Economic Development Agency

Business Relief from Disability Access Lawsuits - (State)

Issue: The issue is the protection of businesses from litigation for noncompliance with Americans with Disabilities Act while allowing a reasonable time period in which the business is allowed to complete the improvements and come into compliance. Providing tax credits or low interest loans to facilitate the improvements would help small business in California.

Action: Support legislation that would provide businesses an opportunity to correct violations of noncompliance with the Americans with Disabilities Act before falling victim to frivolous and predatory litigation.

Background: Businesses large and small across the state are reporting instances of receiving letters from attorneys representing disabled clients that are threatening to file litigation for alleged noncompliance violations to provide disability access. These letters often immediately demand payment to settle the dispute, without any follow-up concern for correcting the violation or whether there was even a violation. Furthermore, they require the business to sign a non-disclosure agreement to stop them from warning other establishments from being similarly victimized. Many of these small businesses are making tough decisions to stay afloat and this practice immediately and sometimes irrecoverably impacts their bottom line and their ability to stay in business.

California Environmental Quality Act Reform - (State)

Issue: Reforming CEQA to streamline the approval of development and infrastructure projects and promote job creation in California.

Action: Support measures that clarify and streamline the California Environmental Quality Act (CEQA) to reduce the time and cost of compliance while ensuring that the environment is adequately protected. Support CEQA reform that protects the environment while reducing the current prevalence of frivolous lawsuits that result from inadequate safeguards written into CEQA regulations.

Background: Despite stringent environmental laws and local planning requirements, public and private projects throughout the state are commonly challenged under CEQA even when a project meets all other environmental standards of existing laws. Many lawsuits are brought or threatened for non-environmental reasons and often times these lawsuits seek to halt environmentally desirable projects like clean power, infill and transit.
It is time to modernize CEQA to conform to California's comprehensive environmental laws and regulations. This can be done through legislation that would reform the CEQA process in a way that would eliminate inefficiencies and avenues for abuse while preserving the law's original intent – environmental protection.

Renewable Energy- (State)

Issue: State RPS portfolio: Equitable cost and best fit.

Action: Riverside County supports Salton Sea Authority request for achieving more accurate accounting of costs for producing energy eligible for consideration in the state Renewable Energy Portfolio as well as best fit for reducing GHG emissions.

Background: The long range revitalization strategy supported by Riverside County and the Salton Sea Authority calls for development of renewable energy resources at the Salton Sea in order to provide potential revenue streams to help fund revitalization projects and activities.

Although geothermal energy has been identified as potentially one of the largest and most reliable resources of renewable energy at the Salton Sea, it has not been procured by California utilities due to inequities associated with the state's policies.
The current RPS purchasing policy directs power purchasers to consider only the "best fit, lowest cost" when buying power from renewable energy sources. Because the formula does not account for the need to have baseload reliability, the 24/7 around the clock costs for a particular source are not fully accounted on some intermittent sources like wind and solar power, thus creating an inequitable cost accounting that eventually affects the viability of bringing other power sources to market that may be more capital intensive for start-up, but less costly to operate in the long run.

As it impacts the component of the Salton Sea Restoration and Renewable Energy Initiative, the current RPS formula undermines geothermal power development while favoring intermittent power sources because the intermittent sources do not include costs such as backup power provided by gas-fired generating plants.

Salton Sea Authority and its partnering agencies successfully supported passage of AB 2363 (Dahle) a bill that directs the California Public Utilities Commission to re-examine the cost formulas for calculating cost of energy production in the Renewable Portfolio Standard to include the currently unaccounted integration costs associated with power generation from intermittent sources. Salton Sea Authority needs to remain engaged in the CPUC policy review of these inequities that was successfully initiated by passage of AB 2363.

Proposition 1 (Water Bond) - (State)

Issue: Implementation: Fair share

Action: Salton Sea Authority needs to assert a leadership role in developing Prop 1 Water Bond implementation language expediting expenditure of fair share of funding for Salton Sea revitalization as part of the $475 million provision related to state obligations in water right settlements including the Quantification Settlement Agreement (QSA) of Colorado River water supplies.

There is an urgent need for state investment in mitigation measures that can produce immediate benefits to relieve economic and environmental suffering at the Salton Sea.

