collect the delinquent payments of contractual assessments, plus any penalties and interest authorized by California law. If a foreclosure action is filed, WRCOG may not accelerate any payments of contractual assessments that are not yet due and payable.

1(d). Finance Structure of the Program

The Program accommodates both a "turnkey financing" approach, in which the Program Administrator provides capital for the project, as well as administers the Program. Additionally, the Program Administrator may permit outside capital providers to provide financing for specific transactions.

WRCOG will provide the financing directly to the Property Owner. WRCOG will obtain the funds it uses to finance the Qualified Improvements from the Program Administrator or third-party capital provider, who will purchase either the Bonds or an Assignment of the contractual assessment.

1(e). Program Administration

The Program Administrator will administer the Program by:

- Reviewing and approving all program applications that comply with this Handbook;
- Ensuring that all proposed Qualified Improvements are eligible under Chapter 29, the Program Report, WRCOG's guidelines, and this Handbook;
- Coordinating with the relevant parties to ensure that proceeds are made available to the Property Owner, including reviewing and monitoring disbursements;
- Ensuring that the contractual assessments are levied and collected through the use of a third-party tax administrator.

1(f). Local Participation

In order for the Property Owner to participate in the Program, the Property must be located in an Active Jurisdiction, which means a city (if the property is located in an incorporated area) or county (if the property is located in an incorporated area) that has:

- Adopted a resolution to permit the Program Administrator to operate the Program within their jurisdiction;

- Become a member of the WRCOG PACE program;

If the Property is not located in an Active Jurisdiction, the Program Administrator will coordinate with WRCOG to attempt to have the city or county become an Active Jurisdiction. Cities or counties that would like to participate in the WRCOG PACE Program should e-mail info@cleanfund.com.

1(g). Program Contact Information

Program Address	Commercial PACEDirect 2330 Marinship Way, Suite 100 Sausalito, CA 94965
Program Website	www.CleanFund.com
Program E-Mail	info@CleanFund.com
Program Phone Number	(415) 256-8000

Section 2. Commercial PACEDirect Program Information

2(a). Program Details

This section outlines the parameters for eligibility and participation in the Program. In certain circumstances, exceptions to these guidelines may be made on a case-by-case basis, where the risk of such exceptions can be appropriately mitigated. Any exceptions are made at the sole discretion of the Program Administrator.

2(a)(i). Program Parameters and Project Eligibility Requirements

The Program Administrator will evaluate projects based on a broad range of criteria. Any exceptions to the Program's eligibility criteria will be documented as part of the underwriting of each transaction. However, no exceptions will be permitted where the exceptions would violate Chapter 29 or the Program Report. The Program Administrator, in its sole discretion, reserves the right to decline any transaction.

Financing Amount	$100,000-$25,000,000
Financing Term	Up to 39 years, provided that the weighted average life of the financing (weighted by principal amortization) is equal to or less than the weighted average life of the Qualified Improvements.
Closing Costs and Fees	Typical Program costs and fees, legal costs, Bond issuance costs, plus servicing fees for any third party retained to assist the Program Administrator fulfil its obligations.
Financing Rate	Fixed or floating rates of interest, determined by Program Administrator or outside capital provider, on a project-by-project basis.
Property Location	Within Active Jurisdictions
Property Type	Commercial Real Property
Property Value	The Property Value to be established by Program Administrator, and is typically based upon either a recent appraised value or assessed value. Financing amount relative to value shall be subject to the following constraints:

	1. PACE Lien-to-Value generally not to exceed 20.0% of Property Value. The Program Administrator may make an exception to this rule at their discretion. 2. Combined Loan-to-Value not to exceed 100% of Property Value. 3. The sum of all items appearing on the Property's annual property tax bill, inclusive of the annual contractual assessment, not to exceed 5.0% of Property Value as of the date of the execution of the Assessment Contract. Program Administrator reserves the right to use any commercially reasonable method of ascertaining both the "Lien-to-Value" and "Combined Loan-to-Value".
Eligible Improvements and Project Scope	Direct and indirect costs for material, labor and soft costs related to project design, evaluation, demolition, installation and construction necessary to implement Improvements as part of ground-up construction, existing-structure retrofits and renovations. Eligible categories of components involved in building Improvements include heating, ventilation, air conditioning, electrical, plumbing, envelope, seismic strengthening and other items as approved under the Program. Qualified Improvements must be permanently affixed to the Property, to the extent required by Chapter 29.
Surveys and Utility Bills	Property Owner agrees to participate in surveys and Program evaluations, which may include access to utility bill usage information.
Energy & Water Savings	Property Owner must submit documentation citing the estimated energy or water savings by a third party professional prior to the close of financing.
Ownership Interest and Authorization	All Property Owners of the fee simple title to the subject Property, or their legally authorized representatives, must sign the Program documents and agree to participate in the Program on the terms set forth in this Handbook.
Property Owner History	- There must be no notices of default, whether in effect or released, recorded against the Property due to non-payment of property taxes or loan payments within the prior three (3) years (or since acquisition, if Property Owner has held title to the property for less than 3 years). - There must be no foreclosures against, or bankruptcies involving, the Property Owner in the prior seven (7) years. - Exceptions may be granted on a case-by-case basis, based on the criteria of Program Administrator.
Mortgage Lender Acknowledgement	Prior to funding any transaction, receipt of acknowledgement (acceptable in form and substance to Program Administrator) by any Mortgage Lender that the contractual assessment does not create an event of default under any security instrument. The Program Administrator and/or the outside capital provider will assist the Property Owner to facilitate this acknowledgement.
Prepayment	Prepayment of the contractual assessment is allowed. The terms and any prepayment premiums shall be determined on a case-by-case basis.
Environmental Conditions	No serious environmental conditions may be permitted on the Property, to the extent that they are known, or believed to be likely, to have a materially adverse consequence on the Property Value. The Program Administrator may utilize third

	party services to help assess environmental risk on a case-by-case basis, and exceptions may be granted on a case-by-case basis

2(a)(ii). Compliance with Existing Secured Lenders

Chapter 29 requires WRCOG to record two notices in the real property records in the county where the Property is located. These notices include a Notice of Assessment and a Payment of Contractual Assessment Required. These notices may be combined into a single document, the NOA POCAR. This document establishes a lien as security for the repayment of the contractual assessments, as specified in California Government Code § 53935.

Some Mortgage Lenders may have documents that limit the ability of the Property Owner to further encumber the Property, which may be interpreted to preclude PACE financing. Property Owners should confirm with any Mortgage Lenders that participation in the Program will not adversely impact their standing with the Mortgage Lender. Property Owners must receive written acknowledgement from any Mortgage Lender that the PACE financing will not result in a default under any documents between the Property Owner and Mortgage Lender.

2(a)(iii). Eligible Contractors

Contractor eligibility to participate in the Program will be evaluated on a case-by-case basis. All contractors must be in compliance with applicable local, state, and federal laws, and must be registered with California State License Board.

The Program Administrator does not recommend or endorse contractors, and is not responsible for any failures in the installation or operation of Qualified Improvements. Property Owners are encouraged to obtain third-party validation of any estimated energy and utility savings cost, as well as retain legal counsel to review any contracts submitted by contractors as part of the financing process.

2(b). Finance Details

2(b)(i). Financing Structure

The Program may use either a “stand-alone” structure or a “pooled” structure to finance projects.

Under the “stand-alone structure”, an individual Bond or Assignment will be issued by WRCOG, and purchased by the Program Administrator or outside capital provider. Based on the cost of the transactions, the Program Administrator anticipates the issuance of stand-alone bonds only for larger transactions. The Program Administrator anticipates that stand-alone assignments will be the least expensive way to finance a transaction.

Chapter 29 specifically limits Assignments to a duration of three years before the Assignment must be renewed or converted to a Bond.

Once a number of Assignments are purchased by the Program Administrator or an outside capital provider, they may choose to covert these Assignments into a “pooled” bond. Under this structure, WRCOG would issue a new Bond, and repayment of the underlying contractual assessments would go to

a single bondholder, rather than to the purchasers of the individual Assignments. This requires a standardization of a number of financing terms, and involves additional costs and fees.

2(b)(ii). Transaction Costs and Interest Rates

Costs involved with PACE transactions may be either paid by the Property Owner directly, or included in the total financing amount. These costs may include financing or commitment fees, legal costs, third-party report costs, and other fees or costs customarily incurred in PACE programs. Total transaction costs will be determined on a case-by-case basis, including financing or commitment fees negotiated per project. The total transaction costs will be detailed in the Commitment Letter and Assessment Contract.

Interest rates will be established on a case-by-case basis, and may either be a fixed or floating rate, as negotiated between the Program Administrator (or outside capital provider) and the Property Owner. In no case will the interest rate exceed the usury rate permitted under state law.

2(b)(iii). Important Legal Terms

Once the Assessment Contract has been executed, and the NOA POCAR has been recorded, the Property Owner will be obligated to pay all installments of the contractual assessment. Additional terms may apply to Property Owners and contractors beyond those discussed in this Handbook, and may be set forth in writing by the Program Administrator or outside capital provider.

Note: The failure to timely pay all contractual assessments in full will result in financial consequences, including penalties, interest, and the possibility of foreclosure of the Property.

2(b)(iv). Financing Amount

The minimum total financing amount per transaction is $100,000, and the maximum financing amount is $25,000,000. These minimum and maximum amounts may be waived at the discretion of the Program Administrator to meet the current conditions of the capital markets.

All projects are subject to the fees and costs outlined in this Handbook, which will be due and payable at closing. All fees, including Capitalized Interest, may be added to the total financing amount, and repaid over the term of the financing along with ordinary principal and interest.

2(b)(v). Administrative Fees

As part of the financing process, Property Owners will be charged administrative and financing fees, some of which are paid at the time of closing, while others are paid semi-annually along with each installment of the contractual assessment. The specific fees for a given transaction will be set forth in the Commitment Letter and Assessment Contract.

Application or Underwriting Fees: May be charged by the Program Administrator or outside capital provider in connection with the submission of a project application or upon execution of a Letter of Intent.

Closing Fees: May be added to the total financing amount, and will vary depending on bond structure and project size. Closing fees include program administration, financing, underwriting, legal, lien recordation, and other transaction-related fees.

Optional Project Underwriting/Financing Fees: May be paid by the Property Owner in return for additional services related to project scope and review, financial structuring, or mortgage lender negotiation. Optional fees must be specifically related to project design, financing, or installation.

Ongoing Fees: May be changed for the ongoing administration of contractual assessment installment, including the amount charged by counties to collect the contractual assessment installment on the county secured tax bill, as well as the ongoing costs of the Program Administrator and WRCOG.

2(c). Application and Financing Process

The application and financing process is set forth in summary form below, followed by a more detailed format. As previously noted, the funding of a project may occur through the purchase of either Bonds or Assignments.

2(c)(i). Overview of Application and Financing Process

From the perspective of the Property Owner, the application and funding process consists of the following steps:

- **Application:** Property Owner submits an application to the Program Administrator to confirm eligibility. The Program Administrator or outside capital provider issues a Letter of Intent.

- **Processing:** After the Property Owner signs the Letter of Intent, documentation is collected by the Program Administrator or outside capital provider, Mortgage Lender acknowledgment is obtained, an appraisal is ordered (if required), and due diligence is conducted.

- **Underwriting:** After the Mortgage Lender acknowledgement is obtained, and all required documentation is received, the Program Administrator or outside capital provider underwrites the transaction, and then issues a credit approval.

- **Commitment:** Once a credit approval is issued, the Program Administrator or outside capital provider issues a Commitment Letter, to be executed by the Property Owner.

- **Closing/Funding:** Once the Commitment Letter is executed, the Assessment Contract, NOA POCAR, and other documents are drafted and executed. The NOA POCAR is recorded, and the transaction is considered "closed". Funds are released to the Property Owner, based on an agreed-upon schedule in the Assessment Contract or other documents. For projects which are reimbursements for work previously completed, funds are typically released the next business day after closing the transaction.

2(c)(ii). Detailed Application and Financing Process

A more detailed sequence and events related to the application, underwriting, closing, and funding of transactions is set forth below:

- **Application:**

    - Project screening and initial proposal: Property Owners engage with the Program Administrator (and if applicable, the outside capital provider) to determine the feasibility of financing the Qualified Improvements with the Program. The Program Administrator

or outside capital provider may provide an indicative proposal of potential financing terms while it screens the transaction for eligibility.

- Submission of application: Property Owner submits an application to the Program Administrator to facilitate evaluation of the transaction. This application includes the project scope, estimated cost, and other information.

- **Letter of Intent:**
  - Following the Program Administrators review and approval of the application, the Program Administrator or outside capital provider will issue a Letter of Intent.
  - The Letter of Intent may require the Property Owner to pay an application or underwriting fee, or provide a deposit for an appraisal or other third party reports.

- **Processing:**
  - Property Owner executes the Letter of Intent, and the Program Administrator or outside capital provider collects due diligence items from the Property Owner by issuing a document request list.
  - This list will include Mortgage Lender acknowledgement of the transaction, as well as any required underwriting items required by the Program Administrator or outside capital provider.

- **Underwriting:**
  - Once all items from the document request list are received, the Program Administrator or outside capital provider completes their underwriting and due diligence of the Property, Property Owner, and the transaction.
  - Upon completion of the underwriting process, the Program Administrator (and outside capital provider, if applicable) will either approve or decline the Property Owner's application, based on the evaluation of the transaction in relation to the eligibility requirements set forth by the Program Administrator.

- **Commitment:**
  - Once the application is approved, the Program Administrator or outside capital provider will issue a Commitment Letter to the Property Owner. At the time that the Commitment Letter is issued, the interest rate is typically locked (usually for a fixed period). If the application is declined, the Program Administrator or outside capital provider will provide a notice to the Property Owner.
  - Upon receipt of an executed Commitment Letter, the Program Administrator (and outside capital provider, if applicable) will prepare and submit closing documentation to the Property Owner, as well as work to clear any conditions identified on the Commitment Letter.

- **Assessment Contract Preparation/Execution:**

    - Legal documents, including the Assessment Contract and NOA POCAR, will be prepared by the Program Administrator and legal counsel, which comply with Chapter 29, any rules or policies established by the Program, and which reflect the terms and conditions set forth in the Commitment Letter.

    - The Program Administrator will ensure that the documents are finalized and executed by the required parties.

    - The NOA POCAR is recorded in the real property records in the county where the Property is located, and evidence of the recording is obtained by the Program Administrator.

    - A depositary (for Assignments) or a trustee (for Bonds) is retained by the Program Administrator to hold funds prior to disbursement and collect and distribute payments to the Program Administrator or outside capital provider.

- **Closing/Funding:**

    - Once the transaction is closed, the Program Administrator or outside capital provider will purchase the Assignment or Bond.

    - Proceeds from the purchase are used to pay costs and fees, as well as provide funds to be disbursed for the installation of the Qualified Improvements.

    - Under the terms identified in the Assessment Contract or other Program documents, the depositary or trustee releases funds to the Property Owner, who may assign those funds to their contractors.

    - In some cases, the depositary or trustee may release funds the day after closing to reimburse the Property Owner for expenses incurred prior to the close of the transaction.

2(c)(iii). Transaction Process Diagram



2(c)(iv). Funding Request and Disbursement

The Program Administrator will work with the depositary or trustee to disburse funds to pay for the installation of Qualified Improvements within seven business days after receiving a complete request for disbursement from the Property Owner. In most cases, the Assessment Contract or other Program documents will establish a payment schedule, which is designed to establish certain milestones that must be met before disbursements can be made, as well as the amount (usually expressed as a percentage) of funds that will be released.

For most transactions, the Program Administrator will make no more than four disbursements. For any more than four disbursements, the Program Administrator may require additional fees to be paid by the Property Owner. Larger or more complex transactions will be evaluated for an appropriate number of disbursements on a case-by-case basis.

The Program Administrator will require the receipt and review of documentation to support any disbursement request. These items may include:

- Applicable building/construction permits, material needs list, and a scope of work to be completed for a given milestone.
- AIA G702 (or equivalent) form, invoices, and cost statements showing work completed.
- Fully executed unconditional or conditional lien waivers and release on progress payments.
- Photographic documentation of completed work, or report of third party site inspection.
- Certificate of contractor, architect, engineer or owner that milestones have been achieved, inspected, and installed in accordance with the contract.
- Executed disbursement request.

For final disbursement requests, the Program Administrator may also require a signed final permit inspection from the relevant government authority, including a “certificate of occupancy” or “permission to operate” (if applicable).

Once the Program Administrator approves a disbursement request, the Program Administrator will direct the depositary or trustee to release the funds to the Property Owner or their assignee.

2(c)(v). Transfer or Sale of the Property

If the Property is sold or transferred prior to full repayment of the contractual assessment, the remaining contractual assessment will transfer with the Property, and must be paid by the new Property Owner, without any action needed by any party. A Property Owner, prior to selling or transferring the Property, may choose to prepay the outstanding principal balance of the contractual assessment, plus any required prepayment premium.

Property Owners must make any legally mandated disclosures regarding the existence of the contractual assessment as part of the sale or transfer of the Property.

2(d). Technical Details

2(d)(i). Qualified Improvements

All Qualified Improvements must meet the following set of criteria in order to be eligible for the Program:

- Have an effective useful life of five years (or longer).
- Must be permanently affixed to the Property.
- Must qualify as meeting the public purpose requirement as identified in Chapter 29.

In addition to Qualified Improvements, the costs incurred in connection with installing the Qualified Improvements are also eligible to be financed under the Program. These costs include design, permitting, and other costs customarily incurred in connection with the installation of Qualified Improvements. The Program maintains a list of common Qualified Improvements on its website (www.CleanFund.com).

Any measure which is not part of the list of common Qualified Improvements will be evaluated on a case-by-case basis to determine its eligibility to be financed under the Program.

The Program Administrator does not recommend, warrant, or guarantee any specific measure, nor provide performance guaranties, for any Qualified Improvement financed through the Program. Property Owners are responsible for the installation and operation of the Qualified Improvements, as well as any malfunction or failure. Property Owners are encouraged to obtain an independent verification of all Qualified Improvements with an independent third-party engineer.

2(d)(ii). Quality Assurance

The Program Administrator will ensure that the Qualified Improvements meet the requirements set forth in Chapter 29, the Program Report, any guidelines established by WRCOG, and this Handbook. The Program Administrator must determine that the Qualified Improvements will result in a reduction of energy or water use, generate renewable energy, or result in a mitigation of the risk of damage from a seismic event.

The Program Administrator may require an estimate from a licensed architect, engineer, or contractor to verify the technical details to determine eligibility under the Program. For Qualified Improvements relating to seismic strengthening, the Program Administrator may require documentation from a licensed structural engineer, indicating that the scope of work to be financed under the Program is reasonable, customary, and appropriate to accomplish the seismic strengthening, as required by the specific project characteristics.

2(d)(iii). Participation in Rebate/Incentive Programs

Property Owners who receive financing through the Program may also apply for rebate and incentive programs offered through their utility company. Participation in these programs is entirely voluntary, and at the discretion of the Property Owner.

Section 3. General Terms and Provisions

3(a). Taxes

Property Owners will be solely responsible for the tax implications of their participation in the Program.

3(b). Changes in Local, State, and Federal Law

WRCOG's ability to issue Bonds or Assignments is subject to a variety of local, state, and federal laws. If those laws, or the judicial interpretation of those laws, changes after the Property Owner has applied for funding with the Program (and may have paid fees or incurred costs in anticipation of receiving funding), but before WRCOG issues a Bond or an Assignment, WRCOG may be unable to provide funding. Neither WRCOG nor the Program Administrator will be liable for any expenses or costs incurred as a result of such change in laws.

3(c). Changes in Program Terms; Severability

This Handbook is provided to the Property Owner as reference only, and is subject to the Program Report, which may be amended by WRCOG at any time. The Program Administrator reserves the right to make modifications to the terms and conditions identified in this Handbook at any time, and without notice.

If any provision of this Handbook is determined to be unenforceable for any reason, then that provision will be deemed severed, but will not affect the validity or application of the remaining provisions.

At any time, the Property Owner may request the most current version of this Handbook or any other Program document.

3(d). Disclosure of Property Owner Information

As a condition of participating in the Program, the Property Owner agrees to permit the Program to disclose any information received about the Property, Property Owner, or transaction to any third-party, when that disclosure is essential to the operation of the Program or to facilitate the transaction. This may include compliance with any law, legal process, or request from a regulatory agency, as well as to allow the Program Administrator's employees or contracts to provide services to the Property Owner or otherwise perform their duties.

The Program Administrator will not provide any information for the purposes of telemarketing, or e-mail or direct solicitation. All information received will be treated with care in order to protect the Property Owner's privacy and security.

3(e). Environmental Attributes

Property Owners, or third-party owners of Qualified Improvements, shall retain the rights to any Environmental Attributes related to Qualified Improvements financed through the Program.

3(f). Fraud

Providing any false, misleading, or inaccurate information or statements to the Program or its employees, agents, and contractors (or omitting any information material to complying with Chapter 29, the Program Report, any WRCOG guidelines, or this Handbook) may be punishable by law. This would include any representations concerning project cost, ownership structure, or financing information relating to the Property or Property Owner.

3(g). Exceptions to Terms and Conditions

The Program Administrator may make exceptions to the terms and conditions identified in this Handbook, where such exceptions further the goals and objectives of the Program. However, no such exceptions may be made where they conflict with Chapter 29, the Program Report, or any guideline established by WRCOG.

Section 4. Glossary

"Active Jurisdiction" means a city (if the property is located in an incorporated area) or county (if the property is located in an unincorporated area) that has adopted a resolution to participate in the WRCOG PACE program

"Assessment Contract" means the Agreement to Pay Assessment and Finance Improvement

"Assignment" means the transfer of all of WRCOG's right, title, and interest in a PACE transaction to the Program Administrator or outside capital provider

"Bonds" means limited obligation revenue bonds, issued by WRCOG, and purchased by either the Program Administrator or an outside capital provider

"Capitalized Interest" means the interest which accrues between the date that the financing is provided to the Property Owner and the date of the first payment under the Assessment Contract

"Chapter 29" means California Streets & Highways Code Section 5898.20-5899.3

"Combined Loan-to-Value" means a percentage, calculated by dividing the total amount of the contractual assessment plus the outstanding principal balance of any debt secured by a lien on the Property, by the Property Value

"Commercial Real Property" means any real property that is not a residential property containing less than five dwelling units

"Commitment Letter" means a letter executed by the Program Administrator (or outside capital provider) that provides a definitive commitment to provide proceeds for a PACE transaction, including all relevant terms under which the financing will be provided, as well as any conditions precedent to completing the transaction

"Debt Service Reserve Fund" means a fund in which money will be held and released in the event of a delinquent or defaulted payment under the Assessment Contract

"Environmental Attributes" means any carbon trading credits, renewable energy credits or certificates, environmental benefits of using the Qualified Improvements, financial credits, rebates, subsidies, emission reductions, offsets, and allowances

"Letter of Intent" means a Letter, executed by the Program Administrator (or outside capital provider) and Property Owner, detailing indicative terms for the financing, including the interest rate, financing amount, and any terms or conditions of the financing

"Mortgage Lender" means any person or entity holding a recorded security instrument recorded against the Property

"NOA POCAR" means the Notice of Assessment and Payment of Contractual Assessment Required, the document to be filed in the real property records of the county where the Property is located

"PACE Lien-to-Value" means a percentage, calculated by dividing the total amount of the contractual assessment by the Property Value

"PACE" means Property Assessed Clean Energy

"PPA" means Power Purchase Agreement

"Program Administrator" means CleanFund Commercial PACE Capital, Inc.

"Program Report" means the document published by WRCOG, outlining the basic design and financing structure of the to which all WRCOG PACE programs must comply

"Program" means the Commercial PACEDirect financing platform

"Property Owner" means the vested owner of Commercial Real Property, located in an Active Jurisdiction, who has applied for financing with the Program

"Property Value" means the amount that the Program Administrator reasonably believes the Property to be worth, based on either the assessed value on the county tax roll, or an appraisal accepted by the Program Administrator

"Property" means qualifying Commercial Real Property, upon which the Property Owner wants to either install Qualified Improvements or levy a contractual assessment

"Qualified Improvements" means any improvements, affixed to Commercial Real Property, that may be financed under Chapter 29, the Program Report, WRCOG guidelines, and this Handbook

"WRCOG" means the Western Riverside Council of Governments.

Item 6.J

PACE Programs Activities Update: Authorization of New Commercial Pace Programs – Ygrene & CleanFund

Attachment 9

WRCOG Resolution Number 46-18; A Resolution of the Executive Committee of the Western Riverside Council of Governments authorizing Cleanfund Commercial Pace Capital, Inc., to administer and finance authorized improvements to be installed on commercial properties, and in connection with such authorization, approving amendments to the Program Report for the WRCOG Energy Efficiency and Water Conservation Program for Western Riverside County and the form of a Commercial Handbook, agreement to pay assessment and finance improvements, Administration Agreement, Master Assignment and Assumption Agreement, Depositary and Account Control Agreement and Master Indenture and Supplemental Indenture authorizing the issuance of bonds pursuant to such Master Indenture and the related Supplemental Indenture secured by assessments levied on commercial properties to finance the installation of authorized improvements on such commercial properties and approving other actions in connection thereto

Page Intentionally Left Blank

RESOLUTION NUMBER 46-18

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS AUTHORIZING CLEANFUND COMMERCIAL PACE CAPITAL, INC., TO ADMINISTER AND FINANCE AUTHORIZED IMPROVEMENTS TO BE INSTALLED ON COMMERCIAL PROPERTIES, AND IN CONNECTION WITH SUCH AUTHORIZATION, APPROVING AMENDMENTS TO THE PROGRAM REPORT FOR THE WRCOG ENERGY EFFICIENCY AND WATER CONSERVATION PROGRAM FOR WESTERN RIVERSIDE COUNTY AND THE FORM OF A COMMERCIAL HANDBOOK, AGREEMENT TO PAY ASSESSMENT AND FINANCE IMPROVEMENTS, ADMINISTRATION AGREEMENT, MASTER ASSIGNMENT AND ASSUMPTION AGREEMENT, DEPOSITARY AND ACCOUNT CONTROL AGREEMENT AND MASTER INDENTURE AND SUPPLEMENTAL INDENTURE AUTHORIZING THE ISSUANCE OF BONDS PURSUANT TO SUCH MASTER INDENTURE AND THE RELATED SUPPLEMENTAL INDENTURE SECURED BY ASSESSMENTS LEVIED ON COMMERCIAL PROPERTIES TO FINANCE THE INSTALLATION OF AUTHORIZED IMPROVEMENTS ON SUCH COMMERCIAL PROPERTIES AND APPROVING OTHER ACTIONS IN CONNECTION THERETO

WHEREAS, the Executive Committee of the Western Riverside Council of Governments ("WRCOG") has established of the Energy Efficiency and Water Conservation Program for Western Riverside County (commonly referred to as the "WRCOG PACE Program") for the purpose financing the installation of authorized improvements ("Authorized Improvements") on commercial properties ("Commercial Properties") located within the program area of the WRCOG PACE Program (the "Program Area") as authorized under and defined by the WRCOG PACE Program; and

WHEREAS, CleanFund Commercial PACE Capital, Inc. ("CleanFund"), previously requested that CleanFund be authorized to establish the a commercial program within the Program Area to administer and finance the installation of Authorized Improvements on Commercial Properties for the WRCOG PACE Program; and

WHEREAS, at its October 2, 2017 meeting the Executive Committee determined that it would be in the best interests of the WRCOG PACE Program and the owners of Commercial Properties within the Program Area to enable CleanFund to administer and finance a program as a part the WRCOG PACE Program (the "CleanFund Commercial PACE Program"), to finance the installation of Authorized Improvements on Commercial Properties in the Program Area and the Executive Committee directed and authorized the Executive Director to enter into contract negotiations to include CleanFund as a commercial program administrator for the WRCOG PACE Program; and

WHEREAS, in order to provide for and implement such authorization for the establishment of the CleanFund Commercial PACE Program as a part of the WRCOG PACE Program, it will be necessary to approve the modification of the WRCOG PACE Program Report (the "Program Report") and approve the forms of a handbook (the "CleanFund Commercial PACE Program Handbook") and an Agreement to Pay Assessment and Finance Improvements for use with respect to each commercial property participating in the CleanFund Commercial PACE Program (the "CleanFund Commercial PACE Assessment Contract") to be incorporated into the Program Report; and

WHEREAS, WRCOG and CleanFund further desire to enter into an Administration Agreement to establish the terms and conditions pursuant to which CleanFund will administer the CleanFund Commercial PACE Program and the form of such Administration Agreement has been presented to the Executive Committee; and

WHEREAS, there has been submitted to the Executive Committee the form of a Master Assignment and Administration Agreement in order to provide for the assignment of the CleanFund Commercial PACE Assessment Contracts entered into under the CleanFund Commercial PACE Program for the WRCOG Program to CleanFund Titling Trust and the subsequent transfer of such CleanFund Commercial PACE Assessment Contracts back to WRCOG to allow for the issuance of limited obligation improvement bonds by WRCOG; and

WHEREAS, there has been submitted to the Executive Committee the forms of a Master Indenture, a Supplemental Indenture and a Depositary and Account Control Agreement providing for the issuance and administration of limited obligation improvement bonds to be designated as the "Western Riverside Council of Governments Limited Obligation Improvement Bonds (CleanFund Commercial PACE Program) (First Commercial Property Tranche)" (the "Limited Obligation Improvement Bonds") in one or more series (each such series of such bonds referred to as a "Series") pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code ("Chapter 29"), the Improvement Bond Act of 1915, being Division 10 of the Streets and Highways Code (the "1915 Act") and the use of the proceeds of such bonds to finance the construction and installation of Authorized Improvements on commercial parcels that are participating in the CleanFund Commercial Program, and

WHEREAS, this Executive Committee, with the aid of its staff and counsel, has reviewed the documents identified in the preceding recitals and found them to be in proper order; and

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Limited Obligation Improvement Bonds exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including Chapter 29 and the 1915 Act;

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

Section 1. Approval of CleanFund as Program Administrator. The Executive Committee hereby approves (i) CleanFund as a program administrator to administer the CleanFund Commercial PACE Program of the WRCOG PACE Program; and (ii) the form of the Administration Agreement in substantially the form on file with the Secretary of the Executive Committee, together with any changes therein or additions thereto approved by the Executive Director of WRCOG, or any designee of the Executive Director (each, an "Authorized Representative"), and reviewed and concurred in by Bond Counsel and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Executive Committee hereby authorizes the delivery of and performance by WRCOG of the Administration Agreement.

Section 2. Approval of the Amended Program Report, the Commercial Assessment Contract and the Commercial Handbook. The Executive Committee hereby approves the forms of the amended Program Report and the CleanFund Commercial PACE Assessment Contract, the final forms of which shall be incorporated in the Program Reports, and the CleanFund Commercial PACE Program Handbook, each as presented to the Executive Committee at this

meeting together with any changes therein and additions thereto approved by the Executive Director or another Authorized Representative and reviewed and concurred in by Bond Counsel.

Section 3. Approval of Forms of the Administration Agreement, the Master Assignment and Assumption Agreement and the Master Bond Purchase Agreement. The Executive Committee hereby approves the forms of the Administration Agreement and the Master Assignment and Assumption Agreement presented to the Executive Committee at this meeting, together with any changes therein or additions thereto approved by the Executive Director or another Authorized Representative and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Executive Committee hereby authorizes and directs an Authorized Representative to execute the final forms of the Administration Agreement and the Master Assignment and Assumption Agreement for and in the name of WRCOG.

Section 4. Authorization of Issuance of Limited Obligation Improvement Bonds. The Executive Committee hereby authorizes the issuance of one or more Series of the Limited Obligation Improvement Bonds under and pursuant to Chapter 29, the 1915 Act and this Resolution in the maximum aggregate principal amount not to exceed $150,000,000 to finance the installation of Authorized Improvements to be installed or caused to be installed on commercial properties that are participating in one of the CleanFund Commercial PACE Program and are located in the Program Area.

Section 5. Approval of Master Indenture, Supplemental Indenture and Depositary and Account Control Agreement. With respect to the Limited Obligation Improvement Bonds to be issued on or after the effective date of this Resolution, the Executive Committee hereby approves the form of the master indenture (the "Master Indenture") and the Depositary and Account Control Agreement substantially in the forms on file with the Secretary, together with any changes therein and additions thereto approved by the Executive Director or any Authorized Representative and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Executive Committee hereby authorizes the delivery and the performance of the Master Indenture and the Depositary and Account Control Agreement.

The Executive Committee hereby approves the form of the Supplemental Indenture substantially in the form contained in the Master Indenture, together with any changes therein or additions thereto approved by an Authorized Representative and reviewed and concurred in by Bond Counsel, required for the issuance of each Limited Obligation Improvement Bond or Series of Limited Obligation Improvement Bonds, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Executive Committee hereby authorizes and directs an Authorized Representative to execute the final form of each Supplemental Indenture for and in the name of WRCOG for each Series of Limited Obligation Improvement Bonds. The Executive Committee hereby authorizes the delivery and performance of each Supplemental Indenture for each Series of Limited Obligation Improvement Bonds.

Section 6. Sale of the Limited Obligation Improvement Bonds. WRCOG hereby authorizes the negotiated sale of the Limited Obligation Improvement Bonds to CleanFund Commercial PACE Capital, Inc. or an assignee thereof approved by Executive Director (the "Purchaser") provided that the conditions for issuance of each such Limited Obligation Improvement Bond set forth in the Master Indenture and the applicable Supplemental Indenture have been satisfied. Each Limited Obligation Improvement Bond shall be sold to the Purchaser

pursuant to the Master Indenture and the applicable Supplemental Indenture applicable to such bond or Series thereof. The Executive Committee hereby delegates to the Executive Director or another Authorized Representative the authority to establish and agree with the Purchaser to the final terms for each Limited Obligation Improvement Bond or Series thereof including, but not limited to, the principal amount thereof, the interest rate on such Limited Obligation Improvement Bond or Series thereof and the redemption provisions.

Section 7. Appointment of Trustee and Depositary. Wilmington Trust, National Association is appointed as Trustee pursuant to the Master Indenture and each Supplemental Indenture and as Depositary pursuant to the Depositary and Account Control Agreement, to take any and all actions provided for therein to be taken, respectively, by the Trustee and the Depositary.

Section 8. Form of Limited Obligation Improvement Bonds. The form of Limited Obligation Improvement Bonds as set forth in the form of the Master Indenture and each Supplemental Indenture is approved. The Treasurer of WRCOG and the Secretary of the Executive Committee are authorized and directed to execute by manual or facsimile signature, in the name and on behalf of WRCOG, the Limited Obligation Improvement Bonds or Series thereof in either temporary or definitive form and to deliver or cause the delivery of each Limited Obligation Improvement Bond or Series thereof to the applicable purchaser pursuant to the Master Indenture and the applicable Supplemental Indenture.

Section 9. No Obligation of WRCOG, its Regular Members or Associate Members. Pursuant to Streets and Highways Code Section 8769, this Executive Committee does hereby determine that WRCOG will not obligate itself to advance funds from the WRCOG treasury to cure any deficiency in the Redemption Fund (as such term is defined in the Master Indenture) for the Limited Obligation Improvement Bonds established pursuant to the Master Indenture or the Collection Account (as such term is defined in the Depositary and Account Control Agreement) for established pursuant to the Depositary and Account Control Agreement. The Executive Committee further declares and determines that no Regular Member or Associate Member shall be obligated to advance funds from the treasury of such Regular Member or Associate Member to cure any such deficiency in such Redemption Fund or the Collection Account.

Section 10. Conditions of Approval. The approvals, authorization and direction given by this Resolution related to the Limited Obligation Improvement Bonds are conditioned upon the satisfaction of the requirements hereof and of the Master Indenture with respect to the issuance and sale of the Limited Obligation Improvement Bonds. The Authorized Officers and shall not be required to take any action with respect to the execution and delivery of a Supplemental Indenture or the issuance, sale or delivery of any Limited Obligation Improvement Bond unless and until such conditions are satisfied; provided, however, that upon satisfaction of such conditions as to any Limited Obligation Improvement Bond, this Resolution shall be fully effective and shall be carried out as to such Limited Obligation Improvement Bonds or Series thereof without the further approval or action of the Executive Committee.

Section 11. Official Actions with Regard to the Limited Obligation Improvement Bonds. Each officer of WRCOG or Authorized Representative is hereby authorized and directed, for and in the name and on behalf of WRCOG, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to

consummate the issuance and sale of the Limited Obligation Improvement Bonds. All actions heretofore taken by the officers and agents of WRCOG with respect to the sale and issuance of the Limited Obligation Improvement Bonds are hereby approved, confirmed and ratified.

Section 12. Other Additional Action. All actions heretofore taken by the officers and agents of WRCOG with respect to the other matters contemplated by this Resolution and the Program Report are hereby approved, confirmed and ratified, and the proper officers of WRCOG, including but not limited to the Executive Director, the Secretary, and the Director of Energy and Environmental Programs, and their designees, are hereby authorized, for and in the name and on behalf of WRCOG, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements, assignments, notes and other documents which they, or any of them, may deem necessary or advisable with respect to the establishment of the CleanFund PACE Program and in order to consummate the matters contemplated by this Resolution and the Program Report. The Executive Director or any Authorized Representative is hereby authorized and directed to approve any other documents related to the CleanFund Commercial PACE Program necessary in the judgment of the Executive Director or such Authorized Representative to conform such documents to the actions taken by the adoption of this Resolution.

Section 13. Effective Date. This Resolution shall take effect upon the date of its adoption.

PASSED AND ADOPTED at a Meeting of the Executive Committee of the Western Riverside Council of Governments held on December 2, 2018.

Chuck Washington, Chair
WRCOG Executive Committee

Rick Bishop, Secretary
WRCOG Executive Committee

Approved as to form:

Best Best & Krieger, LLP
WRCOG Bond Counsel

AYES: _____ NOES: _____ ABSENT: _____ ABSTAIN: _____

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Proposal to Establish a Regional Energy Network (REN) with CVAG and SBCOG for Purposes of Developing a Joint Cooperative Agreement and Release of a Request for Proposal to Identify Consultant Services for REN Development**

Contact: **Casey Dailey, Director of Energy & Environmental Programs cdailey@wrcog.us, (951) 405-6720**

Date: **December 3, 2018**

The purpose of this item is to *provide information on the development of a Regional Energy Network between the Coachella Valley Association of Governments (CVAG), San Bernardino Council of Governments (SBCOG), and WRCOG to achieve a joint cooperative agreement and coordination to release a Request for Proposal to identify consultant services to implement a Regional Energy Network that would continue providing energy efficiency programs within the two-county area.*

Requested Actions:

1. Recommend that the Executive Committee authorize the Executive Director to develop a joint cooperative agreement among CVAG, SBCOG, and WRCOG to move forward with the coordination & development of a Regional Energy Network (REN) between all three entities.
2. Recommend that Executive Committee direct the Executive Director to release a Request for Proposals for feasibility & implementation of a Regional Energy Network that would be used to identify a consultant to assist all three COGs for the development of a Business Plan and Implementation Plan.

Local Government Partnerships Background

Local Government Partnerships (LGPs) were approved at the California Public Utilities Commission (CPUC) on September 24, 2009, and allowed for Investor Owned Utilities (IOUs) to work with local governments on the implementation of LGPs. Through this model, LGPs were developed to focus on three objectives: 1) retrofit of local government buildings; 2) promote utility core programs; and 3) support qualified energy efficiency activities included in the Energy Efficiency Strategic Plan.

The Western Riverside Energy Partnership (WREP) is an LGP formed in 2010 and is administered by WRCOG to achieve these three objectives within western Riverside County. WREP, along with all LGPs, are facing three immediate challenges that could affect the continuity of their status and ongoing support of energy efficiency projects / outreach provided to their members. These include the following:

1. *Funding decreases for LGPs:* IOUs have been decreasing the funding that LGPs will be receiving to perform their work and achieve their goals and objectives. In 2019, for LGPs performing work in the territories of Pacific Gas & Electric (PG&E), Southern California Gas Company (SoCal Gas), and Southern California Edison (SCE), there has been an average decrease in funding of 31%.

2. *IOUs are bidding out Energy Efficiency Programs:* IOUs will be exporting about 60% of their Energy Efficiency Portfolio / Programs and bid them out to third party providers to take over the role that LGPs currently have as partners with the IOUs. The reason for this export of programs is that IOUs cannot meet

their Total Resource Cost (TRC) of 1.25 set forth by the CPUC. TRC is a CPUC approved benefit-cost ration for the evaluation of energy programs. In doing so, the IOUs are looking at distributing a Request for Proposal (RFP) to identify a potential contractor that can better assist with meeting their TRC goal. The RFP is expected to be released in 2019 and a selected contractor will start to conduct work in 2020. *Many of the activities funded under WREP and other LGPs do not meet the minimum TRC threshold requirements and will likely be eliminated as a result.*

3. *Eliminating Strategic Planning:* IOUs will stop offering Strategic Plan funding at the start of 2019. The reasoning behind this approach is that that there is no quantifiable way to calculate or identify the effectiveness of energy efficiency with these programs. Programs that have been funded through this source include Benchmarking services and Online Permitting Systems.

A potential solution to the challenges LGPs are currently facing is to development and implementation of a Regional Energy Network (REN). WRCOG has been in discussions with the San Bernardino and Coachella Valley COGs about potentially forming a REN to encompass the two-county area.

What are Regional Energy Networks (RENs)?

In 2012, the CPUC authorized the piloting of RENs by inviting local governments to collaborate and submit proposals for a new model for administering energy efficiency programs outside the traditional IOU-administered paradigm. The CPUC sought for the RENs to address the following three operational areas:

1. RENs should undertake programs that the IOUs cannot or do not intend to do.
2. RENs should target hard to reach areas.
3. RENs should design programs that have the potential to be scaled to larger geographic areas.

In addition to these focus areas, the CPUC also directed RENs to address the areas of Workforce Education & Training (WE&T), Technology development, and Water – Energy Nexus.

To date, there are three active RENs which includes SoCal Ren (administered by the County of Los Angeles), BAYREN (administered by the Association of Bay Area Governments (ABAG)), and 3CREN (administered by Santa Barbara, San Luis Obispo, and Ventura County). These three REN implementers work cohesively with their respective IOUs and administer the following programs for their regions:

1. Residential & Commercial Energy Efficiency Installation Programs
2. Workshops & Trainings
3. Financing Mechanisms for Energy Efficiency Projects
4. Working with 3rd party providers for either municipal / business energy efficiency support

The goal of each REN is to implement and administer energy efficiency programs when the current IOUs cannot or do not have the available resources to implement within their respective service territories. As directed by the CPUC, RENs fill the gap that IOUs cannot reach. For RENs, the term, “filling the gap” means areas that are hard to reach or low-income communities. Each REN focuses on opportunities to grow and educate in the field of energy efficiency by providing programs that benefit communities considered to be low income or that do not have a high penetration rate by IOU providers. Furthermore, RENs have more access to funding to implement regional programs offered to various members involved within RENs than what current LGPs have within their funding cycle.

For 2019, all three RENs must submit, for review and approval by the CPUC, Annual Budget Advice Letters (ABALs) to determine the funding amount each REN will receive for implementing their various energy programs. The table below illustrates the total amount of funding that each REN will be looking to utilize for 2019. It should be noted that these amounts are significantly higher than the funding amounts currently received by WREP or by the other LCPs operated by CVAG and SBCOG.

2019 REN Funding			
REN	**SoCal REN**	**BAYREN**	**3C REN**
Program Sector			
Residential	$ 6,540,800	$ 16,595,000	$ 2,896,876
Public	$ 11,336,000	$ 701,000	
Codes & Standards	$ 1,090,000	$ 1,918,000	$ 1,796,748
Financing	$ 2,180,000		
Workforce, Education & Training	$ 654,000		$ 1,270,776
Commercial		$ 4,544,000	
Water-Energy Nexus		$ 944,000	
Total	$ 21,800,800	$ 24,702,000	$ 5,964,400

Over the past several months, WRCOG staff has been meeting with staff from both CVAG and SBCOG to discuss the possibility of developing a REN to cover both Riverside and San Bernardino Counties. To support these discussions, a white paper (Attachment 1) was developed to describe in further detail the evolution of LGPs and how RENs are the next step in implementing energy efficiency outreach & support on a regional level.

WRCOG is seeking to develop a joint cooperative agreement between SBCOG and CVAG to solicit a RFP that will be utilized to identify a consultant(s) to assist with the feasibility and implementation of a Regional Energy Network (REN) within the boundaries of CVAG, SBCOG, and WRCOG. Based on discussion with other REN administrators, staff anticipates the cost for the development and approval of a REN to be approximately $150,000, or $50,000 per each COG.

As part of the ongoing analysis of a potential REN in the region, both CVAG and SBCOG will be seeking a similar request from their Executive boards to seek approval of a joint cooperation agreement to work with WRCOG. CVAG and SBCOG will be seeking approval at their December / January Board meetings while WRCOG went to their Administration & Finance Committee on November 14th to provide an update & recommendation that would be provided to the Executive Committee in December.

Prior Action:

November 14, 2018: The Administration & Finance Committee recommended that the Executive Committee authorize the Executive Director to develop a joint cooperation agreement between CVAG, SBCOG, and WRCOG; and 2) recommended that Executive Committee direct the Executive Director to release a Request for Proposals for feasibility & implementation of a Regional Energy Network.

Fiscal Impact:

If approved, the $50,000 would be included in WRCOG's 2nd Quarter Budget Amendment.

Attachment:

1. Draft REN White Paper.

Page Intentionally Left Blank

Item 6.K

Proposal to Establish a Regional Energy Network (REN) with CVAG and SBCOG for purposes of developing a joint cooperative agreement and release of a Request for Proposal to identify consultant services for REN development

Attachment 1

Draft REN White Paper

Page Intentionally Left Blank

To: WRCOG Executive Committee

From: Casey Dailey, Director of Energy & Environmental Programs

Date: TBD

Subject: DRAFT Evolution of Local Government Partnerships with Utilities and Regional Energy Networks (RENs)

This white paper discusses the current challenges that Local Government Partnerships (LGPs) are facing and provides a solution that local governments can participate in to continue their work in localized energy efficiency programs to their communities.

Introduction

The State of California has been a great leader in the field of energy efficiency and through the California Public Utilities Commission's (CPUC) direction, Investor Owned Utilities (IOUs) have been working to meet the State energy goals such as AB 32, AB 802, and SB 350. Over the years, IOUs have taken a leadership role with their involvement in energy efficient programs and technology, especially with their partnerships within LGPs. LGPs have been working to meet the state's goals and provide support to local governments with assistance in energy efficiency projects. To date, there are over 40 LGPs in the state that provide their local jurisdictions with energy efficiency support. Additionally, a new energy opportunity has received CPUC approval supplementing and enhancing the energy efficiency support provided to not only IOUs but to local governments to provide further assistance than what LGPs currently provide. This new opportunity is the development of Regional Energy Networks (REN).

Local Government Partnerships (LGPs)

On September 24, 2009, the CPUC approved the Local Government Partnership Program for 2010-2012. Through the CPUC's decision (D.09-09-047), it gave approval for Investor Owned Utilities (IOUs) to work with local governments on the implementation of Local Government Partnerships (LGPs). Through this model, LGPs would focus on three objectives: 1) Retrofit of local government buildings; 2) Promote utility core programs; and 3) Support qualified energy efficiency activities included in the Energy Efficiency Strategic Plan.

1. Retrofit local government facilities: LGPs would work with City staff to identify, implement, and fully capture energy efficiency potential within municipal and other public agency buildings / facilities. Types of energy efficiency projects that LGPs would assist for retrofit includes indoor / outdoor lighting, HVAC system improvements, Energy Management Systems (EMS), boiler replacements, and upgrades of variable-frequency drives and water pumps.

DRAFT

2. Promote energy efficiency programs in the community: In an effort to promote energy efficiency programs and provide sustainable best practices to the communities of LGPs, both the IOUs & LGPs would work together to get involved in the participating communities to promote and educate the residents / business. Programmatic outreach consisted of public workshops, advertisements in print, radio, and online media, and direct mail or online public agency outlets such as newsletters and local government websites. In addition to these methods, LGPs would also engage with the public at community themed events. Both residents / business will receive informative updates and learn how to get enrolled in IOU programs that can assist with utility bill reduction.

3. Support the Energy Efficiency Strategic Plan: The Energy Efficiency Strategic Plan provides local governments with the opportunities to achieve long range goals of energy efficiency by implementing initiatives such as energy- or climate-action plans, benchmarking of public or community buildings, advancing EE reach codes for buildings, and trainings to increase awareness of and support for to building code compliance and greenhouse gas reduction efforts.

Through this approval, the Western Riverside Energy Partnership (WREP) was formed and is one of the many LGPs within the state of California that works to provide energy efficiency support to its members in Western Riverside County. The WREP Partnership consists of the following entities: Southern California Edison, Southern California Gas Company, the Western Riverside Council of Governments, and 15 members within Western Riverside County. The following agencies are involved with the WREP Partnership, the Cities of Calimesa, Canyon Lake, Corona, Eastvale, Hemet, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, San Jacinto, Temecula, and Wildomar.

The Challenge

Over the past eight years, LGPs, such as WREP, have had a huge influence in the local government sector. Municipalities have achieved energy savings and received incentives for their energy efficiency retrofits. Residents and businesses have been more involved with meeting the State's energy goals and funding for innovative programs offered through the IOUs have seen an increase in energy awareness. But within the past year, there has been a change in LGPs that has already affected various Partnerships throughout the State. IOUs have been decreasing the funding that LGPs will be receiving and this will start to take effect in 2019. For LGPs performing work in the territories of Pacific Gas & Electric (PG&E), Southern California Gas Company (SoCal Gas), and Southern California Edison (SCE), there has been a decrease in funding of 31%. This decrease in funding for 2019 will limit the LGPs support to local governments in project assistance and marketing & outreach support.

The decrease in funding is just one of the issues that LGP's will have to encounter, but just recently, both SCE & SoCal Gas have informed LGP Partnerships that the utilities will be exporting about 60% of their Energy Efficiency Portfolio / Programs and bid it out

DRAFT

to third party providers to take over the role that LGPs currently have as partners with the IOUs. The reason for this export of programs is that IOUs cannot meet their Total Resource Cost (TRC) of 1.25 set forth by the CPUC. In doing so, the IOUs are looking at distributing a Request for Proposal (RFP) to identify a potential contractor that can better assist with meeting their TRC goal. The RFP is expected to be released in 2019 and a selected contractor will start to conduct work in 2020.

In addition to the decrease in funding for 2019 and exporting of the IOUs programmatic portfolio, the Strategic Planning Portfolio that local governments have been utilizing over the years to achieve long range goals of energy efficiency will no longer be active for 2019. The IOUs will stop offering Strategic Plan funding at the start of 2019 and the reasoning behind this approach is that that is no quantifiable way to calculate or identify the effectiveness of energy efficiency with these programs.

2019 will consist of a new challenge for LGPs, but currently there are other opportunities that LGP implementers can take to continue the work of promoting and educating energy efficiency models for their constituents.

Solution - Regional Energy Network (REN)

The CPUC, in its 2013-2014 Portfolio Guidance Decision, invited local governments to collaborate and submit proposals for a new model for administering energy efficiency programs outside the traditional IOU-administered paradigm. These new models are known as Regional Energy Networks (RENs).

The CPUC sought for the RENs to address the following three operational areas:

1. RENs should undertake programs that the IOUs cannot or do not intend to do.
2. RENs should target hard to reach areas.
3. RENs should design programs that have the potential to be scaled to larger geographic areas.

Additionally, the CPUC also directed RENs to address the areas of Workforce Education & Training (WE&T), Technology development, and Water – Energy Nexus.

RENs successfully complement and also supplement the activities of LGPs programs as well as other public sector energy efficiency programs that are administered by the IOUs. RENS are able to add significant value by not just utilizing CPUC ratepayer funds but also by leveraging non-ratepayer funds that would come from the California Energy Commission (CEC), the Department of Energy (DOE), and publicly owned utilities.

Currents RENs in California

In 2012, the California Public Utilities Commission (CPUC) authorized two Regional Energy Networks (RENs), pilot entities composed of local governments to design and administer energy efficiency programs absent of IOU oversight. The two RENs that were created from the Pilot were BAYREN and SoCal Ren. BAYREN is administered

DRAFT

by the San Francisco Bay Area which covers the nine Bay Area counties all within Pacific Gas & Electric (PG&E) territory. SoCal REN is administered by the County of Los Angeles. It serves residents, businesses, and public agencies within the Southern California Edison (SCE) and Southern California Gas (SoCalGas) territory. These two RENs have been in coordination with their respective IOUs that cover their service territory and through proper coordination, both SoCal Ren & BAYREN have implemented programs for both the public & residential sector. Programs that these two RENs have implemented include the following: 1) Residential & Commercial Energy Efficiency Installation Programs, 2) Workshops & Trainings, 3) Financing mechanisms for energy efficiency projects, and 4) Working with 3rd party providers (ESCSOs) to assist either municipal / businesses with energy efficiency programs.

These two RENs have been active in the State since their inception and have been very successful in their work within the field of energy efficiency. Per the CPUC's decision D.16-08-019, "we encourage RENs to be involved in programs where they have special expertise or relationships with customers that other administrators (including utilities and potential statewide administrators) or local government partnerships do not". This statement from the CPUC's decision illustrates the great work that RENs have conducted within their territory and express the continuity of RENs in the field of energy efficiency.

In May 2018, a new REN implementer was approved at the CPUC level and is currently in development of providing programs in there IOU service territory. 3C REN also known as Tri-County REN is administered by Ventura, Santa Barbara, and San Luis Obispo County which falls within SCE, SoCal Gas and PG&E territory. 3C RENs development process would look to replicate the similar model that both BAYREN & SoCal REN have implemented in their IOU service territories but their main focus would be to penetrate the hard to reach areas. 3C REN would provide local control of their energy programs and reach out to the areas within all three counties that have low income / disadvantaged communities that would find benefit in the resources of the RENs energy programs. 3C RENs programs will focus on energy efficiency retrofits to hard to reach residents, Workforce development trainings for professionals in hard to reach areas, and codes & standards for both commercial / municipal facilities.

For 2019, all three RENs have submitted Annual Budget Advice Letters (ABALs) that the CPUC would need to approve to determine the funding amount that each REN would receive for the implementation of the various energy programs that the RENs will offer. At the moment, these funding amounts from each respective REN is a request and the numbers are subject change upon CPUC approval. The table below illustrates the total amount of funding that each REN will be looking to utilize for 2019.

DRAFT

2019 REN Funding			
REN	**SoCal REN**	**BAYREN**	**3C REN**
Program Sector			
Residential	$ 6,540,800	$ 16,595,000	$ 2,896,876
Public	$ 11,336,000	$ 701,000	
Codes & Standards	$ 1,090,000	$ 1,918,000	$ 1,796,748
Financing	$ 2,180,000		
Workforce, Education & Training	$ 654,000		$ 1,270,776
Commercial		$ 4,544,000	
Water-Energy Nexus		$ 944,000	
Total	$ 21,800,800	$ 24,702,000	$ 5,964,400

Conclusion

With a potential implementation of a REN in Western Riverside County, the programs that are offered by WREP will still continue to function with a REN in the subregion. If anything, the REN will be able to enhance the WREP Programs due to the increase in funding and opportunities to reach areas of low income and hard to reach customers within Western Riverside County. Programs such as residential & commercial Direct Install Programs can see growth with additional energy efficiency measures such as insulation, water heaters, and smart controls being applied to the programs. Additionally, the coordination between the Community Based Organizations (CBOs) in Western Riverside County can bring additional resources for Workforce, Education & Training. Both LGPs and REN utilize funding through CPUC ratepayer funds, but the main difference between both models is that the RENs have the opportunity to provide regional programs to areas within Western Riverside County that have not been receiving that much attention to grow in its efforts within the field of energy efficiency.

In today's energy society, RENs are becoming a viable model that many local governments are looking towards to replicate and implement within their service territory to continue providing energy efficiency support to their jurisdictions. With LGPs facing a difficult time on whether they will cease to exist in the upcoming years, RENs are here to stay as they are becoming the preferred route to continue providing energy efficiency within the State. Both RENs and IOUs have proven to function under the CPUC's guidance and continue to meet the State's energy efficiency goals. At the moment, 2019 is guaranteed for LGPs, but with the upcoming RFP for the IOUs, it's very unclear to identify whether LGPs will have a budget for 2020 or the idea of how many LGPs will continue to be active after the selection of a provider for the IOUs.

DRAFT

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Western Riverside Energy Partnership Activities Update**

Contact: **Tyler Masters, Program Manager, tmasters@wrcog.us, (951) 405-6732**

Date: **December 3, 2018**

The purpose of this item is to *provide information on the 2019 Southern California Edison Partnership Contract, 2018 LED Holiday Light Exchange and Energy Efficiency Kit-Giveaway, and recognizing the Cities of Corona & Murrieta for receiving a Cool Planet Award.*

Requested Action:

1. Direct the Executive Director to execute the Ninth Contract Amendment with Southern California Edison to jointly deliver the 2010-2012 Energy Leader Partnership Program, including the continuation of the Western Riverside Energy Leader Partnership, through year 2019, substantially as to form.

The Western Riverside Energy Partnership (WREP) responds to Executive Committee direction for WRCOG, Southern California Edison (SCE), and Southern California Gas Company (SoCal Gas) to seek ways to improve marketing and outreach to the WRCOG subregion regarding energy efficiency. WREP is designed to help local governments set an example for their communities to increase energy efficiency, reduce greenhouse gas emissions, increase renewable energy usage, and improve air quality.

Ninth Amendment to the Western Riverside Energy Partnership Program

In March 2010, WRCOG entered into an agreement with SCE to implement the Partnership and provide energy efficiency technical support to participating jurisdictions for energy efficiency projects at municipal facilities for the 2010-2012 Program cycle. Through this agreement, WREP was formed and was provided a budget to provide programmatic services to enrolled members to assist with energy efficiency projects, strategic planning, and educating the community on sustainability / utility customer programs.

Since March 2013, the contract has been extended annually to establish the budget for the upcoming calendar years. This ninth amendment (Attachment 1) establishes the budget for the 2019 calendar year and will be used to assist the members enrolled in the Program with their goals for energy efficiency. For the 2019 calendar year, the budget amount allocated on behalf of SCE to WRCOG is a not to exceed amount of $108,438.

2018 Cool Planet Award Winners: Corona and Murrieta

On October 19, 2018, the Cities of Corona and Murrieta were recognized by both SCE and The Climate Registry at the 2018 Cool Planet Awards for their exemplary efforts in the field of energy efficiency. The 2018 Cool Planet Award Ceremony celebrated SCE business customers who implement energy efficiency projects, participate in demand response programs, and establish environmental and greenhouse gas emissions management systems.

The City of Corona was awarded a 2018 Cool Planet Award recipient in the Government & Institutional - Medium Sector (Medium Sector Government accounts for operating budget under $500 million). The City of Corona saved over 2 million kWh within the past year due to their recent LED safety light conversion and its active involvement in SCE customer programs such as its Local Government Partnerships (LGPs) and water efficiency retrofits. The City of Murrieta was awarded a 2018 Cool Planet Award recipient in the Government & Institutional - Small Sector (Small Sector Government accounts for operating budget under $250 million). The City of Murrieta saved over 200,000 kWh within the past year for its recent LED safety light conversion and interior LED lighting measures through SCE's Direct Install Program.

The Cool Planet Award has been an ongoing awards ceremony for the past seven years in which The Climate Registry coordinates with SCE to honor SCE business customers who have demonstrated great leadership in the field of energy efficiency. WREP has had success in the past having Partnership cities recognized at this event. In 2016, both the Cities of Hemet and Moreno Valley received Cool Planet Awards. WREP looks forward to 2019 as we would like to continue having members in Western Riverside County recognized for their leadership and great efforts in the field of energy efficiency.





Left: City of Corona, SCE, and Climate Registry staff
Right: WRCOG, SCE, and Climate Registry staff

2018 LED Holiday Light Exchange and Energy Efficiency Kit Giveaway

WRCOG recently hosted its 5th Annual LED Holiday Light Exchange and Energy Efficiency Starter Kit Giveaway in a number of jurisdictions. This Program is in coordination with WREP partners, SCE and SoCal Gas. In 2017, the Partnership team attended five holiday-themed community events across Western Riverside County to provide residents with new LED holiday lights and energy efficiency kits (which included a low-flow shower head and three faucet aerators). Staff provided over 900 holiday lights and over 80 energy efficiency kits, which equates to assistance for over 450 households.

The Program, originated in 2014, allows residents within SCE territory to exchange their old incandescent holiday lights for new, energy efficient LEDs. SoCal Gas joined the Program in 2016 to promote their energy efficiency kits to their customers. To date, staff has attended 20 holiday community events, exchanged over 2,300 strings of holiday lights, and provided 150 energy efficiency starter kits. This equates to benefits provided to over 1,100 households within Western Riverside County.

WRCOG staff attended holiday themed events noted in the table below, distributing holiday lights, energy efficiency kits, and promoting utility resources for both residents and businesses.

Date	Event	Location	Time
Monday November 19	Christmas Tree Lighting Ceremony	City of Calimesa (Senior Center 908 Park Ave. Calimesa, CA 92320)	4:00 pm - 6:00 pm
Monday November 26	Christmas Tree Lighting at the Pond	City of Temecula (Temecula Duck Pond & Veterans Memorial, 28250 Ynez Road Temecula, CA 92591)	7:00 pm - 8:30 pm
Friday November 30	Tree Lighting Ceremony	City of Perris (City Hall Campus, 101 N. D St. Perris, CA 92570)	6:00 pm - 8:00 pm
Saturday December 1	Winter Wonderland and Tree Lighting Event	City of Eastvale (Eastvale Community Center, 13820 Schleisman Road Eastvale, CA 92880)	3:00 pm - 9:00 pm
Sunday December 2	Christmas Tree Lighting Ceremony	City of Canyon Lake (Canyon Lake Lodge, 22200 Canyon Club Drive Canyon Lake, CA 92587)	4:00 pm - 7:00 pm

For additional information about this Program, please contact Anthony Segura at asegura@wrcog.us.

Prior Action:

None.

Fiscal Impact:

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

Attachment:

1. Ninth Amendment to WREP Partnership.

Page Intentionally Left Blank

Item 6.L

Western Riverside Energy Partnership Activities Update

Attachment 1

Ninth Amendment to WREP Partnership

Page Intentionally Left Blank

NINTH AMENDMENT

THIS NINTH AMENDMENT ("NINTH AMENDMENT") TO THE AGREEMENT TO JOINTLY DELIVER THE 2010-2012 WESTERN RIVERSIDE ENERGY LEADER PARTNERSHIP PROGRAM dated April 5, 2010 (as amended, the "Agreement") is effective as of January 1, 2019 (the "Ninth Amendment Effective Date") by and between SOUTHERN CALIFORNIA EDISON COMPANY ("SCE"), AND WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS ("WRCOG"). Terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement. SCE may be referred to individually herein as the "Utility". The Utility and WRCOG may be referred to herein individually as a "Party" or collectively as the "Parties".

RECITALS

WHEREAS, the Parties previously executed the Agreement effective April 5, 2010 and subsequently amended the Agreement eight times to, among other things, extend its term in accordance with the applicable decisions of the California Public Utilities Commission ("Commission");

WHEREAS, on October 28, 2015, the Commission issued its Decision for Energy Efficiency Goals for 2016 and Beyond and Energy Efficiency Rolling Portfolio Mechanics (the "D.15-10-028") which authorized the Energy Efficiency Program rolling portfolio mechanics for 2016 and beyond, and continuation of energy efficiency programs, consistent with the terms and conditions set forth in the Agreement, except as otherwise provided in this Ninth Amendment; and

WHEREAS, the Parties desire to further amend the Agreement as necessary to set forth the 2019 program budget to extend the Agreement through the end of the program cycle beginning January 1, 2019 and ending December 31, 2019 ("2019 Program").

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. To the extent applicable, any reference in the Agreement, as amended, to the "2010-2012 Program" shall also hereby include the 2019 Program.

2. Section 1.14 of the Agreement is hereby deleted in its entirety and replaced with the following, and all references to "PIP" or "Program Implementation Plan" in the Agreement shall be changed to "IP" or "Implementation Plan".

   1.14: IP or Implementation Plan: The Implementation Plan, as may be amended from time to time, specific to this Partnership, together with the SCE Energy Leader Partnership Master IP, which include the anticipated scope of the Program in SCE' service territory, as approved by the Commission. The Implementation Plan is incorporated into this Agreement by reference hereto and will be provided to Program Participant upon written request.

3. Section 10.1.3 of the Agreement is hereby deleted in its entirety and replaced with the following:

   10.1.3. WRCOG Budget Adjustment and Fully Burdened Labor Rate Change

   The Parties acknowledge that this Program is offered in furtherance of the Commission's strategic energy efficiency goals for California and is based on WRCOG's agreement to help achieve such goals for the Partnership. The Partner Budget for WRCOG is set forth in Exhibits B, which exhibits may be modified in the sole discretion of SCE, without formal amendment to the Agreement (notwithstanding Section 24 hereof), consistent with Section 10.1.1 and 10.1.3 hereof. SCE will provide at least 30 days'

notice to WRCOG of the final Partner Budget and any modifications thereto, and any such notice will include a copy of the modified Partner Budget and the effective date of any such modified Partner Budget. Pursuant to this Section, any such amended Exhibit B shall automatically be incorporated into this Agreement and take effect on the effective date stated in the notice from SCE to WRCOG.

WRCOG, in its discretion, may request changes to the Joint Fully Burdened Labor Rate Table to modify the maximum fully burdened labor rate for each title, subject to SCE's approval. If SCE approves the amended Joint Fully Burdened Labor Rate Table, it will issue a new Joint Fully Burdened Labor Rate Table to be incorporated into the Agreement without requiring a formal amendment executed by both Parties, notwithstanding Section 24 hereof.

4. Section 11 of the Agreement is hereby deleted in its entirety and replaced with the following:

11. END DATE FOR PROGRAM AND ADMINISTRATIVE ACTIVITIES

Unless this Agreement is terminated pursuant to Section 25 below, or unless otherwise agreed to by the Parties or so ordered by the Commission, the Parties shall complete all Program Administrative activities (as defined in the IP) and all reporting requirements by no later than March 31, 2020, and all Direct Implementation and Marketing & Outreach activities by no later than December 31, 2019.

5. Section 12 of the Agreement is hereby deleted in its entirety and replaced with the following:

12. FINAL INVOICES

WRCOG must submit final invoices to the Utility no later than March 31, 2020.

6. Section 25.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

25.1 Term. This Agreement shall be effective as of the Effective Date. Subject to Section 37, the Agreement shall continue in effect until June 30, 2020 unless otherwise terminated in accordance with this Agreement, as amended.

7. Exhibit B-1 (ENERGY LEADER PARTNERSHIP PROGRAM 2017-2018 GOALS & PARTNER BUDGET FOR WRCOG) of the Agreement is hereby deleted in its entirety and replaced with the version of Exhibit B (ENERGY LEADER PARTNERSHIP PROGRAM 2019 GOALS & PARTNER BUDGET FOR WRCOG) attached to this Ninth Amendment, which attached versions are incorporated herein by reference and made a part of the Agreement. The Parties acknowledge and agree that if a Commission decision or order alters the amount approved for the 2019 Program budget(s), as set forth in Exhibit B, SCE shall amend Exhibit B to reflect the approved 2019 Program budget in any such Commission decision or order, in accordance with Sections 24 and 30 of the Agreement.

8. This Ninth Amendment may be executed in one or more counterparts and delivered by electronic means, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

9. General. From and after the Ninth Amendment Effective Date, any reference to the Agreement contained in any notice, request, certificate or other instrument, document or agreement shall be deemed to mean the Agreement, as amended by any prior amendments to the Agreement, and this Ninth Amendment. In the event of any conflict between the Agreement, as amended, and this Ninth Amendment, this Ninth Amendment shall prevail. Except as amended by this Ninth Amendment, all provisions of the Agreement, as previously amended, shall remain in full force and effect, and shall govern the actions of the Parties.

Each party is fully responsible for ensuring that the person signing this Ninth Amendment on that party's behalf has the requisite legal authority to do so.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Ninth Amendment to be executed by their duly authorized representatives as of the Ninth Amendment Effective Date.

WESTERN RIVERSIDE ENERGY LEADER PARTNERSHIP:
WRCOG

By: _____

Name Printed: Rick Bishop

Title: Executive Director

Date: _____

APPROVED AS TO FORM
By: _____

Name Printed: Best Best & Krieger

Title: General Counsel
Date: _____

SOUTHERN CALIFORNIA EDISON COMPANY:

SCE
By: _____
Name Printed: Jill C. Anderson

Title: Vice President, Customer Programs and Services

Date: _____

EXHIBIT B

ENERGY LEADER PARTNERSHIP PROGRAM 2019 GOALS & PARTNER BUDGET

Budget Category	2019 Budget and Goal [1]
Administrative	**$10,844**
Marketing & Outreach	**$10,844**
Direct Implementation[2]	**$86,750**
Partner Budget Total Not To Exceed	**$108,438**
Technical Assistance[3]	**$6,199**
Energy Savings (kWh)	**1,326,7375**
Demand Reduction (kW)	**0**

Footnotes:

(1) Budget and Savings Goal are subject to be revised or provided upon CPUC Approval for the funding year.

(2) Direct Implementation does not include Technical Assistance, Strategic Plan, or Incentives.

(3) Technical Assistance (T/A) fund is administrated by SCE for SCE approved T/A projects.

(4) Reported savings are the value used to align partner goals with SCE goals. The values are also used to determine budget based on the budget metrics tool and whether or not savings goals are met.

(5) Reported Savings Calculation:

To determine reported savings, multiply the gross savings value by the realization rate. Depending on the methodology used to determine savings, the following scenarios will apply:

- Any project that utilizes workpaper values to determine savings (i.e.; Express, Direct Install, Midstream) must use a realization rate of 1.0. The reported savings and gross savings will match.
- Any project that utilizes the calculated approach to determine savings (i.e.; Custom, RCx, New Construction) must use a realization rate of 0.9. The reported savings will be 90% of the gross approved savings for these projects.

If the Energy Division selects a project for the Ex Ante Review process, the savings and realization rate will be determined by the Energy Division.

Exhibit B Continued
Fully Burdened Labor Rate Table Effective July 1, 2018

The rates in below table are fully burdened (see footnotes) and serve as maximum billing rates for actual costs incurred for each labor title.

Position	Fully Burdened Rates
Senior Consultant	$300.00
Chief Financial Officer	$228.03
Director of Energy and Environmental Programs	$163.97
Program Manager	$115.58
Staff Analyst II	$67.52
Staff Analyst I #1	$68.44
Staff Analyst I #2	$58.34
Administrative Assistant	$43.03
IT Administrator	Removed
Accounting Analyst	$108.65
Technician	$54.34
Legal Counsel	$307.00
Senior Staff Analyst - Fiscal	$111.35
Program Manager - Fiscal	$140.51

Footnotes:

(1) Fully burdened hourly rates set forth herein which include all related cost including, but not limited to, actual wages, statutory taxes, benefits, insurance, office supplies, office printing, and overhead. Overhead includes, but not limited to, rent, technology, equipment, software, phone, internet, audit services and legal services.

(2) Any reimbursable expenses, including any and all subcontractor expenses, shall be reimbursed at actual cost **without markup**. All reimbursable expenses require written approval, in advance, by the SCE Representative referenced in this contract.

(3) For avoidance of doubt, the fully burdened hourly rates apply to WRCOG's staff and Contractors, as applicable.

(4) The rates set forth in this Exhibit B may increase up to a maximum of 10% above the original applicable rate without written amendment to this Agreement, but will require WRCOG to provide the applicable Utility with written notice of any such increase, including title, dollar amount increase, and percentage increase. Any requested increase of a fully burdened labor rate that is more than 10% shall require written amendment of the Agreement.

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Finance Department Activities Update**

Contact: **Andrew Ruiz, Interim Chief Financial Officer, aruiz@wrcog.us, (951) 405-6741**

Date: **December 3, 2018**

The purpose of this item is to *provide an update on the Fiscal Year (FY) 2017/2018 Agency Audit, Annual TUMF review, and the Agency Financial Report summary through September 2018.*

Requested Action:

1. Receive and File.

FY 2017/2018 Agency Audit

FY 2017/2018 ended on June 30, 2018. WRCOG's annual Agency Interim Audit was completed on May 31, 2018. WRCOG utilizes the services of the audit firm Rogers, Anderson, Malody, and Scott (RAMS) to conduct its financial audit. The first visit is known as the "interim" audit, which involves preliminary audit work that is conducted prior to fiscal year end. The interim audit tasks are conducted in order to compress the period needed to complete the final audit after fiscal year end. In late September, RAMS returned to finish its second round, which is known as "fieldwork." The final Comprehensive Annual Financial Report was issued the week of November 26, 2018. Staff has sent the CAFR to the Finance Directors Committee members to solicit any comments prior to bringing the report to the Administration & Finance Committee in January 2018, with the Executive Committee receiving the report no later than at its February 2019 meeting.

Annual TUMF Review of Participating Agencies

Each year, WRCOG meets with participating members to review TUMF Program fee collections and disbursements to ensure compliance with Program requirements. The FY 2017/2018 reviews began in November; the final reports will be issued to the respective jurisdictions and agencies by December 2018.

Financial Report Summary through September 2018

The Agency Financial Report summary through September 2018, a monthly overview of WRCOG's financial statements in the form of combined Agency revenues and costs, is provided as Attachment 1.

Prior Action:

November 14, 2018: The Administration & Finance Committee received and filed.

Fiscal Impact:

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

Attachment:

1. Financial Report summary – September 2018.

Item 6.M

Finance Department Activities Update

Attachment 1

Financial Report summary – September 2018

Page Intentionally Left Blank

Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending September 30, 2018

Total Agency

	Approved Budget 6/30/2019	Thru Actual 9/30/2018	Remaining Budget 6/30/2019
Revenues			
PACE Residential Revenue	560,000	119,704	440,296
WRELP Phase 2 Revenue	86,750	715	86,035
Statewide HERO Revenue	2,400,000	418,589	1,981,411
WRCOG HERO-Recording Revenue	122,500	54,627	67,873
Statewide Recording Revenue	600,000	253,155	346,845
Regional Streetlights Revenue	300,000	157,500	142,500
NW Clean Cities - Air Quality	132,500	22,500	110,000
General Assembly Revenue	300,000	12,500	287,500
Commerical/Service	110,645	16,551	94,094
Retail	130,094	10,136	119,958
Industrial	272,663	83,334	189,329
Residential/Multi/Single	1,144,551	259,694	884,858
Multi-Family	142,045	33,815	108,230
PACE SB2 Recording Revenue	-	232,630	(232,630)
Interest Revenue - Other	-	34,199	(34,199)
HERO - Other Revenue	-	18,062	(18,062)
Commercial/Service - Non-Admin Portion	2,655,491	413,781	2,241,711
Retail - Non-Admin Portion	3,122,265	253,403	2,868,862
Industrial - Non-Admin Portion	6,543,923	2,083,350	4,460,573
Residential/Multi/Single - Non-Admin Portion	27,469,233	6,492,342	20,976,891
Multi-Family - Non-Admin Portion	3,409,088	845,375	2,563,713
FY 17/18 Carryover Funds Transfer in	945,845	945,845	-
Carryover Funds Transfer in	4,268,757	4,268,757	-
Overhead Transfer in	2,084,260	517,987	1,566,273
Total Revenues and Carryover Funds	**58,937,742**	**17,548,550**	**41,389,192**

Expenditures	Approved	Actual	Remaining
Wages and Benefits	**6/30/2019**	**8/31/2018**	**Budget**
Salaries & Wages	2,987,699	494,831	2,492,868
Fringe Benefits	929,898	217,354	712,545
Overhead Allocation	2,084,260	517,987	1,566,273
Total Wages, Benefits and Overhead	**6,001,857**	**1,230,172**	**4,771,686**
General Legal Services	615,000	151,509	463,491
PERS Unfunded Liability	198,823	152,327	46,496
Audit Svcs - Professional Fees	27,500	700	26,800
Bank Fees	19,000	8,572	10,428
Commissioners Per Diem	62,500	17,250	45,250
Office Lease	400,000	100,444	299,556
WRCOG Auto Fuels Expenses	1,250	256	994
WRCOG Auto Maintenance Expense	-	84	(84)
Parking Validations	27,550	3,125	24,425
Coffee and Supplies	3,000	355	2,645

Event Support	102,369	76,999	25,370
Program/Office Supplies	24,150	6,511	17,639
Computer Equipment/Supplies	8,000	13	7,987
Computer Software	30,000	450	29,550
Rent/Lease Equipment	30,000	3,943	26,057
Membership Dues	33,000	15,420	17,580
Meeting Support Services	9,681	1,072	8,609
Postage	6,015	1,407	4,608
Other Household Exp	750	48	702
COG HERO Share Expenses	15,000	272	14,728
Storage	16,000	1,521	14,479
Printing Services	4,607	73	4,534
Computer Hardware	14,100	1,636	12,464
Communications - Regular Phone	15,000	3,500	11,500
Communications - Cellular Phones	21,000	2,374	18,626
Communications - Computer Services	57,500	10,782	46,718
Communications - Web Site	8,000	6,742	1,258
Equipment Maintenance - General	10,000	2,201	7,799
Equipment Maintenance - Comp/Software	21,000	1,776	19,224
Insurance - Gen/Busi Liab/Auto	79,850	73,917	5,933
PACE Residential Recording	727,500	84,117	643,383
Seminars/Conferences	13,150	779	12,371
Travel - Mileage Reimbursement	23,600	2,056	21,544
Travel - Ground Transportation	4,800	334	4,466
Travel - Airfare	11,500	1,098	10,402
Lodging	8,750	697	8,053
Meals	8,150	251	7,899
Other Incidentals	9,950	2,624	7,326
Training	9,250	149	9,101
Advertisement Radio & TV Ads	49,500	1,020	48,480
Consulting Labor	3,102,373	318,557	2,783,816
TUMF Project Reimbursement	38,000,000	10,733,380	27,266,620
BEYOND Program REIMB	2,799,015	141,260	2,657,755
Misc Equipment Purchased	3,000	2,735	265
Total General Operations	**47,676,204**	**11,934,336**	**35,741,868**
Total Expenditures and Overhead	**53,678,061**	**13,164,508**	**40,513,553**

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **WRCOG Committees and Agency Activities Update**

Contact: **Rick Bishop, Executive Director, rbishop@wrcog.us, (951) 405-6701**

Date: **December 3, 2018**

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

Requested Action:

1. Receive and file.

Attached are summaries of actions and activities from recent WRCOG standing Committee meetings that have taken place since the November 2018 Executive Committee meeting.

