

# City of Corona

*400 S. Vicentia Ave.  
Corona, CA 92882*

## Committee of the Whole Meeting Agenda

**Wednesday, July 14, 2021**

**Council Chambers 4:00 PM**



**CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF  
CORONA/CORONA PUBLIC FINANCING AUTHORITY/CORONA UTILITY  
AUTHORITY/CORONA HOUSING AUTHORITY MEETING**

**Jacque Casillas, Mayor  
Wes Speake, Vice Mayor  
Tony Daddario, Council Member  
Tom Richins, Council Member  
Jim Steiner, Council Member**

**PLEDGE OF ALLEGIANCE****CONVENE OPEN SESSION****COMMUNICATIONS FROM THE PUBLIC****AGENDA ITEMS**

1. **REPORT** - [Update of Sales Tax Information by HdL Companies.](#)

**That the Committee of the Whole** receive and file the update.

2. **REPORT** - [City of Corona: Regional Housing Needs Assessment and State Housing Legislative Update.](#)

**That the Committee of the Whole** provide feedback and direction on the Regional Housing Needs Assessment and State Housing Legislative Update.

3. **REPORT** - [Overview of Shop | Dine | Hire Corona Program.](#)

**That the Committee of the Whole** provide feedback and direction on the Shop | Dine | Hire Corona Program.

4. **REPORT** - [Update on the Solid Waste and Recycling Program.](#)

**That the Committee of the Whole** receive and file update on the Solid Waste and Recycling Program.

**ADJOURNMENT**

*Agendas for all regular City meetings are posted at least 72 hours prior to the meeting in the entryway at City Hall. Written communications from the public for agendas must be submitted to the City Clerk's Office prior to the respective meeting.*

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the ADA Coordinator at (951) 736-2235. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.*



# **SALES TAX Update 1<sup>st</sup> Quarter 2021**

**City of Corona  
Committee of the Whole  
July 14, 2021**



# Sales Tax vs. Use Tax

**Sales tax:** generally, applies when goods are located in California at the time the sale occurs. (Nexus)

**Use tax:** generally, applies when goods ship to a customer from outside the state.





# Allocation of Sales vs. Use Taxes

## Sales Tax

- **PLACE OF SALE** (where the sale/order was placed or negotiated)
- Allocated directly to city/county
- Collecting/remitting the tax is the responsibility of the seller

## Use Tax

- **PLACE OF USE** (county pool of first use)
- Allocated indirectly to city/county through the countywide pool system
- Collecting/remitting the tax is the responsibility of the buyer



# Company Operational Change

## Historical Co. Structure

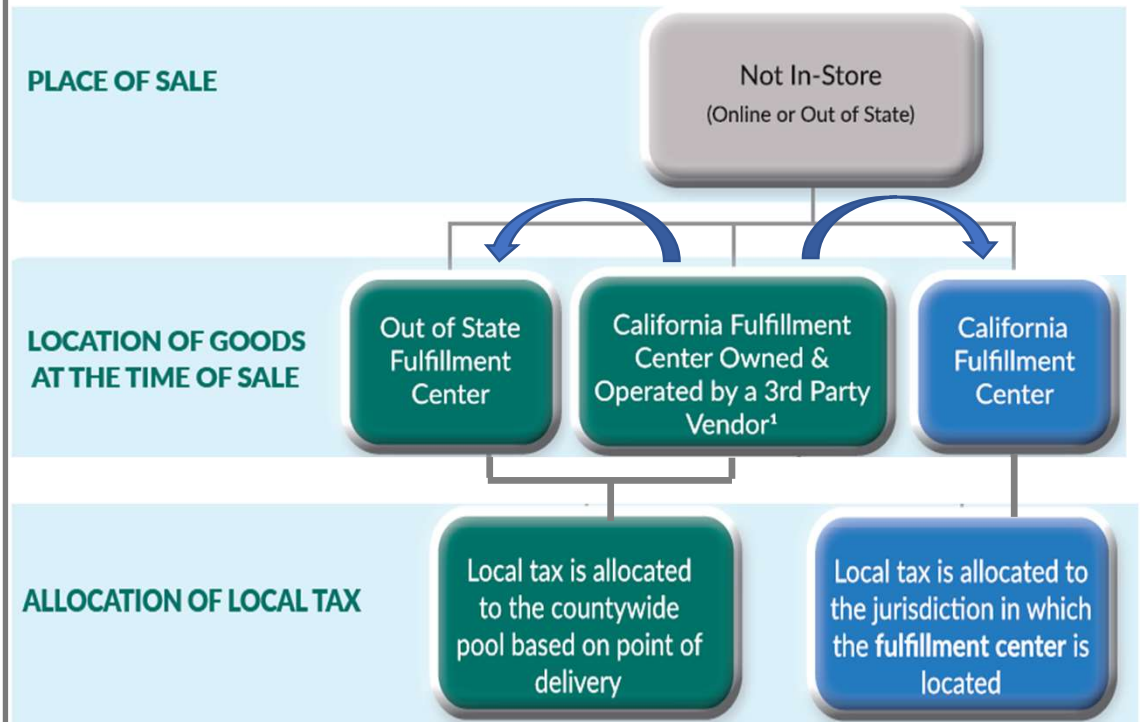
- Out-of-state
- Facilities in CA were owned and operated by a **subsidiary company**
- Inventory in CA subject to **use tax**
- Local tax allocated to countywide use tax pools based on where the goods were shipped/**place of use**

## New Co. Structure

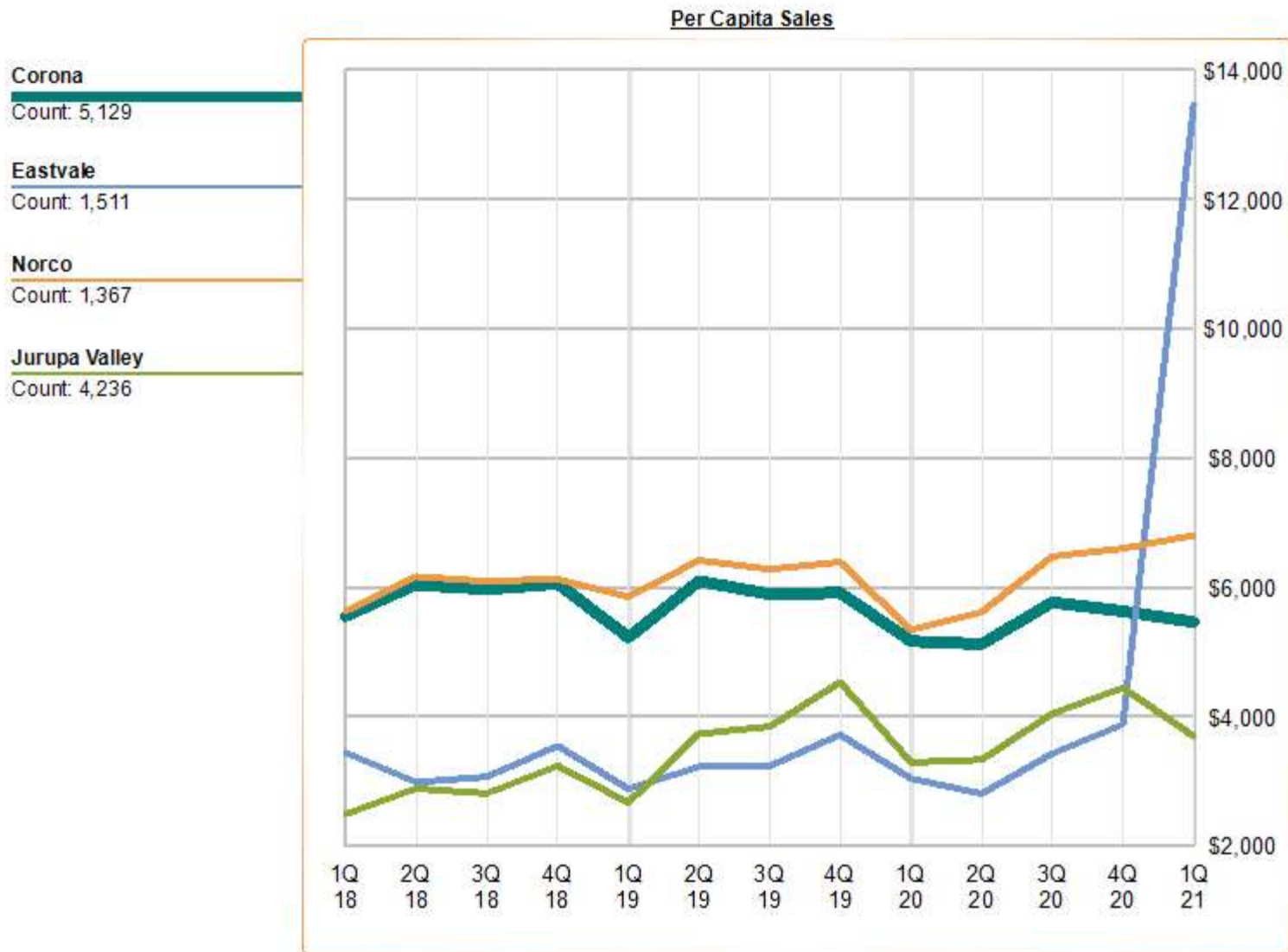
- In-state & out-of-state
- Facilities in CA are owned and operated by **parent company**
- Inventory in CA is subject to **sales tax**
- Local tax allocated directly based on **place of sale** and indirectly based on **place of use**