Background: The Salton Sea Authority has successfully secured provisions in the Prop 1 Water Bond that call for timely expenditure of funding for Sea revitalization projects.
Specifically, Salton Sea Authority and the partnering member agencies succeeded in securing $475 million provision to help fulfill the State's obligations in water-related settlements, including the QSA. The $475 million is a pot of money that must be distributed fairly amongst several water settlement regions and projects in the state.

The provision of Prop 1 funding for QSA related settlement agreements was successfully broadened to explicitly include efforts to restore habitat and provide air quality mitigation at the Salton Sea, in order to assist the State in meeting critical habitat replacement needs and to fulfill legislative promises that were made to address the State's last water crises.
The QSA water transfers are the linchpin of the California Water plan to live within California's Colorado River allocation. In proceedings to authorize the QSA transfers, it became clear that the transfers would have a large impact on the Salton Sea. In order to facilitate a resolution of the disputes, and solidify support for the locally- unpopular transfers, the state agreed in the QSA settlement agreements to mitigate QSA related impact to the extent that they exceeded the $133 million contributed by QSA participants.

The QSA enabling legislation also commits the State to assist in the Sea's restoration - (State)

SB 654, Machado (2003).
Restoration of the Salton Sea is in the state and national interest.
The Legislature further finds that it is important that actions taken to reduce California's Colorado River water use are consistent with its commitment to restore the Salton Sea, which is an important resource for the state.

SB 1214, Kuehl (2004).
2931. (a) It is the intent of the Legislature that the State of California undertake the restoration of the Salton Sea ecosystem and the permanent protection of the wildlife dependent on that ecosystem…..
3) Existing law declares the intent of the Legislature that the State of California undertake the restoration of the Salton Sea ecosystem and the permanent protection of the wildlife dependent on that ecosystem…….. The proposed funding plan shall include a determination of the moneys that are, or may be, available to construct and operate the preferred project, including, but not limited to, all of the following moneys:
(i) Moneys in the Salton Sea Restoration Fund established by Section 2932.
(ii) State water and environmental bond moneys…..
The Prop 1 Water Bond provides that bond funds be available to accomplish those purposes identified in the statues cited above.
Compounding the benefit, of course, is the potential reduction in state costs to mitigate destruction to the environment, human health and the economy in the absence of timely state contributions to meet its legal obligation under QSA.
It should be further noted that the SSA and its partnering agencies continues marching forward with a restoration approach designed to deliver significant matching funding opportunities that can leverage state bond moneys as much as threefold. Coupled with investment from private sector, this strategy is ultimately destined to establish a sound environmental restoration plan that can be considered financially sustainable.
A synergistic approach to the Water bond, as requested above, should be developed as a means to responsibly manage the financial obligation on the state for water transfer mitigation and related restoration.

Prop 1 Action Plan - (State)

- Fund habitat projects identified in the Salton Sea Restoration and Renewable Energy Initiative
- Fund remainder of Species Conservation Habitat projects
- Fund project at New River (these are a series of treatment wetlands- i think Tetra-Tech did the Master Plan). The New River Wetland Committee would be the leader in these projects and it would be nice to have them as a partner with SSA. We could include a pilot treatment facility for selenium as one of the wetlands (CH2MHILL has a successful prototype as do others).
- Wherever possible, consistent with SSA Guiding Principles for Legislative Action, public investment dollars should produce as many additional benefits as possible from a single investment. For instance, habitat mitigation projects should also consider ways and means to produce air quality improvements.
- Stabilize the watershed feeding the Salton Sea by integrating upstream needs with opportunities in grant funding through Salton Sea, IRWM and other categories of funding under Prop 1
- After three years, any funds remaining in the $475 pot of funding previously allocated to other projects or programs in the state that has not been spent shall be reappropriated to eligible Actionable projects at the Salton Sea.

Workforce Development Board & Workforce Development Activities - (State)

Issue: The Workforce Innovation and Opportunity Act (WIOA) presents challenges in implementation and service provision to a labor force of over one million members who utilize workforce services in Riverside County. Shifts in governing, administrative and programmatic infrastructure require a fixed set of regulations to ensure the least disruption to our customers.