Prior Action:

None.

Fiscal Impact:

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

Attachments:

1. WRCOG November Committees Activities Matrix (Action items only).
2. Summary recaps from November Committee meetings.

Page Intentionally Left Blank

Item 6.N

WRCOG Committees and Agency Activities Update

Attachment 1

WRCOG November Committees Activities Matrix (Action items only)

Page Intentionally Left Blank

WRCOG Committees Activities Matrix (Action Items Only)	Executive Committee	Administration & Finance Committee	Technical Advisory Committee	Planning Directors Committee	Public Works Committee	Finance Directors Committee	Solid Waste Committee
Date of Meeting:	**11/5/18**	**11/14/18**	**Did not meet**	**11/8/18**	**11/8/18**	**Did not meet**	**Did not meet**
Current Programs / Initiatives:							
Regional Streetlights Program	Received and filed.	n/a		n/a	n/a		
Property Assessed Clean Energy (PACE) Programs	Deferred the judicial foreclosure proceedings on the delinquent residential parcels of the 2017/2018 tax year and to assign WRCOG's collection rights to a third party; 2) authorized the Executive Director to enter in a Purchase and Sales Agreement with the third party for the purchase of the delinquent assessment receivables; 3) adopted WRCOG Resolution Number 41-18;	n/a		n/a	n/a		
Community Choice Aggregation (CCA) / Western Community Energy	Received and filed.	n/a		n/a	n/a		
TUMF	Approved the draft 2019 Northwest Zone TIP; authorized Executive Director to execute multiple TUMF reimbursement Agreements; Recommended Executive Director apporve minor revisions to the TUMF Zone boundaries to better align with the County;	n/a		n/a	n/a		
Fellowship	n/a	n/a		n/a	n/a		
New Programs / Initiatives:							
EXPERIENCE	n/a	Recommended that the Executive Committee authorize staff to proceed with next phase in the implementation of the Experience Center; 2) recommended that the Executive Committee direct staff to negotiate a Memorandum of Understanding (MOU) with the selected host jurisdiction to implement the Experience Center; 3) recommended that the Executive Committee direct staff to include a cost sharing mechanism in the MOU to limit future WRCOG expenditures to share staffing costs to support Experience; 4) recommended that the Executive Committee direct staff to include specific milestones for the development and implementation of the MOU, including deadlines related to funding commitment and site selection; 5) recommended that the Executive Committee appoint two of its members to represent WRCOG in negotiating an MOU with the selected Experience host jurisdiction;		n/a	n/a		

Page Intentionally Left Blank

Item 6.N

WRCOG Committees and Agency Activities Update

Attachment 2

Summary recaps from November Committee meetings

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee Meeting Recap
November 5, 2018

Following is a summary of key items discussed at the last Executive Committee meeting. To review the full agenda and staff reports for all items, click here. To review the meeting PowerPoint presentations, click here.

TUMF Program Activities Update

- Executive Committee members approved the draft 2019 Northwest Zone Transportation Improvement Program.
- The Executive Committee authorized reimbursement agreements for 11 projects including: Ethanac Road Widening in Perris; Second Street Widening, Sixth Street Widening, and Hamner Avenue Widening in Norco; Temescal Canyon Road Widening to County of Riverside; and Market Street Bridge over the Santa Ana River in Jurupa Valley.
- The Executive Committee directed staff to invite all Riverside County Supervisors who represent a specific TUMF Zone to Zone Committee meetings and approved a minor revision to the TUMF Zone boundaries to better align with Riverside County Supervisorial Districts.

Amendment to WRCOG Joint Powers Agreement (JPA) and Bylaws

- The Executive Committee adopted a resolution to make a series of technical changes to the WRCOG Bylaws. The changes are minor and are largely focused on clarifications.
- Similar technical changes were made to the JPA; the Executive Committee directed staff to forward the JPA Amendment to WRCOG member agencies for approval. The JPA Amendment will require a 2/3 vote from member agencies to take effect.

BEYOND Framework Fund – Deadline Extended

- The Executive Committee approved a one-time extension for member agencies to expend all BEYOND grant funds to March 30, 2019.
- If any BEYOND funds remain after the final deadline, they will be reallocated through the Fiscal Year 2019/2020 Agency Budgeting process.
- Member agencies are encouraged to contact staff as soon as possible with any questions regarding BEYOND.

Riverside County Superintendent of Schools Takes Lead in Promoting "Million Deliberate Acts of Kindness

- Riverside County Superintendent of Schools, Dr. Judy White, encouraged all communities in the County to support the "Million Deliberate Acts of Kindness" Program. More information is available at www.rcoe.us/kindness.
- This Program is aimed at fostering kindness across the community, with the goal that it will spread into the classroom and reduce instances of bullying.

PACE Programs Activities Updates

- In October 2018, WRCOG PACE Programs surpassed $2 billion in funded projects.
- WRCOG PACE assessments experienced a low level of delinquency - 0.7% this year, compared to a rate of 2.43% for the County of Riverside.
- The Executive Committee acted to defer judicial foreclosure proceedings on delinquent residential parcels and assign WRCOG's collection rights to a third party, First National Assets.

Regional Toolkit for Transportation Infrastructure

- WRCOG is leading a collaborative effort with San Bernardino County Transportation Authority to enhance the region's resiliency to climate-related hazards, namely fire, flood, drought, and extreme heat.
- A Toolkit will be developed will include the creation of city-level hazard and evacuation maps, a resilient transportation infrastructure guidebook, a model adaptation and resiliency general plan element, and a pilot effort to assess the true community cost of a roadway outage to better inform decision makers of how to prioritize future investments.

Next Meeting

- The next Executive Committee meeting is scheduled for Monday, December 3, 2018, at 2:00 p.m., at the County of Riverside Administrative Center, 1st Floor Board Chambers.

Western Riverside Council of Governments
Administration & Finance Committee
Meeting Recap
November 14, 2018

Following is a summary of major items discussed at the November 14, 2018, Administration & Finance Committee meeting. To review the full agenda and staff reports, please click here. To review the meeting PowerPoint Presentation, please click here.

MOU with the Riverside County Superintendent of Schools

- The Riverside County Superintendent of Schools has been an ex-officio voting member of WRCOG's Executive and Technical Advisory Committees since November 2011. The Committee recommended that the Executive Committee approve an extension to the MOU with the Riverside County Superintendent of Schools for a 3-year term.

Fiscal Year 2018/2019 1st Quarter Budget Amendment Approved

- Total Agency expenditures are being increased by $9,262; these expenditures will be offset by unused funds and/or decreased expenditures in other categories.
- It is expected that the $9262 will be recouped.

Appointments to Various Committees

- WRCOG is responsible for a number of appointments to outside agencies. The Committee provided recommendations for appointments to SCAG, CALCOG, SANDAG, the Santa Ana Watershed Project Authority, and the Riverside County Waste Management Local Task Force, to be considered by the Executive Committee during its December meeting.

Allocation of Funds from the Beaumont Settlement

- The Committee recommended that existing and future funds received from the Beaumont 3rd party settlements be allocated via the existing (current at the time) Nexus Study formula; that staff coordinate with the Riverside County Transportation Commission to add projects to the list of Regional TUMF Projects in the Pass Zone.
- WRCOG will recoup its legal costs from the settlement fees collected.

Experience Regional Innovation Center Feasibility Analysis

- An informative video was shared with the Committee on the months-long process of determining whether or not the Experience concept is feasible.
- The Committee recommended that the Executive Committee authorize staff to proceed with next phase in the implementation of the Experience Center; negotiate an MOU with the selected host jurisdiction to implement the Experience Center; include a cost sharing mechanism in the MOU to limit future WRCOG expenditures to share staffing costs to support Experience; include specific milestones for the development and implementation of the MOU, including deadlines related to funding commitment and site selection; and recommended that the Executive Committee appoint two of its members to represent WRCOG in negotiating an MOU with the selected Experience host jurisdiction.

Regional Energy Network (REN) Proposal

- The structure of local government partnerships are being changed dramatically by the CPUC.
- Regional Energy Networks are the next evolution to local government partnerships and can operate programs local government partnerships are in danger of losing (such as the existing Western Riverside Energy Partnership – WREP).
- The Committee recommended that the Executive Committee authorize the Executive Director to develop a joint cooperation agreement between CVAG, SBCOG, and WRCOG; and directed the Executive Director to release a Request for Proposals for feasibility & implementation of a Regional Energy Network.

Next Meeting

- The Administration & Finance Committee meeting scheduled for Wednesday, December 12, 2018, is hereby adjourned. The next Administration & Finance Committee meeting is scheduled for Wednesday, January 9, 2019, at 12:00 p.m. in WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.

Western Riverside Council of Governments
Planning Directors Committee
Meeting Recap
November 8, 2018

Following is a summary of major items discussed at the November 8, 2018, Planning Directors Committee meeting. To review the full agenda and staff reports, please click here. To review the meeting PowerPoint presentation, please click here.

Sidewalk Vendors and Micro Enterprise Home Kitchens

- Senate Bill (SB) 946 legalizes sidewalk vending for both food and merchandise sales. Effective January 1, 2019, cities and unincorporated Riverside County areas will be required to allow sidewalk vending, but can require vendors to obtain permits.
- Member agencies are encouraged to work with Riverside County Department of Environmental Health (DEH) to ensure that member agency staff are aware of approved and unapproved food operations.
- Assembly Bill (AB) 626 allows the permitting of "microenterprise home kitchen operations," a previously impermissible activity. Per current statute, the Riverside County Department of Environmental Health (DEH) is the entity responsible for issuing permits for Riverside County.
    - Based on the current understanding of the law, DEH would issue one ruling that would be applicable to all cities and unincorporated areas within the County.
- On December 4, 2018, the Riverside County Board of Supervisors (BOS) will receive a report on the potential impacts of AB 626.
- DEH encourages WRCOG member agencies to **submit comment letters by December 3, 2018** in order for their position to be considered in the materials presented at the December 4 hearing. Letters can be submitted directly to the BOS or to Keith Jones at DEH, by emailing kjones@rivco.org.
- For more information on either topic, please see the PowerPoint slides linked above or contact Keith Jones.

Subregional Permitting, Licensing, Inspections, And Enforcement Service Platform

- ViewPoint Cloud is an online permitting platform that can assist local government organizations streamline building and code enforcement efforts through a customizable online portal for any type of licensing or permitting.
- For more information on this platform, please contact Andy Navarro, Government Relations Manager, at anavarro@viewpointcloud.com or (617) 577- 9000, ext. 112.

SB 743 Pathway to Implementation Study Update

- Senate Bill (SB) 743 was signed into law in September 2013 with the goal of changing transportation impact analyses as part of CEQA compliance. SB 743 eliminates auto delay, level of service, and other similar measures of vehicular capacity or traffic congestion as a basis for determining significant impacts.

- WRCOG has received grant funding from the Southern California Association of Governments (SCAG) to develop a Transportation Impact Analysis (TIA) for the entire subregion that would assist member agencies in implementing SB 743.
- WRCOG has conducted multiple outreach workshops with member agency staff, consultants, lawyers, and developers to gather feedback on the study. The consultant team and WRCOG staff will continue developing a series of recommended approaches to bring forward to the PDC and PWC in early 2019.
- Staff recommends member agencies consider adopting a single VMT calculation method and integrating that into all future planning documents, including General Plan Updates.

Next Meeting

The next meeting of the WRCOG Planning Directors Committee is scheduled for Thursday, December 13, 2018 at 9:00 a.m., in WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.

Western Riverside Council of Governments
Public Works Committee
Meeting Recap
November 8, 2018

Following is a summary of major items discussed at the November 8, 2018, Public Works Committee meeting. To review the full agenda and staff reports, please click here. To review the meeting PowerPoint presentation, please click here.

Regional Climate Adaptation Toolkit Update – Infrastructure Guidebook

- WRCOG, in partnership with the San Bernardino County Transportation Commission (SBCTA) is organizing a Regional Climate Toolkit and is seeking input on the development of a Climate Resilient Transportation Infrastructure Guidebook (Guidebook).
- The Committee discussed various topics of interest including, but not limited to, the impacts of changing climate on infrastructure maintenance, pavement, street standards, and conflicting regulations.
- The draft Guidebook will be presented to the Committee in the first quarter of 2019.

Alternative Fuel Corridors Tool Roll-Out Discussion

- A final version of a GIS Alternative Fuel Corridors Tool was presented to the Committee. The Tool was developed based on data from WRCOG member agencies.
- The tool is intended to assist WRCOG Clean Cities Coalition participants with future planning efforts related to fueling station siting for alternative fuel vehicles and other related tasks.

Interactive TUMF Network Update

- The interactive web page for the TUMF Network was presented to the Committee. The webpage will allow users to determine whether facilities they are constructing are eligible for TUMF funding and the amount of funding that may be available based on the maximum TUMF share.
- WRCOG anticipates this tool will be available by December 2018.

TUMF Zone Revenues Update

- An update on recent TUMF collections was presented to the Committee. Staff reviewed the TUMF revenue projection methodology that is used to determine future revenue for development of the Zone Transportation Improvement Programs.

Project Prioritization: Pass Zone Case Study

- Staff provided information regarding a Pass Zone project prioritization effort currently underway and encouraged the Committee to consider whether a similar effort would be beneficial to other TUMF Zones.

Next Meeting

The next meeting of the WRCOG Public Works Committee is scheduled for Thursday, December 13, 2018, at 2:00 p.m., in WRCOG's office, located at 3390 University Avenue, Suite 450, Riverside.

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Regional Streetlight Program Activities Update**

Contact: **Tyler Masters, Program Manager, tmasters@wrcog.us, (951) 405-6732**

Date: **December 3, 2018**

The purpose of this item is to *provide an update on the Western Riverside County streetlight acquisition and transition processes, incentives and rebates, and the City of Murrieta's acquisition and LED Sample Area.*

Requested Action:

1. Receive and file.

WRCOG's Regional Streetlight Program will assist participating member jurisdictions with the acquisition and retrofit of their Southern California Edison (SCE)-owned and operated streetlights. The Program has three phases: 1) streetlight inventory, 2) procurement and retrofitting of streetlights, and 3) ongoing operations and maintenance. A major objective of the Program is to provide cost savings to participating member jurisdictions.

Background

At the direction of the Executive Committee, WRCOG developed a Regional Streetlight Program allowing jurisdictions (and Community Service Districts) to purchase streetlights within their boundaries that are currently owned and operated by SCE. Once the streetlights are owned by the member jurisdiction, the lamps will be retrofitted to Light Emitting Diode (LED) technology to provide more economical operations (i.e., lower maintenance costs and reduced energy use).

Streetlight Transition Process

WRCOG receives regular transition timelines and updates from SCE indicating the estimated timing that SCE will initiate and analyze each streetlight pole as part of the acquisition process. Known as the SCE Inventory and Inspection Process (or inventory true-up process), SCE estimated the entire region would have the transition started in October 2018. At the end of the Process, each jurisdiction will be provided with their own streetlight report containing important information from the amount of sellable streetlight systems, streetlight location, pole material, etc. To date, the Cities of Eastvale, Hemet, Lake Elsinore, Murrieta, Perris and San Jacinto, as well as the Jurupa Community Services District have completed the Process and have received their streetlight data for review.

The table below estimates the Program milestones for each jurisdiction from the period SCE's Inventory and Inspection Process commences all the way through retrofit completion for the participants. Note that the table provides different scenario timelines based on alternating milestones of SCE's process as well as the pace of retrofit and fixture delivery.

On September 27, 2018, the City of Murrieta reached a large milestone in the Program after completing the SCE Streetlight transition process and acquiring over 6,400 streetlights within the City limits. Murrieta became the first City within Western Riverside County to acquire their lights from SCE, with the remaining 10 jurisdictions expected to follow in late 2018 / early 2019.

10.31.18	SCE Transition start (1)	SCE Transition closing (2)		City approval + payment of invoice (3)	Retrofit Start (4)		Retrofit End (Siemens @ 3,000 poles/month) (5)		Retrofit End (Siemens @ 1,000/Month)	
		Scenario #1 @ 5 months	Scenario #2 @ 3.5 months		Scenario #1	Scenario #2	Scenario #1	Scenario #2	Scenario #1	Scenario #2
Eastvale	6/1/18	10/29/18	9/14/18	+ 150 days	3/28/19	2/11/19	05/07/19	03/23/19	07/27/19	06/12/19
Hemet	6/4/18	11/1/18	9/17/18		3/31/19	2/14/19	04/17/19	03/03/19	05/22/19	04/07/19
JCSD	6/4/18	11/1/18	9/17/18		3/31/19	2/14/19	04/18/19	03/04/19	05/26/19	04/11/19
Lake Elsinore	6/4/18	12/1/18	10/17/18		4/30/19	3/16/19	05/31/19	04/16/19	08/03/19	06/19/19
Menifee	Q4 2018	2/28/19	1/14/19		7/28/19	6/13/19	09/29/19	08/15/19	02/02/20	12/19/19
Moreno Valley	9/1/18	1/29/19	12/15/18		6/28/19	5/14/19	09/24/19	08/10/19	03/18/20	02/02/20
Murrieta	complete	10/12/18	9/12/18		3/11/19	2/9/19	05/14/19		09/20/19	
Perris	7/17/18	12/14/18	10/30/18		5/13/19	3/29/19	06/23/19	05/09/19	09/14/19	07/31/19
San Jacinto	7/17/18	12/14/18	10/30/18		5/13/19	3/29/19	05/31/19	04/16/19	07/06/19	05/22/19
Temecula	Est. 12/1/2018	4/30/19	3/16/19		9/27/19	8/13/19	12/09/19	10/25/19	05/04/20	03/20/20
Wildomar	9/4/18	2/1/19	12/18/18		7/1/19	5/17/19	07/15/19	05/31/19	08/12/19	06/28/19

1. SCE transition start: Initiation of streetlight inventory and inspection process and final verification of streetlight systems. Completed by SCE's third party contractor.
2. SCE transition closing: SCE has indicated they can transition between 2,000 to 4,000 lights per month. As such, the table above estimated closing dates using two scenarios. Scenario #1 illustrates a conservative approach where SCE can audit the jurisdiction's poles in 5 months and Scenario #2 illustrates an expedited approach where SCE can audit the jurisdiction's poles in 3½ months.
3. City approval & LED fixture selection & delivery: Estimated timeframe for city review of streetlight audit & submittal of payment for streetlight purchase to SCE, and for LED fixture selection, manufacture and delivery.
4. Retrofit start: Estimated LED retrofit start date. Retrofit start date will be based on Footnote #2 audit approach.
5. Retrofit end: Estimated LED retrofit end date. Two Scenarios are shown with WRCOG's O&M vendor, Siemens, providing a 3,000 poles per month retrofit and 1,000 poles per month retrofit scenario(s). SCE rebate / incentive applications will be submitted in phases during the whole retrofit process.

Incentive / Rebate Update

Through the Regional Streetlight Program, WRCOG also supports member jurisdictions when they apply for rebates from SCE as they look to retrofit the streetlights with qualified LEDs. SCE provides incentives to jurisdictions in the form of a rebate check for implementing qualified energy efficiency projects throughout their facilities that successfully reduce energy consumption and utility costs.

In late 2017, SCE made the determination to grandfather the 2015 express incentives for WRCOG jurisdictions participating in streetlight acquisition. Generally, the impact to incentives in recent years has been a decrease in the rebate amounts. Although the incentives continue to change for other customers in SCE's service territory, WRCOG participating jurisdictions will not be affected. This means that participating jurisdictions will receive, on average, a rebate amount 26% higher than current incentives.

The incentive process determines rebates on a dollar-per-fixture amount. Once the jurisdiction has selected their qualified LED fixtures, they can simply multiply the rebate-per-fixture by the number of fixtures to be purchased to get an approximate total rebate amount. The table below identifies the dollar-per-fixture rebates offered by SCE.

Measure Name	Rebate $* (2015)
Up to 28 Watt Street Light LED replacing 50 Watt High Pressure Sodium	$90
29 to 43 Watt Street Light LED replacing 70 Watt High Pressure Sodium	$98
44 to 54 Watt Street Light LED replacing 100 Watt High Pressure Sodium	$114
55 to 90 Watt Street Light LED replacing 150 Watt High Pressure Sodium	$132
91 to 130 Watt Street Light LED replacing 200 Watt High Pressure Sodium	$140
131 to 190 Watt Street Light LED replacing 250 Watt High Pressure Sodium	$212
191 to 222 Watt Street Light LED replacing 310 Watt High Pressure Sodium	$264
223 to 260 Watt Street Light LED replacing 400 Watt High Pressure Sodium	$208

*Rebate per fixture amounts are subject to change by Southern California Edison (SCE).

Murrieta's Acquisition, Sample Area, and "Before and After" Pictures

On September 27, 2018, the City of Murrieta became the first city within Western Riverside County to acquire its streetlights from SCE. Immediately following the acquisition of approximately 6,400 streetlights the City initiated the start of the maintenance agreement with Siemens to receive Operations & Maintenance services of existing streetlight systems while the City selects LED fixtures.

To support the identification of appropriate fixtures for various roadway types and communities, the City implemented an LED Sample Area within its boundaries. Fifteen LED fixtures of varying wattages and photometric patterns were installed on a few different scenarios consisting of a residential street, residential cul-de-sac, a collector / major street, and an arterial road. This allowed City management and staff to analyze the Sample Area scenarios to determine which fixtures best suited the community and roadways. Additionally, WRCOG hosted tours of the Murrieta Sample Area for other jurisdiction management and staff to assess and possibly select the sample fixtures for their own communities.

WRCOG took the opportunity of the Sample Area to capture "before and after" pictures, video, and drone footage of the existing and LED streetlights, providing a visual comparison of existing street lighting on a scenario and LED street lighting of that same scenario. Below are two pictures of the same residential street in the Murrieta Sample Area, the first with existing street lighting and the second with GE LED fixtures:



55 watt Low-Pressure Sodium (LPS) streetlight in a Murrieta neighborhood



14 watt LED streetlight in the same Murrieta neighborhood

Prior Action:

November 5, 2018: The Executive Committee received and filed.

Fiscal Impact:

Activities for the Regional Streetlight Program are included in the Agency's adopted Fiscal Year 2018/2019 Budget in the Energy Department.

Attachment:

None.

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Santa Ana Watershed Project Authority One Water One Watershed Activities Update**

Contact: **Laura Roughton, Committee Representative, lroughton@jurupavalley.org, (951) 332-6464**

Date: **December 3, 2018**

The purpose of this item is to *inform the Committee of activities occurring on the Santa Ana Watershed Project Authority One Water One Watershed (OWOW) Steering Committee.*

Requested Action:

1. Receive and file.

Laura Roughton, Councilmember, City of Jurupa Valley, serves as the WRCOG representative on the Santa Ana Watershed Project Authority OWOW Steering Committee. Attached are the meeting minutes from the meeting held on July 26, 2018, and recaps for the meetings held on September 27, 2018, and November 15, 2018.

Prior Action:

August 6, 2018: The Executive Committee received and filed.

Fiscal Impact:

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

Attachments:

1. OWOW meeting minutes for July 26, 2018.
2. OWOW meeting recap of September 27, 2018.
3. OWOW meeting recap of November 15, 2018.

Page Intentionally Left Blank

Item 6.P

Santa Ana Watershed Project Authority One Water One Watershed Activities Update

Attachment 1

OWOW meeting minutes for July 26, 2018

Page Intentionally Left Blank

...A United Voice for the Santa Ana River Watershed

OWOW STEERING COMMITTEE

REGULAR MEETING MINUTES

JULY 26, 2018

Committee Members	
Santa Ana Watershed Project Authority Representatives	
Jasmin A. Hall, Inland Empire Utilities Agency	Present
Bruce Whitaker, Orange County Water District	Present
County Supervisor Representatives	
Marion Ashley, Riverside County Board of Supervisors	Absent
Shawn Nelson, Orange County Board of Supervisors	Absent
Curt Hagman, San Bernardino County Board of Supervisors	Present
County City Representatives	
San Bernardino County City Representative [Vacant]	Vacant
Laura Roughton, Councilmember, City of Jurupa Valley	Absent
Jose Solorio, Councilmember, City of Santa Ana	Present
Business Committee Representative	
James Hessler, Director of West Coast Operations, Altman Plants	Present
Environmental Committee Representative	
Garry W. Brown, Convener, President, Orange County Coastkeeper	Present
Regional Water Quality Control Board Representative	
Linda Ackerman, Vice Chair, Santa Ana Regional Water Quality Control Board	Present [11:17 a.m.]

Others Present	
SAWPA COMMISSIONERS:	None.
SAWPA STAFF:	Rich Haller, Karen Williams, Dean Unger, Mike Antos, Ian Achimore, Kelly Berry
OTHERS PRESENT:	Michael Markus, General Manager, Orange County Water

The OWOW Steering Committee meeting was called to order at 11:04 a.m. by Jasmin A. Hall, Convener, at the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

1. **WELCOME AND INTRODUCTIONS**
   Roll call was duly noted and recorded.

2. **PUBLIC COMMENTS**
   Michael Markus, General Manager, Orange County Water District, spoke regarding the July 13, 2018 correspondence from OC Stakeholders to the OWOW Steering Committee, a copy of which was provided to

the Committee, staff and members of the public. Markus requested the matters contained in the letter placed on the September 27, 2018 OWOW Steering Committee agenda as an actionable item. Convener Hall directed staff to follow through accordingly.

3. APPROVAL OF MEETING MINUTES – May 24, 2018

MOVED, approve the May 24, 2018 meeting minutes.

Result:	**Adopted (Passed)**
Motion/Second:	Solorio/Hall
Ayes:	Hagman, Hall, Hessler, Solorio, Whitaker
Nays:	None
Abstentions:	Brown
Absent:	Ackerman, Ashley, Nelson, Roughton

4. INFORMATIONAL ITEMS

A. Final Report from Departing CivicSpark Water Fellows (SC#2018.14)

Mike Antos introduced Miki Helman and Ryan Hirano who provided a PowerPoint presentation about their past year of service in the CivicSpark Fellows Program supporting the Disadvantaged Community Involvement (DCI) Program and OWOW. Both were presented with certificates of appreciation for their work over this past year.

Committee Member Ackerman arrived at 11:17 a.m., during the discussion of Agenda Item No. 4.A.

This item was for informational purposes; no action was taken on Agenda Item No. 4.A.

B. OWOW Program Status (SC#2018.15)

Mike Antos provided a PowerPoint presentation with a status report on the OWOW Program.

Committee Member Solorio requested staff ensure that OWOW Steering Committee members are fully advised and updated relative to the August 14, 2018 Technical Advisory Committee (TAC) meeting, including any staff work or reports completed before or after that meeting. As he has shared in the past, Committee Member Solorio continues to have concerns we are spending a great deal of money but not engaging and talking with the correct people, noting the lack of interviews conducted with Orange County elected representatives who do represent disadvantaged communities; thus, programs developed may not be the most beneficial to disadvantaged communities. Solorio voiced concern regarding money spent on homeless programs, stating programs should not encourage homelessness within the Santa Ana River or Watershed. Solorio stated the timing of the TAC continuing with additional work before the final strengths and needs assessment seems to be out of order.

Antos noted the TAC would make recommendations to the OWOW Steering Committee, which would in turn make recommendations to the SAWPA Commission. The TAC is there to advise relative to which direction to proceed. Antos stated work within homelessness has been budgeted as a separate task within the strengths and needs assessment; avenues of spending continue to be researched and considered. Antos advised the strengths and needs assessment is expected to be completed in October of 2018.

This item was for informational purposes; no action was taken on Agenda Item No. 4.B.

5. BUSINESS ITEMS

A. Proposition 1 IRWM Grant Program – Project Rating & Ranking System (SC#2018.16)

Mike Antos provided a PowerPoint presentation on Proposition 1 IRWM Grant Program project Rating & Ranking System. There was a brief discussion about the benefit classes and indicators set forth in the PowerPoint regarding how projects that did not fall under the provided indicators would be weighted – could a project propose a different indicator? Antos replied the indicators must remain static since it is a non-qualitative tool. Project submissions must work within the indicators set forth, and others must agree with how the projects will work within them.

Committee Member Hessler initiated a discussion about a return on investment component of the rating and rankings. Antos replied it did not currently; Hessler voiced concern we may create additional supply but at a very high cost. Antos noted the system is not set up to solve that challenge but that it is within the authority of the OWOW Steering Committee to take this into consideration when considering projects; the Committee has within its authority the ability to rationalize overriding the rating and ranking indicators before making project recommendations to the SAWPA Commission.

Committee Member Hall asked if the grant timeline is set or will it change; Antos replied he doesn't believe it will change again but he cannot be certain. Solorio noted the timeline issue is critical because none of the future bonds have IRWM money; this could possibly be the last sizable chunk of money for the next decade. Antos noted we continue to make the case with DWR that we would like our local decision making to set the timeline of when we receive and spend this grant funding, not two rounds of funding. There are other stakeholders like us who are requesting two rounds. We are hopeful we will secure funding flexible to the needs of the region.

Solorio voiced his support; however, if there is a tweak necessary it should come back to the Committee.

MOVED,

1. Approve minor changes to the 2016 OWOW Steering Committee approved Eligibility Criteria and adopt as the Proposition 1 IRWM Implementation Grant Eligibility – OWOW Program Policy;
2. Approve and adopt the OWOW Program Proposition 1 IRWM Implementation grants Rating & Ranking system, inclusive of eligibility criteria, benefit classes and scoring procedures, for evaluating projects which submit to compete for the Proposition 1 IRWM Implementation grants expected to be released by DWR this Fall; and,
3. Approve and adopt the described system whereby large budget projects compete against one another and small budget projects compete against one another for separate allocations of grant funds.

Result:	**Adopted (Unanimously)**
Motion/Second:	Hagman/Hessler
Ayes:	Ackerman, Brown, Hagman, Hall, Hessler, Solorio, Whitaker
Nays:	None
Abstentions:	None
Absent:	Ashley, Nelson, Roughton

B. OWOW "Let's Connect" (SC#2018.17)

Mike Antos provided a PowerPoint presentation. Committee Member Hall asked about feedback on the *Let's Connect* initiative. Antos replied thus far feedback has been supportive.

This item was for informational purposes; no action was taken on Agenda Item No. 5.B.

6. ADJOURNMENT

The meeting came to a close at 12:25 p.m.

APPROVED: September 27, 2018

Ronald W. Sullivan, Convener

Attest:

Kelly Berry, CMC, Clerk of the Board

Item 6.P

Santa Ana Watershed Project Authority One Water One Watershed Activities Update

Attachment 2

OWOW meeting recap of September 27, 2018

Page Intentionally Left Blank

OWOW Steering Committee
Sept. 27, 2018

Informational Items:

Pacific Institute Update on Activities in the Santa Ana River Watershed-
Heather Cooley, Director of Research at the Pacific Institute shared about their ongoing work with businesses in the Santa Ana River Watershed in setting corporate water targets and installing sustainable landscapes on their properties. Both efforts have conferred with SAWPA, and the work to establish water targets has engaged with the goals developed by stakeholders and adopted by the OWOW Steering Committee for the OWOW Plan Update 2018. Sustainable landscapes provide multiple benefits environmentally and business motivations include financial savings, reputation and public perception as well as social responsibility.

OWOW Program Update-
The three components of the OWOW Program include the OWOW Plan Update 2018, the Disadvantaged Communities Involvement Program and the Proposition 1 IRWM Implementation Grants. The Plan Update containing nine chapters and themed “Moving Forward Together” is slightly behind schedule but should still be completed within the overall timing goal. The Disadvantaged Communities Involvement Program contains three Program Elements. Element 1, Strength and Needs Assessment is nearing completion and has added listening sessions being planned for the coming months. Element 2, Education/Engagement has items underway such as Internships and “Trust the Tap” and will share the results with elected leaders in the Spring. Element 3, Project Development is developing a system for selection and prioritizing projects for Technical Assistance. The IRWM Implementation Grant latest schedule from DWR was presented regarding the draft Project Solicitation Package (PSP) for public comment, Final PSP release and Rounds 1-3 of the Grant Process. The State of the Santa Ana River Watershed Conference was announced for March 29, 2019.

Business Item:

The OC Plan and the July 13, 2018 letter from the North/Central OC Watershed Management Area Agencies-
The Committee received a presentation by representatives of the North/Central Orange County Watershed Management Area about the OC Plan 2018, an integrated regional water management plan. The following requests were made to the OWOW Steering Committee through their July 13, 2018 letter:
-Allocation of 38% of total available grant funds
-Incorporation of the OC Plan as a separate chapter (not just an appendix)~ within the OWOW Plan
-Allow for OC Projects to be ranked and prioritized for IRWM funding through the OC Plan process (as opposed to the OWOW 2018 process)
Discussion including request by the Steering Committee for updated population numbers as well as more stakeholder conversation regarding the OC requests before a decision is made. Any decision was delayed at least until the next Steering Committee meeting. There was discussion surrounding the thought that the requests do not line up with the ideals of IRWM and The OWOW Plan.

Page Intentionally Left Blank

Item 6.P

Santa Ana Watershed Project Authority One Water One Watershed Activities Update

Attachment 3

OWOW meeting recap of November 15, 2018

Page Intentionally Left Blank

OWOW Steering Committee
Nov. 15, 2018

Information Items:

OWOW Plan Update-
The Steering Committee received a presentation about the Pubic Review Draft of the One Water One Watershed (OWOW) Plan Update 2018 which included the announcement that the Plan Public Review Draft is assembled and formatted for release to a public comment period beginning November 19, 2018. The review period will end on Dec. 14, 2018. Comments received will be processed by SAWPA Staff and the final and complete OWOW Plan Update 2018 will be assembled for the review and approval of the OOW Steering committee at the January 27, 2019 regular meeting barring any scheduling delays. Following the Steering Committee recommendation, the Plan will be formally noticed for a public hearing before the SAWPA Commission at their meeting following the Committee recommendation.

OWOW Program Update-
The Steering Committee received an update about OWOW Proposition 1 IRWM Implementation Grants Program activities announcing that public comments are due by Dec 14, 2018 regarding the Draft Project Solicitation Package. A Pre-application Workshop will be held by Feb. 1 with location to be determined. At this point there will be two Rounds of funding each for General and for Disadvantaged Communities. SAWPA is prepared to open the Call for Projects Seeking Grants on Nov. 26, 2018 with an online tool for data submission. A Workshop will be offered called “Let’s Connect Through OWOW” held to consider whether any of the project proponents would be interested in merging their projects with others to improve competitiveness, multi-benefit and multi-jurisdictional partnerships allowing for revision to their projects. There will be a Public Review period of proposed projects and programs ending Feb. 25, 2019. A Public Release of Draft Ranked Projects will be on Feb. 28, 2019 and Final Application Package submitted by June of 2019.

Due to a lack of quorum, only the Information Items were heard. Convener Ron Sullivan is stepping down after 10+ years of service on the OWOW Steering Committee.

Page Intentionally Left Blank

Western Riverside Council of Governments
Executive Committee

Staff Report

Subject: **Experience Regional Innovation Center Feasibility Analysis Activities Update and Selection of Host Site**

Contact: **Andrea Howard, Program Manager, ahoward@wrcog.us, (951) 405-6751**

Date: **December 3, 2018**

The purpose of this item is to *provide an update on the Feasibility Analysis for Experience, the concept of a regional innovation center, which would provide a host of community resources, promote sustainable practices, and showcase the assets and capabilities of the subregion; and to solicit direction from the Committee regarding next steps.*

Requested Actions:

1. Accept the Experience Feasibility Analysis as to form.
2. Authorize staff to proceed with the next phase regarding the implementation of the Experience Center.
3. Select the City of Riverside as the host jurisdiction.
4. Direct staff to negotiate a Memorandum of Understanding (MOU) with the City of Riverside to implement the Experience Center.
5. Direct staff to include a cost sharing mechanism in the MOU to limit future WRCOG expenditures to share staffing costs to support Experience.
6. Direct staff to include specific milestones for the development and implementation of the MOU, including deadlines related to funding commitment and site selection.
7. Appoint two of members to represent WRCOG in negotiating an MOU with the City of Riverside.

Background

Western Riverside County is one of the fastest growing subregions in the State of California and the United States. During past WRCOG visioning efforts, subregional leaders identified six interrelated components critically important to achieving a premier quality of life in Western Riverside County and incorporated these into the WRCOG Economic Development & Sustainability Framework (the Framework), which serves as a guide to grow strategically and achieve a vibrant and livable community. The six Framework goal areas pertain to: 1) Economic Development; 2) Water and Wastewater; 3) Education; 4) Health; 5) Transportation; and 6) Energy and the Environment.

In 2016, staff introduced the concept of Experience, envisioned as a vibrant, regional center with a variety of visitor attractions that could also serve as a sustainability demonstration center, innovation hub, business incubator, and more. The aim of Experience is to showcase the assets and capabilities of inland southern California while serving community needs and advancing the Framework goal areas. Experience would be designed to draw audiences for a variety of purposes by including such elements as an education center, farm-to-fork café, and meeting center; once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects, and more. Experience would borrow inspiration from similar concepts from across the globe including, but not limited to the Los Angeles Cleantech Incubator (LACI) in Los Angeles, the Frontier Project in Rancho Cucamonga, the Southern California Edison Energy Education Center in Irwindale, and Alegria Farms in Irvine.

Feasibility Analysis Conducted for Candidate Sites

On October 2, 2017, the Executive Committee authorized staff to enter into a contract with PlaceWorks consultants to perform a comprehensive Feasibility Analysis of the Experience concept. Over the last year, the Analysis has conducted a thorough review of relevant models, a demand analysis for the Center and Program elements, analysis of governance options and partnership opportunities, a financial analysis, review of potential funding opportunities, and comparative evaluation of three potential host sites in the Cities of Perris, Riverside, and Temecula.

Final Feasibility Analysis: The draft Feasibility Analysis, included as Attachment 1 to this report, includes eight chapters detailing (1) an introduction to the Analysis generally and summary account of the Steering Committee process; (2) the finalized goals, mission and vision; (3) program elements prioritized for inclusion at Experience; (4) details on the prospective host sites; (5) financial analysis, and funding and financing options, specific to each prospective host site; (6) Experience governance options; (7) evaluation of each site; and (8) recommended next steps. Overall, this document serves to demonstrate that the Experience concept is indeed feasible and provides practical information on how to move beyond the concept and bring Experience to western Riverside.

Each major milestone of the Analysis was guided by a Steering Committee, consisting of eight voting members from WRCOG's Executive Committee, and many regional stakeholders who served in an advisory capacity and included member agency staff, utility partners, and university representatives. Below is a summary of the primary actions and activities of each of the Steering Committee meetings.

Steering Committee Meeting #1 – January 22, 2018: Meeting 1 began with an introduction to the Experience concept and review of some of the relevant models to provide Steering Committee participants with an idea of the variety of programming features others have instituted in the areas of education, community services, research, and economic development. Attendees then engaged in a discussion of the goals for Experience, building from the list staff and consultants drafted at the kick-off meeting.

Steering Committee Meeting #2 – February 26, 2018: Meeting 2 included presentations from representatives of three different regional models, who shared their experiences from the Lyle Center at Cal Poly Pomona, the Los Angeles Cleantech Incubator, and the Cucamonga Valley Water District's Frontier Project. Attendees asked the presenters questions to identify relevant lessons to apply to Experience. The meeting was followed by a tour of the Cucamonga Valley Water District's Frontier Project.

Steering Committee Meeting #3 – March 19, 2018: Meeting 3 included a presentation from University of California, Riverside (UCR) and Eastern Municipal Water District (EMWD) on partnership opportunities for Experience, with a particular focus on educational institutions at all levels (K-12 to University). UCR has several programs and research areas which could be synergistic with Experience, including sustainability innovations through the Bourns College of Engineering – Center for Environmental Research and Technology (CE-CERT). Similarly, EMWD shared success stories piloting various educational partnership models.

Meeting participants then reviewed and refined the Experience Mission Statement, the first draft of which was borne out of discussions in the first Steering Committee meeting. Finally, participants engaged in a thoughtful discussion on the Program elements to include in the next phase of the Experience analysis.

Steering Committee Meeting #4 – June 18, 2018: Meeting 4 began with a recap of an optional tour organized to the Los Angeles Cleantech Incubator (LACI) and an overview of the various types of jobs-related economic development models, including incubators, accelerators, co-working, and maker space and those activities already occurring in the subregion. The Experience consultant team then shared their initial findings from the market demand analysis, including reviewing the economic benefits and costs of potential Program elements. Finally, meeting participants weighed in on the site selection criteria that will be used to assess the strength of the site hosts under consideration. Among the criteria selected, participants selected financial sustainability, regional economic impact, and market demand as top priorities for the chosen site.

Steering Committee Meeting #5 – August 20, 2018: Meeting 5 was largely devoted to reviewing the draft mission and vision statements, goals, and priority Program elements, as selected by, or developed with input from, the Steering Committee. The purpose of the review was to ensure that these four pillars of Experience were mutually supportive of each other. The previously identified goals for Experience were still endorsed by the Steering Committee. However, it was recognized that one component of the mission and goals that was not supported by the prioritized Program elements was economic development. To address this inconsistency, the Steering Committee opted to add to the priority programming list a best practices incubator space, which would be a fully functional incubator, though not intended to serve a large number of businesses, but instead aimed at modeling best practices in fostering business development.

Steering Committee Meeting #6 – September 17, 2018: Meeting 6 centered around presentations from the prospective host agencies – the Cities of Riverside and Temecula, and the Eastern Municipal Water District. Each of the three agencies have worked with staff to identify a suitable mix of Program elements for inclusion on their site, summarized in Appendix D of Attachment 1, along with an "Entry-Level" and "Everything-Level" generic site – these were developed by the consultant team to provide an idea of both the minimum space and financial requirements of a viable site, and the maximum space and financial requirements of a program that included all Program elements prioritized by the Steering Committee.

The consultant team provided a general overview of the conceptual cost estimate framework including assumptions, inclusions, and exclusions applied to all jurisdictions' program goals and then presented a preliminary pro forma analysis for each site. For the three locations, the upfront outside funding needed ranged from $21M to $26M. Once Experience is operational, the analysis estimates that necessary annual outside funding would range from $200k – $305k. Outside funding for both upfront capital costs and annual operating costs could be some combination of grants, federal, state, and local government funding, sponsors and corporate contributions, philanthropists, and, especially for the upfront costs, direct state appropriation.

Steering Committee Meeting #7 – October 22, 2018: Meeting 7 began with a review of several potential governance options and a discussion of the pros and cons associated with each. Steering Committee participants recognized that the final governance model would likely be determined later on, but that developing an MOU between WRCOG and the endorsed host site would be an appropriate first step to implementing Experience.

Steering Committee participants were then guided through a ranking of each site against the top ten site selection criteria, chosen by the Steering Committee in Meeting 4, and weighted, based on the number of votes each criteria received. Rankings were informed by the research and findings of the Feasibility Analysis.

Staff and consultants' site analysis resulted in the City of Riverside leading, followed closely by the City of Perris site at Eastern Municipal Water District (EMWD), and then by the City of Temecula. Participants provided thoughtful feedback regarding additional considerations that should be factored into the site comparisons, but ultimately endorsed the recommended ranking with five votes for the Riverside site and two votes for the EMWD site. Chapter 7 of the Feasibility Analysis (Attachment 1) provides a detailed account of the site selection criteria ranking process and information on the Feasibility Analysis findings that were considered through the ranking process.

The Steering Committee concluded with a final review and endorsement of the vision for Experience, which now reads: "Western Riverside County's showcase of opportunity and innovation." The vision complements the Mission Statement, finalized in Meeting 5: "Experience connects our community with public, private, nonprofit, and education sectors to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world."

Experience Site Selection

A cornerstone of the Feasibility Analysis was vetting prospective host agencies. Selecting the host agency early on was identified as essential for multiple reasons: (1) Market factors vary between and even within cities, as such, certain components of the Feasibility Analysis, including the demand analysis, cost analysis, and even the program element selection, were influenced by the context of each site; (2) though envisioned as

a regional center, a successful Experience would require significant support and commitments from the host jurisdiction; and (3) fundraising experts consulted throughout the Feasibility Analysis have advised that Experience will be better positioned to attract and secure financial support if the program is associated with a specific site.

In late 2017, WRCOG issued a call for interested member agencies to volunteer be considered to host Experience. Three member agencies responded to that call: the Cities and Riverside and Temecula, and Eastern Municipal Water District (EMWD). Staff from each of these three agencies, as well as from the City of Perris, where EMWD's headquarters are located, engaged with WRCOG and the consultant team early, providing data and information to the project team as needed, and, as described above, under the "Steering Committee Meeting #6" summary, directing the program element selection for their particular jurisdiction, taking into account the Steering Committee's selections as well as the existing needs and assets specific to the jurisdiction.

The selected program elements, as well as host jurisdiction specific data collected through each phase of the analysis, informed the ranking of each site, using the site selection criteria chosen by the Steering Committee, shown in Chapter 7 of Attachment 1 (For more information on the process of determining the selection criteria, see Steering Committee Meeting #4 summary above). Through this process, the City of Riverside ranked highest, with a score of 129.6, followed closely by the EMWD site with a score of 112.5, and then the City of Temecula, with a score of 82. A majority of the Steering Committee members (5 of 7 voting members present) endorsed the rankings and recommended that the Executive Committee select the City of Riverside to host Experience; 2 voting members favored moving forward with the EMWD site.

Out of consideration for the Brown Act, site selection specifically was not eligible for discussion at the Administration & Finance Committee meeting, which is why this matter is being forwarded directly from the Steering Committee to the Executive Committee.

Experience Next Steps

As the Feasibility Analysis concluded that an Experience concept is feasible in the WRCOG subregion, the project team has identified an overall set of requisite next steps to move Experience toward implementation. First, once a final host agency is selected, WRCOG and the host agency would enter into an MOU, which would outline each agency's responsibilities over the following 1 - 2 years to support Experience implementation. Through conversations with the Steering Committee and input from the project consultants, it is envisioned that these responsibilities might include the following commitments from WRCOG:

1. Staff support to recruit and hire a new staff or consultant position to lead the fundraising and program development activities;
2. Office space for the Experience staff position;
3. Oversight and administrative support for the Experience staff position; and
4. A financial contribution to cover no more than half of the first year's cost for a Consultant or Contract Employee who would be dedicated to Experience.

It should be noted that WRCOG currently does not have additional funding in the Fiscal Year 2018/2019 Agency Budget to support Experience beyond a limited level. Providing limited staff oversight, administrative support, and office space can be accommodated within the existing WRCOG resources. Securing funds for a dedicated consultant or contract employee for Experience would be more challenging; the funding source to contribute to the costs of that position would be finalized once WRCOG begins the process of preparing the next Fiscal Year budget in March of 2019.

The contributions that would likely be proposed to come from the host agency could include, but not be limited to the following:

1. A matching contribution to fund the Experience staff position;
2. Partial oversight of the Experience staff position (if desired);

3. Staffing to perform all necessary due diligence to finalize selection of a specific site to house Experience, and covering any related expenses; and
4. Securing the selected site through such means as entering into a lease, option to buy, or similar.

The contractor or employee leading program and fund development is seen as a critical component for Experience to achieve its goals for the subregion. While the fundraising element is necessary for the idea to move forward, program development is equally important as it would be the difference between a mere demonstration facility and a truly vibrant, regional asset. The need for early, calculated program planning was identified through the Feasibility Analysis' existing model research and found to have universal applications to the outcome of these models. It is anticipated that the correct mix of programs has the potential to generate funding to support on-going operations of Experience so the facility can be self-sustaining. In addition to direct program revenues, these funds can come through corporate sponsorships, industry partnerships, grants, and similar sources. Therefore, selecting the proper person with the appropriate skill-set will be critical to ensuring the long-term success of Experience.

The Feasibility Analysis revealed that each of the three prospective host sites would be viable places to host a successful Experience with the top two sites in particular – Riverside and EMWD – closely ranked. Taking this into account, staff propose instituting specific deadlines for both the finalization of the MOU with the selected host agency and the completion of certain milestones within the MOU. These deadlines would help to ensure that if the program is not moving forward with the selected site, the opportunity to move Experience forward at another site would not be missed. Proposed deadlines are as follows: finalize the MOU by March 31, 2019; financial contributions confirmed by no later than July 1, 2019, in coordination with finalizing the FY 2019/2020 Agency budgets; final site selection by July 1, 2019; and site secured by no later than December 31, 2019.

It is anticipated that the consultant or contract employee position would require between 1 and 2 years to assemble a sufficient pipeline of grants, financing, partnerships, etc. to move into the construction phase. Construction would require approximately 1 to 2 years to complete and would be followed by ongoing maintenance and operations. Chapter 8 "Recommendations" to the Feasibility Analysis (Attachment 1) includes a complete description of all subsequent phases of Experience and the primary tasks associated with each.

Prior Action:

November 14, 2018: The Administration & Finance Committee recommended that the Executive Committee authorize staff to proceed with next phase regarding the implementation of the Experience Center; 2) recommended that the Executive Committee direct staff to negotiate a Memorandum of Understanding (MOU) with the selected host jurisdiction to implement the Experience Center; 3) recommended that the Executive Committee direct staff to include a cost sharing mechanism in the MOU to limit future WRCOG expenditures to share staffing costs to support Experience; 4) recommended that the Executive Committee direct staff to include specific milestones for the development and implementation of the MOU, including deadlines related to funding commitment and site selection; and 5) recommended that the Executive Committee appoint two of its members to represent WRCOG in negotiating an MOU with the selected Experience host jurisdiction.

Fiscal Impact:

Additional expenditures for EXPERIENCE will be covered by unspent BEYOND project funds (if available) and programmed into the Fiscal Year 2019/2020 Agency Budget.

Attachment:

1. Draft Feasibility Analysis.

Page Intentionally Left Blank

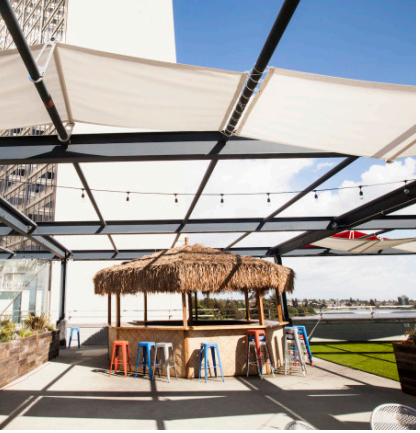
Item 7.A

Experience Regional Innovation Center Feasibility Analysis Activities Update

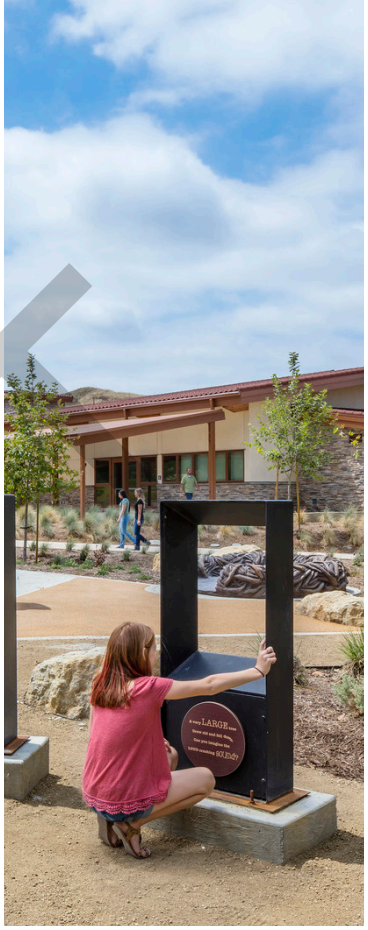
Attachment 1

Draft Feasibility Analysis

Page Intentionally Left Blank















EXPERIENCE FEASIBILITY STUDY

DRAFT

November 14, 2018

WRCOG
Western Riverside Council of Governments

ACKNOWLEDGMENTS

Many individuals contributed to the successful completion of the Experience Feasibility Study. The efforts of those noted below are especially appreciated.

STEERING COMMITTEE

VOTING MEMBERS

Debbie Franklin – *City of Banning*

Adam Rush – *City of Eastvale*

Laura Roughton – *City of Jurupa Valley*

Kelly Seyarto – *City of Murrieta*

Kevin Bash – *City of Norco*

Rusty Bailey – *City of Riverside*

Ron Sullivan – *Eastern Municipal Water District*

Judy White – *Riverside County Office of Education*

MEMBER AGENCY STAFF

Rick Sandzimier – *City of Moreno Valley*

Clara Miramontes – *City of Perris*

Dr. Grace Williams – *City of Perris*

Michelle Ogawa – *City of Perris*

Brian Mugu – *City of Perris*

Al Zelinka – *City of Riverside*

Rafael Guzman – *City of Riverside*

Moises Lopez – *City of Riverside*

Prasad Mahale – *City of Riverside*

Sherry Shimshock – *City of Riverside*

Luke Watson – *City of Temecula*

Matt Peters – *City of Temecula*

Jolene Walsh – *Eastern Municipal Water District*

Paul Jones – *Eastern Municipal Water District*

Melanie Neiman – *Eastern Municipal Water District*

Danielle Coates – *Eastern Municipal Water District*

Mike Barney – *Eastern Municipal Water District*

Rohan Kuruppu – *Riverside Transit Agency*

COMMUNITY STAKEHOLDERS

Alexandra Orozco – *University of California, Riverside, Research and Economic Development Office of Technology Partnership*

Nicole Cleary – *University of California, Riverside, College of Engineering, Center for Environmental Research and Technology*

Becky Estrella – *SoCalGas*

Ana Aceves – *SoCalGas*

Darla Bryant – *SoCalGas*

Jennifer Vaughn – *SoCalGas*

Joanna Chang – *Southern California Edison*

Lea Deesing – *City of Riverside*

Dianne Leibrandt – *Riverside University Health System, Public Health*

WRCOG STAFF & PROJECT TEAM

Rick Bishop – *WRCOG*

Chris Gray – *WRCOG*

Andrea Howard – *WRCOG*

Rachel Hom – *WRCOG*

Cynthia Mejia – *WRCOG*

Alexa Washburn – *National CORE*

Blaise & Associates

Christian Lomeli – *Promeli Videoworks*

Prepared by

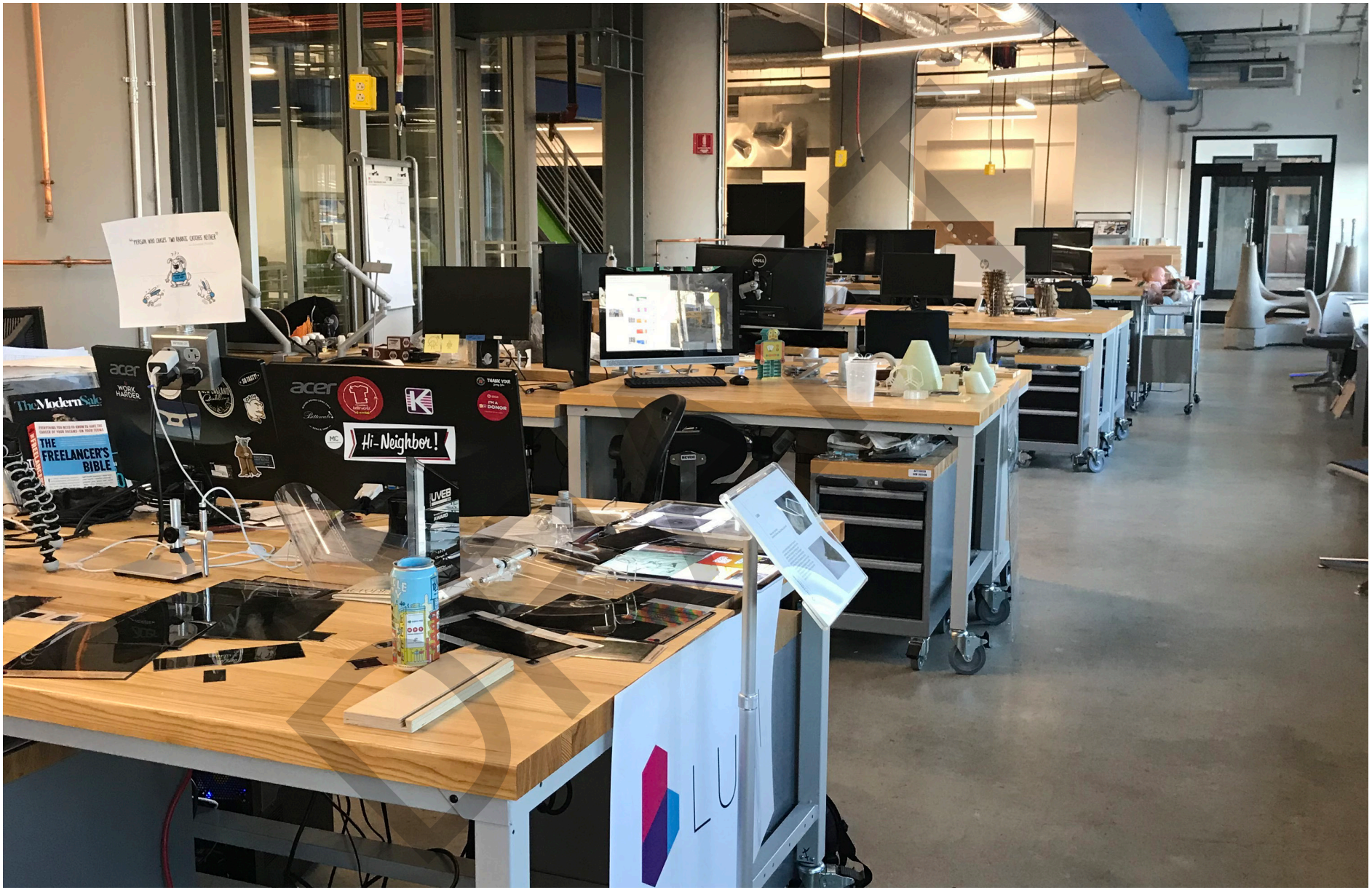
PLACEWORKS

HMC ARCHITECTS

Prepared for

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

DRAFT



AutoDesk Build Space, Boston MA

TABLE OF CONTENTS

1. Introduction.....1

Purpose of this Study - Future Path for Experience.....3
Potential Host Jurisdictions/Agencies.....3
Role of the Steering Committee.....4
Organization of the Document.....8

2. Mission, Vision, and Goals for Experience.....10

Goals.....11
Mission Statement.....14
Vision Statement.....14

3. Programming for Experience.....15

Relevant Models.....16
Program Selection Process.....20
Market Analysis.....22
Entry and Everything-Level Programs.....27

4. Site Alternatives.....30

City of Perris/EMWD.....31
City of Riverside.....32
City of Temecula.....33

5. Financial Analysis.....34

Cost Analysis.....35
Financial Feasibility Summary.....36
Financing/Funding Options.....38
Other Funding Sources.....39

6. Governance Options.....40

Governance Options.....41

7. Site Evaluation Process.....44

Site Selection Criteria.....45
Site Section Evaluation.....46
Site Design Concept.....46

8. Recommendations.....50

Phase 2: Memorandum of Understanding (18-24 Months).....51
Phase 3: Formal Organization (12-24 Months).....51
Phase 4: Implementation (2+ Years).....51
Phase 5: Operations/Fundraising (Ongoing).....51

Appendices.....52

A. Steering Committee Meeting Summaries
B. Relevant Models Matrix
C. Market Analysis
D. Program Elements for Host Jurisdictions
E. Presentation Materials from Host Jurisdictions
F. Pro-Forma Analysis
G. Site Evaluation Matrix

DRAFT



Springs Preserve, Las Vegas NV

Intentionally left blank.

DRAFT







DRAFT

CHAPTER 1

INTRODUCTION

This report summarizes a nine-month process to determine the viability of a regional innovation center called "Experience." In 2010, WRCOG adopted the Economic Development & Sustainability Framework, which recognizes six interrelated goal areas for achieving a high quality of life and regional economic growth—transportation, water and wastewater, energy and environment, economic development, health, and education. The concept of Experience is for a physical manifestation of the Framework, with various elements that advance the Framework goals. Experience is envisioned as a space that would draw audiences for a variety of purposes by including such elements as education opportunities, demonstration areas, event/meeting space, an incubator/accelerator for emerging companies, co-working space, information center on Western Riverside jurisdictions and businesses, outdoor gardens/urban agriculture, farm-to-fork café, and other public assets. Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects, and more.

Figure 1-1: Original Concept Graphic for Experience



DRAFT

The overall conclusion from this initial feasibility analysis is that the Experience concept is viable in western Riverside County and has strong support from the Steering Committee, provided that the next phase of work results in a funding/financial path with a high level of certainty.

PURPOSE OF THIS STUDY - FUTURE PATH FOR EXPERIENCE

On October 2, 2017, WRCOG's Executive Committee approved the preparation of a feasibility analysis for Experience. The purpose of the analysis is to explore the viability of bringing Experience to western Riverside County. Working in close coordination with a steering committee, this study is intended to: define the mission and vision for Experience; conceptually determine the desired indoor and outdoor elements of the place; evaluate feasibility based on a high-level financial and market analysis; discuss alternative governance structures for overseeing the overall implementation and operation of Experience; and select a host jurisdiction for the location. Finally, this study is intended to include recommendations to the Executive Committee for undertaking next steps.

POTENTIAL HOST JURISDICTIONS/AGENCIES

Prior to undertaking this analysis, WRCOG reached out to member agencies in western Riverside County to ask who would be interested in hosting Experience in their community. Three member agencies responded—the City of Riverside, City of Temecula, and Eastern Municipal Water District (EMWD) in the City of Perris.

RIVERSIDE

The City of Riverside is the most populous city in the county, with over 300,000 residents. It is home to multiple institutions of higher learning, including the University of California, Riverside (UCR), and will soon house the latest California Air Resources Board (CARB) research and vehicle testing facility. In January 2018, the City announced the designation of a three-square-mile area, stretching from North Main Street in downtown to UCR, as an innovation district. The City's interest in hosting Experience was driven by the potential synergy between the Experience concept and the new innovation district.

TEMECULA

For the past several years, Ambient Communities developers have been working with the City of Temecula to finalize plans and secure approval for the Altair project. The Altair project is a 270-acre specific plan area just south of the city's Old Town destination hotspot that will include parks, trails, housing, and neighborhood retail; it also includes an

DRAFT

area at the southern end of the plan area earmarked for a 51-acre open space preserve and a four-acre site for civic use. The City envisioned that four-acre civic use as a potential home for Experience—within walking distance of Old Town and with stunning vistas in a natural setting.

EMWD

EMWD's headquarters in Perris are adjacent to currently vacant properties that the District has harbored ambitions of turning into a regional demonstration center to promote sustainable living in western Riverside. When WRCOG announced its Experience vision, EMWD was the first member agency to express interest in partnering on the project, even before the call for interest was released.

ROLE OF THE STEERING COMMITTEE

A steering committee was formed to provide ideas and direction at each step of the feasibility analysis. Eight members of WRCOG's Executive Committee participated as voting members of the Steering Committee, and member agency staff and regional stakeholders served in an advisory capacity. The regional stakeholder invitees included representatives from Southern California Edison (SCE), Southern California Gas (SoCal Gas), UCR, and Riverside University Health System-Public Health (RUHS-PH). The meetings were scheduled to coincide with major milestones of the feasibility analysis, and participants were asked to provide specific feedback to inform each stage of work. Their dedication to the process provided the continuity necessary to define what Experience should be, its mission, and key elements for how it should be managed. The free exchange of ideas and concerns, and the knowledge that participants brought to the table resulted in a high level of agreement at each stage in the process. A "high level" of agreement does not necessarily mean 100 percent agreement, but consensus of the majority of those who participated. Important differences of opinion have been documented in this report.

A detailed summary of each meeting is in Appendix A. The eight meetings covered the following topics/discussion items/decisions:

MEETING #1

This meeting focused on a discussion of the original concept for Experience and the types of existing models to be evaluated. An initial list of relevant models described the purpose of each facility, site details, space details, programming, and funding/financing techniques. Additional models were recommended to be studied. The committee then focused attention on what Experience should be, defining the goals for Experience and developing a "working" mission statement.

MEETING #2

The purpose was to learn about the management and operations of the Lyle Center, Los Angeles Cleantech Incubator (LACI), and Frontier Project. Representatives from each of these organizations gave

Figure 1-2: Steering Committee Meeting #1



DRAFT

Figure 1-3: Images from the Frontier Project Tour







presentations on their facility—how it got started, how it was financed, the governance structure, partners, programs, activities, services offered, visitors served, and demand for their facilities and program. Each was also asked to share the lessons learned along the way and the performance measures used to track their success. Following the presentations, the Steering Committee was given a tour of the Frontier Project in Rancho Cucamonga.

MEETING #3

This meeting started with a discussion on opportunities for Experience to become a collaborative effort with UCR, CARB, and others. Representatives from UCR gave a presentation on their Entrepreneur program and the potential for Experience to showcase innovations and provide additional incubator/accelerator space as well as maker space. The conclusion was that Experience could be the "public face" of what is happening in the academic and business world related to innovation. The Committee was asked to participate in a survey of potential indoor and outdoor program elements for Experience. Committee members identified which elements were "must have," "like to have," "neutral," or "not necessary."

MEETING #4

Between meetings 3 and 4, Committee participants had the opportunity to participate in a tour of LACI to get a first-hand look at the programs and spaces offered. Meeting 4 began with a debriefing of impressions from those who were able to tour LACI. Then the Committee was given a presentation on market demand and the economic benefit of potential program elements. The market assessment was provided for the three alternative host locations: City of Riverside, City of Temecula, and EMWD/City of Perris. Next, the Committee defined and prioritized evaluation criteria to be used to assess the potential locations.

MEETING #5

This was a "check-in" meeting with the Committee to revisit/confirm the mission and vision statements, the goals, and the must-have/like-to-have program elements. Determining that the ongoing theme of economic development was not supported through the originally selected program elements, the Committee directed the project team to include an incubator/accelerator component. The meeting also included a presentation on potential governance options. The focus was on the primary

DRAFT

Figure 1-4: Images of LACI's Interior







governance structure for Experience, with the understanding that individual functions (e.g., incubator, demonstration area, or restaurant) can be delegated to separate organizations, the private sector, or other public institutions.

MEETING #6

The potential host jurisdictions/agencies were given an opportunity to present their ideas for bringing Experience to their community. The City of Riverside, the City of Temecula, and EMWD each presented how they would achieve the mission and goals for Experience, and their unique vision for programming and being integrated with the larger community. These presentations were followed by a discussion on the results of a preliminary financial analysis. This analysis compared projected costs and revenues for Experience in each of the jurisdictions based on the local market conditions and host-specific program elements. It was intended as a starting point for understanding the magnitude of outside contributions necessary to construct and operate Experience. The meeting concluded with a presentation on the types of funding and financing options that could be available.

Figure 1-5: LACI Layout and Interior Configuration



DRAFT

MEETING #7

The final Steering Committee meeting included a more detailed presentation on potential governance structures. The committee provided direction on the future role of WRCOG as part of a lead organization. The meeting then focused on final site selection. Each of the jurisdictions and their initial site options were evaluated based on the previously identified site selection criteria. WRCOG staff and the consultant team presented their scoring and recommendation, which ranked the Riverside site highest, followed by EMWD's site and then Temecula's. Of the seven voting members from WRCOG's Executive Committee present, five voted to recommend the Riverside site and two voted for EMWD/ City of Perris. A revised vision statement for Experience was also presented and generally endorsed by the Committee.

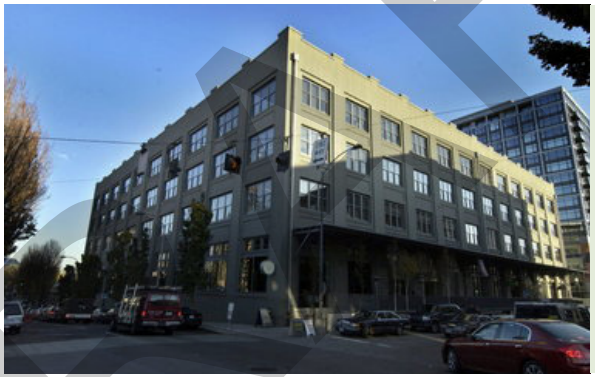
Figure 1-6: Relevant Model - Urban Agriculture



Riverbed Farm - Anaheim, CA

The Riverbed Farm was founded in 2008 and aims to help people grow fresh food for a healthier and more sustainable lifestyle. Their mission is to empower and educate various parts of the community by teaching responsible agricultural methods. The site is leased by the City of Anaheim for a nominal fee, repurposing a forgotten piece of land into a vibrant community hotspot.

Figure 1-7: Relevant Model - Building/Internal Programming



PIE (Portland Incubator Experiment) - Portland, OR

The Portland Incubator Experiment — known more commonly as PIE — is an ongoing collaboration between the startup community and Wieden+Kennedy, the largest privately held creative advertising agency in the world. PIE has served as a curated coworking space, a community event space, a startup accelerator, a flashpoint for corporate innovation, and a home-away-from-home for startup types — and the startup curious — from around the world.

Figure 1-8: Relevant Model - Indoor/Outdoor Programming

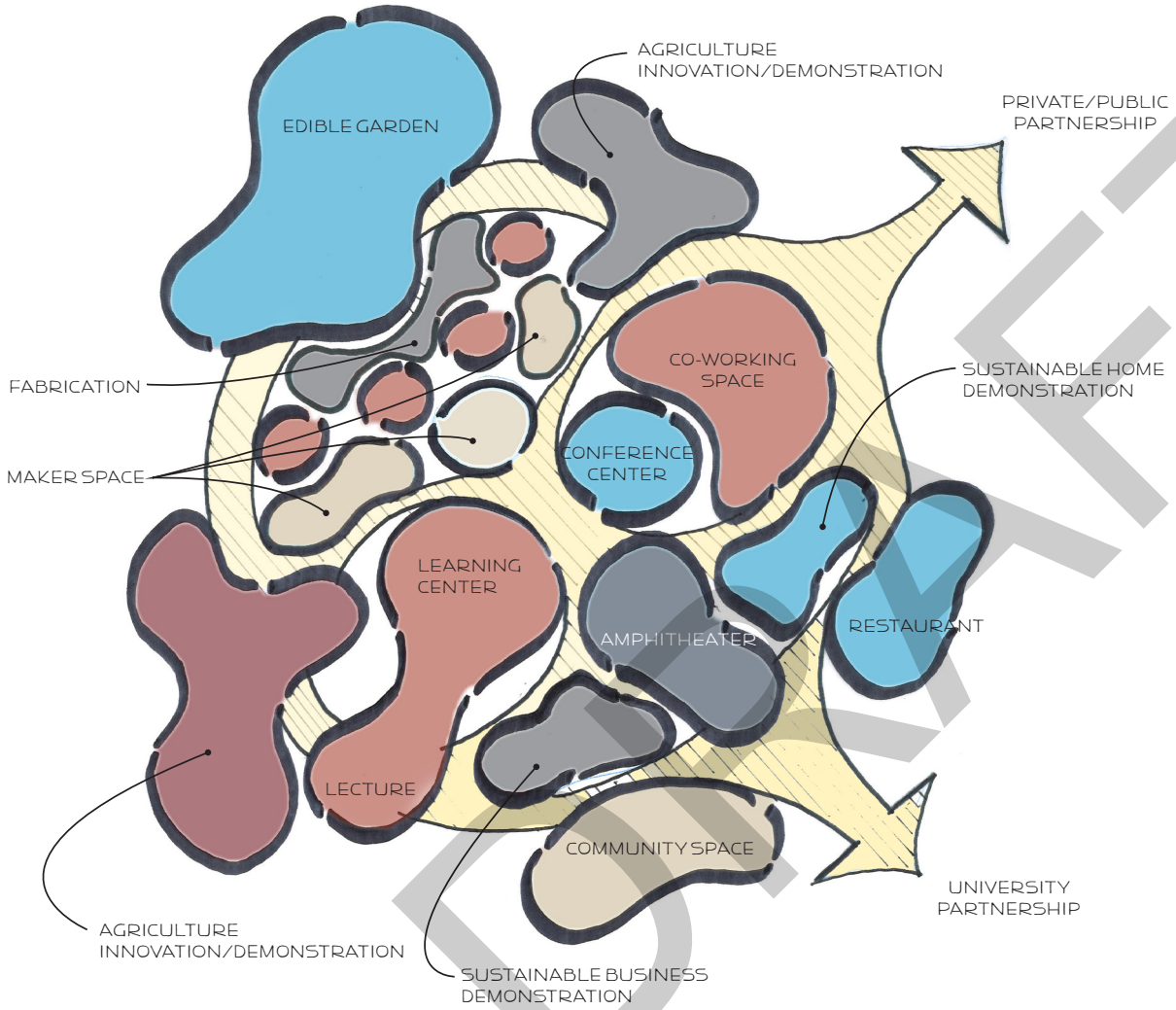


Springs Preserve - Las Vegas, NV

The Springs Preserve is a cultural institution designed to foster culture and community, inspire environmental stewardship, and celebrate the vibrant history of the Las Vegas Valley. The Preserve features museums, galleries, outdoor events, a colorful botanical garden and an interpretive trail system through a scenic wetland habitat hotspot.

DRAFT

Figure 1-9: Experience Concept Drawing



DRAFT

ORGANIZATION OF THE DOCUMENT

This report is organized around each of the major subjects explored during this process. It lays out the chronology of the discussions and tasks that ultimately culminates in a recommended site/host jurisdiction and recommendations for next steps.

CHAPTER 1

Introduction - Focuses on the origin of Experience and role of the Steering Committee in defining the future aspects of Experience.

CHAPTER 2

Mission, Vision, and Goals - The mission statement describes what Experience is and what it accomplishes. The vision statement is a high-level expression of what a successful future looks like for Experience and western Riverside County. Finally, this chapter includes the goals for Experience in terms of its programming, operations, and impact on the broader community.

CHAPTER 3

Programming for Experience - Covers the research involved in exploring the indoor and

outdoor programming options, including the market analysis. Also presents the program selection process, the entry- and everything-level programs, and the programs selected by the potential host jurisdictions/agencies.

CHAPTER 4

Site Alternatives - Covers the initial sites that have been identified by the potential host jurisdictions.

CHAPTER 5

Financial Analysis - Summarizes a high-level cost analysis prepared for the acquisition of land, construction of the site, and operating costs for Experience. Also includes an assessment of potential revenues based on programming. Funding and financing options are also presented, including grant readiness by jurisdiction.

CHAPTER 6

Governance Options - Describes the alternative governance structures for Experience, including the range of nonprofit and for-profit partnership options.

CHAPTER 7

Site Evaluation Options - Presents the site evaluation and ranking criteria selected by the Steering Committee. Also describes the site selection process, an illustrative site design concept, and final recommendation.

CHAPTER 8

Recommendations - Documents the final recommendations, including a memorandum of understanding (MOU) process with the selected jurisdiction. Also includes a scope of work for the next phase, which would focus on securing a final site and funding/financing.

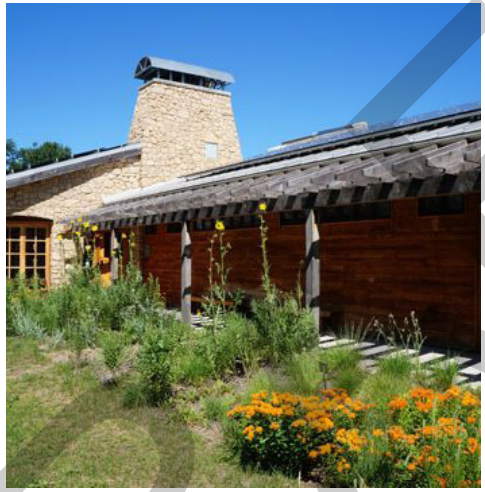
DRAFT







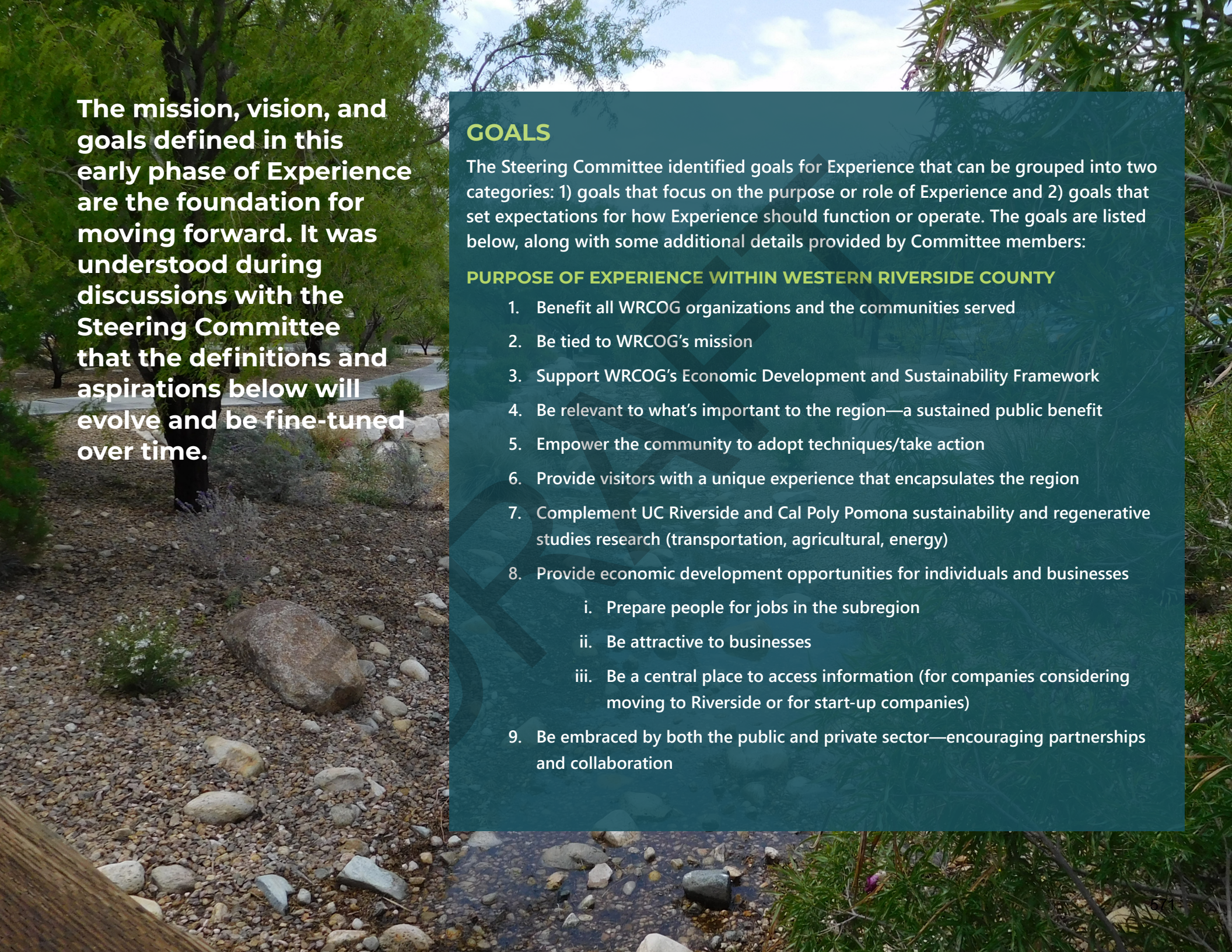




DRAFT

CHAPTER 2

MISSION, VISION, AND GOALS FOR EXPERIENCE



The mission, vision, and goals defined in this early phase of Experience are the foundation for moving forward. It was understood during discussions with the Steering Committee that the definitions and aspirations below will evolve and be fine-tuned over time.