# Local Tax Allocation Guidelines

When sales tax applies

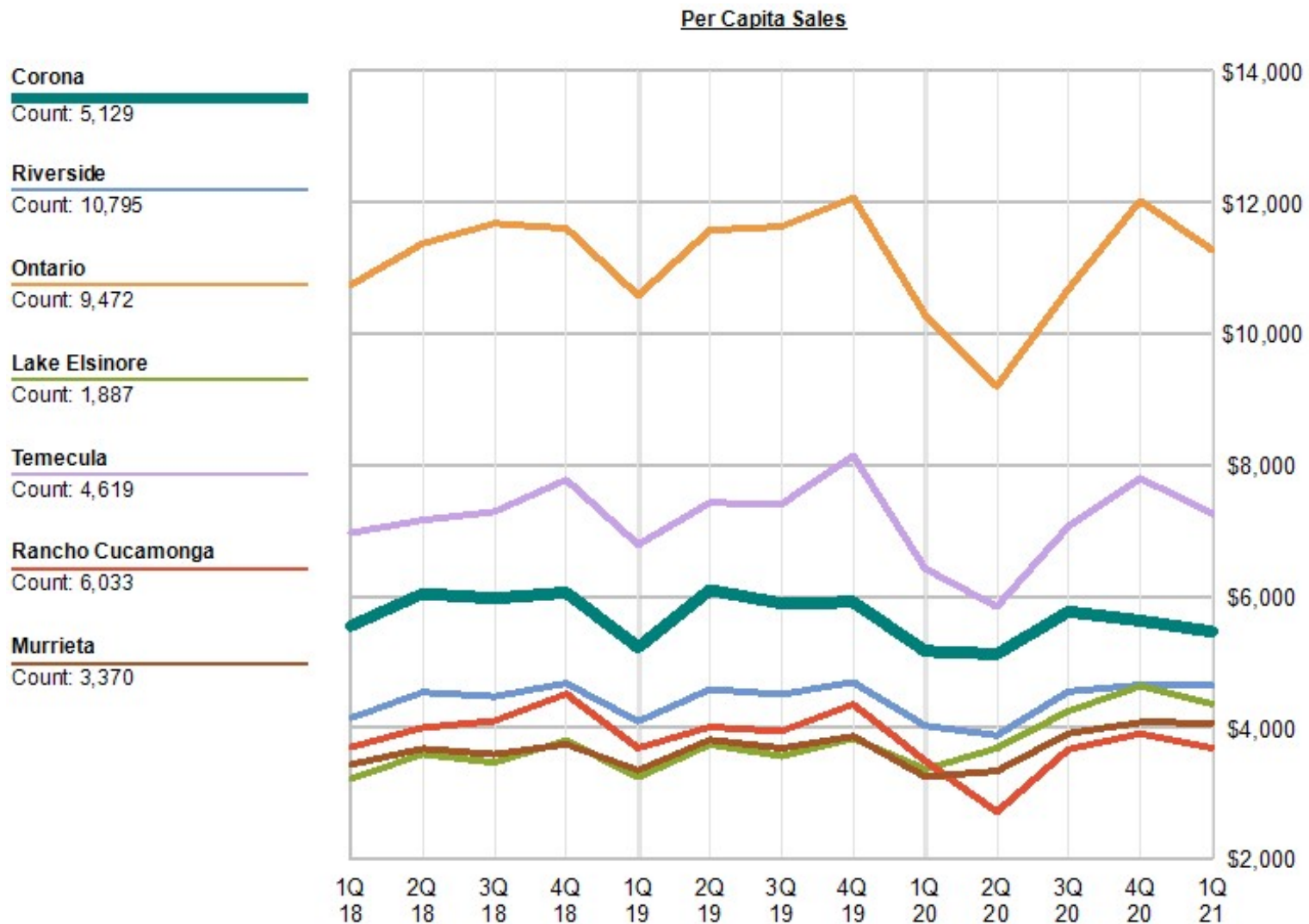


# REGIONAL REPORT *Adjusted Sales Tax Growth*

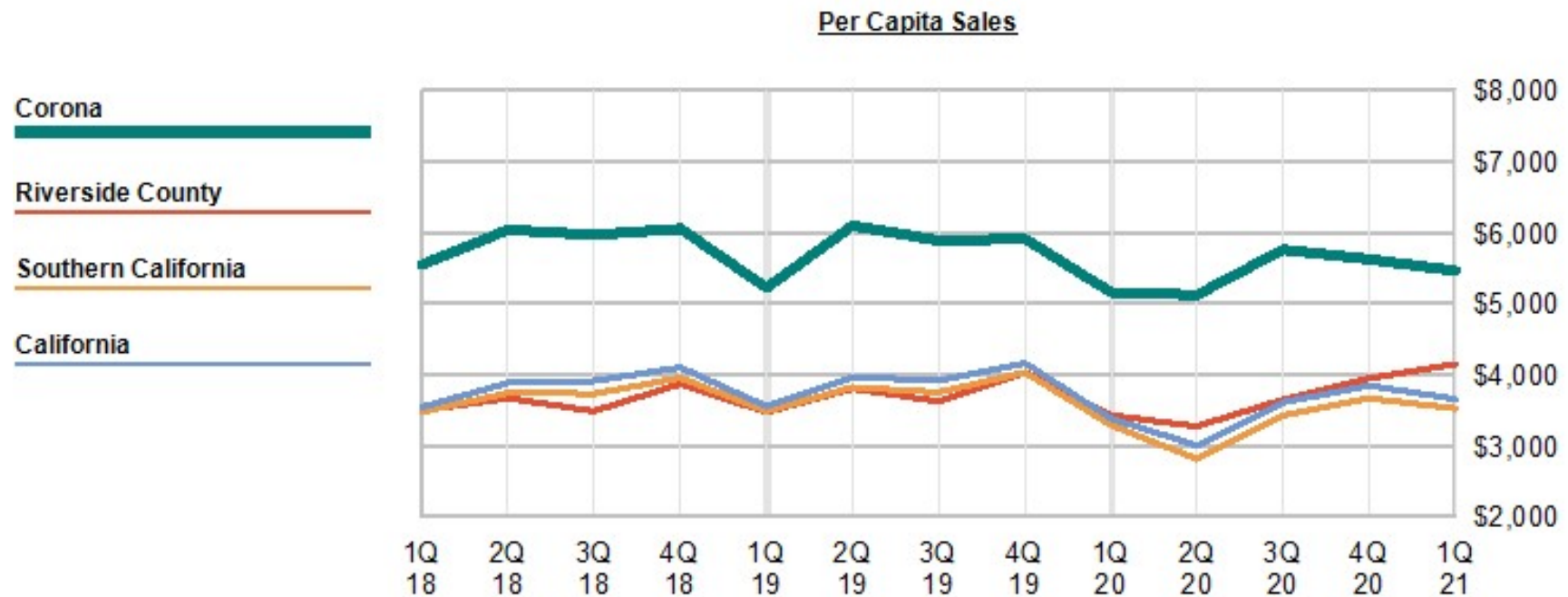




# REGIONAL REPORT *Adjusted Sales Tax Growth*



## REGIONAL REPORT *Adjusted Sales Tax Growth*

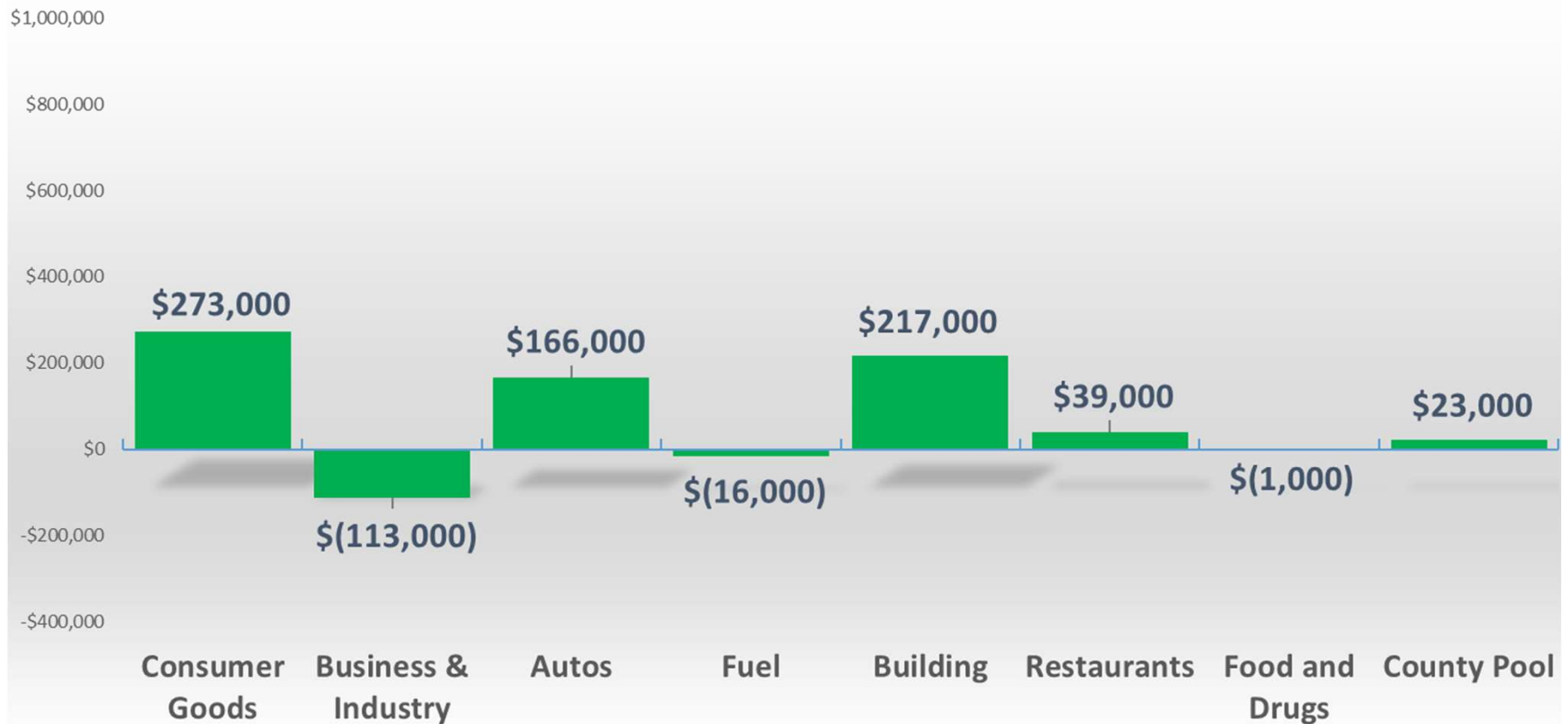