Action:

- Under WIOA, § 107 (d)(7) Recommend the development of strategies to maximize accessibility and effectiveness of local system technology through universal intake mechanisms.
- Under WIOA, § 107 (g) Recommend that the Governor and CLEO (Chief Local Elected Official) agree to designate or certify as One-Stop Operator the currently designated operator under WIA to ensure consistency of infrastructure and services.
- Under WIOA, § 116 (d) Recommend that Performance Reporting as it relates to contents of the Eligible Training Providers Report (ETPL) be developed with all stakeholders involved to ensure accountability and transparency.
- Redirect funds when available (15% Governor's Set-Aside) to build economic and workforce capacity in the Inland Empire.

Background: The Workforce Innovation and Opportunity Act (WIOA), signed in 2014 and in effect for the next five years (2015-2020) provides workforce investment activities through Workforce Development Boards (WDB) and statewide and local systems that increase the employment, retention, and earnings of participants, and increases attainment of recognized credentials by participants. As a result, WIOA will improve the quality of the workforce, and reduce welfare dependency. These recommendations for a planned and methodical shift in the workforce system are supported by the following:

- 65% of California's WDBs are housed within local government entities and currently operate one-stop centers, staffed by labor represented members. To require an immediate system change will shift energy and efforts from ramping up a new system and service to customers to a focus on administrative and procurement activities, and stakeholder negotiations.
- California's one-stop system leverages non-federal funds through its many partners to support workforce programs and services. The leveraged funds from facilities costs alone would make most external bids non-competitive.

Low Income Housing Tax Credit - (State)

Issue: The current regulations of the Low Income Housing Tax Credit Program group the Inland Empire region to include San Bernardino County, Riverside County and Imperial County into one geographic set-aside which accounts for 12% of the state of California's population.

Action: Urge local and state legislators to support regulatory changes to the Low Income Housing Tax Credit Program so as to align the allocation of Low Income Tax Credits with the region's population.

Background: The California Tax Credit Allocation Committee has established ten geographic regions and allocated a percentage of available low income housing tax credits to each region. The County of Riverside, San Bernardino, and Imperial are grouped together to form one of the ten regions defined as the Inland Empire Region. The current Inland Empire population is 4,620,981 residents, which represents 12% of the current statewide population. The Inland Empire region receives only 8% of the geographic apportionments; the current regulations of the Low Income Housing Tax Credit Program unjustly disadvantage the Inland Empire region with a disproportionate allocation of low income housing tax credits by geographic areas.

Housing Trust Fund - (State)

Issue: U.S. Department of Housing and Urban Development Housing Trust Fund

Action: Urge the California Department of Housing and Community Development (HCD) to allocate Housing Trust Funds to local HOME Participating Jurisdictions

Background: The Housing and Economic Recovery Act (HERA) of 2008 establishes a Housing Trust Fund (HTF) to be administered by HUD. The purpose of the HTF is to provide grants to State governments to increase the supply of affordable housing. Funds deposited into the HTF are from the Government Sponsored Enterprises (GSE), Freddie Mac and Fannie Mae. Since the HERA Act the GSE's have been under a conservatorship and therefore were not required to deposit funds into the HTF. 2016 is the first year that proceeds from the GSE will be deposited into the HTF.

HUD has given the State government agencies the authority to administer the funds at the state level or grant the funds to a general unit of local government. Further California Assembly Bill 90 was introduced on January 7, 2015 which designates HCD as the state agency responsible for administering the funds and determining how the funds will be distributed. HUD has designed the HTF program to mirror the HOME program. General units of local government that are already a designated HOME participating jurisdiction have experience in running this program and can use these funds in connection with their allocation of HOME funds. Federal regulations require that the HTF's expenditure timeline mirror the HOME program. By allocating these funds to the local HOME Participating Jurisdiction's it allows for the application process to be streamlined with the local HOME program to ensure a timely commitment and expenditure of the funds.

EB-5 Permanent Reauthorization - (Federal)

Issue: EB-5 permanent reauthorization.

Action: permanent authorization of the EB-5 Program by Congress after 23+ years of bipartisan support and current record breaking economic impact statistics.

Background: EB-5 investments in FY2013 alone contributed over $3.58 billion to U.S. gross domestic product, supported over 41,200 American jobs, and generated over $805 million federal/state/local tax revenue - all at no cost to the US. taxpayer. The current record-breaking investor demand ensure an even greater contribution reported in 2014, which will be published once currently pending studies are completed.