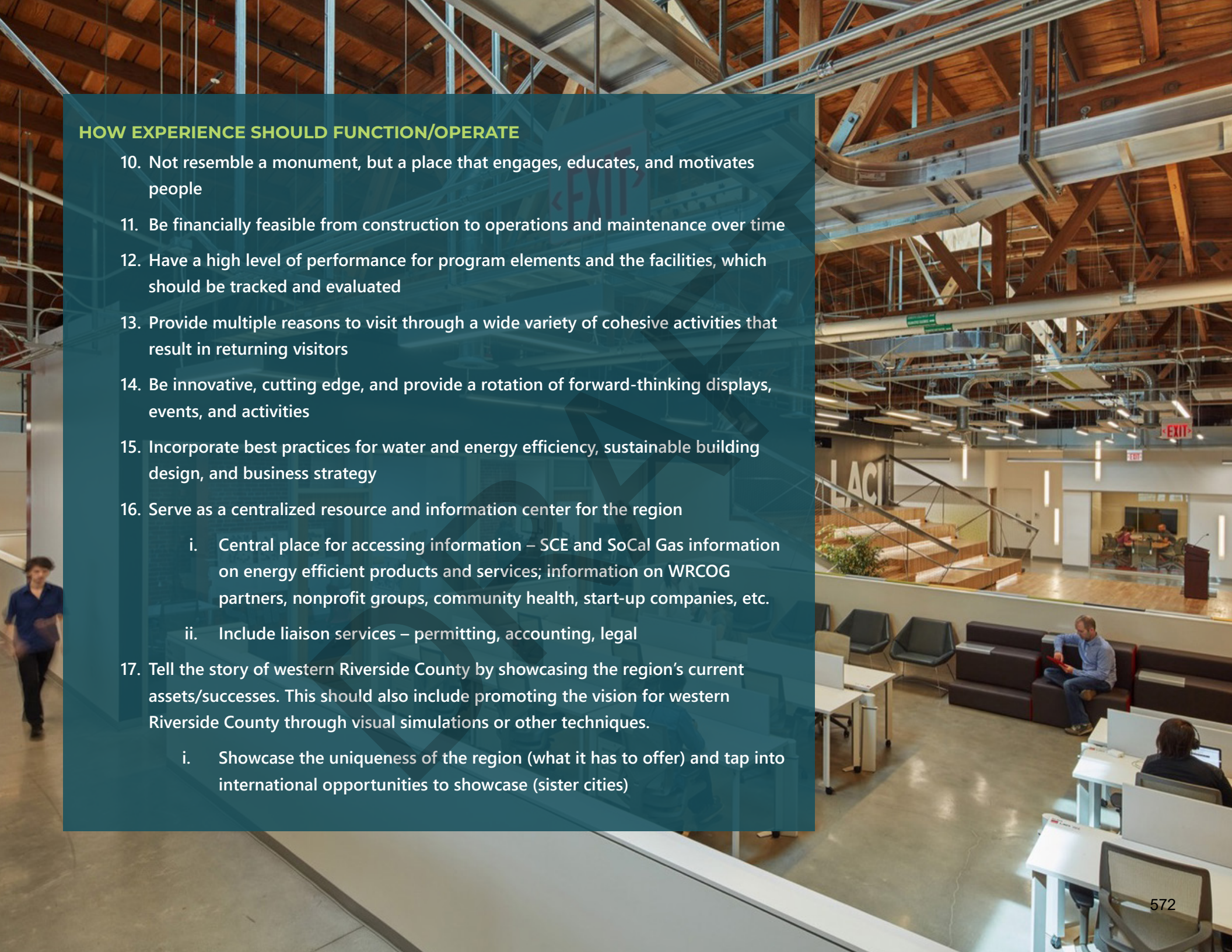
GOALS

The Steering Committee identified goals for Experience that can be grouped into two categories: 1) goals that focus on the purpose or role of Experience and 2) goals that set expectations for how Experience should function or operate. The goals are listed below, along with some additional details provided by Committee members:

PURPOSE OF EXPERIENCE WITHIN WESTERN RIVERSIDE COUNTY

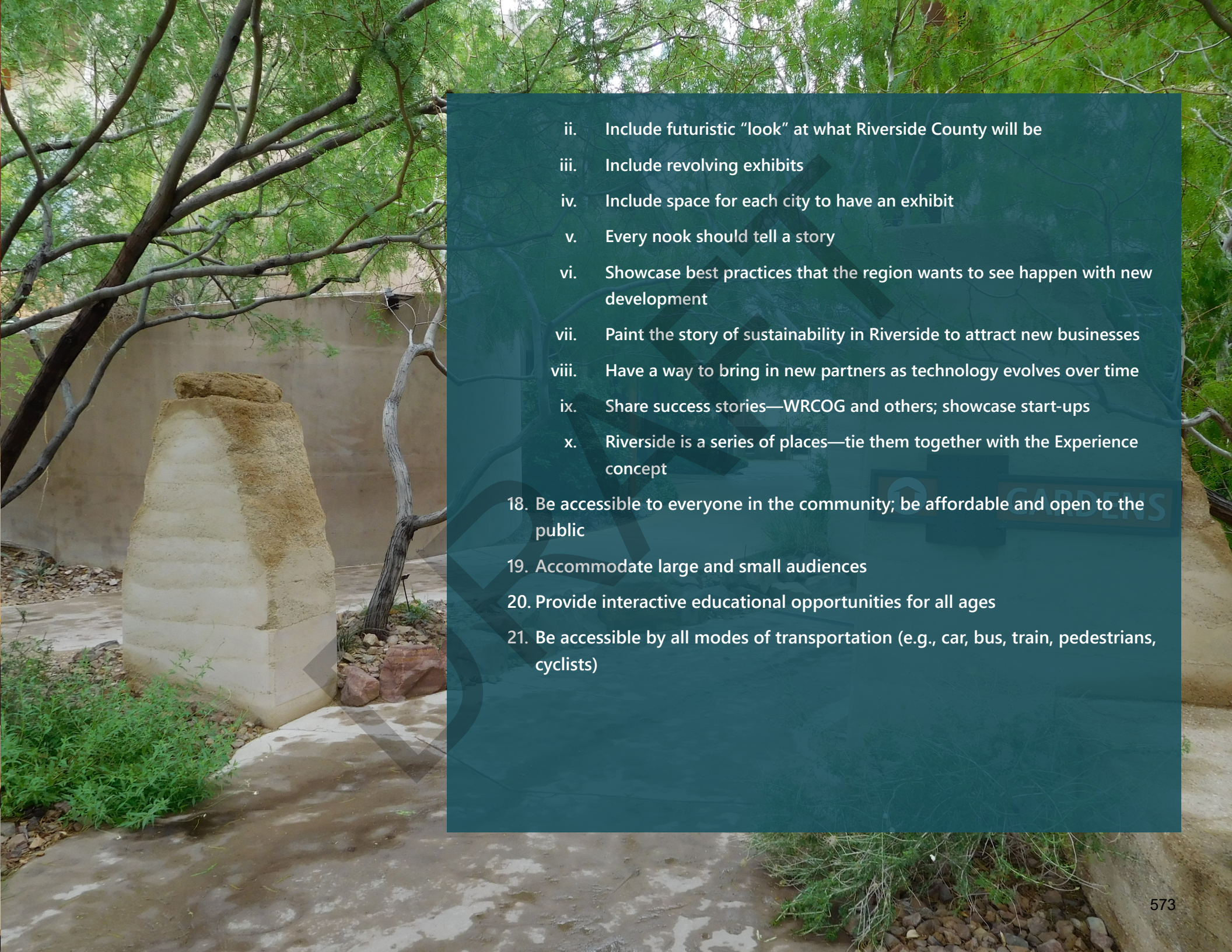
1. Benefit all WRCOG organizations and the communities served
2. Be tied to WRCOG's mission
3. Support WRCOG's Economic Development and Sustainability Framework
4. Be relevant to what's important to the region—a sustained public benefit
5. Empower the community to adopt techniques/take action
6. Provide visitors with a unique experience that encapsulates the region
7. Complement UC Riverside and Cal Poly Pomona sustainability and regenerative studies research (transportation, agricultural, energy)
8. Provide economic development opportunities for individuals and businesses
    i. Prepare people for jobs in the subregion
    ii. Be attractive to businesses
    iii. Be a central place to access information (for companies considering moving to Riverside or for start-up companies)
9. Be embraced by both the public and private sector—encouraging partnerships and collaboration

DRAFT



HOW EXPERIENCE SHOULD FUNCTION/OPERATE

10. Not resemble a monument, but a place that engages, educates, and motivates people
11. Be financially feasible from construction to operations and maintenance over time
12. Have a high level of performance for program elements and the facilities, which should be tracked and evaluated
13. Provide multiple reasons to visit through a wide variety of cohesive activities that result in returning visitors
14. Be innovative, cutting edge, and provide a rotation of forward-thinking displays, events, and activities
15. Incorporate best practices for water and energy efficiency, sustainable building design, and business strategy
16. Serve as a centralized resource and information center for the region
    i. Central place for accessing information – SCE and SoCal Gas information on energy efficient products and services; information on WRCOG partners, nonprofit groups, community health, start-up companies, etc.
    ii. Include liaison services – permitting, accounting, legal
17. Tell the story of western Riverside County by showcasing the region's current assets/successes. This should also include promoting the vision for western Riverside County through visual simulations or other techniques.
    i. Showcase the uniqueness of the region (what it has to offer) and tap into international opportunities to showcase (sister cities)



ii. Include futuristic "look" at what Riverside County will be
iii. Include revolving exhibits
iv. Include space for each city to have an exhibit
v. Every nook should tell a story
vi. Showcase best practices that the region wants to see happen with new development
vii. Paint the story of sustainability in Riverside to attract new businesses
viii. Have a way to bring in new partners as technology evolves over time
ix. Share success stories—WRCOG and others; showcase start-ups
x. Riverside is a series of places—tie them together with the Experience concept

18. Be accessible to everyone in the community; be affordable and open to the public
19. Accommodate large and small audiences
20. Provide interactive educational opportunities for all ages
21. Be accessible by all modes of transportation (e.g., car, bus, train, pedestrians, cyclists)

DRAFT

MISSION STATEMENT

The mission statement for Experience is intended to summarize how it will achieve the above goals—what it will do, who will be served, and how they will be served. The Steering Committee came together early around the following mission statement:

> *Experience connects public, private, nonprofit, and education communities to harness knowledge, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.*

VISION STATEMENT

The vision is intended to describe the essence of what Experience ultimately should be and provide for the subregion. Through a series of discussions with the Steering Committee, the following vision statement was agreed upon:

> *Western Riverside County's showcase of opportunity and innovation.*

The goals, mission, and vision together provide direction for the programming, design, operations, and location for Experience. Goals may be added or modified, and the mission and vision fine-tuned as the details of Experience emerge in the next phases of work.

DRAFT

Figure 2-1: Visioning Diagram – Defining Goals, Mission, and Vision











DRAFT

CHAPTER 3

PROGRAMMING FOR EXPERIENCE

Programming refers to the different types of spaces, specific uses, and activities at Experience. Programming decisions affect the site size. Decisions related to the building itself and the potential building design elements related to energy and water efficiency have been relegated to future phases of work.

RELEVANT MODELS

As a foundation for determining the right program mix for Experience, research was conducted on relevant models or examples in California and the Southwest. In particular, the team searched for successful examples of educational/community-serving models, research-based models, and economic development models. The complete spreadsheet on these models is in Appendix B. During this process, the WRCOG team toured several locations, including:

- La Kretz/Los Angeles Cleantech Incubator (LACI)
- Riverbed Farm, Anaheim
- The Energy Education Center, Irwindale
- The Frontier Project, Rancho Cucamonga
- The Lyle Center for Regenerative Studies, Cal Poly Pomona
- The Port Workspaces at Kaiser Mall, Oakland

The information collected on each model includes:

- Mission (a description of the purpose and origin of the facility)
- Site details (site size, building size, parking area size, site location)
- Space details (a description of the indoor and outdoor facilities and uses, including water, energy, and other conservation features)
- Programming and visitation (details on what is offered, including technology-focused features, and who the customers are)
- Funding, financing, and partners (information available on sources of capital for getting started, reliance on revenues, other partners)

PRESENTATIONS

To dive deeper into the operations of existing facilities, presentations were given by Kristeen Farlow of the Frontier Project; Kyle Brown, Ph.D., of the Lyle Center; and Mike Swords of LACI. These three examples represent a range of existing models. The Frontier Project is primarily an education/community-serving facility, where the building, internal programming, and outdoor demonstration areas showcase energy and water technology. The Lyle Center is research based, bringing together students, academics, and the community in research and education on environmentally sustainable design. LACI is a private nonprofit focused on accelerating clean-tech start-up businesses, but also includes demonstration areas, co-working, and event space. The speakers fielded questions about visitation levels and types, size of facilities, lessons learned, difficulties in maintaining or operating, the role of other partners, development costs, operation costs, how success is measured, and other details. Steering Committee members noted that the speakers' stories conveyed the importance of having a clearly defined mission and financial partners who are in alignment with that mission. Other commenters noted that the partnership LACI has with the Los Angeles Department of Water and Power (DWP) is a potential model to emulate because there is long-term shared occupant in the building with a complementary mission. The speakers emphasized that the facilities should be made sufficiently large for future demand, with the ability to accommodate upwards of 300 people. Additionally, Mr. Swords from LACI noted that the success of its operations has been driven by the programming that was established before the facilities were built—while LACI was occupying a temporary space. Most members acknowledged that the speakers showcased the diversity of possibilities for Experience.

DRAFT

Figure 3-1: Presentation Slide of Guest Speakers



POTENTIAL PARTNERSHIP WITH UCR

Opportunities for collaboration and joint programming with UCR were also explored. Alexandra Orozco, Entrepreneur in Residence at UCR, and Nicole Cleary, Deputy Director of the UCR College of Engineering Center for Research and Technology (CE-CERT), presented some of the existing initiatives across UCR, including activities led solely by the University or in partnership with local, regional, and national agencies. UCR commissioned a strategic report on how to attract new ventures and employment opportunities for graduating students. The report revealed that the University's sustainability efforts (clean air, clean and green energy, synergy between technology and engineering, transportation, and health care) are the key areas for the University to focus on. The plan recommended leveraging these themes, focusing on retaining local talent, and working collaboratively with local partners

UCR has several initiatives geared toward retaining local talent, including a newly launched Highlander Venture Investment Fund; mentorship and classroom programs for aspiring entrepreneurs; and the Excite Incubator, a collaboration between the University, City of Riverside, and County. UCR is also leading several sustainability-minded projects, including the Innovative Corridor, an active research and demonstration area underway in the City of Riverside to test transportation technologies developed out of the Bourns College of Engineering. Ms. Cleary shared that there is a great deal of momentum stemming from the University's existing programs and research, their network of partners, and the synergy they have cultivated with the existing and planned regional assets. The University's vision is to establish a green-tech park for collaboration, events, laboratories, and test beds. Both Ms. Orozco and Ms. Cleary emphasized that there are ample opportunities to partner with the University, particularly in areas related to sustainability.

DRAFT

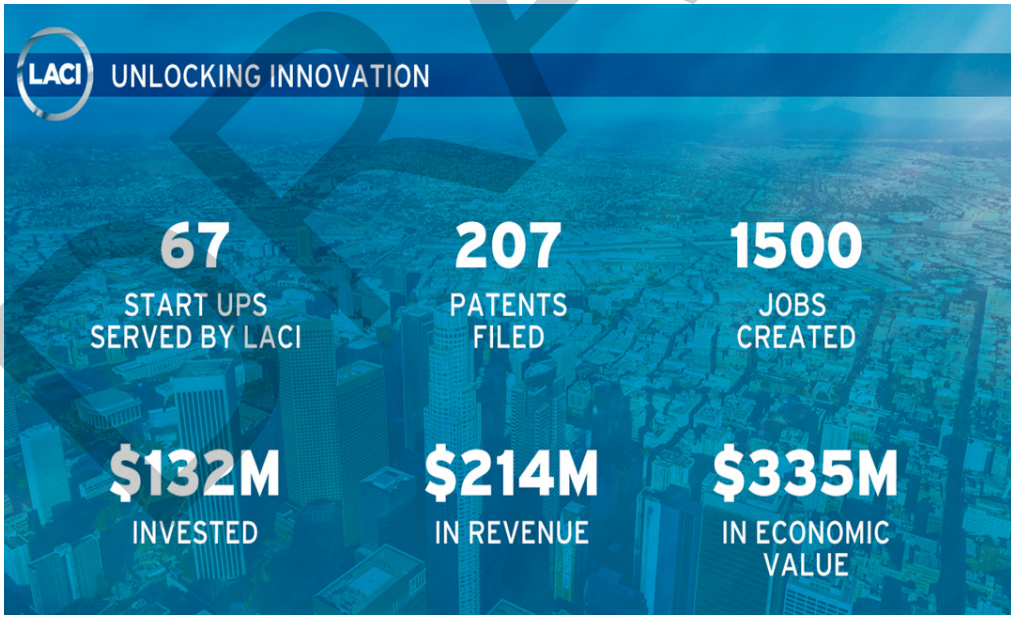
Figure 3-2: Kyle Brown's Presentation on The Lyle Center



Figure 3-3: Kristeen Farlow's Presentation on The Frontier Project



Figure 3-4: Mike Swords' Presentation on LACI



DRAFT

Table 3-1: Relevant Models (simplified—see Appendix B for expanded version)

EDUCATIONAL/COMMUNITY-SERVING	RESEARCH	ECONOMIC DEVELOPMENT FOCUSED
URBAN AGRICULTURE / RESOURCE CONSERVATION MODELS		
• Coastal Roots Farm • Riverbed Farm • Riverside-Corona Resource Conservation District Land Use Learning Center • Riverside-Corona Resource Conservation District Sycamore Creek Interpretive Center • The Ecology Center	• Alegria Fresh-Farm • Lyle Center for Regenerative Studies • Springs Preserve	
BUILDING / INTERNAL PROGRAMMING MODELS		
• Energy Education Center - Irwindale • Frontier Project • Alliance Center • David Brower Center	• Excite • Alliance Center • La Kretz LACI • PIE (Portland Incubator Experiment)	• Net Zero Plus Electrical Training Institute • Temecula Valley Entrepreneur Exchange • Murrieta Innovation Center • Excite • Ventura Ventures Technology Center • Alliance Center • PIE (Portland Incubator Experiment) • Vocademy
HYBRID - INDOOR AND OUTDOOR PROGRAMMING MODELS		
• Lyle Center for Regenerative Studies • Aldo Leopold Nature Center • Springs Preserve	• Lyle Center for Regenerative Studies • La Kretz LACI	• La Kretz LACI

DRAFT

PROGRAM SELECTION PROCESS

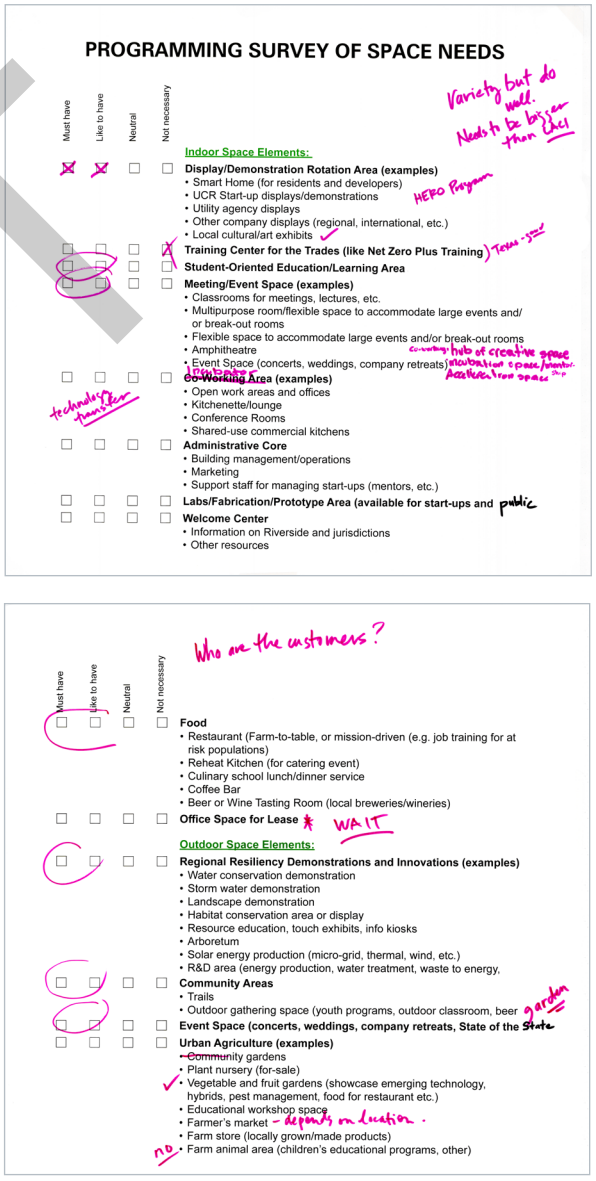
At the third meeting of the Steering Committee, participants were surveyed regarding the program elements desirable for inclusion in Experience. The program elements selected would be studied from a market standpoint to better understand near-term and long-term demand and any locational differences in demand between the three potential host jurisdictions. Ten indoor space elements were presented for feedback: rotating display or demonstration area; training center for the trades (like net zero plus electrical training institute); student-oriented education/learning area; meeting/event space; co-working area; administrative core; labs/fabrication/prototype area; welcome center; food; and office space. In addition, four potential outdoor space elements were presented for feedback: regional resiliency demonstrations and innovations, community areas, event space, and urban agriculture.

There was general agreement among participants that most elements were either a "must have" or "like to have." A training center for the trades was not seen as necessary. Office space for lease was not strongly supported initially, but staff noted the capacity for leased office space to generate revenue to offset operation costs and urged further investigation of this idea.

Initially, incubator/accelerator space was not strongly supported. However, later in the process, a majority of the Steering Committee favored the inclusion of a small-scale incubator/accelerator modeling best practices on the list of must-haves. This was due to a strong desire for Experience to promote economic development and recognition that the initial list of must-haves / like-to-haves did not include programs that promoted economic development. Additionally, subregional factors—such as the presence of several colleges and universities, County support, and market opportunities (explored below)—yield favorable conditions for hosting a successful and subregionally beneficial incubator/accelerator.

The discussion of programming instigated a complementary discussion to identify the potential "customer," or end user for Experience. Meeting participants identified the following entities as likely customers for Experience: general public, students, businesses seeking best practices information, and private-sector partnerships.

Figure 3-5: Survey Notes (pages 1 and 2)



DRAFT

Table 3-2: Different Models of Incubator/Accelerator/Co-Working/Maker Spaces

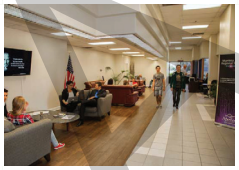
DIFFERENT MODELS OF INCUBATOR/ ACCELERATOR/CO-WORKING/MAKER SPACES

DEFINITIONS:

Incubator: An organization (typically non-profit, or public) focused on gearing-up start-ups in a collaborative work environment with invaluable mentoring, networking, and business management training.

Accelerator: Similar to incubators in terms of mentoring and other support, they are organizations (private or public) that typically fund start-ups, or existing companies with a new product, for a short period of time with a defined accelerator program.

Maker Space: Fabrication shop space using high & low tech tools to no tech tools

LACI	ExCITE	Vocademy	Murrieta Innovation Center	PIE (Portland Incubator Experimental	Mind & Mill	The Port Campus at the Kaiser Mall
						
Independent non-profit, run by entrepenuers in partnership with City of LA and LADWP, member fees	Partnership between UCR, City and County of Riverside	Private company, with industry partnerships, member fees	City of Murrieta, with Loma Linda Medical University and other NGO partners	Private founder, with private and NGO partners	Private company, based on member fees	Private company, based on membership
Incubator	Originally intended to be an Accelerator, but functions more as an incubator		Incubator	Incubator		
Accelerator				Acclerator	Accelerator	
Co-Working Space				Co-Working Space	Co-Working Space	Co-Working Space
Maker Space		Makerspace with training		Maker Space		Some Makerspace
(no time limit on stay)	(12 month limit)		(limited time to stay)	(no time limit on stay)	(3-month program)	

DRAFT

MARKET ANALYSIS

Experience is intended to be financially sustainable; thus it is important that there be market support for the elements that are ultimately included. A comprehensive market analysis technical report is included as Appendix C; below is a summary of key points from the analysis.

PROXIMITY TO POPULATION AND EMPLOYMENT

A key consideration for the market analysis is the proximity of the three potential host sites to population and employment. The proximity to population is an indicator of the number of potential visitors Experience has to draw from. The proximity to employment is an indicator of the amount of economic activity that can support businesses and activities programmed at Experience and that can benefit from Experience.

POPULATION

Figure 3-6 shows the concentration of population and the area within a 30-minute drive of each location. Table 3-3 provides population statistics and select socioeconomic characteristics for the geographic area within a 30-minute drive of each of the locations.

The area within a 30-minute drive from the City of Riverside has the greatest current population and projected population growth, followed by the areas within 30 minutes of EWMD/Perris and then the City of Temecula. The area within a 30-minute drive from the City of Temecula has the largest increase in the projected population growth rate and the highest median age and median household income, followed by the areas within 30 minutes of EMWD/Perris and then the City of Riverside.

EMPLOYMENT

Figure 3-7 shows the concentration of jobs within a 30-minute drive of each location. Figure 3-8 shows the total number of jobs from 2005 to 2015 and the projected number of jobs from 2016 to 2021 for the geographic area within a 30-minute drive of each of the locations. The numbers in Figure 3-8 indicate the projected total increase in jobs and the projected annual rate of job growth for 2016 to 2021.

INCUBATOR/ACCELERATOR DEMAND

Small businesses are widely seen as driving a disproportionately large share of job growth. In 2010, across the five counties of Southern California, businesses with 0 to 4 employees accounted for 7.9 percent of the total number of jobs, but from 2010 to 2016, these firms accounted for 12.4 percent of the region's total job growth. In contrast, businesses with 0 to 4 employees only accounted for 10.3 percent of the job growth in Riverside County from 2010 to 2016. Furthermore, the number of firms with 0 to 4 employees increased by 2.1 percent in the region but only 1.6 percent in Riverside County. These discrepancies demonstrate the need for economic development programs and services for very small businesses and business start-ups.

Business incubators and business accelerators are two of the key tools for assisting small businesses and business start-ups. Figure 3-9 shows the location of business incubators and accelerators in Southern California. Within the WRCOG subregion, there are only four such facilities—ExCITE and Vocademy in Riverside, Murrieta Innovation Center, and Temecula Valley Entrepreneurs Exchange.

OTHER EXPERIENCE ELEMENTS

The market analysis generally found market demand for the other elements considered for inclusion in Experience. However, each location provides unique strengths for the various elements. Table 3-4 summarizes the strengths and weaknesses of the market demand factors for each location.

DRAFT

Figure 3-6: Population Concentration and 30-minute Drive Time for Each Potential Host Location

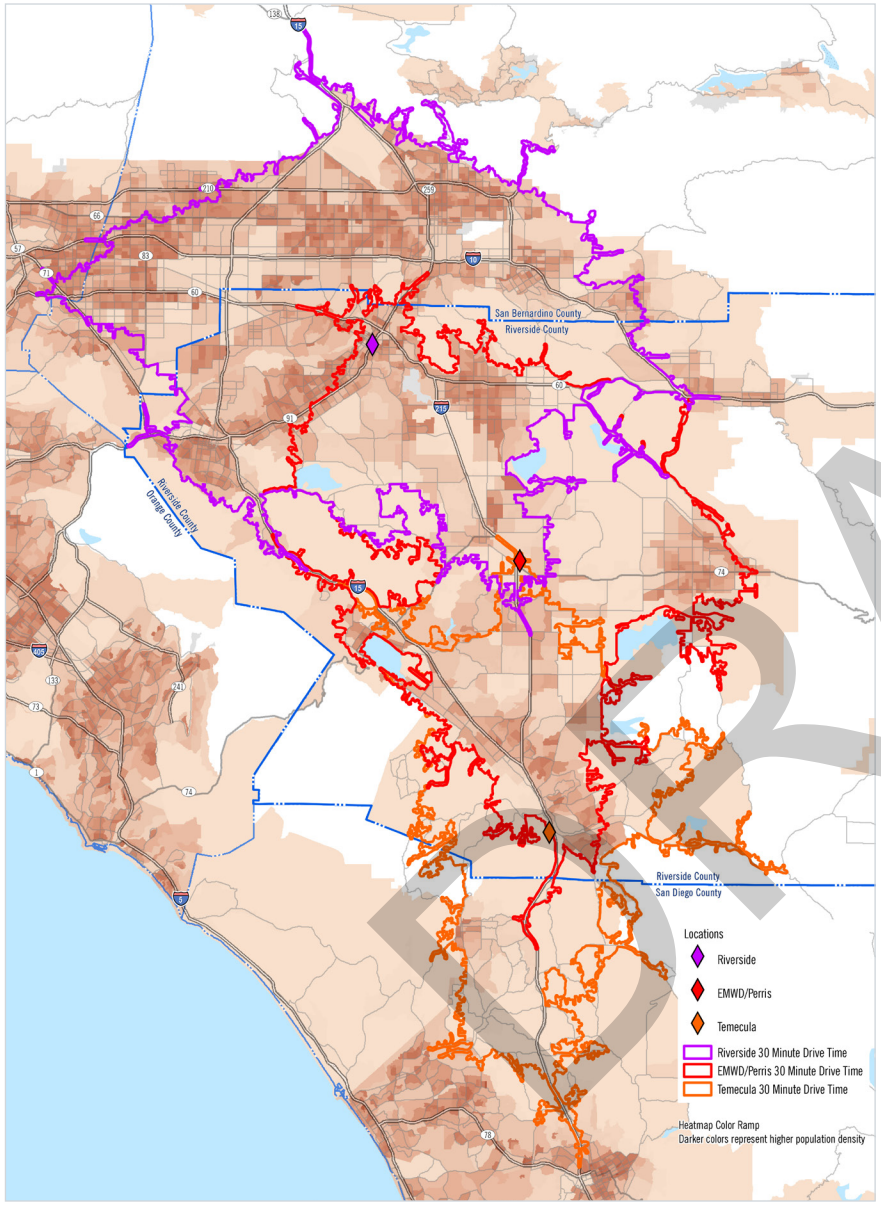
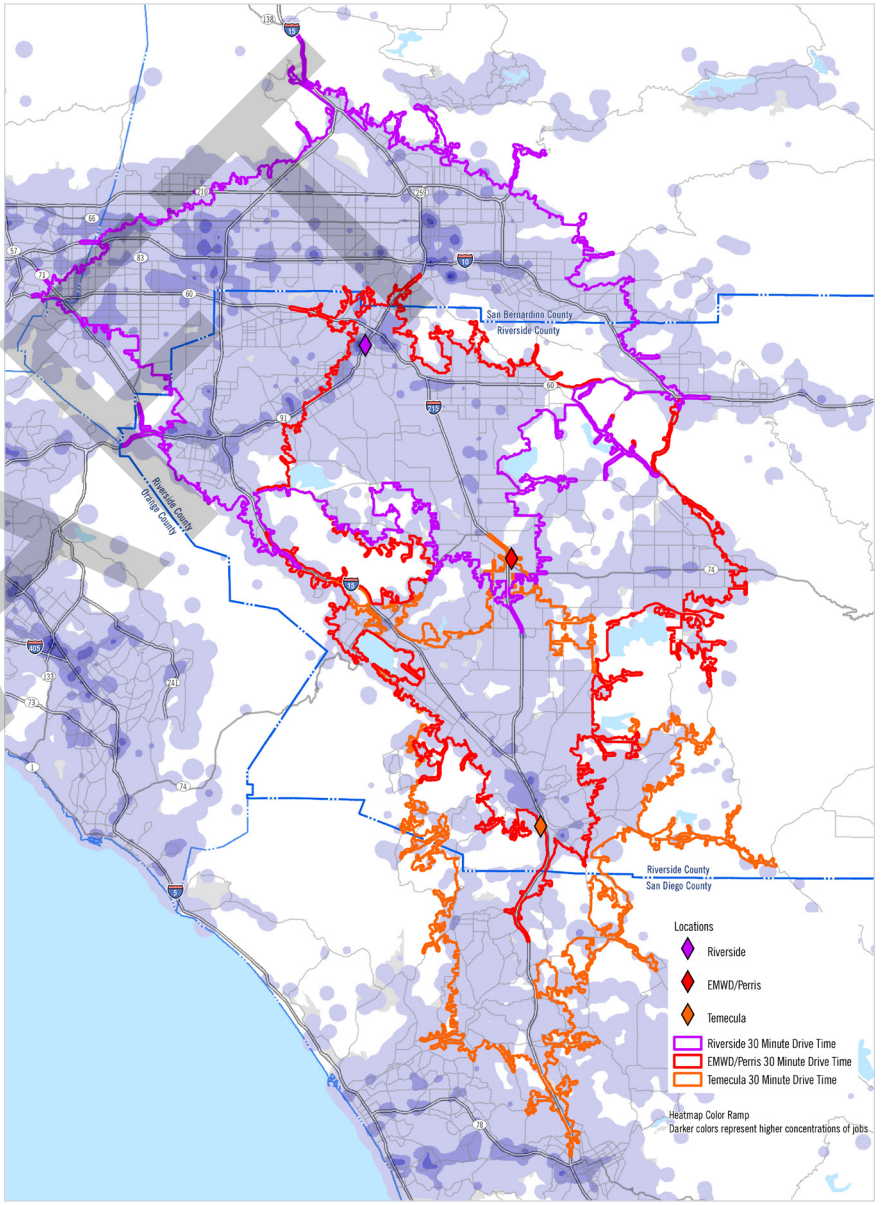


Figure 3-7: Employment Concentration and 30-Minute Drive Time for Each Potential Host Location



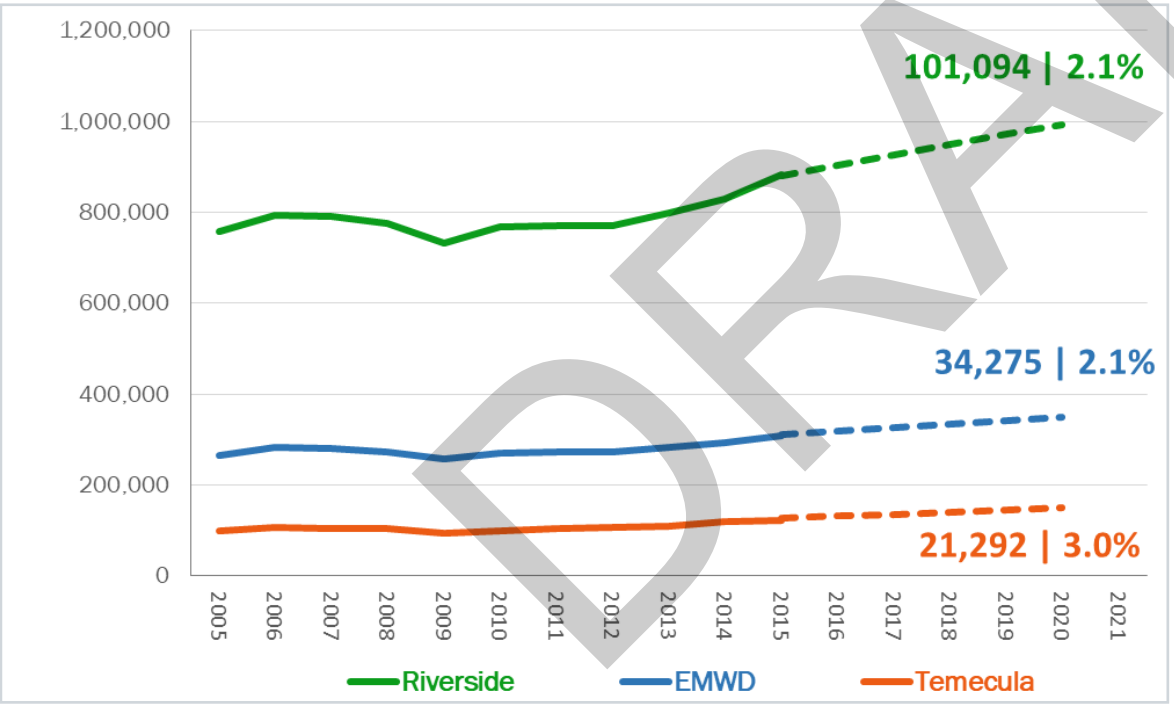
DRAFT

Table 3-3: Population and Select Socioeconomic Characteristics for the Area within a 30-Minute Drive of Host Locations

	RIVERSIDE	EMWD	TEMECULA
LAND AREA (SQ. MI.)	820	648	411
2017 POPULATION	2,413,559	1,163,984	485,900
POP. GROWTH 2017–22	109,249	74,110	38,040
ANNUAL POP. GROWTH RATE	0.89%	1.24%	1.52%
MEDIAN AGE	31.6	32.9	35.6
MEDIAN HOUSEHOLD INCOME	$59,497	$60,497	$77,285

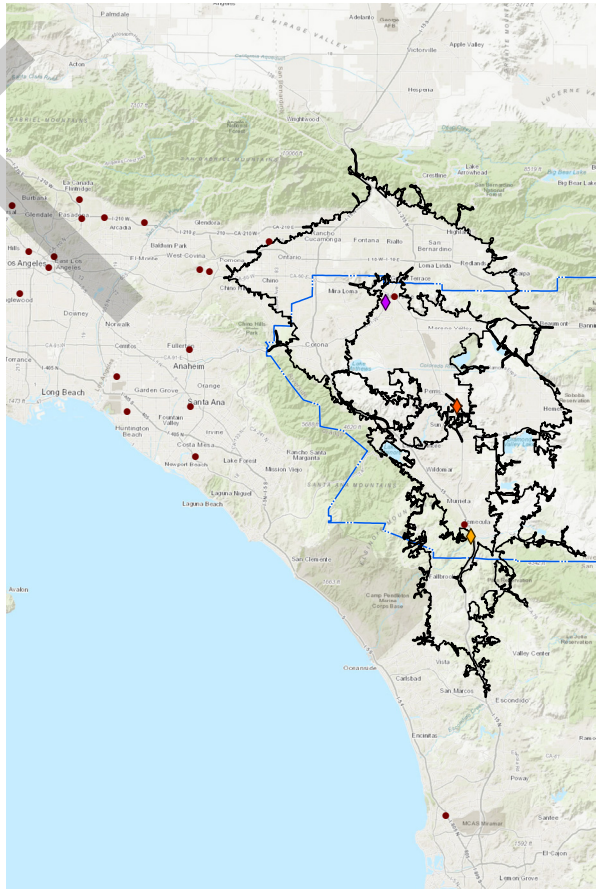
Source: Esri Business Analyst, using data from the US Census Bureau's American Community Survey

Figure 3-8: Total Number of Jobs with 5-Year Projected Job Growth and Annual Rate of Job Growth for the Area within a 30-Minute Drive of Potential Host Locations



Source: PlaceWorks, 2018, using employment data from the US Census Bureau's Local Employer-Household Dynamics Program

Figure 3-9: Location of Business Incubators and Accelerators in Southern California



DRAFT

Table 3-4: Summary of Market Demand Factors by Program Element for Three Potential Experience Locations

ELEMENT	RIVERSIDE	EMWD	TEMECULA
INCUBATOR/ACCELERATOR	• Innovation district • Proximity to UCR • Downtown setting	• Specialization opportunity, e.g., water technology • EMWD technical staff • EMWD testing	• Potential San Diego biotech focus • Potential for tie-in with Abbott • Old Town setting
GENERAL OFFICE SPACE • Not critical to the vision • Can be a revenue generator • Potential location for businesses graduating from incubator/ accelerator • Tie-in with co-working space • Potential transition, allows for expansion of other functions	• Current office market demand supports new office development in Riverside • Proximity to economic activity bolsters continuing demand for office space	• Current market conditions do not support new office space development • Continued economic growth should result in future market demand for office space	• Current market conditions do not support new office space development • Continued economic growth should result in future market demand for office space
COWORKING SPACE • Office-based employment projected to increase in all three areas	• Proximity to the greatest amount of economic activity suggests demand for co-working space • Largest projected increase in office-based employment • Existing co-working facilities in Riverside compete for market demand	• No existing co-working space in the local area indicates lack of competition for market demand	• Proximity to the smallest amount of economic activity suggests minimal demand • Existing co-working facilities in Temecula probably capture existing demand
EVENT SPACE/VENUE • Includes larger spaces for conferences, conventions, and performances • May overlap with other functions • Event and venue space is a potential revenue generator • Market for smaller spaces is well served by existing facilities, such as banquet halls and, in some cases, meeting facilities in hotels • There are limited facilities for larger meetings	• There are more existing facilities in proximity to Riverside location, including the Riverside Convention Center, which may limit demand for new facilities	• Few facilities, small or large, in proximity to EMWD	• Limited facilities near Temecula, but many wineries may capture demand for revenue-generating weddings, and Pechanga Resort and Casino has large event space

DRAFT

Table 3-4: Summary of Market Demand Factors by Program Element for Three Potential Experience Locations (CONTINUED)

ELEMENT	RIVERSIDE	EMWD	TEMECULA
OUTDOOR DEMONSTRATION AREAS • Outdoor demonstration area not likely to generate revenue • Relative to existing facilities, there is potential for additional outdoor demonstration areas	• Due to higher land costs, an outdoor demonstration area in the Riverside location would be more costly	• The EMWD/Perris location has the most land area available for outdoor demonstration areas	• Limitations on land area may limit the outdoor demonstration areas in the Temecula location
URBAN AGRICULTURE • Existing market demand for retail sales of agriculture in the three locations; expected to grow as the region's population grows • The three locations have a variety of existing farmers markets, plant nurseries, and farm products stores. • Sufficient existing or near-term demand to support urban agriculture functions in each of the locations	• Viable demand for farmers market, but days for operation would have to account for existing farmers markets in proximity to the Riverside location	• The EMWD/Perris location is least served by existing farmers markets, indicating existing market demand and the easiest location for scheduling the operation of a farmers market	• Viable demand for farmers market, but days for operation would have to account for existing farmers markets in proximity to the Temecula location
FOOD SERVICE • Includes restaurant and commercial kitchen • All three locations have market demand for restaurants, and growing populations will increase the market demand	• Because the Riverside location is an urban area, a restaurant here would have the greatest potential to attract foot traffic. • A commercial kitchen / culinary incubator at the Riverside location would have to complement Riverside Food Lab	• A restaurant at the EMWD/Perris location would likely rely greatly on Experience patrons and destination diners. • It is not clear whether or not there is sufficient demand to support a commercial kitchen at the EMWD/ Perris location.	• A restaurant at the Temecula location would likely rely greatly on Experience patrons and destination diners. • It is not clear whether or not there is sufficient demand to support a commercial kitchen at the Temecula location.

DRAFT

ENTRY AND EVERYTHING-LEVEL PROGRAMS

Based upon the results of the market analysis, the project team developed an entry-level program, a theoretical Experience including a base or minimum set of program elements favored by the Steering Committee and deemed most suitable by the market analysis to develop a successful, synergistic Experience; and an everything-level program, a theoretical Experience including all Steering Committee–preferred program elements, sized at a larger scale (see Table 3-5). These two programs represent the range of indoor and outdoor uses that could be selected by the City of Riverside, the City of Temecula, and the City of Perris/EMWD for further evaluation (see Chapter 5, Financial Analysis).

Using these entry-level and everything-level programs, the project team developed two generic Experience cost estimates and program parameters (listing such things as the minimum lot/building size and parking requirements). Additionally, the entry- and everything-level program listings were provided to each prospective host site to be used as a menu of desired program elements at one of two sizes (small "entry" or large "everything") to be included in a site-specific program. While the programming for Experience is expected to be developed in much more detail as partnerships are formed and a funding/financing plan is established, this method enabled the project team and prospective host sites to develop site-specific Experience programs that allow for an "apples to apples" comparison. For a list of the program elements selected by each of the jurisdictions, see Appendix D.

Table 3-5 contains the list of program elements, size of space, and the associated parking requirements.

Figure 3-10: Program Elements – Small Outdoor Amphitheater, Farm-to-Table Restaurant, Café Room, Demonstration Area









DRAFT

Table 3-5: Program Details for Entry Level and Everything Level

	SQUARE FOOT RANGE		PARKING REQUIREMENT [6]	
	ENTRY	EVERYTHING	ENTRY	EVERYTHING
INDOOR PROGRAM				
Welcome Center	750	1000	2	3
Demonstrations/Display	3,000	5,000	5	8
(Smart home Technology; UCR Startups; Utility Agency; Other company display; Local art exhibits/Western Riverside History)				
Meeting Rooms/Student Learning Opportunities [1]	2,000	4,000	40	80
Conference Space/Event Facilities [2]	7,500	15,000	150	300
Seated Performance Venue [3]	6,000	12,000	125	250
Standing Performance Venue [4]	4,000	8,000	80	160
Coworking Space/ Office Space/ Space for lease	1,500	10,000	6	40
Incubator/Accelerator	10,000	15,000	40	60
Maker Space	6,000	10,000	16	27
(Labs; Fabrication Resources; Prototyping Tools)				
Administrative Core	700	900	3	4
Commercial Kitchen (membership)	1,000	1,500	10	15
Restaurant/Tasting Room [9]	2,500	2,500	25	25
Coffee Bar	350	350	4	4
Microbreweries and Local wineries [5]	2,000	4,000	20	40
OUTDOOR SPACE PROGRAM				
Regional Demonstration Area	2,500	4,500		
(Water Conservation Demonstration; Stormwater Demonstration; Landscape Demon; Habitat Restoration; Solar Energy Demonstration)				
Community Areas [8]	3,000	4,500	Parking for Outdoor Space Program is accounted for in Indoor Parking requirements.	
(Trails; Outdoor gathering space)				
Event Space	10,000	25,000		
(Concerts, weddings, company retreats)				
Urban Agriculture	3,000	22,000		
Community Gardens; Plant Nursery; Educational Workshop Space; Farmers Market; Farm Store				

Note: Highlights represent program elements selected for the Entry and Everything Levels

DRAFT



ASSUMPTIONS FOR ENTRY & EVERYTHING LEVELS

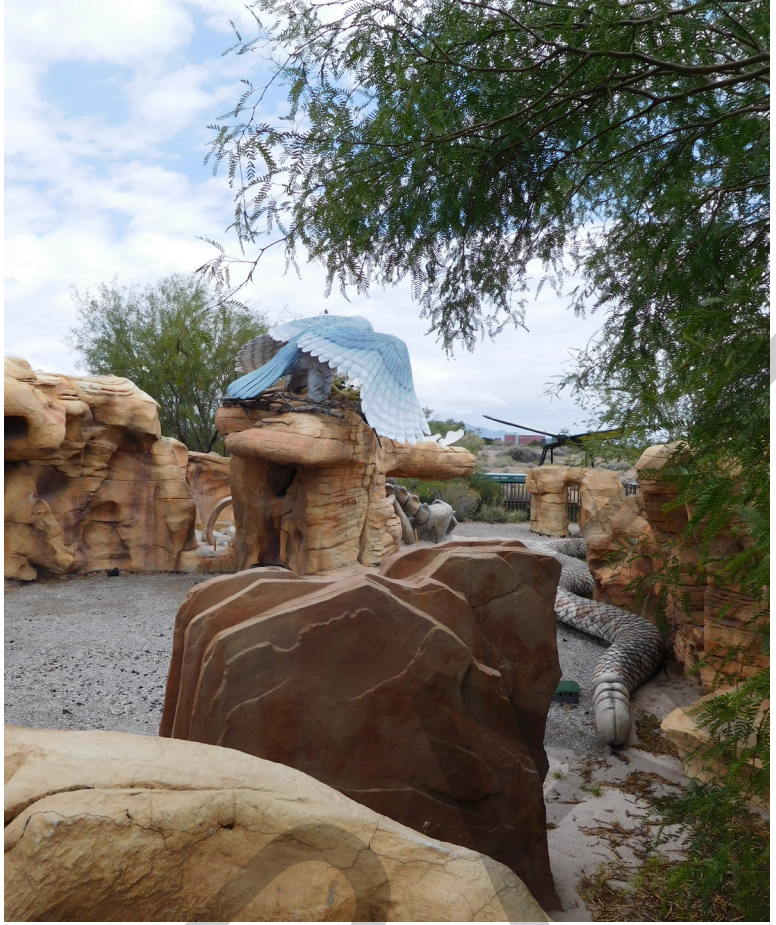
1) 2,000 SF = 2 Meeting rooms; 4,000 SF=4 Meeting Rooms
2) Occupancy load factor based on 15 net (Unconcentrated)
   7,500 SF = 500 occupants
   15,000 SF=1000 occupants
3) Seated Fixed Seats at 18"/occupant
   500 Occupants = 7,500 SF
   1,000 Occupants = 15,000 SF
4) Standing Space Occupancy load factor based on 5 net
   800 Occupants = 4,000 SF + 800 support space = 4,800
   1600 Occupants = 8,000 SF + 1,600 Support space = 9,600 SF
5) Small scale on-site brewery
6) Parking Assumptions
   Office: 1 space/250SF
   Assembly: 1 space/4 fixed seats
   Assembly: 1 space/30SF
   Restaurants: 1 space/100SF
   Maker Space: 1 Space/375SF
   Display Areas: 1 Space/400SF"
7) Building Core Range
8) Distributed Throughout
9) Designed for 100 Diners
   Fine Dining: 18 – 20 Square Feet
   Full Service Restaurant Dining: 12 – 15 Square Feet
   Counter Service: 18 – 20 Square Feet
   Fast Food Minimum: 11 – 14 Square Feet

   Table Service: 15 – 18 Square Feet
   Banquet, Minimum: 10 – 11 Square Feet

DRAFT











DRAFT

CHAPTER 4

SITE ALTERNATIVES

The WRCOG team met with Riverside, Temecula, and Perris/EMWD individually to visit their alternative site locations for Experience. Each of the jurisdictions/agencies has put forth unique proposals for hosting Experience—each building on the local assets, partnerships, and potential draw from western Riverside County. All but one of the sites proposed for use is in private ownership, meaning that the final site would most likely need to be acquired in the future. A brief description of the sites is provided below. The presentation materials are included in Appendix E.

CITY OF PERRIS/EMWD

Six alternative sites were proposed in the City of Perris, all adjacent to (connected or across the street from) EMWD headquarters, located at Maples Road and Trumble Road. The sites near the EMWD campus range from 1.5 to 4.4 acres. The vacant sites just south of Maples Road are under two ownerships and range from 4.8 to 20 acres. This cluster of optional sites provides ample room for the Experience program as well as room to grow in the future, if needed. All the sites are near I-215, with easy access to the freeway, arterial roads, and the Perris Metrolink station. Geographically, this area is centrally

Figure 4-1: City of Perris Employment Concentration

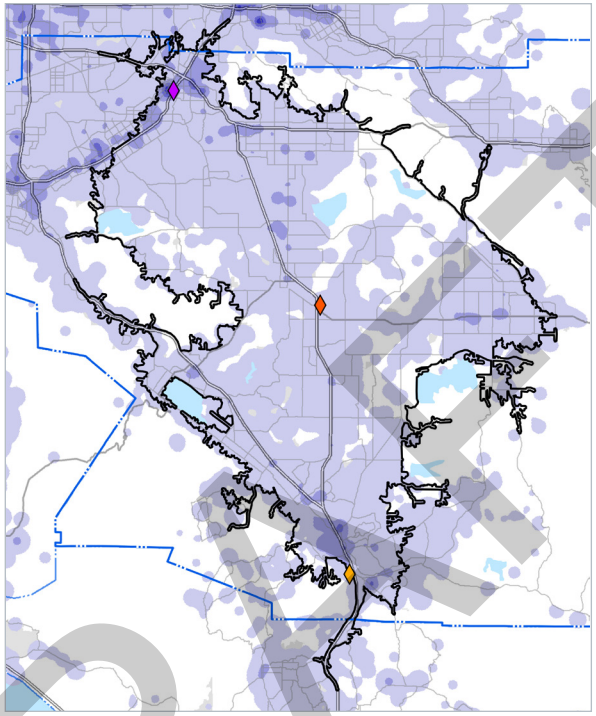


Figure 4-2: City of Perris Population Concentration

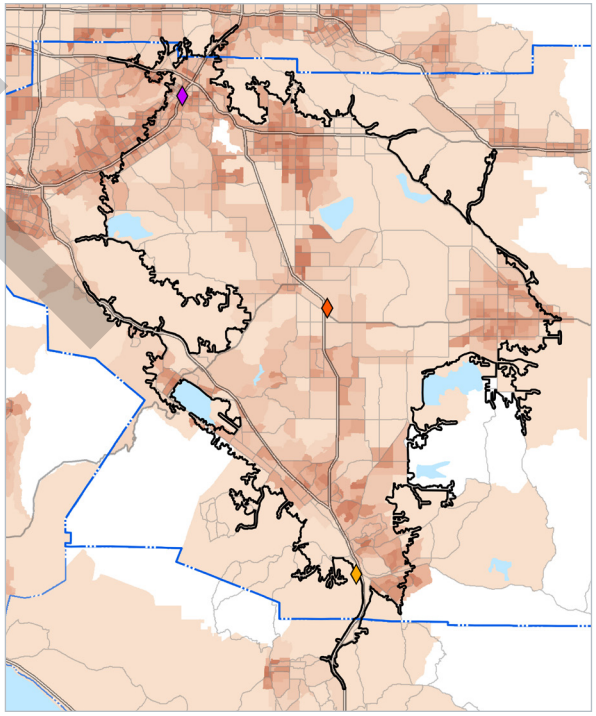


Figure 4-3: EMWD Event



Figure 4-4: EMWD Education Center



DRAFT

located within western Riverside County. The EMWD campus is a well-known location for a variety of public agency meetings and workshops, demonstration displays, student field trips, and public events. The vision is to capitalize on their water-related research and education and expand their focus to energy and agriculture. The Experience program would thus focus on those three areas for technology innovation, in addition to the other program elements identified in Appendix D.

CITY OF RIVERSIDE

The City of Riverside proposed three sites for consideration, all within the Innovation District and approximately ½ mile from the Mission Inn. Two sites are along Vine Street in the Packing House District, east of the California State Route 91 (SR 91), and the third is in Downtown Riverside. The sites vary from 0.46 acre to 2.56 acres, and existing buildings range from 26,000 square feet to 70,000 square feet. All existing buildings require modernization, including seismic retrofit, access compliance, and fire life safety upgrades. All sites are less than ¾ mile from the Downtown Riverside Metrolink station, have access to over a dozen RTA bus lines, and are situated along SR 91. The proposed sites

Figure 4-5: City of Riverside Employment Concentration

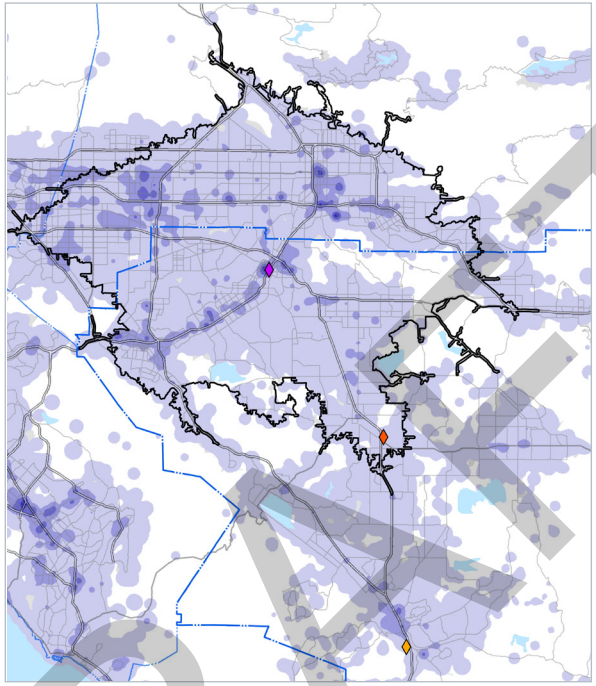


Figure 4-6: City of Riverside Population Concentration

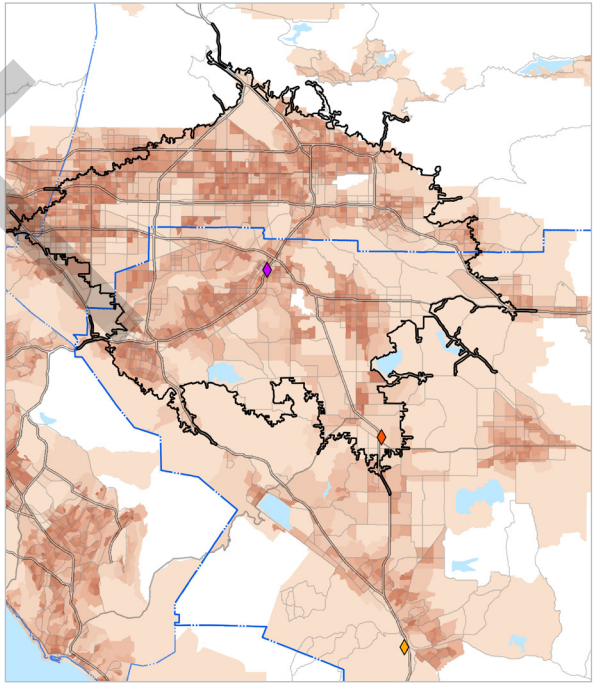


Figure 4-7: Vine Street Site



Figure 4-8: Ninth Street Site



DRAFT

are not owned by the City of Riverside, but the selection reflects the City's transformation master plan of a three-square-mile area turned into a regional Innovation District. The City of Riverside has a rich history, thriving collegiate culture, and public and private industries that are forming a robust innovation and entrepreneur network ready to fuel the Experience program.

CITY OF TEMECULA

The City of Temecula identified several sites in or near Old Town. The first is a 55-acre, privately owned but designated "civic site" within the Altair Project planned community. This site's plans to develop a facility for civic uses sparked the City's initial interest in partnering to host Experience in Temecula. However, due to the presence of environmental and cultural resources on this site, the buildable area is limited to 3.8 acres and 20,000 square feet maximum. Given that the Temecula-specific Experience program includes over 53,000 square feet of building, an additional site(s) would be needed to accommodate all desired program elements. Experience at the Altair site could contain the welcome center, indoor demonstration areas, event facilities, student learning areas, and dining. The City proposes to connect this site to other, existing Experience-like facilities via pedestrian and bicycle paths. The City also identified other City-owned parcels in Old Town, vacant industrial and office space, and vacant land at the Temecula Parkway/I-15 interchange. These other locations were not explored in detail. The City would also market Experience to capitalize on its tourism industry, which brings 2.7 million visitors annually.

Figure 4-9: Altair Site Plan

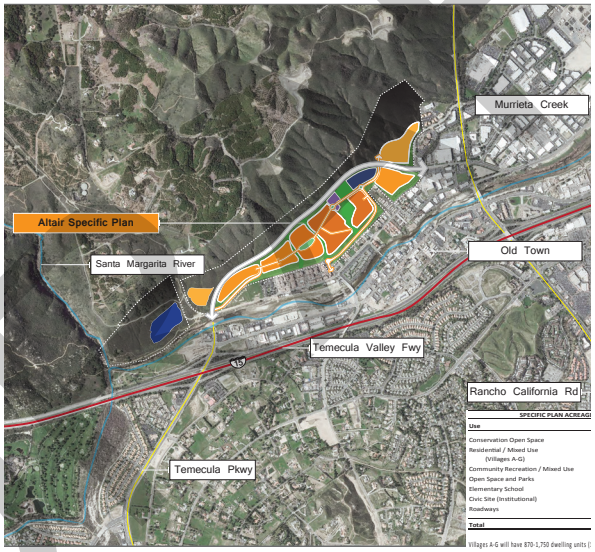


Figure 4-10: City of Temecula Population Concentration

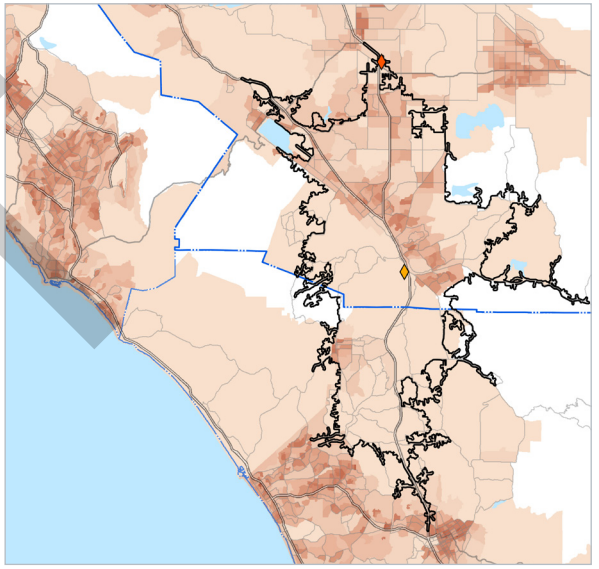
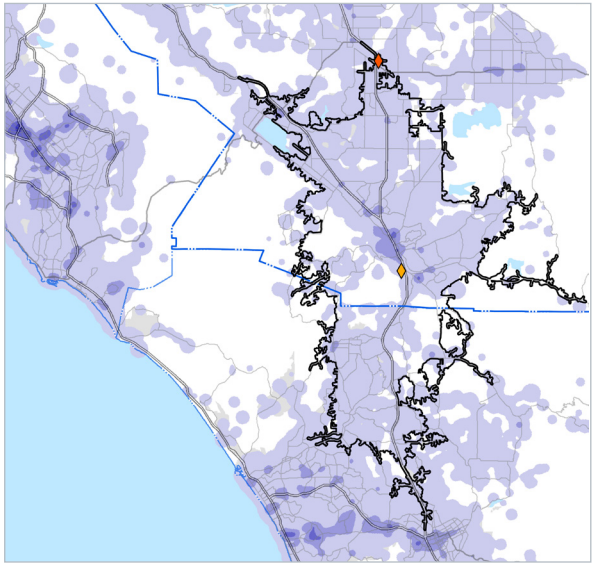


Figure 4-11: City of Temecula Employment Concentration



DRAFT







DRAFT

CHAPTER 5

FINANCIAL ANALYSIS

COST ANALYSIS

A conceptual cost plan was prepared to estimate the construction of Experience to be used in the pro forma analysis. Construction costs will continue to be refined as the final site is secured, programming is finalized, and building design is complete. The conceptual cost plan is a rough-order-of-magnitude approach based on the programming. The cost plan was prepared by HMC Architects using their extensive database and collaborating closely with contractors, subcontractors, and trade partners. The numbers reflect current industry construction costs and foreseeable escalation. The cost plan was generated for entry-level, everything-level, and for the three jurisdictions. Table 5-1 provides a summary. The complete conceptual cost plan is in Appendix F.

The following are certain assumptions, exclusions, and risk-register conditions taken into consideration.

ASSUMPTIONS

- Clear and level balanced site and all new construction
- 18-month construction phase
- Contractor to pay prevailing wages
- Contractor overhead and profit, bonds, insurance, general conditions and general requirements
- Cost escalation, 6.5 percent per annum, to midpoint of construction

EXCLUDES

- Unforeseen soil conditions prompting enhanced foundation costs
- Off-site work
- Hazardous mitigation measures
- Design fees, permits, regulatory reports, EIRs

RISK REGISTER

- Land purchase fees
- Any and all project cost fees
- The construction market has been volatile, with continuing increases in materials prices and labor, which will continually increase escalation rates

Table 5-1: Site Cost Analysis

SITE	SF	$/SF	TOTAL $
ENTRY-LEVEL	27,241	$546	**$14,873,248**
EVERYTHING-LEVEL	116,797	$398	**$46,491,593**
TEMECULA	53,619	$467	**$25,042,554**
RIVERSIDE	36,297	$529	**$19,191,764**
PERRIS	42,838	$503	**$21,556,228**

DRAFT

FINANCIAL FEASIBILITY SUMMARY

The cost described in the previous section is only one part of the question as to the financial feasibility of Experience. This section summarizes the pro forma analysis developed to determine the financial feasibility.

This report refers to the pro forma as a starter pro forma. It is intended to provide a rough-order-of-magnitude approximation of the operation of Experience and the capital investment needed to develop the project. More importantly, the pro forma will be refined and provide more detail as the project moves forward—as a site is firmly identified, as the specific program of elements are decided upon, and as outside funding sources are lined up.

NET OPERATING REVENUE

To estimate the net operating revenue once Experience is operational and program revenues and expenditures are stabilized, the pro forma analysis reviewed the financial reports of other organizations. For each program element, the analysis selected organizations that solely or primarily provide that program or service. The list was narrowed to avoid organizations that were in the midst of a capital campaign or undertaking major capital improvements.

The analysis calculated the average program revenue less program expenses per building square foot (or per acre for urban agriculture), the average outside funding (typically contributions, grants, and government funding), and the average total annual revenue. This information is presented Table 5-2. No comparable revenue data were found for outdoor demonstration areas.

SUPPORTABLE DEBT FINANCING

The analysis applied the annual revenue per square foot and per acre data from Table 5-2 to the square footage and acreage of each element in the entry-level and everything-level programs and to the programs for the three locations to estimate the annual operating income that each version of Experience might be expected to generate. That net revenue could be used to secure debt financing to cover some of the cost of developing

Table 5-2: Average Expected Revenue by Program Element

	NET PROGRAM REVENUE	OUTSIDE CONTRIBUTIONS AND GRANTS	NET TOTAL REVENUE
REVENUE PER BUILDING SQUARE FOOT			
Meeting Space	-1.71	27.95	**26.24**
Conference Space / Event Venue	-5.48	13.98	**8.50**
Coworking / Office Space	2.94	2.84	**5.78**
Performance Venue	2.17	5.40	**7.57**
Incubator / Accelerator	-0.39	3.48	**3.09**
Commercial Kitchen	-27.89	71.24	**43.35**
Restaurant/Coffee/Brewery/Winery	18.00	0.00	**18.00**
REVENUE PER ACRE			
Urban Agriculture	-0.09	0.61	**0.52**

Source: PlaceWorks, 2018

DRAFT

Experience. Table 5-3 provides the estimated annual operating income and the maximum permanent financing that the annual income could secure.

The maximum permanent financing identified (Table 5-3) is based on conventional bank financing. If Experience were developed by a public agency, tax-exempt municipal bonds may be an alternative source of financing. With bonds, the financing cost could be lower and, thus, a slightly higher level of maximum permanent financing might be available.

Based on the financial reports of other organizations, the analysis estimates that Experience developed in Riverside would rely on the least amount of annual contributions and grants, $199,000 per year, followed by the EMWD/Perris location, $274,000, with the highest amount, $343,000, in Temecula.

UPFRONT CAPITAL REQUIREMENT

Finally, the pro forma calculates the up-front capital that would be required to develop Experience. The up-front capital required is the difference between the site acquisition and development costs and the maximum amount of permanent financing. Table 5-4 provides this information.

The analysis estimates that the entry-level program for Experience would require $15.7 million, and the everything-level program would require $49.9 million. Among the possible locations, the lowest up-front capital requirement is $21.7 million for the Riverside location, followed by $22.3 million for EMWD/Perris, and $25.9 million for Temecula.

Table 5-3: Estimated Annual Revenue ($) and Supportable Permanent Financing ($)

	NET PROGRAM REVENUE	ANNUAL CONTRIBUTIONS AND GRANTS	ANNUAL OPERATING INCOME | ANNUAL DEBT SERVICE	MAXIMUM PERMANENT FINANCING
EMWD/PERRIS	6,290	+ 274,000	= 280,000	4,054,000
RIVERSIDE	61,150	+ 199,000	= 261,000	3,769,000
TEMECULA	37,430	+ 305,000	= 343,000	4,959,000
ENTRY-LEVEL	-16,680	+ 238,000	= 221,000	3,204,000
EVERYTHING LEVEL	62,440	+ 587,000	= 650,000	9,400,000

Source: PlaceWorks, 2018

Table 5-4: Estimated Upfront Capital Requirement ($)

	ESTIMATED SITE ACQUISITION COST	DEVELOPMENT COST	LESS PERMANENT LOAN	UPFRONT CAPITAL REQUIREMENT
EMWD/PERRIS	2,023,000	+ 23,882,000	-4,054,000	= 22,279,000
RIVERSIDE	3,855,000	+ 21,262,000	-3,769,000	= 21,746,000
TEMECULA	2,620,000	+ 27,743,000	-4,959,000	= 25,930,000
ENTRY-LEVEL	2,082,000	+ 16,478,000	-3,204,000	= 15,694,000
EVERYTHING LEVEL	5,477,000	+ 52,842,000	-9,400,000	= 49,914,000

Source: PlaceWorks, 2018

DRAFT

FINANCING/FUNDING OPTIONS

As described in the previous section, development of Experience would require between $22 and $26 million in up-front capital costs and probably between $200,000 and $300,000 annually for operation of various program elements. This section describes potential sources of outside funding for both the up-front capital cost and the ongoing annual operations costs.

GRANT FUNDING

One of the top ten evaluation criteria for alternative locations for Experience is the competitiveness of the site for grant funding. An analysis of potential competitiveness was prepared by Blais & Associates (B&A) Professional Grant Consulting and is included in Appendix F, Financial Analysis. A key factor in competitiveness is having a clear explanation of what makes Experience different from other places in Southern California and why it is special. Future grant writers would need to clearly articulate why Experience will be an attraction, who the "customers" are, and how it will contribute to overarching needs and goals for western Riverside County.

The assessment of grant writing competitiveness included an analysis of key demographics in Riverside, Perris, and Temecula, including the zip code locations of the alternative sites. The data included population, median household income, poverty rate, unemployment rate, minority-owned businesses, and education levels. Different grants prioritize different factors. Many grants prioritize low-income and disadvantaged communities for projects of this size and nature.

Riverside was deemed "high" for grant competitiveness based on areas of low-income and disadvantaged communities as well as proximity to UCR and the Riverside Metrolink station. Riverside has also won a previous Strategic Growth Council Transformative Climate Communities (TCC) Planning Grant for their "Green Light Riverside" project, indicating that the city is attractive to state funders for projects of this nature.

Perris was deemed "medium-high" for grant competitiveness. The city does well to demonstrate need—it has the lowest median household income, the highest poverty rate, and highest unemployment rate of all three cities. However, 40 percent of the businesses are owned by women, and 81.5 percent are minority owned, indicating a higher than average diversity index, which does not support the city's demonstration of need in that area. Perris will be very competitive for grants that target low income, education, and unemployment. The potential sites are also within one mile of the Perris South Metrolink station, which supports the idea that the Perris site is accessible to all population groups.

Temecula was deemed "medium" for grant competitiveness. It is the wealthiest of the three cities in terms of median household income, with a very low poverty rate and low unemployment. However, Temecula has the lowest proportion of businesses owned by women and minorities, which can be a compelling statistic when pursuing grants. Given Temecula's location and tourism draw, it could be competitive in trying to bring something new to the region.

Six grant funding opportunities were identified as being most suited to a project like Experience. They included US Department of Commerce and Economic Development Administration grants, California Strategic Growth Council TCC grants, and the Bloomberg Philanthropies Mayor's Challenge. Eligibility and insights on scoring and competitiveness by potential city are included

DRAFT

in the analysis. Grant funding would likely be an essential source for closing the financial gap in the implementation and/or operations of Experience. Therefore, the pursuit of grant funding is an important next step, as discussed in Chapter 8, Recommendations.

OTHER FUNDING SOURCES

DIRECT LEGISLATIVE APPROPRIATION

The largest possible single source of outside funding for the development of Experience would likely be a direct appropriation from the state and/or federal government. Obtaining such funding would require an extensive and well-executed lobby strategy.

OPPORTUNITY ZONES

The federal Tax Cuts and Jobs Act of 2017 established "opportunity zones," a new community development program to steer long-term investment into low-income urban and rural areas. Under this program, investors can postpone payment of capital gains taxes if the capital gains are reinvested in opportunity zones. New capital gains generated by this investment may also not incur capital gains taxes. It is important to note that the opportunity zones do not, in and of themselves, provide grant funding. Investors investing in projects or businesses in opportunity zones will still need to generate a return on their investment. At the time of preparation of this report, the IRS was still writing rules for opportunity zones, so additional details are not yet available.

LOCAL FUNDING SOURCES

In addition to the direct local appropriations discussed above, other local agencies and entities may be able to provide funding. Generally, these funding sources would be tied to payment for, or support of, specific programs and services provided through Experience. Such local agencies and entities might include public and private utilities, public and private health agencies and organizations, University of California at Riverside and other education institutions, and Native American tribes.

PHILANTHROPIES

Foundations, nonprofit organizations, and individual philanthropists may provide additional funding. Large national foundations—such as the Bill and Melinda Gates Foundation; foundations tied to businesses operating in the WRCOG region, such as the Kaiser Foundation and the Stater Brothers Foundation; and individual philanthropists—may be solicited for funding for both up-front capital costs and ongoing operating costs for individual program elements. Nonprofit organizations may help provide funding for ongoing operations.

CORPORATE SPONSORSHIP

Corporations operating in the region can also be directly solicited for donations and sponsorship opportunities. Such corporations include but are not limited to Amazon, Kaiser, and Pechanga Resort & Casino. In addition, there are numerous other corporations, including auto makers, agribusiness, pharmaceuticals, medical device manufacturers, and the development industry, with ties to the subregion that might be inclined to support Experience.

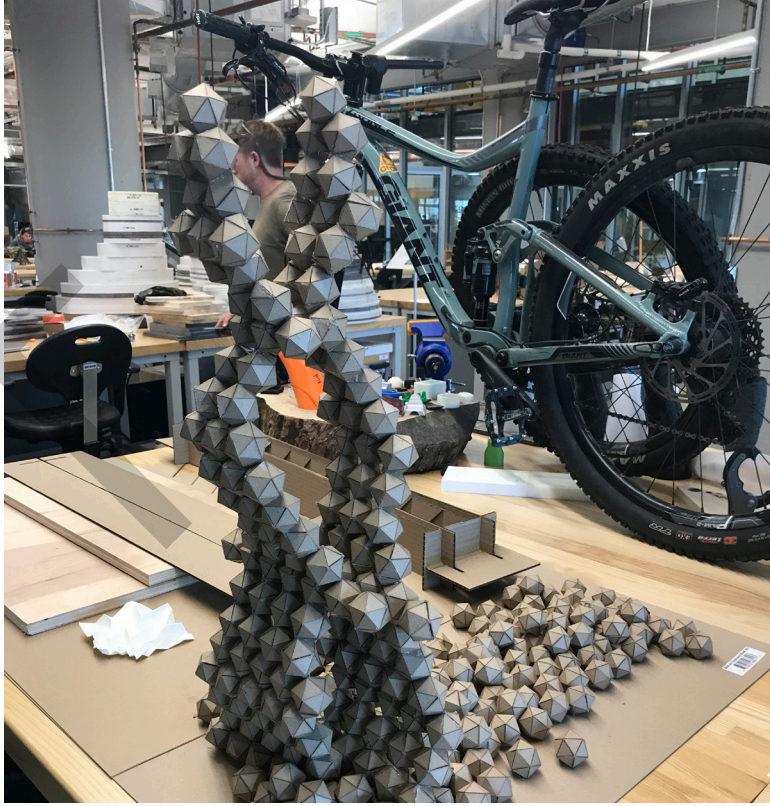
OTHER SOURCES

Consideration can be given to establishing a foundation and nonprofit organization to solicit contributions to support the development and operation of Experience. Through such an entity, or as a stand-alone effort, a crowd-sourcing campaign could help involve the public, and especially millennials, in supporting Experience.