## REGIONAL REPORT *Adjusted Sales Tax Growth*

Region	1Q21 vs 1Q20 % Change
Corona	+5.7%
Riverside County	+22.7%
Southern California	+9.0%
California	+9.5%

# CORONA MAJOR GROUPS: 1Q21 vs 1Q20

Adjusted Receipts  
\$ Increase (or Decrease) by Category



# CORONA MAJOR INDUSTRY GROUPS (Top 5)

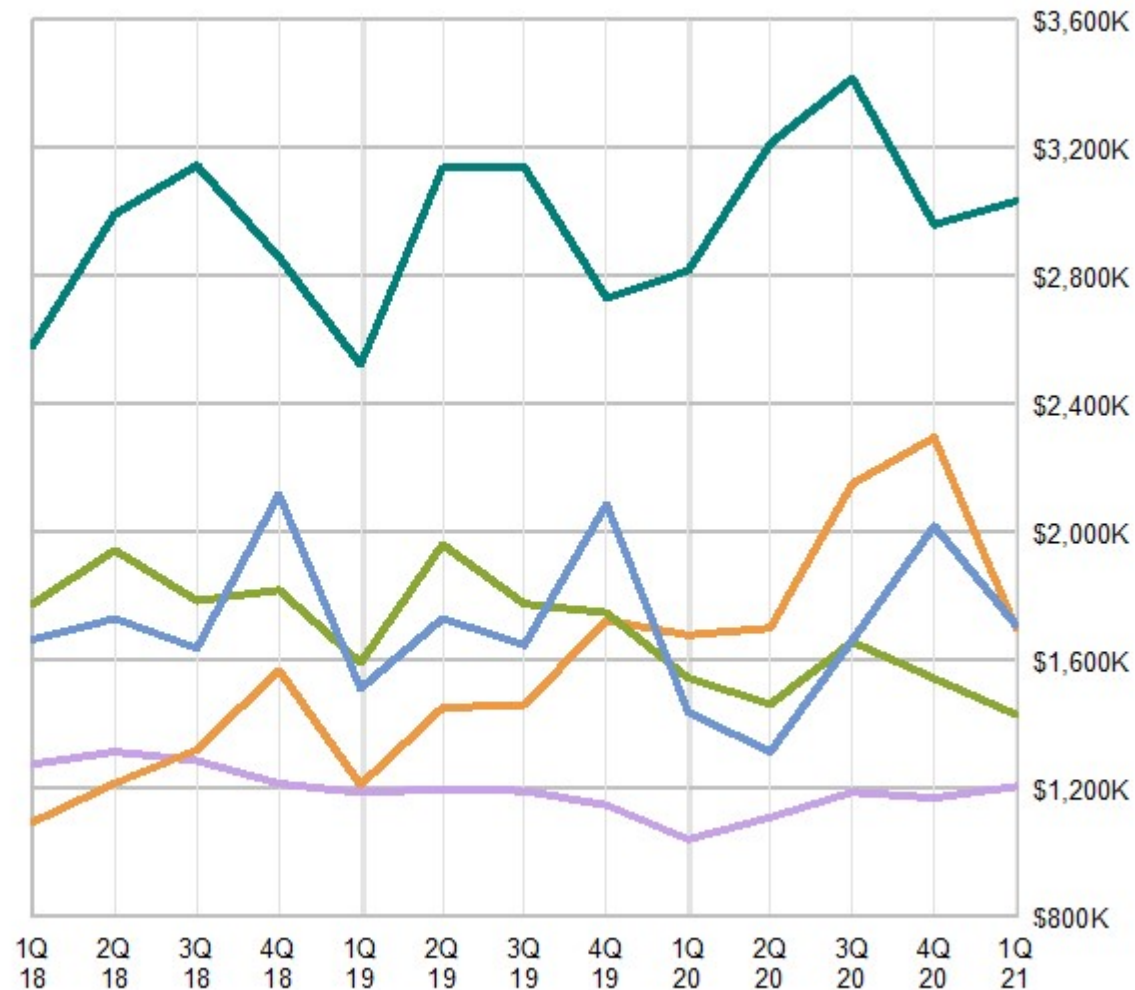
**Building And Construction**  
Count: 253