The interconnected world we live in today demands public policy that takes advantage of the fact that economic opportunity, capital, and people are crossing national borders at a record-setting, and seemingly ever-increasing, rates. “Immigrant investor programs” exist all around the world, all competing for the same economic benefit of attracting entrepreneurial investors to their shores and each with a unique purpose once the capital is attracted. The U.S. designed the EB-5 Regional Center Program to allocate capital to regional economic development and U.S. job creation, and it is now delivering on its promise in a major way.

Workforce Development Board & Workforce Development Activities - (Federal)

Issue: The Workforce Innovation and Opportunity Act (WIOA) presents challenges in implementation and service provision to a labor force of over one million members who utilize workforce services in Riverside County. Shifts in governing, administrative and programmatic infrastructure require a fixed set of regulations to ensure the least disruption to our customers.

Action:
Governance
- Maintain and fund an effective national workforce development system at levels originally allocated when the Act was passed which addresses the workforce needs of job seekers including youth, incumbent workers, and employers.

Structure
- Under WIOA, § 106 (b) Recommend that the Governor approve local area designation requests from areas formerly designated under WIA to ensure consistency of infrastructure and services.
- Under WIOA, § 107 (g) Recommend that the Governor and CLEO (Chief Local Elected Official) agree to designate or certify as One-Stop Operator the currently designated operator under WIA to ensure consistency of infrastructure and services.

Funds & Leveraged Resources
- Redirect available funds when available to build economic and workforce capacity in the Inland Empire.

Eligibility
- Streamline the eligibility determination process and align eligibility with other federally funded programs such as TANF.

Innovation & Technology
- Enhance Congressional and administrative action that hastens the deployment of high-speed broadband technology in the region to close the digital divide and improve digital literacy.

Background: The Workforce Innovation and Opportunity Act (WIOA), signed in 2014 and in effect for the next five years (2015-2020) provides workforce investment activities through Workforce Development Boards (WDB) and statewide and local systems that increase the employment, retention, and earnings of participants, and increases attainment of recognized credentials by participants. As a result, WIOA will improve the quality of the workforce, and reduce welfare dependency.

Support for Small Business and Entrepreneurship - (Federal)

Issue: Access to capital remains a top area of concern for economic developers as a reflection of a near constant need for more readily accessible financing to start or expand small businesses.

Action: Improve access to capital for businesses by supporting the implementation of crowdfunding regulations, streamlining federal small business financing programs, and improving access to private loans through implementing legislation such as the Jumpstart Our Business Act of 2011, Startup Act 2.0 (H.R.5893), Small Business Lending Enhancement Act (S.2231), and the Bipartisan Tax Simplification and Fairness Act (S. 727).

Background: It should be noted that while there might not necessarily be a credit crunch limiting the availability of financing for entrepreneurs and small businesses – this point is often debated to a great extent – what is more universally understood is that requirements and processes for obtaining financing are cumbersome and onerous, ripe for review and corresponding reform. As new alternatives such as crowdfunding become available, it will be critical for the federal government to review financing opportunities through agencies such as Small Business Administration (SBA) and Department of Agriculture (USDA) for relevance and cohesion in order to efficiently and effectively leverage federal resources.

Technical Assistance and Capacity Building - (Federal)

Issue: Expansion of resources for mentoring, counseling, training, and transferring technology are critical for small business owners, particularly those faced by challenging business conditions.

Action: Provide resources beyond current levels to support technical assistance and capacity building initiatives for small businesses and entrepreneurs. These resources could include accounting and tax training, human resources topics, technological resources, and physical workspace, to name a few. Existing federal agencies likely have networks in place to enact new or expanded programs in this area, lacking only the necessary funding to fully engage.

Background: Resources for mentoring, counseling, training, and transferring technology are critical for small business owners, particularly those faced by challenging business conditions. By supporting the initiation, stabilization, and expansion of small firms, these resources also significantly contribute to economic development, generating increased job growth, business sales, and tax revenues.