DRAFT











DRAFT

CHAPTER 6

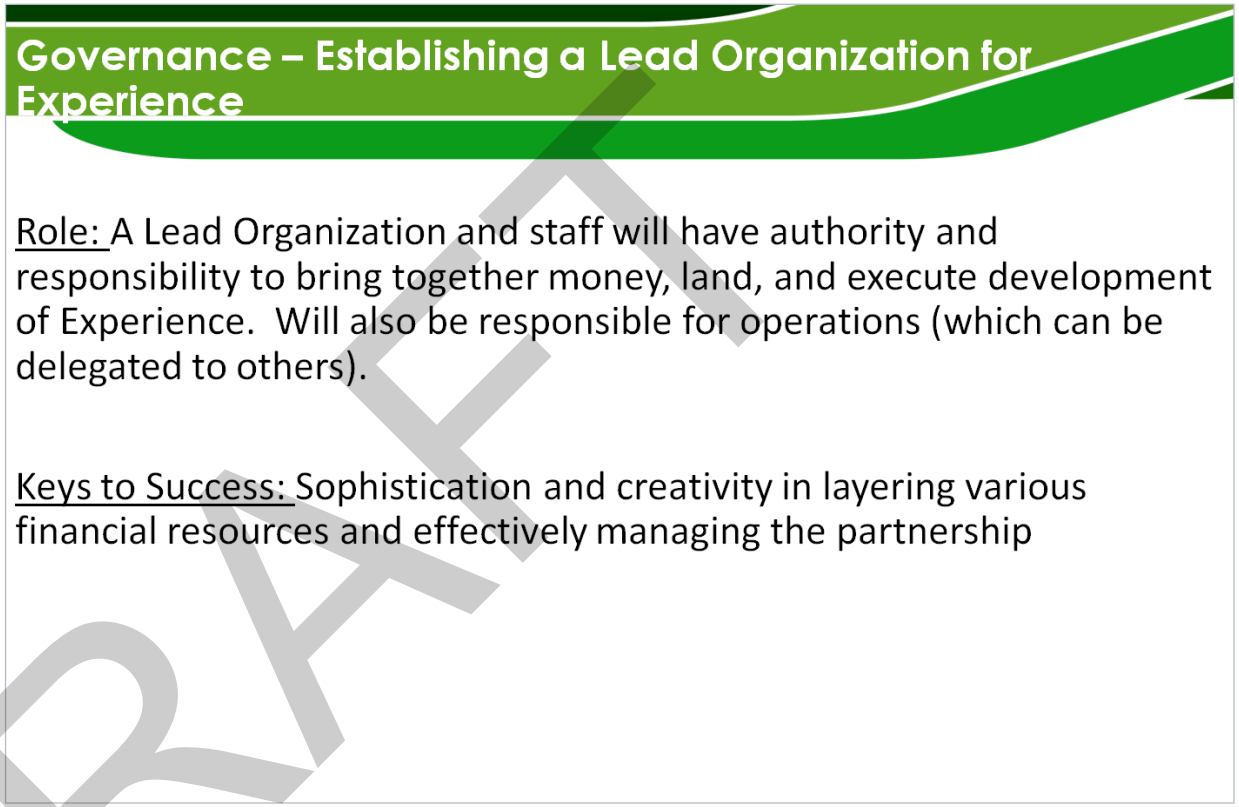
GOVERNANCE OPTIONS

GOVERNANCE OPTIONS

What type of organization should be responsible for making Experience a reality and overseeing its operations to ensure success? Should it be a public sector partnership of some type or a single public agency? Should it include both public and private sector partners? Six alternatives for the primary governance structure were explored. Under all the alternatives, individual functions of Experience (e.g., incubator/accelerator, demonstration areas, restaurant, event facility) can be delegated to others in the private or public sector.

Table 6-1 summarizes the six options and includes an assessment of the pros and cons of each. Recommendations for the next phase of Experience (Chapter 8) include a recommended process for arriving at the answer for a governance structure.

Figure 6-1: Meeting #5 Presentation – Governance, Role, and Key to Success



DRAFT

Table 6-1: Governance Options Descriptions

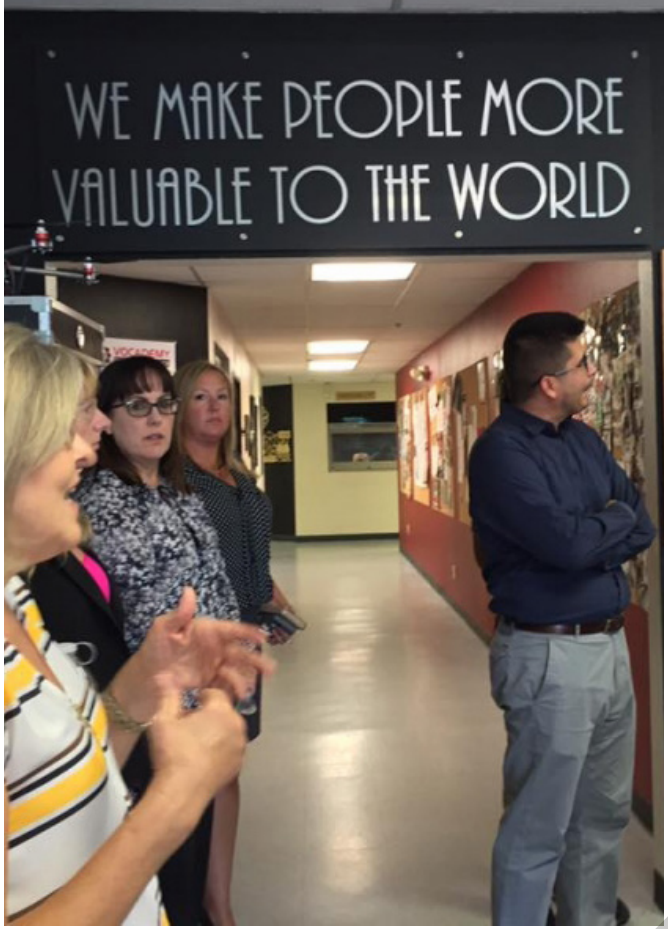
GOVERNANCE OPTIONS	PROS	CONS
1. WRCOG AS A LEAD ORGANIZATION Under this scenario, WRCOG would enter into an MOU or perhaps other type of partnership arrangement with the host jurisdiction/agency that defines the roles/ responsibilities of each entity. WRCOG takes on the responsibility, but would likely bring on other entities or "sponsors" for funding and operations.	Project execution would remain in the agency that represents all Western Riverside. Has track record in complex project implementation (HERO, TUMF, etc.). WRCOG remains keeper of the Vision for Experience and meeting the project Goals. WRCOG can issue bonds that could be fund some/all construction financing, at a lower rate than a traditional loan.	WRCOG does not have the available staff to execute the project and would need additional revenues from the host agency or other. Would also require an ongoing dedication of the Executive Committee over the next several years to get it off the ground – requires unwavering commitment. This arrangement still requires some type of partnership with the host agency.
2. CITY/COUNTY/UTILITY AS A LEAD ORGANIZATION This scenario involves the host jurisdiction or utility taking on the responsibility for Experience. Could include a role for WRCOG, but not necessarily. Would likely involve an MOU or other type of partnership arrangement with others for successful implementation.	Project execution would be guided by the host jurisdiction/agency. WRCOG can choose to have role if wanting to ensure that Experience achieves the broader goals/benefits for all Western Riverside. Host jurisdiction/agency may have bonding authority to fund some/all construction financing.	Implementation may suffer if there is not the engagement and support by the elected leaders in WRCOG, especially if project funding is sought from the State. Experience could ultimately be less about demonstrating/promoting all of Western Riverside and more about enhancing the local jurisdiction.
3. JOINT POWERS AUTHORITY Under this option, WRCOG, the host agency, UCR, possibly CARB and other entities would form a JPA. There are two types of JPA's. The first allows two or more public agencies to contract to jointly exercise common powers. The second allows two or more agencies to form a separate legal entity. This entity has legal rights, including the ability to enter into contracts, hold/buy property, etc.	JPA's are an advantageous way to provide public services more efficiently and in a cost-effective manner. All decisions going forward related to Experience would be made jointly, with all the interests represented. This scenario would likely provide greater leverage in securing funding at the state and federal levels than option 1 or 2. If the JPA is a separate entity, the debts, liabilities and obligations of the JPA belong to that entity, not the contracting parties. JPA's also have bonding authority.	JPA's can only be formed with public entities, not private. This may result in Experience being less attractive to private sector partners if they don't have a voting role.
4. NON-PROFIT ORGANIZATION Similar to the structure for EXCITE, which includes City of Riverside, County of Riverside and UCR. LACI is also a Non-Profit P3 Organization which includes some private partners. Under this scenario, a Non-Profit for Experience would likely include the host jurisdiction, UCR, and other involved public and private entities. A non-profit is subject to rules and regulations in California and by the IRS, as well as its own bylaws.	Organizations that qualify as a 501(c)(3) are eligible for federal and state exemption of corporate income taxes on revenues generated by Experience. In addition, corporate "donations" to Experience (money, equipment, etc.) are tax deductible. From a fundraising standpoint, most non-profits are eligible for grants. There is also limited liability with a non-profit. Creditors and courts are limited to the assets of the non-profit organization. Unlike a JPA, a non-profit can include private partners, which may be the preferred way to establish and run the accelerator/incubator. A P3 may also be an option for construction, should an office developer want to include Experience as its "showcase" tenant in a larger project.	WRCOG's ability to influence Experience would be limited to its ability to appoint members to the non-profit board of directors.

DRAFT

Table 6-1: Governance Options Descriptions (CONTINUED)

GOVERNANCE OPTIONS	PROS	CONS
5. MEMORANDUM OF UNDERSTANDING An MOU is considered an informal type of agreement describing a multilateral agreement between parties indicating intended common action. It is often used where the parties do not imply a legal commitment. Under this scenario, WRCOG, the host agency, and other public or private partners can enter into an MOU regarding some or all of the actions related to implementation and future management of Experience.	An MOU does not have the same legal features, terms and conditions that a JPA or Non-Profit does. However, it may be the preferred partnership agreement for Experience in the beginning, as the players, working relationships, responsibilities, and commitments are being ironed out.	An MOU is not sufficient for carrying out the range of actions needed to plan and execute Experience.
6. FOR-PROFIT CORPORATION	**(Applies to both types of For-Profit Corporations)**	
6a. A Benefit Corporation or a Certified B Corporation A Benefit Corporation's purpose is similar to a 501(c)(3) in that they are required to make a positive impact on society or the environment. A Benefit Corporation is a type of for-profit corporation, but it has three additional legal attributes: 1) accountability, 2) transparency, and 3) purpose. Under this option, the Board of Directors could include WRCOG, the host jurisdiction, private investors, and outside "advisors". ***6b. Low-Profit Limited Liability Company (L3C)*** This option is a form of an LLC geared toward impact-driven companies. It bridges the gap between nonprofit and for-profit and allows owners to accept donations and program-related investments, or PRIs. It has a stated goal of performing a socially beneficial purpose, not maximizing income. It is a hybrid structure that combines the legal and tax flexibility of a traditional LLC, the social benefits of a nonprofit organization, and the branding and market positioning advantages of a social enterprise.	Beside the ability to make and share profits with officers and shareholders, these types of for-profit structures might be an attractive option because it could draw more investors as a mission-driven organization.	This type of structure may preclude the ability of Experience to receive funding from Foundations, and grant programs. In addition, any donations and program-related investments are not tax deductible.

DRAFT









DRAFT

CHAPTER 7

SITE EVALUATION PROCESS

The primary purpose of this feasibility study was to determine the viability of creating a regional sustainability and innovation center called Experience. Identification of the optimal site for Experience is integral to the determination of viability. The site matters because it is tied to the opportunity for creating a place that generates the visitation and use of all the program elements that Experience will have to offer. The goals for Experience clearly express the desire to be appealing to all aspects of the broader western Riverside County community—the business community, residents, students, the academic community, entrepreneurs, and others. As noted in Chapter 3, the feasibility of Experience will differ slightly based on the market and demand factors associated with different locations.

SITE SELECTION CRITERIA

The site evaluation process focuses on the general location options in Riverside, Temecula, and Perris because specific sites have not been secured. During Steering Committee Meeting #4, participants were asked to identify the criteria to be used in selecting a site. A list of 18 measures were identified (see Figure 7-1). Each jurisdiction/entity participating in the meeting was asked to identify their top ten criteria

Figure 7-1: Site Selection Evaluation Criteria

SITE SELECTION EVALUATION CRITERIA FOR EXPERIENCE

RESULTS FROM STEERING COMMITTEE #4

(1) is most important

1 (84 pts)	Financially Sustainable
2 (80 pts)	Regional economic development impact
3 (52 pts)	Sufficient space for Must Haves/Like to Haves
4 (48 pts)	Sufficient parking either on-site or off-site
4 (48 pts)	Alignment with Goals
6 (44 pts)	Expansion potential
7 (41 pts)	Competitive location for grant funding
7 (41 pts)	Proximity to existing population and employment
9 (38 pts)	Proximity to Transit
10 (36 pts)	Sufficient demand for Must Have/Like to Have program elements
11 (33 pts)	Synergy with surrounding uses
12 (30 pts)	Technical support from host jurisdiction/agency
13 (27 pts)	Flexible space for alternative programming/use overtime
13 (27 pts)	Proximity to University Partnerships
15 (25 pts)	Proximity to projected population and employment
16 (22 pts)	Local economic development impact
17 (17 pts)	Financial support from host jurisdiction/agency
18 (15 pts)	Land use compatibility

DRAFT

(only one vote per agency). The list of criteria was ranked from highest to lowest priority based on the number of points each received. Selection of a final site based on financial sustainability was deemed most important by the Committee. The results of this process are shown in Figure 7-1.

SITE SECTION EVALUATION

The top ten site selection criteria were applied to each of the host jurisdiction sites (or group of sites). A weighting system was created based on the number of points each of the criteria received from Committee members. For each of the ten criteria, the sites were ranked 1 through 3, with 3 being the best. The assessment of how each jurisdiction/site performed under each of the criteria involved a two-step process. First, the project team met to evaluate the sites, agree on a ranking for each of the criteria, and document the rationale in their scoring. The research and materials prepared throughout the feasibility study, the work of the Committee, and the presentations by the jurisdictions were the source of information relied upon to conduct the evaluation. The evaluation was quantitative when possible, but many of the criteria required a more qualitative assessment, such as the alignment with the goals. The results of the evaluation completed by the project team were presented at the final Steering Committee meeting and are included in Appendix G.

All three sites/jurisdictions were found to be technically feasible, though based on the input of the Steering Committee and their stated priorities, the Riverside site was ranked highest, followed by Perris and Temecula. At the final Steering Committee meeting, a majority (5 out of 7) of the voting members present from WRCOG's Executive Committee voted to support the findings of the project team rankings, recommending that Experience move forward at the Riverside site. Mike Barney, RCOE Executive Director, attending on behalf of Superintendent Dr. Judy White, also expressed support for the Riverside site.

SITE DESIGN CONCEPT

Experience is a high-performance campus that protects and restores the ecosystem while creating resilient opportunities that benefits the community, stakeholders, and local economies. Experience is a net-zero energy (NZE) campus that generates all its energy from the sun and wind, and a rainwater collector restoring local aquifers that in turn provide healthy functioning landscapes and improves water quality. The site is a teacher with indoor and outdoor demonstration areas that exhibit sustainable rainwater strategies and solar energy technologies, stitched together with a nature trail transforming the campus into a vibrant outdoor community classroom and cultural center. Carefully selected building and site materials such as cool roofs and green walls lower urban heat island effects creating a Western Riverside oasis. Experience is a harbinger of sustainable development and a leader in energy and environmental design. Figure 7-2 is a conceptual site design for Experience that depicts key program elements on an example site. Outdoor features, including demonstration areas, event space, and gathering areas are located around the main building with a series of pathways connecting the activities together.

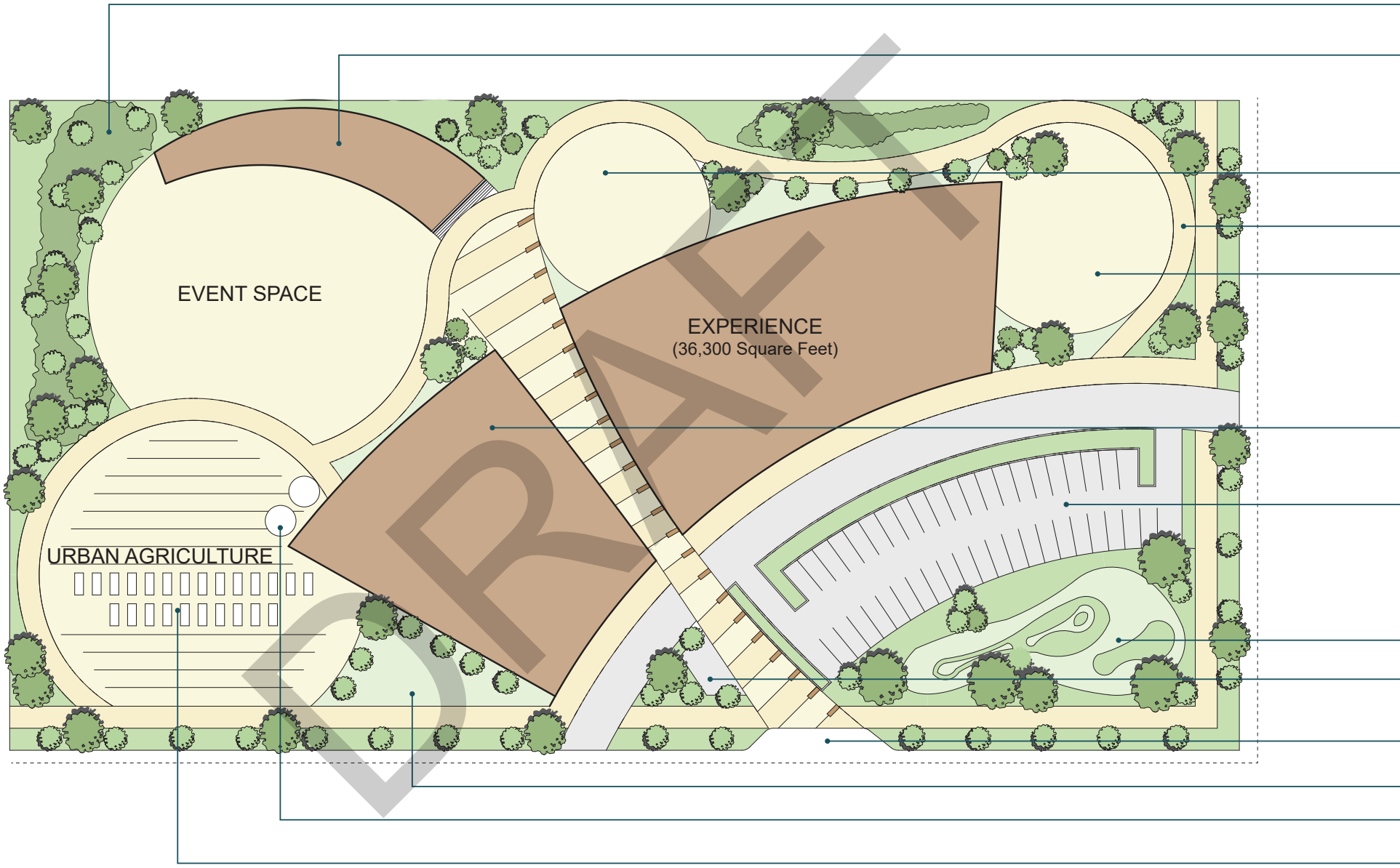
Following the recommendation of the project team, the Executive Committee Members on the Committee voted to select the City of Riverside as the host jurisdiction.

DRAFT

Intentionally left blank.

DRAFT

Figure 7-2: Site Plan for Experience



DRAFT

Habitat Restoration

Event Space Pavilion

Landscape Demonstration

Nature Trail / Interpretive Signage

Outdoor Gathering Space

Rooftop Dining

Permeable Concrete

Stormwater Exhibit

Bike Parking

Public Transportation Stop

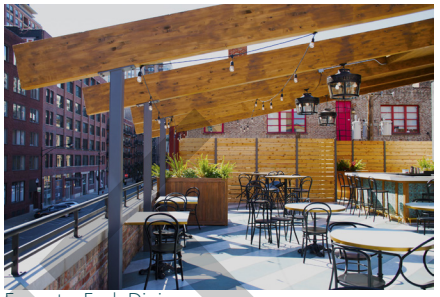
Solar Energy Exhibit

Rainwater Harvesting Exhibit

Raised Garden Beds



Clearwater Rain to Garden



Farm-to-Fork Dining



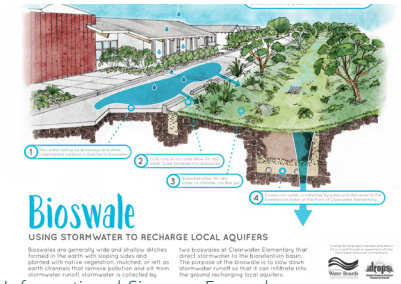
Spotlightsolar



Flexible Outdoor Event Space



Walking Trail



Informational Signage Example



Raised Garden Bed



Demonstration Gardening

DRAFT













CHAPTER 8

RECOMMENDATIONS

DRAFT

PHASE 2: MEMORANDUM OF UNDERSTANDING (18-24 MONTHS)

The next phase of work should be undertaken in a partnership arrangement, in the form of an MOU between WRCOG, the City of Riverside, and possibly other key partners. The MOU should provide for the following activities and actions for Phase 2:

- Scope of work and schedule for Phase 2.
- Joint funding/cost sharing over the next 18 to 24 months.
- Hire an individual(s) or consultant with the expertise to: prepare a development implementation plan/business plan for Experience; identify and pursue funding sources for capital; prepare marketing/ branding package; and manage Phase 2 activities.
- Select and secure a site (through purchase or an option to purchase) for Experience. Explore the potential of securing an interim site to initiate certain aspects of Experience, such as an accelerator/ incubator or co-working space.
- Identify the appropriate governance structure based on funding/financing sources and partners.

PHASE 3: FORMAL ORGANIZATION (12-24 MONTHS)

- Establish formal governance structure and hire executive director (if not hired in Phase 2).
- Prepare operations plan and finalize agreements with other partners/operators.
- Finalize the funding and financing plan for Experience, which includes finalizing the program elements.
- Acquire the site.
- Initiate design of Experience

PHASE 4: IMPLEMENTATION (2+ YEARS)

- Secure entitlements
- Construction
- Grand Opening

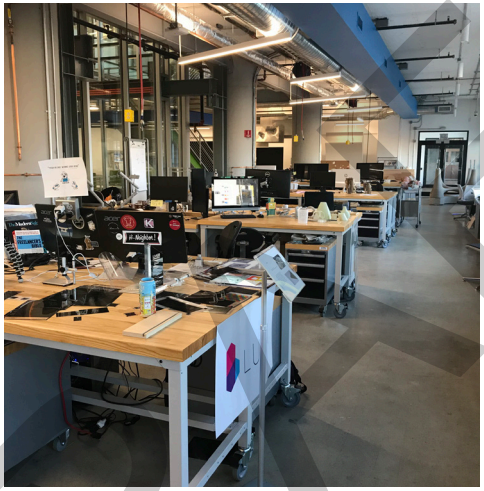
PHASE 5: OPERATIONS / FUNDRAISING (ONGOING)

- Annual operations of Experience
- Ongoing fundraising to support programming

DRAFT









DRAFT

APPENDICES



A. STEERING COMMITTEE MEETING SUMMARIES

B. RELEVANT MODELS MATRIX

C. MARKET ANALYSIS

D. PROGRAM ELEMENTS FOR HOST JURISDICTIONS

E. PRESENTATION MATERIALS FROM HOST JURISDICTIONS

F. PRO-FORMA ANALYSIS

G. SITE EVALUATION MATRIX

DRAFT

APPENDIX A

DRAFT

STEERING COMMITTEE MEETING SUMMARIES

Feasibility Study for EXPERIENCE - A Regional Innovation Center

Steering Committee Meeting #1 Summary
January 22, 2018 | 11:00 AM - 1:00 PM

Project Contact: Andrea Howard, Senior Analyst, ahoward@wrcog.us, (951) 405-6751

Steering Committee:
Executive Committee Members: Debbie Franklin, City of Banning; Adam Rush, City of Eastvale; Laura Roughton, City of Jurupa Valley; Kelly Seyarto, City of Murrieta; Rusty Bailey, City of Riverside; Kevin Bash, City of Norco; Dr. White, Riverside County Superintendent of Schools

Member Agency Staff: Grace Williams, City of Perris; Lea Deesing, City of Riverside; Sherry Shimoshock, City of Riverside; Matt Peters, City of Temecula; Jolene Walsh, Eastern Municipal Water District (EMWD); Danielle Coates, EMWD; Melanie EMWD
Regional Stakeholders: Joanna Chang, Southern California Edison; Jeff Lawler, Southern California Gas Company (SoCalGas); Ana Aceves, SoCalGas; Alexandra Orozco, University of California, Riverside (UCR); Nicole Davis, UCR

Staff and Consultants: Rick Bishop, WRCOG; Jennifer Ward, WRCOG; Tyler Masters, WRCOG; Andrea Howard, WRCOG; Cynthia Mejia, WRCOG; Amber Bolden, WRCOG; Huyen Bui, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; Scott Ashlock, PlaceWorks; Eric Carbonnier, HMC Architects

Experience - Origin and Current Ideas:
In 2010, WRCOG adopted the Sustainability Framework, which recognized six interrelated goal areas for achieving a high quality of life and regional economic growth: transportation, water and waste water, energy and environment, economic development, health, and education. The concept of Experience is a physical manifestation of the Framework that would contain various elements that advance the Framework Goals.

To achieve this goal, WRCOG envisions that Experience would draw audiences for a variety of purposes by including such elements as an education center, community farm, water efficient garden, walking loop, amphitheater, farm-to-fork café, and other public assets. Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects, and more.

DRAFT







Purpose of this Study - Future Path for EXPERIENCE:
On October 2, 2017, WRCOG's Executive Committee approved a contract with PlaceWorks consultants to perform a Feasibility Analysis (the Analysis). The Analysis will explore the viability of bringing Experience to Western Riverside County. The analysis will begin with a review of relevant models to identify the program elements that would be desired for Experience. PlaceWorks will perform an opportunity and constraints analysis of the potential host sites and develop a demand analysis for the center and develop a set of options for the potential governance structure. Finally, the analysis components will be assessed together to determine overall feasibility.

Role of the Steering Committee:
The Steering Committee will provide valuable insights and feedback at each step of the Analysis. The meetings have been strategically scheduled to coincide with major milestones, and participants will be encouraged to provide valuable information to shape the direction and conclusion of the Analysis.

Timeline:
The Analysis will span ten months, beginning in October 2017 and concluding in July 2018. The full timeline is listed in the Meeting 1 Presentation slides.

Background on Other Relevant Models:
PlaceWorks presented several relevant models, providing a spectrum of ideas for potential elements to include in the Experience analysis, from examples across the County. These relevant models are listed in the Table of Relevant Models. Three of the models were also featured in a short compilation video played during the meeting, which can be viewed here.

Goal Setting by the Committee:
Initial working goals for Experience were shared with the Committee as a starting point for discussion. Over the course of an hour, members provided a variety of ideas and desires for what EXPERIENCE could be and how it could function. Below are the Initial Working Goals with comments incorporated, followed by a summary of the additional goals born from the discussion.

Initial Working Goals: EXPERIENCE should…

1. Benefit all WRCOG organizations and the communities served
2. Be tied to WRCOG's mission
3. Support WRCOG's Economic Development and Sustainability Framework
4. Not resemble a monument, but a place that engages, educates and motivates people
5. Be relevant to what's important to the region – a sustained public benefit
6. Be financially feasible from construction to operations and maintenance overtime
7. Have a high-level of performance for program elements and the facilities, which should be tracked and evaluated
8. Provide multiple reasons to visit through a wide variety of cohesive activities that result in returning visitors
9. Be innovative, cutting-edge, and provide a rotation of forward-thinking displays, events, and activities
10. Incorporate best practices for water and energy efficiency, sustainable building design, and business strategy
11. Empower the community to adopt techniques/take action

DRAFT

12. Provide visitors with a unique experience that encapsulates the region
13. Be embraced by both the public and private sector – encouraging partnerships and collaboration

Committee Discussion: EXPERIENCE should…

1. Provide economic development opportunities for individuals and businesses
    - Prepare people for jobs in the subregion
    - Be attractive to businesses (to locate there or partner with)
    - Be a central place to access information/resources (for companies considering moving to Riverside or for start-up companies)
2. Not be a Monument
    - It should not just showcase what WRCOG has done
    - It must be relevant over time
    - The building design should reflect the energy/resource conserving technologies and tell a story (function over form)
3. Be accessible by all modes of transportation (e.g., car, bus, train, pedestrians, cyclists) and all segments of the population (low income, rural/urban, non-English speaking, multiple ages, etc.)
4. Tell the story of Western Riverside County by showcasing the region's current assets/successes. This should also include promoting the vision for Western Riverside County through visual simulations or other techniques.
    - Showcase uniqueness of region (what it has to offer) and tap into international opportunities to showcase (sister-cities)
    - Include futuristic "look" at trends Riverside County will likely experience, how these trends may change the region, and how we can prepare
    - Incorporate museum features w/revolving exhibits – see Catalina Island
    - Include space for each jurisdiction/partner to have exhibit
    - Promote region – every nook should tell a story
    - Showcase best practices that the region wants to see happen w/ new development
    - Paint the story of sustainability in Riverside County – for new businesses
    - Have a way to bring in new partners
    - Share success stories – WRCOG and others, showcase start-ups
    - Riverside County is a series of PLACES – tie them together with the EXPERIENCE concept
5. Compliment UC Riverside and Cal Poly Pomona sustainability and regenerative studies research (agricultural living labs, solar/micro grids)
6. Be accessible to everyone in the community – be affordable and open to the public
7. Accommodate large and small audiences
8. Provide interactive educational opportunities for all ages
    - Tactile
    - Education for children
    - SoCalGas – see demo in Downey: education on kitchen technology
    - "Inspiration center" – youth (tech playground), improve on Discovery Science Center model
    - Experience Water, Experience Health, Experience Education, etc. – based on Framework plan, could be located throughout

DRAFT

- See Discovery Cube – Sylmar

9. Serve as a centralized resource and information center for the region
    - Central place for accessing information – utility rebates, info on WRCOG partners, non-profit groups, community health, start-up companies, resource center
    - Include liaison services – permitting, accounting, legal

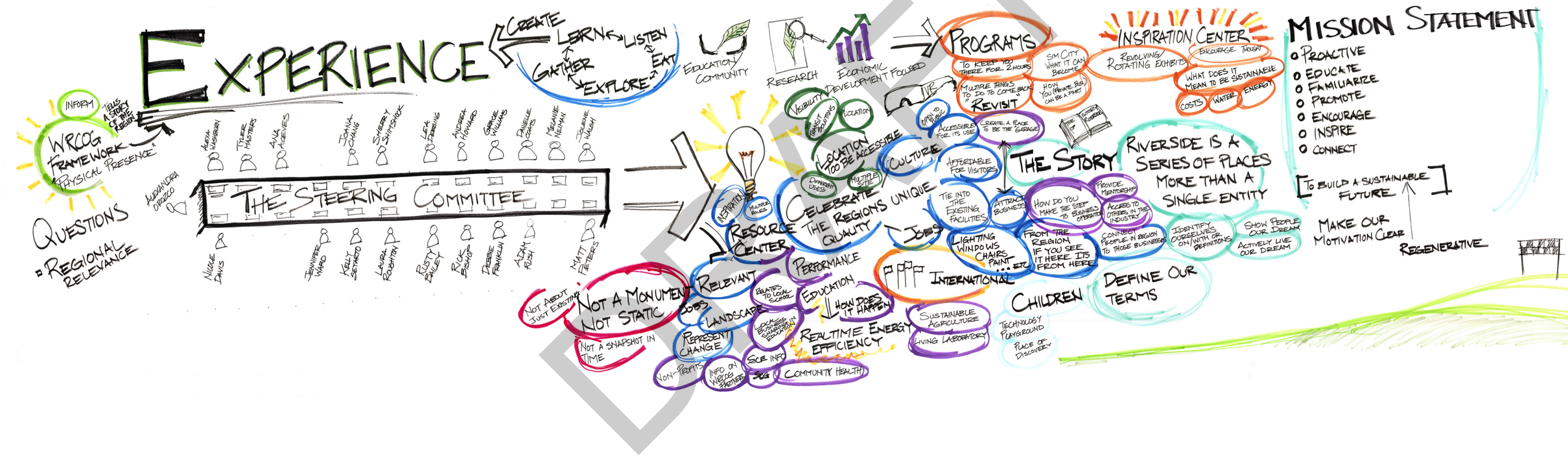
Committee Input on the Mission for EXPERIENCE:

Following a thorough discussion of goals, attendees were introduced to four mission statements from relevant models to initiate a first discussion on establishing a mission for Experience. Below is a summary of the discussion.

1. To build a regenerative future, EXPERIENCE must:
    - Be Proactive
    - Educate
    - Familiarize
    - Promote
    - Encourage
    - Inspire
    - Connect
2. Make our motivation clear

DRAFT

Graphic Meeting Recording



DRAFT

Feasibility Study for EXPERIENCE
A Regional Innovation Center

Steering Committee Meeting #2 Summary
February 26, 2018 | 10:30 AM- 12:00 PM

Project Contact: Andrea Howard, Senior Analyst, ahoward@wrcog.us, (951) 405-6751

Steering Committee:
Executive Committee Members: Debbie Franklin, City of Banning; Adam Rush, City of Eastvale; Laura Roughton, City of Jurupa Valley; Kelly Seyarto, City of Murrieta; Rusty Bailey, City of Riverside; Kevin Bash, City of Norco; Ron Sullivan, Eastern Municipal Water District; Dr. White, Riverside County Superintendent of Schools

Member Agency Staff: Clara Miramontes, City of Perris; Grace Williams, City of Perris; Lea Deesing, City of Riverside; Sherry Shimoshock, City of Riverside; Luke Watson, City of Temeulca; Matt Peters, City of Temecula; Jolene Walsh, Eastern Municipal Water District (EMWD); Danielle Coates, EMWD; Melanie EMWD

Regional Stakeholders: Joanna Chang, Southern California Edison; Jeff Lawler, Southern California Gas Company (SoCalGas); Ana Aceves, SoCalGas; Jennifer Vaugn, SoCalGas; Alexandra Orozco, University of California, Riverside (UCR); Nicole Davis, UCR

Staff and Consultants: Rick Bishop, WRCOG; Jennifer Ward, WRCOG; Andrea Howard, WRCOG; Huyen Bui, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; Eric Carbonnier, HMC Architects

Advisors: Dr. Kyle Brown, Lyle Center for Regenerative Studies; Mike Swords, Los Angeles Cleantech Incubator (LACI); Kristeen Farlow, Frontier Project

Experience – Concept and Origin:
WRCOG envisions that Experience would draw audiences for a variety of purposes by including such elements as an education center, community farm, water efficient garden, walking loop, amphitheater, farm-to-fork café, and other public assets. Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects, and more.

In 2010, WRCOG adopted the Sustainability Framework, which recognized six interrelated goal areas for achieving a high quality of life and regional economic growth: transportation, water and waste water, energy and environment,

DRAFT







economic development, health, and education. Experience would be a physical space to explore and grow the subregion's work to advance the Framework Goals.

Purpose of this Study - Future Path for Experience:
On October 2, 2017, WRCOG's Executive Committee approved a contract with PlaceWorks consultants to perform a Feasibility Analysis (the Analysis). The Analysis will explore the viability of bringing Experience to Western Riverside County, by refining the projects goals and conducting a review of relevant models to identify the program elements that would be desired for Experience, performing an opportunities and constrains analysis of the potential host sites, developing a demand analysis for the center and a set of options for the potential governance structure, and finally, assessing the analysis components together to determine overall feasibility.

Role of the Steering Committee:
The Steering Committee will provide valuable insights and feedback at each step of the Analysis. The meetings have been strategically scheduled to coincide with major milestones, and participants will be encouraged to provide valuable information to shape the direction and conclusion of the Analysis.

Timeline:
The Analysis will span ten months, beginning in October 2017 and concluding in July 2018. The full timeline is listed in the Meeting 1 Presentation slides.

Meeting #1 Review:
The Steering Committee met for the first time on January 22, 2017. At the meeting, attendees received a thorough introduction to the Experience concept; learned of relevant models across the globe, from which Experience could draw inspiration and knowledge; discussed goals for Experience. Among the goals discussed, attendees expressed that Experience should by synergistic with WRCOG and the surrounding community (including k-12 education, colleges and universities, and businesses); Experience should provide region-wide economic and social benefits, and spur economic growth, especially by fostering economic opportunity; and Experience should tell the story of Western Riverside County—what the subregion has to offer and where it going. Finally, the Committee initiated a discussion to draft the Mission for Experience.

Model Site Representative Presentations:
Representatives from three Southern California models: the Lyle Center for Regenerative Studies at Cal Poly Pomona, the Los Angeles Cleantech Incubator (LACI), and the Cucamonga Valley Water Districts' Frontier Project, presented an overview of their programs and fielded questions from attendees regarding logistics and operations.

These models provided a good sampling of the diversity that exists among these centers. The Lyle Center was an early example of sustainable development and living, modeling practices which later informed the LEED certification process. It is built on a 16-acre campus at Cal Poly Pomona and is an affiliate of the University, designed with the mission to make a "collective impact toward a sustainable future." The Lyle Center meets its goals largely through student and faculty

DRAFT

driven work to provide education and demonstrations, perform research, and conduct community outreach. The Center receives approximately 57% of the $550,000 annual operating expense from State allocation, and the remaining 43% from grants, endowment, and individual donations.

LACI is an entrepreneurial incubator located at the cutting-edge, 60,000 square foot La Kretz Innovation Campus, owned by Los Angeles Department of Water and Power (LADWP). LACI is an independent nonprofit born out of a Public Private Partnership with the City of LA and LADWP. It operates under the mission to create an inclusive green economy for the City and LA region. Since 2011, LACI has served more than 70 start-ups, created more than 2,000 jobs, generated $214 M in revenue and generated $335 M in economic benefit for the City.

The Frontier Project was developed out of a need for the CVWD for more office space and a desire to create an additional space to demonstrate water efficient best practices to the community by creating a regional destination. Opened in 2009, the 14,000 square foot building has office space, a technology gallery, conference space, demonstration kitchen, green roof, landscape demonstration, and is LEED Platinum. The Frontier project hosts regular meetings and events and is home to the Water Works Association.

Of particular note, the speakers provided these insights:

- Given the chance to change the course of development for the Lyle Center, Dr. Brown reported that he would give greater focus to areas where a significant impact could be made. . In recent years they have shifted their focus on working with the community, particularly Pomona Unified.
- Dr. Brown also noted the challenges of being a part of the university: 1) grants received have to flow through various departments which adds an additional layer or bureaucracy; and 2) they struggle to be entrepreneurial.
- Representatives from both LACI and the Frontier project reported that their event and meeting spaces, and LACI's co-working space cannot accommodate the demand they see in terms of physical size. They recommended capacity somewhere between 300 – 400 people.
- Mr. Swords shared that while the La Kretz Innovation Campus is a significant asset, the majority of the entrepreneurs they host report that the greatest benefit of working with LACI is the opportunity to work with the Executives in Residence. Additionally, Mike shared that prior to the opening of La Kretz, LACI operated as an incubator for four years and was named the #3 incubator in the world according to University Business Incubators, emphasizing that the programming drove the success of LACI.
- Mr. Swords also noted that the success of LACI was in part a function of strategic partnerships with the Mayor's Office, County Office, LA Department of Water & Power (LADWP), State of California, Federal Government, Port of Los Angeles, Metro, Metropolitan Water District (MWD), Southern California Edison (SCE), Financial institutions (JP Morgan, Wells Fargo), and Universities (UCLA, USC, Caltech, Cal State Northridge), JPL, Los Angeles County Economic Development Corporation (LAEDC), LA Chamber of Commerce, LA Business Council (LABC), and Industry partners.
- In contrast, Ms. Farlow shared that the Frontier Project struggled to meet its funding targets because it did not have a clearly defined mission and purpose at its onset, while it set-out to be an educational resource, that was not specific and compelling enough to attract supporters.

DRAFT

- Representative from each Center noted staff size: The Lyle Center has a staff of 3 not including faculty, LACI 30, and Frontier 1. This is relevant in relationship to regional impact and Center success.
- All three speakers acknowledged the challenge of any building or grounds staying relevant in terms of the demonstration technology being displayed. The advice from LACI was to have a broader mission, such as inventing and building hardware which by definition adapts overtime. Dr. Brown noted that the Lyle Center was built on the principles of regeneration, not on solutions, and therefore is more timeless.

DRAFT

Feasibility Study for EXPERIENCE
A Regional Innovation Center

Steering Committee Meeting #3 Summary
March 19, 2018 | 11:00 AM- 1:00 PM

Project Contact: Andrea Howard, Program Manager, ahoward@wrcog.us, (951) 405-6751

Steering Committee:
Executive Committee Members: Council Member Debbie Franklin, City of Banning; Council Member Adam Rush, City of Eastvale; Council Member Laura Roughton, City of Jurupa Valley; Council Member Kelly Seyarto, City of Murrieta; Mayor Rusty Bailey, City of Riverside; Council Member Kevin Bash, City of Norco; Director Ron Sullivan, Eastern Municipal Water District; Dr. Judy White, Riverside County Superintendent of Schools

Member Agency Staff: Clara Miramontes, City of Perris; Grace Williams, City of Perris; Brian Muhu, City of Perris; Al Zelinka, City of Riverside; Rafael Guzman, City of Riverside; Lea Deesing, City of Riverside; Sherry Shimshock, City of Riverside; Luke Watson, City of Temeulca; Matt Peters, City of Temecula; Paul Jones Eastern Municipal Water District (EMWD); Jolene Walsh, EMWD; Danielle Coates, EMWD; Melanie Nieman EMWD; Mike Barney, Riverside County Office of Education; Rohan Kuruppu, Riverside Transit Agency

Regional Stakeholders: Joanna Chang, Southern California Edison; Ana Aceves, Southern California Gas Company (SoCal Gas); Jennifer Vaugn, SoCal Gas; Melisa Marks, SoCal Gas; Alexandra Orozco, University of California, Riverside (UCR); Nicole Davis, UCR; Dianne Leibrandt, Riverside University Health System – Public Health

Staff and Consultants: Rick Bishop, WRCOG; Jennifer Ward, WRCOG; Andrea Howard, WRCOG; Anthony Segura, WRCOG; Cynthia Mejia, WRCOG; Huyen Bui, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; Eric Carbonnier, HMC Architects

Experience – Concept and Origin:
WRCOG envisions that Experience would draw audiences for a variety of purposes by including such elements as an education center, community farm, water efficient garden, walking loop, amphitheater, farm-to-fork café, and other public assets. Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects, and more.

In 2010, WRCOG adopted the Sustainability Framework, which recognized six interrelated goal areas for achieving a high quality of life and regional economic growth: transportation, water and waste water, energy and environment,







DRAFT

economic development, health, and education. Experience would be a physical space to explore and grow the subregion's work to advance the Framework Goals.

Meeting #2 Review:
The Steering Committee held its second meeting on February 26, 2018. At the meeting, representatives from three Southern California model facilities—the Lyle Center for Regenerative Studies at Cal Poly Pomona, the Los Angeles Cleantech Incubator (LACI), and the Cucamonga Valley Water Districts' Frontier Project—presented an overview of their programs and fielded questions from attendees regarding logistics and operations.

Attendees shared their reflections of the meeting. Sherry Shimshock noted the speakers' stories conveyed the importance of having a clearly defined mission, and identified financial partners who are in alignment with that mission. Director Sullivan, recounted the speakers' emphasis that the facilities be made sufficiently large for future demand, with the ability to accommodate upwards of 300 people. Other commenters noted that the partnership LACI has with the Los Angeles Department of Water and Power (DWP), is a potential model to emulate, in which there is long-term shared occupant in the building with a complementary mission. Council Member Franklin commented that the speakers showcased the diversity of the possibilities for Experience.

Opportunities for Collaboration
University of California, Riverside (UCR)
Alexandra Orozco and Nicole Davis of UCR presented on some of the existing initiatives occurring across UCR, including activities led solely by the University and in partnership with local, regional, and national agencies. As part of an effort to capitalize on the relocation of the California Air Resource's Board (CARB) to a Riverside facility adjacent to the University, UCR commissioned a strategic report on how to attract additional new ventures and employment opportunities for graduating students. The report revealed that the University's sustainability efforts (clean air, clean and green energy, synergy between technology and engineering, transportation, and health care) are the key area for University to focus on. The plan recommended focusing on leveraging these themes, focusing on retaining local talent and working collaboratively with local partners

UCR has several initiatives geared toward retaining local talent, including a newly launched Highlander Venture Investment Fund, mentorship and classroom programs for aspiring entrepreneurs, and the Excite Incubator – a collaboration with the University, City and County. UCR is also leading several sustainability-minded projects, including the Innovative Corridor, an active research and demonstration area underway in the City of Riverside to test transportation technologies developed out of the Bourns College of Engineering. Nicole shared that there is a great deal of momentum stemming from the University's existing programs and research, their network of partners, and the synergy they have cultivated with the existing and planned regional assets. The University's vision is to establish a green tech park for collaboration, events, laboratories, and test beds—something not unlike some of the ideas that have emerged for Experience. Both Alexandra and Nicole emphasized that there are ample opportunities to partner with the University, particularly in areas related to sustainability.

DRAFT

Al Zelinka shared that CARB's future facilities will be developed on an 18-acre site near campus, at Iowa and University Avenue, in a $416 million LEED Platinum net-zero-energy building to house 400-500 engineers and scientists conducting emissions testing and research for the State of California and beyond, opening in the spring of 2021. The facility will be in the City of Riverside's newly established Innovation Corridor and on University Avenue, where much of the UCR transportation technology testing occurs.

Riverside County Office of Education, Riverside (RCOE)
Mike Barney of RCOE shared that the agency is constantly trying to build the ability to demonstrate the strength of the region's education system across all levels and programs from K-12 to University and traditional education models to technical trade schools.

Eastern Municipal Water District (EMWD)
Paul Jones, General Manager of EMWD, a water, waste water and recycled water provider covering a 550 square-mile area, serving seven cities and unincorporated portions of the County in Western Riverside. EMWD is considered an industry-leading water supplier and water resource manager, focused on sustainability—EMWD generates approximately 50% of the energy consumed by its facilities and has a $290 million annual budget and 620 employees.

EMWD has several educational initiatives and partnerships working with both higher education and K-12, and focused outreach with disadvantaged communities. Higher education partnerships include Mount San Jacinto College for training certified operators; collaboration with the California State University San Marcos, Temecula, on the administration of the Environmental Leadership Institute; research on rate structures and water quality as well as internships with UCR; and Master Gardeners programs through the University of California Cooperative Extension; hosting Fellows through the CivicSpark Program, an extension AmeriCorps; field trips, training, and activities with 11 K-12 school districts; and education for business and civic leaders through the Water Leaders Academy.

EMWD has identified a few of the region's primary challenges, including a deficit of trade school education opportunities, which can prepare young people for meaningful and well-paying jobs. Additionally, Mr. Jones identified need for training for the STEM (science, technology, engineering, and math) curriculum, and growth potential career paths. Mr. Jones also highlighted many of the region's strengths and noted that a Perris location for the Experience facility offers myriad benefits, including the ability to positively influence future growth as the region is currently only 38 percent built-out.

Mission Statement for Experience
The project team introduced a draft Mission statement crafted from input received during the first steering committee meeting. Meeting attendees were asked to provide feedback with the goal of refining the Mission Statement to be 80% complete. To prepare for this, the project team shared a few existing Mission Statements from well-known brands, including Nike, Starbucks, and the Lyle Center, to convey the goal, in broad terms, of any mission statement. The draft provided at the meeting was:

DRAFT

"Experience is a place that connects our public, private, nonprofit, and education leaders to harness knowledge capital, attract growth industries, accelerate technologies, and spur economic development. Experience draws and inspires our community to learn and be engaged in innovations to improve our world."

Meeting attendees shared input on the draft. General comments included the idea that the first and second sentences might be broken apart to have one serve as the foundation of a Mission and the other of the Vision statement; ensuring that the Mission is simple enough that it is easily understood by a variety of audiences; and additional refinement of specific wording choices, including using the word or concept of "synergy," "place," and "sustainability" in some way. The project team will spend time reflecting on the ideas presented and will prepare a revised version with the Committee in the future.

Indoor/Outdoor Programming

The project team initiated a discussion of the general programming elements that might be included in the demand analysis of the Feasibility Analysis. Ten indoor space elements were presented for feedback: Rotating Display or Demonstration Area, Training Center for the Trades, Student-Oriented Education / Learning Area, Meeting / Event Space, Co-Working Area, Administrative Core, Labs / Fabrication / Prototype Area, Welcome Center, Food, and Office Space. In addition, four potential outdoor space elements were presented for feedback: Regional Resiliency Demonstrations and Innovations, Community Areas, Event Space, and Urban Agriculture.

There was a general consensus among participants that most elements were essential for inclusion in the analysis. A Training Center for the Trades was not strongly suggested for inclusion. Office Space for Lease was not strongly supported initially, but staff noted the capacity for leased office space to generate revenue that offsets operation costs and urged further investigation of this idea. Similarly, incubation space and co-working space was strongly supported by some, but not all. The project team will review the list with the consultants performing the demand analysis to assess the final elements for inclusion in the analysis.

The discussion of programming instigated a complementary discussion to identify the potential "customer," or end user for Experience. Meeting participants identified the following entities as likely customers for Experience: general public, students, businesses seeking best practices information, and private sector partnerships.

Action Items

Based on the discussion of the Mission Statement, staff and consultants will work on revising the Mission Statement and drafting a complementary Vision statement.

Next Meeting

Meeting #4, originally scheduled for May 21, 2018, has been rescheduled to June 18, 2018, due to conflicts with several Steering Committee participants.

DRAFT

Feasibility Study for EXPERIENCE
A Regional Innovation Center

Steering Committee Meeting #4 Summary
June 18, 2018 | 11:00 AM- 1:00 PM

Project Contact: Andrea Howard, Program Manager, ahoward@wrcog.us, (951) 405-6751

Steering Committee:
Executive Committee Members: Council Member Debbie Franklin, City of Banning; Council Member Adam Rush, City of Eastvale; Council Member Laura Roughton, City of Jurupa Valley; Mayor Rusty Bailey, City of Riverside; Council Member Kevin Bash, City of Norco; Dr. Judy White, Riverside County Superintendent of Schools;

Member Agency Staff: Grace Williams, City of Perris; Rafael Guzman, City of Riverside; Steve Massa, City of Riverside; Danielle Coates, EMWD; Melanie Nieman EMWD; Rohan Kuruppu, Riverside Transit Agency; Rick Sandzimier, City of Moreno Valley

Regional Stakeholders: Ana Aceves, Southern California Gas Company (SoCal Gas); Alexandra Orozco, University of California, Riverside (UCR)

Staff and Consultants: Chris Gray, WRCOG; Andrea Howard, WRCOG; Mike Wasgatt, WRCOG; Karen Gulley, PlaceWorks; Steve Gunnells, PlaceWorks; Eric Carbonnier, HMC Architects

Experience – Concept and Origin:
WRCOG envisions that Experience would draw audiences for a variety of purposes by including such elements as an education center, community farm, water efficient garden, walking loop, amphitheater, farm-to-fork café, and other public assets. Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, community stewardship, business operations, employment prospects, and more.

In 2010, WRCOG adopted the Economic Development & Sustainability Framework, which recognized six interrelated goal areas for achieving a high quality of life and regional economic growth: transportation, water and waste water, energy and environment,

DRAFT







economic development, health, and education. Experience would be a physical space to explore and grow the subregion's work to advance the Framework Goals.

Meeting #4 Review:
The Steering Committee held its fourth meeting on June 18, 2018. The agenda included a debrief from the tour of the Los Angeles Cleantech Incubator (LACI), a presentation on the findings of the market demand analysis and review of economic benefits of potential program elements, identification of site selection criteria by the Steering Committee participants. There was also an initial discussion of the different models of incubator/accelerator/co-working/maker spaces in the region. Definitions for each were presented along with what various existing organizations provide.

LACI Tour
Attendees shared their reflections of the LACI tour. The comments included:

- LACI has a 30-year lease from LAWDP for $1/year
- They utilize all their current space (indoors and out) and are branching out across the street
- They currently have 35 staff and interns working there
- LACI's "secret sauce" or greatest value added are the Executives in Residents, CEO's and CFO's who mentor the businesses
- They only accept 9% of the applications they receive to be part of LACI – an indication of potential demand
- 3.2 acre parcel, 60,000 sf under roof
- They have a wet lab, which is also needed in Riverside
- There is demand for a LACI type model in western Riverside
- There is some concern about start-up costs for a model similar to LACI
- Not all participants agree whether an incubator/accelerator model should be part of Experience

Market Demand Presentation
Steve Gunnells, Chief Economist for PlaceWorks, gave a presentation on the market demand and economic benefits of the following potential program elements:

- Entrepreneurial Support
    - Incubator/accelerator
    - Makerspace
    - Coworking/meeting space
- General office space for lease
- Event space/venue
- Food service
- Outdoor demonstration area
- Urban agriculture

DRAFT

For each of the elements, Mr. Gunnels walked through the economic and market issues associated with the three potential locations (Riverside, Temecula, and Perris), the expectation for revenue generation; and implications for ultimate site selection. His analysis included evaluating population and employment (existing and future), existing providers of the different program components, a general assessment of existing market demand and potential revenue for each of the three locations, and an assessment of the overall locational strengths and/or weaknesses associated with each program element in each location. This was a high- level assessment designed to inform the conversation about demand in Western Riverside and potential synergies that could be achieved between the elements and within a surrounding community. The market analysis will also be used to develop a series of alternative programs to be evaluated in the next stages of the project.

Site Selection Criteria and Ranking

The Steering Committee provided input on site selection criteria that would be used in assessing each of the potential locations for Experience. An initial list of site selection criteria was presented and meeting participants were asked for input on additional criteria to be evaluated. Finally, each of the agencies present was asked to rank their top ten criteria. The results are as follows, with 1 being ranked most important:

1. Financially sustainable
2. Regional economic impact
3. Sufficient space for "Must Haves/Like to Haves"
4. Sufficient parking either on-site or off-site
5. Alignment with previously identified Goals for Experience
6. Expansion potential
7. Competitive location for grant funding
7. (tie) Proximity to existing population and employment
9. Proximity to transit
10. Sufficient demand for "Must Haves/Like to Haves"

The resultant ranking of all the site selection criteria will be used in the forthcoming site evaluation process.

Next Meeting: August 20, 2018 from 11:00 am to 1:00 pm

DRAFT

Feasibility Study for EXPERIENCE
A Regional Innovation Center

Steering Committee Meeting #5 Summary
August 20, 2018 | 11:00 AM- 1:00 PM

Project Contact: Andrea Howard, Program Manager, ahoward@wrcog.us, (951) 405-6751

Steering Committee:
Executive Committee Members: Council Member Debbie Franklin, City of Banning; Council Member Adam Rush, City of Eastvale; Council Member Laura Roughton, City of Jurupa Valley; Council Member Kelly Seyarto, City of Murrieta; Council Member Kevin Bash, City of Norco; Mayor Rusty Bailey, City of Riverside.

Member Agency Staff: Clara Miramontes, City of Perris; Steve Massa, City of Riverside; Sherry Shimshock, City of Riverside; Matt Peters, City of Temecula; Danielle Coats, Eastern Municipal Water District (EMWD); Melanie Nieman EMWD; Mike Barney, Riverside County Office of Education; Rohan Kuruppu, Riverside Transit Agency

Regional Stakeholders: Joanna Chang, Southern California Edison; Ana Aceves, Southern California Gas Company (SoCal Gas); Nicole Cleary, University of California, Riverside (UCR).

Staff and Consultants: Rick Bishop, WRCOG; Chris Gray, WRCOG; Andrea Howard, WRCOG; Rachel Hom, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; and Eric Carbonnier, HMC Architects

Experience – Concept and Origin:
WRCOG envisions that Experience would draw audiences for a variety of purposes by including such elements as an education center, community farm, water efficient garden, walking loop, amphitheater, farm-to-fork café, and other public assets. Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects, and more.

In 2010, WRCOG adopted the Sustainability Framework, which recognized six interrelated goal areas for achieving a high quality of life and regional economic growth: transportation, water and waste water, energy and environment,

DRAFT







economic development, health, and education. Experience would be a physical space to explore and grow the subregion's work to advance the Framework Goals.

Meeting #5 Review:
The Steering Committee held its fifth meeting on August 20, 2018. The agenda included: revisiting the Mission and Vison Statements, an update on the remaining tasks for this study, a presentation on the space program assumptions, and an initial discussion on governance options.

RE-EXAMINING THE MISSION AND VISION STATEMENTS
The project team provided a review of the evolution of the Experience Mission and Vision Statements to date. Based on feedback received in all previous discussions, the project team presented the below draft Mission and Vision statements.

> Mission: Experience connects our community with public, private, nonprofit, and education sectors to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.
>
> Vision: Experience elevates quality of life in Western Riverside County.

Attendees generally agreed on the Mission Statement as it was presented, however, they directed the project team to refine the Vision Statement further. Potential phrases, ideas and buzz-words suggested included the following:

- Nurture the quality of life
- Our "Disneyland" – main attraction
- Embodies
- Enhances
- Improves
- Advances to the next level
- Sustainability
- Innovation
- Make companies want to stay in business in this region
- Attract
- Create opportunity
- Encourage investment
- Showcase
- Develop Experience to be "the most" intriguing or desirable
- Action-oriented
- Participation
- The leading center of opportunity
  - Limitless (this branding is already taken)

PROGRAMMING DISCUSSION
Two different generic programs models for Experience were presented based on previous Committee input, the goals for Experience, and results of the market demand analysis. The first program model, the "Entry-Level," encompasses the minimum mix of complementary program elements to achieve synergy and be commercially viable.

DRAFT

The second model, the "Everything-Level," integrates all desired program elements at a scope deemed feasible given market conditions. Input and questions from the Committee is summarized below:

- Experience should absolutely include a WRCOG member information kiosk/marketing material to promote region
    - This aim could be me by marketing the region with photos
    - Include city/County marketing materials in display area (the project team confirmed this is included in entrance area of building)
- Meeting participants inquired about financing and raised questions regarding the costs of construction, maintenance, operations, and revamping Experience if needed in the future?
    - Some of the questions related to expenses are being evaluated now and will be presented at the next meeting as part of the pro-forma. However, there will need to be more detailed evaluation in later stages (following this initial Feasibility Study)
- How does Western Riverside capture millennials?
- How do visitors know what the different cities offer?
- Think of it is a progression – I'm in the door, but what's next in the business development process?
- Consider what Experience will offer – will it be the adoption of tech or the innovation of tech?

<u>PROGRAM SPACE ASSUMPTIONS</u>

- The Entry/Everything Program Matrix accounts for expansion
- Co-working/incubators/maker space are the primary facilities – where innovation and mentorship happen
- The administrative core is for leadership and executives
- The amenities of the building are scalable
- Consider the kitchen could also be used for catering event services
- Outdoor space allows for flexibility – it's a community outdoor environment
- Municipalities agreed to include incubator space in entry – it should serve as a successful example
- Municipalities wanted to know what the minimum space is for incubator and maker spaces

ALIGNMENT OF MISSION/VISION, GOALS, AND PROGRAM ELEMENTS

Participants re-visited the Mission/Vision, Goals, and priority Program Elements in relation to one another to ensure that these components were supportive of one another. The project team provided a written summary of its assessment of the synergy of these elements. Participants noted that, while Economic Development is a central concept in both the Mission Statement and in the Goals, it was under represented in the Program Elements prioritized for inclusion in Experience. Therefore, participants voted to make an Incubator space a "must have" in the priorities list, but noted that it should be a small-scale program developed for the purpose of promoting best practices in business incubation, but not for the purpose of serving as the subregion's primary incubator. It was also noted that there may be a need for a "human component" within Experience—docents or ambassadors to serve as liaisons to Experience and the subregion to facilitate regional economic development, by driving investment and business development across the subregion.

DRAFT

GOVERNANCE

An initial list of options for establishing the Lead Organization for Experience was presented. The list included:

- WRCOG as Lead Organization
- City, County, or other Agency as Lead Organization
- New JPA with WRCOG, lead jurisdictions, utilities, CARB, UCR, etc.
- If Accelerator/Incubator included, may create a separate entity to run (JPA, P3, Non-Profit)
- New Non-Profit P3 Organization
- New Non-Profit Organization of public entities
- New Public Partnership created with an MOU

As a deliverable, participants requested the pros and cons to each governing option presented. It was also asked if building governance will be different than the operating governance. Lastly, the Committee noted the importance of public perspective and inquired which governance option would be best received by the public.

OVERVIEW OF THE PROCESS GOING FORWARD

As the Feasibility Analysis concludes, there will be several important tasks and milestones to cover, summarized below:

- Consultants and potential host jurisdictions to develop a detailed program model, tailored for each jurisdiction
- Potential host jurisdictions to present pitch at next meeting
- Consultants to Present pros/cons for governance options
- Consultants to present feasibility analysis findings and discussion of financing options Consultants and Steering Committee to apply evaluation criteria to the three potential host locations
- Gather input from the Committee for Board meeting

DRAFT

Next Meeting: September 17, 2018 from 11:00 am to 1:30 pm (NOTE TIME EXTENSION!)

Feasibility Study for EXPERIENCE
A Regional Innovation Center

Steering Committee Meeting #6 Summary
September 17, 2018 | 11:00 AM- 1:30 PM

Project Contact: Andrea Howard, Program Manager, ahoward@wrcog.us, (951) 405-6751

Steering Committee:
Executive Committee Members: Council Member Debbie Franklin, City of Banning; Council Member Laura Roughton, City of Jurupa Valley; Council Member Kelly Seyarto, City of Murrieta; Council Member Kevin Bash, City of Norco; Mayor Rusty Bailey, City of Riverside.

Member Agency Staff: Clara Miramontes, City of Perris; Michelle Ogawa, City of Perris; Al Zelinka, City of Riverside; Rafael Guzman, City of Riverside; Sherry Shimshock, City of Riverside; Nathan Freeman, City of Riverside; Matt Peters, City of Temecula; Paul Jones Eastern Municipal Water District (EMWD); Danielle Coats, EMWD; Melanie Nieman EMWD; Mike Barney, Riverside County Office of Education; Rohan Kuruppu, Riverside Transit Agency

Regional Stakeholders: Joanna Chang, Southern California Edison; Ana Aceves, Southern California Gas Company (SoCal Gas); Alexandra Orozco, University of California, Riverside (UCR).

Staff and Consultants: Rick Bishop, WRCOG; Chris Gray, WRCOG; Andrea Howard, WRCOG; Rachel Hom, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; Steve Gunnels, PlaceWorks; and Eric Carbonnier, HMC Architects

Meeting #6 Review:
The Steering Committee held its sixth meeting on September 17, 2018. The agenda included presentations from each of the three prospective host sites, and a review of preliminary financial analysis of Experience, tailored for each site.

Prospective Host Site Presentations

Following previous meetings, staff worked with prospective host site representatives to identify a suitable selection of program elements for each particular site—recognizing that the Steering Committee participants have collectively prioritized the general program "must haves" and "like to haves", while also considering the unique factors of each site. Prospective host jurisdictions were asked to work within the parameters of the "apples-to-apples" framework of

DRAFT







program elements prepared by the consultant team, which provides only two specific square footage options for any one program element.

The resulting program element selections are summarized in the table below for each jurisdiction, alongside the "entry level" and "everything level" generic options, which were presented at Steering Committee meeting #5.

Representatives from each prospective host agency presented on their overall vision for Experience within the context of their site and offered additional information regarding the benefits of the potential location. Following the table, are select highlights from each site presentation.

DRAFT

EXPERIENCE PROGRAM DETAILS

	EMWD/Perris	Riverside	Temecula	Entry Level	Everything Level
Building and Indoor Functions					
Welcome center	750	1,000	750	750	1,000
Demonstrations/display	5,000	5,000	3,000	3,000	5,000
Meeting rooms/student learning opportunities	2,000	2,000	2,000	2,000	4,000
Conference space/event facilities	7,500		7,500	7,500	15,000
Seated performance venue			6,000		12,000
Coworking space/office space/space for lease	10,000		1,500	1,500	10,000
Incubator/accelerator		10,000	10,000	10,000	15,000
Maker space					10,000
Administrative core	700	900	700	700	900
Commercial kitchen (membership)	1,000	1,500	1,000	1,000	1,500
Restaurant/tasting room	2,500	2,500	2,500	2,500	2,500
Coffee bar	350	350	350		350
Microbreweries and local wineries		2,000	2,000		4,000
Other building core	4,470	3,788	5,595	2,843	12,188
Building circulation	8,568	7,259	10,724	5,448	23,359
Total building size (sq. ft.)	**42,838**	**36,297**	**53,619**	**37,241**	**116,797**
Building footprint (sq. ft.)	**42,838**	**36,297**	**53,619**	**37,241**	**58,398**
Coverage	**19.3%**	**24.5%**	**28.8%**	**24.3%**	**15.5%**
Site and Outdoor Functions					
Regional demonstration area	4,500	2,500	2,500	2,500	4,500
Community areas	3,000	3,000	3,000		4,500
Event space	25,000	10,000	10,000	10,000	25,000

EMWD

- They have a State Certified Laboratory and apprenticeship program already on site
- They partner with the County Workforce Development Board
- They already own one of the parcels proposed for development of Experience

Riverside

- The City is currently seeing extensive new investment by businesses, totaling over $1billion
- Downtown is an entrepreneurial setting and serves as an attraction for millennials
    - New food lab is providing this new synergy and new Chicano Museum will soon revitalize the library
- Experience would be sited within the 3 square mile Innovation District
    - Innovation District extends from southeast downtown to UCR and includes the new CARB site
- Vision for Experience is a LACI-like model, with a residential and employment population at its "front door"
- Riverside has a STEM high school offering classes at UCR

Temecula

- Propose an Experience that isn't all under one roof
- Existing partnerships: UCR Med School Internship program; Pechanga Tribe; Visit California; SCUSD Solar Research Project; CSU San Marco and San Diego; Grow Temecula Valley; many "foodie-preneures"
- 10 new hotels in pipeline
- Area is #6 in the nation for regional retail sales

PRELIMINARY FINANCIAL ANALYSIS

Project consultant Eric Carbonnier presented a general overview of the conceptual cost estimate framework including assumptions, inclusions, and exclusions applied to all jurisdictions' program goals. Conceptual cost estimates for the generic entry level and everything level model, and the three jurisdictions were presented with detail breakdown of building program and outdoor area requirements.

Project consultant Steve Gunnells presented a preliminary financial analysis for Experience. Based on an assessment of other organizations that provide facilities and services similar to the functional components being considered for Experience, the analysis estimated the net annual revenue that could be expected for the five Experience scenarios (the entry-level, the everything-level, and scenarios for the three locations under consideration). Based on the net annual revenue, the analysis estimated the feasible amount of borrowing and the upfront outside funding that would be necessary for each of the five scenarios. For the three specific locations, the upfront outside funding needed ranged from $21,746,000 to $25,930,000. Once Experience is up and running, the analysis estimates that necessary annual outside funding would range from $199,000 to $305,000. Outside funding for both upfront capital costs and annual operating costs could be some combination of: grants; federal, state, and local government funding; sponsors and corporate contributions; philanthropists; and, especially for the upfront costs, direct state appropriation.

Next Steps

As the Feasibility Analysis concludes, there will be several important tasks and milestones to cover, summarized below:

- Consultants to Present pros/cons for governance options

DRAFT

- Consultants and Steering Committee to apply evaluation criteria to the three potential host locations
- Consultants to present feasibility analysis findings and discussion of financing options
- Final input from the Steering Committee to advance to WRCOG's standing committee structure
- Staff and consultants to present to WRCOG's Administration & Finance and Executive Committees for consideration and further direction

Next Meeting: October 22, 2018 from 11:00 am to 1:30 pm (NOTE TIME EXTENSION)

DRAFT

Feasibility Study for EXPERIENCE
A Regional Innovation Center

Steering Committee Meeting #7 Summary
October 22, 2018 | 11:00 AM- 1:30 PM

Project Contact: Andrea Howard, Program Manager, ahoward@wrcog.us, (951) 405-6751

Steering Committee:
Executive Committee Members: Council Member Debbie Franklin, City of Banning; Council Member Adam Rush, City of Eastvale; Council Member Laura Roughton, City of Jurupa Valley; Council Member Kelly Seyarto, City of Murrieta; Council Member Kevin Bash, City of Norco; Mayor Rusty Bailey, City of Riverside; Director Ron Sullivan, Eastern Municipal Water District (EMWD).

Member Agency Staff: Clara Miramontes, City of Perris; Grace Williams, City of Perris; Michelle Ogawa, City of Perris; Sherry Shimshock, City of Riverside; Matt Peters, City of Temecula; Danielle Coats, EMWD; Melanie Nieman EMWD; Mike Barney, Riverside County Office of Education.

Regional Stakeholders: Ana Aceves, Southern California Gas Company (SoCal Gas); Alexandra Orozco, University of California, Riverside (UCR); Nicole Cleary, UCR.

Staff and Consultants: Rick Bishop, WRCOG; Chris Gray, WRCOG; Andrea Howard, WRCOG; Cynthia Mejia, WRCOG; Rachel Hom, WRCOG; Alexa Washburn, National CORE; Karen Gulley, PlaceWorks; Steve Gunnels, PlaceWorks; and Eric Carbonnier, HMC Architects

Meeting #7 Review:
The Steering Committee held its seventh and final meeting on October 22, 2018. The agenda included a review of governance options for Experience; a thoughtful discussion of the site selection criteria and each site, ultimately leading to the recommendation of a single site to move forward with WRCOG's support; and a final review of the Vision for Experience.

DRAFT







Experience Governance Options

Meeting 7 began with a review of several potential governance options and a discussion of the pros and cons associated with each. Steering Committee participants recognized that the final governance model would likely be determined later, but emphasized the importance of developing a Memorandum of Understanding (MOU) between WRCOG and the endorsed host site. As such, developing an MOU would be an appropriate first step to implementing Experience.

Site Selection

Steering Committee participants were guided through a ranking of each site against the top ten site selection criteria, chosen by the Steering Committee in meeting 4, and weighted based on the number of votes each criterion received in meeting 4. The rankings were informed by the research and findings of the Feasibility Analysis. Staff and consultants' site analysis resulted in the City of Riverside leading, followed closely by the City of Perris site at Eastern Municipal Water District (EMWD), and then by the City of Temecula. Participants provided thoughtful feedback regarding additional considerations that should be factored into the site comparisons, but ultimately the voting members of the Steering Committee present* endorsed the recommended ranking with 5 votes for the Riverside site and two votes for the EMWD site. *Mike Barney, RCOE Executive Director, attending on behalf of voting member Dr. Judy White, Superintendent, also supported selection of the Riverside site.

<u>Feedback Provided on Site Selection Ranking</u>

- Concerns were voiced regarding the fact that incubating space did not become a "must-have" until late in the scoring process. Importance of different components of attraction: restaurant, concert space, garden & not so much incubator.
- EMWD is ideal for expansion and has plenty of potential parking space. Perfectly situated to refer out to nearby cities with a central location.
- Locating Experience at the EMWD location would be an opportunity for WRCOG to have a better presence in southwest region of Riverside County
- There are long-term opportunities at Perris, including future transit and population growth
    - Largest population growth in Western Riverside County will be in the Perris area
    - EMWD might become a future hub 15-20 years down the line with projected population growth
- EMWD is available for an incubator and training facility
- Concerns were voiced regarding the Riverside location and the lack of parking; however, people think of Riverside City when they think of Riverside County.
- The following questions were posed: (1) Who is going to use the facility? (2) How does this impact where the site is?
    - Who is more likely to utilize the facility: Young people with little money or 30-40 year-olds with capital?
    - Need to consider who is going to invest in facility; EMWD has the capacity to attract private investment

DRAFT

    - Experience Project is not limited to synergy with UCR
- Regional access needs to be considered regarding places of highest projected population growth
    - Not only about the Millennials population, but also Generation Z (3-22) are important populations in the construction of the Experience Project
- Site Selection should factor in the future demand for Experience
- After becoming more established, satellite offices are an option. Experience is not necessarily limited to one location
- The experience location needs to be where the energy is, and the energy is in Riverside
- Through the trip to Oakland viewing Port Workspace, it was clear that a centrally located Project site near a university attracts millennials
    - The centrality of a project site, in accordance to a university and other city happenings, is needed since millennials are not likely to drive to a single destination that isn't near other attractions. There is tremendous energy when all aspects are in one location.
- There should be attempts to retain college students in Riverside since most universities are in the Riverside area
- Riverside holds more business development opportunities as it is known as government hub
- Experience must be academically supported for long term success; UCR proximity to Riverside will provide most benefit
- When people think of southern California, they typically think west closest to Orange and LA counties. Experience is another effort to retain graduates from local universities in our area
- More housing opportunities in southwest Riverside County for young homebuyers rather than in LA or Orange; young people more likely to settle down to raise a family in Western Riverside as it is more cost effective
- Synergy is needed to attract millennial's
- If Riverside site is selected, the Project will have easier access to Norco College home to 10k+ students, UCR home to 26k students, the Navy base, and energy intelligence; all who need more space to apply knowledge learned in the classroom
- Entrepreneurial ecosystem, which is necessary in the long-term success of the project, is most strong in Riverside; i.e. EDA, incubator, UCR, innovation district
    - Riverside is centrally located which adds to feasibility
    - Entrepreneurs drive demand to utilize facilities
- Moving forward, there should be concrete milestones required of endorsed host agency
- There is great importance in starting an MOU to advance Experience Project

Vision Statement

The project team presented a revised Vision Statement, alongside the previously agreed upon Mission Statement. The Steering Committee endorsed the following Vision Statement Moving Forward.

DRAFT

Vision: Western Riverside County's showcase of opportunity and innovation.

Mission: Experience connects our community with public, private, nonprofit, and education sectors to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.

Next Steps

Staff will provide a report to the Administration & Finance Committee (A&F) on November 14, 2018 to solicit input on how WRCOG might contribute to the implementation of Experience. Conversation will include the following discussions:

- Whether WRCOG should allocate additional resources toward implementation and, if so, how much.
- The range of contributions from WRCOG:
    - Making existing programs and services, such as Grant Writing Assistance and the Fellowship Program available to any member agency wishing to move forward with an Experience-inspired program.
    - A more substantive contribution to a specific host site, that would involve an allocation of agency funds to assist with the next phase.
- Staff will recommend that a more substantive contribution would be contingent upon certain criteria being met by the host site, such as a matching contribution and entering an MOU with WRCOG.

