



AGENDA

**CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
MORENO VALLEY PUBLIC FINANCING AUTHORITY
BOARD OF LIBRARY TRUSTEES**

REGULAR MEETING - 6:00 PM

September 19, 2023

TELECONFERENCE MEETING

**MAYOR CABRERA'S TELECONFERENCE LOCATION
DOUBLETREE BY HILTON SACRAMENTO
2001 POINT WEST WAY, SACRAMENTO, CA 95815
FEATHER RIVER ROOM**

**THE TELECONFERENCE LOCATION WILL BE ACCESSIBLE TO THE PUBLIC TO PARTICIPATE IN THE MEETING
916-924-4900**

City Council Study Sessions

Second Tuesday of each month – 6:00 p.m.

City Council Meetings

Special Presentations – 5:30 P.M.

First & Third Tuesday of each month – 6:00 p.m.

City Council Closed Sessions

Will be scheduled as needed at 4:30 p.m.

City Hall Council Chamber – 14177 Frederick Street

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the ADA Coordinator, at 951.413.3350 at least 72 hours before the meeting. The 72-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Ulises Cabrera, Mayor

Edward A. Delgado, Mayor Pro Tem

David Marquez, Council Member

Cheylynda Barnard, Council Member

Elena Baca-Santa Cruz, Council Member

AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
September 19, 2023

CALL TO ORDER - 5:30 PM

SPECIAL PRESENTATIONS

1. CERTIFICATES OF RECOGNITION - DEPUTIES AND CLASSIFIED EMPLOYEES OF 1ST AND 2ND QUARTER
2. SEPTEMBER AS NATIONAL PREPAREDNESS MONTH PROCLAMATION
3. SEPTEMBER 22ND AS NATIVE AMERICAN DAY PROCLAMATION

**AGENDA
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
MORENO VALLEY PUBLIC FINANCING AUTHORITY
AND THE BOARD OF LIBRARY TRUSTEES**

***THE CITY COUNCIL RECEIVES A SEPARATE STIPEND FOR CSD
MEETINGS***

**REGULAR MEETING – 6:00 PM
SEPTEMBER 19, 2023**

CALL TO ORDER

Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and the Board of Library Trustees - actions taken at the Joint Meeting are those of the Agency indicated on each Agenda item.

PLEDGE OF ALLEGIANCE

INVOCATION

Pastor Israel Carlos Of Apostolic Assembly

ROLL CALL

INTRODUCTIONS

**PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE
JURISDICTION OF THE CITY COUNCIL**

**PUBLIC COMMENTS ON ANY SUBJECT ON THE AGENDA UNDER THE
JURISDICTION OF THE CITY COUNCIL**

JOINT CONSENT CALENDARS (SECTIONS A-E)

All items listed under the Consent Calendars, Sections A, B, C, D, and E are considered to be routine and non-controversial, and may be enacted by one motion unless a member of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority or the Board of Library Trustees requests that an item be removed for separate action. The motion to adopt the Consent Calendars is deemed to be a separate motion by each Agency and shall be so recorded by the City Clerk. Items withdrawn for report or discussion will be heard after public hearing items.

A. CONSENT CALENDAR-CITY COUNCIL

- A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- A.2. MINUTES - CITY COUNCIL – CLOSED SESSION - SEPTEMBER 5, 2023
4:30 PM

Recommendation:

1. Approve as submitted.

- A.3. MINUTES - CITY COUNCIL – REGULAR MEETING - SEPTEMBER 5, 2023
6:00 PM

Recommendation:

1. Approve as submitted.

- A.4. COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2023/2024 FROM JULY 1, 2023 THROUGH JULY 31, 2023. (Report of: City Clerk)

Recommendation:

1. Receive and file the Fiscal Year 2023/2024 Council Discretionary Expenditure Report for July 1, 2023 through July 31, 2023.

- A.5. LIST OF PERSONNEL CHANGES (Report of: Financial & Management Services)

Recommendation:

1. Ratify the list of personnel changes as described.

- A.6. PAYMENT REGISTER - JULY 2023 (Report of: Financial & Management Services)

Recommendation:

1. Receive and file the Payment Register.

- A.7. APPROVE THIRD AMENDMENT TO THE AGREEMENT FOR CITYWIDE SECURITY SERVICES TO LYONS SECURITY SERVICES, INC. (Report of: Financial & Management Services)

Recommendations:

1. Approve the Third Amendment to the Agreement for On-Site and/or Professional Services with Lyons Security Service Inc., to provide security guard services at various City facilities and special events;
2. Authorize a Change Order to the existing Purchase Order with Lyons, Inc. in the amount of \$68,000 once the Third Amendment has been signed by all parties;
3. Authorize the City Manager, or their designee, to execute the Third Amendment to the Agreement for On-Site and/or Professional Services with Lyons Security Service, Inc. subject to the approval of the City Attorney; and
4. Authorize the City Manager to execute subsequent amendments to the Agreement, including the authority to authorize associated purchase orders in accordance with the terms of the Agreement, subject to the approval of the City Attorney and the approved budget by City Council.

A.8. SB 1205 FY2022/2023 STATE MANDATED INSPECTIONS (Report of: Fire Department)

Recommendation:

1. Approve Resolution No. 2023-XX, acknowledging the receive and file report regarding the State-mandated annual inspections of certain occupancies pursuant to California Health and Safety Code Sections §13145, §13146 and §17921.

A.9. AUTHORIZE THE AWARD OF PURCHASE FOR TWO VEHICLES TO PB LOADER CORPORATION AND TYMCO, INC. (Report of: Public Works)

Recommendations:

1. Award the purchase of one 2024 Asphalt Patch Truck to PB Loader Corporation.
2. Authorize the Purchasing & Sustainability Division Manager to issue a Purchase Order to PB Loader Corporation in the amount of \$212,752.00 plus an estimated sales and use tax amount of \$16,488.28, for a total amount of \$229,240.28 using Fleet Operations Replacement Reserve (Fund 7430).
3. Award the purchase of one 2023 Street Sweeper to TYMCO, Inc.
4. Authorize the Purchasing & Sustainability Division Manager to issue a Purchase Order to TYMCO, Inc. in the amount of \$502,707.63 using

Fleet Operations Replacement Reserve (Fund 7430).

5. Authorize the City Manager or their designee to execute future vehicle & equipment purchases in accordance with the approved Fiscal Year 2023/24-2024/25 budget and procurement procedures.
- A.10. PEN21-0184 (TR 38236) – APPROVE TRACT MAP 38236 LOCATED SOUTH OF ALESSANDRO BOULEVARD AND WEST OF OLIVER STREET AND APPROVE COOPERATIVE AGREEMENT BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, THE CITY, AND D.R. HORTON LOS ANGELES HOLDING COMPANY, INC. (Report of: Public Works)

Recommendations:

1. Approve Tract Map 38236.
2. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.
3. Approve the Cooperative Agreement with the Riverside County Flood Control and Water Conservation District (the District), the City of Moreno Valley (the City), and D.R. Horton Los Angeles Holding Company, Inc. (the Developer), for the MDP Line H, Stage 2 and Moreno – Alessandro Boulevard Lateral Storm Drain, Stage 1.
4. Authorize the City Manager to execute the Cooperative Agreement.
5. Direct the City Clerk to forward the signed Cooperative Agreement to the District.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- B.2. MINUTES - CITY COUNCIL – CLOSED SESSION - SEPTEMBER 5, 2023
4:30 PM

Recommendation:

1. Approve as submitted.

- B.3. MINUTES - CITY COUNCIL – REGULAR MEETING - SEPTEMBER 5, 2023
6:00 PM

Recommendation:

1. Approve as submitted.

C. CONSENT CALENDAR - HOUSING AUTHORITY

- C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- C.2. MINUTES - CITY COUNCIL – CLOSED SESSION - SEPTEMBER 5, 2023
4:30 PM

Recommendation:

1. Approve as submitted.

- C.3. MINUTES - CITY COUNCIL – REGULAR MEETING - SEPTEMBER 5, 2023
6:00 PM

Recommendation:

1. Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- D.2. MINUTES - CITY COUNCIL – CLOSED SESSION - SEPTEMBER 5, 2023
4:30 PM

Recommendation:

1. Approve as submitted.

- D.3. MINUTES - CITY COUNCIL – REGULAR MEETING - SEPTEMBER 5, 2023
6:00 PM

Recommendation:

1. Approve as submitted.

E. CONSENT CALENDAR - PUBLIC FINANCING AUTHORITY

- E.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- E.2. MINUTES - CITY COUNCIL - CLOSED SESSION - SEPTEMBER 5, 2023
4:30 PM

Recommendation:

1. Approve as submitted.

- E.3. MINUTES - CITY COUNCIL - REGULAR MEETING - SEPTEMBER 5, 2023
6:00 PM

Recommendation:

1. Approve as submitted.

F. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration.

Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Sergeant-at-Arms.

- F.1 TOWN CENTER PROJECT ECONOMIC OPPORTUNITY SUMMARY
REPORT PURSUANT TO GOVERNMENT CODE SECTION 52201
(Report of : City Attorney)

Recommendation:

1. That the City Council conduct a Public Hearing and adopt the attached Resolution approving the Economic Opportunity Summary Report for the Town Center Project pursuant to Government Code Section 52201, and approve of the related Purchase and Sale Agreement.

G. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

H. GENERAL BUSINESS

H.1. OFFICE OF THE MAYOR AND CITY COUNCIL SPONSORSHIP PROGRAM
(Report of: City Clerk)

Recommendation:

1. That the City Council approve the annual \$60,000.00 Office of the Mayor and City Council Sponsorship Program.

I. REPORTS

I.1. CITY COUNCIL REPORTS

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Riverside County Habitat Conservation Agency (RCHCA)

Riverside County Transportation Commission (RCTC)

Riverside Transit Agency (RTA)

Western Riverside Council of Governments (WRCOG)

Western Riverside County Regional Conservation Authority (RCA)

School District/City Joint Task Force

I.2. EMPLOYEE ASSOCIATION REPORTS

I.3. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY, HOUSING AUTHORITY, PUBLIC FINANCING AUTHORITY, AND THE BOARD OF LIBRARY TRUSTEES.

ADJOURNMENT

PUBLIC INSPECTION

The contents of the agenda packet are available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

Any written information related to an open session agenda item that is known by the City to have been distributed to all or a majority of the City Council less than 72 hours

prior to this meeting will be made available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

CERTIFICATION

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, certify that 72 hours prior to this Regular Meeting, the City Council Agenda was posted on the City's website at: www.moval.org and in the following three public places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley
14177 Frederick Street

Moreno Valley Library
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center
25075 Fir Avenue

Jane Halstead, CMC
City Clerk

Date Posted: 9/14/2023

**MINUTES
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY PUBLIC FINANCING AUTHORITY
MORENO VALLEY HOUSING AUTHORITY**

**CLOSED SESSION – 4:30 PM
September 5, 2023**

CALL TO ORDER

The Closed Session of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Housing Authority, and the Moreno Valley Public Financing Authority was called to order at 4:30 p.m. by Mayor Cabrera in the Council Chamber located at 14177 Frederick Street, Moreno Valley, California.

Mayor Cabrera announced that the City Council receives a separate stipend for CSD meetings.

ROLL CALL

Council:	Ulises Cabrera	Mayor
	Ed Delgado	Mayor Pro Tem
	David Marquez	Council Member
	Cheylynda Barnard	Council Member
	Elena Baca-Santa Cruz	Council Member

PUBLIC COMMENTS ON MATTERS ON THE AGENDA ONLY

Mayor Cabrera opened the public comments portion of the meeting for items listed on the agenda only. There being no members of the public to come forward to speak, he closed the public comments.

Minutes Acceptance: Minutes of Sep 5, 2023 4:30 PM (CONSENT CALENDAR-CITY COUNCIL)

CLOSED SESSION

Interim City Attorney Quintanilla announced that the City Council would recess to Closed Session to discuss the item as listed on the agenda and that he did anticipate reportable action.

A CONFERENCE WITH LEGAL COUNSEL POTENTIAL INITIATION OF LITIGATION

Pursuant to Government Code Section 54956 (1 Potential Case)

Mayor Cabrera recessed the City Council to the City Manager's Conference Room, second floor, City Hall, for their Closed Session at 4:32 p.m.

Mayor Cabrera reconvened the City Council in the Council Chamber from their Closed Session at 5:29 p.m.

REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY

Interim City Attorney Quintanilla announced that there was no reportable action taken in Closed Session.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Cabrera adjourned the meeting at 5:29 p.m.

Submitted by:

Jane Halstead, CMC
 City Clerk
 Secretary, Moreno Valley Community Services District
 Secretary, City as Successor Agency for the Community
 Redevelopment Agency of the City of Moreno Valley
 Secretary, Moreno Valley Housing Authority
 Secretary, Board of Library Trustees
 Secretary, Public Financing Authority

Approved by:

Ulises Cabrera
 Mayor
 City of Moreno Valley
 President, Moreno Valley Community Services District
 Chairperson, City as Successor Agency for the Community
 Redevelopment Agency of the City of Moreno Valley
 Chairperson, Moreno Valley Housing Authority
 Chairperson, Board of Library Trustees
 Chairperson, Public Financing Authority

**MINUTES
CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY
September 5, 2023**

CALL TO ORDER - 5:30 PM

SPECIAL PRESENTATIONS

1.RECOGNITION OF THE INDEPENDENCE DAY PARADE AWARD WINNERS

Minutes Acceptance: Minutes of Sep 5, 2023 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

**MINUTES
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
MORENO VALLEY PUBLIC FINANCING AUTHORITY
BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING – 6:00 PM
September 5, 2023**

CALL TO ORDER

The Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Moreno Valley Housing Authority, Moreno Valley Public Financing Authority and the Board of Library Trustees was called to order at 6:00 p.m. by Mayor Cabrera in the Council Chamber located at 14177 Frederick Street.

Mayor Cabrera announced that the City Council receives a separate stipend for CSD meetings.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Pro Tem Delgado.

INVOCATION

The invocation was given by Christopher Navarro of St. Christopher's Catholic Church

ROLL CALL

Council:	Ulises Cabrera	Mayor
	Ed Delgado	Mayor Pro Tem
	Elena Baca-Santa Cruz	Council Member
	David Marquez	Council Member
	Cheylynda Barnard	Council Member

Minutes Acceptance: Minutes of Sep 5, 2023 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

INTRODUCTIONS

Staff:	Jane Halstead	Manager of the Office of the Mayor and City Council/City Clerk
	Patty Rodriguez	Senior Deputy City Clerk
	Steven Quintanilla	City Attorney
	Mike Lee	City Manager
	Brian Mohan	Assistant City Manager, Chief Financial Officer, City Treasurer
	Michael Lloyd	Assistant City Manager
	Sean Kelleher	Community Development Director
	Melissa Walker	Public Works Director/City Engineer
	Claudia Torres	Special Events and Facilities Division Manager
	Scott Burns	Lieutenant
	Jesse Park	Fire Chief

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Victoria Pacheco

- 1. GRID Alternatives.

Cade Johnson

- 1. Inland Empire Black Worker Center.

Greer Little

- 1. Inland Empire Black Worker Center.

Christopher Baca

- 1. Tow company issues.

Bob Palomarez

- 1. Illicit substance issues.
- 2. Prayers for Moreno Valley activist.

Daryl T.

- 1. Catalytic converter theft.

Roy Bleckert

Minutes Acceptance: Minutes of Sep 5, 2023 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

- 1. Public meeting dates.
- 2. Community issues.

Louise Palomarez

- 1. Prayers for Moreno Valley activist.
- 2. Critical of Mayor Cabrera and Council Member Marquez.

Pete Bleckert

- 1. City parks and libraries.

PUBLIC COMMENTS ON ANY SUBJECT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

None.

JOINT CONSENT CALENDARS (SECTIONS A-E)

Motion made by Mayor Pro Tem Delgado and seconded by Council Member Baca-Santa Cruz to approve the consent calendar.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Ed Delgado, Mayor Pro Tem
SECONDER:	Elena Baca-Santa Cruz, Council Member
AYES:	Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

A. CONSENT CALENDAR-CITY COUNCIL

A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

A.2. City Council - Closed Session - Aug 15, 2023 4:00 PM

A.3. City Council - Regular Meeting - Aug 15, 2023 6:00 PM

A.4. LIST OF PERSONNEL CHANGES (Report of: Financial & Management Services)

Recommendation:

Minutes Acceptance: Minutes of Sep 5, 2023 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

1. Ratify the list of personnel changes as described.

A.5. ACCEPT 2023 SCHOOLS AND LIBRARIES PROGRAM (E-RATE) FUNDING COMMITMENT FROM USAC (Report of: Parks & Community Services)

Recommendations: That the City Council and CSD:

1. Accept Funding Year 2023 Schools and Libraries Program (E-rate) funding from The Universal Service Administrative Company (USAC); and
2. Authorize the Executive Director/City Manager and or the Parks & Community Services Director and or its designee, to complete and submit required documentation, forms, reimbursement requests and other items related to this funding commitment; and
3. Authorize a budget adjustment in FY 23/24 for the City's 15% match/share of cost for the E-rate program.

A.6. ACCEPT GRANT FUNDING FROM CA STATE LIBRARY LSTA FY 23/24 FOR MOVAL GAMERS LAIR PROJECT (Report of: Parks & Community Services)

Recommendations: That the City Council and CSD:

1. Accept grant funding from the California State Library for the MoVal Gamers Lair project in the amount of \$69,042 in federal Library Services and Technology Act (LSTA) funds; and
2. Authorize the Executive Director/City Manager or its Authorized Representative, Parks & Community Services Director, or designee to submit required reports, payment claims and other application documents for LSTA funds; and
3. Authorize the Executive Director/City Manager to process a budget amendment and appropriation in the amount of \$69,042 in FY 23/24; and
4. Authorize the Executive Director/City Manager to enter into an agreement for services with Library Systems & Services (LS&S) to provide the MoVal Gamers Lair project in the amount of \$69,042.

A.7. SUBMITTAL OF COMMUNITY RESILIENCE CENTERS PLANNING GRANT ROUND 1 APPLICATION FY 23/24 (Report of: Parks & Community Services)

Recommendations: That the City Council and CSD:

1. Authorize the Executive Director or its Authorized Representative, Parks & Community Services Director, or designee to submit a grant application to the California Strategic Growth Council for the Community Resilience Centers (CRC) Planning Grant Round 1 funding.

A.8. APPROVE THE ACCEPTANCE OF CALIFORNIA ARREARAGE PAYMENT PROGRAM FUNDS FOR UTILITY BILL RELIEF (Report of: Public Works)

Recommendations:

1. Approve Resolution 2023-58. A Resolution of the City Council of the City of Moreno Valley, California, to accept the California Arrearage Payment Program (CAPP) funds; and
2. Authorize the City Manager to accept any future CAPP fund payments for Electric Utility bill relief.