**General Consumer Goods**  
Count: 1,926

**State & County Pools**

**Business And Industry**  
Count: 1,731

**Autos And Transportation**  
Count: 486



# CORONA MAJOR INDUSTRY GROUPS (Final 3)

## Restaurants And Hotels

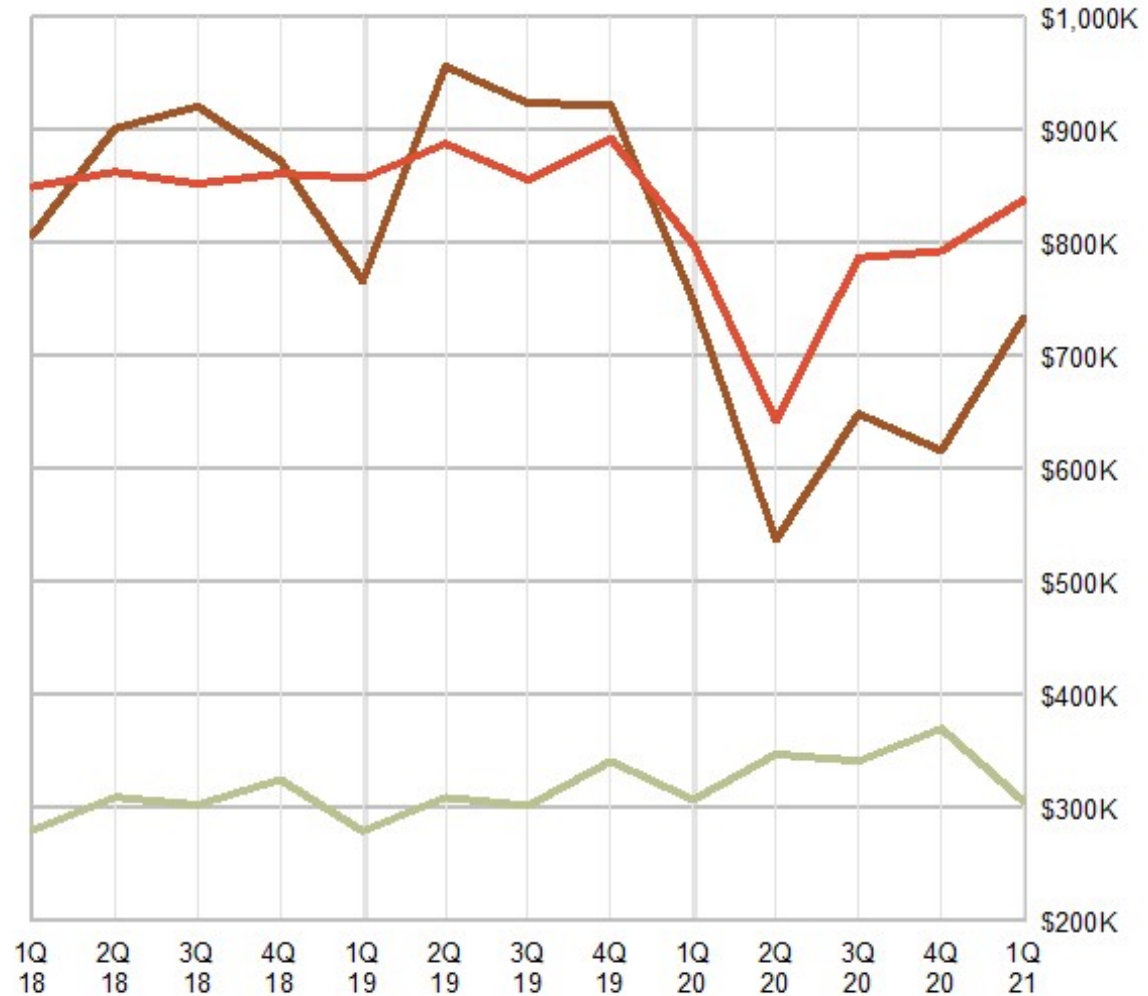
Count: 451

## Fuel And Service Stations

Count: 58

## Food And Drugs

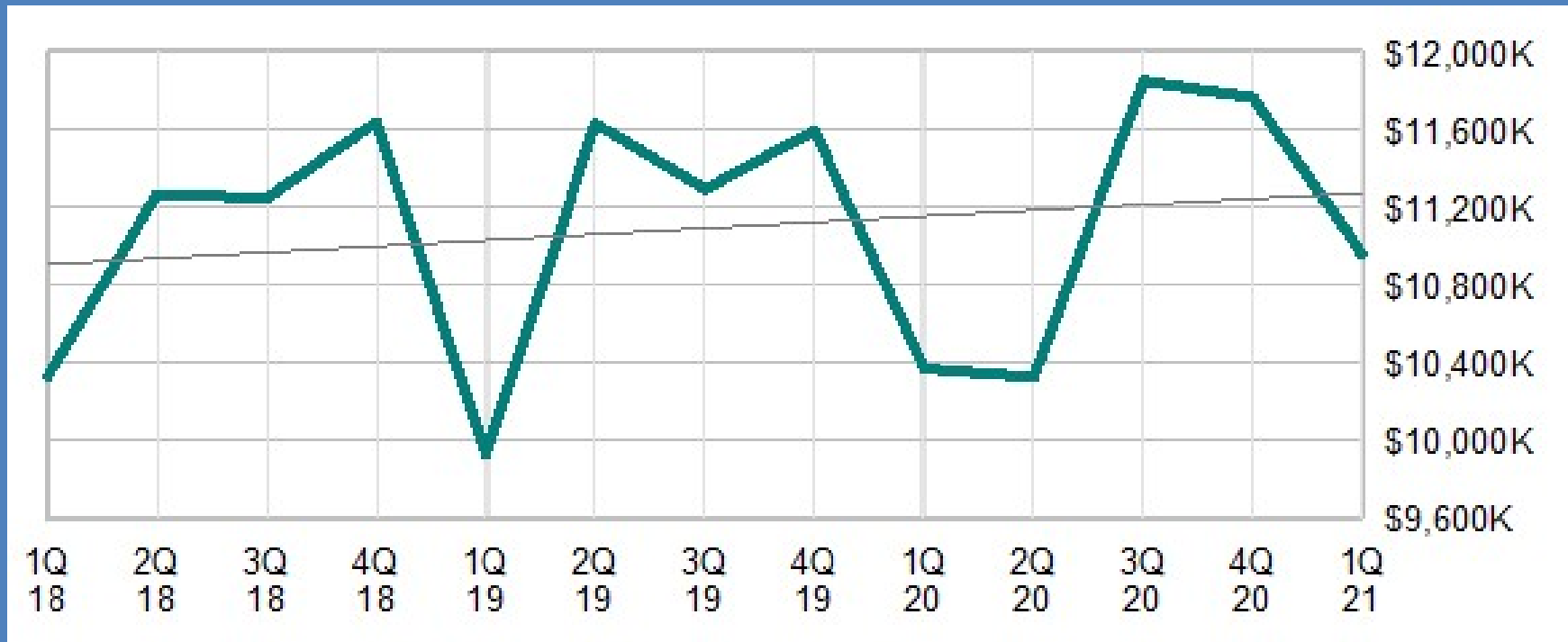
Count: 154



# CORONA

## ADJUSTED POINT-OF-SALE - SALES TAX TREND

13 QTR Trend: +3.4%





# HdL<sup>®</sup> Companies

## CALIFORNIA FORECAST

### SALES TAX TRENDS AND ECONOMIC DRIVERS

JUNE 2021



*Santa Barbara County, CA*

## Delivering Revenue, Insight and Efficiency to Local Government Since 1983

HdL provides relevant information and analyses on the economic forces affecting California's local government agencies. In addition, HdL's Revenue Enhancement and Economic Development Services help clients to maximize revenues.




888.861.0220 | [solutions@hdlcompanies.com](mailto:solutions@hdlcompanies.com) | [hdlcompanies.com](http://hdlcompanies.com)



# HDL CONSENSUS FORECAST – JUNE 2021

## STATEWIDE SALES TAX TRENDS

2020/21 | 2021/22  
 **TOTAL** 8.5% | 9.5%



### **Autos/Transportation**

2020/21 | 2021/22

14.5% | 2.9%

This major industry group experienced a classical V-shaped recovery in the aftermath of the COVID-19 recession. New car sales dropped 68% or more at many dealers around the State in the initial weeks after the State's pandemic shutdown order in March 2020. Sales have since steadily rebounded and are now 13% higher than the same period in 2019, a year before the crisis began. Limited supply has been overwhelmed by strong demand. Consumers are treating themselves to more expensive models, with new cars reported to be 8% more costly this year. The California New Car Dealer's Association reports that Porsche, Mercedes and Tesla have been the most sought-after brands in 2021. S&P Global and other research firms are forecasting continued growth in the 15% range for the remainder of the year before sales begin to flatten out in 2022.



### **Building/Construction**

10.4% | 5.4%

Home construction, while very robust in many parts of the state, severely lags demand; the combination of impatient buyers and low interest rates are sending new and existing property prices to indefensible levels. Savvy homeowners are refusing to cash out and then pay a premium to the seller of the next house. Instead, people are taking current equity and creating their dream home. This demand for improvements has contractors booking orders well into next year with smaller scale projects coming to an end this summer. Lumber and steel prices continue to rise even though mill output has expanded significantly. Several large mill operators are planning expansions that should further increase output next year. Common lumber prices are adding as much as \$50,000 to a new home cost. The run-up in material costs, expected to rise into late 2022 before stabilizing, has some commercial developers reworking plans to incorporate cheaper materials. Permit levels for all types of projects are at their second highest level in two years. Office activity, while less active right now, should see an uptick once the post-COVID workplace trends are determined.



### **Business/Industry**

2020/21 | 2021/22

12.8% | 11.9%

Many of the business types captured in this segment are rallying including agriculture and farm equipment and energy/utilities. As the segment's largest business type, fulfillment center's taxes boomed from increased online sales. Additionally, a large taxpayer altered its business structure effective 1Q21, which resulted in a sizeable portion of revenues from the statewide pools shifting to agencies with fulfillment centers. Medical/Biotech also surged, with acquisition of medical equipment, pharmaceuticals and the return of elective and non-emergency medical procedures. Conversely, business closures plagued areas such as food service equipment, office supplies/furniture, business services, government/social organizations and entertainment. California industry lags compared to prior periods as it faces challenges such as raw materials and qualified worker shortages. Overall, this group should perform beyond pre-pandemic levels, however, given its unique mix, each jurisdiction's experience will differ according to the size and character of its specific business/industrial base.



### **Food/Drugs**

5.1% | 1.7%

The first three months of 2021 captured mixed outcomes. While convenience stores and cannabis merchants reported considerable upturns, grocer's sales dipped. Drug store's declines pulled overall returns lower and included a reduction of outlets in some regions. However, offering vaccinations has improved foot traffic in recent months. Customers expectations for safer methods of shopping for groceries amid the pandemic prompted company modifications such as online ordering and in-store pickup. Delivery competitors have also chipped away at sales as their revenues are reflected in autos/transportation. Independent supermarket operators have consumed more market share over the past decade, a positive trend that puts pressure on large, national chains. Cannabis openings secured fiscal year 20/21 gains. Even with inflationary impacts baked in, modest increases in this category are expected next year.



# HDL CONSENSUS FORECAST – JUNE 2021

## STATEWIDE SALES TAX TRENDS

HdL Companies

2020/21 | 2021/22  
 **TOTAL** 8.5% | 9.5%

2020/21 | 2021/22



### Fuel/Service Stations -7.5% | 18.7%

As the State begins to emerge past the negative impacts from COVID-19, all indicators are now pointing toward upward pressure on pricing in this classification. The average price of a gallon of gasoline in California is now higher than the pre-pandemic peak levels experienced in the fourth quarter of 2019 as demand for fuel is picking up significantly across Europe, the U.S. and California. Oil barrel prices are projected to rise to the mid-\$70 range in late summer 2021. Travel spending is up and the price of jet fuel is at the highest level since the end of January 2020. Given consumption improvement and price expectations, a significant recovery-based growth is expected starting in the second quarter and through the end of calendar year 2021.



### General Consumer Goods 6.0% | 8.3%

Core retail sales in the first quarter of 2021 demonstrated California consumers are willing to spend. Tax receipts rebounded with more than a 10% increase from the same period in 2020 when COVID-19 tangibly impacted physical stores along with consumer's ability to purchase goods. For perspective, while the rebound exceeded expectations, revenues remained 2% below pre-pandemic levels (1Q19). The third round of fiscal stimulus lifted spending on taxable goods in the last month of the first quarter, but impacts are expected throughout 2021. A large concentration of spending remains at discount department stores and other well-known chains, but scars remain from the volume of struggling and closed small businesses which is still visible in many sectors and communities. Anchored to an 'open for business' economy, robust consumer spending along with recent fiscal stimulus drives our forecast for general consumer goods spending beyond pre-pandemic levels by fiscal year 2021/22. As the service sectors also rally, growth should stabilize as consumers shift spending back towards experiences after more than a year of above average durable goods consumption.