Following the November A&F meeting, staff plan to bring this item to the Executive Committee on December 3, 2018 to:

- Accept the Feasibility Analysis
- Finalize the site selection
- Confirm any future Agency contributions to Experience implementation

DRAFT

DRAFT

RELEVANT MODELS MATRIX

EXPERIENCE FEASIBILITY STUDY - POTENTIAL RELEVANT MODELS

URBAN AGRICULTURE / RESOURCE CONSERVATION MODELS

Category	Image	Name and Address	General Description	Site Details	Space Details	Programming and Visitation Hours	Funding/Financing/Other Partners
		**Coastal Roots Farm** 441 Saxony Rd, Encinitas, CA 92024 https://coastalrootsfarm.org	Coastal Roots Farm is a nonprofit community farm and education center that cultivates connections between people, food, and the land. Inspired by Jewish wisdom and agricultural traditions, Coastal Roots strives to become a model for community farming and creative Jewish expression both at home in Encinitas, California, and around the world.	**Size**: 20 acres **Notes**: Located in suburban/residential area	**Facilities and Uses:** Food forest, vegetable gardens, compost, plant nursery, vineyard, and animal pastures, all in various stages of development	**Programming:** Youth and community farm visits (themes range from nature exploration and sustainability to farm tours and tastings), farmer training and apprencticeship programs, social gatherings, and Jewish Harvest Festivals **Hours:** A public tours is available from 11:30am - 1pm on the second Sunday of each month. Volunteer opportunities are available throughout the week at structured times (Tues. 8-10am, Wed. 8-11am, Sun. 8am-4pm). Youth and community group visits are available by appointment.	Member fees, donations, Corporate Sponsors, Leichtag Foundation (grant funding & administrative assistance)
		**Alegria Fresh-Farm** 7000 Marine Way, Irvine, CA 92618 http://alegriafresh.com	Alegría Fresh-Farm is a zero-waste, solar-powered regenerative urban microfarm employing hydro-organic and 100% organic soil-based growing systems. Their SoxxBoxx system allows high performance planter boxes to be deployed where people live and work. Alegria's goal is to is to employ scalable technologies and develop greater resource efficiencies to provide superior food within the urban envelope, educate youth and veterans how to grow their own food, create greater access to highly nutritious produce, and develop jobs in urban agriculture.	**Size**: 1.5 acres **Notes:** Located by OC Great Park	**Facilities and Uses:** Regenerative Health Center, Community Teaching Kitchen, Urban Agriculture Training Center	**Programming:** Hydroponic vertical farming workshops,container-based growing workshops, farm to table demonstrations, cooking workshops, micro-farm workshops (directed towards veterans and youth) **Hours:** Public tours are held on a non-regular basis. Additional tours are available by appointment.	Donations
		**Riverbed Farm** 1426 E Vermont Ave, Anaheim, CA 92805 http://www.renewablefarms.com/theriverbed	The Riverbed Farm was founded in 2008 and aims to help people grow fresh food for a healthier and more sustainable lifestyle. Their mission is to empower and educate various parts of the community by teaching responsible agricultural methods. The site is leased by the City of Anaheim for a nominal fee, repurposing a forgotten piece of land into a vibrant community hotspot.	**Size:** 1/2 acre **Notes**: Located at the end of an alley in a neighborhood adjacent to housing, local park and elementary school.	**Facilities and uses**: Fenced in Farming area, small event venue, workshop space	**Programming:** Sustainable agriculture workshops, rentable venue space **Hours:** Visiting is arranged by appointment, abundant volunteer opportunities	City of Anaheim and Control Air, venue rentals, produce sales, donations
		**Riverside-Corona Resource Conservation District Land Use Learning Center** 4500 Glenwood Dr. #A, Riverside, California, United States, 92501 https://www.rcrcd.com	The Land Use Learning Center is a demonstration garden that exhibits sustainable practices for the 3 main land uses of southern California: native habitats, urban areas, and agriculture. The garden areas show ways that land management practices, careful land use planning, and retrofits can be used to create urban and agro-ecosystems that function more like healthy natural ecosystems. The LLC is an educational tool to foster community conservation efforts and to serve as a location for information exchange concerning sustainable natural resource management.	**Size**: 3 acres **Notes**: Former US Salinity laboratory	**Facilities and Uses:** Open demonstration spaces, lab demonstration space, storage facility	**Programming:** Guided tours and training programs, annual Envirothon (hands-on, team competition for high school students) **Hours:** Tours and training programs are by-appointment only.	Riverside-Corona Resource Conservation District, community partners
		**Riverside-Corona Resource Conservation District Sycamore Creek Interpretive Center** 11875 Indian Truck Trail Temescal Valley, CA 92883 https://www.rcrcd.com/#Sycamore_Creek_Interpretive_Center	The Sycamore Creek Interpretive Center promotes and facilitates hands-on scientific exploration, natural resource conservation, stewardship, and sustainability throughout the Temescal Valley.	**Size**: 5,000 SF **Notes:** Small Center off the road.	**Facilities and Uses:** Space for community gathering, often used for youth classes and small exhibits	**Programming**, Exhibits, displays, touch tables, school programs, community workshops, summer programs for youth **Hours:** Thursdays, Fridays and Saturdays, 9 AM to 3 PM and by appointment	Riverside-Corona Resource Conservation District, community partners

DRAFT

ICON CATEGORY KEY

Educational / Community-Serving

Research

Economic Development Focused

		**The Ecology Center** 32701 Alipaz St. San Juan Capistrano, CA 92675 https://www.theecologycenter.org	The Ecology Center is a non-profit eco-education center focused on creative solutions for thriving on planet Earth. They are committed to sharing skills, tools, and projects that apply environmental wisdom to the ever-changing world. The Ecology Center's primary initiatives are water conservation, sustainable urban agriculture, conscious consumption, and culinary community.	**Size:** 2 acres **Notes:** Located in residential area	**Facilities and Uses**: Historic existing homestead (Congdon Farmhouse) repurposed to provide eco-workshops, surrounded by learning landscapes	**Programming**: Gardening demonstrations and trainings, water conservation classes, community cooking workshops **Hours**: Monday – Friday 9am – 5pm by appointment; guided tours, field trips, and private events	Member fees, donations, corporate sponsors

BUILDING / INTERNAL PROGRAMMING MODELS

Category	Image	Name and Address	General Description	Site Details	Space Details	Programming and Visitation Hours	Funding/Financing/Other Partners
		**Mind & Mill** 3615 Main Street, Suite 103 Riverside, CA 92501 http://www.mindandmill.com/	Mind & Mill is a membership-oriented digital marketing agency that also features cowork space, indoor event and meeting venues, an art gallery, and startup accelerator services. Mind & Mill staff includes a team of marketers and creatives to help businesses execute ideas and grow their brand. Their goal is to provide innovative, effective and efficient services; outpacing and out performing non-profit accelerator programs.	**Size:** 4,000 square feet **Parking:** City of Riverside public parking structures **Notes:** Located in downtown Riverside, near the Convention Center	**Facilities and Uses:** Historic structure in urban core, all indoors: meeting rooms, coworking space, and art gallery	**Programming:** Digital marketing agency is the primary business, and the other programs evolved out of seeing an existing need to serve startups. Programs include networking, special events, art competitions/shows, lectures, marketing, curator and creative director on site, and an accelerator program. The startup accelerator is an application-based, three-month long program including coworking space, concierge services, mentorship with seasoned entrepreneurs and potential investors, and an invite-only Demo Day. **Hours:** Monday - Saturday 7:30am-7pm; online tour on website; guided tours by appointment (request online)	Member fees, for-profit, wholly owned; expecting to grow in Riverside and/or branch out to other locations
		**Vocademy-The Makerspace** 1635 Spruce Street Riverside, CA 92507 https://www.vocademy.com/	Vocademy is a class and membership-driven place to learn and explore design and building through hands-on techniques. Vocademy serves educational institutions and companies weekdays, and becomes a makerspace at nights and weekends. The makerspace is open to everyone, ages 14 and older. It provides hand and power tools in a dream garage, inventor's lab, and multiple workshop settings. Vocademy is designed to be a place for people to learn to build their ideas and become makers.	**Size:** 15,000 square feet **Parking:** Surface lot **Notes:** Located in business park	**Facilities and Uses:** All indoors facilities inside a business park building with areas designated for collaboration (large worktables, lockers, library, hand and power tools), electronics lab, fabrication, garage (motorcycle lift, bead blaster, workbenches), textiles (sewing machines, sergers, work tables), 3D printing, machine shop, plastics & composities, CAD/CAM classrooms with projectors and capacity for 40 students, welding area, and woodshop.	**Programming:** Hire-A-Pro program: private training for you or a group, have a professional maker design, modify, or create something for you, or take a class. Team building program: creative, fun, and educational team building special events. Space rental: office space, meeting/class space, special event space, and containers and lockers for project or tool storage are available for rent. **Hours:** Monday - Friday, business hours 9am to 5pm and makerspace 5pm to 10pm; Saturday-Sunday 10am-10pm Guided tours every hour from noon up to 8 pm; call in advance for group tours	Member fees, field trip fees, class fees, special event fees, storage fees, originally group funded through fundtable.com
		**Net Zero Plus Electrical Training Institute** 6023 Garfield Ave Commerce, CA 90040 http://nzp-eti.com	Net Zero Plus is a comprehensive set of strategies designed by IBEW Local 11 and NECA of Los Angeles to provide building owners and managers, developers, and architects integrated energy efficiencies and advanced technologies that will ultimately change the way buildings use, produce, store, and monitor energy. Using the NZP ETI as a living laboratory, we work collaboratively with the building industry to develop a roadmap for how it can apply Net Zero Plus strategies to its projects.	**Size**: Unknown **Parking:** Close to 100 parking spaces **Notes:** Located in industrial park	**Facilities and Uses**: The building exhibits a high tech exterior solar shading wall, high Solar Reflective Index (SRI) roofing, electrochromatic glass High-efficiency heating and cooling systems, high-performance insulation, passive ventilation with large, efficient ceiling fans. Advanced Technologies: Utility-scale battery energy storage system: 500 kW rooftop and parking shade structure, PV solar array 144,000 square feet, interactive dashboards with real-time building performance data, energy management system, advanced lighting and mechanical control systems, electric vehicle charging stations, smart grid and smart meter labs Advanced weather monitoring station	**Programming**: Real time analytics tracking for energy generation and consumption, Net Zero Plus Electrical Training Institute (Full school for apprentice/entry level technicians) **Hours:** Request a tour online	IBEW Local 11, Electrical Training Institute, LA NECA, program tuition

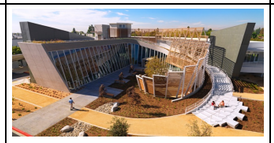
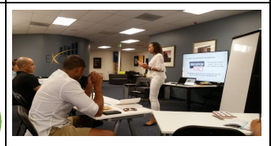
DRAFT

ICON CATEGORY KEY

Educational / Community-Serving

Research

Economic Development Focused

		**Energy Education Center - Irwindale** 6090 Irwindale Ave Irwindale, CA 91702 https://tinyurl.com/y9wrmp2q	The formula is simple. Come learn the subjects you want, when you want, and learn as much as you want. From beginner to expert, you decide how far to take your skills. Then take that knowledge with you in your life, hobby, or career. What truly separates Vocademy is that you can become a member and practice your skills in our facility! You can have access to all the tools you have learned to use, for a small monthly fee. It's not just the tools or the building, it's an incredibly collaborative and creative environment. It's where life-long friendships are made, it's where people come together and create amazing things. Vocademy is a tribe of makers, innovators, industrial artists, and you can be a part of it all.	**Size:** 51,000 SF **Parking**: On Site, part of the Edison Campus in Gateway Business Center	**Facilities and Uses:** Classrooms, meeting rooms, demonstrations and unique hands-on exhibits and displays; including specialty exhibits	**Programming:** Foodservice Technology Demonstration Kitchen, Electric Vehicle Chargers and Solar Canopy, Smart Energy experience (clean smart grid technologies), free public classes and workshops covering topics such as commercial and industrial lighting, HVACR, energy management controls, and sustainable technologies. **Hours:** Monday - Friday, 8 a.m. to 5 p.m.Guided and Self-Guided Tours available	Southern California Edison
		**Frontier Project** 10440 Ashford St. Rancho Cucamonga, CA 91730-2799 http://www.cvwdwater.com/297/Frontier-Project	The Frontier Project Foundation, a non-profit founded by the Cucamonga Valley Water District, constructed the Frontier Project to demonstrate water and energy conservation strategies. The building reduces water consumption by 50 percent and energy usage by 30 percent. The project is a public initiative demonstrating how inviting and engaging architecture can foster community awareness and create functional spaces for community forums, school field trips, lectures, public tours and vendor exhibits showcasing environmentally friendly products.	**Size:** 14, 200 SF LEED Platinum **Notes:** Outdoor seating area, shared space with other Cucamonga Valley Water District buildings	**Facilities and Uses**: Main Building (California-Nevada, AWWA) that reduces water consumption by 50 percent and energy usage by 30 percent. It includes a Demonstration Gallery, exhibit room, conference room, and Native Plant garden	**Programming**: Guided tours, workshops, community events, and meetings. Visitors include local school districts, community college districts and universities as an extension of the traditional classroom learning environment. **Hours**: 9am-3pm; Guided and self-guided tours available,	Capital Partners, Rancho Cucamonga Redevelopment Agency and the City of Rancho Cucamonga
		**Temecula Valley Entrepreneur Exchange** 43200 Business Park Drive Temecula, CA 92590 https://temeculaca.gov/912/TVE2-Temecula-Valley-Entrepreneurs-Excha	We're working with school districts to help inspire and teach kids. We're working with private companies to train their workforce. We're working with non-profits to help those who need these skills, such as: veterans, foster kids and others who are undeserved in our community.	**Size:** Unknown **Notes**: Located at the former Temecula Valley City Hall	**Facilities and Uses:** 24/7 access, conference rooms, collaborative spaces and lounge and a kitchen.	**Programming**: Collaboration with advisors and mentors, professional assistance with business plan development, educational workshops, and seminars **Hours:** Tours by appointment	City of Temecula, Chamber of Commerce, Economic Development Corporation Southwest California, Inland Empire Small Business Center, TriTech Small Busines Center
		**Murrieta Innovation Center** 26442 Beckman Ct, Murrieta, CA 92562 http://www.innovatemurrieta.org	The City of Murrieta created the Murrieta Regional Technology Innovation Center ("Innovation Center") at the former City Hall facility. It provides low-cost space for approved startup health technology companies, along with the business resources needed to foster their growth. Companies located in this facility are required to relocate from the Innovation Center, after a set period of time, to a privately owned space in the community – thereby helping to create and grow companies locally and creating space for additional new startup companies within the Innovation Center.	**Size**: Unknown **Notes**: Located at the former Murrietta City Hall building	**Facilities and Uses**: Office Space, conference rooms, community area with 3D printer, computer lab	**Programming**: Advising from community mentors, meetings, interviews, collaboration between start-ups	
		**Excite** 3499 Tenth St, Riverside, CA 92501 Riverside, CA https://exciteriverside.org	Riverside ExCITE is an incubation/acceleration program created in collaboration between business leaders, local government with representatives from both the City and County of Riverside, and UC Riverside. Riverside ExCITE is organized for the purpose of facilitating the successful incubation and acceleration of start-up companies engaged in entrepreneurial research and development of advanced technologies with the intent to create high technology jobs in the county of Riverside. By providing a location for business synthesis, mentorship and management; access to financial resources and information; access to marketing and professional services; and technology transfer from domestic and foreign universities, organizations and governments this unique operation attempts to increase successful start-ups in the region.	**Size:** 5,000 SF	**Facilities and uses:** Five office spaces, teleconference/podcast room, conference room, and common break area	**Programming:**6 - 12 month startup accelerator program, facility for technology startups, access to liquidity opportunities, professional & strategic resources, mentorship, network, and community.	UC Riverside, City of Riverside, County of Riverside

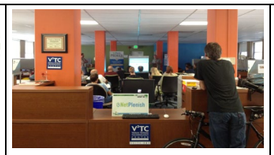
ICON CATEGORY KEY

Educational / Community-Serving

Research

Economic Development Focused

DRAFT

		**Ventura Ventures Technology Center (VZTC)** 505 Poli St, Ventura, CA 93001 v2tc.com	The Ventura Ventures Technology Center is a state-of-the-art business incubator located in downtown Ventura, California. The program was developed in partnership with the City of Ventura and the Ventura Chamber of Commerce. The center offers work space for tech start-ups at affordable rates.	**Size**: 10,000 SF **Notes:** Located at Ventura Chamber of Commerce building, third floor	**Facilities and Uses**:Workspace, shared equipment, conference rooms, collaborative design areas	**Programming**: Space for collaboration, presentations, speaker events.	City of Venture Economic Developmen Fund, DFJ Frontier company, Aspire 3
		**Alliance Center** 1536 Wynkoop Street Suite 100 Denver, CO 80202 http://www.sustainablecolorado.org/alliancecenter	The Alliance Center is a multi-tenant shared space designed to accelerate the implementation of sustainable practices in Colorado. The Alliance Center helps tenants be more effective and efficient at achieving their goals by providing shared services and co-habitation. The building serves as a physical space to convene and connect organizations and community leaders working on similar issues, and it also serves as a center for learning & outreach.	**Size:** 40,000 SF (7 floors) **Notes:** Urban Setting	**Facilities and Uses:** Workspaces, technology collaboration spaces, event space for up to 200 guests, Coffee Bar in lobby, Building is a direct current (DC) microgrid	**Programming**: No structured programs	Donations
		**PIE (Portland Incubator Experiment)** 329 Northeast Couch St. Portland, OR 97232 http://www.piepdx.com	The Portland Incubator Experiment — known more commonly as PIE — is an ongoing collaboration between the startup community and Wieden+Kennedy, the largest privately held creative advertising agency in the world. PIE has served as a curated coworking space, a community event space, a startup accelerator, a flashpoint for corporate innovation, and a home-away-from-home for startup types — and the startup curious — from around the world.	**Size:** Unknown **Notes:** Located in Weiden-Kennedy building	**Facilities and Uses:** Shared workspace, conference groups, collaborative multi-media rooms, space for designing	**Programming:** Shared workspace, collaboration between start-up businesses, space for conference, speakers	Wieden+Kennedy
		**David Brower Center** 2150 Allston Way, Berkeley, CA 94704 https://browercenter.org/about	The David Brower Center provides a home for the environmental movement by advocating for the beauty, diversity and ecological integrity of Earth. The Brower Center aims to accomplish this through a combination of permanent infrastructure and ongoing programs in a unique institution that informs the public about the environmental challenges, and connects individuals and organizations dedicated to social equity and ecological sustainability.	**Size:** 24,000 SF **Notes:** Urban setting	**Facilities and Uses:** LEED Platinum Building (recycled materials, energy saving technolog) Office space, conference rooms, etc, exhibition rooms, event rental space	**Programming:** Art and education workshops (provide museum-quality exhibitions and public programs that educate audiences about a wide range of environmental issues and foster a more engaged citizenry), resident organizations (provides capacity building and networking opportunities for 30+ nonprofits and social enterprises), Conference Center (hosts more than 300 events every year for nonprofit and private businesses)	Member fees, donations
		**Catalina Island Museum** 217 Metropole Avenue, Avalon, CA https://www.catalinamuseum.org/	Originally housed in the Casino, the Catalina Island Museum welcomed the public to its new permanent home in June 2016. The Ada Blanche Wrigley Schreiner Building is a modern facility that pays homage to the architectural history of the island. The museum maintains a permanent collection of island artifacts and rotates numerous exhibits and galleries throughout the year. Its location at the center of the city makes it easily accessible to residents and visitors, positioning the museum as the cultural and historical hub and a place for community interaction.	**Size**: 18,000+ SF **Notes**: Located in center of Avalon	**Facilities and Uses**: Newly renovated building: indoor exhibit and gallery space, indoor theater; 8000 SF outdoor space: amphitheater that seats 100+,large projection wall across from amphitheater, plaza and patio space available for public/private events	**Programming**: Exhibit tour (begins with film of Catalina history), art gallery tour, evening films, "First Fridays at the Museum" (monthly musem event w/ rotating theme), youth programs (unspecified) **Hours**: Daily, 10am-5pm	Member fees (many tiers), donations
		**Energy Resource Center - SoCal Gas Company** 9240 Firestone Blvd Downey, CA, 90241 https://www.socalgas.com/for-your-business/education-and-training/energy-resource-center	The Energy Resource Center was established by the SoCal Gas Company to showcase innovations in resource-efficient designs, materials and equipment to help businesses make informed choices about energy consumption and conservation. The ERC is an "Energy Star®" Building and is a model of advanced, energy-efficient and environmentally sensitive building technology, incorporating the latest lighting, cooling, and architectural design techniques.	**Size**: 44,572 SF **Notes**: ERC minimizes energy, water and materials consumption while creating a high-quality, high-performance space.	**Facilities and Uses**: 10,000 SF main exhibit hall; 12 specialty rooms for meetings, workshops, demonstrations and presentations (air quality, combustion, climate control, industrial process technology) , Food Service Equipment Center	**Programming**: Technical Seminars, Building Operator Certification Seminars, Food Service Equipment Center Seminars, energy- and resource-efficiency showcase **Hours**: Seminars are by registration only, Food Service Center visits by appointment	SoCal Gas Company, seminar registration fees (unverified)

DRAFT

ICON CATEGORY KEY

Educational / Community-Serving

Research

Economic Development Focused

HYBRID - INDOOR AND OUTDOOR PROGRAMMING MODELS

Category	Image	Name and Address	General Description	Site Details	Space Details	Programming and Visitation Hours	Funding/Financing/Other Partners
		**Lyle Center for Regenerative Studies** 4105 S University Dr Pomona, CA 91768 http://env.cpp.edu/rs/rs	The Lyle Center is an institute that offers a holistic and cooperative model of community development. It is recognized for pioneering the transition towards a sustainable future and brings together students, academics, policy makers, and community members who are committed to catalyzing pro-environmental change.	**Size** 16 acres **Notes:** entry road goes up the hill, student housing adjacent to farm, across the street from Cal Poly Pomona	**Facilities and Uses:** Classrooms for Lectures, Small Conference room, Student housing (2 buildings) for up to 20 students, walking trail, micro-farm/garden	**Programming**: Cal Poly Pomona lectures and classes, on-site student housing, regenerative studies (research) **Hours:** Guided tours available for individuals, small groups by appointment (nominal fee), self-guided tour at Center's main office	Cal Poly Pomona
		**Aldo Leopold Nature Center** 13701 Levee Road Baraboo, WI 53913 https://www.aldoleopold.org/visit/the-leopold-center	The Aldo Leopold Foundation was established in 1982 with the goal to engage and educate current and future generations, empowering them to respect, protect and enjoy the natural world. ALNC is leading the way to ensure visitors have opportunities to connect with nature through constructive learning opportunities that capture their interest, engage their senses, and teach the interconnectedness of all living things.	**Size**: 21 acres, including trails **Notes:** Adjacent to Woodland Park, rural area.	**Facilities**: Indoor facility with exhibits, classroom, education center, trails open 7 days a week	**Programming:** Special events, education programs, indoor children's exhibits (butter lilies, fish, wetlands, woodlands), Climate Science Education center (interactive displays), pre-school, programs, home school prgrams and summer camps for kids 2-16 **Hours:**Weekdays, 9am - 4pm	Member fees, donations
		**Springs Preserve** The Springs Preserve 333 S. Valley View Blvd. Las Vegas, NV 89107 https://www.springspreserve.org	The Springs Preserve is a cultural institution designed to foster culture and community, inspire environmental stewardship, and celebrate the vibrant history of the Las Vegas Valley. The Preserve features museums, galleries, outdoor events, a colorful botanical garden and an interpretive trail system through a scenic wetland habitat.	**Size**: 180 acres **Notes:** Located in same park as Nevada State Museum Las Vegas museum	**Facilities and Uses:** Archaelology center, caretakers house (chicken coop), pithouses (old dwelling), Spring houses (early vegas settlements), rare plant research on farm, sustainability gallery, 754 SF solar powered home built by UNLV solar team. Seven acres of wetlands, streams, 14 habitat ponds	**Programming:** Multiple classes and workshops, conference (Desert Living Center), restoration of plant community, Holiday festivals, family friendly festivals, conferences on green technology. **Hours:** Daily, 9am-5pm	Member fees, donations, corporate sponsors
		**La Kretz LACI** 525 S Hewitt St, Los Angeles, CA 90013 https://laincubator.org/la-kretz-innovation-campus	The Los Angeles Cleantech Incubator (LACI) is a private non-profit organization dedicated to accelerating the commercialization of clean technologies. They offer flexible office space, CEO coaching, mentoring, and access to a robust network of partnerships and capital. LACI identifies local entrepreneurs across multiple cleantech business sectors and guides them to market, creating jobs that advance L.A.'s green economy. In its first five years, LACI helped 67 companies raise $134M in funding, created 1,500 jobs, and delivered more than $335M in long term economic value for the City of Los Angeles.	**Size:** 60,000 SF, 3.2 acres **Notes:** Site owned by the Los Angeles Department of Water and Power.	**Facilities and Uses**: Office space, conference rooms, R&D labs, prototype manufacturing workshop, training center, event space, LADWP laboratories for Customer Engagement and Energy Efficiency and Technology, surface parking with a 175 kilowatt photovoltaic solar canopy, greywater filtration, bioswale, and microgrid systems	**Programming**: Advanced prototyping, LADWP customer engagement center, innovation expo, organizes an annual Cleantech Global Showcase, hosts Network for Global Innovation (NGIN), Women in Cleantech and Diversity & Inclusion programs. **Hours:** Free info session and tour every Friday at 12pm	Donations, program services
		**Eastern Municipal Water District** 2270 Trumble Road Perris, CA 92570 https://www.emwd.org/home	The Eastern Municipal Water District (EMWD) was established to supplement the Riverside County water supply and provide water services to the region's growing number of residents. EMWD is the largest of six water districts in the county and serves approximately 34% of the county's residents.	**Size**: Unknown **Notes**: multiple facilities operated by EMWD	**Facilities and Uses:** Headquarters located in Perris, potable water filtration plants in Hemet and Perris, two reverse osmosis groundwater desalination facilities in Menifee, four Regional Water Reclamation Facilities, located in Perris, Moreno Valley, Temecula, and San Jacinto.	**Programming**: Tours for school groups, student education programs (theater assemblies, annual contests), teacher materials, general public materials. **Hours**: School group tours by reservation only	Water and wastewater services
		**Western Municipal Water District** 14205 Meridian Parkway Riverside, CA 92518 https://www.wmwd.com	The Western Municipal Water District was founded shortly after EMWD and helped expand water services to the western reaches of Riverside County. A majority of WMWD's business is in the wholesaling of water to local agencies and municipalities. WMWD is also a member of the Santa Ana Watershed Project Authority (SAWPA), a regional water resources planning and project implementation organization.	**Size:** Unknown **Notes:** multiple facilities operated by WMWD	**Facilities and Uses**: LEED certified headquarters, Arlington Desalter in Riverside, the Western Water Recycling Facility near March Air Reserve Base, and the Western Riverside County Regional Wastewater Facility in Corona.	**Programming**: School group tours, educational materials provided online, school/student education programs: theater assemblies, annual contests, H2O Explorer Badge (coordinated by local agencies) **Hours**: School group tours by appointment	Water sales and related services

ICON CATEGORY KEY

Educational / Community-Serving

Research

Economic Development Focused

DRAFT

APPENDIX C

DRAFT

MARKET ANALYSIS

Appendix C
Market Analysis

DRAFT REPORT – VERSION 1

November 14, 2018

DRAFT

Prepared by

PLACEWORKS

Prepared for

WRCOG
Western Riverside Council of Governments

The Market Analysis assess current market conditions and the location of competitive facilities for the various program elements considered for inclusion in Experience.

TRADE AREA

Unless stipulated otherwise, the market analyses consider a trade area defined as the geographical area within a 30-minute drive of each of the three potential locations—downtown Riverside, the EMWD site in Perris, and Old Town Temecula. Map 1 and Map 2 show the three potential Experience locations and the boundary of the 30-minute drive-time trade area for each.

PROXIMITY TO POPULATION AND EMPLOYMENT

A key market demand consideration is the proximity to population and employment. The population in the trade area represents potential number of visitors who might most easily patronize Experience. The employment in the trade area is an indicator of the economic activity, which can both support Experience and benefit from programs and services at Experience.

Population

Table 1 provides population and socioeconomic characteristics for the three trade areas. Additional demographic data for the three trade areas is provided at the end of this report.

The existing population and the projected 5-year increase in population are largest in the Riverside trade area and smallest in the Temecula trade area. However, the projected annual growth rate in population over the next five years is largest in the Temecula trade area and lowest in the Riverside trade area. The median age and the median household income are lowest in the Riverside trade area and highest in the Temecula trade area.

Table 1: Population and Select Socioeconomic Characteristics for the 30-Minute Drive-Time Trade Area for Each Potential Experience Location

	Riverside	EMWD	Temecula
Land Area (sq. mi.)	820	648	411
2017 Population	2,413,559	1,163,984	485,900
Pop. Growth 2017–22	109,249	74,110	38,040
Annual Pop. Growth Rate	0.89%	1.24%	1.52%
Median Age	31.6	32.9	35.6
Median Household Income	$59,497	$60,497	$77,285

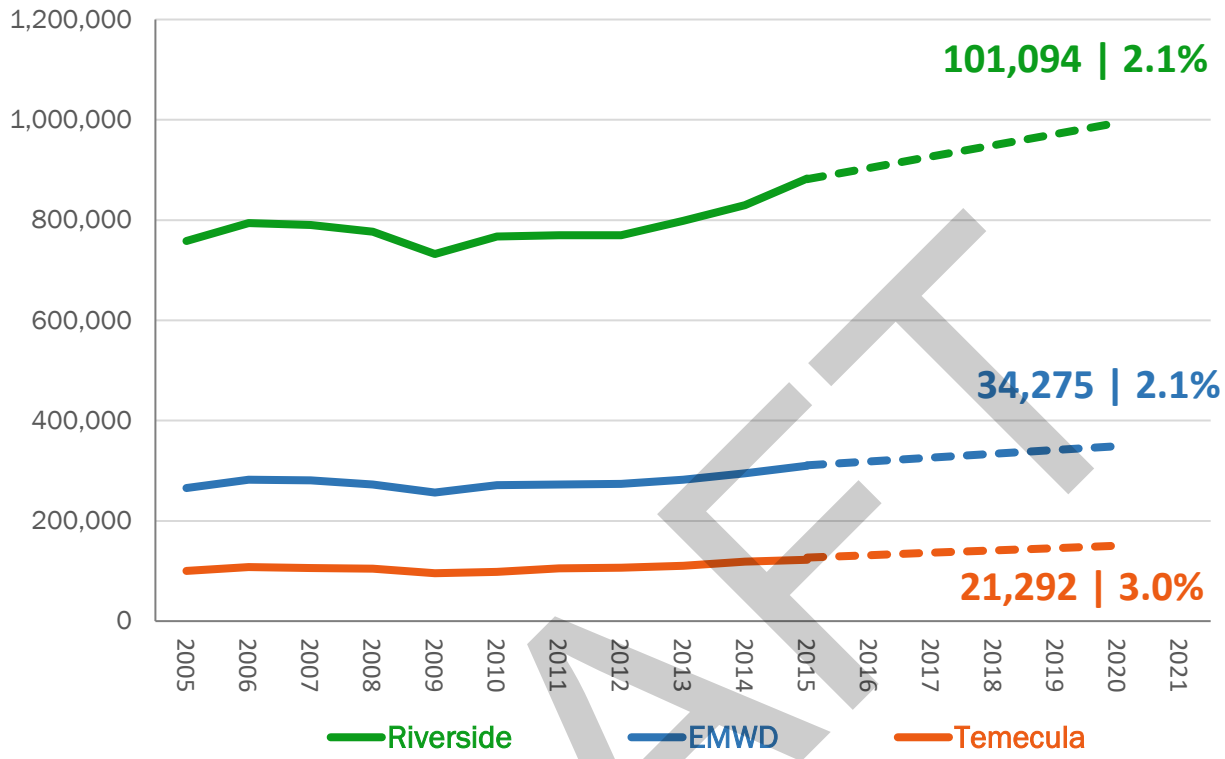
Source: PlaceWorks, 2018, using data from Esri Business Analyst.

Employment

Figure 1 shows the total employment in the three trade areas from 2005 to 2016 and the projected total employment from 2016 to 2021. The largest employment, projected increase in employment, and projected rate of employment growth are in the Riverside trade area, while the lowest are in the Temecula trade areas.

DRAFT

Figure 1: Employment Trend and Projected Employment Growth for the 30-Minute Drive-Time Trade Area for Each Potential Experience Location, 2005 to 2021



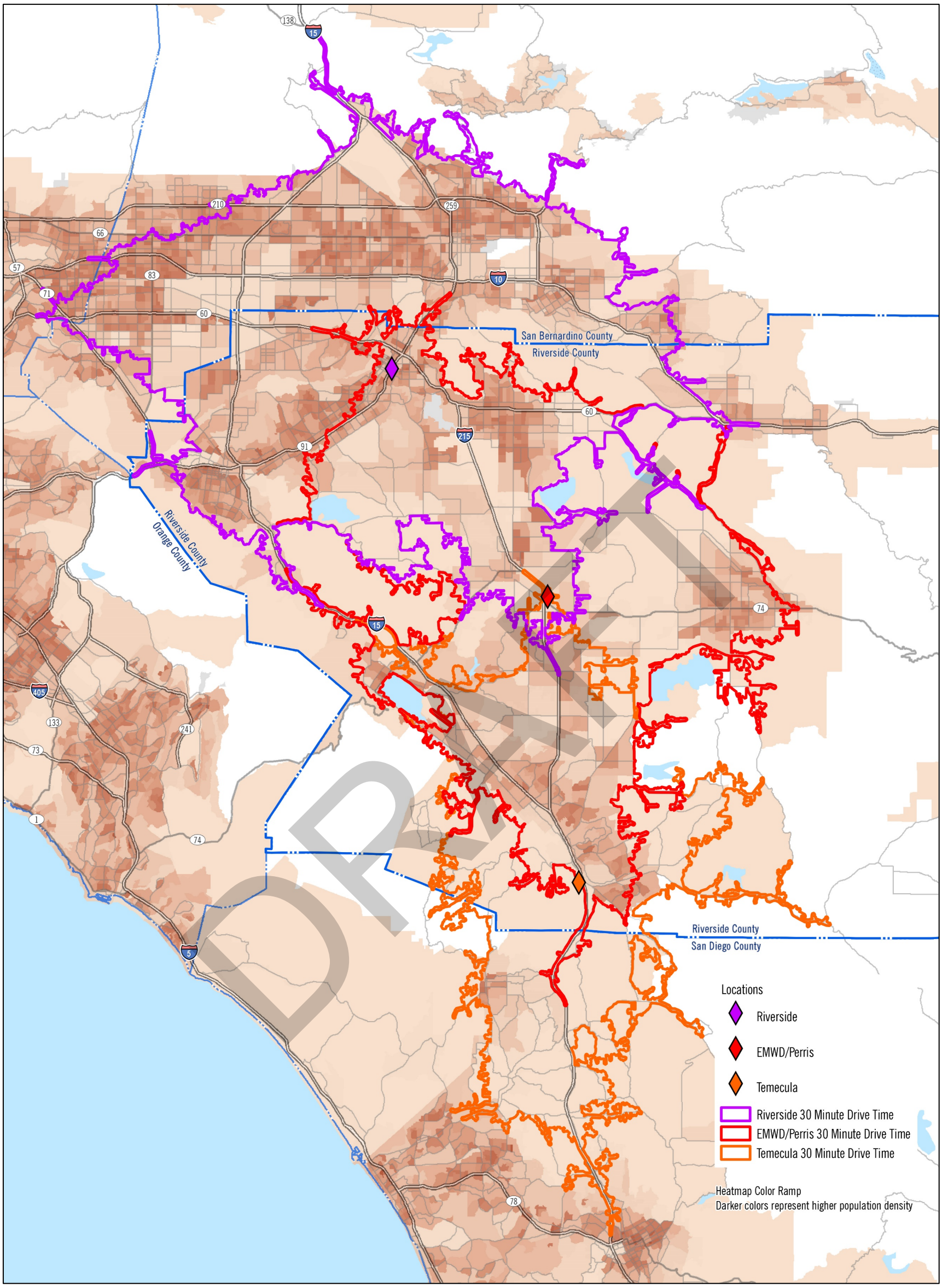
Source: PlaceWorks, 2018, using data from the US Census Bureau's Local Employer-Household Dynamics Program.

Implications

Excluding other considerations, the population and economic activity in the three trade areas suggest that there is more market support for Experience in the Riverside trade area, followed by the EMWD/Perris trade area, with the least market support in the Temecula trade area.

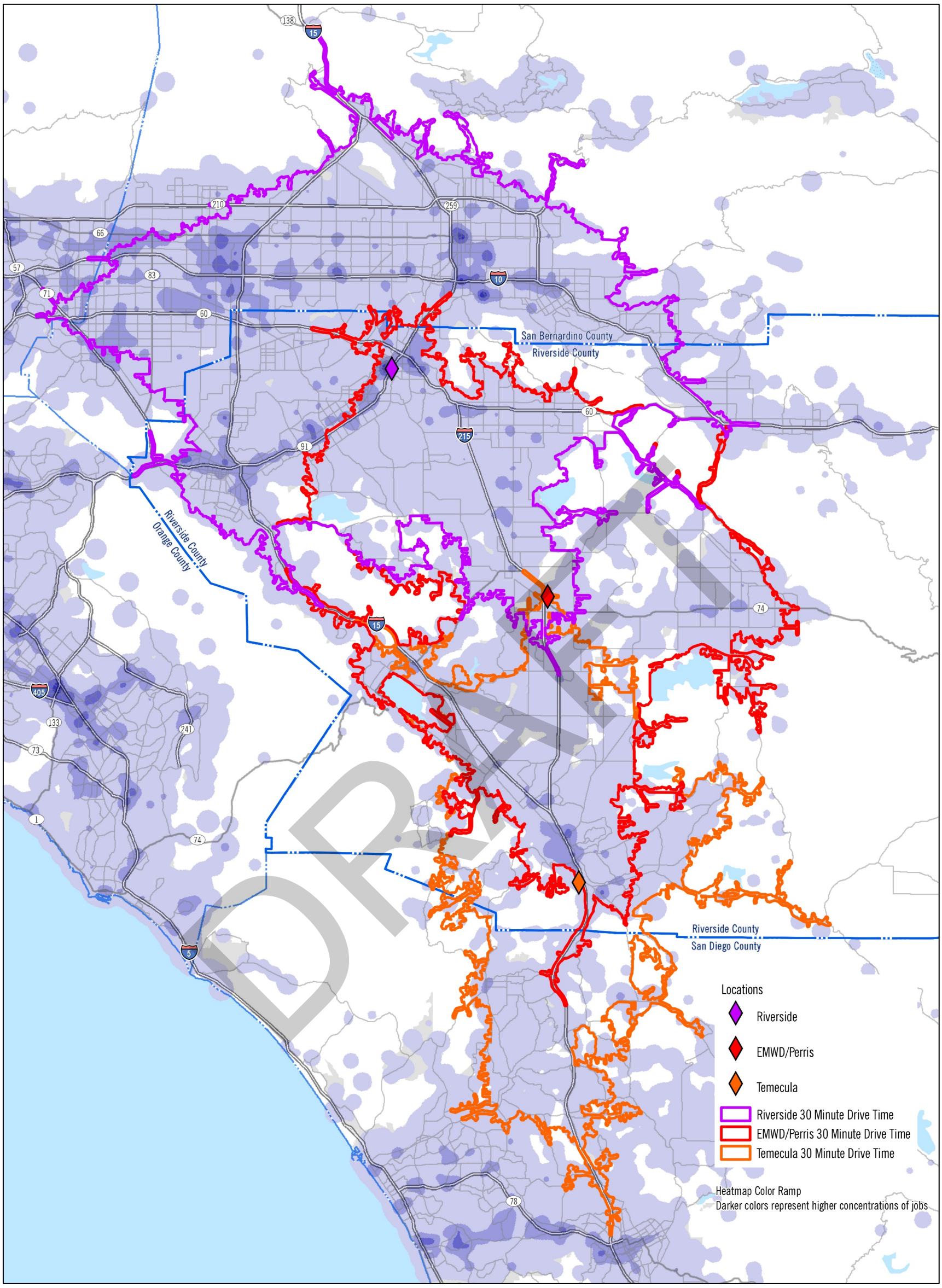
DRAFT

Map 1: Population Concentrations and the 30-Minute Drive-Time Trade Area for Three Potential Experience Locations



Source: PlaceWorks, 2018, using data from the US Census Bureau's 2015 American Community Survey.

Map 2: Employment Concentrations and the 30-Minute Drive-Time Trade Areas for 3 Potential Experience Locations



Source: PlaceWorks, 2018, using data from the US Census Bureau's Local Employer-Household Dynamics Program.

BUSINESS INCUBATOR/ACCELERATOR AND MAKER SPACE

Market demand for business incubators and accelerators and for maker spaces is a regional market. Entrepreneurs using these kinds of services may travel far to reach them. And the businesses that complete these programs may eventually locate or expand anywhere in the region and provide jobs to residents throughout the region. Thus, the analysis considers the WRCOG region's need and demand for these kinds of programs rather than the demand in each trade area. However, each potential location for Experience offers unique assets that would flavor the type of business incubator/accelerator and maker space at Experience.

Regional Need

Business incubators/accelerators and maker spaces fall into an economic development programs and service category often referred to as entrepreneurial support, programs that provide assistance to very small businesses and business startups. Small businesses are widely seen as driving a disproportionately large share of job growth. In 2010, across the five counties of Southern California, businesses with 0 to 4 employees accounted for 7.9 percent of the total number of jobs. However, from 2010 to 2016, firms with 0 to 4 employees accounted for 12.4 percent of the region's total job growth.

In contrast, businesses with 0 to 4 employees only accounted for 10.3 percent of the job growth in Riverside County. Furthermore, the number of firms with 0 to 4 employees increased 2.1 percent in the region but only increased 1.6 percent in Riverside County. These discrepancies demonstrate the need for economic development programs and services for very small businesses and business startups.

Existing Facilities

Map 3 shows the location of business incubators and accelerators in Southern California. Table 2 provides the names, locations, and brief description of the existing facilities. Within the WRCOG region, there are only three such facilities—ExCITE and Vocademy in Riverside and Temecula Valley Entrepreneurs Exchange.

Location Strengths

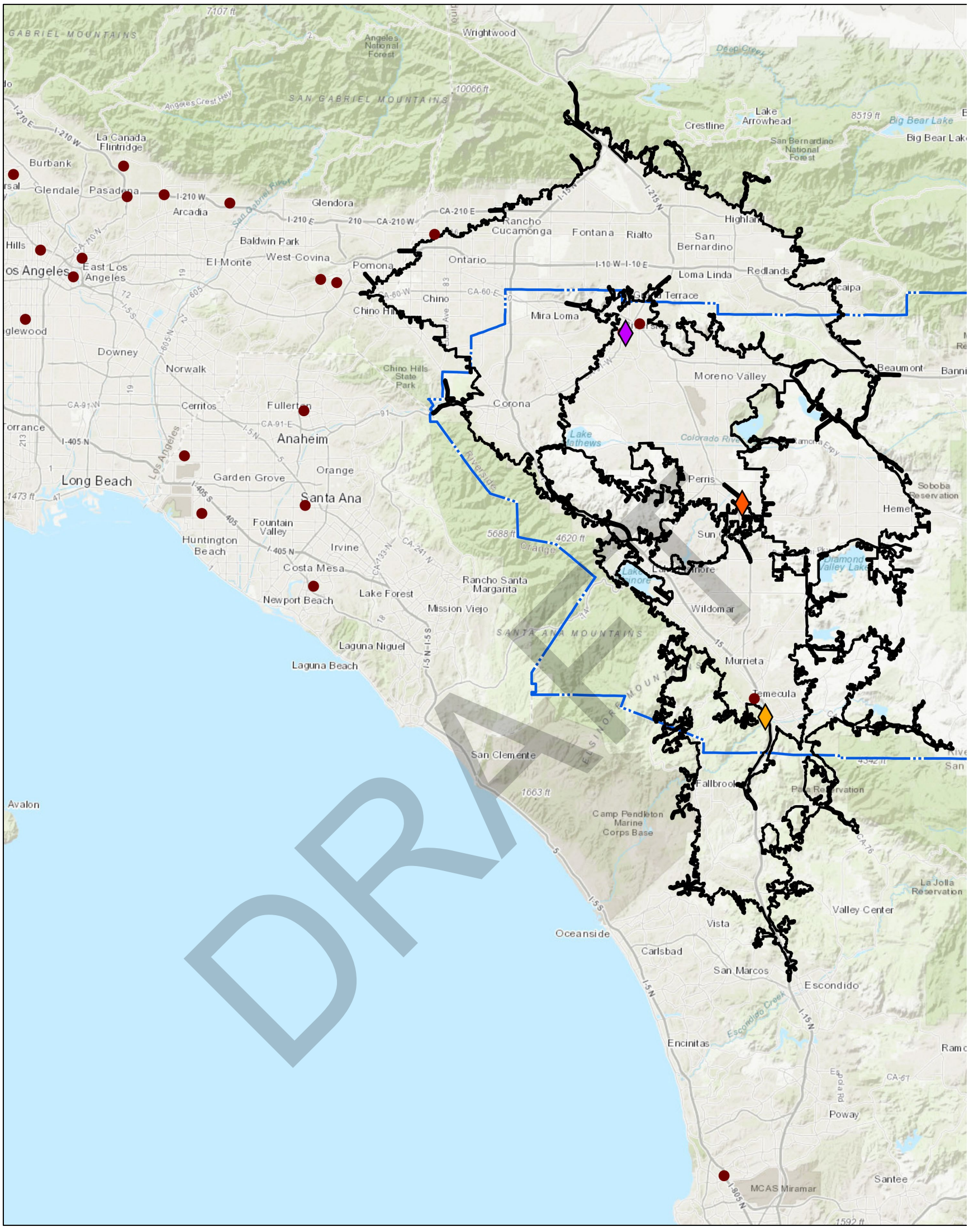
The general regional need for entrepreneurial support services and the relative dearth of existing facilities represents market demand that could be reasonable satisfied at any of the three locations. However, there are unique strengths associated with each location.

Riverside

The Riverside location would be situated in the City's Innovation District. The improvements and uses intended for this district, such as the new CARB facility, would provide synergistic benefits to the program elements at Experience and would benefit from those program elements. The location is also in Riverside's downtown. Experience located in this urban setting would benefit from proximity to pedestrians, an abundance of shopping, dining, and entertainment opportunities, urban housing, and transit. Finally, the Riverside location is in close proximity to UCR. Although UCR would likely be a partner for Experience in any of the locations, Experience would likely have much more interaction with UCR faculty at the Riverside location.

DRAFT

Map 3: Location of Existing Business Incubators/Accelerators and Maker Spaces and the Three Trade Areas



Source: PlaceWorks, 2018.

EMWD/Perris

With EMWD as a lead partner for Experience in Perris, water technology would naturally be a key focus of a business incubator/accelerator. Many business incubators/accelerators that fail to live up to their potential lack of cohesive focus. Water technology would not need to be the only focus, but water resources will become increasingly important with climate change and there is good reason to expect growth in water technology related businesses. Related to a focus on water technology, EMWD would also be a valuable partner because it employees scientists and other technical staff that could play a role in advising and assisting entrepreneurs enrolled in the business incubator/accelerator. Finally, EMWD could also assist with the operation of maker space and prove invaluable in helping entrepreneurs in testing and refining prototypes.

Temecula

An Experience business incubator/accelerator located in Temecula would likely have a focus on biotechnology and medical devises, given how the southern end of the WRCOG region is tied into the San Diego economy. Furthermore, one of Temecula's largest corporate residents is Abbot. The Temecula location had the prospect of enlisting Abbot as a partner in the operation of the business incubator/accelerator.

Table 2: Existing Business Incubators/Accelerators and Maker Spaces in Southern California

Name	Address	Notes
Temecula Valley Entrepreneurs Exchange	43200 Business Park Drive, Temecula, CA 92590	TVE2 is technology business incubator located in the former Temecula City Hall building. Incubator companies receive mentorship from seasoned advisors and participate in business development workshops and seminars.
Santa Clarita Business Incubator	23920 Valencia Boulevard, Suite 100, Santa Clarita, CA 91355	A joint venture between College of the Canyons, City of Santa Clarita Economic Development Division, and the California Small Business Development Center Program, the Santa Clarita Business Incubator provides startup creative and technology companies with access to inexpensive workspace and business development opportunities. Legal and financial services are also offered to participating businesses.
Treadlight Ventures	1223 Wilshire Boulevard, Suite 476, Santa Monica, CA 90403	Treadlight ventures is a sustainability-focused incubator, investor, and innovator. Like all incubators, Treadlight helps bring startups to market but the company also develops in-house product and technology solutions.

DRAFT

Name	Address	Notes
Business Technology Center	2400 North Lincoln Avenue, Altadena, CA 91001	The Business Technology Center (BTC) is a high-tech incubator located two miles from NASA's Jet Propulsion Laboratory. With 40,000 square feet of state-of-the-art infrastructure, the BTC walks companies through the entire business development process.
Business Enterprise Center	6109 South Western Avenue, Los Angeles, CA 90047	The Vermont Slauson Economic Development Corporation coordinates the Business Enterprise Center in conjunction with its Entrepreneurial Training Program. The program is funded by the City of Los Angeles Economic and Workforce Development Department and is intended to help grow and retain local business talent. Participating companies have a full range of services at their disposal including workforce development, business courses, and support securing capital.
Beckman Laser Institute Photonic Incubator	1002 Health Sciences Road, Irvine, CA 92617	The UC Irvine Beckman Laser Institute recently unveiled over 11,000 square feet of R&D space dedicated to the development of medical systems that use light technologies. The incubator aims to encourage new biotech businesses to endeavor into field to create new products and jobs.
Connect	4790 Eastgate Mall, Suite 125, San Diego, CA 92121	Connect is a San Diego based incubator and accelerator for high-tech and life sciences startups. Since its inception in the late 1980's, Connect has graduated numerous well-known companies, most notably the smart phone processor giant, Qualcomm. Incubator companies have access to traditional mentorship and business development opportunities but perhaps the most valuable component of the program is the networking.
Los Angeles Cleantech Incubator	525 South Hewitt Street, Los Angeles, CA 90013	The Los Angeles Cleantech Incubator (LACI) is a private non-profit organization dedicated to accelerating the commercialization of clean technologies. They offer flexible office space, CEO coaching, mentoring, and access to a robust network of partnerships and capital. The 60,000 square foot building provides flexible working solutions for companies of all sizes.
East End Incubator Commercial Kitchens	201 East 4th Street, Santa Ana, CA 92701	The East End Incubator Kitchens provide food startups access to a complete commercial kitchen on a flexible schedule and at low cost. Companies reserve space online by the hour and are able to enroll in a monthly-user program with added perks. Consulting is available for an additional fee.

DRAFT

Name	Address	Notes
Pasadena Bio Collaborative Incubator	2665 East Foothill Boulevard, Pasadena, CA 91107	The Pasadena Bio Collaborative Incubator offers wetlab space and workforce training to fledgling biotech companies. PBC also provides science and business mentors and access to a plethora of business resources. Workspace is rentable by lab bench and can be scaled to fit a company's needs.
CSUF Startup Incubator	120 South Bradford Avenue, Placentia, CA 92870	Unlike incubators that require startups to come in with funding secured, the CSUF Startup Incubator only requires an idea. Through the program, entrepreneurs are paired with professional advisors who help them navigate the process from start to finish.
ExCITE	3499 Tenth Street, Riverside, CA 92501	Riverside ExCITE is organized for the purpose of facilitating the successful incubation and acceleration of start-up companies engaged in entrepreneurial research and development of advanced technologies with the intent to create high technology jobs in the county of Riverside. The 5,000 square foot building provides for five offices and accessory rooms. Startups traditionally participate in the program for six to twelve months.
Idealab	130 Union Street, Pasadena, CA 91103	Idealab emerged during the dot com boom and has helped more than 45 technology startups IPO since 1996. The tech-focused incubator generates all ideas in-house and does not offer support to external entrepreneurs.
Lab Launch Inc	605 East Huntington Drive, Suite 103, Monrovia, CA 91016	Lab Launch Inc is a non-profit company supporting biotech startups in the greater Los Angeles area. In addition to providing wetlab and drylab working space, Lab Launch also offers back end administrative services through a monthly package. Consultation services are available to participating startups and non-affiliated companies.
LA Makerspace	651 Clover Street, Los Angeles, CA 90031	LA Makerspace is a pioneer in hands-on STEAM education for youth in Los Angeles. Through a partnership with the Los Angeles Public Library System and County of Los Angeles Library, LA Makerspace helps local branches incorporate STEAM activities into their youth programs with the goal of nurturing tomorrow's problem-solvers.
Umakers Makerspace	1201 Corporate Center Drive, Suite 11, Upland, CA 91786	Umakers is a digital design and fabrication collective that provides members access to advanced digital manufacturing technologies like 3D printing, CNC mills, and laser cutting. Like a gym membership, participants have

DRAFT

Name	Address	Notes
		unrestricted access to the various machines but must bring or purchase their own materials. Umakers also offers classes and printing services to members and nonmembers alike.
HexLab MakerSpace	9410 Owensmouth Avenue, Chatsworth, CA 91311	HexLab is a high-tech facility offering product innovators low-cost access to modern manufacturing technology. A variety of monthly memberships give participants the flexibility to pay for exactly what they need. Training classes are available on a semi-regular basis and are open to nonmembers as well.
Conejo Valley Makerspace	31332 Via Colinas, Suite 107, Westlake Village, CA 91362	Canejo Valley Makerspace is a growing collective of do-ers with a passion for innovation. CV Makerspace is more club than full-fledged operation at this point, but they are looking to expand into a facility that can better accommodate their growing membership. The organization currently offers members access to a small selection of table-top fabrication devices and expects to add additional devices when they find a permanent home.
Burbank Makerspace	2216 West Magnolia Boulevard, Suite B, Burbank, CA 91506	Burbank Makerspace is a fabrication studio specializing in 3D printing and lasercutting. The company offers monthly memberships and day pass options, allowing makers of all proficiency levels the chance to enjoy. Unlike other makerspaces, Burbank Makespace includes materials in the membership cost, meaning the only thing you need is yourself and an idea.
Mountie Makerspace	1100 North Grand Avenue, Walnut, CA 91789	Mt. San Antonio College's Mountie Makerspace is a hands-on learning workshop open to Mt. SAC students, faculty & staff, and community members. Members have unlimited access to the machines in the workshop and can receive assistance from the professional staff.
MAG Laboratory	3960 Valley Boulevard, Unit G, Walnut, CA 91789	MAG Laboratory is a non-profit shop dedicated to makers, artists, and gadgeteers (MAG). Members have access to all shop machinery and general supplies. The group meets biweekly but the space is available for use whenever the building is open.
Orance County Makerspace	15641 Product Lane, A12, Huntington Beach, CA 92649	OC Makerspace is an educational workshop focused on community and skill-building. Members enjoy unlimited access to fabrication machines for nearly all materials and can enroll in courses intended to improve design and

DRAFT

Name	Address	Notes
		fabrication skills.
Vocademy - The Makerspace	1635 Spruce Street, Riverside, CA 92507	Vocademy is a 15,000 square foot facility dedicated to "shop" class. In addition to the standard membership options, Vocademy offers an extensive selection of formal learning opportunities much like you would find at a vocational school. These classes are geared more towards enthusiasts but those seeking a career in the trades can enroll in the certified Professional Apprenticeship Program.
Toolbox LA	9410 Owensmouth Avenue, Chatsworth, CA 91311	Toolbox LA is a cowork-first innovation lab and startup incubator. The company focuses more on the office side of the startup process but works closely with other local incubators, like HexLab and Lab Launch, to provide a full range of services. The Toolbox facility features flexible workspace for individuals and teams alike, ensuring that all startups have exactly what they need.
The Build Shop	201 North Westmoreland Avenue, Suite 128, Los Angeles, CA 9004	The Build Shop is one of Los Angeles' original makerspaces and has grown into a full-service operation that provides DIY fabrication and professional design and development consultation. Standard membership options and educational workshops are available.
Crash Space	10526 Venice Boulevard, Culver City, CA 90232	Crash Space is a collection of dedicated makers sharing their interests in programming, fabrication, and art. The facility features two shop rooms, a 3D printing library, a machine shop, and a common room. Members have access to the facility when the building is open.
Build It Workspace	4388 West Cerritos Avenue, Los Alamitos, CA 90720	Build It Workspace provides a wide range of services to innovators of all skills and abilities. The company's in-house fabrication devices provide users with flexibility to work with almost any material. Classes are also available for those interested in furthering their knowledge.

Source: PlaceWorks, 2018.

DRAFT

GENERAL OFFICE SPACE AND COWORKING SPACE

Coworking space was identified as a must-have. It is integrally related to a business incubator/accelerator element. General office space may not be critical to the vision for Experience, but it can be a revenue generator. In addition, general office space could be a potential location for businesses graduating from the incubator/accelerator.

The region has seen increasing office lease rates and declining vacancy rates (IE overall office vacancy rate is 10.7%), with a consistent net absorption of office space. CBRE noted in a recent Market Trends report that the office market is strongest in areas with thriving downtowns.

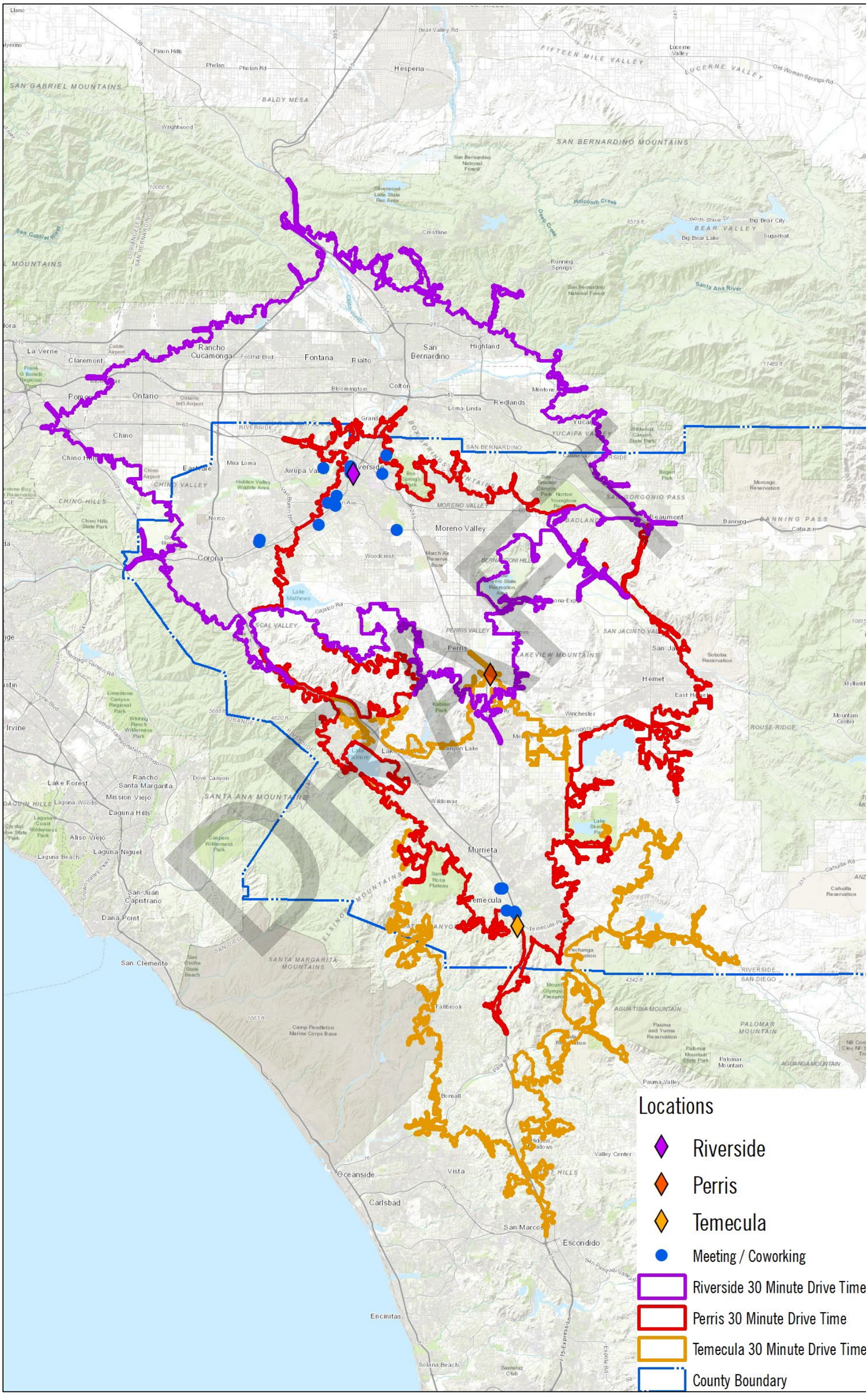
Office-based employment projected to increase in all three locations, with the largest increases in the Riverside area. In addition, the lowest vacancy rates and highest lease rates are in Riverside, where market conditions support new office development.

While office-based employment is projected to grow in the EMWD/Perris and Temecula areas, current vacancy rates and lease rates do not support new office development. In the future, though, as employment continues to grow, the market can be expected to absorb existing vacancies and eventually drive lease rate increases that will support new office development.

Map 4 and Table 3 provide information on existing coworking facilities in the WRCOG region. There are twelve existing coworking facilities in the Riverside trade area. Nevertheless, the strong office market conditions in Riverside suggest that there would also be demand for more coworking space. Although most of the coworking facilities in Riverside and Temecula are in the EMWD/Perris trade area, there are no existing coworking facilities in proximity to the EMWD/Perris location. There are no coworking facilities, suggesting that there would be market demand for coworking space at this location. There are five coworking facilities in Temecula, suggesting that demand for more coworking space may be limited in this location.

DRAFT

Map 4: Existing Coworking Facilities and the Three Trade Areas



Source: PlaceWorks, 2018.

Table 3: Existing Coworking Facilities

Name	Address	Notes
Mind & Mill	3615 Main Street, Suite 103, Riverside, CA, 92501	Mind & Mill is a multifaceted creative space that offers affordable coworking and private office accommodations. With over 4,200 square feet of space and rates as low as $40 per month, companies of all sizes can get exactly what they need.
Riverside Art Museum	3425 Mission Inn Avenue, Riverside, CA 92501	The Riverside Art Museum offers a truly unique meeting space, as select galleries and exhibits can be the backdrop for any event. The building was constructed in 1929 and has been preserved and maintained throughout the years. The space is better suited for special events but can be arranged to accommodate almost any use.
Granville Executive Suites	7121 Magnolia Avenue, Riverside, CA 92504	The Granville Executive Suites are located in the Granville Business Center and are owned and operated by Davinci Meetings and Coworking. Each meeting room comes fully furnished and equipped with high-speed internet, phone, and LCD television. Rooms are available by the hour.
Riverside Executive Offices	3610 Central Avenue, Riverside, CA 92506	The Riverside Executive Offices are owned and operated by Davinci Meetings and Coworking. Small businesses can rent office space and conference rooms starting at $30 per hour. Each space is fully furnished and equipped with high-speed internet, phone, and LCD television.
Adams Street Executive Offices	2900 Adams Street, Riverside, CA 92504	Adams Street Executive Offices is a conference center operated by Davinci Meetings and Coworking. Small businesses can rent conference rooms of varying size starting at $40 per hour. Each space is fully furnished and equipped with high-speed internet, phone, and LCD television.
Research Park Drive Training Center	1401 Research Park Drive, Riverside, CA 92507	The Training Center is a classroom facility operated by Davinci Meetings and Coworking. Classroom space is available starting at $65 per hour. Each space is fully furnished and equipped with high-speed internet and LCD television.
Flat Rock Drive Executive Center	4199 Flat Rock Drive, Riverside, CA 92505	Flat Rock Drive Executive Center is a conference center operated by Davinci Meetings and Coworking. Small businesses can rent conference rooms of varying size starting at $75 per hour. Each space is fully furnished and equipped with high-speed internet, phone, and LCD television.
UCR Conference, Events, & Catering Services	3637 Canyon Crest Drive, Riverside, CA 92507	UCR Hospitality Services provides full-service event and meeting packages as well as overnight accommodations. Six unique venues offer a wide variety of meeting space options that can be customized to fit almost any use. Depending on the layout, individual rooms can seat between 10 and 150 people.

DRAFT

Name	Address	Notes
Regus - Turner Riverwalk	11801 Pierce Street, Suite 200, Riverside, CA 92505	Regus' Turner Riverwalk location offers a full range of office and meeting solutions for businesses of all sizes. The facility offers physical office and coworking spaces, meeting rooms, and a business lounge that can be rented on a pay-as-you-go basis, flexible plan, or a fixed term.
Marriott Riverside at the Convention Center	3400 Market Street, Riverside, CA 92501	The Marriott Riverside is located adjacent to the Riverside Convention Center and offers almost 13,000 square feet of rentable space. Eleven meeting/event rooms are available in a variety of configurations and rental packages are available with overnight accommodation.
The Orangecrest Club	1175 East Alessandro Boulevard, Riverside, CA 92508	The Orangecrest Club is primarily a banquet facility but can also accommodate large business events. The facility features both indoor and outdoor space and can accommodate 150 people.
Crestmore Manor	4600 Crestmore Road, Jurupa Valley, CA 92509	Crestmore Manor is a historic landmark operated by the Riverside County Regional Park and Open-Space District as a wedding and event venue. The facility includes the main house, Carriage House, and landscaped grounds with space for up to 300 people.
Via Avalon Executive Suites	6809 Indiana Avenue, Suite 100, Riverside, CA 92506	Via Avalon provides flexible office and conference room solutions at competitive rates. The facility includes high-speed Internet and WiFi access, office furniture, conference rooms and administrative support.
Avila Terrace	3663 Main Street, Riverside, CA 92501	Avila Terrace is primarily a banquet and special event facility but can also be converted into meeting or conference rooms. he venue offers a rooftop view of the historic Mission Inn and can accommodate up to 95 people.
Riverside I/O	3499 10th Street, Riverside, CA 92501	Riverside I/O is a tech-focused coworking and meeting space. The facility features community work stations as well as small conference rooms and lounge areas.
Premier Business Centers - Temecula	41593 Winchester Road, Suite 200, Temecula, CA 92590	The Premier Business Centers' Temecula facility is located in Winchester Plaza and provides 63 offices and conference rooms in a variety of configurations. Members can lease space by the hour, day, month, or year.
Oak Park Executive Suites	28581 Old Town Front Street, Temecula, CA 92590	Oak Park Executive Suites is a small business center offering 22 private offices and a a communal conference room. Office space can be rented on short and long-term contracts. Office rentals also come with receptionist services and additional administrative support.
SmallOffices4Rent.com	41690 Enterprise Circle North #200, Temecula, CA 92290	SmallOffices4Rent's Temecula location provides small businesses with flexible office space at affordable monthly rates. 32 offices of different sizes are available

DRAFT

Name	Address	Notes
		and communal conference room is available free of charge.
Front Street Plaza Executive Suites	28693 Old Town Front Street, Temecula, CA 92590	Front Street Plaza Executive Suites is a high-tech, professional office space in a historic setting. The building offers flexible office space solutions as well as conference and meeting rooms at hourly rates.
Abundance Building	43537 Ridge Park Drive, Temecula, CA 92590	The Abundance Building is a full-service flexible office space. In-house reception and administrative services help alleviate the stress associated with day-to-day operations. Executive suites are available on six-month leases but virtual work stations can be purchased for $50 per month on a month-to-month basis.

Source: PlaceWorks, 2018.

DRAFT

EVENT/VENUE SPACE

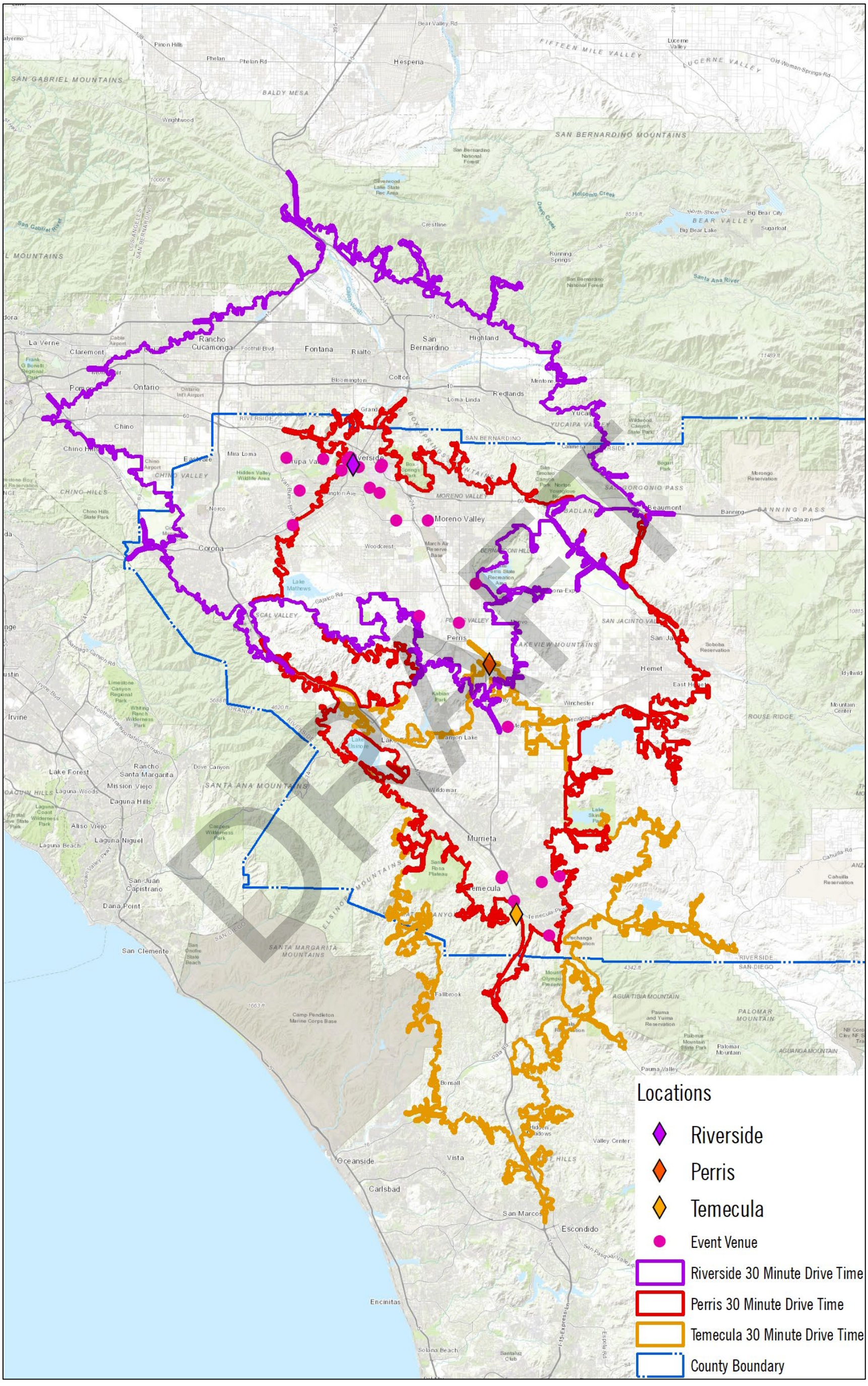
This category includes larger spaces for conferences, conventions, and performances, and event space may overlap with other desired elements, such as classroom space. Event and venue space would likely be a revenue generator for Experience.

In each of the three trade areas, the market for smaller spaces is well-served by existing facilities, such as banquet halls and, in some cases, meeting facilities in hotels. There are limited facilities for larger meetings, events, and performances.

Map 5 and Table 4 provide information on existing event and venue spaces in the WRCOG region. Riverside had a variety of larger venues, including the Riverside Municipal Auditorium and the Riverside Convention Center. In addition, UCR has meeting and event space that the public can reserve. OF the three locations, Riverside may have the least demand for additional large event and venue space. The EMWD/Perris location lacks any large event and venue space, and EMWD has indicated that there is strong demand for the use of their Board Room. Temecula has an existing municipal auditorium, and the City has indicated that there is strong demand for that space. However, the nearby Pechanga Resort and Casino, which has a variety of event and venue space, may limit the demand for additional event and venue space in this location.

DRAFT

Map 5: Existing Event and Venue Space and the Three Trade Areas



Source: PlaceWorks, 2018.

Table 4Existing Event and Venue Space

Name	Address	Notes
Loft 84 Wedding and Event Venue	3840 Lemon Street, Riverside, CA 92501	Loft 84 is a full-service wedding and event venue located in the historic Aurea Vista Hotel building. The building was constructed in 1928 and retains many of its original characteristic today. The banquet room can accommodate 250 people.
Fiesta Max Events Center	9900 Indiana Avenue #14, Riverside, CA 92503	Fiesta Max Events Center is a full-service event venue with capacity for up to 400 people. In addition to providing on-site accommodations, Fiesta Max also offers full-service, off-site options.
Life Arts Center	3326 University Avenue, Riverside, CA 92501	The Life Arts Center building was constructed in 1909 and is located in the historic district of Downtown Riverside. The venue offers full-service packages and boasts three banquet halls totaling over 15,000 square feet of rentable space. The halls range in size - each accommodating between 150 and 300 people.
UCR Conference, Events & Catering Services	3637 Canyon Crest Drive, Riverside, CA 92507	UCR Hospitality Services provides full-service event packages as well as overnight accommodations. Six unique venues offer a wide variety of rental options that can be customized to fit almost any use. Depending on the layout, individual rooms can seat between 10 and 150 people.
Crestmore Manor	4600 Crestmore Road, Jurupa Valley, CA 92509	Crestmore Manor is a historic landmark operated by the Riverside County Regional Park and Open-Space District as a wedding and event venue. The facility includes the main house, Carriage House, and landscaped grounds with space for up to 300 people. Catering and staffing services are not provided.
Wedgewood Weddings Indian Hills	5700 Club House Drive, Riverside, CA 92509	Wedgewood Weddings collaborates with Indian Hills Golf Club to provide a full-service, hilltop venue overlooking Jurupa Valley. A combination of indoor and outdoor event space provides ample room for up to 250 people.
951 Event Center	2460 University Avenue, Riverside, CA 92507	951 Events Center is a multi-purpose facility that offers space for performances, weddings, and other special events.
The Orangecrest Club	1175 E Alessandro Boulevard, Riverside, CA 92508	The Orangecrest Club provides banquet services for special events of all kinds. The facility features both indoor and outdoor space and can accommodate 150 people.
Riverside Municipal Auditorium	3485 Mission Inn Avenue, Riverside, CA 92501	Riverside Municipal Auditorium is a large multi-purpose venue with eight distinct rooms to accommodate special events of all sizes. Numerous configurations provide standing/seating room for anywhere between 80 to 1600 people. The venue offers full-service packages and will help secure live entertainment if

DRAFT

Name	Address	Notes
		desired.
Avila Terrace	3663 Main Street, Riverside, CA 92501	Avila Terrace is a new two-story banquet facility in Downtown Riverside. The venue offers a rooftop view of the historic Mission Inn and can accommodate up to 95 people. Catering and staffing services are available.
Riverside Convention Center	3637 5th Street, Riverside, CA 92501	The Riverside Convention Center is a state-of-the-art event facility that offers a wide range of unique event spaces. With over 66,000 square feet of indoor space and 24 halls, ballrooms, and meeting rooms, the Convention Center can accommodate events of all shapes and sizes. The Convention Center grounds also feature almost 15,000 square feet of outdoor plaza.
The Box	3635 Market Street, Riverside, CA 92501	The Box is a performance-focused venue located in the Fox Entertainment Plaza. Although the venue primarily hosts performing arts events, concerts and other special events may also reserve the space. Catering and staffing services are not provided.
Marriott Riverside at the Convention Center	3400 Market Street, Riverside, CA 92501	The Marriott Riverside is located adjacent to the Riverside Convention Center and offers almost 13,000 square feet of its own full-service event space. Eleven meeting/event rooms are available in a variety of configurations and rental packages are available with overnight accommodation.
Mission Inn Hotel and Spa	3649 Mission Inn Avenue, Riverside, CA 92501	The Mission Inn has been a Riverside icon since it first opened its doors in 1876. In addition to its overnight accommodations, the Mission Inn offers 20,000 square feet of customizable event space. Depending on the configuration, the variety of indoor and outdoor venues can comfortably host between 20 and 400 guests. Full catering from the in-house restaurant and professional staffing services are also available.
Mind & Mill	3615 Main Street #103, Riverside, CA 92501	Mind & Mill is a multifaceted creative space that moonlights as a special events venue. Three distinct rooms are available individually or can rented together for 4,200 square feet of total space. In-house catering and professional staffing services are not available.
Marinaj Banquets & Events	22605 Alessandro Boulevard, Moreno Valley, CA 92553	Marinaj Banquets & Events is a full-service, large-scale events center that boasts five unique and customizable venues. The four indoor ballrooms can each accommodate between 150 and 600 guests and the outdoor veranda can accommodate up to 200, depending on the configuration.
Canyon Crest Country Club	975 Country Club Drive, Riverside, CA 92506	The Canyon Crest Country Club is located on the Canyon Crest Golf Course and offers full-service event hosting. The clubhouse and courtyard overlook the golf

DRAFT

Name	Address	Notes
		course and lake, providing a backdrop for weddings, gatherings, and corporate events. The facility can accommodate up to 250 guests between the indoor and outdoor spaces.
Riverside Art Museum	3425 Mission Inn Avenue, Riverside, CA 92501	The Riverside Art Museum offers a truly unique venue, as select galleries and exhibits can be the backdrop for any special event. The building was constructed in 1929 and has been preserved and maintained throughout the years. In-house catering and professional staffing are not available but third-party vendors are permitted.
Benedict Castle	5445 Chicago Avenue, Riverside, CA 92507	Benedict Castle is another Riverside icon and has been a mainstay since constructed was completed in 1931. Originally the home of Charles Benedict, the Castle now hosts weddings and special events on the historic grounds. The facility can accommodate up to 220 guests and requires in-house catering and staffing for all events.
Events at the Hangar	6741 Gemende Drive, Riverside, CA 92504	Previously known as Wings of Valor Event Center, Events at the Hangar continues the tradition of aviation-inspired special events. The hangar can accommodate up to 250 people and can be customized with a classic car or airplane. Catering and professional staffing services are not available through the venue, but third-party vendors are allowed.
Emerald Hall	1675 N Perris Boulevard, Perris, CA 92571	Emerald Hall is a full-service event facility with the only LED dancefloor of its kind in the United States. The 5,300 square foot venue can accommodate up to 300 guests and offers a variety of catering and service packages.
Rancho Las Palmas Events	21981 Michael Road, Perris, CA 92570	Rancho Las Palmas Events is a special events venue located just outside Perris. The indoor facility features a large main floor and a smaller mezzanine.
Southern California Fair, Harrison Hall	18700 Lake Perris Drive, Perris, CA 92571	Harrison Hall is a private event venue located on the Southern California Fairgrounds. The facility can accommodate up to 400 guests in a banquet configuration but is also available in additional layouts. Third party catering is allowed but all food must be brought ready to serve.
Wedgewood Weddings Menifee Lakes	29875 Menifee Lakes Drive, Menifee, CA 92584	Wedgewood Weddings collaborates with Menifee Lakes Country Club to provide a full-service, lush venue across from Menifee Lakes. A combination of indoor and outdoor event space provides ample room for up to 250 people.
Temecula Valley Event Center	27345 Jefferson Avenue, Temecula, CA 92590	
Temeku Hills	41687 Temeku Drive, Temecula, CA	Temeku Hills Ballroom is an indoor-outdoor special event facility that caters

DRAFT

Name	Address	Notes
Ballroom	92591	primarily to weddings. The ballroom itself can accommodate up to 320 dinner guests and the lawn and courtyard areas can accommodate up to 320 and 200 guests, respectively. In-house catering and professional staffing services are available.
Pechanga Resort & Casino	45000 Pechanga Parkway, Temecula, CA 92592	Pechanga Resort & Casino offers 21 ballrooms, banquet halls, and meeting rooms that can accommodate events of almost any size. In-house catering and professional staffing services complement the first-class amenities.
Riverside Municipal Auditorium	3485 Mission Inn Avenue, Riverside, CA 92501	
Riverside Convention Center	3637 5th Street, Riverside, CA 92501	
Performance Riverside (Riverside City College)	4800 Magnolia Avenue, Riverside, CA 92506	Performance Riverside is a live theater venue and is home to a rotating cast of professional productions. The venue is not available to rent as a private event space.
Fox Performing Arts Center	3801 Mission Inn Avenue, Riverside, CA 92501	The Fox Performing Arts Center is a large multi-purpose venue with seven distinct rooms to accommodate special events of all sizes. Numerous configurations provide standing/seating room for anywhere between 50 to 1600 people. The venue offers full-service packages and will help secure live entertainment if desired.
University Theatre	900 University Avenue, Riverside, CA 92507	UCR's University Theatre is a live performance venue that caters almost exclusively to the UCR community. The Theatre is home to the UCR Theatre Department and hosts one large-scale production each year. Smaller performance venues on UCR's campus are available for private events.
Henry W. Coil, Sr. and Alice Edna Coil School for the Arts Concert Hall	3890 University Avenue, Riverside, CA 92501	The Coil School for the Arts is a state-of-the-art teaching facility focused on performing arts. The Concert Hall hosts a wide variety of musical and choral performances throughout the year, including the Riverside City College Concert Band and Chamber Ensembles.
The Vault Concert	41607 Enterprise Circle South, Temecula, CA 92590	The Vault Concert is a small venue.
Thornton Winery Concert Series	32575 Rancho California Road, Temecula, CA 92592	Since 1988 Thornton Winery has hosted a champagne concert series featuring food, music, and house wine/champagne. The winery also offers a number of venues available for private events ranging in size from 20 to 400 people. Four distinct areas provide unique settings to fit the occasion.

DRAFT

Name	Address	Notes
Old Town Temecula Community Theater	42051 Main Street, Temecula, CA 92590	The Temecula Community Theater is a performing arts facility with a 354-seat main theater and a 48 seat black box theater. The Theater is home to seven resident companies and ten additional performance groups.

Source: PlaceWorks, 2018.