A.9. APPROVE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, RATIFYING THE ATTESTATION OF VERACITY SUBMITTED TO THE CALIFORNIA ENERGY COMMISSION FOR THE 2022 POWER SOURCE DISCLOSURE PROGRAM ANNUAL REPORT (Report of: Public Works)

Recommendation:

1. Approve Resolution No. 2023-59. A Resolution of the City Council of the City of Moreno Valley, California, Ratifying the Attestation of Veracity submitted to the California Energy Commission for the 2022 Power Source Disclosure Program Annual Report.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

B.2. MINUTES - CITY COUNCIL - CLOSED SESSION - AUGUST 15, 2023 4:00 PM.

Recommendation:

- 1: Approve as submitted.

B.3. MINUTES - CITY COUNCIL - REGULAR MEETING - AUGUST 15, 2023 6:00 PM.

Recommendation:

1: Approve as submitted.

B.4. PURSUANT TO LANDOWNER PETITIONS, ANNEX CERTAIN PARCELS INTO COMMUNITY FACILITIES DISTRICT NO. 2021-01 (PARKS MAINTENANCE) - AMENDMENT NOS. 90, 93, 100, 102, 105, 108, and 110 - 113 (RESO. NOS. CSD 2023-66 to CSD 2023-75) (Report of: Financial & Management Services)

Recommendation:

1. Adopt Resolution No. CSD 2023-66, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 90) (Jose Guadalupe Guzman Plata and Gisela Morales, located at 12671 and 12673 Sunnymeadows Dr.).
2. Adopt Resolution No. CSD 2023-67, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 93) (Moss San Bernardino Properties, located at the northwest corner of Eucalyptus Ave. and Auto Mall Dr.).
3. Adopt Resolution No. CSD 2023-68, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 100) (Eduardo J. Pinzon, Marina C. Pinzon, and Jennifer Elizabeth Pinzon, located at 21236 Shakespeare Ct.).
4. Adopt Resolution No. CSD 2023-69, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 102) (Angel Salgado Alvarez, located at 13669 Phyllis Ave.).
5. Adopt Resolution No. CSD 2023-70, a Resolution of the Board for the

Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 105) (Serrano Esther Living Rev Trust DTD 3/25/22 and Esther Serrano, located at 11910 Venetian Dr.).

6. Adopt Resolution No. CSD 2023-71, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 108) (LCG MVD, located at the northeast corner of Heacock St. and Hemlock Ave.).
7. Adopt Resolution No. CSD 2023-72, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 110) (Eddie Gomez, located at 11129 Red Hill Rd.).
8. Adopt Resolution No. CSD 2023-73, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 111) (James Taylor Suchy, located at 15864 Alisa Viejo Ct.).
9. Adopt Resolution No. CSD 2023-74, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 112) (13790 Mangowood Drive Land Trust and Kathryn L. Durocher, located at 13788 and 13790 Mangowood Dr.).
10. Adopt Resolution No. CSD 2023-75, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 113) (Juan O. Hernandez, located at 25596 Jonestown Dr.).

C. CONSENT CALENDAR - HOUSING AUTHORITY

- C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- C.2. MINUTES - CITY COUNCIL - CLOSED SESSION - AUGUST 15, 2023 4:00 PM.

Recommendation:

1: Approve as submitted.

- C.3. MINUTES - CITY COUNCIL - REGULAR MEETING - AUGUST 15, 2023 6:00 PM.

Recommendation:

1: Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- D.2. MINUTES - CITY COUNCIL - CLOSED SESSION - AUGUST 15, 2023 4:00 PM.

Recommendation:

1: Approve as submitted.

- D.3. MINUTES - CITY COUNCIL - REGULAR MEETING - AUGUST 15, 2023 6:00 PM.

Recommendation:

1: Approve as submitted.

E. CONSENT CALENDAR - PUBLIC FINANCING AUTHORITY

- E.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- E.2. MINUTES - CITY COUNCIL - CLOSED SESSION - AUGUST 15, 2023 4:00 PM.

Recommendation:

- 1: Approve as submitted.

- E.3. MINUTES - CITY COUNCIL - REGULAR MEETING - AUGUST 15, 2023 6:00 PM.

Recommendation:

- 1: Approve as submitted.

F. PUBLIC HEARINGS

- F.1. GATEWAY HEIGHTS 108 UNIT CONDOMINIUM PROJECT (Report of: Community Development)

Recommendations: That the City Council:

1. **ADOPT** Resolution 2023-XX:
 1. **CERTIFYING** the Initial Study/Mitigated Negative Declaration prepared for the Proposed Project consisting of General Plan Amendment (PEN20-0095), Change of Zone (PEN20-0096), Tentative Tract Map 38459 (PEN22-0127) and Conditional Use Permit (PEN21-0066); and
 2. **ADOPTING** the Mitigation Monitoring and Reporting Program prepared for the Mitigated Negative Declaration; and
 2. **ADOPT** Resolution 2023-XX:
 1. **APPROVING** General Plan Amendment (PEN20-0095), Change of Zone (PEN20-0096), Tentative Tract Map 38459 (PEN22-0127) and Conditional Use Permit (PEN21-0066); and
3. **INTRODUCE** Ordinance No. [next in order]:
 1. Approving Change of Zone (PEN20-0096) and corresponding amendment to the City's Zoning Atlas.

Community Development Director Sean Kelleher provided the staff report.

With the conclusion of the staff report, Mayor Cabrera opened the floor for Council questions of staff.

Mayor Pro Tem Delgado asked questions of staff.

Community Development Director Sean Kelleher responded to Mayor Pro Tem Delgado's inquiry.

Applicant provided a report on the project.

With the conclusion of the Applicant's report, Mayor Cabrera called for public comments to be heard.

Stan Futch

1. Opposed.

Samuel Kennedy

1. Opposed.

Luis Echeverria

1. Opposed.

Louise Palomarez

1. Opposed.

Christopher Baca

1. Opposed.

Dr. Katherine Sullivan

1. Supported.

Bob Palomarez

1. Opposed.

Donald Avery

1. Opposed.

Public comments were heard.

With the conclusion of public comments, Mayor Cabrera called for the Applicant rebuttal.

The Applicant provided their rebuttal.

Council asked questions of the Applicant.

The Applicant responded to City Council's questions.

At the conclusion of Council deliberation and questions, Mayor Cabrera entertained a motion.

Motion made by Council Member Marquez and seconded by Mayor Cabrera to table the Gateway Heights Tract 38459 item to a date uncertain.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	David Marquez, Council Member
SECONDER:	Ulises Cabrera, Mayor
AYES:	Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

F.2. APPEAL (PAA23-0007) OF PLANNING COMMISSION APPROVAL OF MASTER PLOT PLAN (PEN21-0289), PLOT PLANS (PEN23-0081, PEN23-0082, AND PEN23-0083), CONDITIONAL USE PERMITS (PEN20 0110, PEN20 0111, AND PEN20 0112), AND TENTATIVE PARCEL MAP NO. 37942 (PEN21-0288) FOR THE DEVELOPMENT OF AN 8.4-ACRE COMMERCIAL CENTER AND THE PROPOSED PROJECT'S RELATED MITIGATED NEGATIVE DECLARATION (Report of: Community Development)

STAFF RECOMMENDATION

That the City Council:

- A. **ADOPT** Resolution No. 2023-60 attached hereto:
 - 1. **DENYING** Appeal PAA23-0007 upholding the Planning Commission's approval of the Proposed Project which consists of Plot Plan (PEN21-0289), Plot Plans (PEN23-0081, PEN23-0082, and PEN23-0083), Conditional Use Permits (PEN20-0110, PEN20-0111, and PEN20-0112), and Tentative Parcel Map No. 37942 (PEN21-0288); and
- B. **ADOPT** Resolution No. 2023-61 attached hereto:
 - 1. **AFFIRMING** the Planning Commission's certification and approval of the Proposed Project's Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program.

Minutes Acceptance: Minutes of Sep 5, 2023 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

Mayor Cabrera called for Council recess at 7:49pm.

City Council resumed at 7:59pm.

Staff report was provided by Community Development Director Sean Kelleher.

City Council asked questions of staff.

Community Development Director Sean Kelleher responded to Council's inquiries.

With the conclusion of the staff report, Mayor Cabrera called for the Appellant's presentation.

Appellant provided presentation.

With the conclusion of the Appellant's presentation, Council questions of the Appellant were called.

The Appellant responded to Council's questions.

With the conclusion of Council questions for the Appellant, Mayor Cabrera called for the Applicant's presentation.

Applicant provided presentation.

City Council asked questions of the Applicant.

The Applicant responded to Council's inquiries.

*Mayor Pro Tem Delgado left the dais at 8:21pm and returned at 8:41pm.

With the conclusion of Applicant's presentation and Council questions of the Applicant, public comments were called.

Jose L. Castro

1. Opposed.

David Jones

1. Opposed

Hap Hatch

1. Opposed.

Jean Padilla

1. Opposed.

Faralyn Padilla

1. Opposed.

Jessica Ayala

1. Opposed.

Judy Brice

1. Opposed.

Miguel Padilla

1. Opposed.

Jairo Ruiz

1. Opposed.

Isaura Ruiz

1. Opposed.

Dr. Katherine Sullivan

1. Supported.

Louise Palomarez

1. Supported.

Bob Palomarez

1. Supported.

Public comments were heard.

Mayor Cabrera called for Council recess at 9:24pm.

The City Council meeting resumed at 9:34pm.

Assistant City Manager Brian Mohan stated the Developer would like to make a statement.

Applicant stated they will ask for approval of the project, excluding the proposed 7-Eleven.

Assistant City Manager Brian Mohan provided clarification on the Applicant's statement.

Mayor Cabrera called the Appellant's rebuttal.

With the conclusion of the Appellant's rebuttal, Mayor Cabrera called for Council deliberation.

After Council deliberation, Mayor Cabrera called for a motion.

Motion made by Mayor Cabrera and seconded by Mayor Pro Tem Delgado to uphold the Planning Commission's decision regarding CEQA determination, Plot Plan, Master Plot Plan, and reversing the Planning Commission's decision regarding the Condition Use Permit (CUP) specifically associated with the gas station and convenience store, based on the offer presented by the applicant.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Ulises Cabrera, Mayor
SECONDER:	Ed Delgado, Mayor Pro Tem
AYES:	Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

F.3. ADOPTION OF COUNTY ORDINANCES NUMBERS 523 AND 640 REGARDING CONTROL OF VECTORS AND ESTABLISHING ENVIRONMENTAL HEALTH SERVICES FEES AND PENALTIES (ORD. NO. 1000), AND FINDING THE ACTION EXEMPT FROM CEQA (Report of: Community Development)

Recommendations: That the City Council:

1. Introduce and conduct first reading of Ordinance No. 1000, amending Title 6 of the City of Moreno Valley Municipal Code, adding Chapter 6.16, adopting by reference Riverside County Ordinance No. 523; and amending Title 3 of the City of Moreno Valley Municipal Code, adding Chapter 3.52, adopting by reference Riverside County Ordinance No. 640.
2. Schedule a public hearing to receive public input regarding adoption

of Ordinance No. 1000 on October 3, 2023, and consider adoption of Ordinance No. 1000 upon conclusion of said public hearing.

- 3. Find the action exempt from California Environmental Quality Act (CEQA) pursuant to 15061(b)(3) of CEQA Guidelines.

Staff report provided by Community Development Director Sean Kelleher.

With the conclusion of the staff report, Mayor Cabrera called for public comments.

With no public comments, Mayor Cabrera called for Council deliberation.

With no Council deliberation, Mayor Cabrera entertained a motion.

Motion made by Council Member Marquez and seconded by Mayor Pro Tem Delgado to approve the first reading of Ordinance 1000, schedule the second reading of Ordinance 1000 for the October 3, 2023 meeting, and find the action exempt from California Environmental Quality Act (CEQA) pursuant to 15061(b)(3) of CEQA Guidelines.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	David Marquez, Council Member
SECONDER:	Ed Delgado, Mayor Pro Tem
AYES:	Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

- F.4. MUNICIPAL CODE AMENDMENTS TO MODIFY PROVISIONS IN TITLE 8, SECTION 8.21.020 – PERMITS REQUIRED AND SECTION 8.21.160 – EROSION CONTROL (Report of: Public Works)

Recommendations:

- 1. Conduct a Public Hearing on proposed amendments to Section 8.21.020 and Section 8.21.160 of Title 8 of the City of Moreno Valley Municipal Code.
- 2. Introduce Ordinance No. 1001, an Ordinance of the City Council of the City of Moreno Valley, California, thereby amending the City of Moreno Valley Municipal Code Section 8.21.020 and Section

Minutes Acceptance: Minutes of Sep 5, 2023 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

8.21.160 related to development grading regulations.

- 3. Set the second reading and adoption of the Ordinance for the next regularly scheduled Council Meeting on October 3, 2023.

Staff report provided by Public Works Director Melissa Walker.

With the conclusion of the staff report, Mayor Cabrera called for Council questions of staff.

Council Member Marquez asked a question of staff.

Public Works Director Melissa Walker responded to Council Member Marquez's inquiry.

With no further questions, Mayor Cabrera called for public comments to be heard.

With no public comments, Mayor Cabrera called for Council deliberation.

With no Council deliberation, Mayor Cabrera entertained a motion.

Motion made by Council Member Baca-Santa Cruz and seconded by Mayor Pro Tem Delgado to approve the first reading of Ordinance 1001 and schedule the second reading of Ordinance 1001 for the October 3, 2023 meeting.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Elena Baca-Santa Cruz, Council Member
SECONDER:	Ed Delgado, Mayor Pro Tem
AYES:	Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

G. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

None.

H. GENERAL BUSINESS

Minutes Acceptance: Minutes of Sep 5, 2023 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

H.1. APPROVE REVISING POLICY 3.06 TRAVEL & RELATED BUSINESS EXPENSES (ELECTED OFFICIALS) TO ENHANCE THE TRANSPARENCY REPORTING (Report of: City Manager)

Recommendation:

1. Approve revising Policy 3.06 TRAVEL AND RELATED BUSINESS EXPENSES (ELECTED OFFICIALS) to include additional transparency requirements for the reporting of the travel and training forms.

Staff report provided by Assistant City Manager Brian Mohan.

With the conclusion of the staff report, Mayor Cabrera called for Council questions of staff.

Mayor Cabrera and Council Member Baca-Santa Cruz asked questions of staff.

Assistant City Manager Brian Mohan responded to Council Member Baca-Santa Cruz's and Mayor Cabrera's inquiries.

At the conclusion of Council questions, Mayor Cabrera called for public comments.

Louise Palomarez

1. Transparency.

Public comments were heard.

At the conclusion of public comments, Mayor Cabrera called for Council deliberation.

City Council asked additional questions of staff.

Assistant City Manager Brian Mohan responded to all Council's inquiries.

*Council Member Marquez left the meeting at 10:19pm.

After further Council deliberation, Mayor Cabrera made a motion.

Motion made by Mayor Cabrera and seconded by Mayor Pro Tem Delgado to approve revising Policy 3.06 Travel & Related Business Expenses (Elected Officials), to enhance the transparency reporting, also to include prohibiting elected officials from participating in the City's CAL-Card program.

Motion passed by a vote of 4-0-1, with Council Member Baca-Santa Cruz, Council Member Barnard, Mayor Pro Tem Delgado, Mayor Cabrera voting yes, and Council Member Marquez away.

RESULT: APPROVED [4 TO 0]
MOVER: Ulises Cabrera, Mayor
SECONDER: Ed Delgado, Mayor Pro Tem
AYES: Ulises Cabrera, Ed Delgado, Cheylynda Barnard, Elena Baca-Santa Cruz
AWAY: David Marquez

I.REPORTS

I.1.CITY COUNCIL REPORTS

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

None.

Riverside County Habitat Conservation Agency (RCHCA)

None.

Riverside County Transportation Commission (RCTC)

Mayor Cabrera reported the following:

The Committee approved the 2024 State Transportation Improvement Program (STIP) funding distribution among the three geographic areas in the Riverside County per the adopted STIP intracounty Memorandum of Understanding (MOU).

The Committee also approved Amendment No. 1 to the agreements to provide on-call multimodal transit/rail consulting services for a five-year term to extend the agreements for additional amount of \$8,000,000.

That concludes my report on the last RCTC Budget and Implementation Committee meeting.

Riverside Transit Agency (RTA)

Council Member Barnard reported the following:

The Board heard the presentation of Federal Transit Administration (FTA) Triennial Review and approved the Report, covering the period of FY19-22.

Due to coach operator shortages, the Board authorized to reduce service on several routes during weekends. I recommended RTA take recruitment into high schools and encourage students to select bus driver as a career.

Western Riverside Council of Governments (WRCOG)

None.

Western Riverside County Regional Conservation Authority (RCA)

None.

School District/City Joint Task Force

None.

I.2. EMPLOYEE ASSOCIATION REPORTS

None.

I.3. CITY MANAGER'S REPORT

1. El Grito event.
2. Regional Job Fair.

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY, HOUSING AUTHORITY, PUBLIC FINANCING AUTHORITY, AND THE BOARD OF LIBRARY TRUSTEES.

Council Member Baca-Santa Cruz

1. Deferred comments to the next City Council Meeting.
- *Council Member Baca-Santa Cruz left the meeting at 10:26pm.

Council Member Barnard

1. Happy Back to School.
2. El Grito Event.

Mayor Pro Tem Delgado

1. Prayers for Tom Jerele.
2. Community meeting for District 2.

Motion to have a City Council Study Session in October to discuss the possibility of changing the City Council Meeting dates.

Motion made by Mayor Pro Tem Delgado and seconded by Mayor Cabrera to have a City Council Study Session in October to discuss the possibility of changing the City Council Meeting dates.

Motion to add an item to a Study Session in October passed by a vote of 2-0, with Mayor Pro Tem Delgado and Mayor Cabrera voting yes.

RESULT:	APPROVED [2 TO 0]
MOVER:	Ed Delgado, Mayor Pro Tem
SECONDER:	Ulises Cabrera, Mayor
AYES:	Ulises Cabrera, Ed Delgado
AWAY:	David Marquez, Cheylynda Barnard, Elena Baca-Santa Cruz

Mayor Cabrera

1. Deferred comments to the next City Council meeting.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Cabrera adjourned the meeting at 10:28PM.

PUBLIC INSPECTION

The contents of the agenda packet are available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

Any written information related to an open session agenda item that is known by the City to have been distributed to all or a majority of the City Council less than 72 hours prior to this meeting will be made available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

Submitted by:

Jane Halstead, CMC
City Clerk
Secretary, Moreno Valley Community Services District
Secretary, City as Successor Agency for the Community
Redevelopment Agency of the City of Moreno Valley
Secretary, Moreno Valley Housing Authority
Secretary, Board of Library Trustees
Secretary, Public Financing Authority

Approved by:

Ulises Cabrera
Mayor
City of Moreno Valley
President, Moreno Valley Community Services District
Chairperson, City as Successor Agency for the Community
Redevelopment Agency of the City of Moreno Valley
Chairperson, Moreno Valley Housing Authority
Chairperson, Board of Library Trustees
Chairperson, Public Financing Authority



Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, CMC, City Clerk

AGENDA DATE: September 19, 2023

TITLE: COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2023/2024 FROM JULY 1, 2023 THROUGH JULY 31, 2023.