### Restaurants/Hotels -12.1% | 26.1%

Regions of the State that saw the biggest declines are due to see the hospitality industry come roaring back as soon as operational restrictions are lifted. In some counties, restaurants are already back to pre-pandemic levels of sales activity. Hotel vacancy rates are nearing 2019 levels and domestic travel is the vacation of choice this summer. Pockets of recovery vary, especially for locals who heavily rely on international tourists. Rising menu prices are furthering the gains while the labor shortage is a looming concern. Entertainment venues are opening up with varying capacity limitations. In-person conferences are expected to return later in 2021. Still lagging behind the surge are business travelers, universities and office campuses which will likely have a new reality in the post-pandemic world.



### State and County Pools 23.5% | 7.3%

Again, consumer behavior was anchored to online shopping as the preferred alternative to making multiple trips to various retail establishments. Since early 2020, companies accelerated efforts to make e-commerce shopping easier, especially as they offered flexible payment and delivery options. Recent studies show customers value convenience more now than prior to the pandemic. Many experts note e-commerce behaviors which accelerated over the past year are here to stay; thus, the forecast shows steady improvement through the next fiscal year. Projections are lessened to some extent as HdL monitored changes in a taxpayer's business structure that required portions of what were use tax pool revenues being remitted to local agencies with in-state fulfillment centers beginning in the first quarter of 2021. This change is reflected in the growth percentages noted herein.

Proposition 172 projections vary from statewide Bradley-Burns calculations due to the state's utilization of differing collection periods in its allocation to counties. HdL forecasts a statewide increase of 8.2% for Fiscal Year 20/21 and 10% for 2021/2022.



## U.S. Real GDP Growth

2020/21 | 2021/22

12.9% | 6.0%

With many states doing away with the last vestiges of the pandemic lockdown, the U.S. economy is now near the top of the “V” shape recovery that we predicted last year. The transition from online back to the real world has led to pockets of supply and demand misalignment leading to shortages and sharp price increases in certain markets such as lumber and used auto sales. These distortions should moderate in 2022 as the labor market recovers. Rebounding consumer spending and government stimulus measures will continue to filter through the economy powering a strong recovery, albeit with higher levels of inflation, through 2022.



## CA Unemployment Rate

2020/21 | 2021/22

7.8% | 5.7%

California’s unemployment rate will remain higher than the national average even as the economy recovers rapidly next year. The good news is that the unemployment rate has already dropped precipitously from a pandemic peak of 16% to around 7.9%. This confirms Beacon’s view that the current labor market recovery will be far more rapid this time around compared to the years after the Great Recession. As in other states, a return to extremely low unemployment levels of the pre-pandemic era will extend into 2023.



## CA Median Existing Home Price

\$591,026 | \$657,404

California is once again near the front of the pack of a nationwide housing boom. Home sales have surged as homeowners look to cash in on their new-found wealth. In some markets, such as Southern California, single family home prices have risen by 20% from April of last year. This trend should continue into next year but concerns remain over the sustainability of these stratospheric price rises especially as an increasingly hawkish U.S. Federal Reserve considers drawing down monetary stimulus in late 2022 or early 2023.



## CA Residential Building Permits

119,036 | 123,546

The lack of housing supply remains one of the largest long-term factors that are increasing home prices across the state. While we expect more permits to be issued next year (123,546), the number of new housing units will fall short of meeting demand in the post-pandemic landscape. Public policy in Sacramento, Washington D.C. and local governments will be key in determining how many building permits are issued rather than the current high demand.



## U.S. Unemployment Rate

6.9% | 4.4%

Similar to the overall economy, segments of the labor market, particularly in the service sector, remain volatile as firms face difficulties to re-staff in order to meet pent up consumer demand this summer. These market pressures should moderate as wage hikes induce more workers to return to full-time, part-time or side jobs in the post-pandemic world. This will help drive down the unemployment rate to 3.9%, a far lower mark than the years after the 2008 financial crisis. Last year’s labor market devastation will be close to fully healed in the first half of 2021 as total employment returns to pre-pandemic levels.



## CA Total Nonfarm Employment Growth

-5.5% | 6.0%

California’s labor market continues to bounce back in 2021 as households unleash pent up savings from the pandemic. The state has added more than 100,000 jobs, but the return to pre-pandemic employment levels (roughly 17.5 million jobs) is still far off and will not likely be reached until the beginning of 2023.



## HdL Companies

120 S. State College Blvd., Suite 200

Brea, CA 92821

Telephone: 714.879.5000 • 888.861.0220

California's allocation data trails actual sales activity by three to six months. HdL compensates for the lack of current information by reviewing the latest reports, statistics and perspectives from fifty or more economists, analysts and trade associations to reach a consensus on probable trends for coming quarters. The forecast is used to help project revenues based on statewide formulas and for reference in tailoring sales tax estimates appropriate to each client's specific demographics, tax base and regional trends.

## Beacon Economics LLC

5777 West Century Boulevard, Suite 895

Los Angeles, CA 90045

Telephone: 310.571.3399

Beacon Economics has proven to be one of the most thorough and accurate economic research/analytical forecasting firms in the country. Their evaluation of the key drivers impacting local economies and tax revenues provides additional perspective to HdL's quarterly consensus updates. The collaboration and sharing of information between Beacon and HdL helps both companies enhance the accuracy of the work that they perform for their respective clients.



# HdL Companies

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# City of Corona: Regional Housing Needs Assessment, Messaging and State Housing Legislative Update

*Dane Hutchings, Managing Director*

*Dan Carrigg, Senior Policy Advisor*

*Renne Public Policy Group*

*July 14, 2021*

# RPPG: Presenters Snapshot



**Dane Hutchings**

- Managing Director with RPPG
- 13 years of legislative advocacy—Last 6 representing local government
- Former League of California Cities Lobbyist
- Have advanced several pieces of legislation on behalf of clients in areas of housing, transportation, Brown Act and Voting Rights



**Dan Carrigg**

- Senior Policy Advisor with RPPG
- 25 years of legislative advocacy—Former League of California Cities Legislative Director and Deputy Executive Director
- Regarded as a leading expert in housing, land use and taxation policy in the state

# Goals and Objectives

This presentation is in line with the with goals and objectives provided by Council at the March 17, 2021, Council meeting.

## **As your City's Legislative Advocates, We are Here to:**

- Provide insight on the current “Top Down” housing policy-making environment in the Capitol.
- Describe some of the issues and challenges coming from Sacramento that may impact the City's ability to meet aggressive RHNA targets.
- Outline some ways the city may wish to consider educating and informing legislators about:
  - What's working
  - What's not working, and
  - What state policy changes and actions are needed to assist the city's housing efforts.

# City Of Corona: Good Housing Actor

## City of Corona: Reliable State Partner on Housing Production

The City of Corona is a “good-actor” community on housing issues.

- ✓ Adopted housing element in state compliance for the 5<sup>th</sup> RHNA (Regional Housing Needs Assessment) cycle.
- ✓ Working diligently to prepare plan for the 6<sup>th</sup> RHNA Cycle.

City has an excellent track record of actual housing production:

- ✓ Corona has approved **2,718 units** so far in the 5<sup>th</sup> RHNA cycle, **well above assigned number of 770.**
- ✓ City has welcomed new growth through annexations; pop. grew by over 50,000 residents over two decades.
- ✓ City serves all of its residents with quality municipal services and a commitment to prudent fiscal management.

Through April 1, 2021: Of the city’s 5<sup>th</sup> cycle RHNA allocation the following units have been produced:  
(Target/Production)

- Very Low: T-192/P-64;
- Low: T-128/P-91;
- Mod: T-142/P-67;
- Above Mod: T-308/2,469.

*Note: Affordable housing production is connected to the availability of subsidies.*



# Concept vs Challenges with RHNA as Planning Tool

## Concept:

- ✓ Requiring local agencies to factor in local housing needs in their planning advances an important public policy issue.
- ✓ Allowing for regional involvement in allocation promotes improved coordination with regional goals, issues and objectives. State role is intended to provide policy expertise and accountability for "bad actors."

## Challenges:

- ✓ Flawed assumption that allocating increasing RHNA units dictates actual markets or production.
- ✓ It cost just as much to construct an affordable unit as it does a market rate unit.
- ✓ Massive "needs" allocated for affordable housing are not matched with resources to build them and creates local distrust in the process.



# Corona's 6<sup>th</sup> Cycle RHNA Exceeds Local Resources and Market Realities

- For the 6<sup>th</sup> RHNA cycle, Corona's allocation increased by **nearly 800%**, from 770 to 6,088 units!
- These numbers far exceed reality, especially for households of very low income, low income and moderate income, because the city and developers lack access to sufficient and reliable funding sources to help subsidize the development and ongoing funding of these units.