DRAFT

OUTDOOR DEMONSTRATION AREA

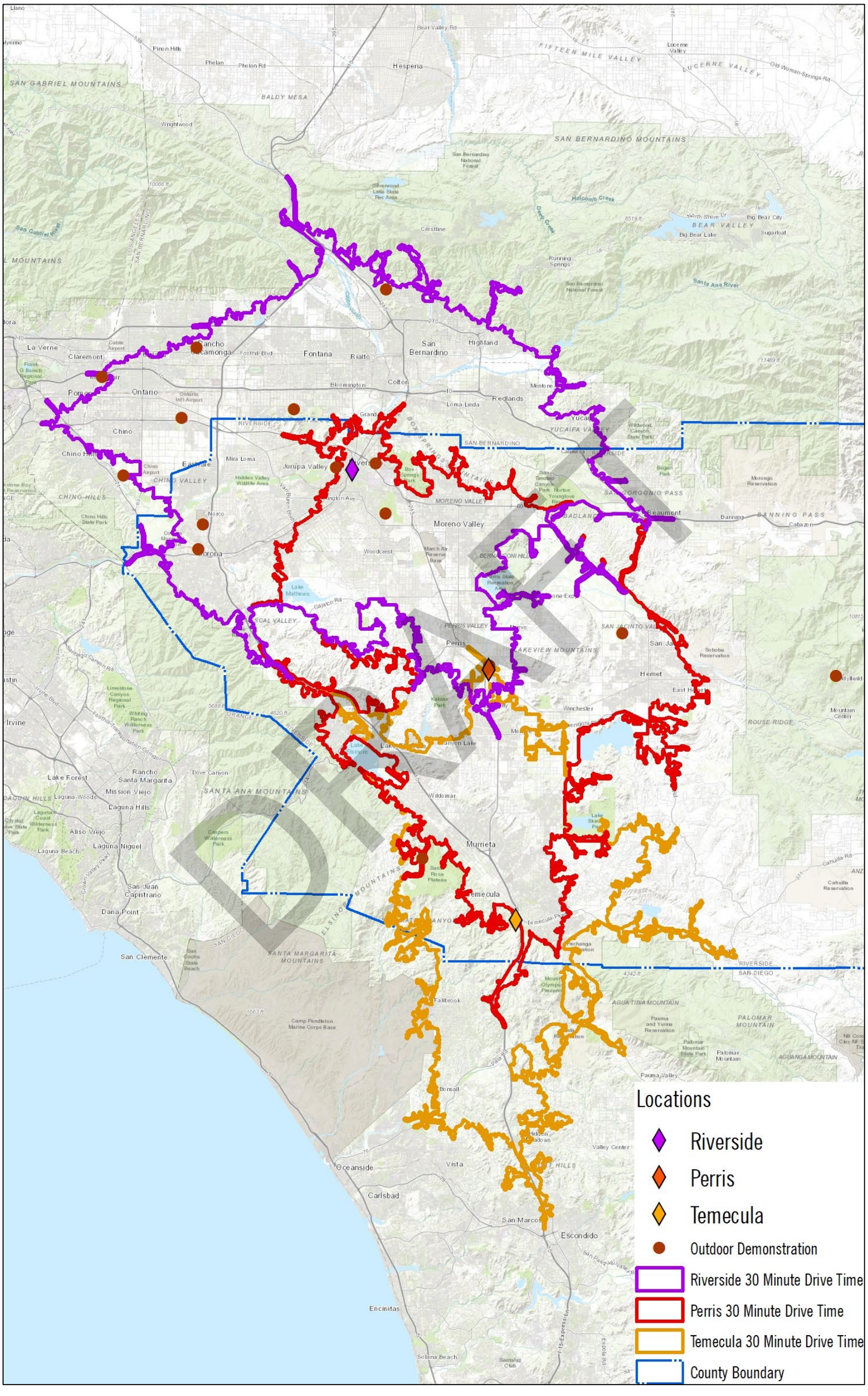
This element includes functions such as landscaping, habitat, water conservation and stormwater management. It could include related outdoor activities, such as connections to bike/ped routes, outdoor gathering spaces, educational programs

The analysis was unable to quantify market demand for this function as the majority of these types of facilities are constructed by agencies and organizations with related jurisdiction or authority. An outdoor demonstration area is unlikely to generate revenue and would likely entail ongoing operation and maintenance costs.

Map 6 and Table 5 providing information on the existing outdoor demonstration areas.

DRAFT

Map 6: Existing Outdoor Demonstration Areas and the Three Trade Areas



Source: PlaceWorks, 2018.

Table 5: Existing Outdoor Demonstration Areas

Name	Address	Notes
Norco College Water Demonstration Garden	2001 Third St, Norco, CA 92860	The Norco College Water Demonstration Garden was planted to demonstrate environmental stewardship and to increase knowledge surrounding drought-tolerant landscaping. The garden contains a compost demonstration site, a site that demonstrates drip irrigation, and plants labeled with an educational botanical placard that details the name, history, and uses of the plants.
EMWD Water Wise Demonstration Garden	2270 Trumble Road, Perris, CA 92570	The Eastern Municipal Water District (EMWD) was established to supplement the Riverside County water supply and provide water services to the region's growing number of residents. EMWD is the largest of six water districts in the county and serves approximately 34% of the county's residents. The Water Wise Demo Garden exhibits best practices for water conservation.
UCR Botanic Gardens	1 Botanic Gardens Drive, Riverside, CA 92507	The UC Riverside Botanic Garden is a showcase of native and exotic plant species. The grounds are divided into smaller collections based on season and geographical location.
Corona City Hall Demonstration Garden	755 Public Safety Way, Corona, CA 92880	The City Hall Demonstration Garden shows the potential for water-saving landscaping by using water-wise plants and low water-using irrigation. The garden has themed signage identifying plant names, plant requirements, and irrigation techniques.
WMWD Garden	450 Mission Grove Pkwy N, Riverside, CA 92508	The Western Municipal Water District was founded shortly after EMWD and helped expand water services to the western reaches of Riverside County. A majority of WMWD's business is in the wholesaling of water to local agencies and municipalities. The WMWD Garden showcases water-wise landscaping in hopes of inspiring customers to be more conscious of their water use at home.
Riverside-Corona Resource Conservation District Land Use Learning Center	4500 Glenwood Dr #A, Riverside, CA 92501	The Land Use Learning Center is a demonstration garden depicting sustainable practices in local land use; native habitats, urban areas and agriculture. In addition to sustainable land management practices, three garden areas showcase how wise planning and retrofits to urban landscapes can help them functional like natural environments.
Cucamonga Valley Water District Frontier Project	10435 Ashford St, Rancho Cucamonga, CA 91730	The Frontier Project Foundation, a non-profit founded by the Cucamonga Valley Water District, constructed the Frontier Project to demonstrate water and energy conservation strategies. The project is a public initiative demonstrating how inviting and engaging architecture can foster community awareness and

DRAFT

Name	Address	Notes
		create functional spaces for community forums, school field trips, lectures, public tours and vendor exhibits showcasing environmentally friendly products.
Southern California Edison Energy Education Center	6090 Irwindale Ave, Irwindale, CA 91702	Southern California Edison's Energy Education Center is a 51,000 square foot state-of-the-art facility geared towards educating SCE customers about energy-wise practices. SCE offers classes for home-owners and business-owners, as well as numerous displays and exhibits that demonstrate sustainable energy consumption. The facility also features an energy-efficient conference room.
San Bernardino Valley Water Conservation Demonstration Garden	5500 University Parkway, San Bernardino, CA 92407	Located on Cal State San Bernardino's campus, the San Bernardino Valley Water Conservation Demonstration Garden is just over an acre of plantings and displays that showcase water conservation through a series of beautiful themed gardens and exhibits.
Chino Basin Water Conservation District	4594 San Bernardino Street, Montclair, CA 91763	Chino Basin Water Conservation District's new Waterwise Community Center serves both administrative and educational functions. A landscape design room, wilderness park, and demonstration gardens all showcase ways for community members to get involved in water conservation efforts. Youth and community programs are also offered.
Chino Creek Wetlands & Educational Park	6075 Kimball Ave, Chino, CA 91708	Sponsored by the Inland Empire Utilities Agency, the 22-acre educational park is a living demonstration of climate appropriate and drought tolerant plants. The park is irrigated with a state-of-the-art management system ensuring no water is wasted. Educational programs and tours are provided through the education center and offer the chance for hands-on learning.
Mary Vagle Nature Center	11501 Cypress Ave, Fontana, CA 92337	The Mary Vagle Nature Center is a wildlife education center for school groups and members of the Fontana community. The center sits at the foot of the Jurupa Hills and is surrounded by nature trials and native gardens. Regular programs help youth engage with the natural environment and provide important opportunities to learn about environmental stewardship.
Santa Rosa Plateau Ecological Reserve	39400 Clinton Keith Road, Murrieta, CA 92562	The Santa Rosa Plateau Ecological Reserve is a sprawling 9,000-acre natural playground. The preserve features over 200 species of native birds and 49 vulnerable animal and plant species. The reserve is a popular hiking destination and the visitor center provides educational opportunities for guests of all ages.
Idyllwild Nature Center	25225 Highway 243 Idyllwild, CA 92549	The Idyllwild Nature Center offers a variety of field study trips, environmental education programs and guided tours which can be scheduled by appointment

DRAFT

Name	Address	Notes
		and tailored to fit specific needs or interests. Programs focus on mountain ecology, habitats, flora and fauna, Cahuilla Native culture and the history of the San Jacinto Mountains.
Inland Empire Utilities Agency Wastewater Treatment Plant (tour)	2450 E. Philadelphia Ave, Ontario, CA 91761	The Inland Empire Utilities Agency offers educational tours to the public to showcase their state-of-the-art wastewater treatment plan in Ontario. The tour highlights essential process that helps preserve potable water for the region's future.
EMWD Hemet/San Jacinto Water Reclamation Facility (tour)	770 N Sanderson Ave, San Jacinto, CA 92582	EMWD's Water Education program offers field trips for students in grade levels 3-12 from the 11 school districts and private schools within Eastern's service area. Similar to the Inland Empire Utilities Agency wastewater treatment plant, EMWD's Water Reclamation facility plays a vital role in ensuring potable water for residents of the community.

Source: PlaceWorks, 2018.

DRAFT

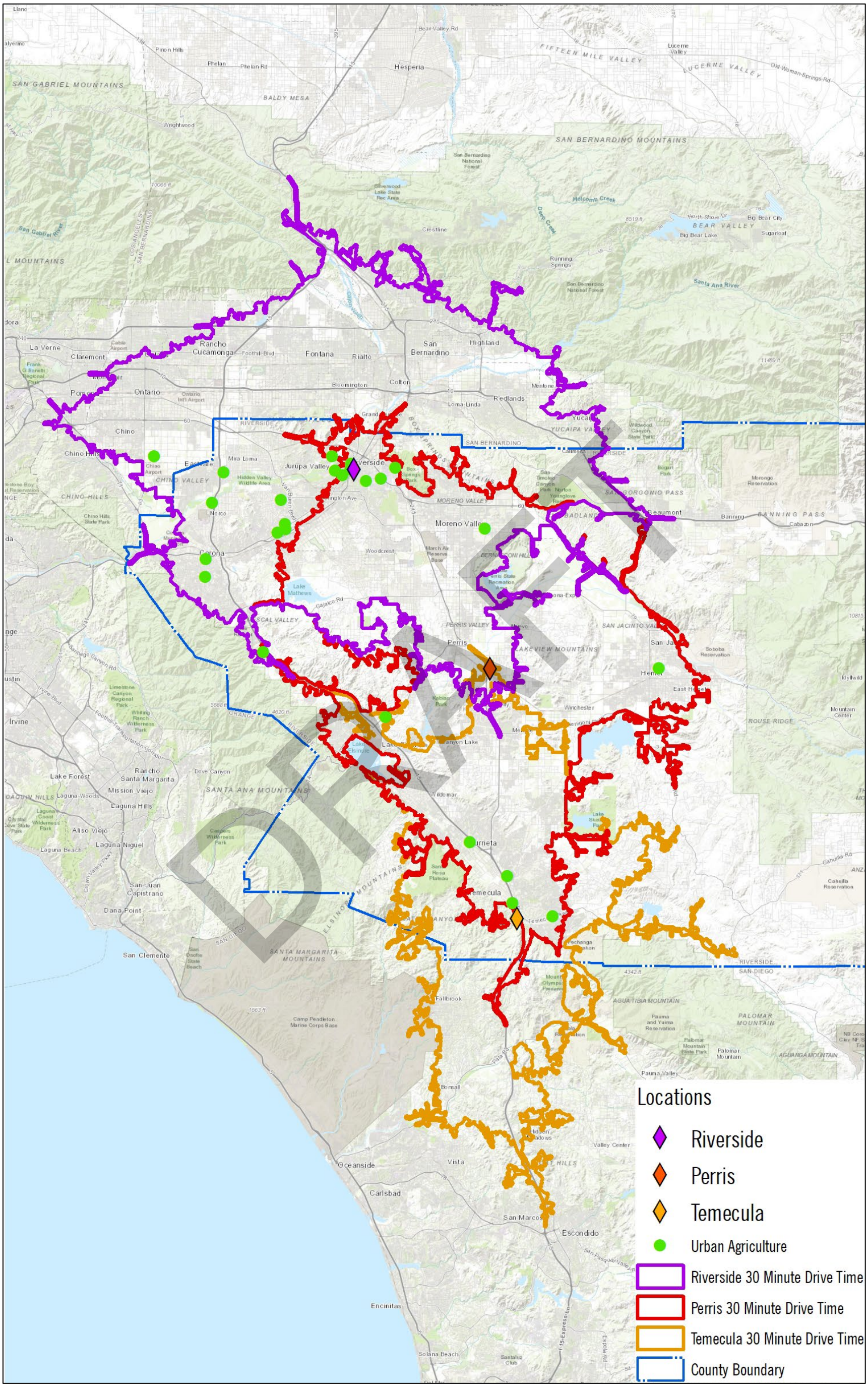
URBAN AGRICULTURE

The urban agriculture element includes agricultural functions, such as community gardens, a farmers market, plant nursery, and a farm products store. The analysis finds that there is existing market demand for retail in the three locations and the demand is expected to grow as the region's population grows. Demand for plant nurseries and farm products stores expected to increase with population.

Map 7 and Table 6 provide information on the existing urban agriculture facilities.

DRAFT

Map 7: Existing Urban Agriculture Facilities and the Three Trade Areas



Source: PlaceWorks, 2018.

Table 6: Existing Urban Agriculture Facilities

Name	Address	Notes
Rubidoux Community Resource Center CFM	5256 Mission Blvd, Jurupa Valley, CA 92509	The Rubidoux Community Resource Center and Don Schroeder Family Care Center co-sponsor a WIC-authorized farmers market every Monday from 8am to 1pm. The farmers market runs year-round and offers local families access to affordable, fresh foods.
Norco CFM by Heritage	3900 Acacia Ave, Norco, CA 92860	Norco Certified Farmers Market by Heritage offers a great variety of fresh and locally grown fruit, veggies, honey and eggs. The market is open on Sundays from 10am to 2pm year round and is also WIC-certified.
County Circle Farmers' Market	4065 County Circle Dr, Riverside, CA 92503	Sponsored in part by the County of Riverside, the County Circle Farmer's market is a year-round, WIC-certified market located in the heart of western Riverside County. The market is held every Thursday from 9am to 1pm and showcases numerous local vendors.
Riverside Downtown Farmers's Market	3582 Main St, Riverside, CA 92501	The Downtown Farmers market is Riverside staple and has been providing fresh produce and handmade goods to community members from over ten years. The market is open every Saturday from 8am to 1pm and draws visitors from the City of Riverside and beyond.
Promenade Mall CFM	40820 Winchester Rd, Temecula, CA 92591	Every Wednesday from 9am to 1pm the parking lot of the Promenade Mall transforms into a bustling market. Local vendors bring fresh produce and handmade goods for residents to explore. The market is WIC-certified.
Corona CFM	488 Corona Mall, Corona, CA 92882	The Corona farmers market brings the best local produce to community members every Saturday from 8:30 to 12:30pm, rain or shine. The WIC-certified market is conveniently located at the center of the city just off the 91 freeway.
Murrieta CFM	24420 Village Walk Plaza, Murrieta, CA 92562	Murrieta's farmers market is WIC-certified and open every Sunday from 9am to 1pm. Local vendors share their seasonal produce with community members from Murrieta and beyond.
Galleria at Tyler CFM	3485 Tyler St, Riverside, CA 92503	The Galleria's farmers market gives Riverside residents another opportunity to sample fresh, local produce. The market is open every Sunday from 9am to 1pm and participates in the WIC program.
Kaiser Permanente Riverside CFM	10800 Magnolia Ave, Riverside, CA 92503	Kaiser Permanente sponsors weekly farmers markets at a majority of their healthcare locations. Every Friday from 9am to 2pm, the Kaiser Riverside location comes alive as vendors and community members come together to celebrate locally grown foods.

DRAFT

San Jacinto Valley CFM	2575 So. San Jacinto Ave, San Jacinto, CA 92581	The San Jacinto Valley farmers market is a popular local attraction, drawing visitors from throughout the San Jacinto Valley. The market is WIC-certified and operates every Thursday from 8am to 1pm.
County of Riverside CFM	4080 Lemon St, Riverside, CA 92502	The County of Riverside farmers market is a new face on the farmers market circuit but has already gathered a large following. Every Wednesday morning, vendors showcase seasonal produce and handmade goods in the middle of Downtown Riverside.
Vail Headquarters CFM	32115 Temecula Pkwy, Temecula, CA 92592	Vail Headquarters is a Temecula icon and has preserved much of the region's 19th and early 20th-century history. The historic park hosts a farmers market every Tuesday from 9am to 1pm, offering visitors a wide array of local produce, home goods, and arts and crafts.
Old Town Temecula CFM	28464 Front St, Temecula, CA 92590	The Old Town Temecula farmers market is a WIC-certified market open every Saturday morning, year-round. Patrons can soak in the sights of the historic downtown and enjoy fresh local produce while they explore.
Moreno Valley CFM	26895 Brodiaea Ave, Moreno Valley, CA 92555	Each Thursday from 8am to 1pm, Moreno Valley Community Park comes alive as community members flock to farmers market. The market is WIC-certified and makes eating fresh foods fun and affordable.
The Valley Patch Farmers Market	6327 Pats Ranch Rd, Jurupa Valley, CA 92509	The Valley Patch Farmers Market is a local favorite for fresh foods and family fun. In addition to the regular lineup of produce vendors, the market organizes on-site activities for children and their families. The market is open every Saturday from 9am to 2pm.
Tequesquite Community Garden (West end of Ryan Bonaminio Park)	5000 Tequesquite Ave, Riverside CA 92506	The Tequesquite Community Garden is a small neighborhood garden located next to Ryan Bonaminio Park. Community members are able to purchase space in garden beds to cultivate their own fresh fruits and vegetables. Educational workshops are offered on occasion.
UCR Community Garden	1060 Martin Luther King Blvd, Riverside, CA 92507	The UC Riverside R'Garden is a 3-acre garden and education facility that promotes sustainable agricultural practices. The R'Garden is open to the UCR community and the public five days a week and offers workshops as well as do-it-yourself garden plots.
RCC Community Garden	4800 Magnolia Ave, Riverside, CA 92506	Riverside Community College sponsors an on-site garden that serves as part food source and part outdoor laboratory. Although it is primarily an educational tool that showcases small-plot gardening best practices, the facility also cultivates seasonal crops for consumption.
Arlanza Community	8700 Cypress Ave, Riverside, CA	Located at the Arlanza Community Center, the garden is an outdoor extension of

DRAFT

Garden	92503	the Center's youth programs. Local youth have the opportunity to explore social issues through art and food as they learn about gardening and sustainable agriculture.
Father's Garden	3431 Mount Vernon Ave., Riverside, CA 92507	
Eastside Community Garden at Emerson	4660 Ottawa Ave, Riverside, CA 92507	The Eastside Community Garden is sponsored by the City of Riverside Parks, Recreation, and Community Services Department and primarily serves Emerson Elementary School and the surrounding community. Individual plots are available for rent but the facility also offers educational opportunities.
Corona Community Garden at Peace	280 East Ontario Ave, Corona, CA 92879	Corona Community Garden at Peace was the city's first community garden and is located on the Peace Lutheran Church campus. The 1-acre facility is home to 52 plots of various sizes and provides basic gardening supplies.
Rosetta Canyon Community Garden	39423 Ardenwood Way, Lake Elsinore, CA 92530	Rosetta Canyon Community Garden is a small neighborhood garden with only 15 planter boxes. The garden was created as a joint effort by the City, numerous local agencies, and local nonprofit organizations.
Tom's Farms	23900 Temescal Canyon Rd, Corona, CA 92883	Tom's Farms is a family-owned "theme park" with small attractions, a produce market, restaurants, and furniture store on-site. A miniature train crosses the grounds and the produce market features locally grown fruits and vegetables.
Amy's Farm	7698 Eucalyptus Avenue, Ontario, CA 91762	Amy's Farm is a fully-functioning farm that focuses on sustainable agricultural techniques. The farm hosts tours and offers classes that promote the same methods used by the farm. All produce grown on-site is sold locally either on-site or in small grocery stores.

Source: PlaceWorks, 2018.

DRAFT

ADDITIONAL DEMOGRAPHIC INFORMATION

The following pages provide additional demographic information about the trade areas for each of the three potential locations for Experience.

DRAFT

ACS Population Summary

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
TOTALS				
Total Population	2,370,599		16,016	
Total Households	654,465		3,433	
Total Housing Units	695,719		3,402	
POPULATION AGE 3+ YEARS BY SCHOOL ENROLLMENT				
Total	2,271,426	100.0%	15,243	
Enrolled in school	727,909	32.0%	7,045	
Enrolled in nursery school, preschool	31,647	1.4%	1,270	
Public school	21,893	1.0%	1,057	
Private school	9,754	0.4%	715	
Enrolled in kindergarten	36,957	1.6%	1,361	
Public school	34,301	1.5%	1,318	
Private school	2,655	0.1%	338	
Enrolled in grade 1 to grade 4	143,799	6.3%	2,808	
Public school	135,509	6.0%	2,733	
Private school	8,289	0.4%	709	
Enrolled in grade 5 to grade 8	147,970	6.5%	2,846	
Public school	140,313	6.2%	2,768	
Private school	7,658	0.3%	724	
Enrolled in grade 9 to grade 12	165,999	7.3%	2,988	
Public school	158,423	7.0%	2,925	
Private school	7,576	0.3%	608	
Enrolled in college undergraduate years	174,914	7.7%	3,278	
Public school	142,742	6.3%	2,963	
Private school	32,172	1.4%	1,423	
Enrolled in graduate or professional school	26,623	1.2%	1,186	
Public school	12,249	0.5%	783	
Private school	14,374	0.6%	875	
Not enrolled in school	1,543,517	68.0%	8,646	
POPULATION AGE 65+ BY RELATIONSHIP AND HOUSEHOLD TYPE				
Total	216,288	100.0%	2,992	
Living in Households	209,967	97.1%	2,922	
Living in Family Households	162,158	75.0%	2,777	
Householder	67,604	31.3%	1,372	
Spouse	41,471	19.2%	1,067	
Parent	31,316	14.5%	1,427	
Parent-in-law	10,606	4.9%	846	
Other Relative	8,478	3.9%	662	
Nonrelative	2,684	1.2%	381	
Living in Nonfamily Households	47,810	22.1%	1,314	
Householder	44,603	20.6%	1,192	
Nonrelative	3,206	1.5%	1	
Living in Group Quarters	6,320	2.9%	634	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

©2018 Esri

ACS Population Summary

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
HOUSEHOLDS BY TYPE AND SIZE AND AGE				
Family Households	506,892	77.5%	3,386	
2-Person	133,239	20.4%	2,135	
3-Person	107,038	16.4%	2,060	
4-Person	114,027	17.4%	2,114	
5-Person	80,055	12.2%	1,862	
6-Person	39,647	6.1%	1,325	
7+ Person	32,886	5.0%	1,140	
Nonfamily Households	147,573	22.5%	2,303	
1-Person	115,923	17.7%	2,049	
2-Person	24,167	3.7%	1,076	
3-Person	4,352	0.7%	453	
4-Person	1,879	0.3%	314	
5-Person	861	0.1%	209	
6-Person	233	0.0%	90	
7+ Person	158	0.0%	85	
HOUSEHOLDS BY PRESENCE OF PEOPLE UNDER 18 YEARS BY HOUSEHOLD TYPE				
Households with one or more people under 18 years	301,969	46.1%	3,027	
Family households	299,497	45.8%	3,018	
Married-couple family	195,757	29.9%	2,586	
Male householder, no wife present	29,688	4.5%	1,195	
Female householder, no husband present	74,051	11.3%	1,808	
Nonfamily households	2,473	0.4%	364	
Households with no people under 18 years	352,495	53.9%	3,024	
Married-couple family	149,308	22.8%	2,128	
Other family	58,087	8.9%	1,534	
Nonfamily households	145,100	22.2%	2,283	
HOUSEHOLDS BY PRESENCE OF PEOPLE 65 YEARS AND OVER, HOUSEHOLD SIZE AND HOUSEHOLD TYPE				
Households with Pop 65+	149,071	22.8%	1,955	
1-Person	40,793	6.2%	1,144	
2+ Person Family	103,602	15.8%	1,698	
2+ Person Nonfamily	4,676	0.7%	416	
Households with No Pop 65+	505,394	77.2%	3,449	
1-Person	75,130	11.5%	1,784	
2+ Person Family	403,290	61.6%	3,303	
2+ Person Nonfamily	26,974	4.1%	1,152	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

July 26, 2018
686

©2018 Esri

ACS Population Summary

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
POPULATION AGE 5+ YEARS BY LANGUAGE SPOKEN AT HOME AND ABILITY TO SPEAK ENGLISH				
Total	2,198,221	100.0%	14,709	
5 to 17 years				
Speak only English	256,353	11.7%	4,704	
Speak Spanish	208,281	9.5%	4,436	
Speak English "very well" or "well"	201,133	9.1%	4,320	
Speak English "not well"	6,184	0.3%	609	
Speak English "not at all"	963	0.0%	222	
Speak other Indo-European languages	4,435	0.2%	614	
Speak English "very well" or "well"	4,215	0.2%	600	
Speak English "not well"	191	0.0%	99	
Speak English "not at all"	29	0.0%	46	
Speak Asian and Pacific Island languages	11,725	0.5%	953	
Speak English "very well" or "well"	10,942	0.5%	901	
Speak English "not well"	753	0.0%	230	
Speak English "not at all"	30	0.0%	27	
Speak other languages	3,561	0.2%	624	
Speak English "very well" or "well"	3,364	0.2%	599	
Speak English "not well"	195	0.0%	142	
Speak English "not at all"	1	0.0%	2	
18 to 64 years				
Speak only English	742,157	33.8%	7,776	
Speak Spanish	628,208	28.6%	8,168	
Speak English "very well" or "well"	470,565	21.4%	6,232	
Speak English "not well"	105,299	4.8%	2,654	
Speak English "not at all"	52,344	2.4%	2,044	
Speak other Indo-European languages	27,879	1.3%	1,664	
Speak English "very well" or "well"	25,406	1.2%	1,451	
Speak English "not well"	1,879	0.1%	321	
Speak English "not at all"	593	0.0%	341	
Speak Asian and Pacific Island languages	82,636	3.8%	2,844	
Speak English "very well" or "well"	66,996	3.0%	2,312	
Speak English "not well"	12,810	0.6%	851	
Speak English "not at all"	2,830	0.1%	513	
Speak other languages	16,700	0.8%	1,561	
Speak English "very well" or "well"	15,050	0.7%	1,323	
Speak English "not well"	1,385	0.1%	345	
Speak English "not at all"	265	0.0%	136	
65 years and over				
Speak only English	127,411	5.8%	2,250	
Speak Spanish	61,783	2.8%	1,835	
Speak English "very well" or "well"	32,565	1.5%	1,211	
Speak English "not well"	12,664	0.6%	805	
Speak English "not at all"	16,554	0.8%	1,030	
Speak other Indo-European languages	7,363	0.3%	668	
Speak English "very well" or "well"	5,461	0.2%	568	
Speak English "not well"	1,349	0.1%	273	
Speak English "not at all"	552	0.0%	186	
Speak Asian and Pacific Island languages	17,319	0.8%	1,046	
Speak English "very well" or "well"	10,234	0.5%	731	
Speak English "not well"	4,936	0.2%	536	
Speak English "not at all"	2,149	0.1%	390	
Speak other languages	2,411	0.1%	423	
Speak English "very well" or "well"	1,486	0.1%	288	
Speak English "not well"	422	0.0%	164	
Speak English "not at all"	503	0.0%	215	

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

DRAFT

©2018 Esri

ACS Population Summary

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
WORKERS AGE 16+ YEARS BY PLACE OF WORK				
Total	976,013	100.0%	7,865	
Worked in state and in county of residence	632,567	64.8%	6,424	
Worked in state and outside county of residence	339,752	34.8%	4,355	
Worked outside state of residence	3,695	0.4%	407	
WORKERS AGE 16+ YEARS BY MEANS OF TRANSPORTATION TO WORK				
Total	976,013	100.0%	7,865	
Drove alone	756,984	77.6%	6,838	
Carpooled	132,640	13.6%	3,039	
Public transportation (excluding taxicab)	17,831	1.8%	987	
Bus or trolley bus	12,129	1.2%	844	
Streetcar or trolley car	233	0.0%	90	
Subway or elevated	480	0.0%	158	
Railroad	4,988	0.5%	473	
Ferryboat	0	0.0%	0	
Taxicab	76	0.0%	59	
Motorcycle	2,783	0.3%	347	
Bicycle	3,695	0.4%	443	
Walked	14,809	1.5%	962	
Other means	6,267	0.6%	611	
Worked at home	40,929	4.2%	1,637	
WORKERS AGE 16+ YEARS (WHO DID NOT WORK FROM HOME) BY TRAVEL TIME TO WORK				
Total	935,084	100.0%	7,719	
Less than 5 minutes	12,775	1.4%	816	
5 to 9 minutes	63,617	6.8%	1,942	
10 to 14 minutes	110,634	11.8%	2,604	
15 to 19 minutes	137,633	14.7%	2,878	
20 to 24 minutes	132,958	14.2%	2,867	
25 to 29 minutes	54,912	5.9%	1,791	
30 to 34 minutes	136,411	14.6%	2,902	
35 to 39 minutes	23,500	2.5%	1,109	
40 to 44 minutes	37,871	4.1%	1,414	
45 to 59 minutes	75,705	8.1%	2,031	
60 to 89 minutes	93,004	9.9%	2,292	
90 or more minutes	56,065	6.0%	1,743	
Average Travel Time to Work (in minutes)	N/A		N/A	
FEMALES AGE 20-64 YEARS BY AGE OF OWN CHILDREN AND EMPLOYMENT STATUS				
Total	707,029	100.0%	5,736	
Own children under 6 years only	57,952	8.2%	1,682	
In labor force	37,383	5.3%	1,370	
Not in labor force	20,569	2.9%	1,022	
Own children under 6 years and 6 to 17 years	66,196	9.4%	1,736	
In labor force	37,459	5.3%	1,345	
Not in labor force	28,736	4.1%	1,174	
Own children 6 to 17 years only	156,386	22.1%	2,528	
In labor force	107,785	15.2%	2,169	
Not in labor force	48,602	6.9%	1,481	
No own children under 18 years	426,495	60.3%	4,822	
In labor force	289,257	40.9%	3,929	
Not in labor force	137,238	19.4%	2,741	

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

DRAFT

July 26, 2018
688

©2018 Esri

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
CIVILIAN NONINSTITUTIONALIZED POPULATION BY AGE & TYPES OF HEALTH INSURANCE COVERAGE				
Total	2,346,785	100.0%	15,935	
Under 18 years:	655,844	27.9%	7,606	
One Type of Health Insurance:	581,463	24.8%	7,271	
Employer-Based Health Ins Only	248,682	10.6%	4,725	
Direct-Purchase Health Ins Only	24,285	1.0%	1,577	
Medicare Coverage Only	1,450	0.1%	496	
Medicaid Coverage Only	304,685	13.0%	5,953	
TRICARE/Military Hlth Cov Only	2,286	0.1%	415	
VA Health Care Only	75	0.0%	64	
2+ Types of Health Insurance	26,258	1.1%	1,494	
No Health Insurance Coverage	48,123	2.1%	2,357	
18 to 34 years:	633,421	27.0%	6,934	
One Type of Health Insurance:	455,935	19.4%	5,736	
Employer-Based Health Ins Only	287,557	12.3%	4,604	
Direct-Purchase Health Ins Only	37,527	1.6%	1,658	
Medicare Coverage Only	1,602	0.1%	317	
Medicaid Coverage Only	124,648	5.3%	3,050	
TRICARE/Military Hlth Cov Only	2,877	0.1%	439	
VA Health Care Only	1,725	0.1%	313	
2+ Types of Health Insurance	25,528	1.1%	1,201	
No Health Insurance Coverage	151,958	6.5%	3,583	
35 to 64 years:	846,005	36.0%	6,565	
One Type of Health Insurance:	625,401	26.6%	5,643	
Employer-Based Health Ins Only	443,302	18.9%	4,911	
Direct-Purchase Health Ins Only	47,952	2.0%	1,708	
Medicare Coverage Only	9,921	0.4%	749	
Medicaid Coverage Only	117,510	5.0%	2,845	
TRICARE/Military Hlth Cov Only	2,773	0.1%	371	
VA Health Care Only	3,943	0.2%	436	
2+ Types of Health Insurance	51,837	2.2%	1,531	
No Health Insurance Coverage	168,767	7.2%	3,541	
65+ years:	211,516	9.0%	2,954	
One Type of Health Insurance:	82,786	3.5%	1,994	
Employer-Based Health Ins Only	6,676	0.3%	561	
Direct-Purchase Health Ins Only	1,013	0.0%	270	
Medicare Coverage Only	74,658	3.2%	1,890	
TRICARE/Military Hlth Cov Only	127	0.0%	83	
VA Health Care Only	312	0.0%	152	
2+ Types of Health Insurance:	123,307	5.3%	2,280	
Employer-Based & Direct-Purchase Health Insurance	105	0.0%	56	
Employer-Based Health & Medicare Insurance	34,566	1.5%	1,181	
Direct-Purchase Health & Medicare Insurance	17,427	0.7%	878	
Medicare & Medicaid Coverage	38,846	1.7%	1,451	
Other Private Health Insurance Combos	68	0.0%	41	
Other Public Health Insurance Combos	5,445	0.2%	464	
Other Health Insrance Combinations	26,849	1.1%	1,013	
No Health Insurance Coverage	5,423	0.2%	625	

DRAFT

©2018 Esri

ACS Population Summary

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
POPULATION BY RATIO OF INCOME TO POVERTY LEVEL				
Total	2,326,799	100.0%	15,817	
Under .50	174,513	7.5%	5,589	
.50 to .99	243,427	10.5%	7,256	
1.00 to 1.24	132,084	5.7%	5,334	
1.25 to 1.49	136,118	5.9%	5,402	
1.50 to 1.84	191,100	8.2%	6,238	
1.85 to 1.99	75,341	3.2%	4,072	
2.00 and over	1,374,216	59.1%	12,789	
CIVILIAN POPULATION AGE 18 OR OLDER BY VETERAN STATUS				
Total	1,713,033	100.0%	11,177	
Veteran	88,268	5.2%	1,928	
Nonveteran	1,624,765	94.8%	10,975	
Male	837,481	48.9%	6,676	
Veteran	81,530	4.8%	1,783	
Nonveteran	755,951	44.1%	6,528	
Female	875,552	51.1%	6,389	
Veteran	6,738	0.4%	590	
Nonveteran	868,814	50.7%	6,367	
CIVILIAN VETERANS AGE 18 OR OLDER BY PERIOD OF MILITARY SERVICE				
Total	88,268	100.0%	1,928	
Gulf War (9/01 or later), no Gulf War (8/90 to 8/01), no Vietnam Era	11,106	12.6%	809	
Gulf War (9/01 or later) and Gulf War (8/90 to 8/01), no Vietnam Era	2,988	3.4%	350	
Gulf War (9/01 or later), and Gulf War (8/90 to 8/01), and Vietnam Era	235	0.3%	93	
Gulf War (8/90 to 8/01), no Vietnam Era	11,212	12.7%	739	
Gulf War (8/90 to 8/01) and Vietnam Era	1,127	1.3%	200	
Vietnam Era, no Korean War, no World War II	30,306	34.3%	1,029	
Vietnam Era and Korean War, no World War II	1,149	1.3%	193	
Vietnam Era and Korean War and World War II	232	0.3%	85	
Korean War, no Vietnam Era, no World War II	6,144	7.0%	455	
Korean War and World War II, no Vietnam Era	327	0.4%	96	
World War II, no Korean War, no Vietnam Era	3,033	3.4%	327	
Between Gulf War and Vietnam Era only	13,757	15.6%	871	
Between Vietnam Era and Korean War only	6,179	7.0%	451	
Between Korean War and World War II only	440	0.5%	127	
Pre-World War II only	33	0.0%	26	
HOUSEHOLDS BY POVERTY STATUS				
Total	654,465	100.0%	3,433	
Income in the past 12 months below poverty level	105,801	16.2%	2,097	
Married-couple family	31,114	4.8%	1,207	
Other family - male householder (no wife present)	8,948	1.4%	675	
Other family - female householder (no husband present)	33,321	5.1%	1,227	
Nonfamily household - male householder	13,072	2.0%	781	
Nonfamily household - female householder	19,347	3.0%	930	
Income in the past 12 months at or above poverty level	548,664	83.8%	3,395	
Married-couple family	313,952	48.0%	2,945	
Other family - male householder (no wife present)	40,811	6.2%	1,370	
Other family - female householder (no husband present)	78,747	12.0%	1,812	
Nonfamily household - male householder	57,437	8.8%	1,575	
Nonfamily household - female householder	57,717	8.8%	1,491	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

July 26, 2018
690

©2018 Esri

ACS Population Summary

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
HOUSEHOLDS BY OTHER INCOME				
Social Security Income	154,670	23.6%	2,056	
No Social Security Income	499,795	76.4%	3,470	
Retirement Income	94,068	14.4%	1,681	
No Retirement Income	560,397	85.6%	3,520	
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS				
<10% of Income	4,447	1.6%	468	
10-14.9% of Income	12,266	4.5%	806	
15-19.9% of Income	25,179	9.3%	1,149	
20-24.9% of Income	29,616	11.0%	1,212	
25-29.9% of Income	29,373	10.9%	1,173	
30-34.9% of Income	25,357	9.4%	1,122	
35-39.9% of Income	20,651	7.6%	1,026	
40-49.9% of Income	29,244	10.8%	1,198	
50+% of Income	81,106	30.0%	1,934	
Gross Rent % Inc Not Computed	12,952	4.8%	767	
HOUSEHOLDS BY PUBLIC ASSISTANCE INCOME IN THE PAST 12 MONTHS				
Total	654,465	100.0%	3,433	
With public assistance income	32,317	4.9%	1,172	
No public assistance income	622,147	95.1%	3,452	
HOUSEHOLDS BY FOOD STAMPS/SNAP STATUS				
Total	654,465	100.0%	3,433	
With Food Stamps/SNAP	94,412	14.4%	1,967	
With No Food Stamps/SNAP	560,053	85.6%	3,428	
HOUSEHOLDS BY DISABILITY STATUS				
Total	654,465	100.0%	3,433	
With 1+ Persons w/Disability	162,978	24.9%	2,389	
With No Person w/Disability	491,487	75.1%	3,775	

DRAFT

Data Note: N/A means not available. Population by Ratio of Income to Poverty Level represents persons for whom poverty status is determined. Household income represents income in 2014, adjusted for inflation.

2012-2016 ACS Estimate: The American Community Survey (ACS) replaces census sample data. Esri is releasing the 2012-2016 ACS estimates, five-year period data collected monthly from January 1, 2010 through December 31, 2014. Although the ACS includes many of the subjects previously covered by the decennial census sample, there are significant differences between the two surveys including fundamental differences in survey design and residency rules.

Margin of error (MOE): The MOE is a measure of the variability of the estimate due to sampling error. MOEs enable the data user to measure the range of uncertainty for each estimate with 90 percent confidence. The range of uncertainty is called the confidence interval, and it is calculated by taking the estimate +/- the MOE. For example, if the ACS reports an estimate of 100 with an MOE of +/- 20, then you can be 90 percent certain the value for the whole population falls between 80 and 120.

Reliability: These symbols represent threshold values that Esri has established from the Coefficients of Variation (CV) to designate the usability of the estimates. The CV measures the amount of sampling error relative to the size of the estimate, expressed as a percentage.

- High Reliability: Small CVs (less than or equal to 12 percent) are flagged green to indicate that the sampling error is small relative to the estimate and the estimate is reasonably reliable.
- Medium Reliability: Estimates with CVs between 12 and 40 are flagged yellow-use with caution.
- Low Reliability: Large CVs (over 40 percent) are flagged red to indicate that the sampling error is large relative to the estimate. The estimate is considered very unreliable.

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

July 26, 2018
691

©2018 Esri

Community Profile

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	15 minutes	30 minutes
Population Summary		
2000 Total Population	400,098	1,833,914
2010 Total Population	461,781	2,264,316
2018 Total Population	489,038	2,442,777
2018 Group Quarters	12,389	37,336
2023 Total Population	512,327	2,564,710
2018-2023 Annual Rate	0.93%	0.98%
2018 Total Daytime Population	565,951	2,364,703
Workers	283,858	986,694
Residents	282,093	1,378,009
Household Summary		
2000 Households	126,088	542,554
2000 Average Household Size	3.10	3.31
2010 Households	136,854	639,840
2010 Average Household Size	3.28	3.48
2018 Households	144,022	683,976
2018 Average Household Size	3.31	3.52
2023 Households	150,650	716,034
2023 Average Household Size	3.32	3.53
2018-2023 Annual Rate	0.90%	0.92%
2010 Families	99,318	502,298
2010 Average Family Size	3.77	3.86
2018 Families	104,292	536,759
2018 Average Family Size	3.83	3.92
2023 Families	108,882	561,746
2023 Average Family Size	3.86	3.94
2018-2023 Annual Rate	0.87%	0.91%
Housing Unit Summary		
2000 Housing Units	134,353	575,755
Owner Occupied Housing Units	51.4%	59.1%
Renter Occupied Housing Units	42.4%	35.1%
Vacant Housing Units	6.2%	5.8%
2010 Housing Units	147,926	684,940
Owner Occupied Housing Units	48.9%	57.7%
Renter Occupied Housing Units	43.6%	35.7%
Vacant Housing Units	7.5%	6.6%
2018 Housing Units	154,732	724,654
Owner Occupied Housing Units	46.1%	55.8%
Renter Occupied Housing Units	46.9%	38.6%
Vacant Housing Units	6.9%	5.6%
2023 Housing Units	161,973	758,122
Owner Occupied Housing Units	48.7%	58.4%
Renter Occupied Housing Units	44.3%	36.1%
Vacant Housing Units	7.0%	5.6%
Median Household Income		
2018	$53,586	$62,332
2023	$60,654	$72,871
Median Home Value		
2018	$305,032	$354,393
2023	$380,947	$420,878
Per Capita Income		
2018	$22,144	$23,886
2023	$25,777	$27,987
Median Age		
2010	29.5	30.3
2018	31.0	31.7
2023	32.5	33.2

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

July 26, 2018
692

©2018 Esri

DRAFT

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	15 minutes	30 minutes
2018 Households by Income		
Household Income Base	144,014	683,968
<$15,000	11.7%	9.3%
$15,000 - $24,999	10.2%	8.5%
$25,000 - $34,999	9.9%	8.6%
$35,000 - $49,999	14.4%	12.9%
$50,000 - $74,999	18.6%	18.2%
$75,000 - $99,999	12.6%	13.6%
$100,000 - $149,999	13.2%	16.1%
$150,000 - $199,999	5.0%	7.0%
$200,000+	4.3%	5.8%
Average Household Income	$73,347	$83,696
2023 Households by Income		
Household Income Base	150,642	716,026
<$15,000	10.1%	7.9%
$15,000 - $24,999	8.7%	7.1%
$25,000 - $34,999	8.5%	7.3%
$35,000 - $49,999	13.2%	11.5%
$50,000 - $74,999	18.1%	17.2%
$75,000 - $99,999	13.3%	13.8%
$100,000 - $149,999	15.6%	18.2%
$150,000 - $199,999	6.4%	8.7%
$200,000+	6.0%	8.4%
Average Household Income	$85,955	$98,732
2018 Owner Occupied Housing Units by Value		
Total	71,384	404,055
<$50,000	5.1%	4.4%
$50,000 - $99,999	3.6%	2.7%
$100,000 - $149,999	5.6%	4.2%
$150,000 - $199,999	7.9%	7.0%
$200,000 - $249,999	12.4%	9.4%
$250,000 - $299,999	14.4%	11.2%
$300,000 - $399,999	18.2%	20.6%
$400,000 - $499,999	13.4%	16.0%
$500,000 - $749,999	12.5%	17.3%
$750,000 - $999,999	3.5%	4.3%
$1,000,000 - $1,499,999	2.4%	2.3%
$1,500,000 - $1,999,999	0.3%	0.2%
$2,000,000 +	0.6%	0.5%
Average Home Value	$374,099	$406,164
2023 Owner Occupied Housing Units by Value		
Total	78,829	442,444
<$50,000	3.7%	3.2%
$50,000 - $99,999	2.2%	1.5%
$100,000 - $149,999	2.9%	2.0%
$150,000 - $199,999	4.3%	3.7%
$200,000 - $249,999	8.8%	6.5%
$250,000 - $299,999	11.5%	9.1%
$300,000 - $399,999	20.4%	20.2%
$400,000 - $499,999	17.2%	18.2%
$500,000 - $749,999	18.2%	23.8%
$750,000 - $999,999	6.1%	7.3%
$1,000,000 - $1,499,999	3.3%	3.4%
$1,500,000 - $1,999,999	0.4%	0.3%
$2,000,000 +	0.9%	0.8%
Average Home Value	$450,820	$480,992

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

DRAFT

©2018 Esri

Community Profile

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	15 minutes	30 minutes
2010 Population by Age		
Total	461,779	2,264,315
0 - 4	7.9%	8.0%
5 - 9	7.6%	8.0%
10 - 14	7.9%	8.5%
15 - 24	19.4%	17.5%
25 - 34	14.7%	14.4%
35 - 44	12.8%	13.9%
45 - 54	12.5%	13.2%
55 - 64	8.8%	8.8%
65 - 74	4.5%	4.4%
75 - 84	2.7%	2.4%
85 +	1.1%	0.9%
18 +	71.5%	70.0%
2018 Population by Age		
Total	489,039	2,442,778
0 - 4	7.6%	7.8%
5 - 9	7.2%	7.6%
10 - 14	7.1%	7.5%
15 - 24	17.4%	15.5%
25 - 34	17.0%	16.8%
35 - 44	12.0%	12.9%
45 - 54	11.1%	11.9%
55 - 64	10.1%	10.2%
65 - 74	6.3%	6.2%
75 - 84	2.8%	2.6%
85 +	1.2%	1.0%
18 +	73.9%	72.8%
2023 Population by Age		
Total	512,329	2,564,710
0 - 4	7.6%	7.8%
5 - 9	7.1%	7.4%
10 - 14	7.0%	7.4%
15 - 24	15.9%	13.9%
25 - 34	16.5%	16.7%
35 - 44	13.6%	14.6%
45 - 54	10.4%	11.0%
55 - 64	9.9%	9.9%
65 - 74	7.2%	7.0%
75 - 84	3.4%	3.2%
85 +	1.2%	1.0%
18 +	74.3%	73.3%
2010 Population by Sex		
Males	228,171	1,121,147
Females	233,610	1,143,169
2018 Population by Sex		
Males	242,089	1,208,618
Females	246,949	1,234,160
2023 Population by Sex		
Males	254,353	1,271,899
Females	257,973	1,292,811

DRAFT

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

Community Profile

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

	15 minutes	30 minutes
2010 Population by Race/Ethnicity		
Total	461,781	2,264,316
White Alone	52.1%	52.0%
Black Alone	8.2%	9.3%
American Indian Alone	1.1%	1.0%
Asian Alone	6.5%	6.8%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	26.7%	25.5%
Two or More Races	5.0%	4.9%
Hispanic Origin	56.0%	55.7%
Diversity Index	85.6	85.6
2018 Population by Race/Ethnicity		
Total	489,039	2,442,778
White Alone	49.6%	49.5%
Black Alone	8.0%	9.0%
American Indian Alone	1.1%	1.0%
Asian Alone	6.7%	7.4%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	28.9%	27.5%
Two or More Races	5.3%	5.3%
Hispanic Origin	60.2%	59.8%
Diversity Index	86.6	86.6
2023 Population by Race/Ethnicity		
Total	512,327	2,564,709
White Alone	48.3%	48.2%
Black Alone	7.8%	8.7%
American Indian Alone	1.1%	1.0%
Asian Alone	7.0%	8.0%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	29.9%	28.3%
Two or More Races	5.5%	5.4%
Hispanic Origin	63.0%	62.6%
Diversity Index	86.9	86.9
2010 Population by Relationship and Household Type		
Total	461,781	2,264,316
In Households	97.2%	98.3%
In Family Households	85.4%	89.8%
Householder	21.5%	22.2%
Spouse	14.2%	15.3%
Child	37.4%	39.6%
Other relative	8.0%	8.6%
Nonrelative	4.3%	4.1%
In Nonfamily Households	11.8%	8.5%
In Group Quarters	2.8%	1.7%
Institutionalized Population	0.7%	0.9%
Noninstitutionalized Population	2.1%	0.8%

DRAFT

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

	15 minutes	30 minutes
2018 Population 25+ by Educational Attainment		
Total	296,781	1,506,259
Less than 9th Grade	12.2%	11.6%
9th - 12th Grade, No Diploma	12.1%	11.9%
High School Graduate	23.2%	22.9%
GED/Alternative Credential	2.9%	2.9%
Some College, No Degree	23.1%	23.1%
Associate Degree	7.0%	7.5%
Bachelor's Degree	11.7%	13.0%
Graduate/Professional Degree	7.8%	7.1%
2018 Population 15+ by Marital Status		
Total	381,760	1,884,669
Never Married	42.7%	39.7%
Married	43.2%	47.1%
Widowed	4.6%	4.4%
Divorced	9.4%	8.8%
2018 Civilian Population 16+ in Labor Force		
Civilian Employed	92.7%	93.3%
Civilian Unemployed (Unemployment Rate)	7.3%	6.7%
2018 Employed Population 16+ by Industry		
Total	210,563	1,079,059
Agriculture/Mining	0.9%	0.8%
Construction	8.1%	7.9%
Manufacturing	10.1%	10.4%
Wholesale Trade	3.6%	3.7%
Retail Trade	13.0%	12.4%
Transportation/Utilities	7.3%	8.0%
Information	1.2%	1.3%
Finance/Insurance/Real Estate	4.4%	4.8%
Services	47.4%	45.9%
Public Administration	4.0%	4.8%
2018 Employed Population 16+ by Occupation		
Total	210,562	1,079,060
White Collar	51.0%	53.3%
Management/Business/Financial	8.8%	10.6%
Professional	17.0%	17.2%
Sales	10.4%	10.6%
Administrative Support	14.8%	14.9%
Services	19.5%	18.7%
Blue Collar	29.5%	28.0%
Farming/Forestry/Fishing	0.7%	0.7%
Construction/Extraction	6.2%	5.9%
Installation/Maintenance/Repair	4.3%	3.9%
Production	7.6%	7.2%
Transportation/Material Moving	10.7%	10.4%
2010 Population By Urban/ Rural Status		
Total Population	461,781	2,264,316
Population Inside Urbanized Area	99.9%	99.2%
Population Inside Urbanized Cluster	0.0%	0.0%
Rural Population	0.1%	0.8%

DRAFT

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

	15 minutes	30 minutes
2010 Households by Type		
Total	136,854	639,840
Households with 1 Person	19.6%	15.9%
Households with 2+ People	80.4%	84.1%
Family Households	72.6%	78.5%
Husband-wife Families	47.9%	54.2%
With Related Children	27.8%	32.8%
Other Family (No Spouse Present)	24.6%	24.3%
Other Family with Male Householder	7.7%	7.7%
With Related Children	4.8%	4.9%
Other Family with Female Householder	17.0%	16.6%
With Related Children	11.4%	11.3%
Nonfamily Households	7.8%	5.6%
All Households with Children	44.7%	49.6%
Multigenerational Households	9.6%	11.1%
Unmarried Partner Households	8.2%	7.7%
Male-female	7.5%	6.9%
Same-sex	0.8%	0.7%
2010 Households by Size		
Total	136,853	639,841
1 Person Household	19.6%	15.9%
2 Person Household	24.7%	23.0%
3 Person Household	16.5%	16.8%
4 Person Household	15.6%	17.6%
5 Person Household	10.7%	12.4%
6 Person Household	6.0%	6.7%
7 + Person Household	6.9%	7.6%
2010 Households by Tenure and Mortgage Status		
Total	136,854	639,840
Owner Occupied	52.9%	61.7%
Owned with a Mortgage/Loan	42.2%	51.7%
Owned Free and Clear	10.6%	10.0%
Renter Occupied	47.1%	38.3%
2010 Housing Units By Urban/ Rural Status		
Total Housing Units	147,926	684,940
Housing Units Inside Urbanized Area	99.9%	99.1%
Housing Units Inside Urbanized Cluster	0.0%	0.0%
Rural Housing Units	0.1%	0.9%

DRAFT

Data Note: Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as nonfamily households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

Community Profile

Riverside
3761-3799 Vine St, Riverside, California, 92507
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.97922
Longitude: -117.36878

		15 minutes	30 minutes
Top 3 Tapestry Segments			
	1.	Urban Villages (7B)	Urban Villages (7B)
	2.	Barrios Urbanos (7D)	American Dreamers (7C)
	3.	American Dreamers (7C)	Boomburbs (1C)
2018 Consumer Spending			
Apparel & Services: Total $		$285,828,154	$1,542,275,478
Average Spent		$1,984.61	$2,254.87
Spending Potential Index		91	104
Education: Total $		$182,277,482	$978,261,978
Average Spent		$1,265.62	$1,430.26
Spending Potential Index		87	99
Entertainment/Recreation: Total $		$400,972,273	$2,166,587,072
Average Spent		$2,784.10	$3,167.64
Spending Potential Index		86	98
Food at Home: Total $		$646,968,458	$3,450,184,173
Average Spent		$4,492.15	$5,044.31
Spending Potential Index		90	101
Food Away from Home: Total $		$458,643,147	$2,465,059,488
Average Spent		$3,184.54	$3,604.01
Spending Potential Index		91	103
Health Care: Total $		$689,631,542	$3,716,256,144
Average Spent		$4,788.38	$5,433.31
Spending Potential Index		84	95
HH Furnishings & Equipment: Total $		$268,287,242	$1,452,153,786
Average Spent		$1,862.82	$2,123.11
Spending Potential Index		89	102
Personal Care Products & Services: Total $		$106,584,894	$577,325,187
Average Spent		$740.06	$844.07
Spending Potential Index		89	102
Shelter: Total $		$2,213,646,502	$11,832,992,403
Average Spent		$15,370.20	$17,300.30
Spending Potential Index		92	103
Support Payments/Cash Contributions/Gifts in Kind: Total $		$298,926,382	$1,620,099,035
Average Spent		$2,075.56	$2,368.65
Spending Potential Index		83	95
Travel: Total $		$273,771,695	$1,506,353,533
Average Spent		$1,900.90	$2,202.35
Spending Potential Index		88	102
Vehicle Maintenance & Repairs: Total $		$138,625,479	$742,637,770
Average Spent		$962.53	$1,085.77
Spending Potential Index		89	101

DRAFT

Data Note: Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.
Source: Consumer Spending data are derived from the 2015 and 2016 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

ACS Population Summary

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
TOTALS				
Total Population	1,135,505		10,613	
Total Households	324,269		2,341	
Total Housing Units	350,581		2,336	
POPULATION AGE 3+ YEARS BY SCHOOL ENROLLMENT				
Total	1,089,232	100.0%	10,110	
Enrolled in school	348,285	32.0%	4,870	
Enrolled in nursery school, preschool	14,633	1.3%	902	
Public school	8,386	0.8%	698	
Private school	6,248	0.6%	574	
Enrolled in kindergarten	17,148	1.6%	944	
Public school	15,958	1.5%	914	
Private school	1,190	0.1%	245	
Enrolled in grade 1 to grade 4	68,300	6.3%	1,897	
Public school	64,047	5.9%	1,834	
Private school	4,253	0.4%	482	
Enrolled in grade 5 to grade 8	73,178	6.7%	1,999	
Public school	68,769	6.3%	1,943	
Private school	4,409	0.4%	494	
Enrolled in grade 9 to grade 12	81,011	7.4%	2,167	
Public school	76,404	7.0%	2,108	
Private school	4,607	0.4%	503	
Enrolled in college undergraduate years	81,475	7.5%	2,297	
Public school	67,587	6.2%	2,094	
Private school	13,887	1.3%	913	
Enrolled in graduate or professional school	12,540	1.2%	802	
Public school	6,697	0.6%	597	
Private school	5,843	0.5%	528	
Not enrolled in school	740,947	68.0%	5,763	
POPULATION AGE 65+ BY RELATIONSHIP AND HOUSEHOLD TYPE				
Total	126,014	100.0%	2,175	
Living in Households	124,139	98.5%	2,155	
Living in Family Households	94,724	75.2%	2,069	
Householder	41,055	32.6%	1,029	
Spouse	28,108	22.3%	832	
Parent	14,738	11.7%	1,024	
Parent-in-law	4,978	4.0%	547	
Other Relative	4,199	3.3%	503	
Nonrelative	1,645	1.3%	310	
Living in Nonfamily Households	29,415	23.3%	1,022	
Householder	26,823	21.3%	878	
Nonrelative	2,593	2.1%	1	
Living in Group Quarters	1,875	1.5%	272	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

©2018 Esri

ACS Population Summary

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
HOUSEHOLDS BY TYPE AND SIZE AND AGE				
Family Households	251,606	77.6%	2,308	
2-Person	75,360	23.2%	1,520	
3-Person	53,223	16.4%	1,463	
4-Person	56,369	17.4%	1,516	
5-Person	35,605	11.0%	1,216	
6-Person	17,178	5.3%	844	
7+ Person	13,870	4.3%	764	
Nonfamily Households	72,664	22.4%	1,562	
1-Person	56,120	17.3%	1,367	
2-Person	12,823	4.0%	772	
3-Person	1,976	0.6%	282	
4-Person	1,027	0.3%	257	
5-Person	441	0.1%	142	
6-Person	229	0.1%	100	
7+ Person	48	0.0%	48	
HOUSEHOLDS BY PRESENCE OF PEOPLE UNDER 18 YEARS BY HOUSEHOLD TYPE				
Households with one or more people under 18 years	145,408	44.8%	2,079	
Family households	144,262	44.5%	2,073	
Married-couple family	96,872	29.9%	1,792	
Male householder, no wife present	13,862	4.3%	829	
Female householder, no husband present	33,529	10.3%	1,229	
Nonfamily households	1,145	0.4%	260	
Households with no people under 18 years	178,862	55.2%	2,040	
Married-couple family	82,909	25.6%	1,501	
Other family	24,435	7.5%	971	
Nonfamily households	71,518	22.1%	1,545	
HOUSEHOLDS BY PRESENCE OF PEOPLE 65 YEARS AND OVER, HOUSEHOLD SIZE AND HOUSEHOLD TYPE				
Households with Pop 65+	85,784	26.5%	1,413	
1-Person	24,488	7.6%	841	
2+ Person Family	58,339	18.0%	1,250	
2+ Person Nonfamily	2,957	0.9%	336	
Households with No Pop 65+	238,486	73.5%	2,306	
1-Person	31,632	9.8%	1,131	
2+ Person Family	193,267	59.6%	2,208	
2+ Person Nonfamily	13,587	4.2%	806	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

©2018 Esri

ACS Population Summary

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
POPULATION AGE 5+ YEARS BY LANGUAGE SPOKEN AT HOME AND ABILITY TO SPEAK ENGLISH				
Total	1,055,090	100.0%	9,792	high
5 to 17 years				
Speak only English	153,826	14.6%	3,626	high
Speak Spanish	73,909	7.0%	2,653	high
Speak English "very well" or "well"	70,584	6.7%	2,581	high
Speak English "not well"	2,861	0.3%	413	high
Speak English "not at all"	464	0.0%	153	medium
Speak other Indo-European languages	1,652	0.2%	398	medium
Speak English "very well" or "well"	1,587	0.2%	392	medium
Speak English "not well"	36	0.0%	41	low
Speak English "not at all"	29	0.0%	46	low
Speak Asian and Pacific Island languages	4,592	0.4%	572	high
Speak English "very well" or "well"	4,185	0.4%	528	high
Speak English "not well"	397	0.0%	139	medium
Speak English "not at all"	10	0.0%	13	low
Speak other languages	1,227	0.1%	360	medium
Speak English "very well" or "well"	1,227	0.1%	358	medium
Speak English "not well"	0	0.0%	0	
Speak English "not at all"	0	0.0%	0	
18 to 64 years				
Speak only English	420,548	39.9%	5,563	high
Speak Spanish	224,093	21.2%	4,848	high
Speak English "very well" or "well"	169,807	16.1%	3,730	high
Speak English "not well"	34,653	3.3%	1,523	high
Speak English "not at all"	19,632	1.9%	1,278	high
Speak other Indo-European languages	12,865	1.2%	1,134	high
Speak English "very well" or "well"	11,833	1.1%	962	high
Speak English "not well"	800	0.1%	223	medium
Speak English "not at all"	232	0.0%	175	low
Speak Asian and Pacific Island languages	31,150	3.0%	1,721	high
Speak English "very well" or "well"	26,963	2.6%	1,438	high
Speak English "not well"	3,654	0.3%	457	high
Speak English "not at all"	533	0.1%	179	medium
Speak other languages	5,213	0.5%	860	high
Speak English "very well" or "well"	4,632	0.4%	743	high
Speak English "not well"	415	0.0%	167	medium
Speak English "not at all"	166	0.0%	117	low
65 years and over				
Speak only English	90,992	8.6%	1,832	high
Speak Spanish	22,887	2.2%	1,164	high
Speak English "very well" or "well"	11,892	1.1%	730	high
Speak English "not well"	4,773	0.5%	509	high
Speak English "not at all"	6,222	0.6%	682	high
Speak other Indo-European languages	3,772	0.4%	438	high
Speak English "very well" or "well"	2,983	0.3%	371	high
Speak English "not well"	634	0.1%	201	medium
Speak English "not at all"	155	0.0%	88	medium
Speak Asian and Pacific Island languages	7,436	0.7%	692	high
Speak English "very well" or "well"	5,121	0.5%	541	high
Speak English "not well"	1,572	0.1%	318	medium
Speak English "not at all"	743	0.1%	257	medium
Speak other languages	927	0.1%	230	medium
Speak English "very well" or "well"	642	0.1%	189	medium
Speak English "not well"	223	0.0%	107	medium
Speak English "not at all"	61	0.0%	53	low

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

DRAFT

©2018 Esri

ACS Population Summary

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
WORKERS AGE 16+ YEARS BY PLACE OF WORK				
Total	447,916	100.0%	5,132	
Worked in state and in county of residence	310,314	69.3%	4,360	
Worked in state and outside county of residence	135,176	30.2%	2,656	
Worked outside state of residence	2,425	0.5%	342	
WORKERS AGE 16+ YEARS BY MEANS OF TRANSPORTATION TO WORK				
Total	447,916	100.0%	5,132	
Drove alone	345,308	77.1%	4,489	
Carpooled	61,517	13.7%	2,066	
Public transportation (excluding taxicab)	4,613	1.0%	494	
Bus or trolley bus	3,375	0.8%	427	
Streetcar or trolley car	12	0.0%	19	
Subway or elevated	27	0.0%	32	
Railroad	1,199	0.3%	237	
Ferryboat	0	0.0%	0	
Taxicab	17	0.0%	18	
Motorcycle	2,118	0.5%	319	
Bicycle	2,024	0.5%	337	
Walked	7,430	1.7%	691	
Other means	4,501	1.0%	545	
Worked at home	20,388	4.6%	1,024	
WORKERS AGE 16+ YEARS (WHO DID NOT WORK FROM HOME) BY TRAVEL TIME TO WORK				
Total	427,528	100.0%	5,076	
Less than 5 minutes	7,213	1.7%	631	
5 to 9 minutes	30,365	7.1%	1,368	
10 to 14 minutes	50,823	11.9%	1,780	
15 to 19 minutes	53,983	12.6%	1,777	
20 to 24 minutes	47,800	11.2%	1,646	
25 to 29 minutes	21,661	5.1%	1,114	
30 to 34 minutes	51,939	12.1%	1,739	
35 to 39 minutes	11,632	2.7%	816	
40 to 44 minutes	18,825	4.4%	1,030	
45 to 59 minutes	41,762	9.8%	1,478	
60 to 89 minutes	57,306	13.4%	1,825	
90 or more minutes	34,219	8.0%	1,335	
Average Travel Time to Work (in minutes)	N/A		N/A	
FEMALES AGE 20-64 YEARS BY AGE OF OWN CHILDREN AND EMPLOYMENT STATUS				
Total	330,495	100.0%	3,717	
Own children under 6 years only	27,530	8.3%	1,145	
In labor force	17,011	5.1%	910	
Not in labor force	10,519	3.2%	729	
Own children under 6 years and 6 to 17 years	30,768	9.3%	1,167	
In labor force	17,026	5.2%	897	
Not in labor force	13,741	4.2%	810	
Own children 6 to 17 years only	76,959	23.3%	1,773	
In labor force	52,940	16.0%	1,529	
Not in labor force	24,019	7.3%	1,051	
No own children under 18 years	195,238	59.1%	3,139	
In labor force	129,748	39.3%	2,584	
Not in labor force	65,489	19.8%	1,773	

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

DRAFT

©2018 Esri

ACS Population Summary

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
CIVILIAN NONINSTITUTIONALIZED POPULATION BY AGE & TYPES OF HEALTH INSURANCE COVERAGE				
Total	1,128,323	100.0%	10,591	
Under 18 years:	315,114	27.9%	5,136	
One Type of Health Insurance:	277,578	24.6%	4,909	
Employer-Based Health Ins Only	126,829	11.2%	3,407	
Direct-Purchase Health Ins Only	12,939	1.1%	1,055	
Medicare Coverage Only	477	0.0%	185	
Medicaid Coverage Only	126,932	11.2%	3,814	
TRICARE/Military Hlth Cov Only	10,116	0.9%	1,110	
VA Health Care Only	285	0.0%	256	
2+ Types of Health Insurance	14,923	1.3%	1,100	
No Health Insurance Coverage	22,613	2.0%	1,526	
18 to 34 years:	284,890	25.2%	4,604	
One Type of Health Insurance:	205,564	18.2%	3,811	
Employer-Based Health Ins Only	125,655	11.1%	3,040	
Direct-Purchase Health Ins Only	19,168	1.7%	1,132	
Medicare Coverage Only	543	0.0%	189	
Medicaid Coverage Only	54,179	4.8%	1,999	
TRICARE/Military Hlth Cov Only	4,869	0.4%	565	
VA Health Care Only	1,150	0.1%	289	
2+ Types of Health Insurance	13,749	1.2%	894	
No Health Insurance Coverage	65,577	5.8%	2,332	
35 to 64 years:	403,360	35.7%	4,409	
One Type of Health Insurance:	303,551	26.9%	3,878	
Employer-Based Health Ins Only	207,693	18.4%	3,336	
Direct-Purchase Health Ins Only	25,198	2.2%	1,211	
Medicare Coverage Only	5,400	0.5%	529	
Medicaid Coverage Only	55,573	4.9%	1,982	
TRICARE/Military Hlth Cov Only	6,913	0.6%	664	
VA Health Care Only	2,775	0.2%	393	
2+ Types of Health Insurance	31,277	2.8%	1,239	
No Health Insurance Coverage	68,531	6.1%	2,170	
65+ years:	124,960	11.1%	2,162	
One Type of Health Insurance:	51,967	4.6%	1,558	
Employer-Based Health Ins Only	3,301	0.3%	384	
Direct-Purchase Health Ins Only	765	0.1%	244	
Medicare Coverage Only	47,683	4.2%	1,492	
TRICARE/Military Hlth Cov Only	81	0.0%	60	
VA Health Care Only	138	0.0%	121	
2+ Types of Health Insurance:	71,243	6.3%	1,669	
Employer-Based & Direct-Purchase Health Insurance	85	0.0%	41	
Employer-Based Health & Medicare Insurance	20,524	1.8%	918	
Direct-Purchase Health & Medicare Insurance	12,279	1.1%	736	
Medicare & Medicaid Coverage	15,439	1.4%	916	
Other Private Health Insurance Combos	9	0.0%	14	
Other Public Health Insurance Combos	3,552	0.3%	372	
Other Health Insrance Combinations	19,355	1.7%	846	
No Health Insurance Coverage	1,750	0.2%	347	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

July 26, 2018
703

©2018 Esri

ACS Population Summary

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
POPULATION BY RATIO OF INCOME TO POVERTY LEVEL				
Total	1,120,366	100.0%	10,488	
Under .50	75,184	6.7%	3,542	
.50 to .99	108,131	9.7%	4,822	
1.00 to 1.24	57,087	5.1%	3,448	
1.25 to 1.49	59,330	5.3%	3,542	
1.50 to 1.84	85,039	7.6%	4,092	
1.85 to 1.99	36,010	3.2%	2,623	
2.00 and over	699,585	62.4%	8,803	
CIVILIAN POPULATION AGE 18 OR OLDER BY VETERAN STATUS				
Total	816,400	100.0%	7,331	
Veteran	64,958	8.0%	1,704	
Nonveteran	751,442	92.0%	7,126	
Male	395,087	48.4%	4,353	
Veteran	58,949	7.2%	1,562	
Nonveteran	336,138	41.2%	4,213	
Female	421,313	51.6%	4,264	
Veteran	6,009	0.7%	546	
Nonveteran	415,304	50.9%	4,244	
CIVILIAN VETERANS AGE 18 OR OLDER BY PERIOD OF MILITARY SERVICE				
Total	64,958	100.0%	1,704	
Gulf War (9/01 or later), no Gulf War (8/90 to 8/01), no Vietnam Era	8,452	13.0%	743	
Gulf War (9/01 or later) and Gulf War (8/90 to 8/01), no Vietnam Era	5,251	8.1%	521	
Gulf War (9/01 or later), and Gulf War (8/90 to 8/01), and Vietnam Era	261	0.4%	100	
Gulf War (8/90 to 8/01), no Vietnam Era	9,066	14.0%	712	
Gulf War (8/90 to 8/01) and Vietnam Era	1,067	1.6%	184	
Vietnam Era, no Korean War, no World War II	18,966	29.2%	818	
Vietnam Era and Korean War, no World War II	841	1.3%	170	
Vietnam Era and Korean War and World War II	166	0.3%	80	
Korean War, no Vietnam Era, no World War II	4,542	7.0%	417	
Korean War and World War II, no Vietnam Era	332	0.5%	91	
World War II, no Korean War, no Vietnam Era	2,631	4.1%	316	
Between Gulf War and Vietnam Era only	8,402	12.9%	600	
Between Vietnam Era and Korean War only	4,593	7.1%	383	
Between Korean War and World War II only	276	0.4%	92	
Pre-World War II only	112	0.2%	73	
HOUSEHOLDS BY POVERTY STATUS				
Total	324,269	100.0%	2,341	
Income in the past 12 months below poverty level	46,294	14.3%	1,367	
Married-couple family	13,892	4.3%	795	
Other family - male householder (no wife present)	3,799	1.2%	438	
Other family - female householder (no husband present)	14,101	4.3%	794	
Nonfamily household - male householder	5,889	1.8%	509	
Nonfamily household - female householder	8,613	2.7%	567	
Income in the past 12 months at or above poverty level	277,975	85.7%	2,336	
Married-couple family	165,888	51.2%	2,060	
Other family - male householder (no wife present)	18,334	5.7%	913	
Other family - female householder (no husband present)	35,591	11.0%	1,229	
Nonfamily household - male householder	28,285	8.7%	1,091	
Nonfamily household - female householder	29,877	9.2%	1,026	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

July 26, 2018
704

©2018 Esri

ACS Population Summary

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
HOUSEHOLDS BY OTHER INCOME				
Social Security Income	92,961	28.7%	1,516	
No Social Security Income	231,308	71.3%	2,322	
Retirement Income	60,345	18.6%	1,344	
No Retirement Income	263,924	81.4%	2,396	
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS				
<10% of Income	1,839	1.6%	270	
10-14.9% of Income	5,253	4.4%	493	
15-19.9% of Income	11,856	10.0%	768	
20-24.9% of Income	13,476	11.4%	821	
25-29.9% of Income	12,891	10.9%	769	
30-34.9% of Income	11,490	9.7%	746	
35-39.9% of Income	8,548	7.2%	654	
40-49.9% of Income	12,198	10.3%	751	
50+% of Income	35,608	30.0%	1,275	
Gross Rent % Inc Not Computed	5,449	4.6%	480	
HOUSEHOLDS BY PUBLIC ASSISTANCE INCOME IN THE PAST 12 MONTHS				
Total	324,269	100.0%	2,341	
With public assistance income	13,442	4.1%	736	
No public assistance income	310,828	95.9%	2,359	
HOUSEHOLDS BY FOOD STAMPS/SNAP STATUS				
Total	324,269	100.0%	2,341	
With Food Stamps/SNAP	37,456	11.6%	1,232	
With No Food Stamps/SNAP	286,813	88.4%	2,362	
HOUSEHOLDS BY DISABILITY STATUS				
Total	324,269	100.0%	2,341	
With 1+ Persons w/Disability	89,363	27.6%	1,721	
With No Person w/Disability	234,906	72.4%	2,543	

DRAFT

Data Note: N/A means not available. Population by Ratio of Income to Poverty Level represents persons for whom poverty status is determined. Household income represents income in 2014, adjusted for inflation.

2012-2016 ACS Estimate: The American Community Survey (ACS) replaces census sample data. Esri is releasing the 2012-2016 ACS estimates, five-year period data collected monthly from January 1, 2010 through December 31, 2014. Although the ACS includes many of the subjects previously covered by the decennial census sample, there are significant differences between the two surveys including fundamental differences in survey design and residency rules.

Margin of error (MOE): The MOE is a measure of the variability of the estimate due to sampling error. MOEs enable the data user to measure the range of uncertainty for each estimate with 90 percent confidence. The range of uncertainty is called the confidence interval, and it is calculated by taking the estimate +/- the MOE. For example, if the ACS reports an estimate of 100 with an MOE of +/- 20, then you can be 90 percent certain the value for the whole population falls between 80 and 120.

Reliability: These symbols represent threshold values that Esri has established from the Coefficients of Variation (CV) to designate the usability of the estimates. The CV measures the amount of sampling error relative to the size of the estimate, expressed as a percentage.

- High Reliability: Small CVs (less than or equal to 12 percent) are flagged green to indicate that the sampling error is small relative to the estimate and the estimate is reasonably reliable.
- Medium Reliability: Estimates with CVs between 12 and 40 are flagged yellow-use with caution.
- Low Reliability: Large CVs (over 40 percent) are flagged red to indicate that the sampling error is large relative to the estimate. The estimate is considered very unreliable.

