

# Executive Committee

## Minutes

---

### 1. CALL TO ORDER

The meeting of the Executive Committee was called to order by Chair Karen Spiegel at 2:00 p.m. on September 13, 2021, in WRCOG's office.

### 2. PLEDGE OF ALLEGIANCE

WRCOG Executive Director Kurt Wilson led the Committee members and guests in the Pledge of Allegiance.

### 3. ROLL CALL

- City of Banning - David Happe
- City of Beaumont - Mike Lara
- City of Calimesa - Wendy Hewitt
- City of Canyon Lake - Kasey Castillo
- City of Corona - Jacque Casillas
- City of Eastvale - Christian Dinco
- City of Jurupa Valley - Chris Barajas
- City of Lake Elsinore - Brian Tisdale
- City of Menifee - Matt Liesemeyer
- City of Moreno Valley - Victoria Baca
- City of Murrieta - Lori Stone
- City of Norco - Kevin Bash
- City of Perris - Rita Rogers
- City of Riverside - Ronaldo Fierro
- City of San Jacinto - Crystal Ruiz
- City of Temecula - Maryann Edwards\*
- City of Wildomar - Ben Benoit
- County, District 1 - Kevin Jeffries
- County, District 2 - Karen Spiegel
- County, District 3 - Chuck Washington
- County, District 5 - Jeff Hewitt
- Eastern Municipal Water District (EMWD) - Phil Paule
- Western Municipal Water District (WMWD) - Brenda Dennstedt
- WRCOG Executive Director - Dr. Kurt Wilson

\*Arrived after Roll Call

### 4. PUBLIC COMMENTS

There were no public comments.

## **5. CONSENT CALENDAR**

**RESULT: APPROVED AS RECOMMENDED**

**MOVER:** Menifee

**SECONDER:** Moreno Valley

**AYES:** Banning, Beaumont, Calimesa, Canyon Lake, Corona, Jurupa Valley, Lake Elsinore, Menifee, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, Wildomar, District 1, District 2, District 3, District 5, EMWD, WMWD

**NO ANSWER:** Eastvale

### **A. Summary Minutes from the August 2, 2021, Executive Committee Meeting**

**Action:**

1. Approved the Summary Minutes from the August 2, 2021, Executive Committee meeting.

### **B. WRCOG Committees and Agency Activities Update**

**Action:**

1. Received and filed.

### **C. Approval of Revised TUMF Credit Agreement Template**

**Action:**

1. Approved the revised TUMF Credit Agreement Template.

### **D. Report out of WRCOG Representatives on Various Committees**

**Action:**

1. Received and filed.

### **E. Approval of the 2021 TUMF Zone 5-Year Transportation Improvement Programs**

**Actions:**

1. Approved the 2021 TUMF Central Zone 5-Year Transportation Improvement Program.
2. Approved the 2021 TUMF Hemet / San Jacinto Zone 5-Year Transportation Improvement Program.
3. Approved the 2021 TUMF Northwest Zone 5-Year Transportation Improvement Program.
4. Approved the 2021 TUMF Pass Zone 5-Year Transportation Improvement Program.
5. Approved the 2021 TUMF Southwest Zone 5-Year Transportation Improvement Program.

### **F. Finance Department Activities Update**

**Action:**

1. Received and filed.

### **G. Energy Department Activities Update**

**Action:**

1. Received and filed.

**H. Single Signature Authority Report**

**Action:**

1. Received and filed.

**6. REPORTS / DISCUSSION**

**A. Cal Cities Activities Update**

Erin Sasse, Cal Cities Representative, reported that the legislature ended on Friday, September 10, 2021.

SB 9 (Atkins. Housing development: approvals.) is on the Governor's desk. Cal Cities is encouraging local jurisdictions submit letters of veto.

AB 215 (Chiu. Planning and Zoning Law: housing element: violations.) would have required a mid-cycle review with the California Department of Housing and Community Development (HCD) under certain situations. This Bill was amended and the mid-cycle review was removed, and some of HCD's enforcement capabilities was increased. This Bill is on the Governor's desk. Cal Cities recommends that local jurisdictions keep an eye on this Bill.