Corona's Regional Housing Needs Allocation (Source: SCAG 2021)		
Income Category based on Area Median Income (AMI)	Number of Housing Units to Accommodate	%
Very Low Income between 31 and 50% AMI	1,752	28.8%
Low Income between 51 and 80% AMI	1,040	17.1%
Moderate Income between 81 and 120% AMI	1,096	18.0%
Above-Moderate Income greater than 120% AMI	2,200	36.1%
Total	6,088	100.0% 26

# Why the 6<sup>th</sup> RHNA Cycle Was So Different

- New Governor, New Tone: *“A Marshall Plan for Housing”* & 3.5 million new units by 2025.
- Signs two bills in 2018 –[(SB 828 (Wiener) and AB 1771 (Bloom))-- that significantly changed the RHNA process, both increasing overall numbers and reducing COG control and flexibility over allocation.
- Emphasized additional factors beyond projected population growth.
- Reduced COG control and flexibility over allocation.

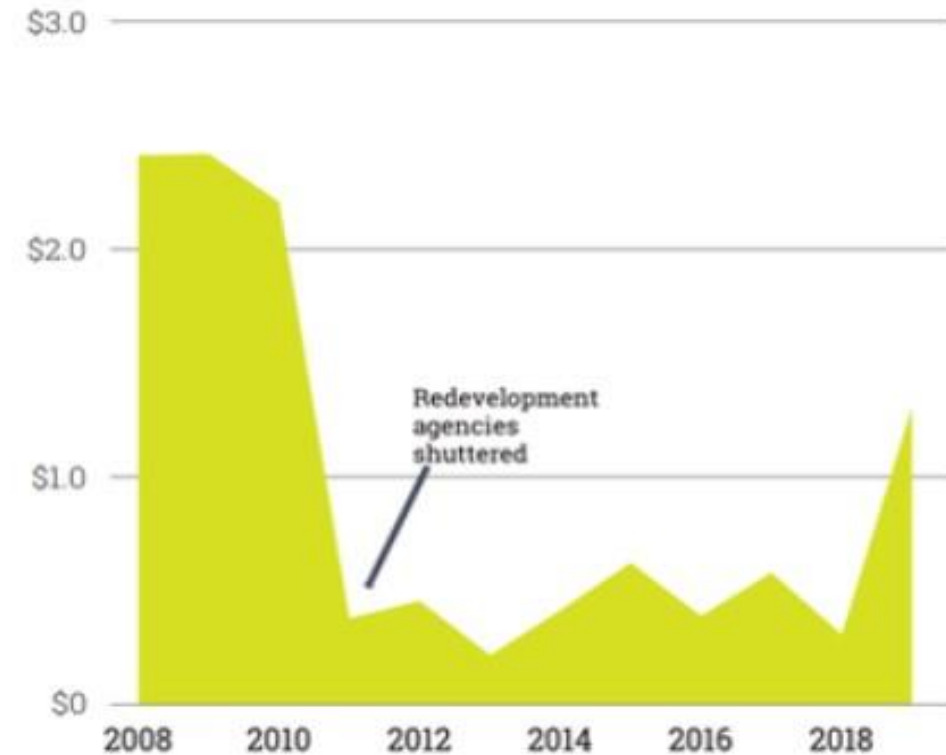
# Major Factor: Significant Shortage of Affordable Housing Funding

Affordable housing construction dollars have been reduced:

- ✓ Federal investments have declined since the 1980's
- ✓ Elimination of Redevelopment in 2012
- ✓ State funding infrequent and minimal compared to needs
- ✓ 1986 Tax Reform Act, reduced tax benefits for multifamily housing

The Governor recently proposed \$1.75B for affordable housing. This amount is projected to assist with the construction of 6,300 units statewide. **Corona's needs alone for very low, low and moderate units (3,888) could absorb over half of this statewide amount!**

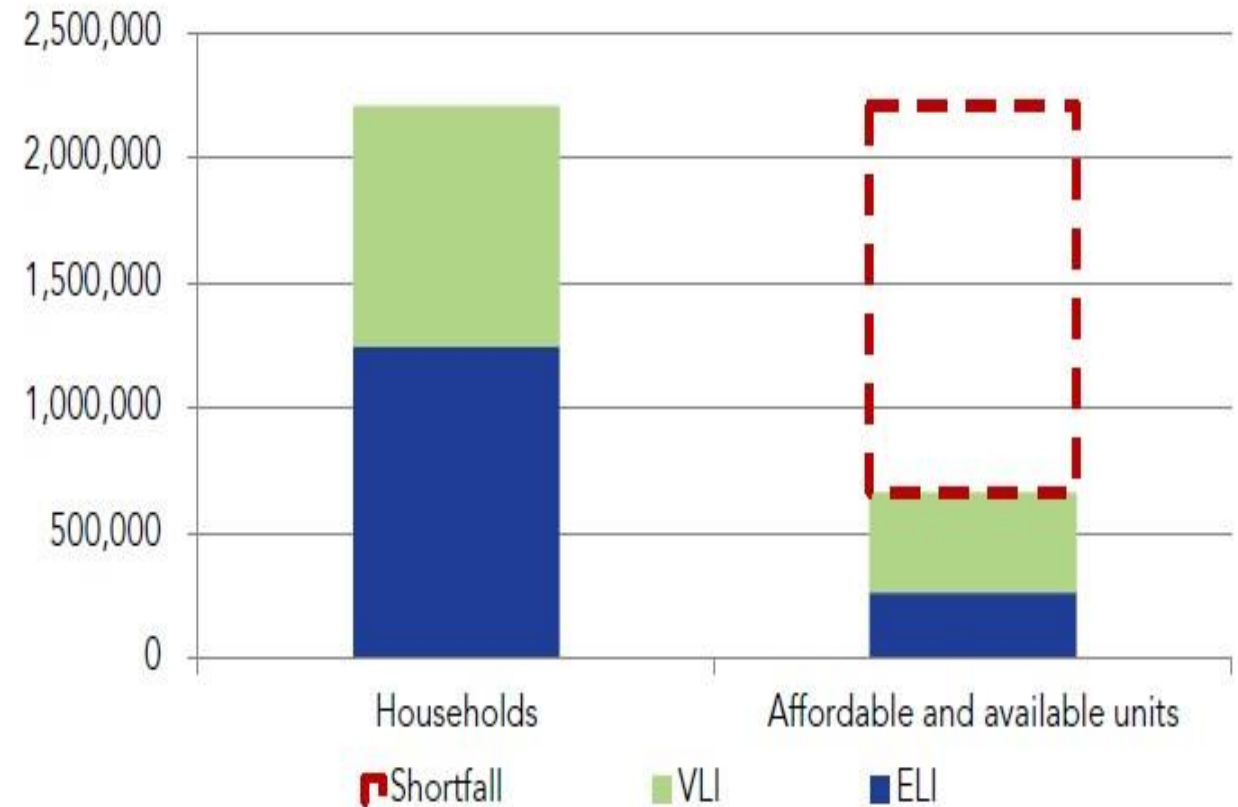
State Funds for Affordable Housing, 2008–2019\*  
\$ Billion



# Some Local Housing Production Realities

- Cities do not build housing units. Housing production is market driven by the private sector. Affordable housing development typically requires public subsidies.
- Neither cities nor the state can dictate levels of production.
  - ✓ Private property owners and developers make independent decisions on when to invest and what to propose. Developers track market signals and control the timing on when they choose to submit proposals that reflect anticipated demand to sell or rent at a profit.
  - ✓ Affordable housing (*meaning developing units that sell or rent for below market rates*) requires a subsidy or an incentive to help the developer “pencil out” the costs.

Figure 1.24  
1.5 Million Shortfall of Rental Units Affordable and Available to Very Low- and Extremely Low-Income Renter Households in California



Source: 2016 National Low Income Housing Coalition tabulations of 2014 American Community Survey Public Use Microdata Sample (PUMS) housing file. Graphic created by California Housing Partnership.

# Sacramento Housing Policy and Legislation Trends

*More State Control With Limited Resources to Achieve Most Critical Housing Needs*

- Density, Density and More Density
- Transit Oriented Development
- Conversion of Comm. Property to Residential/Multi-family & Mixed use
- Ministerial Approval of Permitting
- Accessory Dwelling Units & Parcel Splitting
- Reducing/Removing Local Design Review, Parking & Set-Back Discretion
- Mitigating Construction Cost Through the Capping/Elimination of Impact Fees

In short, more sticks... less carrots



# Pending Legislation: Duplexes & Lot Splits: Single-Family Parcels

## Senate Bill 9 (Atkins) Ministerial Approval: Duplexes and Lot Splits (As Amended 04/27)

**Summary:** Requires cities and counties to ministerially approve up to four units on a single-family lot.  
*(language cap of four units not clear)*

- Allows a single-family home to be divided into a duplex, and parcel to be split allowing two more units.
- Locals cannot enforce ordinances that would “physically preclude” construction of these units.
- Parking is limited to one space per unit, but not required if within ½ mile of transit, as defined.
- Public hearings and the California Environmental Quality Act do not apply.
- Does not currently apply to CC&Rs, but that could always change.
- Operates regardless of whether or not community has approved housing element.

**Current Status:** Currently in Assembly Appropriations Committee.

**City of Corona Position: Oppose**

# Parking for Residential and Commercial Properties

## [Assembly Bill 1401 \(Friedman\) Parking Residential and Commercial](#) (As Amended 06/21)

**Summary:** Prohibits a public agency from imposing a minimum parking requirement, or enforcing a minimum parking requirement, on residential, commercial, or other development if the development is located on a parcel that is within one-half mile walking distance of public transit and/or a high-quality transit corridor. Also prohibits imposition of new parking requirements on remodels or additions to single-family homes if the lot coverage ratio does not exceed local floor-to-area restrictions.