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

©2018 Esri

Community Profile

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	15 minutes	30 minutes
Population Summary		
2000 Total Population	101,205	706,295
2010 Total Population	177,604	1,064,257
2018 Total Population	206,321	1,179,809
2018 Group Quarters	597	12,920
2023 Total Population	224,065	1,260,039
2018-2023 Annual Rate	1.66%	1.32%
2018 Total Daytime Population	166,898	1,045,320
Workers	41,414	359,193
Residents	125,484	686,127
Household Summary		
2000 Households	33,770	228,923
2000 Average Household Size	2.97	3.04
2010 Households	52,600	321,997
2010 Average Household Size	3.36	3.26
2018 Households	59,785	352,038
2018 Average Household Size	3.44	3.31
2023 Households	64,521	374,196
2023 Average Household Size	3.46	3.33
2018-2023 Annual Rate	1.54%	1.23%
2010 Families	40,683	247,517
2010 Average Family Size	3.80	3.68
2018 Families	46,194	270,647
2018 Average Family Size	3.91	3.75
2023 Families	49,850	287,642
2023 Average Family Size	3.94	3.78
2018-2023 Annual Rate	1.54%	1.23%
Housing Unit Summary		
2000 Housing Units	36,686	246,756
Owner Occupied Housing Units	70.4%	65.0%
Renter Occupied Housing Units	21.7%	27.8%
Vacant Housing Units	7.9%	7.2%
2010 Housing Units	57,768	352,945
Owner Occupied Housing Units	65.7%	61.1%
Renter Occupied Housing Units	25.4%	30.1%
Vacant Housing Units	8.9%	8.8%
2018 Housing Units	63,629	377,246
Owner Occupied Housing Units	66.6%	60.5%
Renter Occupied Housing Units	27.4%	32.8%
Vacant Housing Units	6.0%	6.7%
2023 Housing Units	68,619	400,335
Owner Occupied Housing Units	69.4%	63.2%
Renter Occupied Housing Units	24.6%	30.2%
Vacant Housing Units	6.0%	6.5%
Median Household Income		
2018	$57,139	$64,023
2023	$67,092	$75,700
Median Home Value		
2018	$277,815	$330,185
2023	$348,791	$398,547
Per Capita Income		
2018	$21,699	$25,828
2023	$25,669	$30,336
Median Age		
2010	32.0	31.8
2018	32.8	33.0
2023	33.3	33.7

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

DRAFT

©2018 Esri

	15 minutes	30 minutes
2018 Households by Income		
Household Income Base	59,785	352,030
<$15,000	9.1%	9.0%
$15,000 - $24,999	10.1%	8.9%
$25,000 - $34,999	10.1%	8.7%
$35,000 - $49,999	13.5%	12.0%
$50,000 - $74,999	19.3%	17.6%
$75,000 - $99,999	13.7%	13.7%
$100,000 - $149,999	15.1%	17.1%
$150,000 - $199,999	5.7%	7.0%
$200,000+	3.5%	6.0%
Average Household Income	$74,358	$85,406
2023 Households by Income		
Household Income Base	64,521	374,188
<$15,000	7.7%	7.8%
$15,000 - $24,999	8.4%	7.4%
$25,000 - $34,999	8.5%	7.3%
$35,000 - $49,999	11.7%	10.6%
$50,000 - $74,999	18.1%	16.3%
$75,000 - $99,999	14.2%	13.7%
$100,000 - $149,999	18.6%	19.4%
$150,000 - $199,999	7.4%	8.7%
$200,000+	5.4%	8.7%
Average Household Income	$88,641	$101,016
2018 Owner Occupied Housing Units by Value		
Total	42,378	228,190
<$50,000	4.9%	4.8%
$50,000 - $99,999	4.7%	3.4%
$100,000 - $149,999	7.9%	5.3%
$150,000 - $199,999	12.5%	8.4%
$200,000 - $249,999	14.0%	10.6%
$250,000 - $299,999	10.9%	11.4%
$300,000 - $399,999	21.9%	20.6%
$400,000 - $499,999	11.0%	13.2%
$500,000 - $749,999	8.5%	15.6%
$750,000 - $999,999	1.6%	3.5%
$1,000,000 - $1,499,999	1.4%	2.4%
$1,500,000 - $1,999,999	0.5%	0.5%
$2,000,000 +	0.3%	0.4%
Average Home Value	$323,657	$387,341
2023 Owner Occupied Housing Units by Value		
Total	47,650	253,109
<$50,000	3.9%	3.8%
$50,000 - $99,999	2.8%	2.1%
$100,000 - $149,999	3.6%	2.7%
$150,000 - $199,999	6.3%	4.4%
$200,000 - $249,999	10.3%	7.5%
$250,000 - $299,999	12.1%	9.5%
$300,000 - $399,999	22.5%	20.4%
$400,000 - $499,999	15.0%	16.0%
$500,000 - $749,999	16.4%	22.5%
$750,000 - $999,999	3.6%	6.1%
$1,000,000 - $1,499,999	2.4%	3.8%
$1,500,000 - $1,999,999	0.6%	0.6%
$2,000,000 +	0.5%	0.7%
Average Home Value	$406,423	$466,892

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

DRAFT

©2018 Esri

Community Profile

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	15 minutes	30 minutes
2010 Population by Age		
Total	177,604	1,064,259
0 - 4	8.2%	7.7%
5 - 9	8.5%	7.9%
10 - 14	8.7%	8.5%
15 - 24	15.5%	16.8%
25 - 34	13.0%	13.2%
35 - 44	13.1%	13.5%
45 - 54	12.0%	13.3%
55 - 64	8.7%	9.0%
65 - 74	6.4%	5.4%
75 - 84	4.2%	3.3%
85 +	1.6%	1.3%
18 +	69.1%	70.4%
2018 Population by Age		
Total	206,322	1,179,809
0 - 4	8.1%	7.5%
5 - 9	7.7%	7.3%
10 - 14	7.5%	7.3%
15 - 24	14.2%	15.0%
25 - 34	15.6%	15.8%
35 - 44	11.9%	12.4%
45 - 54	11.1%	11.8%
55 - 64	9.9%	10.7%
65 - 74	7.7%	7.1%
75 - 84	4.4%	3.6%
85 +	1.9%	1.5%
18 +	72.4%	73.5%
2023 Population by Age		
Total	224,066	1,260,039
0 - 4	8.2%	7.6%
5 - 9	7.9%	7.4%
10 - 14	7.5%	7.2%
15 - 24	12.6%	13.3%
25 - 34	16.9%	16.8%
35 - 44	13.1%	13.8%
45 - 54	9.7%	10.5%
55 - 64	9.3%	10.1%
65 - 74	8.0%	7.8%
75 - 84	4.9%	4.1%
85 +	1.8%	1.5%
18 +	72.3%	73.7%
2010 Population by Sex		
Males	87,327	523,218
Females	90,277	541,039
2018 Population by Sex		
Males	101,373	579,442
Females	104,948	600,368
2023 Population by Sex		
Males	110,174	619,657
Females	113,891	640,382

DRAFT

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

Community Profile

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

	15 minutes	30 minutes
2010 Population by Race/Ethnicity		
Total	177,604	1,064,258
White Alone	58.0%	59.2%
Black Alone	7.4%	8.5%
American Indian Alone	0.9%	1.0%
Asian Alone	3.9%	6.4%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	24.6%	19.2%
Two or More Races	4.9%	5.4%
Hispanic Origin	51.8%	42.7%
Diversity Index	82.8	81.5
2018 Population by Race/Ethnicity		
Total	206,322	1,179,811
White Alone	55.4%	56.2%
Black Alone	7.4%	8.5%
American Indian Alone	0.9%	1.0%
Asian Alone	4.4%	6.9%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	26.2%	21.0%
Two or More Races	5.4%	6.0%
Hispanic Origin	55.4%	46.8%
Diversity Index	84.1	83.6
2023 Population by Race/Ethnicity		
Total	224,065	1,260,040
White Alone	53.9%	54.2%
Black Alone	7.3%	8.5%
American Indian Alone	0.9%	1.0%
Asian Alone	4.8%	7.4%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	27.1%	22.1%
Two or More Races	5.7%	6.3%
Hispanic Origin	58.2%	49.9%
Diversity Index	84.7	84.7
2010 Population by Relationship and Household Type		
Total	177,604	1,064,257
In Households	99.6%	98.7%
In Family Households	90.9%	89.0%
Householder	23.0%	23.3%
Spouse	17.1%	17.1%
Child	38.7%	38.0%
Other relative	8.3%	7.1%
Nonrelative	3.8%	3.5%
In Nonfamily Households	8.7%	9.7%
In Group Quarters	0.4%	1.3%
Institutionalized Population	0.1%	0.4%
Noninstitutionalized Population	0.2%	0.9%

DRAFT

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

	15 minutes	30 minutes
2018 Population 25+ by Educational Attainment		
Total	129,035	741,065
Less than 9th Grade	11.7%	8.7%
9th - 12th Grade, No Diploma	12.1%	9.6%
High School Graduate	25.8%	23.1%
GED/Alternative Credential	3.1%	3.1%
Some College, No Degree	24.7%	26.2%
Associate Degree	7.6%	8.3%
Bachelor's Degree	9.9%	13.5%
Graduate/Professional Degree	5.0%	7.6%
2018 Population 15+ by Marital Status		
Total	158,304	918,086
Never Married	35.0%	36.0%
Married	49.2%	49.6%
Widowed	5.9%	4.9%
Divorced	9.9%	9.5%
2018 Civilian Population 16+ in Labor Force		
Civilian Employed	91.4%	92.6%
Civilian Unemployed (Unemployment Rate)	8.6%	7.4%
2018 Employed Population 16+ by Industry		
Total	81,988	499,257
Agriculture/Mining	1.8%	1.0%
Construction	10.9%	8.6%
Manufacturing	8.2%	8.5%
Wholesale Trade	3.0%	3.0%
Retail Trade	13.5%	12.7%
Transportation/Utilities	7.5%	6.6%
Information	1.2%	1.4%
Finance/Insurance/Real Estate	5.0%	5.0%
Services	44.6%	47.9%
Public Administration	4.2%	5.2%
2018 Employed Population 16+ by Occupation		
Total	81,991	499,260
White Collar	48.9%	55.0%
Management/Business/Financial	9.7%	11.7%
Professional	14.5%	18.0%
Sales	10.9%	11.5%
Administrative Support	13.8%	13.8%
Services	21.1%	20.7%
Blue Collar	30.0%	24.3%
Farming/Forestry/Fishing	1.3%	0.7%
Construction/Extraction	8.1%	6.1%
Installation/Maintenance/Repair	3.8%	3.8%
Production	6.6%	5.7%
Transportation/Material Moving	10.2%	8.0%
2010 Population By Urban/ Rural Status		
Total Population	177,604	1,064,257
Population Inside Urbanized Area	96.6%	97.4%
Population Inside Urbanized Cluster	0.0%	0.0%
Rural Population	3.4%	2.6%

DRAFT

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

	15 minutes	30 minutes
2010 Households by Type		
Total	52,600	321,998
Households with 1 Person	18.0%	17.3%
Households with 2+ People	82.0%	82.7%
Family Households	77.3%	76.9%
Husband-wife Families	57.7%	56.3%
With Related Children	32.9%	32.0%
Other Family (No Spouse Present)	19.6%	20.6%
Other Family with Male Householder	6.4%	6.4%
With Related Children	4.2%	4.1%
Other Family with Female Householder	13.2%	14.2%
With Related Children	8.8%	9.6%
Nonfamily Households	4.6%	5.9%
All Households with Children	46.7%	46.4%
Multigenerational Households	9.9%	8.8%
Unmarried Partner Households	6.6%	7.0%
Male-female	5.9%	6.2%
Same-sex	0.7%	0.7%
2010 Households by Size		
Total	52,602	321,997
1 Person Household	18.0%	17.3%
2 Person Household	26.0%	26.3%
3 Person Household	14.2%	16.4%
4 Person Household	16.1%	17.3%
5 Person Household	11.9%	11.3%
6 Person Household	6.7%	5.9%
7 + Person Household	7.1%	5.6%
2010 Households by Tenure and Mortgage Status		
Total	52,600	321,997
Owner Occupied	72.1%	67.0%
Owned with a Mortgage/Loan	57.4%	55.0%
Owned Free and Clear	14.8%	12.0%
Renter Occupied	27.9%	33.0%
2010 Housing Units By Urban/ Rural Status		
Total Housing Units	57,768	352,945
Housing Units Inside Urbanized Area	96.2%	97.2%
Housing Units Inside Urbanized Cluster	0.0%	0.0%
Rural Housing Units	3.8%	2.8%

DRAFT

Data Note: Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as nonfamily households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

Community Profile

EMWD
25100-25554 Trumble Rd, Sun City, California, 92585
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.75758
Longitude: -117.18468

		15 minutes	30 minutes
Top 3 Tapestry Segments			
	1.	Up and Coming Families	Up and Coming Families
	2.	The Elders (9C)	Boomburbs (1C)
	3.	Barrios Urbanos (7D)	American Dreamers (7C)
2018 Consumer Spending			
Apparel & Services: Total $		$117,855,503	$799,817,114
Average Spent		$1,971.32	$2,271.96
Spending Potential Index		91	104
Education: Total $		$70,108,433	$502,123,778
Average Spent		$1,172.68	$1,426.33
Spending Potential Index		81	99
Entertainment/Recreation: Total $		$170,895,466	$1,147,970,363
Average Spent		$2,858.50	$3,260.93
Spending Potential Index		89	101
Food at Home: Total $		$269,585,730	$1,796,517,983
Average Spent		$4,509.25	$5,103.19
Spending Potential Index		90	102
Food Away from Home: Total $		$191,558,130	$1,289,427,383
Average Spent		$3,204.12	$3,662.75
Spending Potential Index		91	104
Health Care: Total $		$305,545,992	$2,007,581,282
Average Spent		$5,110.75	$5,702.74
Spending Potential Index		89	100
HH Furnishings & Equipment: Total $		$114,460,037	$765,701,840
Average Spent		$1,914.53	$2,175.05
Spending Potential Index		92	104
Personal Care Products & Services: Total $		$45,555,553	$304,360,361
Average Spent		$761.99	$864.57
Spending Potential Index		92	104
Shelter: Total $		$903,700,912	$6,088,079,181
Average Spent		$15,115.85	$17,293.81
Spending Potential Index		90	103
Support Payments/Cash Contributions/Gifts in Kind: Total $		$130,585,896	$870,452,190
Average Spent		$2,184.26	$2,472.61
Spending Potential Index		88	99
Travel: Total $		$116,701,448	$789,276,846
Average Spent		$1,952.02	$2,242.02
Spending Potential Index		91	104
Vehicle Maintenance & Repairs: Total $		$58,682,588	$389,633,933
Average Spent		$981.56	$1,106.80
Spending Potential Index		91	103

DRAFT

Data Note: Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.
Source: Consumer Spending data are derived from the 2015 and 2016 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

ACS Population Summary

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
TOTALS				
Total Population	464,851		6,630	
Total Households	142,548		1,564	
Total Housing Units	151,957		1,569	
POPULATION AGE 3+ YEARS BY SCHOOL ENROLLMENT				
Total	446,009	100.0%	6,314	
Enrolled in school	136,133	30.5%	2,991	
Enrolled in nursery school, preschool	6,247	1.4%	566	
Public school	2,957	0.7%	379	
Private school	3,290	0.7%	422	
Enrolled in kindergarten	6,923	1.6%	626	
Public school	6,227	1.4%	596	
Private school	696	0.2%	200	
Enrolled in grade 1 to grade 4	25,983	5.8%	1,177	
Public school	23,771	5.3%	1,123	
Private school	2,213	0.5%	344	
Enrolled in grade 5 to grade 8	29,637	6.6%	1,314	
Public school	27,150	6.1%	1,261	
Private school	2,487	0.6%	371	
Enrolled in grade 9 to grade 12	33,105	7.4%	1,410	
Public school	30,905	6.9%	1,368	
Private school	2,200	0.5%	337	
Enrolled in college undergraduate years	28,757	6.4%	1,262	
Public school	22,758	5.1%	1,114	
Private school	5,999	1.3%	589	
Enrolled in graduate or professional school	5,481	1.2%	554	
Public school	2,310	0.5%	354	
Private school	3,171	0.7%	421	
Not enrolled in school	309,876	69.5%	3,623	
POPULATION AGE 65+ BY RELATIONSHIP AND HOUSEHOLD TYPE				
Total	60,036	100.0%	1,562	
Living in Households	59,668	99.4%	1,561	
Living in Family Households	46,223	77.0%	1,530	
Householder	19,919	33.2%	724	
Spouse	15,074	25.1%	606	
Parent	6,199	10.3%	673	
Parent-in-law	2,557	4.3%	426	
Other Relative	1,648	2.7%	315	
Nonrelative	826	1.4%	400	
Living in Nonfamily Households	13,445	22.4%	667	
Householder	12,334	20.5%	600	
Nonrelative	1,111	1.9%	1	
Living in Group Quarters	367	0.6%	78	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

©2018 Esri

ACS Population Summary

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
HOUSEHOLDS BY TYPE AND SIZE AND AGE				
Family Households	112,143	78.7%	1,579	
2-Person	38,581	27.1%	1,090	
3-Person	23,841	16.7%	993	
4-Person	26,078	18.3%	1,050	
5-Person	13,380	9.4%	746	
6-Person	6,701	4.7%	543	
7+ Person	3,563	2.5%	387	
Nonfamily Households	30,405	21.3%	1,043	
1-Person	23,550	16.5%	908	
2-Person	5,426	3.8%	518	
3-Person	870	0.6%	196	
4-Person	378	0.3%	146	
5-Person	105	0.1%	51	
6-Person	43	0.0%	33	
7+ Person	33	0.0%	38	
HOUSEHOLDS BY PRESENCE OF PEOPLE UNDER 18 YEARS BY HOUSEHOLD TYPE				
Households with one or more people under 18 years	61,146	42.9%	1,396	
Family households	60,612	42.5%	1,394	
Married-couple family	45,337	31.8%	1,235	
Male householder, no wife present	4,771	3.3%	510	
Female householder, no husband present	10,503	7.4%	724	
Nonfamily households	534	0.4%	137	
Households with no people under 18 years	81,402	57.1%	1,374	
Married-couple family	43,527	30.5%	1,089	
Other family	8,004	5.6%	569	
Nonfamily households	29,871	21.0%	1,035	
HOUSEHOLDS BY PRESENCE OF PEOPLE 65 YEARS AND OVER, HOUSEHOLD SIZE AND HOUSEHOLD TYPE				
Households with Pop 65+	40,128	28.2%	956	
1-Person	11,257	7.9%	578	
2+ Person Family	27,530	19.3%	858	
2+ Person Nonfamily	1,341	0.9%	203	
Households with No Pop 65+	102,419	71.8%	1,535	
1-Person	12,293	8.6%	731	
2+ Person Family	84,613	59.4%	1,503	
2+ Person Nonfamily	5,514	3.9%	532	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

©2018 Esri

ACS Population Summary

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
POPULATION AGE 5+ YEARS BY LANGUAGE SPOKEN AT HOME AND ABILITY TO SPEAK ENGLISH				
Total	432,257	100.0%	6,118	high
5 to 17 years				
Speak only English	74,700	17.3%	2,465	high
Speak Spanish	14,676	3.4%	1,177	high
Speak English "very well" or "well"	13,759	3.2%	1,154	high
Speak English "not well"	820	0.2%	212	medium
Speak English "not at all"	97	0.0%	67	low
Speak other Indo-European languages	1,098	0.3%	360	medium
Speak English "very well" or "well"	1,084	0.3%	358	medium
Speak English "not well"	14	0.0%	33	low
Speak English "not at all"	0	0.0%	0	
Speak Asian and Pacific Island languages	2,909	0.7%	473	high
Speak English "very well" or "well"	2,541	0.6%	420	high
Speak English "not well"	367	0.1%	134	medium
Speak English "not at all"	0	0.0%	0	
Speak other languages	320	0.1%	153	medium
Speak English "very well" or "well"	320	0.1%	153	medium
Speak English "not well"	0	0.0%	0	
Speak English "not at all"	0	0.0%	0	
18 to 64 years				
Speak only English	204,066	47.2%	3,807	high
Speak Spanish	51,855	12.0%	2,367	high
Speak English "very well" or "well"	41,714	9.7%	1,876	high
Speak English "not well"	7,010	1.6%	655	high
Speak English "not at all"	3,131	0.7%	510	high
Speak other Indo-European languages	5,730	1.3%	738	high
Speak English "very well" or "well"	5,417	1.3%	659	high
Speak English "not well"	284	0.1%	115	medium
Speak English "not at all"	29	0.0%	36	low
Speak Asian and Pacific Island languages	15,501	3.6%	1,264	high
Speak English "very well" or "well"	13,300	3.1%	1,031	high
Speak English "not well"	1,926	0.4%	336	high
Speak English "not at all"	275	0.1%	144	medium
Speak other languages	1,366	0.3%	327	medium
Speak English "very well" or "well"	1,236	0.3%	269	medium
Speak English "not well"	130	0.0%	75	medium
Speak English "not at all"	0	0.0%	0	
65 years and over				
Speak only English	46,511	10.8%	1,395	high
Speak Spanish	7,072	1.6%	709	high
Speak English "very well" or "well"	4,241	1.0%	469	high
Speak English "not well"	1,452	0.3%	289	medium
Speak English "not at all"	1,380	0.3%	374	medium
Speak other Indo-European languages	2,092	0.5%	345	high
Speak English "very well" or "well"	1,770	0.4%	305	high
Speak English "not well"	259	0.1%	87	medium
Speak English "not at all"	63	0.0%	51	low
Speak Asian and Pacific Island languages	3,969	0.9%	504	high
Speak English "very well" or "well"	2,769	0.6%	402	high
Speak English "not well"	713	0.2%	216	medium
Speak English "not at all"	488	0.1%	221	medium
Speak other languages	391	0.1%	151	medium
Speak English "very well" or "well"	297	0.1%	123	medium
Speak English "not well"	63	0.0%	56	low
Speak English "not at all"	31	0.0%	41	low

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

DRAFT

©2018 Esri

ACS Population Summary

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
WORKERS AGE 16+ YEARS BY PLACE OF WORK				
Total	192,927	100.0%	3,334	
Worked in state and in county of residence	132,098	68.5%	2,857	
Worked in state and outside county of residence	59,428	30.8%	1,783	
Worked outside state of residence	1,400	0.7%	277	
WORKERS AGE 16+ YEARS BY MEANS OF TRANSPORTATION TO WORK				
Total	192,927	100.0%	3,334	
Drove alone	149,446	77.5%	2,925	
Carpooled	23,952	12.4%	1,315	
Public transportation (excluding taxicab)	932	0.5%	207	
Bus or trolley bus	681	0.4%	187	
Streetcar or trolley car	41	0.0%	44	
Subway or elevated	17	0.0%	28	
Railroad	190	0.1%	76	
Ferryboat	4	0.0%	4	
Taxicab	0	0.0%	0	
Motorcycle	1,030	0.5%	235	
Bicycle	447	0.2%	158	
Walked	2,292	1.2%	341	
Other means	1,972	1.0%	338	
Worked at home	12,856	6.7%	866	
WORKERS AGE 16+ YEARS (WHO DID NOT WORK FROM HOME) BY TRAVEL TIME TO WORK				
Total	180,071	100.0%	3,245	
Less than 5 minutes	3,633	2.0%	482	
5 to 9 minutes	13,342	7.4%	963	
10 to 14 minutes	20,976	11.6%	1,147	
15 to 19 minutes	23,047	12.8%	1,160	
20 to 24 minutes	18,722	10.4%	1,087	
25 to 29 minutes	7,398	4.1%	632	
30 to 34 minutes	16,246	9.0%	923	
35 to 39 minutes	4,791	2.7%	528	
40 to 44 minutes	6,859	3.8%	599	
45 to 59 minutes	20,794	11.5%	1,017	
60 to 89 minutes	29,805	16.6%	1,304	
90 or more minutes	14,456	8.0%	866	
Average Travel Time to Work (in minutes)	N/A		N/A	
FEMALES AGE 20-64 YEARS BY AGE OF OWN CHILDREN AND EMPLOYMENT STATUS				
Total	133,558	100.0%	2,309	
Own children under 6 years only	11,926	8.9%	775	
In labor force	7,293	5.5%	637	
Not in labor force	4,633	3.5%	461	
Own children under 6 years and 6 to 17 years	11,833	8.9%	734	
In labor force	6,334	4.7%	549	
Not in labor force	5,500	4.1%	523	
Own children 6 to 17 years only	32,961	24.7%	1,160	
In labor force	22,990	17.2%	1,022	
Not in labor force	9,971	7.5%	661	
No own children under 18 years	76,838	57.5%	1,944	
In labor force	52,494	39.3%	1,617	
Not in labor force	24,343	18.2%	1,048	

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

DRAFT

©2018 Esri

ACS Population Summary

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
CIVILIAN NONINSTITUTIONALIZED POPULATION BY AGE & TYPES OF HEALTH INSURANCE COVERAGE				
Total	459,447	100.0%	6,601	
Under 18 years:	126,150	27.5%	3,201	
One Type of Health Insurance:	111,954	24.4%	3,057	
Employer-Based Health Ins Only	63,587	13.8%	2,389	
Direct-Purchase Health Ins Only	7,797	1.7%	818	
Medicare Coverage Only	544	0.1%	225	
Medicaid Coverage Only	30,443	6.6%	1,845	
TRICARE/Military Hlth Cov Only	9,035	2.0%	1,092	
VA Health Care Only	547	0.1%	391	
2+ Types of Health Insurance	7,577	1.6%	760	
No Health Insurance Coverage	6,619	1.4%	862	
18 to 34 years:	99,923	21.7%	2,755	
One Type of Health Insurance:	74,790	16.3%	2,274	
Employer-Based Health Ins Only	48,955	10.7%	1,906	
Direct-Purchase Health Ins Only	7,543	1.6%	721	
Medicare Coverage Only	160	0.0%	85	
Medicaid Coverage Only	13,430	2.9%	979	
TRICARE/Military Hlth Cov Only	4,105	0.9%	512	
VA Health Care Only	597	0.1%	211	
2+ Types of Health Insurance	6,287	1.4%	659	
No Health Insurance Coverage	18,846	4.1%	1,296	
35 to 64 years:	173,527	37.8%	2,890	
One Type of Health Insurance:	138,868	30.2%	2,648	
Employer-Based Health Ins Only	98,918	21.5%	2,366	
Direct-Purchase Health Ins Only	15,706	3.4%	977	
Medicare Coverage Only	1,920	0.4%	274	
Medicaid Coverage Only	15,066	3.3%	1,042	
TRICARE/Military Hlth Cov Only	6,033	1.3%	674	
VA Health Care Only	1,225	0.3%	290	
2+ Types of Health Insurance	14,280	3.1%	887	
No Health Insurance Coverage	20,379	4.4%	1,202	
65+ years:	59,848	13.0%	1,561	
One Type of Health Insurance:	23,339	5.1%	1,096	
Employer-Based Health Ins Only	1,284	0.3%	245	
Direct-Purchase Health Ins Only	352	0.1%	178	
Medicare Coverage Only	21,652	4.7%	1,043	
TRICARE/Military Hlth Cov Only	22	0.0%	32	
VA Health Care Only	29	0.0%	27	
2+ Types of Health Insurance:	35,805	7.8%	1,199	
Employer-Based & Direct-Purchase Health Insurance	35	0.0%	29	
Employer-Based Health & Medicare Insurance	10,783	2.3%	689	
Direct-Purchase Health & Medicare Insurance	8,371	1.8%	615	
Medicare & Medicaid Coverage	5,260	1.1%	554	
Other Private Health Insurance Combos	0	0.0%	0	
Other Public Health Insurance Combos	1,335	0.3%	244	
Other Health Insrance Combinations	10,021	2.2%	642	
No Health Insurance Coverage	704	0.2%	250	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

July 26, 2018
717

©2018 Esri

ACS Population Summary

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
POPULATION BY RATIO OF INCOME TO POVERTY LEVEL				
Total	461,253	100.0%	6,589	
Under .50	20,428	4.4%	1,754	
.50 to .99	26,123	5.7%	2,141	
1.00 to 1.24	16,163	3.5%	1,977	
1.25 to 1.49	18,886	4.1%	2,005	
1.50 to 1.84	25,384	5.5%	2,025	
1.85 to 1.99	12,209	2.6%	1,426	
2.00 and over	342,059	74.2%	5,927	
CIVILIAN POPULATION AGE 18 OR OLDER BY VETERAN STATUS				
Total	334,498	100.0%	4,581	
Veteran	35,280	10.5%	1,261	
Nonveteran	299,218	89.5%	4,389	
Male	161,487	48.3%	2,688	
Veteran	31,892	9.5%	1,150	
Nonveteran	129,595	38.7%	2,580	
Female	173,011	51.7%	2,657	
Veteran	3,388	1.0%	426	
Nonveteran	169,623	50.7%	2,638	
CIVILIAN VETERANS AGE 18 OR OLDER BY PERIOD OF MILITARY SERVICE				
Total	35,280	100.0%	1,261	
Gulf War (9/01 or later), no Gulf War (8/90 to 8/01), no Vietnam Era	5,210	14.8%	584	
Gulf War (9/01 or later) and Gulf War (8/90 to 8/01), no Vietnam Era	4,476	12.7%	518	
Gulf War (9/01 or later), and Gulf War (8/90 to 8/01), and Vietnam Era	163	0.5%	82	
Gulf War (8/90 to 8/01), no Vietnam Era	5,458	15.5%	526	
Gulf War (8/90 to 8/01) and Vietnam Era	596	1.7%	144	
Vietnam Era, no Korean War, no World War II	9,037	25.6%	583	
Vietnam Era and Korean War, no World War II	285	0.8%	97	
Vietnam Era and Korean War and World War II	52	0.1%	28	
Korean War, no Vietnam Era, no World War II	2,409	6.8%	291	
Korean War and World War II, no Vietnam Era	150	0.4%	66	
World War II, no Korean War, no Vietnam Era	1,444	4.1%	217	
Between Gulf War and Vietnam Era only	3,588	10.2%	378	
Between Vietnam Era and Korean War only	2,115	6.0%	260	
Between Korean War and World War II only	256	0.7%	143	
Pre-World War II only	40	0.1%	51	
HOUSEHOLDS BY POVERTY STATUS				
Total	142,548	100.0%	1,564	
Income in the past 12 months below poverty level	12,894	9.0%	738	
Married-couple family	4,830	3.4%	480	
Other family - male householder (no wife present)	1,017	0.7%	234	
Other family - female householder (no husband present)	3,117	2.2%	379	
Nonfamily household - male householder	1,325	0.9%	225	
Nonfamily household - female householder	2,605	1.8%	312	
Income in the past 12 months at or above poverty level	129,653	91.0%	1,573	
Married-couple family	84,034	59.0%	1,451	
Other family - male householder (no wife present)	6,501	4.6%	569	
Other family - female householder (no husband present)	12,643	8.9%	770	
Nonfamily household - male householder	12,265	8.6%	743	
Nonfamily household - female householder	14,210	10.0%	717	

DRAFT

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

July 26, 2018
718

©2018 Esri

ACS Population Summary

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 30 minute radius

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	2012 - 2016 ACS Estimate	Percent	MOE(±)	Reliability
HOUSEHOLDS BY OTHER INCOME				
Social Security Income	42,014	29.5%	996	
No Social Security Income	100,533	70.5%	1,548	
Retirement Income	30,512	21.4%	994	
No Retirement Income	112,035	78.6%	1,606	
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS				
<10% of Income	629	1.4%	133	
10-14.9% of Income	2,466	5.5%	359	
15-19.9% of Income	4,749	10.6%	519	
20-24.9% of Income	5,733	12.7%	545	
25-29.9% of Income	4,988	11.1%	481	
30-34.9% of Income	4,586	10.2%	473	
35-39.9% of Income	3,313	7.4%	419	
40-49.9% of Income	4,478	10.0%	472	
50+% of Income	11,965	26.6%	770	
Gross Rent % Inc Not Computed	2,063	4.6%	285	
HOUSEHOLDS BY PUBLIC ASSISTANCE INCOME IN THE PAST 12 MONTHS				
Total	142,548	100.0%	1,564	
With public assistance income	3,315	2.3%	359	
No public assistance income	139,232	97.7%	1,579	
HOUSEHOLDS BY FOOD STAMPS/SNAP STATUS				
Total	142,548	100.0%	1,564	
With Food Stamps/SNAP	8,683	6.1%	607	
With No Food Stamps/SNAP	133,865	93.9%	1,579	
HOUSEHOLDS BY DISABILITY STATUS				
Total	142,548	100.0%	1,564	
With 1+ Persons w/Disability	34,930	24.5%	1,070	
With No Person w/Disability	107,618	75.5%	1,681	

DRAFT

Data Note: N/A means not available. Population by Ratio of Income to Poverty Level represents persons for whom poverty status is determined. Household income represents income in 2014, adjusted for inflation.

2012-2016 ACS Estimate: The American Community Survey (ACS) replaces census sample data. Esri is releasing the 2012-2016 ACS estimates, five-year period data collected monthly from January 1, 2010 through December 31, 2014. Although the ACS includes many of the subjects previously covered by the decennial census sample, there are significant differences between the two surveys including fundamental differences in survey design and residency rules.

Margin of error (MOE): The MOE is a measure of the variability of the estimate due to sampling error. MOEs enable the data user to measure the range of uncertainty for each estimate with 90 percent confidence. The range of uncertainty is called the confidence interval, and it is calculated by taking the estimate +/- the MOE. For example, if the ACS reports an estimate of 100 with an MOE of +/- 20, then you can be 90 percent certain the value for the whole population falls between 80 and 120.

Reliability: These symbols represent threshold values that Esri has established from the Coefficients of Variation (CV) to designate the usability of the estimates. The CV measures the amount of sampling error relative to the size of the estimate, expressed as a percentage.

- High Reliability: Small CVs (less than or equal to 12 percent) are flagged green to indicate that the sampling error is small relative to the estimate and the estimate is reasonably reliable.
- Medium Reliability: Estimates with CVs between 12 and 40 are flagged yellow-use with caution.
- Low Reliability: Large CVs (over 40 percent) are flagged red to indicate that the sampling error is large relative to the estimate. The estimate is considered very unreliable.

Source: U.S. Census Bureau, 2012-2016 American Community Survey

Reliability: high medium low

July 26, 2018
719

©2018 Esri

Community Profile

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	15 minutes	30 minutes
Population Summary		
2000 Total Population	59,054	249,992
2010 Total Population	84,194	428,738
2018 Total Population	93,977	494,992
2018 Group Quarters	86	2,586
2023 Total Population	101,083	536,214
2018-2023 Annual Rate	1.47%	1.61%
2018 Total Daytime Population	109,396	432,566
Workers	59,442	157,569
Residents	49,954	274,997
Household Summary		
2000 Households	18,845	84,685
2000 Average Household Size	3.13	2.93
2010 Households	26,955	138,614
2010 Average Household Size	3.12	3.07
2018 Households	30,022	157,481
2018 Average Household Size	3.13	3.13
2023 Households	32,170	169,409
2023 Average Household Size	3.14	3.15
2018-2023 Annual Rate	1.39%	1.47%
2010 Families	21,898	108,248
2010 Average Family Size	3.43	3.45
2018 Families	24,392	123,268
2018 Average Family Size	3.45	3.52
2023 Families	26,151	132,751
2023 Average Family Size	3.47	3.55
2018-2023 Annual Rate	1.40%	1.49%
Housing Unit Summary		
2000 Housing Units	19,685	89,654
Owner Occupied Housing Units	71.8%	72.2%
Renter Occupied Housing Units	24.0%	22.3%
Vacant Housing Units	4.3%	5.5%
2010 Housing Units	28,844	150,443
Owner Occupied Housing Units	64.9%	66.4%
Renter Occupied Housing Units	28.5%	25.7%
Vacant Housing Units	6.5%	7.9%
2018 Housing Units	31,233	165,744
Owner Occupied Housing Units	64.4%	67.3%
Renter Occupied Housing Units	31.8%	27.7%
Vacant Housing Units	3.9%	5.0%
2023 Housing Units	33,394	177,764
Owner Occupied Housing Units	67.1%	70.1%
Renter Occupied Housing Units	29.2%	25.2%
Vacant Housing Units	3.7%	4.7%
Median Household Income		
2018	$86,599	$80,598
2023	$100,648	$93,056
Median Home Value		
2018	$414,908	$395,760
2023	$482,845	$471,403
Per Capita Income		
2018	$33,709	$32,984
2023	$39,895	$38,847
Median Age		
2010	33.5	35.0
2018	34.7	35.7
2023	35.2	35.7

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

July 26, 2018
720

©2018 Esri

DRAFT

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	15 minutes	30 minutes
2018 Households by Income		
Household Income Base	30,022	157,481
<$15,000	5.5%	6.0%
$15,000 - $24,999	5.2%	6.5%
$25,000 - $34,999	6.0%	7.1%
$35,000 - $49,999	9.2%	10.1%
$50,000 - $74,999	16.1%	16.2%
$75,000 - $99,999	14.8%	14.6%
$100,000 - $149,999	23.5%	20.7%
$150,000 - $199,999	10.5%	9.5%
$200,000+	9.2%	9.3%
Average Household Income	$105,898	$102,981
2023 Households by Income		
Household Income Base	32,170	169,409
<$15,000	4.7%	5.1%
$15,000 - $24,999	4.2%	5.3%
$25,000 - $34,999	4.9%	5.8%
$35,000 - $49,999	8.2%	8.6%
$50,000 - $74,999	14.1%	14.4%
$75,000 - $99,999	13.4%	14.0%
$100,000 - $149,999	24.3%	22.3%
$150,000 - $199,999	12.7%	11.4%
$200,000+	13.5%	13.2%
Average Household Income	$125,853	$122,310
2018 Owner Occupied Housing Units by Value		
Total	20,099	111,604
<$50,000	1.1%	1.9%
$50,000 - $99,999	0.2%	1.0%
$100,000 - $149,999	0.5%	2.0%
$150,000 - $199,999	1.3%	3.9%
$200,000 - $249,999	4.9%	7.2%
$250,000 - $299,999	8.0%	10.0%
$300,000 - $399,999	30.9%	25.1%
$400,000 - $499,999	21.1%	17.0%
$500,000 - $749,999	21.8%	19.7%
$750,000 - $999,999	5.6%	5.8%
$1,000,000 - $1,499,999	2.8%	4.9%
$1,500,000 - $1,999,999	1.2%	0.8%
$2,000,000 +	0.6%	0.7%
Average Home Value	$495,165	$484,325
2023 Owner Occupied Housing Units by Value		
Total	22,404	124,618
<$50,000	0.4%	1.2%
$50,000 - $99,999	0.0%	0.5%
$100,000 - $149,999	0.1%	0.8%
$150,000 - $199,999	0.4%	1.7%
$200,000 - $249,999	1.6%	3.8%
$250,000 - $299,999	3.6%	6.3%
$300,000 - $399,999	23.1%	21.4%
$400,000 - $499,999	25.0%	20.1%
$500,000 - $749,999	30.8%	26.7%
$750,000 - $999,999	7.6%	8.5%
$1,000,000 - $1,499,999	4.5%	6.9%
$1,500,000 - $1,999,999	1.7%	1.1%
$2,000,000 +	1.0%	1.0%
Average Home Value	$576,293	$565,946

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

DRAFT

©2018 Esri

Community Profile

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	15 minutes	30 minutes
2010 Population by Age		
Total	84,193	428,737
0 - 4	7.0%	7.1%
5 - 9	8.3%	7.8%
10 - 14	9.4%	8.5%
15 - 24	15.2%	14.6%
25 - 34	11.9%	12.1%
35 - 44	15.7%	14.4%
45 - 54	15.8%	14.4%
55 - 64	8.9%	9.6%
65 - 74	4.6%	6.2%
75 - 84	2.6%	3.9%
85 +	0.7%	1.4%
18 +	69.5%	71.3%
2018 Population by Age		
Total	93,978	494,993
0 - 4	6.6%	6.9%
5 - 9	7.3%	7.2%
10 - 14	8.3%	7.5%
15 - 24	13.9%	13.1%
25 - 34	14.4%	14.4%
35 - 44	13.7%	13.0%
45 - 54	14.3%	13.0%
55 - 64	11.3%	11.3%
65 - 74	6.4%	7.8%
75 - 84	3.0%	4.1%
85 +	1.0%	1.7%
18 +	73.1%	74.1%
2023 Population by Age		
Total	101,081	536,214
0 - 4	6.8%	7.1%
5 - 9	7.1%	7.2%
10 - 14	7.5%	7.2%
15 - 24	12.4%	11.5%
25 - 34	15.9%	15.9%
35 - 44	14.8%	14.4%
45 - 54	12.4%	11.3%
55 - 64	11.2%	10.7%
65 - 74	7.4%	8.4%
75 - 84	3.4%	4.6%
85 +	1.1%	1.7%
18 +	74.2%	74.4%
2010 Population by Sex		
Males	41,335	210,875
Females	42,859	217,863
2018 Population by Sex		
Males	46,069	242,872
Females	47,908	252,120
2023 Population by Sex		
Males	49,540	262,991
Females	51,543	273,223

DRAFT

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

Community Profile

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	15 minutes	30 minutes
2010 Population by Race/Ethnicity		
Total	84,193	428,739
White Alone	71.1%	70.1%
Black Alone	4.0%	4.5%
American Indian Alone	1.1%	1.0%
Asian Alone	9.5%	7.6%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	7.9%	10.9%
Two or More Races	6.0%	5.5%
Hispanic Origin	24.6%	28.9%
Diversity Index	67.5	70.6
2018 Population by Race/Ethnicity		
Total	93,977	494,992
White Alone	67.6%	66.2%
Black Alone	4.2%	4.9%
American Indian Alone	1.1%	1.0%
Asian Alone	10.5%	8.6%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	9.2%	12.5%
Two or More Races	6.9%	6.3%
Hispanic Origin	28.7%	33.2%
Diversity Index	72.2	75.0
2023 Population by Race/Ethnicity		
Total	101,082	536,214
White Alone	64.9%	63.6%
Black Alone	4.4%	5.1%
American Indian Alone	1.1%	1.0%
Asian Alone	11.6%	9.6%
Pacific Islander Alone	0.4%	0.4%
Some Other Race Alone	10.0%	13.5%
Two or More Races	7.5%	6.8%
Hispanic Origin	31.8%	36.5%
Diversity Index	75.2	77.7
2010 Population by Relationship and Household Type		
Total	84,194	428,738
In Households	99.9%	99.4%
In Family Households	91.7%	90.0%
Householder	25.9%	25.3%
Spouse	20.6%	20.1%
Child	38.0%	36.3%
Other relative	4.7%	5.5%
Nonrelative	2.4%	2.8%
In Nonfamily Households	8.2%	9.4%
In Group Quarters	0.1%	0.6%
Institutionalized Population	0.0%	0.4%
Noninstitutionalized Population	0.1%	0.2%

DRAFT

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

July 26, 2018
723

©2018 Esri

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

	15 minutes	30 minutes
2018 Population 25+ by Educational Attainment		
Total	60,126	323,613
Less than 9th Grade	3.1%	5.0%
9th - 12th Grade, No Diploma	4.7%	5.8%
High School Graduate	16.7%	19.8%
GED/Alternative Credential	2.4%	2.8%
Some College, No Degree	29.8%	28.7%
Associate Degree	9.9%	9.7%
Bachelor's Degree	22.1%	18.7%
Graduate/Professional Degree	11.4%	9.5%
2018 Population 15+ by Marital Status		
Total	73,152	388,265
Never Married	30.4%	29.9%
Married	57.3%	56.1%
Widowed	3.2%	4.8%
Divorced	9.1%	9.2%
2018 Civilian Population 16+ in Labor Force		
Civilian Employed	94.9%	94.4%
Civilian Unemployed (Unemployment Rate)	5.1%	5.6%
2018 Employed Population 16+ by Industry		
Total	43,885	219,986
Agriculture/Mining	1.0%	1.3%
Construction	6.1%	8.1%
Manufacturing	9.5%	9.2%
Wholesale Trade	3.2%	2.8%
Retail Trade	10.4%	11.7%
Transportation/Utilities	4.7%	5.0%
Information	1.7%	1.5%
Finance/Insurance/Real Estate	5.9%	5.6%
Services	52.0%	48.9%
Public Administration	5.6%	5.9%
2018 Employed Population 16+ by Occupation		
Total	43,884	219,987
White Collar	64.5%	60.7%
Management/Business/Financial	16.6%	15.5%
Professional	22.6%	20.3%
Sales	12.6%	12.6%
Administrative Support	12.8%	12.3%
Services	20.2%	20.8%
Blue Collar	15.3%	18.5%
Farming/Forestry/Fishing	0.2%	0.7%
Construction/Extraction	3.8%	5.1%
Installation/Maintenance/Repair	3.2%	3.4%
Production	4.0%	4.7%
Transportation/Material Moving	4.0%	4.6%
2010 Population By Urban/ Rural Status		
Total Population	84,194	428,738
Population Inside Urbanized Area	97.1%	93.1%
Population Inside Urbanized Cluster	0.0%	0.5%
Rural Population	2.9%	6.4%

DRAFT

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

	15 minutes	30 minutes
2010 Households by Type		
Total	26,955	138,614
Households with 1 Person	13.7%	16.8%
Households with 2+ People	86.3%	83.2%
Family Households	81.2%	78.1%
Husband-wife Families	64.5%	62.1%
With Related Children	37.8%	33.5%
Other Family (No Spouse Present)	16.7%	16.0%
Other Family with Male Householder	5.0%	5.1%
With Related Children	3.3%	3.2%
Other Family with Female Householder	11.7%	10.9%
With Related Children	8.2%	7.2%
Nonfamily Households	5.1%	5.1%
All Households with Children	49.8%	44.5%
Multigenerational Households	5.8%	6.5%
Unmarried Partner Households	5.3%	5.7%
Male-female	4.7%	5.0%
Same-sex	0.6%	0.6%
2010 Households by Size		
Total	26,956	138,615
1 Person Household	13.7%	16.8%
2 Person Household	27.9%	29.4%
3 Person Household	19.1%	16.9%
4 Person Household	21.4%	18.3%
5 Person Household	10.9%	10.4%
6 Person Household	4.5%	4.7%
7 + Person Household	2.5%	3.4%
2010 Households by Tenure and Mortgage Status		
Total	26,955	138,614
Owner Occupied	69.5%	72.1%
Owned with a Mortgage/Loan	62.5%	60.6%
Owned Free and Clear	7.0%	11.5%
Renter Occupied	30.5%	27.9%
2010 Housing Units By Urban/ Rural Status		
Total Housing Units	28,844	150,443
Housing Units Inside Urbanized Area	96.6%	92.4%
Housing Units Inside Urbanized Cluster	0.0%	0.5%
Rural Housing Units	3.4%	7.1%

DRAFT

Data Note: Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as nonfamily households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

Community Profile

Temecula
Camino Estribo, Temecula, California, 92590
Drive Time: 15, 30 minute radii

Prepared by Esri
Latitude: 33.47885
Longitude: -117.14532

		15 minutes	30 minutes
Top 3 Tapestry Segments			
	1.	Boomburbs (1C)	Boomburbs (1C)
	2.	Soccer Moms (4A)	Up and Coming Families
	3.	Home Improvement (4B)	Soccer Moms (4A)
2018 Consumer Spending			
Apparel & Services: Total $		$84,201,257	$424,687,515
Average Spent		$2,804.65	$2,696.75
Spending Potential Index		129	124
Education: Total $		$54,649,449	$273,150,802
Average Spent		$1,820.31	$1,734.50
Spending Potential Index		126	120
Entertainment/Recreation: Total $		$120,638,436	$617,810,905
Average Spent		$4,018.33	$3,923.08
Spending Potential Index		125	122
Food at Home: Total $		$183,640,081	$940,203,601
Average Spent		$6,116.85	$5,970.27
Spending Potential Index		122	119
Food Away from Home: Total $		$135,295,237	$685,696,123
Average Spent		$4,506.54	$4,354.15
Spending Potential Index		128	124
Health Care: Total $		$207,373,449	$1,082,566,227
Average Spent		$6,907.38	$6,874.27
Spending Potential Index		121	120
HH Furnishings & Equipment: Total $		$80,591,934	$411,468,023
Average Spent		$2,684.43	$2,612.81
Spending Potential Index		129	125
Personal Care Products & Services: Total $		$32,097,283	$163,985,871
Average Spent		$1,069.13	$1,041.31
Spending Potential Index		129	126
Shelter: Total $		$625,836,898	$3,207,243,313
Average Spent		$20,845.94	$20,365.91
Spending Potential Index		124	121
Support Payments/Cash Contributions/Gifts in Kind: Total $		$91,149,792	$477,349,048
Average Spent		$3,036.10	$3,031.15
Spending Potential Index		122	122
Travel: Total $		$84,763,513	$434,201,165
Average Spent		$2,823.38	$2,757.17
Spending Potential Index		131	128
Vehicle Maintenance & Repairs: Total $		$40,092,970	$205,898,421
Average Spent		$1,335.45	$1,307.45
Spending Potential Index		124	122

DRAFT

Data Note: Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.
Source: Consumer Spending data are derived from the 2015 and 2016 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.
Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023 Esri converted Census 2000 data into 2010 geography.

©2018 Esri

APPENDIX D

DRAFT

PROGRAM ELEMENTS FOR HOST JURISDICTION

Program Summary Comparison

	Entry-Level	Everything	EMWD/Perris
Building Area			
Program (SF)	18,950	81,250	29,800
Core (SF): Bathrooms, Storage, Utility RM	2,843	12,188	4,470
Program Area subtotal (SF)	21,793	93,438	34,270
Circulation (SF)	5,448	23,359	8,568
Total Building Area (GSF)	**27,241**	**116,797**	**42,838**
Site Area			
Parking Count	240	604	281
Parking Area (SF)	100,700	205,281	205,281
Outdoor Program Area (SF)	15,500	56,000	54,500
Total Site (Acres)	**2.98**	**7.34**	**6.46**

DRAFT







Draft Program Details for EMWD/Perris

Note: Highlighted Square Footages are the Program Assumptions

	Square Foot Range		Parking Requirement [6]	
	Entry	**Everything**	**Entry**	**Everything**
Indoor Program				
Welcome Center	**750**	1000	**2**	3
Demonstrations/Display	3,000	**5,000**	5	**8**
(Smart home Technology; UCR Startups; Utility Agency; Other company display; Local art exhibits/Western Riverside History)				
Meeting Rooms/Student Learning Opportunities [1]	**2,000**	4,000	**40**	80
Conference Space/Event Facilities [2]	**7,500**	15,000	**150**	300
Seated Performance Venue [3]	6,000	12,000	125	250
Standing Performance Venue [4]	4,000	8,000	80	160
Coworking Space/ Office Space/ Space for lease	1,500	**10,000**	6	**40**
Incubator/Accelerator	10,000	15,000	40	60
Maker Space	6,000	10,000	16	27
(Labs; Fabrication Resources; Prototyping Tools)				
Administrative Core	**700**	900	**3**	4
Commercial Kitchen (membership)	**1,000**	1,500	**10**	15
Restaurant/Tasting Room [9]	**2,500**	2,500	**25**	25
Coffee Bar	**350**	350	**4**	4
Microbreweries and Local wineries [5]	2,000	4,000	20	40
Outdoor Space Program				
Regional Demonstration Area	2,500	**4,500**		
(Water Conservation Demonstration; Stormwater Demonstration; Landscape Demon; Habitat Restoration; Solar Energy Demonstration)				
Community Areas [8]	**3,000**	4,500	*Parking for Outdoor Space Program is accounted for in Indoor Parking requirements.*	
(Trails; Outdoor gathering space)				
Event Space	10,000	**25,000**		
(Concerts, weddings, company retreats)				
Urban Agriculture	3,000	**22,000**		
Community Gardens; Plant Nursery; Educational Workshop Space; Farmers Market; Farm Store				

DRAFT

Survey Results	
	Perris
Indoor Program	
Welcome Center	4
Demonstration Area	4
Smart Home	4
UCR Start-up Demonstrations	4
Utility agency displays	4
Other company displays	4
Local cultural/art exhibits	4
Student-Oriented Learning Area	4
Meeting/Event Space	4
Training Center	3
Co Working	3
Office Space for Lease	4
Labs/Fabrication/Prototype Area	1
Administrative Core	2
Commercial Kitchen (membership)	2
Restaurant/Tasting Room [9]	2
Coffee Bar	2
Microbreweries and Local wineries [5]	2
Outdoor Program	
Regional Resiliency Demonstrations	4
Community Areas	4
Event Space	2
Urban Agriculture (examples)	3

DRAFT

DRAFT SPACE PROGRAM
RIVERSIDE

Program Summary Comparison

	Entry-Level	Everything	Riverside
Building Area			
Program (SF)	18,950	81,250	73,250
Core (SF): Bathrooms, Storage, Utility RM	2,843	12,188	10,988
Program Area subtotal (SF)	21,793	93,438	84,238
Circulation (SF)	5,448	23,359	21,059
Total Building Area (GSF)	**27,241**	**116,797**	**105,297**
Site Area			
Parking Count	240	604	564
Parking Area (SF)	100,700	205,281	205,281
Outdoor Program Area (SF)	15,500	56,000	18,500
Total Site (Acres)	**2.98**	**7.34**	**6.35**

DRAFT







Draft Program Details for Riverside

Note: Highlighted Square Footages are the Program Assumptions

	Square Foot Range		Parking Requirement [6]	
	Entry	**Everything**	**Entry**	**Everything**
Indoor Program				
Welcome Center	750	**1000**	2	**3**
Demonstrations/Display	3,000	**5,000**	5	**8**
(Smart home Technology; UCR Startups; Utility Agency; Other company display; Local art exhibits/Western Riverside History)				
Meeting Rooms/Student Learning Opportunities [1]	2,000	**4,000**	40	**80**
Conference Space/Event Facilities [2]	7,500	**15,000**	150	**300**
Seated Performance Venue [3]	6,000	12,000	125	250
Standing Performance Venue [4]	4,000	**8,000**	80	160
Coworking Space/ Office Space/ Space for lease	1,500	**10,000**	6	**40**
Incubator/Accelerator	10,000	**15,000**	40	**60**
Maker Space	6,000	**10,000**	16	**27**
(Labs; Fabrication Resources; Prototyping Tools)				
Administrative Core	700	**900**	3	**4**
Commercial Kitchen (membership)	1,000	**1,500**	10	**15**
Restaurant/Tasting Room [9]	2,500	**2,500**	25	**25**
Coffee Bar	350	**350**	4	**4**
Microbreweries and Local wineries [5]	2,000	4,000	20	40
Outdoor Space Program				
Regional Demonstration Area	**2,500**	4,500	*Parking for Outdoor Space Program is accounted for in Indoor Parking requirements.*	
(Water Conservation Demonstration; Stormwater Demonstration; Landscape Demon; Habitat Restoration; Solar Energy Demonstration)				
Community Areas [8]	**3,000**	4,500		
(Trails; Outdoor gathering space)				
Event Space	**10,000**	25,000		
(Concerts, weddings, company retreats)				
Urban Agriculture	**3,000**	22,000		
Community Gardens; Plant Nursery; Educational Workshop Space; Farmers Market; Farm Store				

DRAFT

Survey Results

	Riverside
Indoor Program	
Welcome Center	2
Demonstration Area	1
Smart Home	1
UCR Start-up Demonstrations	1
Utility agency displays	1
Other company displays	1
Local cultural/art exhibits	1
Student-Oriented Learning Area	2
Meeting/Event Space	3
Training Center	1
Co Working	4
Office Space for Lease	3
Labs/Fabrication/Prototype Area	4
Administrative Core	4
Commercial Kitchen (membership)	4
Restaurant/Tasting Room [9]	4
Coffee Bar	4
Microbreweries and Local wineries [5]	4
Outdoor Program	
Regional Resiliency Demonstrations	1
Community Areas	3
Event Space	4
Urban Agriculture (examples)	3

DRAFT

DRAFT SPACE PROGRAM
TEMECULA

Program Summary Comparison

	Entry-Level	Everything	Temecula
Building Area			
Program (SF)	18,950	81,250	26,800
Core (SF): Bathrooms, Storage, Utility RM	2,843	12,188	4,020
Program Area subtotal (SF)	21,793	93,438	30,820
Circulation (SF)	5,448	23,359	7,705
Total Building Area (GSF)	**27,241**	**116,797**	**38,525**
Site Area			
Parking Count	240	604	259
Parking Area (SF)	100,700	205,281	205,281
Outdoor Program Area (SF)	15,500	56,000	18,500
Total Site (Acres)	**2.98**	**7.34**	**5.58**

DRAFT







Draft Program Details for Temecula

Note: Highlighted Square Footages are the Program Assumptions

	Square Foot Range		Parking Requirement [6]	
	Entry	**Everything**	**Entry**	**Everything**
Indoor Program				
Welcome Center	**750**	1000	**2**	3
Demonstrations/Display	**3,000**	5,000	**5**	8
(Smart home Technology; UCR Startups; Utility Agency; Other company display; Local art exhibits/Western Riverside History)				
Meeting Rooms/Student Learning Opportunities [1]	**2,000**	4,000	**40**	80
Conference Space/Event Facilities [2]	**7,500**	15,000	**150**	300
Seated Performance Venue [3]	**6,000**	12,000	125	250
Standing Performance Venue [4]	4,000	8,000	80	160
Coworking Space/ Office Space/ Space for lease	**1,500**	10,000	**6**	40
Incubator/Accelerator	10,000	15,000	40	60
Maker Space	6,000	10,000	16	27
(Labs; Fabrication Resources; Prototyping Tools)				
Administrative Core	**700**	900	**3**	4
Commercial Kitchen (membership)	**1,000**	1,500	**10**	15
Restaurant/Tasting Room [9]	2,500	2,500	25	25
Coffee Bar	350	**350**	4	**4**
Microbreweries and Local wineries [5]	2,000	**4,000**	20	**40**
Outdoor Space Program				
Regional Demonstration Area	**2,500**	4,500		
(Water Conservation Demonstration; Stormwater Demonstration; Landscape Demon; Habitat Restoration; Solar Energy Demonstration)				
Community Areas [8]	**3,000**	4,500	*Parking for Outdoor Space Program is accounted for in Indoor Parking requirements.*	
(Trails; Outdoor gathering space)				
Event Space	**10,000**	25,000		
(Concerts, weddings, company retreats)				
Urban Agriculture	**3,000**	22,000		
Community Gardens; Plant Nursery; Educational Workshop Space; Farmers Market; Farm Store				

DRAFT

Survey Results

	Temecula
Indoor Program	
Welcome Center	4
Demonstration Area	2
Smart Home	2
UCR Start-up Demonstrations	2
Utility agency displays	2
Other company displays	2
Local cultural/art exhibits	4
Student-Oriented Learning Area	4
Meeting/Event Space	4
Training Center	1
Co Working	0
Office Space for Lease	1
Labs/Fabrication/Prototype Area	2
Administrative Core	2
Commercial Kitchen (membership)	4
Restaurant/Tasting Room [9]	4
Coffee Bar	4
Microbreweries and Local wineries [5]	4
Outdoor Program	
Regional Resiliency Demonstrations	4
Community Areas	4
Event Space	3
Urban Agriculture (examples)	3

DRAFT

APPENDIX E

DRAFT

PRESENTATION MATERIALS FROM HOST JURISDICTIONS

WRCOG Experience Center Building Layout

Paul D. Jones II, P.E.
EMWD General Manager

September 17, 2018

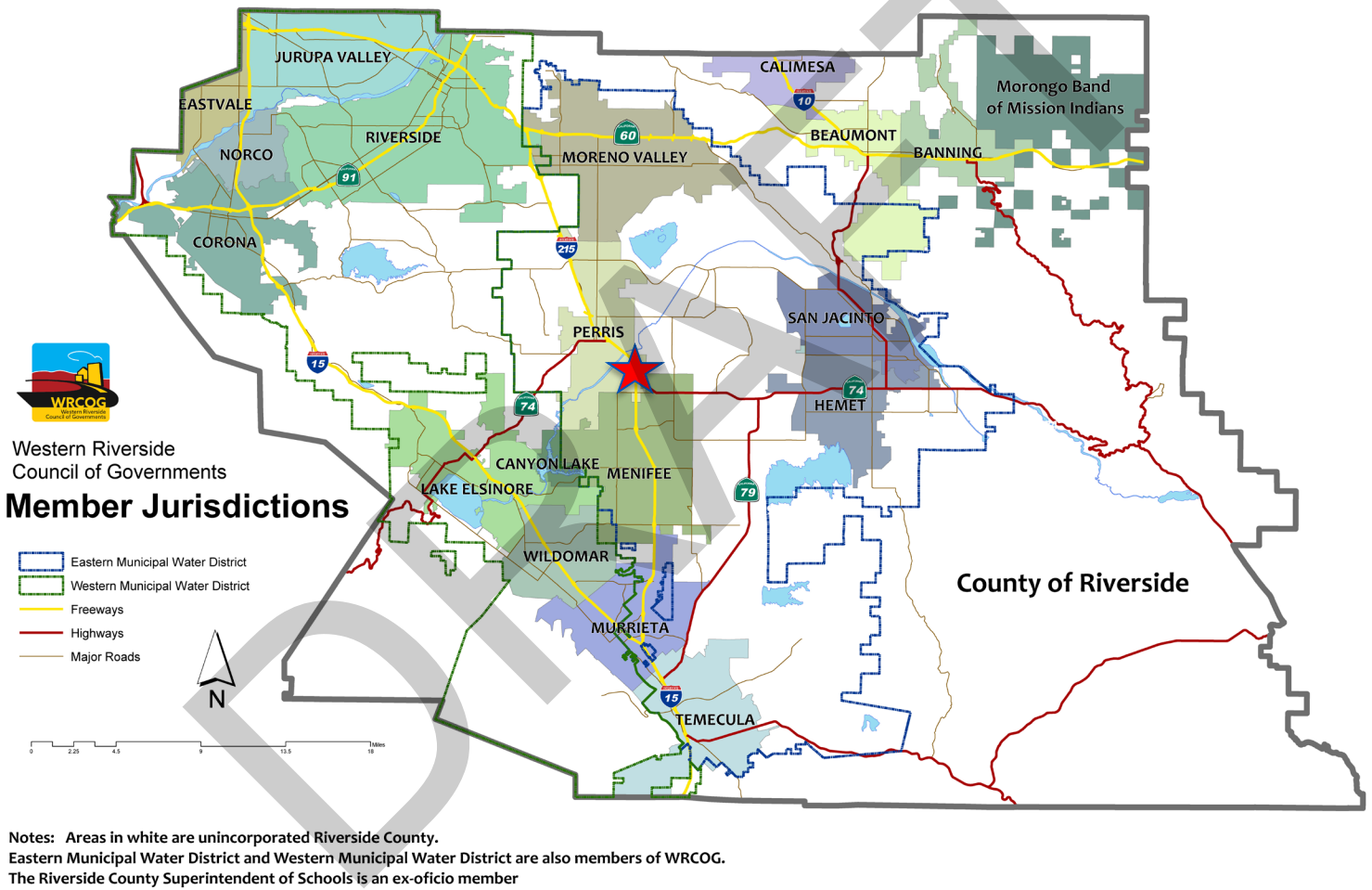
DRAFT

EXPERIENCE Western Riverside County

- Proposed Location/Site
- Proposed Facility Features
- What will you EXPERIENCE?

DRAFT

A Vast and Diverse County

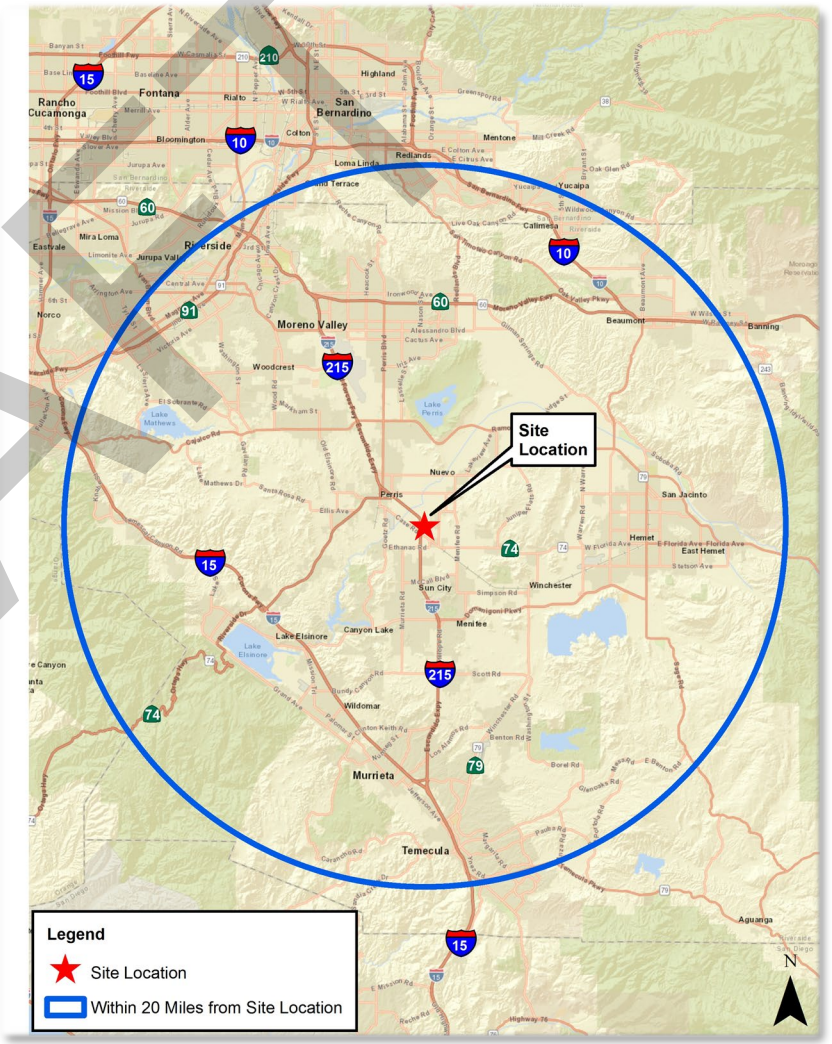


Notes: Areas in white are unincorporated Riverside County.
Eastern Municipal Water District and Western Municipal Water District are also members of WRCOG.
The Riverside County Superintendent of Schools is an ex-oficio member

Proposed Location

Considerations:

- Central to all WRCOG member agencies
- Fills a void of service along the I-215
- Has the opportunity to be a location that represents the county as a whole

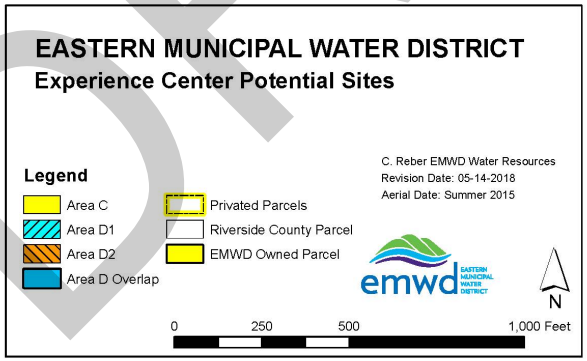


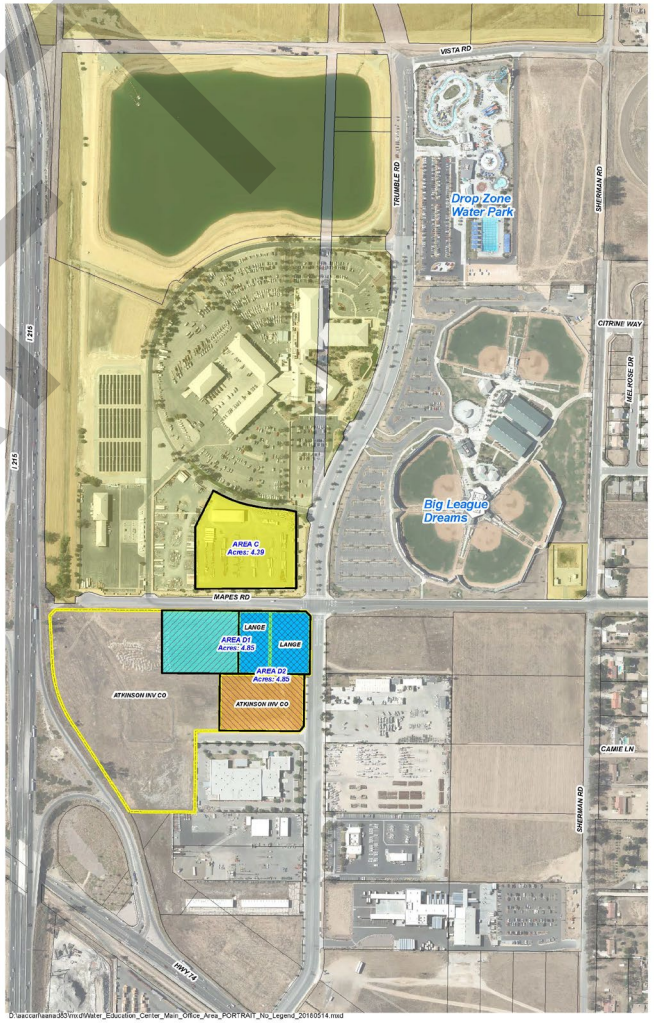
DRAFT

Proposed Site

Considerations:

- Visible and easy access to/from freeway
- Proximity to frequently used active spaces and program partners
  - Big League Dreams Sports Park
  - DropZone Water Park
  - Skydive Perris
  - EMWD
  - City of Perris
  - Southern California Edison
  - SoCal Gas



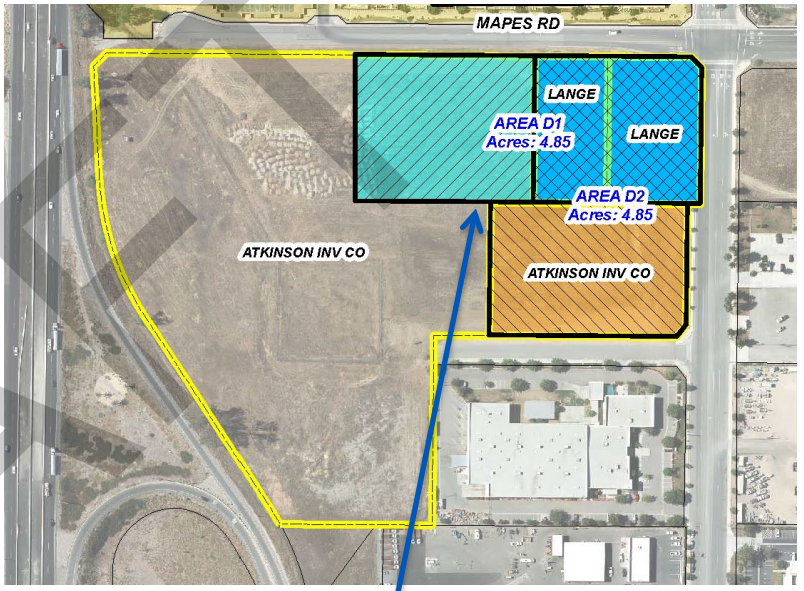


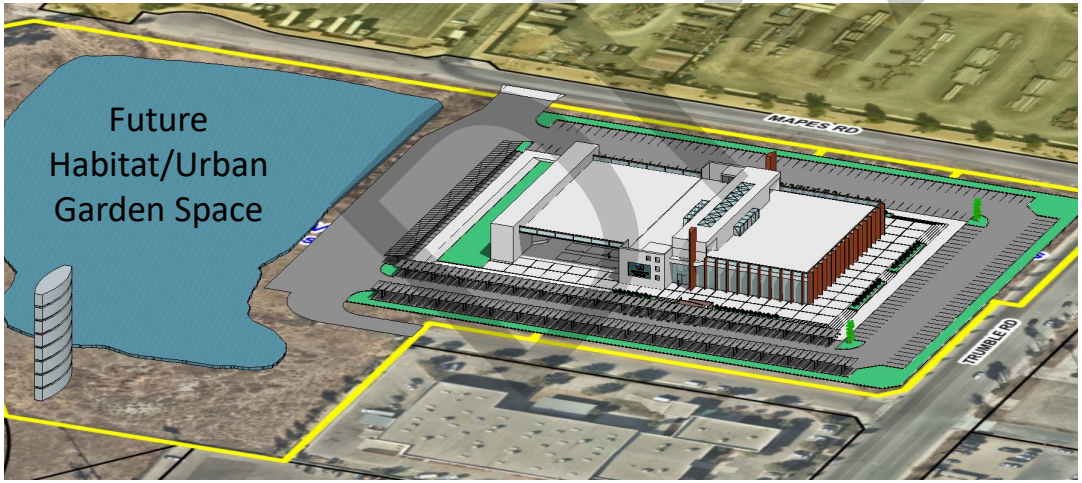
DRAFT

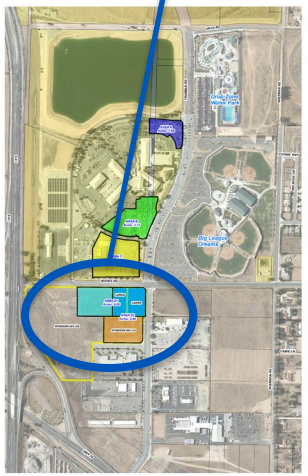
Proposed Site

Considerations:

- More than 20 acres of programmable space
- Provides an opportunity for outdoor habitat or urban garden space for educational and community workshops







DRAFT

What will you EXPERIENCE?



DRAFT

What will you EXPERIENCE?

- State-of-the-art
- Theme focus on energy, water and agricultural technologies throughout the county
- Display space for each WRCOG member agency to highlight their contribution to the county

Static Display Space



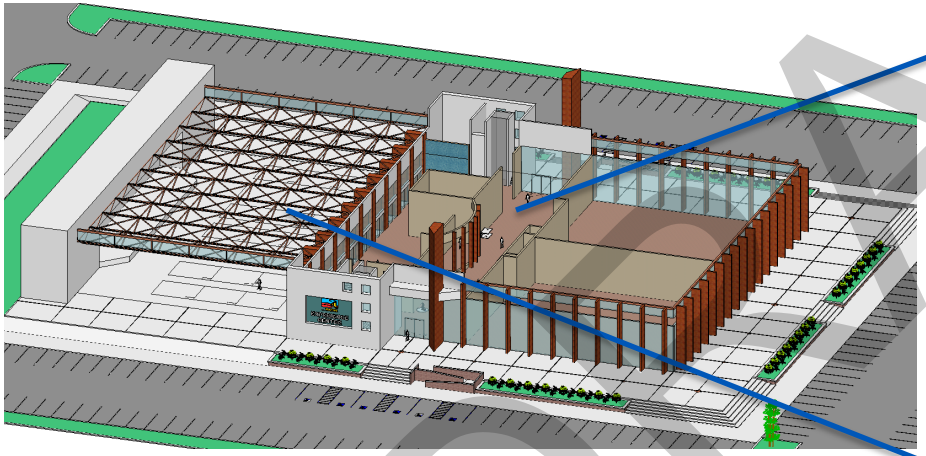
Rotating Display Space



DRAFT

What will you EXPERIENCE?

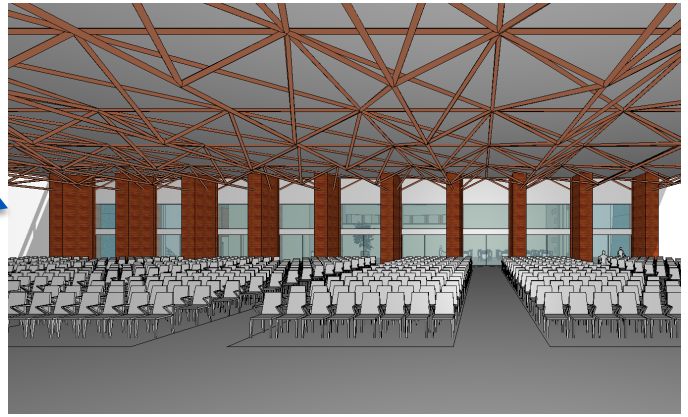
- Multi-functional facility
- Flexible indoor/outdoor space



Foyer/Hallway Space

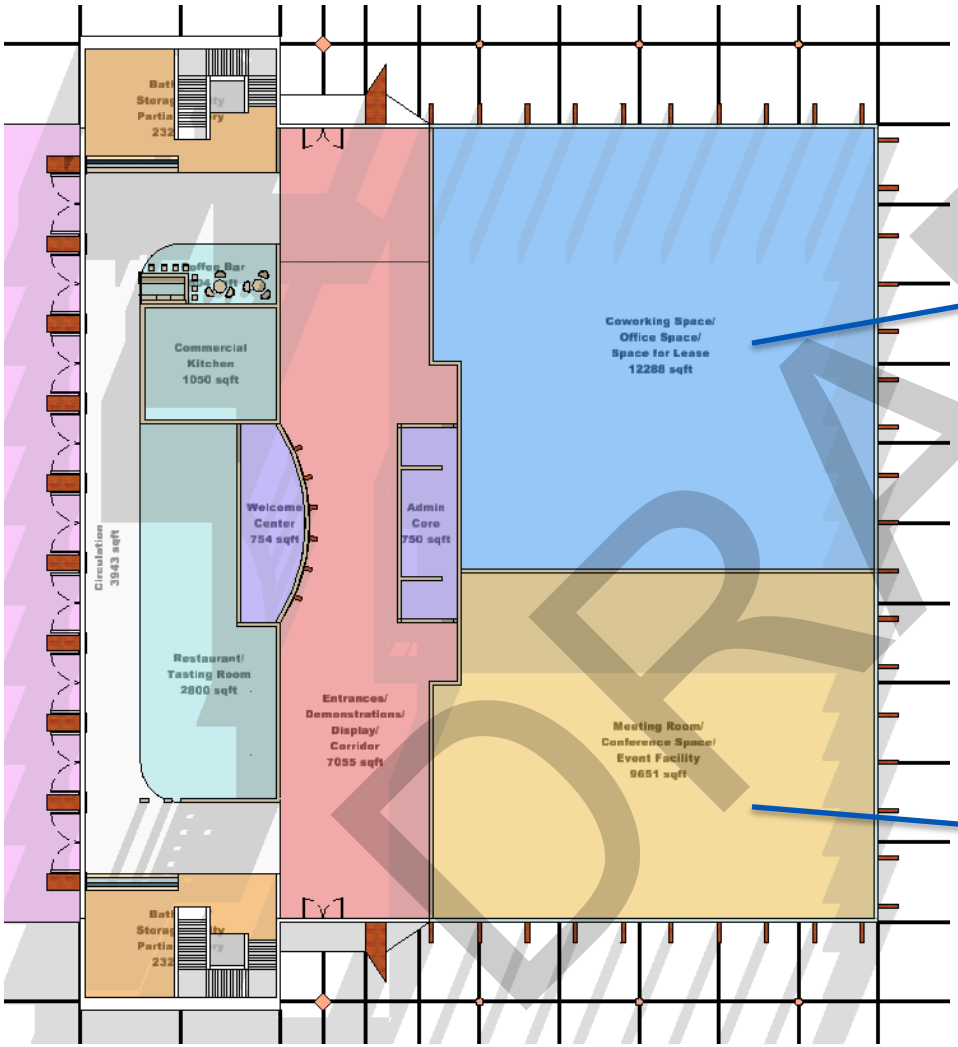


Covered/Modern Outdoor Venue



DRAFT

What will you EXPERIENCE?



Co-Working/Incubator Space

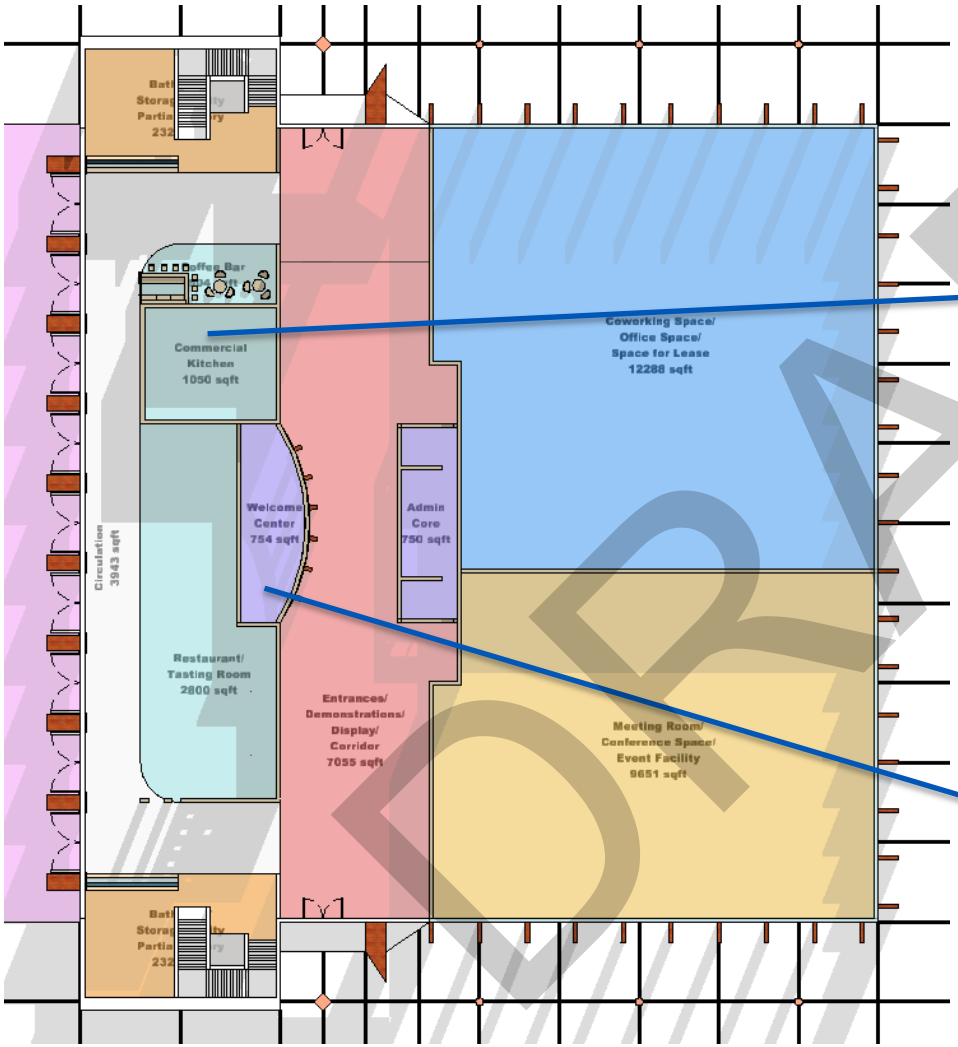


Meeting/Conference Rooms



DRAFT

What will you EXPERIENCE?