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Fiscal Year 2023/2024 Council Discretionary Expenditure Report for July 1, 2023 through July 31, 2023.

SUMMARY

This staff report is prepared at the request of the City Council to provide transparency with respect to the expenditure of City funds from City Council Discretionary Expenditure Accounts. These reports are for each Council Member's year to date expenditures for Fiscal Year 2023/2024, for July 1, 2023 through July 31, 2023. Each Council District receives an annual budget allocation of \$3,000 and the Mayor receives an annual budget allocation of \$6,000.

With the adoption of the current fiscal year budget and pursuant to Resolution No. 2023-24, unused monies from Fiscal Year 2022/2023 will be carried over to the current Fiscal Year as approved by the City Manager.

The expenditure reports are included routinely in the City Council agenda as an additional means of distributing reports on activities to the Council and public. The reports are to be posted to the City's website following Council approval. The monthly reports provide unaudited information and are reconciled to the City's general ledger. Following the end of the Fiscal Year, the financial information shall be reviewed as part of the City's independent financial audit.

NOTIFICATION

Posting of the agenda as required by the Brown Act.

PREPARATION OF STAFF REPORT

Prepared By:
Jasmin Rivera
Management Assistant

Department Head Approval:
Jane Halstead
City Clerk

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

To view large attachments, please click your “bookmarks”  on the left hand side of this document for the necessary attachment.

- 1. FY 23-24 Expenditure Report Sheet (9-12-2023)

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/14/23 8:12 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/14/23 8:43 AM



MAYOR ULISES CABRERA

Fiscal Year 2023/2024 Council Discretionary Expenditures
Accounts: 1010-10-01-10015-620130 Mayor Discretionary
1010-10-01-10015-620131 Mayor Discretionary - Carryover
July 1, 2023 – July 31, 2023

Date	Amount	Description
7/25/2023	\$ 1,000.00	Kids Youth Mentorship Services Inc. Back-to-School Backpack Giveaway Event
7/31/2023	\$ 102.59	Senior Center Community Engagement Consumables
7/31/2023	\$ 75.00	We Walk by Faith Not by Sight Event

<u>\$ 1,177.59</u>	TOTAL Council Discretionary Expenditures for FY 23/24
<u>\$ 6,000.00</u>	FY 23/24 Adopted Budget Amount
<u>\$ 6,000.00</u>	FY 23/24 Amended Budget Amount
\$ 4,822.41	FY 23/24 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
Updated as of: 9/12/2023



MAYOR PRO TEM EDWARD A. DELGADO

Fiscal Year 2023/2024 Council Discretionary Expenditures
 Accounts: 1010-10-01-10012-620112 District 2 Discretionary
 1010-10-01-10012-620117 District 2 Discretionary - Carryover
 July 1, 2023 – July 31, 2023

Date	Amount	Description
No expenditures to report for July 2023		

\$	0.00	TOTAL Council Discretionary Expenditures for FY 23/24
\$	3,000.00	FY 23/24 Adopted Budget Amount
\$	3,000.00	FY 23/24 Amended Budget Amount
\$	3,000.00	FY 23/24 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 9/12/2023



COUNCIL DISTRICT 1 ELENA BACA-SANTA CRUZ

Fiscal Year 2023/2024 Council Discretionary Expenditures
 Accounts: 1010-10-01-10011-620111 District 1 Discretionary
 1010-10-01-10011-620116 District 1 Discretionary - Carryover
 July 1, 2023 – July 31, 2023

Date	Amount	Description
No expenditures to report for July 2023		

	<u>\$</u>	0.00	TOTAL Council Discretionary Expenditures for FY 23/24
	<u>\$</u>	3,000.00	FY 23/24 Adopted Budget Amount
	<u>\$</u>	3,000.00	FY 23/24 Amended Budget Amount
	\$	3,000.00	FY 23/24 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 9/12/2023



COUNCIL DISTRICT 3 DAVID MARQUEZ

Fiscal Year 2023/2024 Council Discretionary Expenditures
 Accounts: 1010-10-01-10013-620113 District 3 Discretionary
 1010-10-01-10013-620118 District 3 Discretionary - Carryover
 July 1, 2023 – July 31, 2023

Date	Amount	Description
No expenditures to report for July 2023		

	<u>\$</u>	0.00	TOTAL Council Discretionary Expenditures for FY 23/24
	<u>\$</u>	3,000.00	FY 23/24 Adopted Budget Amount
	<u>\$</u>	3,000.00	FY 23/24 Amended Budget Amount
	\$	3,000.00	FY 23/24 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
 Updated as of: 9/12/2023



COUNCIL DISTRICT 4 CHEYLYNDA BARNARD

Fiscal Year 2023/2024 Council Discretionary Expenditures
Accounts: 1010-10-01-10014-620114 District 4 Discretionary
1010-10-01-10014-620119 District 4 Discretionary - Carryover
July 1, 2023 – July 31, 2023

Date	Amount	Description
7/31/2023	\$ 100.00	Rancho Verde High School Cheer
7/31/2023	\$ 134.86	District 4 Community Engagement Consumables

<u>\$ 234.86</u>	TOTAL Council Discretionary Expenditures for FY 23/24
<u>\$ 3,000.00</u>	FY 23/24 Adopted Budget Amount
<u>\$ 3,000.00</u>	FY 23/24 Amended Budget Amount
\$ 2,765.14	FY 23/24 Budget Amount Remaining

Source: Unaudited financial data from the City's accounting records.
Updated as of: 9/12/2023

Attachment: FY 23-24 Expenditure Report Sheet (9-12-2023) [Revision 1] (6114 : COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 19, 2023

TITLE: LIST OF PERSONNEL CHANGES

RECOMMENDED ACTION

Recommendation:

1. Ratify the list of personnel changes as described.

DISCUSSION

The attached list of personnel changes scheduled since the last City Council meeting is presented for City Council ratification.

Staffing of City positions ensures assignment of highly qualified and trained personnel to achieve Momentum MoVal priorities, objectives and initiatives.

FISCAL IMPACT

All position changes are consistent with appropriations previously approved by the City Council.

PREPARATION OF STAFF REPORT

Prepared By:
Serina Astorga
Executive Assistant

Department Head Approval:
Brian Mohan
Assistant City Manager
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

To view large attachments, please click your “bookmarks”



on the left hand side of this document for the necessary attachment.

- 1. Personnel Changes for Staff Report

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/09/23 10:10 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/11/23 11:25 AM

City of Moreno Valley
Personnel Changes- 8/1/23- 8/31/23
September 19,2023

New Hires

Arnulfo Felix, Parks Maintenance Worker, Parks Maintenance, Parks and Community Services

Javier Martinez, Parks Maintenance Worker, Parks Maintenance, Parks and Community Services

Andrea Rodriguez, Community Services Coordinator, Parks and Community Services

Joseph Rubio, Senior Permit Technician, Land Development, Public Works

Adrian Valle, Parks Maintenance Worker, Parks Maintenance, Parks and Community Services

Promotions

Kimberly Ganimian

From: Special Districts Division Manager, Special Districts, Financial and Management Services Department

To: Deputy Finance Director, Financial and Management Services Department

Felicia London

From: Purchasing and Sustainability Division Manager, Purchasing and Sustainability Division, Financial and Management Services Department

To: Special Districts Division Manager, Special Districts, Financial and Management Services Department

Raquel Ortega

From: Senior Administrative Assistant, Fire, Office of Emergency Operations

To: Management Assistant, Fire, Office of Emergency Operations

Reggie Plowman

From: Building Inspector II, Building and Safety, Community Development Department

To: Sr. Building Inspector, Building and Safety, Community Development Department

Vincent Williams

From: Maintenance Worker II, Maintenance and Operations, Public Works

To: Maintenance Worker/Work Release Coordinator, Maintenance and Operations, Public Works

Transfers

Nancy Bravo

From: Human Resources Technician, Human Resources, Financial and Management Services Department

To: Management Aide, Public Safety, City Manager's Office

Separations

Ramez Chalaby, Principal Accountant, Financial Operations, Financial and Management Services

Catherine Lin, Principal Planner, Planning, Community Development



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 19, 2023

TITLE: PAYMENT REGISTER - JULY 2023

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Payment Register.

SUMMARY

The Payment Register is an important report providing transparency of financial transactions and payments for City activity for review by the City Council and the residents and businesses in Moreno Valley. The report is posted to the City's website as soon as it is available. The report is included in the City Council agenda as an additional means of distributing the report.

The payment register lists in alphabetical order all checks and wires in the amount of \$25,000 or greater, followed by a listing in alphabetical order of all checks and wires less than \$25,000. The payment register also includes the fiscal year-to-date (FYTD) amount paid to each vendor.

PREPARATION OF STAFF REPORT

Prepared By:
Annabelle Wang
Financial Operations Division Manager

Department Head Approval:
Brian Mohan
Assistant City Manager
Chief Financial Officer
Treasurer

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

To view large attachments, please click your “bookmarks”  on the left hand side of this document for the necessary attachment.

- 1. 2023_JulyPaymentRegister

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/11/23 10:25 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/11/23 11:22 AM



**City of Moreno Valley
Payment Register
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CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ALL AMERICAN ASPHALT, INC.	245782	07/05/2023	34571_11	801 0096 CITYWIDE PVT REHAB PROG (FY 21-26)	\$543,222.36
	245845	07/19/2023	202621	801 0090 CITYWIDE PVT REHAB FY 22/23	\$2,002,655.27
	245891	07/26/2023	202995	801 0090 CITYWIDE PVT REHAB FY 22/23	\$3,763,716.91
Remit to: CORONA, CA					FYTD: \$6,309,594.54
ANTELOPE EXPANSION 3A, LLC	37916	07/26/2023	1060310960	SOLAR PRODUCTION FOR JUNE 2023-MVU	\$57,636.93
Remit to: SALT LAKE CITY, UT					FYTD: \$57,636.93
CHARLES ABBOTT ASSOCIATES, INC	37807	07/12/2023	65883	ENGINEERING SVCS-MAY 2023	\$44,601.75
		07/12/2023	65884	PLAN CHECK SVCS-HIGHLAND FAIRVIEW/WLC-MAY 2023	
		07/12/2023	65885	PLAN CHECK SVCS-NPDES-MAY 2023	
		07/12/2023	65902	PLAN CHECK SVCS-WQMP REVIEW-MAY 2023	
Remit to: MISSION VIEJO, CA					FYTD: \$44,601.75
CONSILIAN TECHNOLOGIES LLC	37856	07/19/2023	9204	HITACHI ADVANCED SERVER & TRAINING-TECH SVCS	\$1,508,851.46
Remit to: IRVINE, CA					FYTD: \$1,508,851.46
CONSTELLATION ENERGY GENERATION, LLC	37922	07/26/2023	894902	POWER PURCHASE-6/01-6/30/23-MVU	\$776,779.52
Remit to: BALTIMORE, MD					FYTD: \$776,779.52
COUNTY OF RIVERSIDE SHERIFF	37811	07/12/2023	SH0000043266	CONTRACT LAW ENFORCEMENT RATE ADJUSTMENT-BP: 7/1/22-4/5/23	\$702,208.56
Remit to: RIVERSIDE, CA					FYTD: \$702,208.56

Attachment: 2023 JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



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DATA TICKET, INC.	37858	07/19/2023	052023XFR	XF1R2 PRINTER, POD & BATTERY (20)-CODE	\$42,080.07
		07/19/2023	148358	SSN LOOK UP-JANUARY 2023	
		07/19/2023	149726	SSN LOOK UP-FEBRUARY 2023	
		07/19/2023	150855	ADMIN CITATION PROCESSING & SSN LOOK UP-MARCH 2023	
		07/19/2023	152012	ADMIN CITATION PROCESSING & SSN LOOK UP-APRIL 2023	
		07/19/2023	152720	PARKING CITATION PROCESSING-CODE-MAY 2023	
		07/19/2023	152720HH	PARKING HANDHELD DEVICES LEASE-AIR TIME-CODE-MAY 2023	
		07/19/2023	153789	ADMIN CITATION PROCESSING-ANIMAL SVC-JUNE 2023	
		07/19/2023	153790	ADMIN CITATION PROCESSING-CODE-JUNE 2023	
		07/19/2023	153790TPC	ADMIN CITATION PROCESSING-3RD PARTY COLLECTIONS-CODE-JUNE 2023	
		07/19/2023	153791	ADMIN CITATION PROCESSING-PD-JUNE 2023	
		07/19/2023	153864	PARKING CITATION PROCESSING-CODE-JUNE 2023	
		07/19/2023	153864HH	PARKING HANDHELD DEVICES LEASE-AIR TIME-CODE-JUNE 2023	
Remit to: IRVINE, CA					FYTD: \$42,080.07
EASTERN MUNICIPAL WATER DISTRICT	245899	07/26/2023	JULY-23 7/26/202	WATER CHARGES	\$139,450.79
		07/26/2023	JUNE-23 7/26/23	WATER CHARGES	
Remit to: LOS ANGELES, CA					FYTD: \$139,450.79

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ENCO UTILITY SERVICES MORENO VALLEY LLC	37863	07/19/2023	40-408B-03	WA# 40-408B-RANCHO BELAGO PH 2	\$622,699.77
		07/19/2023	40-433B-11	WA# 40-433B-PAMA BUSINESS PARK	
		07/19/2023	40-461B-03	WA# 40-461B-MORENO VALLEY MAJESTIC - 8 SFR	
		07/19/2023	40-474B-09	WA# 40-474B-KB HOMES	
		07/19/2023	40-497B-03	WA# 40-497B-IRONWOOD SL	
		07/19/2023	40-499B-02	WA# 40-499B-TESLA CHARGERS CACTUS COMMERCE	
		07/19/2023	40-501-2306	MVU CONTRACT 40-501-ACQUIRED SCE STREETLIGHTS MAINT	
		07/19/2023	40-505B-03	WA# 40-505B-TRACT 37725-64 SF HOMES	
		07/19/2023	40-506B-01	WA# 40-506B-ROCAS GRANDES APARTMENTS	
		07/19/2023	40-508-13	WA# 40-508-CYBER SECURITY MONITORING	
		07/19/2023	40-512B-01	WA# 40-512B-QUICK CAR WASH	
		07/19/2023	40-519A-03	WA# 40-519A-FREDERICK 12KV ELECTRICAL BACKBONE LOOP COMPLETION	
		07/19/2023	40-522A-08	WA# 40-522A-EDWIN 12KV AND MARCH 12KV CIRCUIT TIE	
		07/19/2023	40-527-10	WA# 40-527-WORLD LOGISTICS CENTER	
		07/19/2023	40-529B-01	WA# 40-529B-FLITE BANK ATM	
		07/19/2023	40-535A-03	WA# 40-535A-STELLA PLACE 205 SFR	
		07/19/2023	40-537A-04	WA# 40-537A-RIVARD RD INDUSTRIAL	
		07/19/2023	40-538-02	WA# 40-538-KEECO DISTRIBUTION CENTER OUTAGE	
		07/19/2023	40-539A-04	WA# 40-539A-MORENO VALLEY BUSINESS CENTER 2	
		07/19/2023	40-540A-03	WA# 40-540A-CRYSTAL COVE APARTMENTS 200 UNITS	
		07/19/2023	40-545A-01	WA# 40-545A-24645 LA BARCA-NEW ADU UNIT	
		07/19/2023	40-549A-01	WA# 40-549A-17148 VIA XIAVER LN - ADU UNIT	
		07/19/2023	40-552A-01	WA# 40-552A-MORENO VALLEY BUSINESS CENTER 4	
		07/19/2023	INV60530	METER INSTALLATIONS & INSPECTIONS-JUNE 2023	
		07/19/2023	INV60531	TEMP METER FEES-POWER PLUS/RADIUS POINT-25101 IRIS AVE	
		07/19/2023	INV60660	DISTRIBUTION CHARGES - 06/01/23 TO 07/01/23	

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Remit to: ANAHEIM, CA					FYTD: \$622,699.77
FALCON ENGINEERING SERVICES, INC.	37864	07/19/2023	2023-6	801 0021 SR60/MORENO BEACH PH 2	\$105,658.40
Remit to: CORONA, CA					FYTD: \$105,658.40
GASKELL TEP LLC	37867	07/19/2023	GW2A06-2023	RENEWABLE ENERGY-JUNE 2023	\$46,928.58
Remit to: MIAMI, FL					FYTD: \$46,928.58
GOVERNMENTJOBS.COM, INC. / NEOGOV	245854	07/19/2023	INV-21820	NEOGOV ONBOARD, LEARN, ETC. SUBSCRIPTIONS 6/25/23-6/24/24	\$41,141.50
Remit to: EL SEGUNDO, CA					FYTD: \$41,141.50

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GREENTECH LANDSCAPE, INC.	37869	07/19/2023	53985	SD LANDSCAPE ADDITIONAL WORK (MORENO) ZONE M, ID 2	\$144,840.74
		07/19/2023	54232	SD LANDSCAPE ADDITIONAL WORK (VALLEY) ZONE D, ID 15	
		07/19/2023	54234	SD LANDSCAPE ADDITIONAL WORK (VALLEY) ZONE D, ID 45	
		07/19/2023	54247	SD LANDSCAPE ADDITIONAL WORK (WEST) ZONE 08	
		07/19/2023	54281	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	54282	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 05	
		07/19/2023	54283	SD LANDSCAPE ADDITIONAL WORK (WEST) ZONE 08	
		07/19/2023	54284	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	54285	SD LANDSCAPE ADDITIONAL WORK (WEST) ZONE 08	
		07/19/2023	54286	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 04	
		07/19/2023	54287	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	54288	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	54289	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	54290	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	54291	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	54293	SD LANDSCAPE ADDITIONAL WORK (WEST) ZONE 08	
		07/19/2023	54294	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	54295	SD LANDSCAPE ADDITIONAL WORK (SOUTH) - ZONE 03	
		07/19/2023	55309	SD LANDSCAPE CIP (WEST) ZONE 01	
		07/19/2023	55567	SD LANDSCAPE BASE (MORENO) APRIL - PENALTIES ASSESSED	
07/19/2023	55746	SD LANDSCAPE CIP (MORENO) ZONE M, ID 16			
07/19/2023	55786	SD LANDSCAPE BASE (VALLEY) MAY ZONE D - PENALTIES ASSESSED			
07/19/2023	55787	SD LANDSCAPE BASE (MORENO) MAY - PENALTIES ASSESSED			
07/19/2023	55931	SD LANDSCAPE CIP (VALLEY) ZONE D, ID 42			
07/19/2023	55942	SD LANDSCAPE CIP (SOUTH) - ZONE E8			
07/19/2023	55943	SD LANDSCAPE CIP (SOUTH) - ZONE 07 RETROFIT IRRIGATION			
07/19/2023	55944	SD LANDSCAPE CIP (SOUTH) - ZONE E8 CACTUS REPLANTING			