AB 989 (as amended, Gabriel. Housing Accountability Act: appeals: Office of Housing Appeals.) would create a Housing Appeals Committee. This Bill was killed for the year but will likely return next year.

There are various bills regarding broadband that Cal Cities has supported; these bills are now on the Governor's desk.

SB 556 (Dodd. Street light poles, traffic signal poles: small wireless facilities attachments.) was amended to allow telecommunications companies to return with a remedy if they were denied permitting requests. Cal Cities is still opposed to this Bill.

SB 619 (Laird. Organic waste: reduction regulations: local jurisdiction compliance.) was amended so that penalties would not be enforced if it could be explained on why deadlines might not be able to be met. A budget trailer bill included \$60M in funding to assist with implementation costs.

SB 60 (Glazer. Residential short-term rental ordinances: health or safety infractions: maximum fines.) is on the Governor's desk. Cal Cities supports this Bill, as it would allow cities and counties to impose larger fines for short-term rentals ordinance violations.

AB 361 (Robert Rivas. Open meetings: state and local agencies: teleconferences.) would allow for the continuance of some of the virtual meeting options as long as there is a declared state of emergency. This Bill is on the Governor's desk. Larger jurisdictions with a population of 250,000 or more will have to provide in-person and virtual options. State requirements are not the same as city and county

requirements. Urgency was added so as soon as this Bill is signed it goes into effect. Cal Cities opposes this Bill.

Cal Cities is hosting a Sign and Veto webinar on Thursday, September 16, 2021.

**Action:**

1. Received and filed.

**B. SCAG Activities Update**

Clint Lorimore, City of Eastvale Mayor Pro Tem and SCAG President, reported that SCAG recently conducted a strategic planning workshop with its Executive Committee. One key takeaway is to have closer relationships with SCAG's regional partners.

SCAG has implementation resources for its Connect SoCal long-range visioning plan. SCAG's Go Human campaign is a community outreach and advertising campaign with the goals of making streets safer. SCAG's Regional Housing Needs Assessment (RHNA) is a state-mandated program to update housing elements. In the RHNA 6th Cycle, a change in methodology took place in that it went further out towards the coast, whereas, in the past, the Inland Empire had usually taken the brunt of housing unit allocations.

Committee member Christian Dinco asked if northern California's allocation numbers are the same as southern California.

Mr. Lorimore responded that while he is unsure of northern California's allocation numbers, SCAG unsuccessfully appealed southern California's allocation numbers.

Committee member Chuck Washington indicated that the 5-County region of Los Angeles, Orange, Riverside, San Diego, and San Bernardino make up half of the state's population.

Committee member Maryann Edwards indicated that there has to be a fixed formula, and if northern California is being treated differently, then something needs to be done about that.

Committee member Kevin Bash indicated that the City of Norco was recently forced to permit a 320-unit apartment complex.

**Action:**

1. Received and filed.

**C. Overview of PACE Program**

Dr. Kurt Wilson, WRCOG Executive Director, reported that discussions on PACE activities will be continuous over the next couple of months. PACE is a program that encourages and facilitates environmentally friendly equipment added on to homes and business buildings, such as solar panels, windows, energy efficient doors, etc. The PACE Program is a property-based financing program.

AB 811 establishes the authority and parameters for the PACE Program. Local jurisdictions must opt-in in order for their constituents to be able to participate in the Program. Salespersons gain interest and

educate property owners and contractors complete the project. The PACE provider vets and trains contractors and underwrites the financing. WRCOG issues the bond.

WRCOG has its own set of quality control measures such as verifying the property owner's identity, the project, the project's completion, and the certificate of completion. It is at this time that a lien is placed on the property.

WRCOG contracts with dta, which calculates funding estimates. Upon payoff, WRCOG initiates a release of lien, and the county in which the property is located then releases the lien.