Restaurant/Coffee Bar

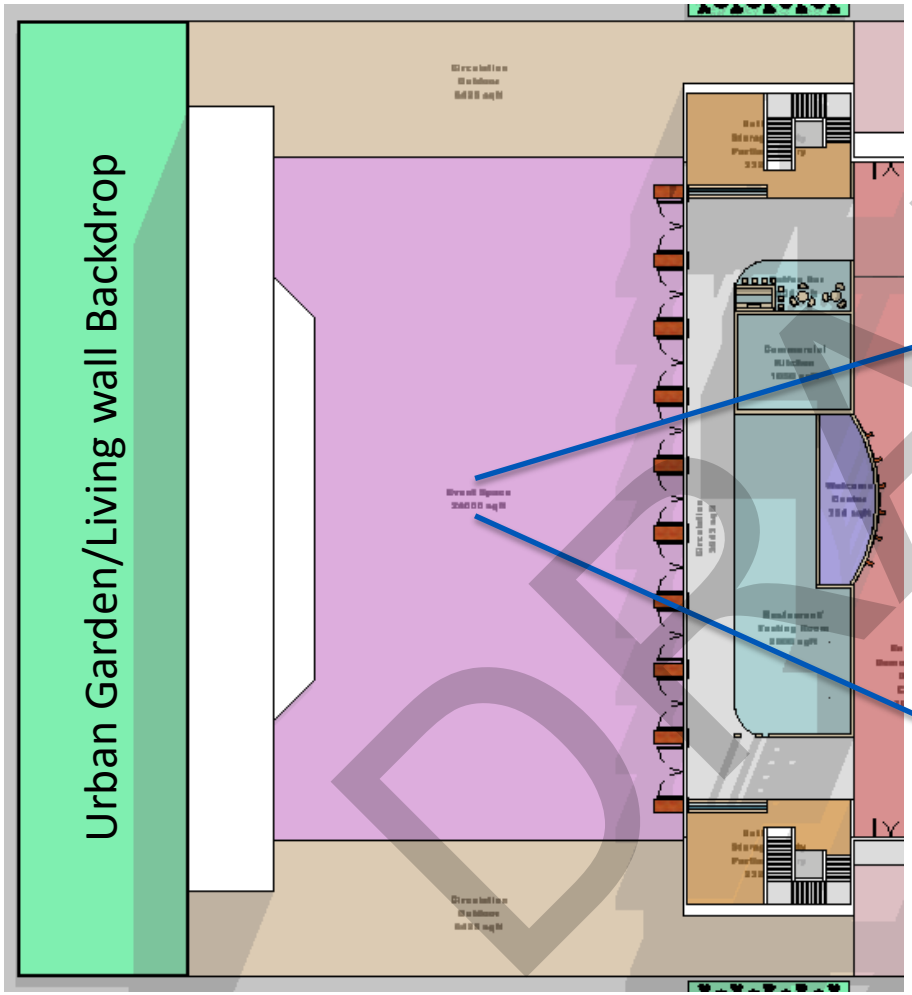


Welcome Center



DRAFT

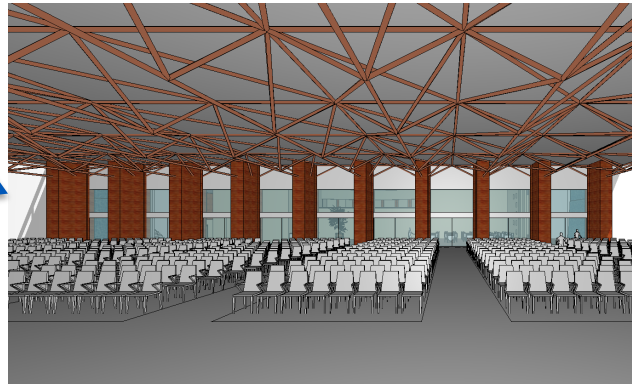
What will you EXPERIENCE?



Versatile Outdoor Space



Versatile Outdoor Space



DRAFT

EXPERIENCE Connects

- EXPERIENCE will prioritize collaboration and function, while utilizing inviting, versatile and interactive indoor and outdoor spaces.



DRAFT

EXPERIENCE Harnesses Knowledge Capital

- EXPERIENCE will support a regional vested interest in attracting, educating and retaining those with career aspirations in the science, technology, engineering, art and math fields.



DRAFT

EXPERIENCE Attracts Growth Industries

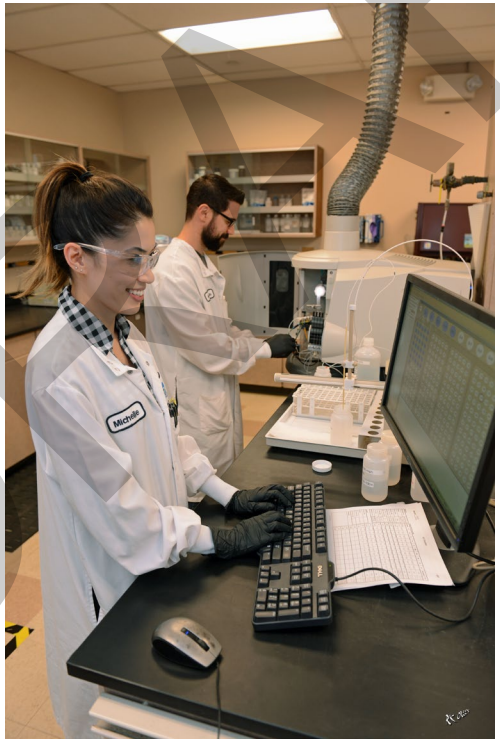
- EXPERIENCE will showcase water and energy conserving technologies through architectural design, landscaping and interactive displays.



DRAFT

EXPERIENCE Accelerates Technologies

- Job creation aims for high-paying wages by harnessing knowledge capital.
- Partnerships with colleges/universities will ensure that EXPERIENCE compliments and inspires.



DRAFT

EXPERIENCE Spurs Economic Development

- EXPERIENCE will tap local resources to grow outwards, while assisting in the growth of the region.



DRAFT

EXPERIENCE Stimulates Action

- EXPERIENCE will be built to attract diverse audiences, optimize experience, and identify and connect with resources—onsite and throughout the region.



DRAFT

Thank You

DRAFT

EXPERIENCE IN RIVERSIDE



CITY OF RIVERSIDE

EXPERIENCE IN RIVERSIDE

DRAFT

MISSION:

To connect our community with **public, private, nonprofit and education sectors** to harness knowledge capital, attract growth industries, accelerate technologies, spur economic development, and stimulate action to improve our world.

SMART DENSITY

Experience in Riverside will leverage population trends which indicate a desire to live/work/play in an urban environment.



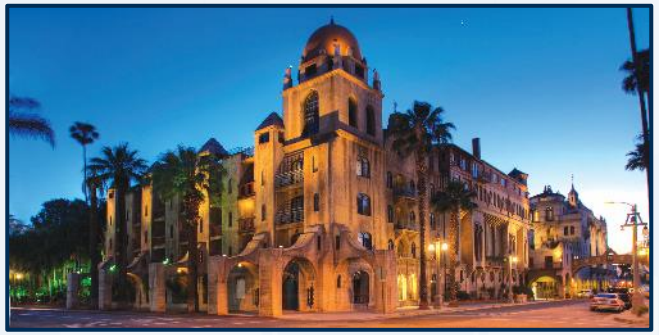
327,728

Riverside Population (2017)









DRAFT

URBAN INNOVATION





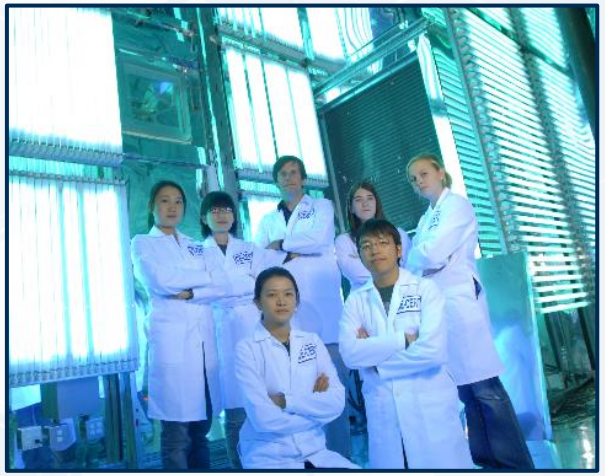
DEVELOPMENT IN RIVERSIDE IS THRIVING




DRAFT

INNOVATION DISTRICT

The Innovation District will drive more investment into the region and offer better ways to commercialize research and encourage new creative spaces.







DRAFT

PLUG AND PLAY ECOSYSTEMS

Riverside offers a platform of existing networks and ecosystems which are designed to









- Foster Entrepreneurship
- Expand New Training Programs to Attract Talent
- Engage Employers Seeking Stronger Connections to the Local Community

DRAFT

A GREEN COMMUNITY



DRAFT

CREATIVE PARTNERSHIPS

Riverside is flexible and will work with WRCOG to establish the

BEST PROGRAM MANAGEMENT STRUCTURE

DRAFT

"Bringing Good Jobs to Riverside County"
MARCH JOINT POWERS AUTHORITY

SMARTRIVERSIDE

EXCITE

A BLENDED EXPERIENCE

A pro forma model comprised of multiple revenue channels managed directly or through strategic partnerships.







"Bringing Good Jobs to Riverside County"
MARCH JOINT POWERS AUTHORITY

SMARTRIVERSIDE

EXCITE

RFSA
RIVERSIDE FOOD SYSTEMS ALLIANCE

DRAFT

PLAN FOR TOMORROW, TODAY.



CITY OF RIVERSIDE



Temecula
The Heart of Southern California
Wine Country

EXPERIENCE
A Regional Innovation Center

DRAFT

What is Experience?

- Meeting #5 Summary – Concept and Origin:
- "WRCOG envisions that Experience would draw audiences for a variety of purposes by including such elements as:"
  - Education Center
  - Community Farm
  - Water Efficient Garden
  - Walking Loop
  - Amphitheater
  - Farm-to-Fork Café
  - Other Public Assets

Once at Experience, visitors would be exposed to best practices in water and energy, emerging technology, employment prospects and more.

DRAFT

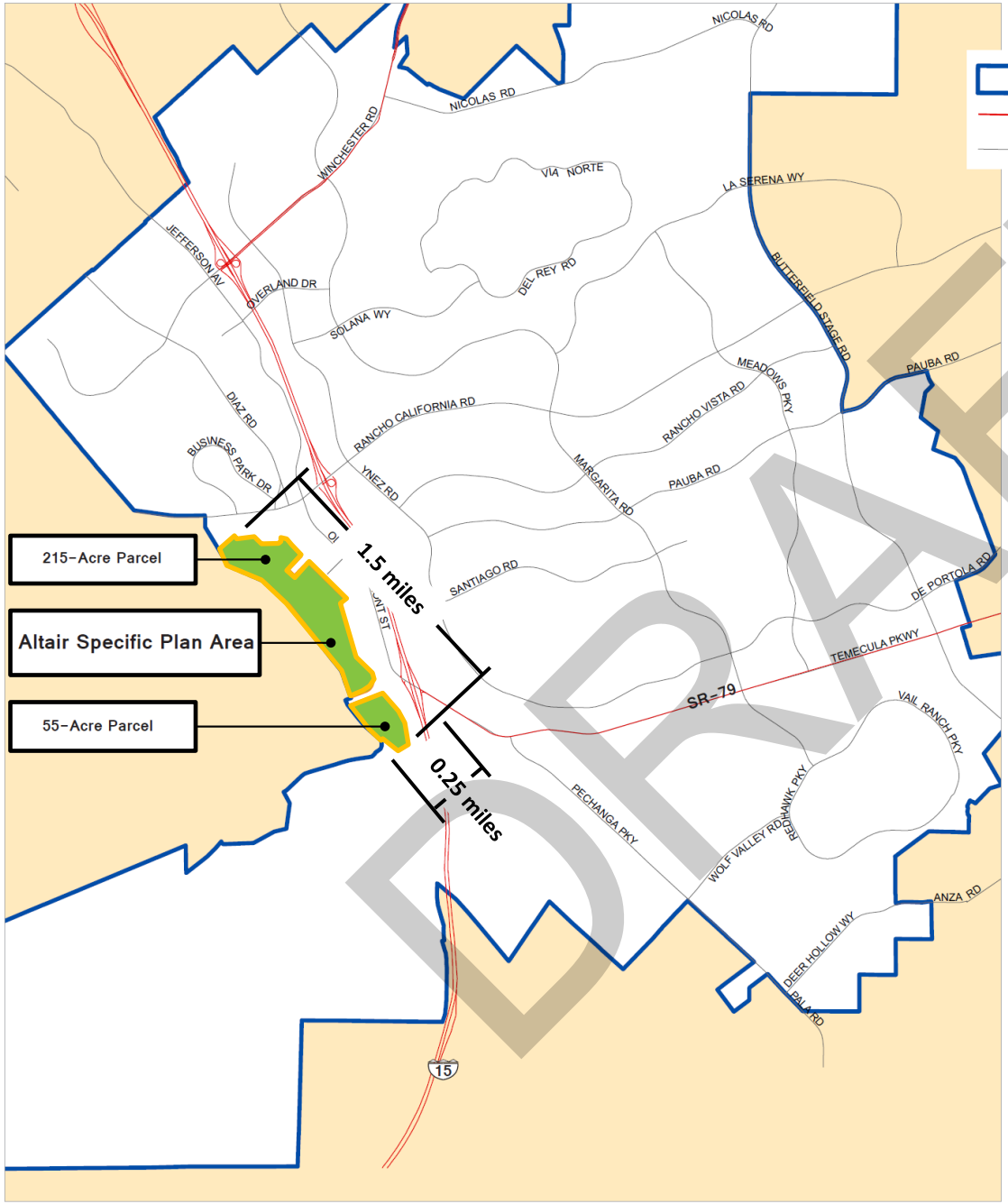
Temecula
The Heart of Southern California Wine Country

Why Temecula?

- Altair Specific Plan
- Development Agreement requires delivery of a finished/graded pad for Civic Uses
  - $150k for Old Town Trolley and/or bikeshare

DRAFT

Temecula
The Heart of Southern California Wine Country



Location

- 270 Acres
- West of Old Town
- 1.5 miles long
- 0.25 miles wide
- Walkable!

DRAFT

Temecula
The Heart of Southern California Wine Country

Altair Specific Plan



- 270 acres
- Max 1,750 d.u.
- Elem school 730 students
- Community Center
- Civic Site
- 100+ acres of natural hillside preservation

DRAFT

Temecula
The Heart of Southern California Wine Country

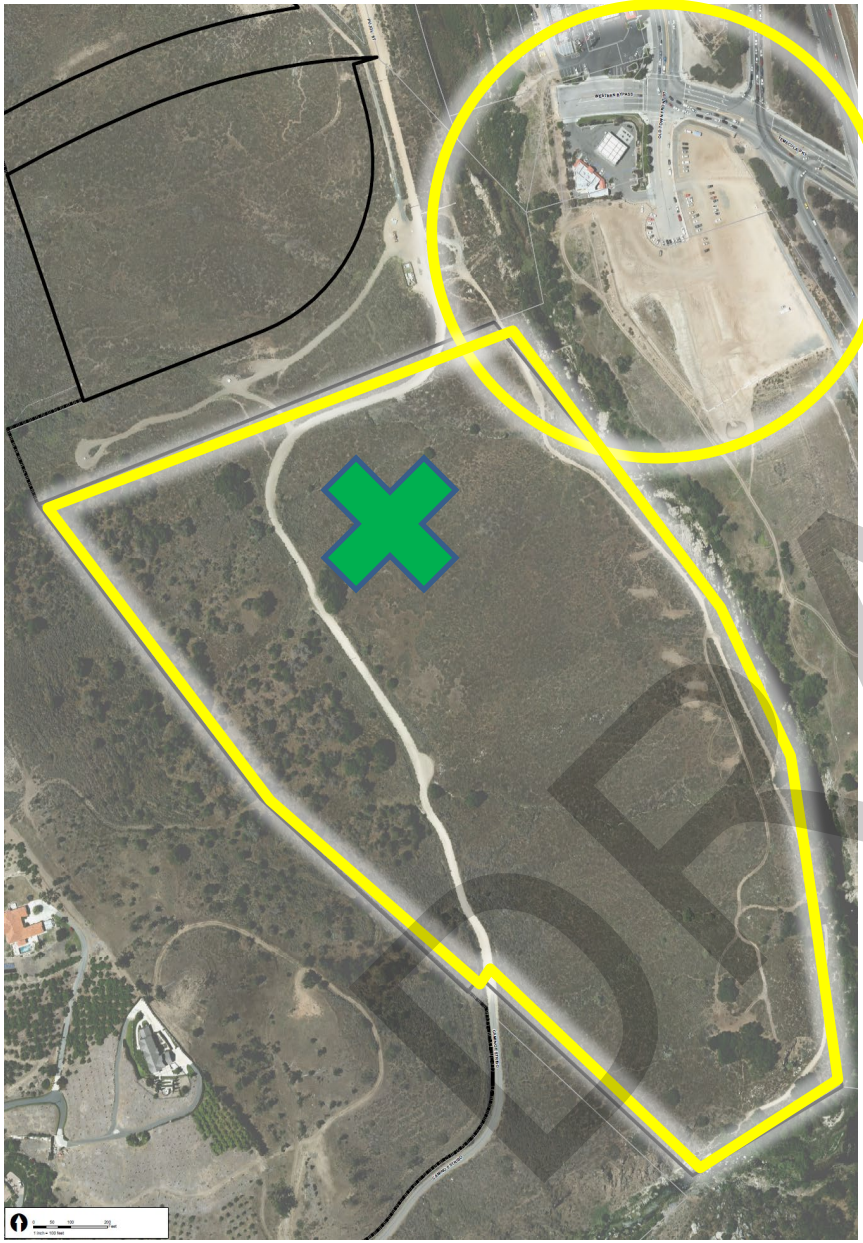
Planned Development



- Density (20+ dwelling units per acre)
  - Apartments, condos, rowhomes, stacked flats, single family, senior housing, daycare and live-work units
- Mix of Land Uses
  - Housing, elementary school, parks, neighborhood commercial, and a civic use
  - Reduces vehicle trips
- Transportation Options
  - Sidewalks, bike lanes, trails, and a trolley/shuttle with connections to Old Town and RTA bus stops

DRAFT

Temecula
The Heart of Southern California Wine Country



Civic Site

- High visibility and convenient access near the interchange
- 55 acres
- 3.8 acre buildable pad
  - 20,000 sf max.
  - 2 stories
  - 120 parking spaces
  - Dawn – 2hrs after Dusk

DRAFT

Temecula
The Heart of Southern California Wine Country

Civic Site Conceptual Layout and Trails



- Loop Trail
- Area of Regional Significance
- Last free-flowing river in Southern California
- Wildlife Corridor
- Pechanga TCP
  - Origin Area
- SDSU/SMER
  - Solar Project



DRAFT

Civic Site

- Project description in EIR and Specific Plan:
  - "This land use would provide a public benefit to the City by offering education programs and/or exhibits related to culture, the natural environment, and sustainability of the region"
  - "The building and key outdoor spaces should be arranged to maximize and/or frame views that have historic or regional significance"
  - "Educational installations may include plaques, artwork, or other displays"
  - "Permitted uses include conference facilities, library, museum/gallery, restaurant, offices, community gardens…"

DRAFT

Temecula
The Heart of Southern California Wine Country

Civic Site

- Project description in EIR and Specific Plan:
  - "Landscaping and parking lot to be a model example of water efficient landscaping and stormwater containment"
  - "A deck for outdoor gathering should be oriented to take advantage of views from this site"
  - "A 2-mile, out-and-back, loop trail will be provided utilizing existing dirt roads wherever possible"

DRAFT

Temecula
The Heart of Southern California Wine Country

WRCOG "Must Haves"

- ☑ Rotating Display/Demonstration Area (indoors)
- ☑ Student-oriented education/area (indoors)
- ☑ Meeting and event space (indoors)
- ☑ Food-related services: restaurant, reheat kitchen, small business incubator kitchen, coffee bar, beer/wine bar, etc.. (indoors)
- ☑ Regional resiliency demonstrations and innovations (outdoors)
- ☑ Community areas (outdoors)
- ☑ Event space (outdoors)
- ☑ Urban agriculture: Food gardens showing emergency technology (no community garden)

DRAFT

Temecula
The Heart of Southern California Wine Country

WRCOG Market Analysis

- Based on general assessment of market demand, potential revenue generation, and input from the City, the Temecula Experience could support:
  - 53,619 sf, one-story building
  - 304 parking spaces
  - 3.7 acres

DRAFT

Temecula
The Heart of Southern California Wine Country

Site Options

- Civic Site at Altair
- 37 acres at Temecula Parkway/I-15 Interchange
- 2nd floor of the Incubator (TVE2)
- City-owned parcels in Old Town
- Vacant Industrial Buildings and Land
- Lease space from MSJC

DRAFT

Temecula
The Heart of Southern California Wine Country

Temecula Experience

- Temecula Experience would include a destination center with all the “Must Have” components
- The Temecula Experience is Connected to other “Everything” program elements, which already exist, linked by bike trails and pedestrian connections in an urban/walkable environment
- Doesn’t all have to be under one roof!

DRAFT

Temecula
The Heart of Southern California
Wine Country

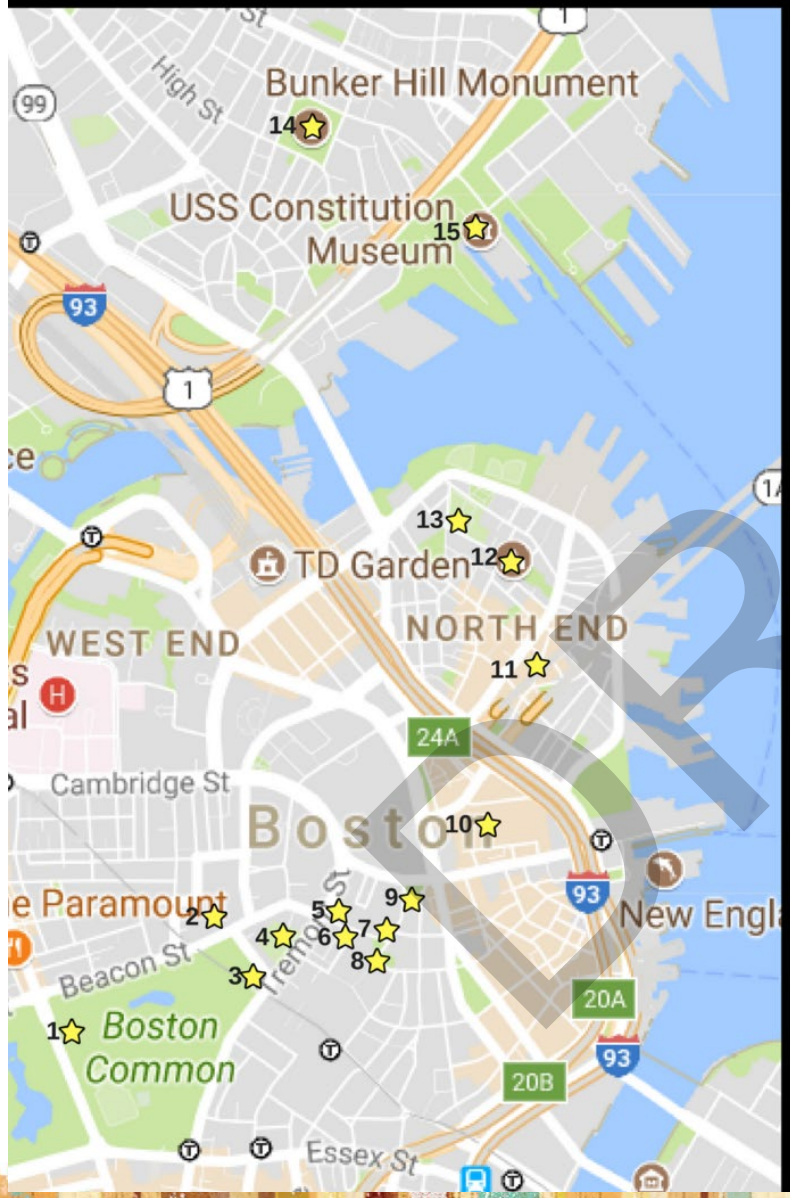
Temecula/WRCOG Experience

- The Temecula/WRCOG Experience is about community and shared experiences in a walkable, urban, and sustainable environment
- Synergy can be achieved between the different program elements within the community

DRAFT

Temecula
The Heart of Southern California Wine Country

Boston Freedom Trail



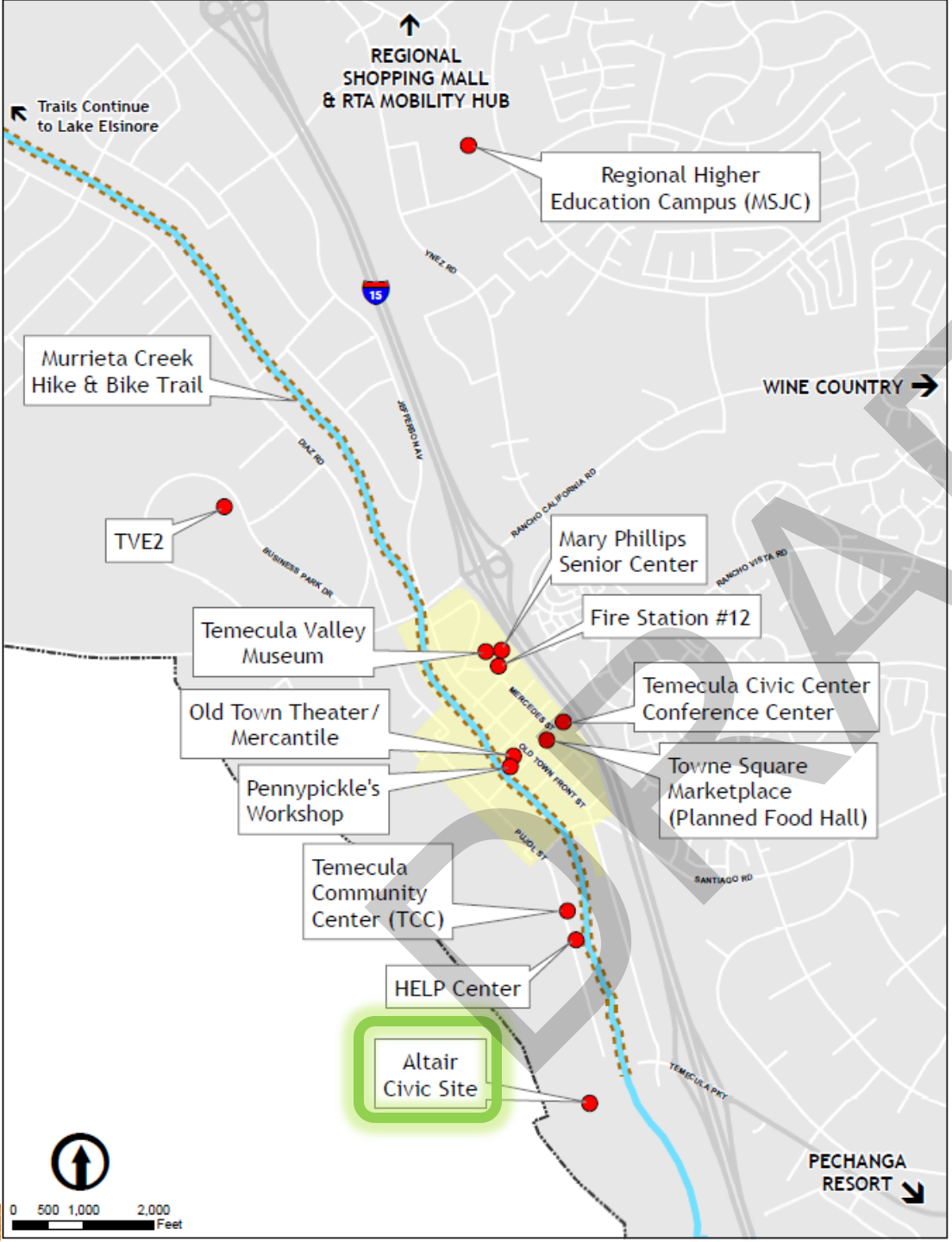
1. Boston Common
2. Massachusetts State House
3. Park Street Church
4. Granary Burying Ground
5. King's Chapel & Burying Ground
6. Benjamin Franklin Statue & Boston Latin School
7. Old Corner Book Store
8. Old South Meeting House
9. Old State House & Site of Boston Massacre
10. Faneuil Hall
11. Paul Revere House
12. Old North Church
13. Copp's Hill Burying Ground
14. Bunker Hill Monument
15. USS Constitution

Example

- Freedom Trail
  - 2.5 mile self-guided walking tour
  - Red-lined brick route
  - 15 historically significant sites
- "Experience Trail"

DRAFT

Temecula
The Heart of Southern California Wine Country



Experience

Civic Site

- Begin your Experience here!
- Would include all the “Must Have” Entry Level program elements
- Highly visible destination and information center
- Pick up your self guided tour map and experience the “Everything” Level of programs walking in and around Old Town
- Tell the story of Western Riverside County and showcase the regions assets/successes

DRAFT

Temecula
The Heart of Southern California
Wine Country

Experience

- Hike/Bike/Transit
  - Trails
  - Sidewalks
  - Bikeshare
  - Trolley Connections to RTA Transit Stops





DRAFT

Experience

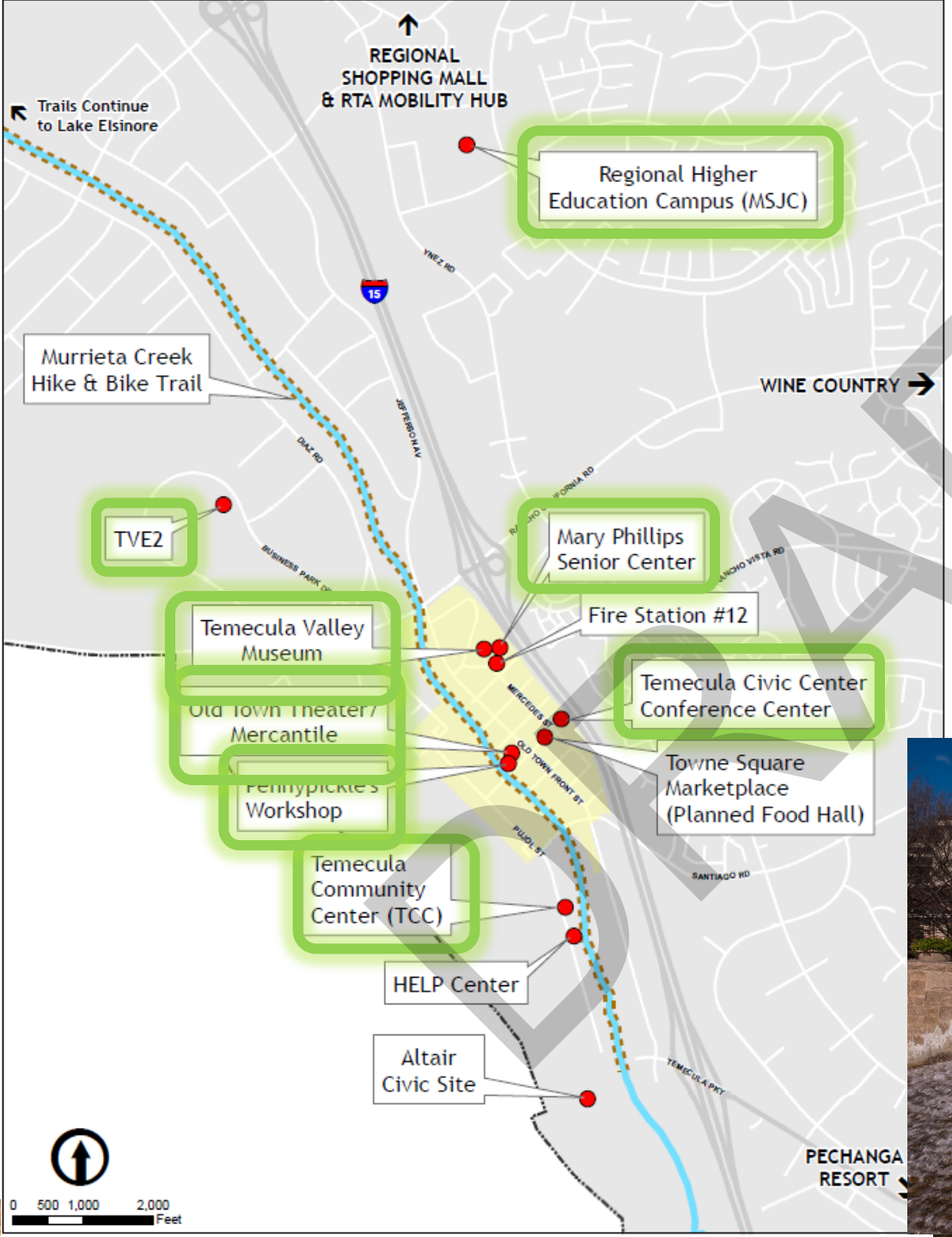
- HELP Center
  - Comprehensive approach to solving the problem of regional homelessness
  - Multiagency partnership to connect homeless to resources
  - All people are treated with respect and dignity



DRAFT

Experience

- Temecula Community Center
- Children's Museum
- Old Town Theater
- Temecula Valley Museum
- Economic Incubator
- Higher Education Campus (MSJC)
- Senior Center
- Temecula Civic Center





DRAFT

- ECONOMIC DEVELOPMENT

DRAFT

Temecula
The Heart of Southern California
Wine Country

Existing Partnerships























DRAFT

Just the Facts

- Population: 113,181 (1.9% increase from 2017)
- Median Age: 35.1
- Average Household Income: $109,659

(12.4% increase from 2017!)

- Unemployment Rate (July 18): 3.8%
- Average Home Sales Price (July 18): $516,750
- Temecula Valley School District:
  * High Schools Ranked within the 2018 US News Best Schools List
  * Highest performing school district in Riverside County
  * Highest Scores on Standardized Tests in Riverside County

DRAFT

Temecula
The Heart of Southern California
Wine Country

Lifestyle





- **9 news hotels in the development pipeline!**
- **Shout out to our local "foodie-entrepreneurs!"**
  Gourmet Italia: #5 Most Romantic Restaurant in the USA!
  Per Travel & Leisure Magazine
- **Retail Sales in Top 6% of CA**

DRAFT

Temecula
The Heart of Southern California
Wine Country

Lifestyle

Temecula ❤ Breweries!





GARAGE BREWING CO

WIENS BREWING CO.

Tiffershock brewing co. Temecula, CA

BLACK MARKET BREWING CO

KARL STRAUSS BREWING '89 COMPANY

REFUGE BREWERY

CRAFT BREWING COMPANY

Temecula
The Heart of Southern California
Wine Country

Jobs & Business Growth

















- Industry and Job Growth Leader for SW Riverside County with over 55,000 jobs in City limits

- 10% rise in employment in last 4 years

Temecula
The Heart of Southern California Wine Country

DRAFT

Temecula Valley Entrepreneur's Exchange



Temecula Valley Entrepreneur's Exchange

TVE²

(Occupies the 1st floor)

- 12 Startups currently occupy the Incubator;
- One-on-one business consultations (Approx. 330/year);
- Workshops (Approx. 100/year with 1,500 attendees);
- Events, mixers, conferences to promote job growth.

Temecula Higher Education Center

THE Center

(Occupies 2nd Floor)

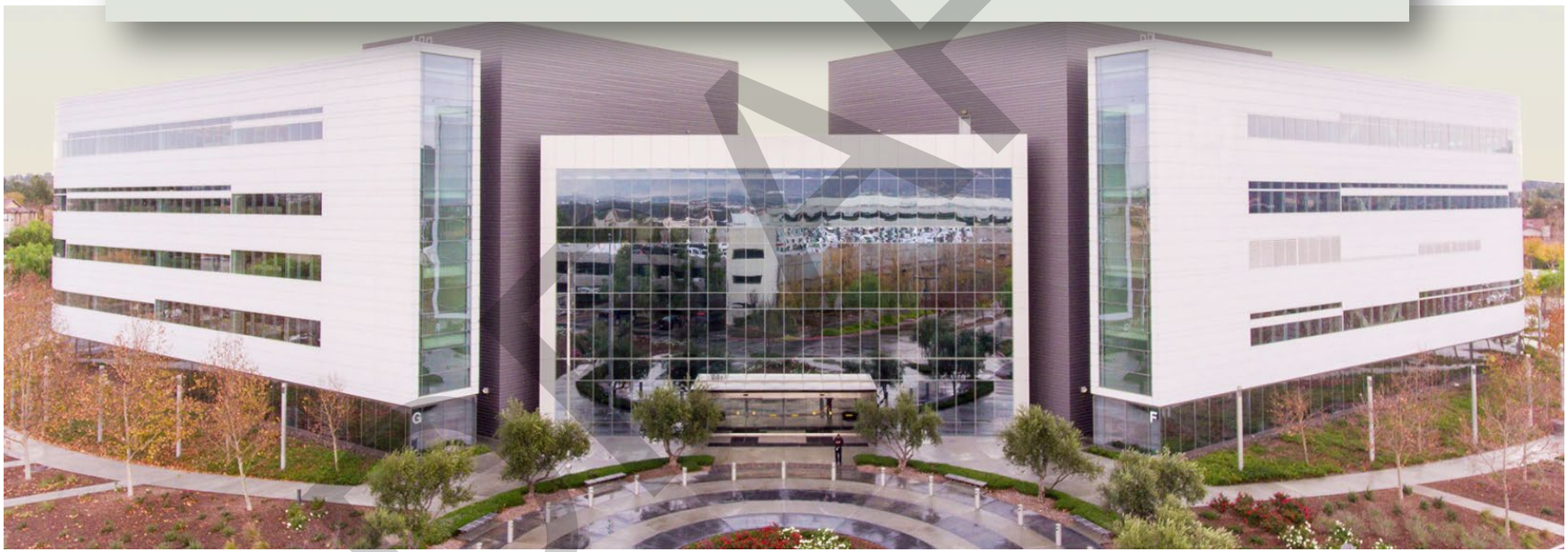
Earn an Associate and Bachelor Degree

- **THE Center provides a program developed by CSUSM Temecula & MSJC where students can earn an Associate and a Bachelor degree in four years at THE Center**

Temecula
The Heart of Southern California Wine Country

DRAFT

Future of Higher Education



350,000 + square foot college campus!

Temecula
The Heart of Southern California
Wine Country

DRAFT

Tourist Destination

$724 Million
in Travel Spending!



2.7 Million Visitors!





Opportunity to share the WRCOG Experience with these Visitors!

Temecula
The Heart of Southern California Wine Country

DRAFT

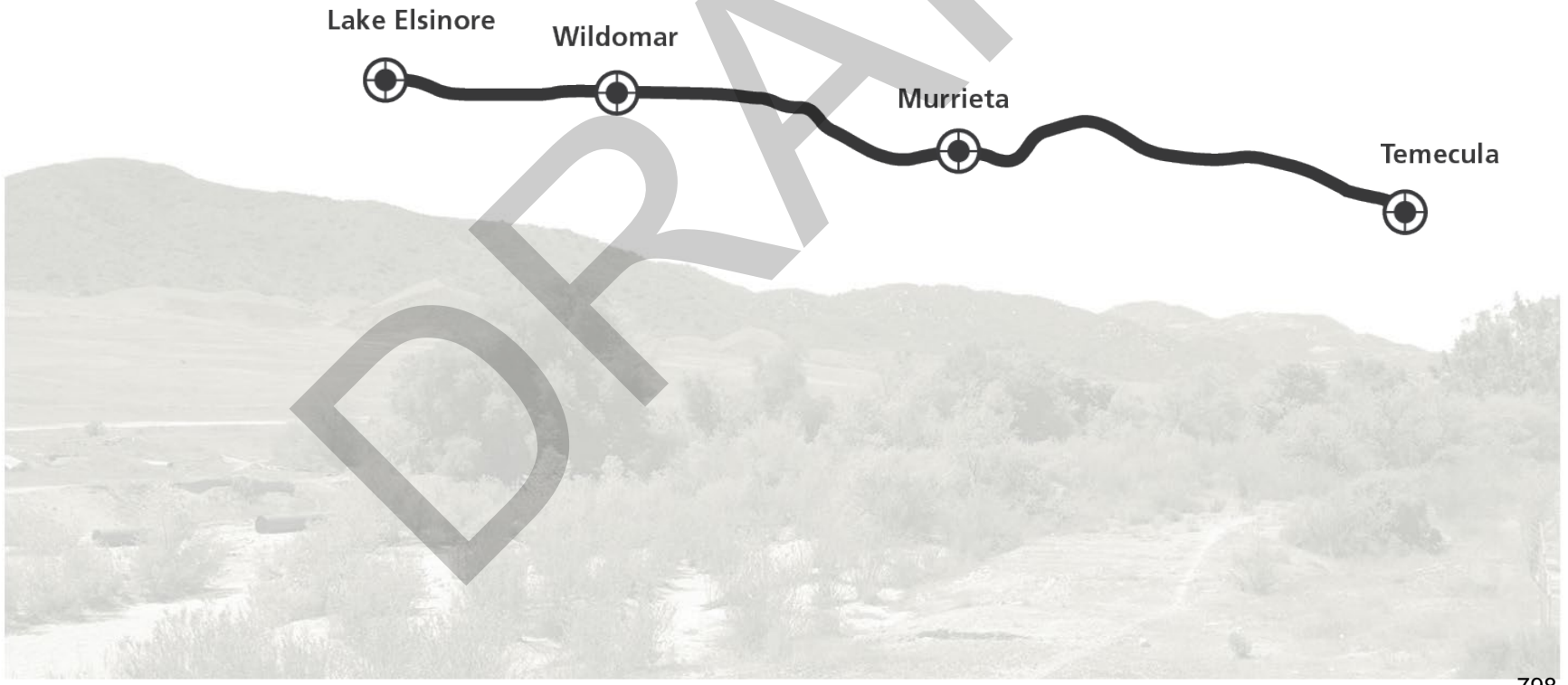
Think Regionally!

Murrieta Creek Regional Trail Plan (MCRT)

The Murrieta Creek Regional Trail project represents a joint effort between the Cities of Lake Elsinore, Murrieta, Temecula, and Wildomar in partnership with the Santa Margarita Group of the San Gorgonio Chapter of the Sierra Club.

Technical assistance on this project was provided by the National Park Service's Rivers, Trails, and Conservation Assistance (RTCA) program.

DRAFT



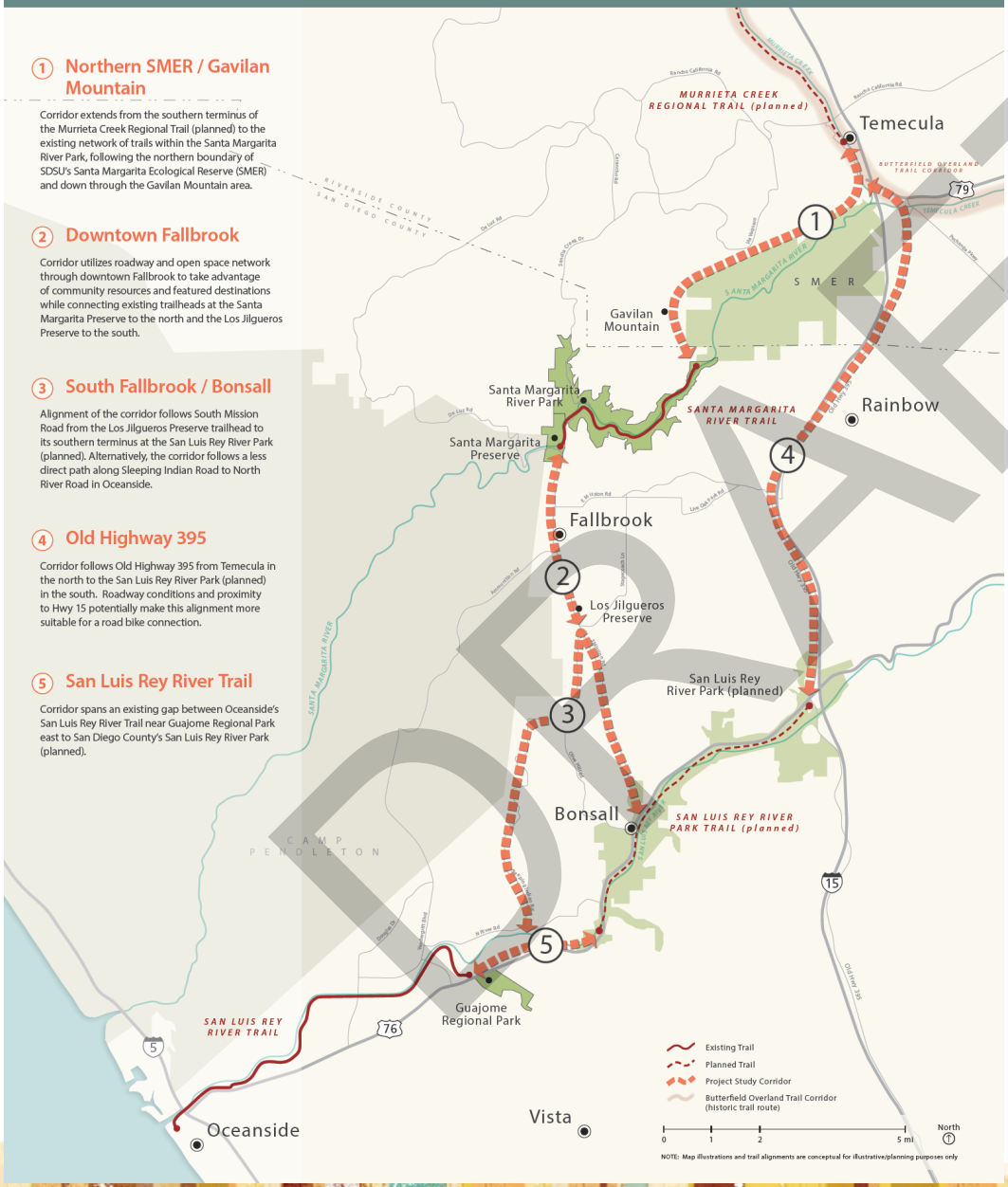
DRAFT


Riverwalk Trail
San Jacinto River Trail
Lake Elsinore
Wildomar
Murrieta
Temecula
Warm Springs Creek
Santa Gertrudis Creek
to Wine Country
Butterfield
Trail
Wildon Trail
South
Divide Trail
(USFS)
Santa Rosa Plateau
Temecula Creek &
Butterfield Trail

DRAFT

Waves to Wineries Trail Project

Gap Analysis Study Corridors



DRAFT

Waves to Wineries

- Temecula
- Santa Margarita Ecological Reserve (SMER)
- Wildlands Conservancy Trails
- Fallbrook
- San Luis Rey River Trail
- Oceanside

Temecula
The Heart of Southern California Wine Country

Western Riverside/Experience Trail!



APPENDIX F

DRAFT

PRO-FORMA ANALYSIS

Western Riverside Council of Governments

"Experience" Innovation/Sustainability Center

Analysis of Perris, Riverside, and Temecula Potential Competitiveness for Grant Funding

August 2018

Observations for Grant Consideration:

One of the most important considerations for location (related to grant funding) is based on the purpose and intended outcomes for the "Experience" center, and where the people within the WRCOG service area will be willing to go to take advantage of what the center will offer. A clear explanation of what makes this different from other places in Southern California and why it is special – *why* would I want to be part of this? and *what difference* will it make? – are key questions that need to be addressed for funding agencies. This summary, as all grant funding, is not absolute, and many factors contribute to grant competitiveness outside of scoring that are beyond our control. The following analysis is based on scoring factors that we often see in grant competitions. The analysis is meant to be one part of a larger conversation to be considered in tandem with the final "Experience" feasibility analysis to be completed later in the Fall, which will include additional comprehensive analysis of factors affecting the feasibility of each location.

Riverside

Grant Competitiveness: HIGH

Zip Code Focus: 92501; 92507

The City of Riverside has the highest number of residents with a population of 327,728. As shown in Table 2, below, the citywide median household income (MHI) is less than the statewide MHI, and the two focus zip codes (92501 and 92507) are lower than the city MHI. When considering grants that prioritize low-income areas and disadvantaged communities (DACs), Riverside will be competitive. Additionally, Riverside County Economic Development Agency (EDA) won a Transformative Climate Communities (TCC) Planning Grant for their "Green Light Riverside" project, which will develop a comprehensive transformation plan to revitalize portions of the City of Riverside that consist primarily of the top 5% of disadvantaged communities (residents of which experience stark health, environmental, and economic conditions). The area is deemed the "Innovation Corridor." This prestigious grant award adds to the growing energy in the City as a home for model neighborhood-level transformation projects. Riverside has multiple redevelopment plans to draw from with substantial research on areas that would benefit from a project like "Experience." The City is also home to UC Riverside and Solar Max, making it ideal for collaboration for an incubator or sustainability demonstration project. If located near the university or the UC Riverside-Hunter Park Metrolink station, the benefit could be magnified. The City of Riverside is also seen as the heart of Riverside County, and with a higher population, the City has an established reputation for business and vitality.

DRAFT

Perris

Grant Competitiveness: MEDIUM – HIGH

Zip Code Focus: 92570

Of the three cities, Perris is the smallest in population (77,879), but has the lowest MHI ($51,315) of the cities, overall. Perris has a very low per capita income ($14,765), the highest poverty rate (23.6%), and a high unemployment rate (14.2%). The focus zip code 92570 has a lower MHI, and higher rates of unemployment than the City as a whole. If low income, low education levels, and higher unemployment are the priority target demographics for a funding opportunity, Perris has compelling statistics. Despite the high poverty, low per capita level and high unemployment, of all the businesses/firms in Perris, 40.1% are owned by women and 81.5% are minority owned (the population is 73.1% Hispanic). Perris benefits from the positive attention the Eastern Municipal Water District (EMWD) has paid to the "Experience" project, with a location already chosen at their headquarters, and planning underway for a water-wise demonstration project at the site. The location in Perris would also garner competitiveness because the site is within one mile of the Perris South Metrolink station, and could possibly be pulled into a "First Mile Last Mile" transportation strategy.

Temecula

Grant Competitiveness: MEDIUM

With a population of 114,327, Temecula is the wealthiest of the three cities in terms of median household income ($83,840), per capita income ($30,397), a very low poverty rate (6.7%), and low unemployment (8.2%). There are 8,100 veterans residing in Temecula – or 7% of the City's entire population. While Temecula has the highest income levels, lowest unemployment and highest education levels, the City also has the lowest portion of businesses owned by women and minorities. The difference is significant with only half the portion of those in Riverside and only a third of those in Perris. The low percentages of women and minority owned businesses is a compelling statistic Temecula has to offer. Of all the businesses/firms in Temecula, 34.6% are women-owned, 26.9% minority owned, and 8.7% veteran owned. While Temecula would likely fall short in garnering competitiveness or priority for revitalization of a disadvantaged community or providing jobs to a region with high unemployment, the City does have an established focus on projects for active transportation, local and regional connectivity for non-motorized travelers, and is home to the popular Temecula Valley Wine Country. As the most southernly located City on the list, if "Experience" were in Temecula, the idea of bringing something new to the southern region could be competitive. However, many grants prioritize low-income and disadvantaged communities for projects of this size and nature.

Please see **Table 1** for a side-by-side comparison of demographic statistics among the three geographies, and **Table 2** for possible grant funding opportunities in the future. All data from Table 1 is derived from the 2012-2016 American Community Survey 5-Year Estimates.

DRAFT

Table 1. DEMOGRAPHIC DATA FOR FUNDING CONSIDERATIONS

"Low-Income Communities" are communities with a Median Household Income (MHI) that is 80% or less of the statewide MHI ($63,783). The communities below with an MHI of $51,026 are considered Low-Income Communities for most grant purposes.

	State of California	City of Perris	Perris Zip Code 92570 Low Income	City of Riverside	Riverside Zip Code 92501	Riverside Zip Code 92507 Low Income	City of Temecula
Population	32,253,956	77,879	53,697	327,728	20,970	58,002	83,940
Median Household Income (MHI)	$63,783	$51,315	$42,279 (Low-Income)	$58,979	$52,041	$42,957 (Low-Income)	$83,840
Per Capita Income (PCI)	$31,458	$14,765	$15,617	$23,061	$21,436	$17,764	$30,397
Poverty Rate	15.8%	23.6%	28.1%	17.6%	20.8%	30.2%	6.7%
Unemployment Rate	8.7%	14.2%	15.8%	11.0%	13.2%	14.9%	8.2%
Veteran Population	1,720,635	1,820	2,270*	13,350	1,120	2,020	8,100
Businesses Owned by Veterans	7.11%	4.6%	**	8.5%	**	**	8.7%
Minority-Owned Businesses	45.6%	81.5%	**	50.3%	**	**	26.9%
Women-Owned Businesses	37.0%	40.1%	**	38.2%	**	**	34.6%
High School Graduates over the Age of 25	82.1%	65.4%	63.1%	79.0%	79.9%	78.3%	91.7%
Bachelor's Degree or Higher	32.0%	8.9%	8.2%	22.6%	18.8%	25.6%	32.2%

*Data for the smaller geography showed a higher number of veterans, revealing an anomaly in data. **Data not available for this geography.

DRAFT

Table 2. POTENTIAL GRANT FUNDING OPPORTUNITIES

No.	Program/Deadline/ Website	Eligible Applicants	Purpose	Funding/Match	Scoring
1	**US Department of Commerce, Economic Development Administration (EDA): *Regional Innovation Strategies Program*** Deadline: August 29, 2018 http://www.eda.gov/oie/ris/ Funding expected annually	States, Indian tribes, city or other political subdivision of a state, a consortium of any of the eligible entities; or nonprofit organizations, institutions of higher education, public-private partnerships, science or research park, Federal laboratory, or economic development organization or similar entity; and a consortium of any of the above.	To foster connected, innovation-centric economic sectors (clusters) which support the conversion of research into products and services, businesses, and ultimately jobs through entrepreneurship. 2 programs: - *i6 Challenge*: increase entrepreneurship through the process of technology commercialization that results in new businesses, accelerated paths to export, increased foreign direct investment (FDI) and new jobs. - *Seed Fund Support*: provide technical assistance and operational costs that support the formation, launch, or scale of cluster-focused seed funds that will invest their capital in innovation-based startups with a potential for high growth – feasibility studies and start-ups.	*i6 Challenge* - $750,000 *Seed Fund* Support- $300,000 (no construction costs) Match: Dollar for dollar of total project cost. Funding over 3-year project period Success rate is roughly 19%.	Applications should address the following: -Project Support and Cluster Connectivity; -Cluster Diversity and Engagement; -Project Economic, Job, and Innovation Impacts; -Cluster Assets and Infrastructure; -Project Sustainability and Adaptability; and -Project Feasibility. <u>Scoring and competitiveness potential by city:</u> *Perris – low potential (low education levels, low per capita) *Riverside – medium to high potential (population, education, sustainable solar and university partnerships) *Temecula – medium to high potential (education levels, much higher per capita supports potential for sustainability)

DRAFT

Table 2. POTENTIAL GRANT FUNDING OPPORTUNITIES

No.	Program/Deadline/ Website	Eligible Applicants	Purpose	Funding/Match	Scoring
2	**US Department of Commerce, Economic Development Administration (EDA*): Public Works and Economic Adjustment Assistance (EAA)*** Deadline: Applications accepted on an ongoing basis. https://www.eda.gov/funding-opportunities/index.htm Funding is expected to continue into the foreseeable future.	District organization of a designated Economic Development District, Indian tribe or a consortium of Indian tribes, state, city or other political subdivision of a state, institution of higher learning, public or private non-profit organization or association acting in cooperation with officials of a political subdivision of a state.	To provide investments that support construction, non-construction, technical assistance, and revolving loan fund projects under EDA's Public Works and EAA programs. Grants and cooperative agreements made under these programs are designed to leverage existing regional assets and support the implementation of economic development strategies that advance new ideas and creative approaches to advance economic prosperity in distressed communities. EDA provides strategic investments on a competitive-merit-basis to support economic development, foster job creation, and attract private investment in economically distressed areas of the United States Approximately one job created for each $10,000 invested.	$37 million Match: 50% of total project cost Funding range: $150,000 to $1 M Average award $650,000. Performance period depends on scope of work, construction projects to be completed within 5 years 70-140 projects awarded funds each year.	Criteria used to determine EAA grants: The ability of the proposed project to realistically achieve the desired results and catalyze additional resources; the ability of a project to start quickly and create jobs faster; the extent to which the project will enable the community/region to become more diversified and more economically prosperous; the relative economic distress of the region; the applicant's performance under previous Federal financial assistance awards; and the feasibility of the applicant to achieve the outcomes; The application process is a two-phase review process. • Applications for Phase I may be submitted any time during the fiscal year, and • Applicants are invited to submit Phase II. EDA will make a determination on an application within 60 days of receipt of the complete application. Additional criteria: Applicants must provide third-party data that clearly indicate that the relevant Region is subject to one (or more) of the following economic distress criteria: (i) an unemployment rate that is, for the most recent 24-month period for which data are available, at least one percentage point greater than the national average unemployment rate; (ii) per capita income that is, for the most recent period for which data are available, 80 percent or less of the national average per capita income; or (iii) a "Special Need," as determined by EDA. Scoring and competitiveness potential by city: *Perris – some potential (per capita is less than 80% of the national average per capita of $29,829. 80% of PCI is $23,863.)

DRAFT

Table 2. POTENTIAL GRANT FUNDING OPPORTUNITIES					
No.	**Program/Deadline/ Website**	**Eligible Applicants**	**Purpose**	**Funding/Match**	**Scoring**
					*Riverside – some potential (per capita is less than 80% of the national average per capita of $29,829. 80% of PCI is $23,863.) *Temecula – does not meet funding criteria
3	**US Department of Commerce, Economic Development Administration (EDA): *Public Works*** Deadline: Applications will be accepted on an ongoing basis. https://www.eda.gov/funding-opportunities/index.htm Funding is expected to continue into the foreseeable future.	Same as EAA	To help distressed communities build, design, or engineer critical infrastructure and facilities that will help implement regional development strategies and advance bottom-up economic development goals to promote regional prosperity. Examples of support through the Public Works program: Projects supporting water and sewer system improvements, industrial parks, high-tech shipping and logistics facilities, workforce training facilities, business incubators and accelerators, brownfield development, technology-based facilities, wet labs, multi-tenant manufacturing facilities, science and research parks, and telecommunications infrastructure and development facilities.	$117.5 million Funding range from $600,000 to $3 M Average award $1.4 M Match: 50% of total project Performance period depends on scope of work with construction projects completed within 5 years. 80-150 projects awarded funds each year	Same as EAA Scoring and competitiveness potential by city: *Perris – some potential (per capita is less than 80% of the national average per capita of $29,829. 80% of PCI is $23,863.) *Riverside – some potential (per capita is less than 80% of the national average per capita of $29,829. 80% of PCI is $23,863.) *Temecula – does not meet funding criteria ***Next Step:*** Contact Wilfred Marshall, EDA Representative, and brief him about project idea and gain his overall buy-in. (310) 348-5386 wmarshall@eda.gov Success rate is highly dependent on regional EDA representative understanding and supporting project.

DRAFT

Table 2. POTENTIAL GRANT FUNDING OPPORTUNITIES

No.	Program/Deadline/ Website	Eligible Applicants	Purpose	Funding/Match	Scoring
4	**Strategic Growth Council (SGC): Transformative Climate Communities (TCC) Planning Grant** Deadline: October 30, 2018 http://sgc.ca.gov/programs/tcc/ Funding expected annually.	Cities, counties, metropolitan planning organizations, joint powers authorities, regional transportation planning agencies, councils of government, or combinations. There must be at least two (2) joint Partners on the project.	To help communities implement future Transformative Climate Communities Implementation Grant awards, or other California Climate Investment programs. Examples of eligible projects: • Evaluating, updating, and streamlining various policies and codes. • Completing fiscal analyses and studies. • Building capacity both internally and externally, among stakeholders including the development of collaboratives and partnerships that connect land use development with environmental, economic and social justice priorities. • Preparing climate action and climate adaptation plans. • Designing or enhancing community engagement.	$250,000 Match: Not required. 1-year performance period **52.6%** success rate in first and only round of funding. Received 19 applications – award up to 10 planning grants	Applications will be evaluated based on the following criteria: • Program Objectives and Transformative Requirements – 80 points • Organizational Capacity – 20 points <u>Scoring and competitiveness potential by city:</u> *Perris – unknown potential *Riverside – unknown potential (Riverside County EDA won a Planning Grant in 2017.) *Temecula – unknown potential

DRAFT

Table 2. POTENTIAL GRANT FUNDING OPPORTUNITIES

No.	Program/Deadline/ Website	Eligible Applicants	Purpose	Funding/Match	Scoring
5	**Strategic Growth Council (SGC): Transformative Climate Communities (TCC) Implementation** Deadline: October 30, 2018 http://sgc.ca.gov/programs/tcc/ Funding expected annually.	Community-based organizations, local governments, nonprofit, philanthropic, foundations, and faith-based organizations, coalitions or associations of nonprofits, community development finance institutions, community development corporations, joint powers authorities, and/or tribal governments. Eligible applicants must form a Collaborative Stakeholder Structure	For the implementation of neighborhood-level plans that include multiple, coordinated projects that reduce greenhouse gas emissions and achieve other community benefits	Min./Max. - TBD 3 awards only in previous cycle Match: 50% 3 Awards for 2017-2018: $70M $35 M $35 M (6 applicants)	**Concept Proposals** that meet the requirements listed on pages 23-25 of the guidelines will be invited to submit a full application. **Full Application** will be scored based on the following criteria: • Transformative Plan: o Greenhouse Gas Emission Reductions o Program Goals, Strategies and Project Type • Transformative Requirements o Indicator Tracking Plan o Displacement Avoidance Plan o Community Engagement Plan o Climate Adaptation and resiliency • Capacity to Implement o Financial o Management and Organization o Community Engagement Scoring and competitiveness potential by city: *Perris – unknown potential *Riverside – If partnering with Riverside County EDA on Green Light Riverside project, potential is high. *Temecula – unknown potential

DRAFT

Table 2. POTENTIAL GRANT FUNDING OPPORTUNITIES					
No.	**Program/Deadline/ Website**	**Eligible Applicants**	**Purpose**	**Funding/Match**	**Scoring**
6	**Bloomberg Philanthropies Mayors Challenge** Deadline: Last deadline was August 18, 2017 https://mayorschallenge.bloomberg.org Unknown if program will continue.	U.S. cities with more than 30,000 residents. Each city can submit only one application representing a single idea that addresses a specific problem. Cities may submit an idea that involves a partner.	To inspire cities to generate innovative ideas that solve major urban challenges and improve city life — ideas that ultimately can be shared with cities across Latin America and the Caribbean and around the globe.	2017 competition: 35 Champion Cities awarded up to $100,000. Four cities win $1 million. One "Grand Prize" winner awarded $5 million.	Applications are evaluated based on the following: 1. Vision: Ideas should be bold, creative, and, importantly, should tackle the most pressing issues facing your city today. 2. Impact: ideas should have the potential to significantly improve citizens' lives. 3. Implementation: Though implementation plans may not be fully developed, cities must demonstrate their commitment and a viable path to bringing their ideas to life. This includes garnering support from citizens and key stakeholders. 4. Transferability: Winning ideas will not only be beneficial to the city generating the idea, but also have the potential to spread and succeed in other cities. 5. October 2018: Mayors Challenge winner announced. Scoring and competitiveness potential by city: All cities are eligible – criteria would apply to all cities and competition is based on the concept or project idea

DRAFT

Feasibility Study for EXPERIENCE
A Regional Innovation Center

Preliminary Financial Analysis—Draft Pro Forma Overview
September 17, 2018

Starting Point Draft Pro Formas for Experience

The pro formas in this spreadsheet provide an apples-to-apples comparison of the costs and revenues for Experience in each of the jurisdictions. The pro formas are only intended to provide a rough order-of-magnitude estimate of the costs, funding requirements, and typical expected annual operations after the project is opened, occupied, and stabilized revenue is realized. These pro formas should be considered a starting point draft. It provides a starting point for understanding the magnitude of outside contributions that may be necessary to successfully realize the vision for Experience. From here, the concepts can be refined, strategies to reduce and/or offset land acquisition and other costs can be identified, and opportunities for outside contributions can be prioritized.

DRAFT







Pro Forma Summary

	EMWD/Perris	Riverside	Temecula	Entry-Level	Everything Level
Program					
Total building size (sq. ft.)	42,838	36,297	53,619	27,241	116,797
Outdoor functional area (sq. ft.)	54,500	18,500	18,500	15,500	56,000
Parking area/circulation (sq. ft.)	95,430	73,814	89,650	81,660	205,281
Site area (acres)	5.09	3.40	4.27	3.28	8.64
Development Cost					
Assumed land cost per acre	386,000	1,102,000	596,000	615,000	615,000
Total land acquisition cost	2,023,000	3,855,000	2,620,000	2,082,000	5,477,000
Site work	3,140,000	2,378,000	2,925,000	2,317,000	5,695,000
Construction costs	10,668,000	9,915,000	13,115,000	7,210,000	24,857,000
Soft costs	7,749,000	6,899,000	9,002,000	5,347,000	17,146,000
Contingency	2,325,000	2,070,000	2,701,000	1,604,000	5,144,000
Total development cost	25,900,000	25,120,000	30,360,000	18,560,000	58,320,000
Construction Funding and Financing					
Total development cost	-25,900,000	-25,120,000	-30,360,000	-18,560,000	-58,320,000
Construction financing costs	-429,000	-399,000	-525,000	-339,000	-995,000
Grants and contributions for construction	21,500,000	20,880,000	24,950,000	15,030,000	48,030,000
WRCOG/other equity investment	781,000	862,000	975,000	669,000	1,881,000
Total amount financed (permanent loan)	4,054,000	3,769,000	4,959,000	3,204,000	9,400,000
Annual debt service	280,000	261,000	343,000	221,000	650,000
Annual Operations					
Annual debt service	-280,000	-261,000	-343,000	-221,000	-650,000
Net program revenue, before grant funding	6,290	61,150	37,430	-16,680	62,440
Expected annual grant funding	274,000	199,000	305,000	238,000	587,000
Total annual net revenue	0	0	0	0	0

DRAFT

Pro Formas

	EMWD/Perris	Riverside	Temecula	Entry-Level	Everything Level
PROGRAM					
Building and Indoor Functions					
Welcome center	750	1,000	750	750	1,000
Demonstrations/display	5,000	5,000	3,000	3,000	5,000
Meeting rooms/student learning opportunities	2,000	2,000	2,000	2,000	4,000
Conference space/event facilities	7,500		7,500	7,500	15,000
Seated performance venue			6,000		12,000
Coworking space/office space/space for lease	10,000		1,500	1,500	10,000
Incubator/accelerator		10,000	10,000		15,000
Maker space					10,000
Administrative core	700	900	700	700	900
Commercial kitchen (membership)	1,000	1,500	1,000	1,000	1,500
Restaurant/tasting room	2,500	2,500	2,500	2,500	2,500
Coffee bar	350	350	350		350
Microbreweries and local wineries		2,000	2,000		4,000
Other building core	4,470	3,788	5,595	2,843	12,188
Building circulation	8,568	7,259	10,724	5,448	23,359
Total building size (sq. ft.)	42,838	36,297	53,619	27,241	116,797
Building footprint (sq. ft.)	42,838	36,297	53,619	27,241	58,398
Coverage	19.3%	24.5%	28.8%	19.0%	15.5%
Site and Outdoor Functions					
Regional demonstration area	4,500	2,500	2,500	2,500	4,500
Community areas	3,000	3,000	3,000		4,500
Event space	25,000	10,000	10,000	10,000	25,000
Urban agriculture	22,000	3,000	3,000	3,000	22,000
Subtotal, outdoor functions (sq. ft.)	54,500	18,500	18,500	15,500	56,000
Parking count	281	217	304	240	604
Parking area (sq. ft.)	95,430	73,814	89,650	81,660	205,281
Net site area (sq. ft.)	192,767	128,611	161,768	124,400	319,679
Setbacks and right-of-way	28,915	19,292	24,265	18,660	56,712
Total site area (sq. ft.)	221,682	147,903	186,033	143,060	376,391
Total site area (acres)	5.09	3.40	4.27	3.28	8.64

DRAFT

DEVELOPMENT COSTS					
Purchase price	1,963,676	3,742,324	2,543,811	2,021,125	5,317,572
- price per acre	385,858	1,102,183	595,637	615,407	615,407
Due diligence	58,910	112,270	76,314	60,634	159,527
Land acquisition cost	2,022,586	3,854,594	2,620,125	2,081,758	5,477,099
Site work	3,139,522	2,377,725	2,925,072	2,316,529	5,694,949
Construction costs	10,667,746	9,915,049	13,115,270	7,210,135	24,856,956
Soft costs	7,748,960	6,898,990	9,002,212	5,346,585	17,146,439
Contingency	2,324,688	2,069,697	2,700,664	1,603,976	5,143,932
Total construction cost	23,880,916	21,261,461	27,743,218	16,477,225	52,842,276
Total development costs	25,903,502	25,116,055	30,363,343	18,558,983	58,319,375
CONSTRUCTION FINANCING					
Total cost, less grant funding for construction	4,405,876	4,232,726	5,408,445	3,533,230	10,286,134
Equity required	**781,288**	**862,269**	**974,614**	**668,697**	**1,881,030**
Construction loan amount	3,624,589	3,370,456	4,433,831	2,864,533	8,405,104
Construction loan fee	117,799	109,540	144,099	93,097	273,166
FINANCIAL BALANCE					
Equity required for construction	-781,288	-862,269	-974,614	-668,697	-1,881,030
Annual debt service	-280,167	-260,523	-342,718	-221,417	-649,682
Net annual operating income	6,295	61,147	37,428	-16,682	62,435
Cash flow subtotal before grants	-273,872	-199,376	-305,290	-238,100	-587,247
Average annual grant funding	**273,872**	**199,376**	**305,290**	**238,100**	**587,247**
Total Annual Cash Flow	0	0	0	0	0
Supportable debt service	280,167	260,523	342,718	221,417	649,682
Maximum permanently loan	4,014,064	3,732,624	4,910,262	3,172,338	9,308,263
Additional contributions for construction	**21,497,626**	**20,883,329**	**24,954,898**	**15,025,753**	**48,033,241**

DRAFT

Estimated Annual Revenue

	EMWD/Perris	Riverside	Temecula	Entry-Level	Everything Level
Meeting Space					
Net program revenue per sq. ft.	-1.71	-1.71	-1.71	-1.71	-1.71
Net program revenue	-3,422	-3,422	-3,422	-3,422	-6,845
Net grant funds per sq. ft.	27.95	27.95	27.95	27.95	27.95
Net grant funds	55,899	55,899	55,899	55,899	111,798
Net revenue with grant funding	52,477	52,477	52,477	52,477	104,953
Conference Space / Event Venue					
Net program revenue per sq. ft.	-5.48	-5.48	-5.48	-5.48	-5.48
Net program revenue	-41,107	0	-41,107	-41,107	-82,214
Net grant funds per sq. ft.	13.98	13.98	13.98	13.98	13.98
Net grant funds	104,866	0	104,866	104,866	209,732
Net revenue with grant funding	63,759	0	63,759	63,759	127,518
Coworking / Office Space					
Net program revenue per sq. ft.	2.94	4.77	3.30	3.67	3.67
Net program revenue	29,376	0	4,956	5,506	36,709
Net grant funds per sq. ft.	2.84	2.84	2.84	2.84	2.84
Net grant funds	28,385	0	4,258	4,258	28,385
Net revenue with grant funding	57,761	0	9,214	9,764	65,094
Performance Venue					
Net program revenue per sq. ft.	2.17	2.17	2.17	2.17	2.17
Net program revenue	0	0	13,035	0	26,071
Net grant funds per sq. ft.	5.40	5.40	5.40	5.40	5.40
Net grant funds	0	0	32,409	0	64,819
Net revenue with grant funding	0	0	45,445	0	90,890
Incubator / Accelerator					
Net program revenue per sq. ft.	-0.39	-0.39	-0.39	-0.39	-0.39
Net program revenue	0	-3,905	-3,905	0	-5,858
Net grant funds per sq. ft.	3.48	3.48	3.48	3.48	3.48
Net grant funds	0	34,781	34,781	0	52,172
Net revenue with grant funding	0	30,876	30,876	0	46,314

DRAFT

Commercial Kitchen					
Net program revenue per sq. ft.	-27.89	-27.89	-27.89	-27.89	-27.89
Net program revenue	-27,892	-41,838	-27,892	-27,892	-41,838
Net grant funds per sq. ft.	71.24	71.24	71.24	71.24	71.24
Net grant funds	71,238	106,857	71,238	71,238	106,857
Net revenue with grant funding	43,346	65,019	43,346	43,346	65,019
Restaurant/Coffee/Brewery/Winery					
Net program revenue per sq. ft.	18.00	22.80	19.80	20.20	20.20
Net program revenue	51,300	110,580	96,030	50,500	138,370
Net grant funds per sq. ft.	0	0	0	0	0
Net grant funds	0	0	0	0	0
Net revenue with grant funding	51,300	110,580	96,030	50,500	138,370
Urban Agriculture					
Net program revenue per acre	-3,881.01	-3,881.01	-3,881.01	-3,881.01	-3,881.01
Net program revenue	-1,960	-267	-267	-267	-1,960
Net grant funds per acre	26,699.15	26,699.15	26,699.15	26,699.15	26,699.15
Net grant funds	13,484	1,839	1,839	1,839	13,484

DRAFT

APPENDIX G

DRAFT

SITE EVALUATION MATRIX

EXPERIENCE FEASIBILITY STUDY - CRITERIA RANKING ANALYSIS

	Selection Criteria	Weight	Host Site Rank			Weighted Points			Justification Documents/Research	Description
			Riverside	Eastern	Temecula	Riverside	Eastern	Temecula		
1	**Financially Sustainable**	**8.4**	3	2	1	25.2	16.8	8.4	Pro Forma Summary	For Phase 1, evaluation based primarily on the results of the pro-forma: net program revenue; the amount of annual outside funding necessary; and the amount of outside funding necessary for construction. Doesn't account for direct contributions by host jurisdictions, which could impact results. Still outstanding question: can the gap be met?
2	**Regional economic development impact**	**8**	3	1	2	24	8	16	Market Analysis (proximity to jobs), Program elements selected (economic impact driven by incubator)	Will Experience result in new jobs and new economic activity in region? Programs with specific economic development elements like incubators score higher. Co-working does some of this, but the benefit is more localized. This criteria is also affected by the synergy with other economic activity going on in the area.
3	**Sufficient space for must haves/like to haves**	**5.2**	2	2	2	10.4	10.4	10.4	Selected program elements	For this criteria, do likely sites offered by the jurisdiction include sufficient space for the minimum project? Evaluation based on the optional sites identified. All three jurisdictions fall short in some area: Temecula has all program elements, but likely not all on the same site, the Riverside program doesn't include a conference space/event facility; and EMWD doesn't include an incubator although it could have sufficent space.
4	**Sufficient parking either on - site or off-site**	**4.8**	1	3	2	4.8	14.4	9.6	premium of land / location,	Is there sufficient land to provide for the anticipated parking demand in the general area of the site? Riverside will likely require off-site parking. Providing adequate parking will be easiest (cheapest) in Perris.
4	**Alignment with Goals**	**4.8**	2	3	2	9.6	14.4	9.6	Goals, Program element inclusion	Will the project meet the stated goals? Too early to guage performance on many of the goals (based on future programming details, implementation). Equal potential to ultimately achieve the goals, each in their own unique way. EMWD scores slightly higher due to central location in Western Riverside which underlies several of the goals.
6	**Expansion potential**	**4.4**	2	3	2	8.8	13.2	8.8	Based on proposed sites from each prospective host site (EMWD adjacent campus, Downtown Riverside packinghouse sites, Temecula Altair and Abbot)	Is there likely to be available land for any sigificant expansions adjacent to the site or in proximity to the site? EMWD site options are outstanding. Both Temecula and Riverside have more limited potential.
7	**Competitive location for grant funding**	**4.1**	3	3	1	12.3	12.3	4.1	Blaise & Associates Report	Consider two dimensions for grant funding. First, how competitive is the community for likely grants that could fund Experience. Second, how competitive would the facility itself be for grant funding. Draws from analysis done by Blais and Associates, which ranks the City of Riverside (and zip code) as being the most competitive.

DRAFT

EXPERIENCE FEASIBILITY STUDY - CRITERIA RANKING ANALYSIS

Selection Criteria		Weight	Host Site Rank			Weighted Points			Justification Documents/Research	Description
			Riverside	Eastern	Temecula	Riverside	Eastern	Temecula		
7	Proximity to existing population and employment	4.1	3	2	1	12.3	8.2	4.1	Market Analysis	This overlaps with Sufficient Demand for Must-Haves and Like-to-Haves. It speaks to how nearby population and employment can help sustain Experience (by regular, ongoing use). EMWD is central to Western Riverside, however there is the potential for more people to patronize Experience if located the city of Riverside.
9	Proximity to transit	3.8	3	2	1	11.4	7.6	3.8	Current transit service	Based on existing and proposed transit routes including Metrolink and bus service.
10	Sufficient demand for must have/like to have program elements	3.6	3	2	2	10.8	7.2	7.2		The Entry Level program meets this criteria. This criteria reflects which site is more likely to get regular visitors, based on its location, accessibilty, the program, and competition. Also, this criteria considers the potential spill-over effect between the various components. Riverside ranks highest because the synergy with other uses in the area will do more to foster repeat visitors. Perris and Temecula are ranked about the same - EMWD location doesn't have a large spill-over effect and whileTemecula can have synergy with other activites, the Experience programs may be spead out.
TOTAL						129.6	112.5	82		

DRAFT

DRAFT

WRCOG
Western Riverside
Council of Governments

EXPERIENCE FEASIBILITY STUDY

Page Intentionally Left Blank