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GREENTECH LANDSCAPE, INC.	37869	07/19/2023	55945	SD LANDSCAPE CIP (SOUTH) - ZONE 07 CACTUS REPLANTING	\$120,812.30
		07/19/2023	55947	SD LANDSCAPE CIP (WEST) - ZONE 01 REPLANTING	
	37930	07/26/2023	55784	SD LANDSCAPE BASE (SOUTH) MAY ZN 03, 03A, 04, 05, 06, 07, E-8	
		07/26/2023	56014	SD LANDSCAPE BASE (WEST) JUNE ZONE 01, 01A, 08, E-7	
		07/26/2023	56015	SD LANDSCAPE BASE (SOUTH) JUNE ZN 03, 03A, 04, 05, 06, 07, E-8	
		07/26/2023	56016	LANDSCAPE MAINT-PARKS-JUNE 2023	
		07/26/2023	56017	SD LANDSCAPE BASE (VALLEY) JUNE ZONE D W/ PENALTY	
		07/26/2023	56018	SD LANDSCAPE BASE (MORENO) JUNE	
		07/26/2023	56147	SD LANDSCAPE ADDITIONAL WORK (SOUTH) ZONE 03	
		07/26/2023	56150	SD LANDSCAPE ADDITIONAL WORK (VALLEY) ZONE D, ID 42	
		07/26/2023	56151	SD LANDSCAPE ADDITIONAL WORK (WEST) ZONE 01	
		07/26/2023	56161	SD LANDSCAPE ADDITIONAL WORK (VALLEY) ZONE D, ID 85	
		07/26/2023	56162	SD LANDSCAPE ADDITIONAL WORK (WEST) ZONE 01, 08	
Remit to: LOS ANGELES, CA					FYTD: \$265,653.04
HABITAT FOR HUMANITY RIVERSIDE	37931	07/26/2023	CHR22 - INV12	HOME-CRITICAL HOME REPAIR PROGRAM-JUNE 2023	\$34,223.31
Remit to: RIVERSIDE, CA					FYTD: \$34,223.31
HARDY & HARPER, INC.	37770	07/05/2023	23317 RET	801 0094 PVT REHAB (CDBG FY 22/23)_RET	\$56,911.48
Remit to: SANTA ANA, CA					FYTD: \$56,911.48
IMAGE CRAFT LLC DBA LANDISCOR	37871	07/19/2023	93885	ACQUISITION OF AERIAL WALL MURALS-CITY HALL/ANNEX/YARD	\$27,053.15
Remit to: PHOENIX, AZ					FYTD: \$27,053.15

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INLAND SOUTHERN CALIFORNIA 211+	37913	07/13/2023	W230701	ERAP2 REALLOCATION ROUND 2 FUNDS DRAW REQ #1	\$197,071.00
Remit to: RANCHO CUCAMONGA, CA					FYTD: \$197,071.00
LAKE COUNTRY CHEVROLET, INC	37776	07/05/2023	F43053	PURCHASE OF CHEVROLET BOLT EV 1L	\$69,054.00
		07/05/2023	F43056	PURCHASE OF CHEVROLET BOLT EV 1L	
Remit to: JASPER, TX					FYTD: \$69,054.00
LEIVAS, INC. DBA. LEIVAS LIGHTING	37876	07/19/2023	1011252	SD LANDSCAPE LIGHT/ELECTRICAL INSPECTION JANUARY	\$76,248.33
		07/19/2023	1011254	SD LANDSCAPE LIGHT/ELECTRICAL INSPECTION AND REPAIR MARCH	
		07/19/2023	1011255	SD LANDSCAPE LIGHT/ELECTRICAL INSPECTION AND REPAIR APRIL	
		07/19/2023	1011256	SD LANDSCAPE LIGHT/ELECTRICAL INSPECTION ND REPAIR MAY	
		07/19/2023	1011257	SD LANDSCAPE LIGHT/ELECTRICAL INSPECTION JUNE	
		07/19/2023	1011342	SD LANDSCAPE LIGHT/ELECTRICAL REPAIR - ZONE 04	
		07/19/2023	1011369	SD LANDSCAPE LIGHTING ADDITIONAL WORK ZONE E-7	
		07/19/2023	1011380	SD LANDSCAPE LIGHTING CIP ZONE E-7	
Remit to: RIVERSIDE, CA					FYTD: \$76,248.33
LIBRARY SYSTEMS & SERVICES, LLC	37823	07/12/2023	INV6676	LIBRARY CONTRACT SVCS & MATERIALS-MAIN/MALL/IRIS-DECEMBER 2022	\$201,418.07
Remit to: ROCKVILLE, MD					FYTD: \$201,418.07

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M. BREY ELECTRIC, INC.	37878	07/19/2023	8299	SD LANDSCAPE MONUMENT REPAIR ZONE 03	\$58,348.00
		07/19/2023	8509	P-TRAP REPAIR-PUBLIC SAFETY BLDG.	
		07/19/2023	8599	20 AMP BREAKER/3 NEW #12 THHN CU WIRE INSTALL-CITY YARD	
		07/19/2023	8602	ADDITIONAL ELECTRIC POWER CORD REEL-FIRE STATION 48	
		07/19/2023	8603	GATE 7 REPAIRS-PUBLIC SAFETY BLDG.	
		07/19/2023	8604	PLUMBING TROUBLESHOOT & REPAIRS-CITY HALL	
	37879	07/19/2023	8606	TRELLIS UPGRADES PROGRESS PAYMENT #1-SENIOR CENTER	\$29,603.00
		07/19/2023	8600	REPLACEMENT OF DRINKING FOUNTAINS AT 3 PARKS	
		07/19/2023	8601	REPLACEMENT OF DRINKING FOUNTAINS AT 6 PARKS	
		Remit to: BEAUMONT, CA			

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MARIPOSA LANDSCAPES, INC.	37880	07/19/2023	103233	SD LANDSCAPE BASE ZONE 02 - JUNE	
		07/19/2023	103234	LANDSCAPE MAINT.-TOWNGATE COMMUNITY CENTER-JUN. 2023	
		07/19/2023	103235	LANDSCAPE MAINT.-TOWNGATE AQUEDUCT BIKEWAY-JUN. 2023	
		07/19/2023	103236	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/BAY AVE. TO GRAHAM-JUN. 2023	
		07/19/2023	103237	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY-DELPHINIUM/PERHAM TO JFK-JUN23	
		07/19/2023	103238	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/VANDENBERG TO FAY-JUN. 2023	
		07/19/2023	103239	LANDSCAPE MAINT.-NORTH AQUEDUCT-JUN. 2023	
		07/19/2023	103240	LANDSCAPE MAINT.-PAN AM SECTION AQUEDUCT-JUN. 2023	
		07/19/2023	103241	LANDSCAPE MAINT.-SOUTH AQUEDUCT A-JUN. 2023	
		07/19/2023	103242	LANDSCAPE MAINT.-SOUTH AQUEDUCT B-JUN. 2023	
		07/19/2023	103243	LANDSCAPE MAINT.-AQUEDUCT/SCE AND OLD LAKE DRIVE-JUN. 2023	
		07/19/2023	103244	LANDSCAPE MAINT.-ANIMAL SHELTER-JUN. 2023	
		07/19/2023	103245	LANDSCAPE MAINT.-MARCH ANNEX BUILDING-JUN. 2023	
		07/19/2023	103246	LANDSCAPE MAINT.-CITY YARD-JUN. 2023	
		07/19/2023	103247	LANDSCAPE MAINT.-CONFERENCE & REC. CENTER-JUN. 2023	
		07/19/2023	103249	LANDSCAPE MAINT.-LIBRARY-JUN. 2023	
		07/19/2023	103250	LANDSCAPE MAINT.-PUBLIC SAFETY BUILDING-JUN. 2023	
		07/19/2023	103251	LANDSCAPE MAINT.-SENIOR CENTER-JUN. 2023	
		07/19/2023	103253	LANDSCAPE MAINT.-FIRE STATIONS 2, 6, 48, 58, 65, 91, & 99-JUN23	
		07/19/2023	103254	LANDSCAPE MAINT.-CITY HALL-JUN. 2023	
		07/19/2023	103255	LANDSCAPE MAINT.-CITY HALL ANNEX-JUN. 2023	
		07/19/2023	103256	LANDSCAPE MAINT.-VETERANS MEMORIAL-JUN. 2023	
		07/19/2023	103257	LANDSCAPE MAINT.-CITY YARD SANTIAGO OFFICE-JUN. 2023	

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MARIPOSA LANDSCAPES, INC.	37880	07/19/2023	103259	LANDSCAPE MAINT.-AQUEDUCT BIKEWAY/FAY TO GENTIAN-JUN. 2023	\$69,650.55
		07/19/2023	103260	LANDSCAPE MAINT.-AMPHITHEATER FACILITY-JUN. 2023	
		07/19/2023	103261	SD LANDSCAPE BASE WQB - JUNE	
		07/19/2023	103348	SD LANDSCAPE CIP ZONE 02 - IRRIGATION REPAIRS AND REPLANT	
		07/19/2023	103349	LANDSCAPE EXTRA WORK-AMPHITHEATER/JUN23-PLANTING WORK/RED YUCCA	
		07/19/2023	103350	SD LANDSCAPE ADDITIONAL WORK WQB	
		07/19/2023	103351	SD LANDSCAPE ADDITIONAL WORK WQB	
		07/19/2023	103352	SD LANDSCAPE ADDITIONAL WORK WQB	
Remit to: IRWINDALE, CA					<u>FYTD:</u> \$69,650.55
MARX OKUBO ASSOCIATES, LTD	37881	07/19/2023	I-63701-M6Y6	PROPERTY CONDITION ASSESSMENT PROGRESS PAYMENT #1	\$69,099.04
Remit to: DENVER, CO					<u>FYTD:</u> \$69,099.04
MICHAEL BAKER INTERNATIONAL, INC	37883	07/19/2023	1183840	802 0004 INDIAN ST CARDINAL BRIDGE PH 2	\$32,905.00
		07/19/2023	1184914	802 0004 INDIAN ST CARDINAL BRIDGE PH 2	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$32,905.00
NTH GENERATION COMPUTING, INC.	37946	07/26/2023	42909H	1 YEAR SUBSCRIPTION RENEWAL TO COMMVault METALLIC CLOUD STORAGE	\$28,707.61
		07/26/2023	42923H	COMMVault STANDARD SUPPORT & MAINT. RENEWAL 6/18/23 TO 6/17/24	
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$28,707.61

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ONESOURCE DISTRIBUTORS, INC.	37829	07/12/2023	S7064652.001	(2) PME 10 SWITCHES	\$56,807.05
Remit to: OCEANSIDE, CA					<u>FYTD:</u> \$56,807.05
PERS HEALTH INSURANCE	38190	07/10/2023	230701JC	PERS HEALTH PAYABLE	\$322,079.30
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$322,079.30
R J NOBLE CO., INC.	37947	07/26/2023	227581	801 0097 CITYWIDE PVT REHAB PROG (FY26-31)	\$3,227,869.67
Remit to: ORANGE, CA					<u>FYTD:</u> \$3,227,869.67
SC COMMERCIAL LLC DBA SC FUELS	37787	07/05/2023	2391463-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	\$32,147.48
		07/05/2023	2393711-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/05/2023	2394758-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/05/2023	2395926-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/05/2023	2396077-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/05/2023	2400665-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/05/2023	2401809-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/05/2023	2403438-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/05/2023	2405619-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		07/05/2023	2408112-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
Remit to: ORANGE, CA					<u>FYTD:</u> \$32,147.48
SKANSKA USA CIVIL WEST CALIFORNIA DISTRICT, INC.	37789	07/05/2023	8	801 0021 SR60/MORENO BEACH PH 2	\$1,740,658.14
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,740,658.14

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



**City of Moreno Valley
Payment Register
For Period 7/1/2023 through 7/31/2023**

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
SOUTHERN CALIFORNIA EDISON	245862	07/19/2023	JUN-23 7/19/23	ELECTRICITY CHARGES	\$36,644.86
	245909	07/26/2023	282492235/JUN-23	ELECTRICITY-FERC CHARGES/MVU	\$100,835.06
		07/26/2023	355556776/JUN-23	ELECTRICITY CHARGES FOR ACQUIRED STREETLIGHTS	
		07/26/2023	431591238/JUN-23	ELECTRICITY CHARGES FOR ACQUIRED STREETLIGHTS	
		07/26/2023	433869021/JUN-23	ELECTRICITY CHARGES FOR ADDED STREETLIGHTS	
		07/26/2023	435293103/JUN-23	ELECTRICITY CHARGES FOR ADDED STREETLIGHTS	
		07/26/2023	498683714/JUN-23	ELECTRICITY CHARGES FOR ACQUIRED STREETLIGHTS	
		07/26/2023	559238386/JUN-23	IFA & DISTRIBUTION UPGRADE CHARGES-KITCHING SUBSTATION	
		07/26/2023	570511709/JUN-23	IFA CHARGES-SUBSTATION	
		07/26/2023	JUN-23 7/26/23	ELECTRICITY CHARGES	
Remit to: ROSEMEAD, CA					<u>FYTD:</u> \$137,479.92
SOUTHERN CALIFORNIA EDISON 3	245910	07/26/2023	DOC# 7590495591	ADVANCE PAYMENT-SYSTEM IMPACT STUDY DEPOSIT-SCE PROJ#: WDT168EXP	\$30,000.00
Remit to: ROSEMEAD, CA					<u>FYTD:</u> \$30,000.00
TENASKA ENERGY, INC	37792	07/05/2023	MOREN00202306210	ELECTRICITY POWER PURCHASE-MV UTILITY	\$321,566.09
Remit to: ARLINGTON, TX					<u>FYTD:</u> \$321,566.09
TWRITE, INC.	245888	07/19/2023	23-00016	CITY WEBSITE MAINTENANCE SERVICES - JULY 2022-MAY 2023	\$49,512.50
		07/19/2023	23-00018	CITY WEBSITE MAINTENANCE SERVICES - JUNE 2023	
Remit to: HEMET, CA					<u>FYTD:</u> \$49,512.50
U.S. BANK/CALCARDS	37793	07/05/2023	06-27-23	JUNE 2023 CALCARD ACTIVITY	\$342,758.48
Remit to: ST. LOUIS, MO					<u>FYTD:</u> \$342,758.48

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WELLS FARGO CORPORATE TRUST	37912	07/18/2023	W230702	DEBT SERVICE - 2017 REF OF '07 T.A. BONDS	\$741,665.31
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$741,665.31
WILLDAN ENGINEERING	37841	07/12/2023	002-28652	PLAN CHECK & INSPECTION SERVICES FOR BLDG. & SAFETY DEPT.- APR23	\$122,877.76
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$122,877.76
WILLDAN FINANCIAL SERVICES	37907	07/19/2023	010-55283	GRANT ADMINISTRATION SERVICES-JUN. 2023	\$37,028.75
		07/19/2023	010-55284	CARES ACT GRANT ADMINISTRATION SERVICES-JUN. 2023	
		07/19/2023	010-55285	ERAP GRANT ADMINISTRATION SERVICES-JUN. 2023	
		07/19/2023	010-55286	HOME-ARP GRANT ADMINISTRATION SERVICES-JUN. 2023	
Remit to: TEMECULA, CA					<u>FYTD:</u> \$37,028.75
WRCRCA	37959	07/26/2023	MAY-2023 MSHCP	MSHCP FEES COLLECTED FOR MAY 2023-RESIDENTIAL SINGLE & MULTI-FAM	\$70,143.82
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$70,143.82
WSP USA, INC.	37908	07/19/2023	1317664	804 0008 SUNNYMEAD MDP LINE F AND F-7	\$34,997.14
		07/19/2023	24#1319889	804 0017 MORENO MDP LINE F-18 AND F-19	
Remit to: SAN BERNARDINO, CA					<u>FYTD:</u> \$34,997.14
TOTAL AMOUNTS OF \$25,000 OR GREATER					\$18,881,168.8

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4LEAF, INC	245818	07/12/2023	J3988K	PLANNING SERVICES-FEBRUARY 2023	\$5,250.00
	245844	07/19/2023	J3988F	PLANNING SERVICES-OCTOBER 2022	\$13,820.00
		07/19/2023	J3988N	PLANNING SERVICES-MAY 2023	
Remit to: PLEASANTON, CA					FYTD: \$19,070.00
ACCO ENGINEERED SYSTEMS, INC	37757	07/05/2023	20412535	ICE MACHINE PREV. MAINTENANCE-FIRE STATION 2	\$11,700.00
		07/05/2023	20412536	ICE BIN SENSOR REPLACEMENT-FIRE STATION 6	
		07/05/2023	20412537	ICE MACHINE PREV. MAINTENANCE-FIRE STATION 48	
		07/05/2023	20412539	ICE MACHINE PREV. MAINTENANCE-FIRE STATION 58	
		07/05/2023	20412540	ICE MACHINE PREV. MAINTENANCE-FIRE STATION 65	
		07/05/2023	20412542	ICE MACHINE PREV. MAINTENANCE-FIRE STATION 99	
		07/05/2023	20412543	ICE MACHINE PREV. MAINTENANCE-PUBLIC SAFETY BLDG.	
		07/05/2023	20412544	ICE MACHINE PREV. MAINTENANCE-TOWNGATE COMM. CENTER	
		07/05/2023	20412545	ICE MACHINE PREV. MAINTENANCE-COTTONWOOD GOLF CENTER	
		07/05/2023	20412547	ICE MACHINE PREV. MAINTENANCE-EMERGENCY OPS CENTER	
		07/05/2023	20412548	ICE MACHINE PREV. MAINTENANCE-CONFERENCE & REC. CENTER	
		07/05/2023	20412549	ICE MACHINE PREV. MAINTENANCE-SENIOR CENTER	
	37845	07/19/2023	20393464	REPLACE BOILER SURFACE IGNITOR/FLAME SENSOR-CONFERENCE & REC CEN	\$10,309.00
		07/19/2023	20400461	REPLACE AC-1 AND AC-2 CONTACTORS-CITY HALL	
		07/19/2023	20412541	ICE MACHINE PREV. MAINTENANCE-FIRE STATION 91	
		07/19/2023	20412546	ICE MACHINE PREV. MAINTENANCE-CITY YARD	
		07/19/2023	20422244	REPLACE AC-19 COMPRESSOR-CONFERENCE & REC CENTER	
Remit to: PASADENA, CA					FYTD: \$22,009.00
ADMINSURE	37846	07/19/2023	16036	WORKERS' COMP CLAIM ADMIN-JUNE 2023	\$2,441.00
Remit to: ONTARIO, CA					FYTD: \$2,441.00

