

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**FROM:** TLMA - Planning Department

**SUBMITTAL DATE:** May 1, 2003

**SUBJECT:** Reclassification of Planning Trust Funds

**RECOMMENDED MOTION:** That the Board approve the restriction of monies in Planning Department Trust Funds as identified below; that all interest earnings of the trust funds continue to be retained by the funds and restricted for the same use as the principal (per Government Code Section 66000 et al governing Development Fees); that the Board authorize and direct the Auditor-Controller to undertake these actions through a reclassification and renaming of the Trusts as listed below.

**BACKGROUND:**

Under the ongoing comprehensive GASB 33/34 review, the original classification of several Planning Department Trusts, when established, has been determined by the Audit Division of the Auditor-Controller to be insufficient to support the current (and historical since inception) restricted use of the funds on deposit within.

The purpose of this Form 11 is therefore twofold; to identify the purpose each of the Funds in question to the Board; and to have the Board affirm the concept of "restricted

Ron Goldman,  
Interim Planning Director

AJL:nl

(Continued On Attached Pages)

**FINANCIAL DATA:**

<b>CURRENT YEAR COST</b>	\$	N/A	<b>ANNUAL COST:</b>	\$	N/A
<b>NET COUNTY COST</b>	\$	- 0 -	<b>IN CURRENT YEAR BUDGET:</b>	Yes/	No/
			<b>BUDGET ADJUSTMENT FY:</b>	Yes/	No/ X

**SOURCE OF FUNDS:** Developer Fees

**C.E.O. RECOMMENDATION:**

**APPROVE**

County Executive Officer Signature

Policy

Policy

Consent

Consent

Department Recommendation:

Per Executive Office:

Prev. Agn. Ref.

Dist.

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use" for said funds and their interest earnings, to satisfy GASB 33/34 documentation requirements.

Trust Fund 5937 (Special Projects) [OASIS 80094]

By previous Form 11 approved June 18<sup>th</sup> 2002 as Agenda Item 3.56, the Board has already approved the restricted use of monies in this trust; however, the prior Form 11 may have failed to address, with clarity, that interest earnings on these deposits, being development related, should also be retained in the fund. It's inclusion here resolves that problem.

The source of funds in this trust are deposits (not fees) placed on account for drawdown against time and labor for planning employees working on Special Projects activities outside the scope of a normal Deposit Based Fee Case. Sample types of project deposits that may be found in the trust include but are not limited to, special parcel entitlement (research activity) in cooperation with other agencies (State Hwy 74); Public Resource Code Consistency reviews (as requested); and special non-DBF case studies (Calpine Corp).

These deposits and trust continue to be necessary to prevent a situation arising where monies are credited to revenue before work is performed (especially between fiscal years), avoiding uncompleted work liabilities. In fact, the Board's concern over this issue lead, in part, to the creation of the current Deposit Based Fee (DBF) system currently in place and strictures governing that Trust.

Attachments:

Approved Form 11a Agenda item 3.56 dated June 18, 2002.

Trust Fund 6831 Wind Implementation Monitoring Program (WIMP) [Oasis 80142]

In October of 1982, after extensive public hearings, the Riverside County Board of Supervisors approved General Plan Amendment No. 253-L-87 which amended the Land Use Element relating to the development of the County's Wind Energy Resources; in accordance with that GPA's ancillary adopting Resolution No 82-326, the Wind Implementation Monitoring Program was approved by the Board through Agenda Item 7.5 on May 24, 1983. With the adoption of the Comprehensive General Plan in 1984, the WIMP was included among the programs of that plan and continues in effect to this day.

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WIMP was established to provide an on-going mechanism to review environmental and other development impacts of the expansion of commercial wind energy generation, primarily, but not limited to, the San Geronio Pass area of Riverside County.

The monitoring program was to be created, funded, and administered without cost to the county general fund. The program has accomplished this goal, and continues to do so. Operating funds are generated through the collection of fees charged to wind park developers based on the total number of kilowatts of production capability for each building permit issued. Since the establishment of Wind Energy Conversion Systems (WECS) in the past is not steady state, a trust fund was established in which to accumulate these fees to cover the costs of periodic reviews.

The aforementioned monitoring fees were established at one dollar and fifteen cents (\$1.15/kw) per kilowatt (source of funds) and, up until now, interest earnings have been retained by the trust. TLMA requests that the Board affirm these fees continue to earn interest for the fund, and continue to be restrictively used in future support of this program at no cost to the general fund.

Some of the major impacts to be monitored by the program include, but are not limited to; total ambient noise levels, impacts on lizard and tortoise habitat, frequency of Bird kills, microwave and television interference, the effects of blow sand on wind turbines.

Attachments:  
Agenda Item 7.5 dated May 24, 1983  
GPA No 253-L-87  
Wind Implementation Monitoring Program document

Trust Fund 6385 Wind Energy Conversion Systems Administration (WECS)  
[Oasis 80143]

In 1982, by complementary action, Ordinance 348 was amended, current Section 18.41(d), to provide basic legal authority to condition commercial WECS permits for removal and site restoration security. This section allows the county to require a renewable bond or other cash security to address abandoned wind turbines and associated site cleanup and restoration.

To separate these securities, many refundable bonds, from other WIMP fees, a separate Trust was created. Developers are required to post a bond, letter of credit, or cash security, that have to be renewed every 5 years (source of funds). Similarly, some early bonds have needed to be refunded to developer's whose properties have been

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annexed by the City of Palm Springs; others have been converted along the way into cash securities to lower annual carrying costs associated with bonds. In view of these cash securities, their interest earnings have been historically retained by the trust to reimburse Planning's labor on control of these non-environmental, management type problems (as distinguished from the pure environmental focus of the WIMP fee) such as developer adherence to conditions of approval, WECS removals, and site restoration. TLMA requests that the Board affirm the continued use of interest earnings from this trust be retained by the trust to assist Planning in administering the program without cost to the general fund.

Attachments:  
Ordinance 348 Section 18.41(d)  
Sample WECS Conditions of Approval

Trust 5007 Air Quality Program [Oasis 80010]

The County adopted its first air quality element to the General Plan in 1992 through Resolution No. 92-565. The Air Quality Fee of \$13 per unit lot (source of funds) was established several years earlier to fund this preparation, as well as provide a revenue source for development induced updates and implementation efforts such as meeting SCAQMD requirements in the element; procedures to address fugitive dust, and other special studies of air quality affected by development.

The most recent study under this program was funding for the Mira Loma Indoor/outdoor Air Quality Study approved by the Board as Agenda Item 3.65 on August 28, 2001. This Form 11 provided \$325,000 dollars from this trust to fund the costs of a (University of California Riverside Center for Environmental Research and Technology) comprehensive study of the Mira Loma area air quality, as it currently exists, and the potential impacts of warehousing projects on that air quality.

TLMA requests the Board affirm that these fees be restrictively used for Air Quality issues, that the fees earn interest, and these interest earnings continue to be used for the strict purpose of labor/studies and costs associated with Air Quality. Without these fees and their interest accumulating in the Air Quality Trust, this and future studies, if conducted at all, would require general funding. With the Air Quality fee/trust in place, the entire cost of the study, \$325,000, was paid for by development itself.

Attachment:  
Form 11a , Agenda item 3.65 dated August 28, 2003