- Provides that if a project proponent provides parking voluntarily, a local agency may require parking for car share vehicles, requires spaces to be shared with the public, or require parking owners to charge for parking.
- Exempts from the application of this provision local requirements for the installation of electrical vehicle charging supply equipment or disabled access parking spaces. Also exempts commercial parking requirements subject to a contractual agreement entered into prior to January 1, 2022.
- Operates regardless of whether or not community has approved housing element.

**Current Status:** Currently In Senate Appropriations Committee.

**City of Corona Position: Oppose**



# Housing Production: HCD Relative Progress Determination

## AB 215 (Chiu) Housing Production. HCD Relative Progress Determination (as amended 06/23)

### Summary:

- Requires any city or county to conduct a mandatory consultation with HCD, if HCD determines in the 5<sup>th</sup> year of the planning cycle that the production of housing units is less than regional “relative progress” for either all housing, or very low- and low-income housing.
- Requires jurisdictions to be evaluated by HCD both at the midpoint and end of the housing element planning period.
- Requires any agency where “relative progress” is determined to be more than 10 percent below regional averages, to apply for and obtain a “prohousing designation” from HCD. Achieving this designation requires the adoption of various HCD-determined policies and actions.
- Provides that agencies not deemed in compliance with these provisions, will have their housing elements decertified, which means they will be subject to potential litigations from the AG, fines levied by a Court, and lose access to state housing and infrastructure funds.

**Status:** Senate Appropriations Committee

**City of Corona Position: Oppose**

# Housing: Commercial Zones

## Senate Bill 6 (Caballero) Local planning: Housing: Commercial Zones (As Amended 04/12)

**Summary:** This bill, the Neighborhood Homes Act, authorizes housing between 10-30 units per acre (meeting certain conditions) on any parcel zoned for office or retail space.

- Provides that the housing development may consist of entirely residential units or may be a mixed-use development with at least 50% of the new construction square footage dedicated to residential uses. *A (to be negotiated in the Legislature) percentage of the housing units must be affordable.*
- Requires the project is subject to all local zoning, parking, design, code and other ordinances and procedures applicable to processing and permitting a housing development. *(Numerous additional provisions related to the local zoning and approval process also apply.)*
- Requires the project to be either a public work, or that prevailing wages be paid for all construction work performed on the project by a skilled and trained workforce.
- Operates regardless of whether or not community has approved housing element.

**Current Status:** Assembly Desk, Not Yet Assigned to Policy Committee

**City of Corona Position: Oppose**

# Potential Core Messaging In Educating Your Lawmakers

- The City of Corona is a “good actor” and a reliable state partner on housing, as demonstrated both by its certified housing element and track record of production.
- The biggest challenge the city has faced on housing, is the lack of resources needed to ensure affordable units can get built.
- The RHNA allocations for Corona in the 6<sup>th</sup> Cycle, especially in the affordable categories, far exceed the realities and resources to produce these units. Unrealistic projections and expectations undermine confidence in the process.
- The state’s housing planning process needs to be reformed so that it is more reflective of actual market conditions, local realities and the limits of affordable housing resources.

# Next Steps

- Summer 2021: Direct staff to finalize core messaging for public distribution to state legislators and officials
- Summer 2021: Using finalized core messaging...Create “leave behind” materials for legislative meetings
- Summer 2021: Set meetings with Legislative delegation to discuss the city’s efforts on housing, and the challenges presented by the current housing element process and pending bills that further undermine local authority. This also lays the groundwork for educating members when similar legislation is introduced in 2022.
- Fall of 2021: Council may wish to direct staff (in consultation with RPPG) in either sponsoring or supporting legislation in the 2022’ Legislative Session (*perhaps in partnership with other local agencies*) that advocates for changes to the state’s housing planning process, or funding to ensure an improved nexus between state policy goals and affordable housing resources.

# Questions/ Discussion



Thank You!





*Support your Circle City economy!*

**SHOP | DINE | HIRE**

**CORONA**

Icons: Shopping bag, crossed fork and spoon, and a sign that says "NOW HIRING".



# Corona At-a-Glance

**170,000  
residents**



**12,000  
businesses**



**84,400 labor  
force**



# Strategic Approach



## 2. Strong Economy

Expand the local economy by supporting local businesses, providing opportunities for new businesses, and ensuring there are ample opportunities for job seekers.

### Support Local Businesses

- **Support post-pandemic resilience and recovery of local businesses**
- **Attract new enterprises to Corona**

### Increase Job Opportunities

- **Reduce local unemployment**
- **Increase living-wage jobs within Corona**

## Economic Development Strategic Plan

**Economic Research Analysis**

**Community Engagement**

**SWOT Analysis**

**Priority Identification**





# Shop | Dine | Hire Corona

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- **Support Local Business**
- **Mobilize Community**
- **Celebrate Diversity**
- **Foster Employment Growth**



**Build a Strong Local Economy**



# Shop | Dine Corona



# Benefits of Supporting Local Businesses



The City’s sales tax rate is 8.75%. This means for every \$100 you spend; you spend another \$8.75 in sales tax. Here’s a breakdown of where the sales tax goes.

County Transportation	\$0.25
Measure A	\$0.50
City General Fund	\$1.00
Measure X	\$1.00
State of California	\$6.00

Total Tax Paid (on a \$100 purchase) \$8.75



# Hire Corona



**Improved Quality of Life**



**Decrease Residents' Commute Times**



**Connect Corona Businesses with Quality Workforce**



**Increase Spending Power**



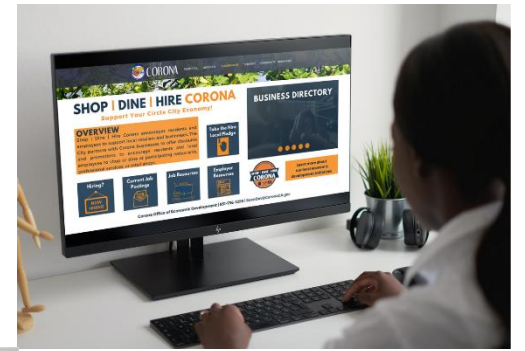
# What This Could Look Like



**Stickers  
Magnets  
Window Clings**



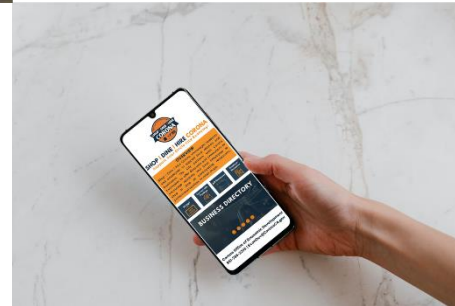
**Special Events**



**Promotional  
Clothing**



**Social Media  
Promotion**



**Digital  
Platforms**



**Promotional  
Items**



### Top 10 Reasons to Support Locally Owned Businesses

1. Local Character & Prosperity	Highlighting local flavors and preserving community character provides one-of-a-kind businesses an economic advantage.
2. Community Well Being	Locally owned businesses build strong communities and relationships with businesses and residents, creating a dynamic town center.
3. Local Decision Making	Local ownership invites local participation, so people who live in the community and who will feel the impacts of these decisions are part of the process.
4. Keeping Dollars in the Local Economy	Compared to chain stores, locally owned businesses invest a much larger share of their revenue back into the local economy, enriching the whole community.

**Educational  
Literature**





# Program Guidelines



**Guiding document**



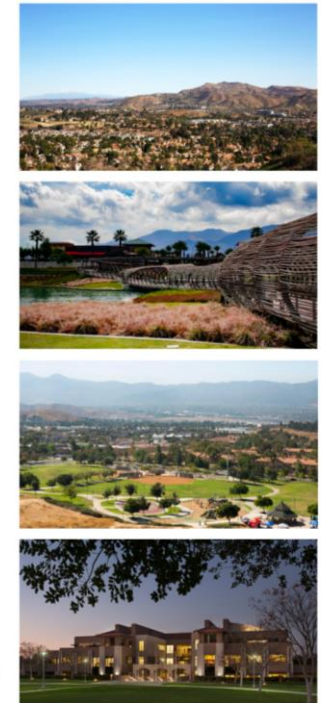
**Outlines roles, responsibilities,  
roll out, potential budget, etc.**



**Overview of Corona economy  
and other shop local programs**

**SHOP | DINE |  
HIRE CORONA  
PROGRAM  
GUIDELINES**

Corona Office of Economic Development  
EconDev@CoronaCA.gov | (951) 736-2295





# Phased Roll Out

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## Business Education & Outreach

- Educate business community
- Why it's important and how to participate

**Summer/Fall 2021**

## Marketing

- Market to both businesses and residents

**Fall/Winter 2021**

## Ongoing Engagement & Participation

- Grow resident participation
- Create engagement opportunities interaction

**Spring 2022**





# Live Work Corona

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*LIVE WHERE YOU WORK  
WORK WHERE YOU LIVE  
GO FULL CIRCLE IN THE CIRCLE CITY*



# Mission

*To create a resilient local economy by connecting job seekers with Corona employers.*



# Leverage Partner Resources



# Riverside County Workforce Development Board

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## Job Board



## Job Fairs



## On-the-Job Training



# Corona Library

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# Marketing & Outreach

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# Marketing & Outreach



# Ongoing Engagement

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# Ongoing Engagement

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**Expand Employee Pipeline**



**Grow Business Participation**



**Corona Job Fair**





CITY OF  
**CORONA**  
THE CIRCLE CITY

I WANT TO...