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City of Moreno Valley
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ADT SOLAR LLC	245799	07/05/2023	BON23-0034	REFUND PERMIT FEES-PROJECT CANCELLED-23363 VIA MONTEGO	\$263.04
Remit to: COVINGTON, LA					<u>FYTD:</u> \$263.04
ADVANCE AVANT GARDE CORPORATION DBA AVANT GARDE IN	37914	07/26/2023	8720	HOME PROGRAM MANAGEMENT-JUNE 2023	\$17,772.50
		07/26/2023	8721	HUD FUNDING COMPLIANCE SVCS-JUNE 2023	
		07/26/2023	8722	HOME HABITAT FOR HUMANITY-JUNE 2023	
Remit to: DIAMOND BAR, CA					<u>FYTD:</u> \$17,772.50
ADVANCED APPLIED ENGINEERING, INC	37800	07/12/2023	28609	PLANNING CONSULTANT SERVICES-JUNE 2023	\$202.50
Remit to: BREA, CA					<u>FYTD:</u> \$202.50
AIR EXCHANGE INC	37915	07/26/2023	91610062	PLYMOVENT MAINT & REPAIR-FIRE STATIONS	\$1,256.98
		07/26/2023	91610079	PLYMOVENT MAINT & REPAIR-FIRE STATIONS	
Remit to: FAIRFIELD, CA					<u>FYTD:</u> \$1,256.98
ALL AMERICAN ASPHALT, INC.	245819	07/12/2023	1145526	STEEPLE CHASE ASPHALT #5 -801 0090	\$1,130.80
Remit to: CORONA, CA					<u>FYTD:</u> \$1,130.80
ALVARADO, SYLVIA	245871	07/19/2023	R23-174838	ANIMAL SERVICES REFUND LICENSE OVERPAY	\$21.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$21.00

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AMERICAN FORENSIC NURSES	37758	07/05/2023	77827	PHLEBOTOMY SVCS	\$395.91
		07/05/2023	77828	PHLEBOTOMY SVCS	
		07/05/2023	77837	PHLEBOTOMY SVCS	
		07/05/2023	77838	PHLEBOTOMY SVCS	
	37847	07/19/2023	77882	PHLEBOTOMY SVCS	\$66.85
Remit to: LA QUINTA, CA					FYTD: \$462.76
ANSER ADVISORY MANAGEMENT, LLC.	37801	07/12/2023	W801260	ON-CALL INSPECTION SERVICES-LAND DEV	\$19,200.00
Remit to: SANTA ANA, CA					FYTD: \$19,200.00
ANTONISSEN, JULIAN	245892	07/26/2023	7/23 - 7/27/23	TRAVEL PER DIEM - BASIC MOTORCYCLE ENFORCEMENT COURSE	\$610.50
		07/26/2023	7/30 - 8/3/23	TRAVEL PER DIEM - BASIC MOTORCYCLE ENFORCEMENT COURSE	
Remit to: MORENO VALLEY, CA					FYTD: \$610.50
APX INC.	37917	07/26/2023	21247BR	APX CAISO SETTLEMENT CHARGES	\$2,187.59
		07/26/2023	21523BR	APX CAISO SETTLEMENT CHARGES	
		07/26/2023	21827BR	APX CAISO SETTLEMENT CHARGES	
Remit to: SAN JOSE, CA					FYTD: \$2,187.59
ARCHITERRA DESIGN GROUP	37848	07/19/2023	31054	807 0060 PARK REHAB & REFURBISHMENT PROGRAM	\$1,194.25
		07/19/2023	31055	807 0060 PARK REHAB & REFURBISHMENT PROGRAM	
Remit to: RANCHO CUCAMONGA, CA					FYTD: \$1,194.25
ARIA MANAGEMENT LLC	37802	07/12/2023	JULY 2023	LEASE PAYMENT-LIBRARY-JULY 2023	\$13,852.25
Remit to: YORBA LINDA, CA					FYTD: \$13,852.25
ARMENDAREZ, MELISSA	245872	07/19/2023	R23-174460	ANIMAL SERVICES REFUND S/N DEPOSIT	\$75.00
Remit to: RIVERSIDE, CA					FYTD: \$75.00

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AUSTIN, RASHEETA	245800	07/05/2023	R23-172424	ANIMAL SERVICES REFUND S/N AND RAB DEP	\$95.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$95.00
AYER, DEAN R.	37759	07/05/2023	REIMB. 5/3/23	REIMBURSE PARKING - 2023 ENGINEERING & OPERATIONS CONF	\$35.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$35.00
BELTRAN, DIOGRACIA VIZCARRA	245873	07/19/2023	BOC23-0160	REFUND PERMIT FEES-PROJECT CANCELLED-23525 IRONWOOD AVE	\$316.96
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$316.96
BERLITZ LANGUAGES, INC.	245846	07/19/2023	001-274-23-01166	BILINGUAL EXAMS-DEC 2022	\$1,225.00
		07/19/2023	001-274-23-01168	BILINGUAL EXAMS-JANUARY 2023	
Remit to: PRINCETON, NJ					<u>FYTD:</u> \$1,225.00
BIO-TOX LABORATORIES, INC.	245820	07/12/2023	44475	FORENSIC TOXICOLOGY TESTING SVCS FOR PD	\$5,038.04
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$5,038.04
BITTNER, ANGEL	245874	07/19/2023	R23-174688	ANIMAL SERVICES REFUND ADOPTION FEES	\$68.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$68.00
BIZZLE, JANELLE	37918	07/26/2023	SUMMER 2023	TUITION/EMPLOYEE EDUCATION REIMBURSEMENT	\$2,100.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$2,100.00
BMW MOTORCYCLES OF RIVERSIDE	37760	07/05/2023	6033559	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	\$3,598.20
		07/05/2023	6033560	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
	37803	07/12/2023	6033719	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	\$2,038.95
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$5,637.15

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BOB MURRAY & ASSOCIATES	245893	07/26/2023	10173	PROFESSIONAL SVCS-EXECUTIVE RECRUITMENT-CITY MGR	\$18,380.00
		07/26/2023	10174	PROFESSIONAL SVCS-EXECUTIVE RECRUITMENT-CITY MGR	
Remit to: ROSEVILLE, CA					FYTD: \$18,380.00
BOX SPRINGS MUTUAL WATER COMPANY	245783	07/05/2023	1084-1 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	\$430.42
		07/05/2023	1085-1 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	1086-1 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	1087-1 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	1088-1 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	189-13 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	195-5 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	204-9 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	331-1 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	36-1 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	45-4 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
		07/05/2023	721-1 6/27/23	WATER USAGE - TOWNGATE - JUNE 2023	
		07/05/2023	80-4 6/27/23	WATER ASSESSMENT ON VACANT LOTS OWNED BY THE HOUSING AUTHORITY	
Remit to: MORENO VALLEY, CA					FYTD: \$430.42

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BRAUN BLAISING SMITH WYNNE, P.C.	37804	07/12/2023	21217	LEGAL SERVICES-MV UTILITY-MAY 2023	\$2,055.45
Remit to: SACRAMENTO, CA					FYTD: \$2,055.45
BRIDGEPAY NETWORK SOLUTIONS	37849	07/19/2023	0712232	CREDIT CARD GATEWAY SVCS-JUNE 2023	\$17.30
Remit to: ALTAMONTE SPRINGS, FL					FYTD: \$17.30
BROTHERS IGNITING A GROOVE	245924	07/26/2023	0138	PERFORMANCE ON 7/27/23-PARKS	\$2,250.00
Remit to: OCEANSIDE, CA					FYTD: \$2,250.00
BURCH, DAMIEN	245801	07/05/2023	R23-172716	ANIMAL SERVICES REFUND S/N AND RAB DEP	\$95.00
Remit to: SUN CITY, CA					FYTD: \$95.00
BURGESONS HEATING & AIR CONDITIONING INC	245875	07/19/2023	BOM23-0077	REFUND PERMIT FEES-PROJECT CANCELLED-13181 WICHITA WAY	\$191.20
Remit to: REDLANDS, CA					FYTD: \$191.20
CABRERA, MARISOL	245802	07/05/2023	BFR20-0148	REFUND PLAN CHECK FEES-PROJECT CANCELLED-12178 ZINNIA	\$628.00
Remit to: BLOOMINGTON, CA					FYTD: \$628.00
CALIFORNIA ASSOCIATION OF CODE ENFORCEMENT OFFICER	245821	07/12/2023	200025305	MODULE TWO ACADEMY-9/18/23-J RUVALCABA	\$500.00
Remit to: SACRAMENTO, CA					FYTD: \$500.00
CALIFORNIA BUILDING STANDARDS COMMISSION	245894	07/26/2023	2ND QTR 2023	SB 1473 FEES COLLECTED FOR 4/1-6/30/23	\$6,919.20
Remit to: SACRAMENTO, CA					FYTD: \$6,919.20

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CALIFORNIA CONTRACT CITIES ASSOCIATION	245895	07/26/2023	3839	CITY MEMBERSHIP DUES - 7/1/23 TO 6/30/24	\$3,200.00
Remit to: CERRITOS, CA					<u>FYTD:</u> \$3,200.00
CALIFORNIA DEPT. OF TAX AND FEE ADMINISTRATION	38092	07/31/2023	2ND QTR 2023	ACCT# 031-000177 ELECTRICAL ENERGY SURCHARGE RETURN/APR-JUN 2023	\$13,068.00
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$13,068.00
CALIFORNIA NEWSPAPERS PARTNERSHIP	37805	07/12/2023	8AA96E8D-0009	AD #0011602411/ACCT #5209144-PBLC HEARING NTC-CAP PROJ	\$1,807.23
		07/12/2023	DB38BEAC-0020	AD #0011605458/ACCT #5209144 - PBLC HEARING NTC-CAP PROJ	
		07/12/2023	DB38BEAC-0028	AD #0011610366/ACCT #5209144-PBLC HEARING NTC-PLANNING	
		07/12/2023	DB38BEAC-0029	AD #0011610369/ACCT #5209144-PBLC HEARING NTC-PLANNING	
		07/12/2023	DB38BEAC-0031	AD #0011610774/ACCT #5209144-PBLC HEARING NTC-PLANNING	
Remit to: WILLOUGHBY, OH					<u>FYTD:</u> \$1,807.23
CAMERON-DANIEL, P.C.	37850	07/19/2023	1416	LEGAL SERVICES-MV UTILITY-MAY 2023	\$9,762.50
		07/19/2023	1417	LEGAL SERVICES-MV UTILITY-MAY 2023	
Remit to: SEBASTOPOL, CA					<u>FYTD:</u> \$9,762.50
CANNON CORPORATION DBA PENCO	37761	07/05/2023	84728	CONSULTING SVCS-CAPITAL PROJECTS	\$712.00
Remit to: SAN LUIS OBISPO, CA					<u>FYTD:</u> \$712.00
CART GUY LLC DBA THE CART GUY	37762	07/05/2023	128891	GOLF CART RENTAL-6/17/23-PARKS	\$360.38
Remit to: BANNING, CA					<u>FYTD:</u> \$360.38

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CASC ENGINEERING AND CONSULTING, INC.	37851	07/19/2023	0049236	DESIGN - EUCALYPTUS JUNE 2023	\$12,786.58
Remit to: COLTON, CA					FYTD: \$12,786.58
CATHYJON ENTERPRISES, INC. DBA HB STAFFING	37852	07/19/2023	910568045	HR ANALYST S. CHANDRAN 3/13-3/19/23-HUMAN RESOURCES	\$7,408.80
		07/19/2023	910568135	HR ANALYST S. CHANDRAN 3/20-3/26/23-HUMAN RESOURCES	
		07/19/2023	910568231	HR ANALYST S. CHANDRAN 3/27-4/02/23-HUMAN RESOURCES	
		07/19/2023	910568325	HR ANALYST S. CHANDRAN 4/03-4/09/23-HUMAN RESOURCES	
		07/19/2023	910568414	HR ANALYST S. CHANDRAN 4/10-4/16/23-HUMAN RESOURCES	
	37919	07/26/2023	4200611	HR ANALYST Y. FIND-PERIOD ENDING 6/18/23-HUMAN RESOURCES	\$1,728.19
Remit to: HUNTINGTON BEACH, CA					FYTD: \$9,136.99
CDW GOVERNMENT, LLC	245822	07/12/2023	KJ74637	AXIS Q1798-LE DAY & NIGHT CAM-TECH SVCS	\$20,480.80
Remit to: CHICAGO, IL					FYTD: \$20,480.80
CERVANTES, RAQUEL	245803	07/05/2023	2003388.047	EVENT CANCELLATION REFUND-TOWNGATE COMM. CTR	\$769.50
Remit to: MORENO VALLEY, CA					FYTD: \$769.50
CHANDLER ASSET MANAGEMENT, INC	37806	07/12/2023	2306MORENOVA	INVESTMENT MANAGEMENT SVCS-JUNE 2023	\$8,744.46
Remit to: SAN DIEGO, CA					FYTD: \$8,744.46
CHARLES ABBOTT ASSOCIATES, INC	37920	07/26/2023	65962	PLAN CHECK SVCS-TR38236/PEN21-0184-JUNE 2023	\$1,452.00
Remit to: MISSION VIEJO, CA					FYTD: \$1,452.00

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CHARTER COMMUNICATIONS HOLDINGS, LLC	37763	07/05/2023	0007991061523	CABLE - MONTHLY SERVICE CHARGES CITYWIDE/JUN. 2023	\$2,896.17
	37921	07/26/2023	0007991071523	CABLE MONTHLY SERVICE CHARGES CITYWIDE-JUNE/JULY 2023	\$2,896.17
Remit to: CITY OF INDUSTRY, CA					FYTD: \$5,792.34
CHRIS ALAN VOGT DBA CAV CONSULTING	37808	07/12/2023	21059	SENIOR ENGINEER CONSULTING SERVICES (LDD)-JUNE 2023	\$882.00
	37853	07/19/2023	21057	PROJECT MANAGER CONSULTING SERVICES (CPD)	\$11,494.50
Remit to: RIVERSIDE, CA					FYTD: \$12,376.50
CHRIS BALASINSKI DBA REF UNION	37809	07/12/2023	MV23-3 JUNE2023	REFEREES FOR YOUTH LEAGUE SPRING SEASON 5/31-6/24/23	\$4,376.00
Remit to: NEWPORT BEACH, CA					FYTD: \$4,376.00
CINTAS CORPORATION NO. 2	37810	07/12/2023	4158312530	UNIFORM RENTAL & LAUNDERING SRVS FY 22/23	\$1,426.47
Remit to: CINCINNATI, OH					FYTD: \$1,426.47
CLARK LAND RESOURCES, INC.	37854	07/19/2023	CMV-0623R	RIGHT OF WAY CONSULTING SERVICES	\$2,117.41
Remit to: OCEANSIDE, CA					FYTD: \$2,117.41
COATS, DAVID	37855	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$456.00
Remit to: MORENO VALLEY, CA					FYTD: \$456.00
COLANTUONO, HIGHSMITH & WHATLEY, PC	245847	07/19/2023	56901	LEGAL SERVICES - RE: SCE COALITION - PENALTIES & INTEREST	\$96.59
Remit to: GRASS VALLEY, CA					FYTD: \$96.59

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COLUMBIA TELECOMMUNICATIONS CORPORATION DBA CTC TE	37764	07/05/2023	23302	HIGH SPEED BROADBAND CONNECTIVITY-CENIC-JAN TO MARCH 2023	\$10,173.17
Remit to: KENSINGTON, MD					FYTD: \$10,173.17
COPELAND, GINA	245842	07/12/2023	6/22/23 - 1	HIRE A MOVAL VETERAN INCENTIVE PROGRAM PARTICIPATION	\$1,000.00
Remit to: MORENO VALLEY, CA					FYTD: \$1,000.00
CORODATA MEDIA STORAGE INC.	37923	07/26/2023	DS1305795	OFF-SITE MEDIA STORAGE-JUNE 2023	\$554.65
Remit to: LOS ANGELES, CA					FYTD: \$554.65
COSCO FIRE PROTECTION, INC.	37924	07/26/2023	1000615671	ANNUAL FIRE EXTINGUISHER INSPECTION-TOWNGATE COMM. CENTER	\$60.00
Remit to: BREA, CA					FYTD: \$60.00
COUNTY OF RIVERSIDE	245823	07/12/2023	PE0000001100	TRAFFIC MOTOR COMMUNICATIONS FOR PD 6/1-6/30/23	\$2,174.76
	245848	07/19/2023	23-178279	RECORDATION OF DOCUMENTS - MAY PARCEL LIST	\$52.00
	245849	07/19/2023	3880	REGISTERED VOTERS CONFIRMATION-CFD NO. 2021-01/AMENDMENT NO. 100	\$70.00
	245851	07/19/2023	23-135133	RECORDATION OF DOCUMENTS	\$174.00
	245896	07/26/2023	REF NO: 9519	COST RECOVERY FOR ASBESTOS MATERIAL REMOVAL AT BADLANDS LANDFILL	\$12,331.00
Remit to: RIVERSIDE, CA					FYTD: \$14,801.76
COUNTY OF RIVERSIDE, AUDITOR- CONTROLLER	245897	07/26/2023	JUNE 2023	TRANSMITTAL OF AB544 FROM PARKING CONTROL FEES	\$19,452.97
Remit to: RIVERSIDE, CA					FYTD: \$19,452.97

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CRAFCO, INC.	37812	07/12/2023	9402958536	POLYFLEX TYPE 4-MAINT & OPS	\$10,090.71
Remit to: CHANDLER, AZ					<u>FYTD:</u> \$10,090.71
CRASH DATA GROUP, INC	37813	07/12/2023	INV12272	ANNUAL BOSCH CDR SOFTWARE SUBSCRIPTION-POLICE	\$1,500.00
Remit to: TEMECULA, CA					<u>FYTD:</u> \$1,500.00
CRESCENDO CONSERVATORY OF THE ARTS	37857	07/19/2023	030925	MUSICAL PERFORMANCE FOR JUNETEENTH EVENT ON 6/17/23	\$500.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$500.00
CRIME SCENE STERI-CLEAN, LLC	37765	07/05/2023	43697	BIO HAZARD REMOVAL SERVICE	\$850.00
Remit to: RANCHO CUCAMONGA, CA					<u>FYTD:</u> \$850.00
DAVID EVANS & ASSOCIATES, INC.	37859	07/19/2023	539376	801 0021 SR60/MORENO BEACH PH 2	\$1,264.96
Remit to: PASADENA, CA					<u>FYTD:</u> \$1,264.96
DELTA DENTAL OF CALIFORNIA	37925	07/26/2023	BE005525612	EMPLOYEE DENTAL INSURANCE-PPO	\$15,796.21
	37926	07/26/2023	BE005526359	EMPLOYEE DENTAL INSURANCE-HMO	\$3,579.18
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$19,375.39
DEPARTMENT OF CONSERVATION	245927	07/31/2023	2ND QTR 2023	SMI FEES REPORT-2ND QTR ENDING 6/30/23	\$18,586.62
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$18,586.62
DIAMOND ENVIRONMENTAL SERVICES, LP	245784	07/05/2023	0004738404	PORTABLE RESTROOM RENTAL-MV EQUESTRIAN CTR	\$719.12
		07/05/2023	0004738405	PORTABLE RESTROOM RENTAL-COTTONWOOD GOLF CTR	
Remit to: SAN MARCOS, CA					<u>FYTD:</u> \$719.12