Currently, public-private partnerships operate a vast network of programs to provide services to entrepreneurs in communities across the country. The Small Business Administration's Office of Entrepreneurial Development programs provide a significant proportion of the funding and operational framework, with contributions from state governments, private entities, higher education, and local nonprofit economic development organizations. Additional programs are administered through agencies including the Department of Commerce's Economic Development Administration (EDA) and the Minority Business Development Agency, as well as the USDA programs such as the Rural Business Opportunity and Rural Technology Transfer grants.

Support for Salton Sea - (Federal)

Issue: Riverside County supports Salton Sea efforts to secure appropriations from existing Bureau of Reclamation revolving loan fund

Action: Riverside County will support Federal funding and cooperation with US Bureau of Reclamation to reduce liability for environmental destruction and human health impacts from soon-to-be exposed seabed, of which nearly half is federally owned.

Background: The US Bureau of Reclamation under P.L. 984- Small Reclamations Project Act currently has nearly $330 million in unspent federal funding authorized under a BOR revolving loan fund that could be applied to agriculture-related projects delivering storm drain improvements and wildlife enhancements at the Salton Sea.

Because the federal government owns a significant portion of the land around and under the Sea that will be exposed as dry lakebed due to water transfers accelerating in 2017, the federal government is a major stakeholder in partnerships that can generate positive outcomes in lieu of liabilities for deteriorating environment and deadly human health impacts. In particular, Title II – "Partnership Programs" states that the state and local government have the same obligations to be involved in these small projects that focus on revitalization efforts. It is imperative that the federal/state/local government involve itself with private enterprise investments that focus on water conservation and fish and wildlife enhancement.

The top priority for the Salton Sea Authority at the federal level is securing appropriations from existing authorized sources plus new funding for public/private partnerships ("P-3") in renewable energy development at the Sea. Under the Small Reclamations Project Act, Section 102, subsection C, it states that there are still revolving loan funds available for these small reclamation projects. Thus, the Salton Sea Authority seeking appropriations from these available revolving loan funds would be consistent with the goals of this federal program.

Local Government Revenue Sharing: Energy and Mineral Extraction on Federal Lands - (Federal)

Issue: Federal – Local Government revenue sharing: Energy and Mineral extraction on federal lands.

Action: Riverside County federal legislation enabling federal agencies to negotiate revenue sharing agreements with local governments for funds generated on federal lands as a result of energy production and/or mineral extraction.

Background: Riverside County supports Salton Sea Authority and its board-adopted Guiding Principles for Legislative Action, which call for local leadership to assert defense of local resources from predation by entities that would extract the resources without compensation to the impacted communities.

Specifically, the principles call for opposition to financial arrangements that enable state/federal or other entities outside the region to extract – without remuneration to locals and the Salton Sea restoration effort -- revenues from the local area derived from local resources on public lands overseen by publicly agencies.

As a corollary, the Salton Sea Authority supports revenue sharing agreements that are mutually acceptable to all concerned warrant support, along with legislation that will enable such arrangements.

Further, the federal government shares an interest in this approach in that the domestic supply chain of certain rare earth metals should be developed as an alternative to undue dependence upon foreign sources for these metals of strategic significance to the tech economy and military defense. Cooperative ventures between the federal government and mineral rich counties in the Salton Sea region where one of the world's largest and purest deposits of lithium has been discovered hold promise for equitable arrangements that address federal and local priorities with new resources.

Riverside County in partnership with Salton Sea Authority seeks appropriations from existing WRDA authorization - (Federal)

Issue: Riverside County in partnership with Salton Sea Authority seeks appropriations from existing WRDA authorization

Action: Riverside County will support Federal funding and cooperation with the US Army Corps of Engineers to reduce liability for environmental destruction and human health impacts from soon-to-be exposed seabed, of which nearly half is federally owned.
$30 million in federal funding for Salton Sea restoration was authorized in 2007 under the federal Water Resource Development Act (WRDA), but never spent. Additionally, large sums of funding ($100 M) have been designated for alternative energy research in the Defense budget – funds that should be spent where multiple benefits can be achieved in addition to renewable fuel development as a national security priority.
Support federal legislation to appropriate maximum funding to Salton Sea Authority and member agency projects while also supporting federal safe harbor provisions and incentives for private investors to partner with public entities on renewable energy projects at the Sea, conditional to cooperation with local restoration efforts under auspices of the Salton Sea Authority.