Criticisms of the Program include the Federal Housing Administration's (FHA) refusal to transfer liens. There have also been allegations of predatory practices and/or lack of quality control.

Commercial PACE operates differently than the residential Program, and is active and thriving. Commercial PACE is available for new construction, is utilized by highly sophisticated participants, and is usually a high dollar project. WRCOG receives .7% of the project's value with a cap of \$250k. WRCOG has the authority to charge up to a \$50.00 admin fee; however, WRCOG currently does not collect that fee. There are four Commercial PACE providers.

At the start of the residential PACE Program in 2012, WRCOG partnered with Renovate America, which made up 97% to 98% of WRCOG's revenues. WRCOG implemented above state requirements increased consumer protections which included audio recordings of confirmed terms calls, ability to pay criteria, and longer approval times, to name a few.

2016 was a pivotal year for the Program. New providers were added and there was market saturation from non-WRCOG PACE providers. Renovate America also began offering a different financing program, Benji, which was essentially a competing program. The Benji Program was potentially a violation of WRCOG's agreement with Renovate America, and allowed for an unsecured process; it was less restrictive, had decreased oversight, and faster approvals.

Renovate America, to the surprise of WRCOG, filed for bankruptcy in December 2020 and sold its Benji Program, and is no longer included in WRCOG's indemnification agreement.

WRCOG contracts with First National Assets (FNA) to manage assessment delinquencies. This contract ensures that bondholders are paid, avoids foreclosures when a property owner is delinquent, and is a small revenue source for WRCOG.

**Action:**

1. Received and filed.

**7. REPORT FROM THE TECHNICAL ADVISORY COMMITTEE CHAIR**

The Technical Advisory Committee Chair was not present.

**8. REPORT FROM COMMITTEE REPRESENTATIVES**

Committee member Ted Hoffman, SAWPA OWOW Steering Committee representative, reported that the Committee will be working on scoring criteria next month for the first round of the Proposition 1 - Round 2

grant funding. Applications will likely be made available in October 2021, and will be accepted through January 2022.

For jurisdictions in the Santa Ana River Watershed, SAWPA has regional documentation and reports available for the preparation of Environmental Impact Reports surrounding development.

## **9. REPORT FROM THE EXECUTIVE COMMITTEE CHAIR**

Chair Spiegel reported that people will be able to pay homage to the local fallen Marine Corps soldiers, who will be coming home this week.

WRCOG leadership is working with the Executive Director to begin the process of working on a strategic plan for the Agency; details are forthcoming.

## **10. REPORT FROM THE EXECUTIVE DIRECTOR**

Dr. Kurt Wilson thanked the leadership for their time in meeting with him.

## **11. ITEMS FOR FUTURE AGENDAS**

There were no item requests for future agendas.

## **12. GENERAL ANNOUNCEMENTS**

There were no general announcements.

## **13. CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO SECTION 54956.9(d)(1)

Case No. 6-12-12821 (US Bankruptcy Court, Central Division)

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

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

Renovate America, Inc., et al. Case Number: 20-13172 (LSS)

San Diego County Superior Court, Case No. 37-2021-00007702-CU-MC-NC (Zuniga/Sanchez)

San Diego County Superior Court, Case No. 37-2019-00055692-CU-OR-CTL (Delgado)

Orange County Superior Court, Case No. 30-2019-01104434-CU-CO-CJC (Bertuzzi)

Riverside Superior Court, Case No. RIC2004271 (Baxter/Mitchell)

San Diego Superior Court, Case No. 37-00008300-CU-MC-CTL (Carey)

## **14. NEXT MEETING**

The next Executive Committee meeting is scheduled for Monday, October 4, 2021, at 2:00 p.m., on the Zoom platform. Committee members will have the option of attending in person.

## **15. ADJOURNMENT**

The meeting was adjourned at 3:15 p.m., in memory of local fallen Marine Corps soldiers Corporal Hunter Lopez, Lance Corporal Dylan Merola, and Lance Corporal Kareem Nikoui.