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DISH DBS CORPORATION	245824	07/12/2023	86557282/JULY23	SATELLITE TV-FIRE STATION 99-07/01 - 07/30/23	\$151.41
Remit to: PALATINE, IL					FYTD: \$151.41
DIVISION OF THE STATE ARCHITECT	245825	07/12/2023	2ND QTR 2023-786	STATE PORTION-DISABILITY ACCESS & EDUCATION FEE REPORT 786	\$293.20
Remit to: SACRAMENTO, CA					FYTD: \$293.20
DLT SOLUTIONS	37814	07/12/2023	5170494A	AUTOCAD MAINTENANCE-7/18/23 TO 7/17/24	\$18,113.63
Remit to: HERNDON, VA					FYTD: \$18,113.63
DOMINGUEZ, ERNEST	245898	07/26/2023	7/23 - 7/27/23	TRAVEL PER DIEM - BASIC MOTORCYCLE ENFORCEMENT COURSE	\$610.50
		07/26/2023	7/30 - 8/3/23	TRAVEL PER DIEM - BASIC MOTORCYCLE ENFORCEMENT COURSE	
Remit to: MORENO VALLEY, CA					FYTD: \$610.50
DRAKE, SAGE	245876	07/19/2023	R23-174478	ANIMAL SERVICES REFUND RAB DEP	\$20.00
Remit to: LOS ANGELES, CA					FYTD: \$20.00
DUPREE, JAMAAL	245836	07/12/2023	2003430.047	ACTIVITY NON-RESIDENT FEE REFUND- VALLEY DAY CAMP	\$164.00
Remit to: MORENO VALLEY, CA					FYTD: \$164.00
E.R. BLOCK PLUMBING & HEATING, INC.	37860	07/19/2023	139499	BACKFLOW DEVICE REPAIRS-UTILITY FIELD OFFICE	\$1,100.31
		07/19/2023	139505	SD BACKFLOW REPAIR - ZONE D, TR 32715, ID 47	
		07/19/2023	139620	SD BACKFLOW TESTING BASE, ZONE M, ID 25	
Remit to: RIVERSIDE, CA					FYTD: \$1,100.31
EAGLE PUMP SERVICES, INC.	37766	07/05/2023	20230221	PARK MAINTENANCE-COMMUNITY PARK	\$1,489.97
		07/05/2023	20230222	PARK MAINTENANCE-VICTORIANO PARK	
Remit to: CHINO, CA					FYTD: \$1,489.97

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EASTERN MUNICIPAL WATER DISTRICT	245785	07/05/2023	JUN-23 7/5/23	WATER CHARGES	\$3,183.17
	245826	07/12/2023	JUN-23 7/12/23	WATER CHARGES	\$522.32
		07/12/2023	MAY-23 7/12/23	WATER CHARGES	
Remit to: LOS ANGELES, CA					FYTD: \$3,705.49
ECONOMIC MODELING LLC DBA LIGHTCAST	37767	07/05/2023	INV16861	DATA SUBSCRIPTION SVC - 5/15/23 TO 5/14/24 - EDD	\$22,000.00
		07/05/2023	INV17160	DATA SUBSCRIPTION SVC - 5/15/24 TO 5/14/25 - EDD	
Remit to: MOSCOW, ID					FYTD: \$22,000.00
ELKINS, DEBORAH	37861	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES - ADAPTIVE ZUMBA CLASS	\$68.40
Remit to: MORENO VALLEY, CA					FYTD: \$68.40
EMERGENT BATTERY TECHNOLOGIES, INC.	37768	07/05/2023	42747	REPLACEMENT BATTERIES (10) FOR BATTERY BACKUP SYSTEMS	\$268.84
	37862	07/19/2023	42810	REPLACEMENT BATTERIES (40) FOR BATTERY BACKUP SYSTEMS	\$6,901.90
Remit to: ANAHEIM, CA					FYTD: \$7,170.74
EMPIRE MOWER	245852	07/19/2023	28928	TREE TRIMMING EQUIPMENT PARTS	\$821.76
		07/19/2023	28945	TREE TRIMMING EQUIPMENT PARTS	
Remit to: MORENO VALLEY, CA					FYTD: \$821.76
ENCO UTILITY SERVICES MORENO VALLEY LLC	37927	07/26/2023	40-548A-01	WA# 40-548A-GO FRESH STREETLIGHTS ALONG GRAHAM ST-MAY23 SERVICES	\$12,702.28
		07/26/2023	40-548A-02	WA# 40-548A-GO FRESH STREETLIGHTS ALONG GRAHAM ST-JUN23 SERVICES	
		07/26/2023	INV60734	DISTRIBUTION CHARGES CORRECTION-JUNE 2023-MVU	
Remit to: ANAHEIM, CA					FYTD: \$12,702.28

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ESCOBAR, ERIC	245786	07/05/2023	7/11 - 7/13/23	TRAVEL PER DIEM & MILEAGE - 2023 ESRI INT'L USER CONFERENCE	\$279.47
Remit to: MORENO VALLEY, CA					FYTD: \$279.47
EXCLUSIVE TOWING	245787	07/05/2023	23-21222	EVIDENCE VEHICLE TOWING-PD	\$281.00
Remit to: RIVERSIDE, CA					FYTD: \$281.00
FAIR HOUSING COUNCIL OF RIVERSIDE COUNTY, INC.	37815	07/12/2023	MAY 2023 (LT)	LANDLORD/TENANT MEDIATION SVCS-CDBG	\$6,331.05
	37928	07/26/2023	JUNE-23 (LT)	LANDLORD/TENANT MEDIATION SVCS-CDBG	\$6,452.66
Remit to: RIVERSIDE, CA					FYTD: \$12,783.71
FB FLAMINGO BAY MV LLC	245877	07/19/2023	PROJ. PEN22-0029	REFUND FEES PAID ON WITHDRAWN SUBMITTAL-LCO23-0019 F.B. APTS.	\$4,530.00
Remit to: CORONA, CA					FYTD: \$4,530.00
FIGUEROA, JOHNNY	245837	07/12/2023	R23-174727	ANIMAL SERVICES REFUND LICENSE OVERPAY	\$7.00
Remit to: MORENO VALLEY, CA					FYTD: \$7.00
FIRST AMERICAN DATA TREE, LLC	245827	07/12/2023	20027760623	ONLINE SOFTWARE SUBSCRIPTION-JUNE 2023	\$99.00
Remit to: PASADENA, CA					FYTD: \$99.00
FLORES MORENO, MARCO	245918	07/26/2023	R23-173615	ANIMAL SERVICES REFUND S/N AND RAB DEP	\$95.00
Remit to: MENIFEE, CA					FYTD: \$95.00
FM THOMAS AIR CONDITIONING INC	37769	07/05/2023	45381	HVAC REPAIR - COTTONWOOD GOLF COMM CTR	\$2,338.23
Remit to: BREAA, CA					FYTD: \$2,338.23

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FOCUS ESTATES	245804	07/05/2023	PEN21-0071	40% REFUND - CUP APPLICATION WITHDRAWN/RCPT# 119419/INV# 114274	\$6,570.80
	245805	07/05/2023	PEN21-0072	40% REFUND - CUP APPLICATION WITHDRAWN/RCPT# 132218/INV# 132940	\$4,654.80
	245919	07/26/2023	PEN21-0076	100% REFUND MINUS 6.75 HRS-PLANNING EIS/RCPT# 136053/INV# 138712	\$1,879.50
Remit to: MORENO VALLEY, CA					FYTD: \$13,105.10
FOUNTAIN OF LIFE APOSTOLIC CHURCH	245806	07/05/2023	2003400; 2003401	DEPOSIT REFUND/AV REFUND- AMPHITHEATER RENTAL	\$1,631.00
Remit to: MORENO VALLEY, CA					FYTD: \$1,631.00
FRANCE PUBLICATIONS, INC. DBA FRANCE MEDIA, INC	37816	07/12/2023	2023-51639	FULL PAGE AD-SHOPPING CTR BUSINESS-JUNE 2023 ISSUE	\$3,450.00
Remit to: ATLANTA, GA					FYTD: \$3,450.00
FREE ENERGY SAVINGS COMPANY	245878	07/19/2023	BOW22-0260	REFUND PERMIT FEES-PROJECT CANCELLED-25767 PARSLEY AVE	\$55.52
Remit to: MONTCLAIR, CA					FYTD: \$55.52
FRONTIER COMMUNICATIONS	245900	07/26/2023	081095-5/JULY23	FOREIGN EXCHANGE BUS LISTING-MV UTILITY	\$7.13
Remit to: CINCINNATI, OH					FYTD: \$7.13
G/M BUSINESS INTERIORS, INC.	37865	07/19/2023	0285342-IN	HIGH BACK EXECUTIVE CHAIR-CITY COUNCIL	\$791.26
Remit to: RIVERSIDE, CA					FYTD: \$791.26
GANIMIAN, KIMBERLY	245916	07/26/2023	SPRING 2023	TUITION/EMPLOYEE EDUCATION REIMBURSEMENT	\$1,881.00
Remit to: MORENO VALLEY, CA					FYTD: \$1,881.00

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GARDAWORLD	37866	07/19/2023	20571601	ARMORED CAR SVC-CONF & REC, LIBRARY, & ANIMAL SVC	\$222.02
Remit to: CHICAGO, IL					<u>FYTD:</u> \$222.02
GARLAND, DALE	245920	07/26/2023	R23-174527	ANIMAL SERVICES REFUND S/N DEPOSIT	\$75.00
Remit to: HEMET, CA					<u>FYTD:</u> \$75.00
GARVEY ALLEN VISUAL AND PERFORMING ARTS ACADEMY	245838	07/12/2023	2003426.047	DEPOSIT REFUND- CONFERENCE & REC CTR.	\$524.10
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$524.10
GIARDINA, BRIANA	245879	07/19/2023	R23-172002	ANIMAL SERVICES REFUND S/N DEPOSIT	\$75.00
Remit to: RANCHO SANTA MARGARITA, C					<u>FYTD:</u> \$75.00
GILLIS + PANICHAPAN ARCHITECTS, INC.	37868	07/19/2023	108552J	803 0055 CORPORATE YARD OFFICE BUILDING F	\$22,732.01
Remit to: COSTA MESA, CA					<u>FYTD:</u> \$22,732.01
GLADWELL GOVERNMENTAL SVCS, INC.	245853	07/19/2023	5204	ON-SITE ANALYSIS OF PLANNING/BUILDING RECORDS	\$540.00
Remit to: LAKE ARROWHEAD, CA					<u>FYTD:</u> \$540.00
GLOVER, CHRISTOPHER	245880	07/19/2023	R23-173792	ANIMAL SERVICES REFUND S/N DEPOSIT	\$75.00
Remit to: THOUSAND OAKS, CA					<u>FYTD:</u> \$75.00
GONG ENTERPRISES, INC.	37929	07/26/2023	9078	PLAN CHECK SVCS-TR 33436-KB HOMES-JUNE 2023	\$6,750.00
Remit to: HUNTINGTON BEACH, CA					<u>FYTD:</u> \$6,750.00

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GORM INC.	245788	07/05/2023	319408A	JANITORIAL SUPPLIES-PARKS MAINT	\$6,128.97
		07/05/2023	319506	JANITORIAL SUPPLIES-PARKS MAINT	
		07/05/2023	320108	JANITORIAL SUPPLIES-PARKS MAINT	
	245901	07/26/2023	320162	JANITORIAL SUPPLIES-CODE ENF	\$96.41
Remit to: ONTARIO, CA					FYTD: \$6,225.38
GOVINVEST, INC.	37817	07/12/2023	2022-4284	FY23 GASB 75 FULL VALUATION FEE	\$6,000.00
Remit to: TORRANCE, CA					FYTD: \$6,000.00
GRAY QUARTER INC	37818	07/12/2023	2188	MAINT & SUPPORT-MAY 2023-TECH SVCS	\$330.00
Remit to: ATASCADERO, CA					FYTD: \$330.00
GREENTECH LANDSCAPE, INC.	37819	07/12/2023	55785	LANDSCAPE MAINT-PARKS-MAY 2023	\$12,752.70
Remit to: LOS ANGELES, CA					FYTD: \$12,752.70
GRID ALTERNATIVES	37870	07/19/2023	INV 6 ARI0009979	SOLAR ENERGY ASSISTANCE PROGRAM-MAY 2023	\$4,416.34
Remit to: RIVERSIDE, CA					FYTD: \$4,416.34
GRUBER, MATT	245779	07/03/2023	2312	TIMEBOMB BAND PERFORMANCE FOR CITY'S JULY 4, 2023 EVENT	\$3,000.00
Remit to: GLENDALE, CA					FYTD: \$3,000.00
HABITAT FOR HUMANITY RIVERSIDE	37820	07/12/2023	MHR2122 - INV23	MOBILE HOME REPAIR PROGRAM-MAY 2023	\$15,297.84
Remit to: RIVERSIDE, CA					FYTD: \$15,297.84
HECHTL, CHRISTOPHER	245881	07/19/2023	R23-173185	ANIMAL SERVICES REFUND S/N DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00

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HEIL, SUSAN	245921	07/26/2023	R23-174588	ANIMAL SERVICES REFUND S/N DEPOSITS	\$150.00
Remit to: VALLEY CENTER, CA					<u>FYTD:</u> \$150.00
HERRERA, HUGO	37932	07/26/2023	6/22/23 - 2	HIRE A MOVAL VETERAN INCENTIVE PROGRAM PARTICIPANT	\$500.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$500.00
HF&H CONSULTANTS, LLC	37933	07/26/2023	9720419	REVIEW RATE ADJUSTMENT FOR WM-JUNE 2023	\$6,146.25
Remit to: WALNUT CREEK, CA					<u>FYTD:</u> \$6,146.25
HITACHI VANTARA LLC	37821	07/12/2023	5159016	5 YEAR CARE PLUS FOR XPROTECT CORP DEVICE LICENSE-TECH SVCS	\$23,603.26
Remit to: SANTA CLARA, CA					<u>FYTD:</u> \$23,603.26
HLP, INC.	37934	07/26/2023	190266	WEB LICENSE MONTHLY SVC FEE-ANIMAL SVCS	\$67.20
Remit to: LITTLETON, CO					<u>FYTD:</u> \$67.20
HOCHTEIL, LEONARD	245902	07/26/2023	070423	DELOREAN FOR JULY 4TH PARADE-PARKS	\$250.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$250.00
HULL, SARAH	245882	07/19/2023	R23-174515	ANIMAL SERVICES REFUND S/N DEPOSITS	\$150.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$150.00
IBARRA, GABRIELA	245922	07/26/2023	R23-174461	ANIMAL SERVICES REFUND S/N AND RAB DEP	\$95.00
Remit to: PERRIS, CA					<u>FYTD:</u> \$95.00
INLAND ELECTRIC INC.	37771	07/05/2023	6197	LIGHT FIXTURES-TOWNGATE MEMORIAL PARK	\$3,589.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$3,589.00

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
INLAND EMPIRE PROPERTY SERVICE, INC	37772	07/05/2023	20231002	WEED ABATEMENT SVCS-APN 487-470-030 & 487-470-031	\$10,345.00
	37872	07/19/2023	2023207	WEED ABATEMENT SVCS-APN 297-170-034-PARKS MAINT	\$19,455.00
		07/19/2023	233030	NUISANCE ABATEMENT SVCS-APN 482-060-041-FIRE PREV	
		07/19/2023	233031	NUISANCE ABATEMENT SVCS-APN 482-030-018-FIRE PREV	
		07/19/2023	233032	NUISANCE ABATEMENT SVCS-APN 481-270-055-FIRE PREV	
		07/19/2023	233033	NUISANCE ABATEMENT SVCS-APN 481-270-053-FIRE PREV	
		07/19/2023	233034	NUISANCE ABATEMENT SVCS-APN 481-240-001-FIRE PREV	
		07/19/2023	233035	NUISANCE ABATEMENT SVCS-APN 481-200-039-FIRE PREV	
		07/19/2023	233036	NUISANCE ABATEMENT SVCS-APN 481-200-033-FIRE PREV	
		07/19/2023	233037	NUISANCE ABATEMENT SVCS-APN 481-171-039-FIRE PREV	
		07/19/2023	233038	NUISANCE ABATEMENT SVCS-APN 479-120-029-FIRE PREV	
		07/19/2023	233039	NUISANCE ABATEMENT SVCS-APN 479-090-019-FIRE PREV	
		07/19/2023	233040	NUISANCE ABATEMENT SVCS-APN 297-100-006-FIRE PREV	
		07/19/2023	233041	NUISANCE ABATEMENT SVCS-APN 291-140-001-FIRE PREV	
		07/19/2023	233042	NUISANCE ABATEMENT SVCS-APN 291-130-019-FIRE PREV	
		07/19/2023	233043	NUISANCE ABATEMENT SVCS-APN 291-130-017-FIRE PREV	
		07/19/2023	233044	NUISANCE ABATEMENT SVCS-APN 488-250-010-FIRE PREV	
		07/19/2023	233045	NUISANCE ABATEMENT SVCS-APN 488-250-004-FIRE PREV	
		07/19/2023	40038	WEED ABATEMENT SVCS-APN 297-140-043-PARKS MAINT	
		07/19/2023	40039	WEED ABATEMENT SVCS-APN 481-020-020-PARKS MAINT	