Background: The Salton Sea provides a nexus of multiple Federal interests: renewable energy development, Environmental protection and endangered species recovery, protection of human health (Clean Air Act) and water security (national and international water right agreements on Colorado River).

Perhaps most important for immediate attention, the federal government owns nearly half of the land under the Sea that will be exposed as dry lakebed due to water transfers. Thus, the federal government has an interest in supporting federal/state/local partnerships that can generate positive outcomes in lieu of liabilities for deteriorating environment and deadly human health impacts.

Top priority for the Salton Sea Authority at the federal level is securing appropriations from existing authorized sources (WRDA). Local government agencies that are members of a Joint Powers Authority party to the QSA have invested millions of dollars already, as a demonstration of the good faith effort of local governments to work in genuine partnership with the federal government.

Specifically, member agencies of the Salton Sea Authority support a legislative platform that seeks appropriation from an existing $30 million WRDA authorization:

WRDA 2007, signed into law on 11/9/07, included a $30 million authorization for the Army Corps to fund Salton Sea Restoration Pilot Projects. Funding is limited to $5 million federal contribution for any individual pilot project and *a non-Federal cost-share of 35 percent is required*.

- Salton Sea provisions:

- The Secretary of the Army will enter into agreement with the State of California, with the consultation of the Salton Sea Authority and the USGS Salton Sea Science Office (SSSO) to carry out pilot projects for improvement of the environment in the area of the Salton Sea.
- In addition to consulting with the SSA and SSSO, the Secretary must also take into consideration the priorities of the State and the SSA.

While funding has been appropriated in the President's budget for annual Energy and Water Appropriations Act budget for the Army Corps, this funding has fallen away during the years when Continuing Resolutions wiped out such necessary adjustments.
The SSA seeks support from Senator Feinstein to move forward with Salton Sea Restoration Pilot Projects. The $30 million authorization thus remains available, subject to appropriations. Pilot projects could be funded through the Army Corps, if the budget is passed with provision for $300,000 for completion of Reconnaissance Study.

Low-Income Housing Tax Credit - (Federal)

Issue: The Low-Income Housing Tax Credit rates are currently determined by a formula that is tied to the federal borrowing rates which consistently change. The lower the federal borrowing rates fall, the lower the housing credit rate becomes which reduces the equity available for individual affordable housing developments.

Action: Urge Congress to make the minimum housing credit rates permanent.

Background: Currently the affordable housing rates are established at a minimum 9% for new construction and substantial rehabilitation and 4% for acquisition and moderate rehabilitation. Due to the fact that federal have dropped to historic lows, there is now 15 to 20 percent less housing credit equity available for any given project. Without sufficient equity many projects are impossible to finance. Most of the projects are underwritten with other funding sources; however in the recent years these sources have experienced a significant cut in funding. Without the flexibility to provide increased housing credit equity many projects will be impossible to finance.

HOME Program Funding - (Federal)

Issue: The United States Senate Committee on Appropriations approved the Fiscal Year 2016 Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations Bill which proposed to cut the HOME Investment Partnerships Act program by approximately 93%.

Action: Urge the U.S. Senate to amend the THUD Appropriations Bill to fully fund the HOME program to the Fiscal Year 2015 amounts.

Background: The HOME program is the only federal block grant program left at the state and local level designed to create and preserve affordable housing that meets the specific population needs of cities and counties. The County of Riverside, the 10th largest populated county in the U.S. consists of urbanized neighborhoods, suburban cities and rural communities. Since 1994, the County of Riverside has utilized HOME funds for the construction, acquisition, and/or rehabilitation of more than 4,593 units and provided down payment assistance to 770 First Time Home Buyers. Occupancy within these units often times consist of special needs populations including individuals with disabilities, veterans and chronically homeless.

The HOME program is also the only program left at the state and local level that is used to leverage funds to produce the greatest number of affordable units. Newly constructed and rehabilitated units with HOME funds are typically leveraged with private investment dollars through the tax credit program. If the HOME program funding is reduced it will also detrimentally impact this program. When HOME funds are utilized for the new construction or rehabilitation of affordable units it ensures that these units will remain affordable for a minimum of 20 years. Therefore a reduction in HOME funds will require states and local government to cancel First Time Home Buyer programs and drastically reduce the number of new affordable units produced.