ABOUT US

GOVERNMENT

SERVICES

COMMUNITY

BUSINESSES

# LIVE WORK CORONA

Live Where You Work | Work Where You Live

Go Full Circle in the Circle City

## OUR MISSION

To create a resilient local economy by connecting job seekers with Corona employers.

Take the Pledge  
Hire Local



## FEATURED BUSINESS

*Fender*

The City of Corona recognizes and commends their commitment and pledge to hire local

Hiring?



Current Job  
Postings



Job Seeker  
Resources



Employer  
Resources



Learn more about  
our local economic  
development initiatives

Corona Office of Economic Development | 951-736-2297 | EconDev@CoronaCA.gov

NOW SPEAKING: ASHLEY ZARAGOZA





# Live Work Corona Timeline

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Item	Projected Deadline
Partner Collaboration and Commitment	Summer 2021
Initial Launch <ul style="list-style-type: none"><li>• Webpage</li><li>• Social Media Marketing/Outreach</li></ul>	Fall 2021
Job Seeker and Business Engagement	Ongoing
Corona Job Fair with Riverside County Workforce Development Board	Spring 2022





**Shop**



**Dine**



**Hire**



**Business to  
Business**



**Resident to  
Business**



**Special  
Events**



**Live Work  
Corona**



# Questions Feedback?

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Maintenance Services Department

# Solid Waste & Recycling Program

William Carrasco

# Overview

1. Recap from 2020 Summer Workshop
2. Review Solid Waste Legislation Timeline
3. Current Requirements for Businesses
4. Program Overview
5. Non-Compliance Process







## Recap of 2020 Summer Workshop

# August 2020 Summer Workshop – Solid Waste Hauler Agreement Timeline

## Renegotiation of Existing Agreement



# August 2020 Summer Workshop Questions

- **Waste Management accountability in SB 1383 implementation?**
  - SB 1383 has requirements for jurisdictions and transfer stations/processing facilities but not specifically for haulers



# August 2020 Summer Workshop

## Other viable hauler options:

- **CR&R Waste Services** – utilized by City of Riverside; own local anaerobic digester for organic waste processing in Perris
- **Burrtec Waste Industries** – utilized by Cities of Riverside, Jurupa Valley, Eastvale, etc.; own Agua Mansa MRF/Transfer Station in Riverside



- **Ware Disposal** – utilized by Corona-Norco Unified School District; own Madison Resource Recovery Facility in Santa Ana







# Questions and Discussion





# Solid Waste Legislation Timeline



# Solid Waste Legislation Timeline

## Assembly Bill (AB) 939 – The Integrated Waste Management Act of 1989

Required California cities and counties to divert 25% of their solid waste from landfills by 1995 and 50% by 2000

1989



## AB 341– Mandatory Commercial Recycling

2012



## AB 1826– Mandatory Commercial Organics Recycling

2016



## SB 1383 – Short-Lived Climate Pollutants

Established to address the reduction of methane, a greenhouse gas, that is emitted when organic material is sent to landfills. SB 1383 goes into effect beginning January 1, 2022

2022





## Current Requirements for Businesses

# CURRENT REQUIREMENTS

## AB 341

- Established 75% statewide diversion goal by 2020
- Any business or multi-family complex with 5 units or more that generates 4 or more cubic yards of waste (trash) per week must establish recycling services
  - Can self-haul or sell recyclables



## AB 1826

- Any business or multi-family complex with 5 units or more that generates 2 or more cubic yards of waste (trash) per week must establish organic waste recycling services
  - Can self-haul, compost on-site, or use landscaping services as method of diverting organics







# Questions and Discussion





## **Program Overview – Where We Started**

# WHERE WE STARTED

- 2006 franchise agreement included recycling services
- May 2017 – franchise agreement was amended
  - Inclusion of commercial organic waste recycling service rates brought on by AB 1826





# Recycling & Organic Waste Recycling Services Summary

## Commercial Recycling Rates

### Recycling

- Same rate applied to any size bin (2-6yds) depending on service frequency 1 to 5 times per week

Service/ Week	1x	2x	3x	4x	5x
Monthly Rate	\$47.68	\$93.24	\$138.84	\$184.44	\$230.04



## Commercial Organic Waste Recycling Rates

### Organic Waste Recycling

- 64-gallon cart; only size currently offered

Service/ Week	1x	2x	3x	4x	5x
Monthly Rate	\$46.45	\$92.89	\$139.34	\$185.81	\$232.24



# Recycling & Organic Waste Recycling Services Summary

## Waste Audit Conducted

Waste Management reps conduct Waste Audits upon request, normally when businesses add recycling or organic waste recycling services

### Example Restaurant:

Current Services	Rate
6yd trash bin; serviced 4x/week	\$954.55

Revised Services	Rate
3yd trash bin; serviced 4x/week	\$530.44
3yd recycling bin; serviced 4x/week	\$184.44
64-gallon organics; serviced 4x/week	\$185.81
Total	\$900.69

Savings	
\$954.55 - \$900.69 =	\$53.86



## What We've Accomplished

# WHAT WE'VE ACCOMPLISHED – EDUCATION & OUTREACH

- Waste Management provided businesses with informational bill inserts, etc. 2017-18
- November 2019 – Waste Management sent letter notifying of AB 341 & 1826 requirements
- The City's efforts included:
  - Bill inserts
  - Email blasts
  - Newsletter articles
  - Newsletter Ads
  - Outbound Phone Calls
- May 2020 – Follow-up letter sent to non-compliant businesses to provide notification of amended CMC
- Warning letter sent in January 2021 to those who were still non-compliant

Non-Compliant with AB 341 only	59
Non-Compliant with AB 1826 only	276
Non-Compliant with both AB 341 & 1826	309
<b>Total Letters Sent</b>	<b>644</b>

# WHAT WE'VE ACCOMPLISHED - PRESENTATIONS

- Presentation on recycling requirements made to Corona Chamber of Commerce in June 2019 by Waste Management
- Virtual informational event held in Fall 2020
- Virtual Educational event pend of August 2021



# WHAT WE'VE ACCOMPLISHED - POLICY

- February 2020 – Amendment to Chapter 8.20 of CMC
  - Added requirement for businesses to subscribe to recycling and organic waste recycling services
  - Established administrative penalties for non-compliance

<b>Administrative Penalties - Infraction</b>	
First violation	\$100.00
Second Violation within same year	\$200.00
Each Additional Violations within same year	\$500.00

- Administrative Policy put in place to allow for limited exemptions of AB 1826 requirement
- Exemptions include:
  - Not enough space to accommodate additional bins (temporary)
  - Extraordinary and unforeseen events
  - Not generating a certain amount of organic waste per week

- Automatic Services Ordinance was scheduled to be presented to Council for approval in February 2021
  - Included automatic cart drop off to all AB 341 & 1826 non-compliant businesses by April 2021
  - Extension granted from CalRecycle; new deadline is December 2021
- Continuous work with Community Development to address enclosure requirements and standards
- Working with Building Department on C&D process
  - C&D requirements in SB 1383







# Questions and Discussion





## What We Still Need To Address

# WHAT WE STILL NEED TO ADDRESS

## SB 1383 – Final Regulation approved November 3, 2020

**Provide Organics  
Collection Services to All  
Residents and Businesses**



**Conduct Education  
and Outreach to  
Community**



**Secure Access to  
Recycling and Edible  
Food Recovery Capacity**



**Establish Edible Food  
Recovery Program**



**Procure Recyclable  
and Recovered  
Organic Products**



**Monitor Compliance  
and Conduct  
Enforcement**



# ITEMS CURRENTLY IN PROGRESS

- Implementation of Recyclist tracking program
  - For recordkeeping & reporting
- Continuing to educate and assist businesses with compliance of AB 341 & AB 1826
- Working with Consultant on:
  - Re-negotiation of franchise agreement
    - To Incorporate SB 1383 requirements
  - CMC updates to incorporate SB 1383 requirements



# Questions and Discussion







## **Non-Compliance Process**



# RESULT OF CITY NON-COMPLIANCE

## 1. Notice of Violation Issued by CalRecycle

- Given 90 days to correct violation of one or more requirements
- Additional 90-day extension may be granted on case-by-case basis

## 2. Corrective Action Plan

- For violations outside a jurisdiction's control and for those who have made a substantial effort towards compliance
- Allowed up to 24 months to come into compliance
  - 12 additional months granted if related to organic waste recycling capacity

## 3. Penalties issued by CalRecycle

- Imposed after all other compliance actions have failed
- Begins with the serving of an accusation; hearing held shortly after
  - Approx. 180-day process
- CalRecycle has authority to fine up to \$10,000 per day until jurisdiction comes into compliance

# CONTINUED EFFORTS

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- Continue outreach to current regulated entities (businesses & multi-family complexes) that are non-compliant
  - For those businesses that are non-responsive to reaching compliance, penalties may be issued
- Advocate for delayed statewide implementation of SB 1383
  - Assisted by WRCOG & member jurisdictions
- City is currently working on a request to CalRecycle for an additional 6-month extension for SB1383 implementation

# QUESTIONS?

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**[www.CoronaCA.gov/Recycle](http://www.CoronaCA.gov/Recycle)**