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INLAND EMPIRE PROPERTY SERVICE, INC	37936	07/26/2023	233046	NUISANCE ABATEMENT SVCS-APN 474-723-001-FIRE PREV	\$12,090.00
		07/26/2023	233047	NUISANCE ABATEMENT SVCS-APN 474-722-001-FIRE PREV	
		07/26/2023	233048	NUISANCE ABATEMENT SVCS-APN 474-721-005-FIRE PREV	
		07/26/2023	233049	NUISANCE ABATEMENT SVCS-APN 474-721-002-FIRE PREV	
		07/26/2023	233050	NUISANCE ABATEMENT SVCS-APN 474-721-001-FIRE PREV	
		07/26/2023	233051	NUISANCE ABATEMENT SVCS-APN 474-720-004-FIRE PREV	
		07/26/2023	233052	NUISANCE ABATEMENT SVCS-APN 474-720-003-FIRE PREV	
		07/26/2023	233053	NUISANCE ABATEMENT SVCS-APN 474-720-002-FIRE PREV	
		07/26/2023	233054	NUISANCE ABATEMENT SVCS-APN 474-713-003-FIRE PREV	
		07/26/2023	233055	NUISANCE ABATEMENT SVCS-APN 474-713-002-FIRE PREV	
		07/26/2023	233056	NUISANCE ABATEMENT SVCS-APN 474-720-001-FIRE PREV	
		07/26/2023	233057	NUISANCE ABATEMENT SVCS-APN 473-300-009-FIRE PREV	
		07/26/2023	233058	NUISANCE ABATEMENT SVCS-APN 473-300-002-FIRE PREV	
		07/26/2023	233059	NUISANCE ABATEMENT SVCS-APN 473-290-015-FIRE PREV	
	07/26/2023	233060	NUISANCE ABATEMENT SVCS-APN 473-290-014-FIRE PREV		
	07/26/2023	233061	NUISANCE ABATEMENT SVCS-APN 473-220-015-FIRE PREV		

Remit to: MORENO VALLEY, CA

FYTD: \$41,890.00

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INTERWEST CONSULTING GROUP, INC.	37937	07/26/2023	88720	PLAN CHECK SVCS-PEN21-0133/ATWOOD FIVE-PLEX DEV-MAY 2023	\$21,980.00
		07/26/2023	88722	PLAN CHECK SVCS-PEN22-0092/CHASE MV BUS CTR-MAY 2023	
		07/26/2023	88723	PLAN CHECK SVCS-PEN22-0161/CHASE MV BUS CTR-MAY 2023	
		07/26/2023	88724	PLAN CHECK SVCS-PM38325/COMPASS DANBE-MAY 2023	
		07/26/2023	88728	PLAN CHECK SVCS-TR38236/PEN21-0184-MAY 2023	
		07/26/2023	88729	PLAN CHECK SVCS-PM38237/DR HORTON-MAY 2023	
		07/26/2023	89284	PLAN CHECK SVCS-PEN22-0029/FLAMINGO BAY APTS-JUNE 2023	
		07/26/2023	89285	PLAN CHECK SVCS-PEN22-0255/CHASE PARTNERS-JUNE 2023	
		07/26/2023	89286	PLAN CHECK SVCS-PM38395/PATRIOT PARTNERS-JUNE 2023	
		07/26/2023	89289	PLAN CHECK SVCS-TR38237/DR HORTON-JUNE 2023	
		07/26/2023	89290	PLAN CHECK SVCS-TR38265/PACIFIC INVESTMENTS-JUNE 2023	
		07/26/2023	89291	PLAN CHECK SVCS-ARCO AM/PM SERVICE STATION-JUNE 2023	
Remit to: LOVELAND, CO					FYTD: \$21,980.00
JACKSON, JASMIN	245883	07/19/2023	2003445.047	ACCOUNT CREDIT REFUND	\$200.00
Remit to: MORENO VALLEY, CA					FYTD: \$200.00
JACOBS ENGINEERING GROUP, INC.	37873	07/19/2023	W9Y51100-04	TRAFFIC SIGNAL OPERATIONS SUPPORT-TRANSPORTATION	\$18,500.00
		07/19/2023	W9Y51100-05	TRAFFIC SIGNAL OPERATIONS SUPPORT-TRANSPORTATION	
Remit to: DALLAS, TX					FYTD: \$18,500.00
JOHNSON , TRACY	37874	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$456.00
Remit to: MORENO VALLEY, CA					FYTD: \$456.00

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JOSEPH M. BAKER JR. DBA SPORTIQUE SCREEN PRINTING	37773	07/05/2023	53536	JERSEYS FOR YOUTH SPORT PROGRAMS	\$92.98
	37938	07/26/2023	53513	STAFF SHIRTS FOR 2023 JULY 4TH EVENT	\$3,498.27
Remit to: RIVERSIDE, CA					FYTD: \$3,591.25
JTB SUPPLY CO., INC.	37774	07/05/2023	112147	TRAFFIC SIGNAL MAINT SUPPLIES	\$3,476.89
Remit to: ORANGE, CA					FYTD: \$3,476.89
KIDS YOUTH MENTORSHIP SERVICES INC.	245926	07/26/2023	JULY 18, 2023	MAYOR'S DONATION FOR BACK-TO-SCHOOL BACKPACK GIVEAWAY	\$1,000.00
Remit to: MORENO VALLEY, CA					FYTD: \$1,000.00
KOURY ENGINEERING & TESTING, INC.	37775	07/05/2023	955332	801 0097 CITYWIDE PAVEMENT REHABILITATION PGM (FY26/27- 30/31)	\$21,890.00
Remit to: CHINO, CA					FYTD: \$21,890.00
KUSTOM SIGNALS, INC.	245828	07/12/2023	604450	RADAR/LASER MAINT & REPAIR-POLICE DEPT	\$280.73
Remit to: CHARLOTTE, NC					FYTD: \$280.73
L.A. COUNTY DEPT. OF AGRICULTURAL COMMISSIONER	245903	07/26/2023	231801	INSPECTION & SCALE CERTIFICATION FOR CVE	\$190.49
Remit to: ARCADIA, CA					FYTD: \$190.49
LAKESHORE LEARNING MATERIALS	37822	07/12/2023	830500063023	GRANT PROGRAM MATERIALS-PARKS	\$4,959.83
		07/12/2023	832410063023	GRANT PROGRAM MATERIALS-PARKS	
Remit to: CARSON, CA					FYTD: \$4,959.83

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LEIGHTON CONSULTING, INC.	37875	07/19/2023	57481	801 0021 SR60/MORENO BEACH PH 2	\$18,693.68
Remit to: IRVINE, CA					FYTD: \$18,693.68
LEVION CONSTRUCTION LLC	245807	07/05/2023	BON23-1277	REFUND PERMIT FEES-PROJECT CANCELLED-12025 CASA LINDA PL	\$263.04
Remit to: RIVERSIDE, CA					FYTD: \$263.04
LEXISNEXIS PRACTICE MANAGEMENT	37877	07/19/2023	3094544378	LEGAL RESEARCH TOOLS-JUNE 2023	\$883.20
Remit to: CHICAGO, IL					FYTD: \$883.20
LIBRARY SYSTEMS & SERVICES, LLC	37777	07/05/2023	INV7786	LIBRARY GRANT-CLLS-MAY 2023	\$2,288.78
	37939	07/26/2023	INV7964	LIBRARY GRANT-CLLS-JUNE 2023	\$16,589.00
		07/26/2023	INV7965	LIBRARY GRANT AWARD-JUNE 2023	
		07/26/2023	INV7966	LIBRARY GRANT-ZIP BOOKS-JUNE 2023	
Remit to: ROCKVILLE, MD					FYTD: \$18,877.78
LIEBERT, CASSIDY, WHITMORE	245789	07/05/2023	243458	LEGAL SERVICES-MO140-00021-HUMAN RESOURCES	\$2,229.83
		07/05/2023	244584	LEGAL SERVICES-MO140-00018-HUMAN RESOURCES	
Remit to: LOS ANGELES, CA					FYTD: \$2,229.83
LOZANO, DANA	245839	07/12/2023	R23-174746	ANIMAL SERVICES REFUND LICENSE FEE	\$15.00
Remit to: MORENO VALLEY, CA					FYTD: \$15.00
LUNDBERG, GEORGINA	37778	07/05/2023	3/6 - 4/26/23	MILEAGE REIMBURSEMENT	\$151.24
		07/05/2023	5/1 - 5/31/23	MILEAGE REIMBURSEMENT	
Remit to: MORENO VALLEY, CA					FYTD: \$151.24

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LUTHERAN SOCIAL SERVICES OF SOUTHERN CALIFORNIA	37824	07/12/2023	#5 / NOV 2022	HOMELESS PREVENTION PROGRAM - NOVEMBER 2022	\$955.46
Remit to: SAN BERNARDINO, CA					FYTD: \$955.46
LYNCHESKI, MARC	245780	07/03/2023	2023.6.3.1	EMCEE FOR CITY'S JULY 4, 2023 EVENT	\$1,000.00
	245904	07/26/2023	2023.7.1.1	COMMUNICATION SERVICES 7/01-7/20/23	\$7,150.00
Remit to: TUSTIN, CA					FYTD: \$8,150.00
LYONS SECURITY SERVICE, INC.	37940	07/26/2023	35591	SECURITY GUARD SVCS-CONF & REC CTR-JUNE 2023	\$9,175.42
Remit to: ANAHEIM, CA					FYTD: \$9,175.42
MACIAS, ROBERT	245884	07/19/2023	LEP23-0176	REFUND FEES PAID ON WITHDRAWN PERMIT FOR WATER LINE INSTALL	\$480.75
Remit to: MORENO VALLEY, CA					FYTD: \$480.75
MAMA T'S FOOD FOR THE SOUL, LLC	245925	07/26/2023	2023-48	SPECIAL EVENT CATERING - JUNETEENTH CELEBRATION	\$4,525.50
Remit to: MORENO VALLEY, CA					FYTD: \$4,525.50
MARIPOSA LANDSCAPES, INC.	37779	07/05/2023	103040	LANDSCAPE EXTRA WORK-CRC/JUN23-REPLACED PLANTS & INSTALLED MULCH	\$14,117.00
		07/05/2023	103041	LANDSCAPE EXTRA WORK-CITY HALL/JUNE-REPLACE PLANTS/INSTALL MULCH	
		07/05/2023	103046	LANDSCAPE EXTRA WORK-AMPHITHEATER/JUN23-REPLACE MISSING PLANTS	
	37825	07/12/2023	102840	DETENTION BASIN MAINTENANCE SERVICES-MAY 2023	\$3,730.00
	37941	07/26/2023	103347	SD LANDSCAPE ADDITIONAL WORK ZONE 02	\$566.43
Remit to: IRWINDALE, CA					FYTD: \$18,413.43

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MARTINEZ, CELESTINA	245808	07/05/2023	R23-174277	ANIMAL SERVICES REFUND ADOPTION FEES	\$65.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$65.00
MCCLAIN, MELISSA	37882	07/19/2023	4/11 - 6/20/23	MILEAGE REIMBURSEMENT FOR BUSINESS MEETINGS & ECON. DEV. EVENTS	\$387.11
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$387.11
MCGRATH RENTCORP AND SUBSIDIARIES	37780	07/05/2023	301114422	TEMPORARY STORAGE UNIT RENTAL-CITY YARD 06/26-07/25/23	\$197.81
Remit to: SAN FRANCISCO, CA					<u>FYTD:</u> \$197.81
MENDENHALL, DALE W.	37781	07/05/2023	7/9 - 7/11/23	TRAVEL PER DIEM & MILEAGE - 2023 ESRI INT'L USER CONFERENCE	\$279.74
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$279.74
MERCHANTS BUILDING MAINTENANCE, LLC.	37942	07/26/2023	713630	SPECIAL CLEANING SERVICES 12/3/22-HOLIDAY TREE LIGHTING CEREMONY	\$7,787.50
		07/26/2023	745306	CARPET CLEANING OF COTTONWOOD GOLF CTR FACILITY ON 6/2/23	
		07/26/2023	745345	COMMUNITY PARK RESTROOMS DAY PORTER SERVICES-JUNE 2023	
		07/26/2023	747407	JUNE 2023 SPECIAL CLEANINGS FOR EVENT RENTALS-SENIOR CENTER	
		07/26/2023	747410	EMERGENCY CLEANING FROM PLUMBING REPAIRS-CITY HALL	
		07/26/2023	747421	DEEP CLEANING AT UTILITY FIELD OFFICE ON 6/20/23	
		07/26/2023	747423	JUNE 2023 SPECIAL CLEANINGS FOR EVENT RENTALS-COTTONWOOD GOLF CT	
		07/26/2023	747424	JUNE 2023 SPECIAL CLEANINGS FOR EVENT RENTALS-TOWNGATE COMM. CTR	
Remit to: MONTEREY PARK, CA					<u>FYTD:</u> \$7,787.50

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MIDWEST VETERINARY SUPPLY	37884	07/19/2023	19848651-000	ANIMAL MEDICAL SUPPLIES/VACCINES	\$1,665.66
		07/19/2023	19849423-050	ANIMAL MEDICAL SUPPLIES/VACCINES	
		07/19/2023	19849423-100	ANIMAL MEDICAL SUPPLIES/VACCINES	
Remit to: LAKEVILLE, MN					FYTD: \$1,665.66
MIRACLE RECREATION EQUIPMENT	245905	07/26/2023	849460	PLAYGROUND EQUIPMENT - TOWNGATE II PARK	\$16,712.16
		07/26/2023	851745	PLAYGROUND EQUIPMENT - CELEBRATION PARK	
		07/26/2023	852532	PLAYGROUND EQUIPMENT - TOWNGATE II PARK	
		07/26/2023	852686	PLAYGROUND EQUIPMENT - WESTON PARK	
		07/26/2023	852760	PLAYGROUND EQUIPMENT - TOWNGATE II PARK	
		07/26/2023	856493	PLAYGROUND EQUIPMENT - WESTBLUFF PARK	
		07/26/2023	856539	PLAYGROUND EQUIPMENT - WOODLAND PARK	
		07/26/2023	856906	PLAYGROUND EQUIPMENT - MARCH FIELD PARK COMMUNITY CENTER	
		07/26/2023	857078	PLAYGROUND EQUIPMENT - SHADOW MOUNTAIN PARK	
Remit to: DALLAS, TX					FYTD: \$16,712.16
MISSION LINEN SUPPLY, INC.	37826	07/12/2023	519458884	LINEN RENTAL SERVICES	\$316.95
		07/12/2023	519541839	LINEN RENTAL SERVICES	
		07/12/2023	519587039	LINEN RENTAL SERVICES	
Remit to: SANTA BARBARA, CA					FYTD: \$316.95
MORENO VALLEY COMMUNITY VET CARE	37943	07/26/2023	JUN. 2023	VETERINARY SERVICES-MV ANIMAL SHELTER/JUNE 2023	\$23,720.69
Remit to: MORENO VALLEY, CA					FYTD: \$23,720.69

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MORENO VALLEY FRIENDS OF THE LIBRARY	37885	07/19/2023	JUNE 2023	PASS THROUGH FUNDS 6/1-6/30/23	\$1,220.85
Remit to: MORENO VALLEY, CA					FYTD: \$1,220.85
MWI ANIMAL HEALTH	245855	07/19/2023	48747099	ANIMAL MEDICAL SUPPLIES	\$862.40
Remit to: LOS ANGELES, CA					FYTD: \$862.40
NAMEKATA, JAMES	37886	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$456.00
Remit to: RIVERSIDE, CA					FYTD: \$456.00
NBS GOVERNMENT FINANCE GROUP	37944	07/26/2023	202307-2460	BOUNDARY MAP PREPARATION -JUNE 23	\$3,200.00
Remit to: TEMECULA, CA					FYTD: \$3,200.00
NETRONIX INTEGRATION	37782	07/05/2023	S48675.01	EMERGENCY TROUBLESHOOTING/REPAIR OF S2 SECURITY ACCESS SYSTEM-CH	\$2,331.13
	37945	07/26/2023	S50830.01	HR SALTO CIRCLE STICKERS-CITY HALL	\$809.65
Remit to: SAN JOSE, CA					FYTD: \$3,140.78
NEW HORIZON MOBILE HOME PARK	37827	07/12/2023	JUNE 2023	UUT REFUND FOR JUNE 2023	\$11.35
Remit to: LOS ANGELES, CA					FYTD: \$11.35
NGUYEN, CLEMENT BA DUONG	37887	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES - VOVINAM MARTIAL ARTS CLASSES	\$646.80
Remit to: BEAUMONT, CA					FYTD: \$646.80
NOLLAR, JANICE	245790	07/05/2023	7/9 - 7/12/23	TRAVEL PER DIEM & MILEAGE - 2023 ESRI INT'L USER CONFERENCE	\$350.72
Remit to: MORENO VALLEY, CA					FYTD: \$350.72

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NTH GENERATION COMPUTING, INC.	37828	07/12/2023	42694H	HP SERVER HARDWARE & SUPPORT -TO REPLACE EXISTING EMAIL SERVER	\$16,983.99
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$16,983.99
OAKRIDGE ENERGY & CONSTRUCTION INC	245809	07/05/2023	BOM23-0062	REFUND PERMIT FEES-PROJECT CANCELLED-11415 LOMBARDY LN	\$191.20
Remit to: REDLANDS, CA					<u>FYTD:</u> \$191.20
OPERATION SAFEHOUSE, INC.	37830	07/12/2023	10 - (APR. 2023)	CDBG SUBRECIPIENT PAYMENT-EMERGENCY SHELTER FOR YOUTH PROGRAM	\$2,560.00
		07/12/2023	11 - (MAY 2023)	CDBG SUBRECIPIENT PAYMENT-EMERGENCY SHELTER FOR YOUTH PROGRAM	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$2,560.00
PADILLA, WENDY	245923	07/26/2023	R23-174343	ANIMAL SERVICES REFUND S/N DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$75.00
PALM SPRINGS AIR MUSEUM INC	245856	07/19/2023	1837	2023 4TH OF JULY PARADE FLYOVER	\$3,000.00
Remit to: PALM SPRINGS, CA					<u>FYTD:</u> \$3,000.00
PAPER RECYCLING AND SHREDDING SPECIALISTS	245829	07/12/2023	546381	ON-SITE DOCUMENT SHREDDING FOR 5/20/23 CITY RESIDENT SHRED EVENT	\$1,000.00
Remit to: SAN DIMAS, CA					<u>FYTD:</u> \$1,000.00
PARSONS TRANSPORTATION GROUP, INC.	37888	07/19/2023	2307A208	801 0021 SR60/MORENO BEACH PH 2	\$1,927.95
Remit to: IRVINE, CA					<u>FYTD:</u> \$1,927.95

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PENGUIN HOME SOLUTIONS INC	245885	07/19/2023	BOE23-0033	REFUND PERMIT FEES-PROJECT CANCELLED-16220 VIA ULTIMO	\$191.52
	245886	07/19/2023	BON22-1773.R001	REFUND PLAN CHECK FEES-INCORRECT SUBMITTAL-13687 SUNRAY	\$246.40
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$437.92
PERCEPTIVE ENTERPRISES, INC.	37889	07/19/2023	3849	PROFESSIONAL DBE/CPR CONSULTING SERVICES	\$8,834.00
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$8,834.00
PYRO SPECTACULARS, INC.	245830	07/12/2023	58577	BALANCE DUE FOR JULY 4, 2023 FIREWORKS DISPLAY	\$23,000.00
Remit to: RIALTO, CA					<u>FYTD:</u> \$23,000.00
RAMOS, ROBERTO	37890	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES-AMAZING MARTIAL ARTS & TAE KWON DO CLASSES	\$1,507.10
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$1,507.10
READY REFRESH BY NESTLE	37783	07/05/2023	03F6706999083	BOTTLED WATER & DELIVERY FEE-SUNNYMEAD ELEMENTARY/CHILD CARE	\$57.44
Remit to: LOUISVILLE, KY					<u>FYTD:</u> \$57.44
REGALADO, BLANCA E	37891	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES-FOLKLORIC DANCE ADULT & YOUTH CLASSES	\$715.20
Remit to: LAKE ELSINORE, CA					<u>FYTD:</u> \$715.20
RELIABLE ENERGY MANAGEMENT INC	245810	07/05/2023	BOW22-0222	REFUND PERMIT FEES-PROJECT CANCELLED-14002 CASPIAN WY	\$55.52
Remit to: PARAMOUNT, CA					<u>FYTD:</u> \$55.52

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RENE BURGUAN DBA SUAVE THE BAND	37832	07/12/2023	0630	SUAVE THE BAND PERFORMANCE FOR CITY'S JULY 4, 2023 EVENT	\$3,500.00
Remit to: LA VERNE, CA					FYTD: \$3,500.00
RHYTHM TECH PRODUCTIONS, LLC	37784	07/05/2023	1089	SOUND ENGINEER SERVICES & EQUIPMENT-6/11/23 AMPHITHEATER EVENT	\$2,183.00
		07/05/2023	1095	SOUND ENGINEERS TO OPERATE AUDIO FOR JUNETEENTH EVENT 6/17/23	
Remit to: COLTON, CA					FYTD: \$2,183.00
RISING STARS BUSINESS ACADEMY	37892	07/19/2023	DECEMBER 2022 -3	CALVIP - MOVAL VIOLENCE INTERVENTION & PREVENTION SERVICES REIMB	\$12,416.88
		07/19/2023	NOVEMBER 2022 -2	CALVIP - MOVAL VIOLENCE INTERVENTION & PREVENTION SERVICES REIMB	
		07/19/2023	OCTOBER 2022 - 1	CALVIP - MOVAL VIOLENCE INTERVENTION & PREVENTION SERVICES REIMB	
Remit to: MORENO VALLEY, CA					FYTD: \$12,416.88
RIVERSIDE AREA RAPE CRISIS CENTER	37893	07/19/2023	FEB2023-08.1	CDBG FY22/23 SUBGRANTEE PAYMENT-SAFE COMMUNITIES PROJECT	\$219.31
		07/19/2023	MAR2023-09.1	CDBG FY22/23 SUBGRANTEE PAYMENT-SAFE COMMUNITIES PROJECT	
Remit to: RIVERSIDE, CA					FYTD: \$219.31
RIVERSIDE COUNTY DEPARTMENT OF HEALTH	245791	07/05/2023	HS0000007676	FRA RABIES TESTING @ PUBLIC HEALTH LAB - MAY 2023	\$50.00
	245906	07/26/2023	HS0000007707	FRA RABIES TESTING @ PUBLIC HEALTH LAB - JUN. 2023	\$150.00
Remit to: RIVERSIDE, CA					FYTD: \$200.00

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RIVERSIDE COUNTY HABITAT CONSERVATION AGENCY	245857	07/19/2023	2ND QTR 2023	STEPHEN'S KANGAROO RAT MITIGATION FEES FOR QTR ENDING 6/30/23	\$5,400.00
Remit to: RIVERSIDE, CA					FYTD: \$5,400.00
RIVERSIDE COUNTY OFFICE OF EDUCATION	245858	07/19/2023	2023/1031 BAL.	TRANSLATION SERVICES-CITY COUNCIL MEETING-11/15 MTG CANC, HRS.	\$601.25
		07/19/2023	2023/1661	TRANSLATION SERVICES-CITY COUNCIL MTGS/STUDY SESSION 2/7-2/21/23	
Remit to: RIVERSIDE, CA					FYTD: \$601.25
RIVERSIDE COUNTY SHERIFF-PSEC UNIT	245831	07/12/2023	PE0000001078	PSEC RADIO SUBSCRIPTIONS-OEM 6/1-6/30/23	\$58.46
	245859	07/19/2023	PE0000001076	PSEC RADIO SUBSCRIPTIONS-CODE 6/1-6/30/23	\$932.04
		07/19/2023	PE0000001077	PSEC RADIO SUBSCRIPTIONS-PARK RANGERS 6/1-6/30/23	
Remit to: RIVERSIDE, CA					FYTD: \$990.50
RMA GROUP, INC	245792	07/05/2023	85170	801 0086 JUAN BAUTISTA TRAIL ATP 4	\$2,130.00
Remit to: RANCHO CUCAMONGA, CA					FYTD: \$2,130.00
ROGERS, ANDERSON, MALODY & SCOTT, LLP	37894	07/19/2023	72219	BILLING FOR FY ENDING 6/30/22 STATE CONTROLLER'S REPORT SERVICES	\$3,700.00
	37948	07/26/2023	73058	AUDIT SERVICES FOR FY ENDING 6/30/23 - MAY 2023 PROGRESS BILLING	\$12,900.00
Remit to: SAN BERNARDINO, CA					FYTD: \$16,600.00
ROMO PLANNING GROUP INC	37785	07/05/2023	2023-05	PLANNING CONSULTANT SERVICES - 4/30-6/03/23	\$8,935.00
Remit to: RANCHO CUCAMONGA, CA					FYTD: \$8,935.00

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RSG, INC	37895	07/19/2023	1010610	AFFORDABLE HOUSING COMPLIANCE MONITORING SERVICES- JUN. 2023	\$5,267.50
Remit to: VISTA, CA					FYTD: \$5,267.50
SAFEWAY SIGN CO.	37786	07/05/2023	54654	SIGNS FOR ECON. DEVELOPMENT NEW BUSINESS WELCOME PROGRAM	\$217.73
	37896	07/19/2023	20119 EI	SIGNS	\$1,671.14
		07/19/2023	20120 EI	SIGNS	
		07/19/2023	54907	SIGNS FOR ECON. DEVELOPMENT NEW BUSINESS WELCOME PROGRAM	
Remit to: ADELANTO, CA					FYTD: \$1,888.87
SALVATION ARMY	37833	07/12/2023	ESG-CV #19	ESG-CV RAPID REHOUSING/HOMELESS PREVENTION PROGRAM-AUG2022	\$18,070.70
	37897	07/19/2023	ESG-CV2 SA2_10.1	ESG-CV2 SA2 EMERG. SHELTER/RAPID REHOUSING/ST. OUTREACH PROGRAM	\$4,475.28
Remit to: RIVERSIDE, CA					FYTD: \$22,545.98
SCAG-SOUTHERN CALIFORNIA ASSOC. OF GOVERNMENTS	245907	07/26/2023	SCAG FY24 0117	SCAG ANNUAL DUES ASSESSMENT FOR FY 2023-24	\$24,843.00
Remit to: PASADENA, CA					FYTD: \$24,843.00
SEARLE CREATIVE GROUP, LLC	37834	07/12/2023	23346	WEBSITE HOSTING & MAINTENANCE-APR. 2023	\$2,921.25
		07/12/2023	23347	WEBSITE HOSTING & MAINTENANCE-JUN. 2023	
		07/12/2023	23348	WEBSITE HOSTING & MAINTENANCE-MAY 2023	
Remit to: VENTURA, CA					FYTD: \$2,921.25

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SECURITAS TECHNOLOGY CORPORATION	37898	07/19/2023	6003428769	S2 CARD ACCESS MDF ROOM-CITY HALL	\$3,986.16
Remit to: FISHERS, IL					FYTD: \$3,986.16
SECURITY LOCK & KEY	245793	07/05/2023	32229	LOCK REPAIR/SERVICES-TOWNGATE PARK ELECTRICAL ROOM DEADBOLT	\$237.75
	245861	07/19/2023	32255	CASHIER CAM LOCK KEY COPIES-CITY HALL	\$277.19
Remit to: RIVERSIDE, CA					FYTD: \$514.94
SEMPER SOLARIS CONSTRUCTION, INC	245811	07/05/2023	BOE22-0436.R001	REFUND PLAN CHECK FEES-SUBMITTED INCORRECTLY-16314 GREENFIELD ST	\$246.40
Remit to: EL CAJON, CA					FYTD: \$246.40
SHOWBOSS PRODUCTION	245908	07/26/2023	MPH0002	FLYOVER FOR 2023 JULY 4TH PARADE & CELEBRATION	\$1,500.00
Remit to: SAN DIEGO, CA					FYTD: \$1,500.00
SIGNS BY TOMORROW	37788	07/05/2023	30768	PUBLIC HEARING SIGNS (2) UPDATE & INSTALLATION SERVICES	\$607.50
	37949	07/26/2023	30670	PUBLIC HEARING SIGN (1) UPDATE & INSTALLATION SERVICES	\$2,126.25
		07/26/2023	30769	PUBLIC HEARING SIGN (1) UPDATE & INSTALLATION SERVICES	
		07/26/2023	30853	PUBLIC HEARING SIGNS (2) UPDATE & INSTALLATION SERVICES	
		07/26/2023	30854	PUBLIC HEARING SIGN (1) UPDATE & INSTALLATION SERVICES	
		07/26/2023	30861	PUBLIC HEARING SIGNS (2) UPDATE & INSTALLATION SERVICES	
Remit to: MURRIETA, CA					FYTD: \$2,733.75
SILVER LINING MUSIC	245890	07/19/2023	# 1	SILVER LINING MUSIC PERFORMANCE FOR M.V. SUMMER CONCERT-7/13/23	\$2,000.00
Remit to: BUENA PARK, CA					FYTD: \$2,000.00

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SMART PHASE ENERGY	245812	07/05/2023	BON22-2368	REFUND PERMIT FEES-PROJECT CANCELLED-23881 LONE PINE DR	\$263.04
Remit to: TEMECULA, CA					<u>FYTD:</u> \$263.04
SOTO ENTERTAINMENT GROUP	245889	07/19/2023	MORENOVAL223072	SOTO BAND PERFORMANCE FOR M.V. SUMMER CONCERT ON 7/20/23	\$3,000.00
Remit to: SANTA FE SPRINGS, CA					<u>FYTD:</u> \$3,000.00
SOUTHERN CALIFORNIA EDISON	245794	07/05/2023	JUN-23 7/5/23	ELECTRICITY CHARGES	\$4,443.25
	245832	07/12/2023	JUN-23 7/12/23	ELECTRICITY CHARGES	\$14,986.63
Remit to: ROSEMEAD, CA					<u>FYTD:</u> \$19,429.88
SOUTHERN CALIFORNIA GAS CO.	245911	07/26/2023	JUNE-2023	GAS CHARGES	\$4,621.92
Remit to: MONTEREY PARK, CA					<u>FYTD:</u> \$4,621.92
STATE BOARD OF EQUALIZATION 1	38091	07/31/2023	2ND QTR 2023	SALES & USE TAX REPORT FOR THE QUARTER ENDING 6/30/23	\$5,906.00
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$5,906.00
STEVEN PERRY PROFESSIONAL PHOTOGRAPHY	37790	07/05/2023	230618.1	PHOTOGRAPHY SERVICES 6/17/23 - JUNETEENTH EVENT	\$1,028.75
		07/05/2023	230628.1	PHOTOGRAPHY SERVICES 6/27/23 - KAISER RIBBON CUTTING EVENT	
	37950	07/26/2023	230710.1	PHOTOGRAPHY SERVICES 7/4/23 - FOURTH OF JULY EVENTS	\$1,283.75
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$2,312.50
STEVENS VU & LUNA DBA 4 ALARM BAND	245781	07/03/2023	100	4 ALARM BAND PERFORMANCE FOR CITY'S JULY 4, 2023 EVENT	\$1,500.00
Remit to: SANTA ANA, CA					<u>FYTD:</u> \$1,500.00

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STILES ANIMAL REMOVAL, INC.	245864	07/19/2023	3399	DECEASED LARGE ANIMAL REMOVAL SERVICES-JUN. 2023	\$2,470.00
Remit to: GUAISTI, CA					FYTD: \$2,470.00
STRADLING, YOCCA, CARLSON & RAUTH	37951	07/26/2023	397985-0000	LEGAL SERVICES-GENERAL/HOUSING AUTHORITY MATTERS-MAY 2023	\$14,053.50
		07/26/2023	397986-0007	LEGAL SERVICES-MARY ERICKSON HOUSING OWNERSHIP MATTER-MAY 2023	
		07/26/2023	397987-0008	LEGAL SERVICES-FORECLOSURE 12914 ROBERTS WAY MATTER-MAY 2023	
Remit to: NEWPORT BEACH, CA					FYTD: \$14,053.50
STRYKER SALES, LLC DBA STRYKER MEDICAL	37791	07/05/2023	4180406 M	(3) STAIR-PRO CHAIRS_MODEL 6252 AND (3) FOOTREST OPTION	\$14,365.10
Remit to: PORTAGE, MI					FYTD: \$14,365.10
SUNNYMEAD ACE HARDWARE	245795	07/05/2023	98897	MISC. SUPPLIES FOR FIRE STATION 2	\$212.21
	245833	07/12/2023	98863	MISC. SUPPLIES FOR PD	\$6.01
Remit to: MORENO VALLEY, CA					FYTD: \$218.22
SUNRUN	245813	07/05/2023	BON23-0154	REFUND OVER-ASSESSED SB 1473 FEE-25201 MARSEL RANCH RD	\$164.00
Remit to: REDLANDS, CA					FYTD: \$164.00

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SUPERIOR READY MIX CONCRETE	245865	07/19/2023	350814	DELIVERY OF MIXED CONCRETE	\$12,605.88
		07/19/2023	351054	DELIVERY OF MIXED CONCRETE	
		07/19/2023	351817	DELIVERY OF MIXED CONCRETE	
		07/19/2023	352058	DELIVERY OF MIXED CONCRETE	
		07/19/2023	353142	DELIVERY OF MIXED CONCRETE	
		07/19/2023	353454	DELIVERY OF MIXED CONCRETE	
		07/19/2023	354043	DELIVERY OF MIXED CONCRETE	
		07/19/2023	354656	DELIVERY OF MIXED CONCRETE	
		07/19/2023	354887	DELIVERY OF MIXED CONCRETE	
		07/19/2023	356398	DELIVERY OF MIXED CONCRETE	
Remit to: ESCONDIDO, CA					FYTD: \$12,605.88
THE ADVANTAGE GROUP/ FLEX ADVANTAGE	37899	07/19/2023	158956	FLEX AND COBRA ADMIN FEES-JUN. 2023	\$1,563.25
Remit to: TEMECULA, CA					FYTD: \$1,563.25
THINK TOGETHER, INC	37952	07/26/2023	06302301	ASES PROGRAM - USE OF CRC BALLROOM & COOKING SUPPLIES FOR CLUBS	\$20,423.29
		07/26/2023	121-23-02S	SUMMER PROGRAM EDGEMONT ELEMENTARY - 21ST CLCC GRANT 22/23	
Remit to: SANTA ANA, CA					FYTD: \$20,423.29
THOMPSON COBURN LLP	37835	07/12/2023	3612752	LEGAL SERVICES-MVU/RELIABILITY STANDARD COMPLIANCE/MAY 2023	\$38.40
Remit to: WASHINGTON, DC					FYTD: \$38.40

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THOMSON REUTERS-WEST PUBLISHING CORP.	37836	07/12/2023	848580647	AUTO TRACK SERVICES FOR PD INVESTIGATIONS-JUNE 2023	\$1,450.56
Remit to: CAROL STREAM, IL					FYTD: \$1,450.56
TITAN RENTAL GROUP, INC.	245796	07/05/2023	RES# 45369-FINAL	RENTAL OF WOODEN BENCHES, CHAIRS, ETC.-JUNETEENTH EVENT 6/17/23	\$594.74
	245912	07/26/2023	RES# 45370-FINAL	EQUIPMENT RENTAL FOR JULY 4TH 2023 EVENT	\$2,083.24
Remit to: MORENO VALLEY, CA					FYTD: \$2,677.98
TITAN SOLAR POWER CA INC	245814	07/05/2023	BON23-0178	REFUND PERMIT FEES-PROJECT CANCELLED-10028 SYCAMORE CANYON RD	\$140.56
	245815	07/05/2023	BOE23-0098	REFUND PERMIT FEES-PROJECT CANCELLED-10028 SYCAMORE CANYON RD	\$191.52
Remit to: MESA, AZ					FYTD: \$332.08
TITANIUM SOLAR LLC	245816	07/05/2023	BON22-2515	REFUND PERMIT FEES-PROJECT CANCELLED-22735 COTTONWOOD AVE	\$263.04
Remit to: RANCHO CUCAMONGA, CA					FYTD: \$263.04
TKE ENGINEERING INC	245913	07/26/2023	2023-5028	PROPERTY DISPOSITION ADMINISTRATIVE SERVICES/MARCH - JUNE 2023	\$1,387.50
Remit to: RIVERSIDE, CA					FYTD: \$1,387.50
TORRES, CLAUDIA	245817	07/05/2023	2003403.047	ACTIVITY REFUND- VALLEY DAY CAMP	\$135.00
Remit to: MORENO VALLEY, CA					FYTD: \$135.00
TOUCH OF SOUL	37900	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES - SOUL LINE DANCING CLASS	\$490.20
Remit to: MORENO VALLEY, CA					FYTD: \$490.20

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TRANSTECH ENGINEERS, INC.	245866	07/19/2023	20233772	801 0064 SR60/REDLANDS BLVD INTERCHANGE	\$23,166.42
Remit to: CHINO, CA					<u>FYTD:</u> \$23,166.42
TRICHE, TARA	37901	07/19/2023	JUN. 2023	INSTRUCTOR SERVICES - BALLET & DANCE EXPLORATION CLASSES	\$1,537.20
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$1,537.20
TRUEPOINT SOLUTIONS, LLC	37837	07/12/2023	23-0718	CONSULTING SERVICES-JUNE 2023-LAND DEV VIRTUAL COUNTER-PHASE 2	\$2,137.50
		07/12/2023	23-0719	SUPPORT SERVICES - BUILDING SOLAR APP PLUS-JUNE 2023	
	37953	07/26/2023	23-0720	SUPPORT SERVICES - ACP SUPPORT & ENHANCEMENTS/JUN. 2023	\$1,237.50
Remit to: LOOMIS, CA					<u>FYTD:</u> \$3,375.00
TSG ENTERPRISES, INC. DBA THE SOLIS GROUP	37902	07/19/2023	10811	801 0087 CITYWIDE PVT REHAB FY 20/21	\$10,942.00
		07/19/2023	11034	801 0097 PVT REHAB CWA	
		07/19/2023	11035	801 0090 CITYWIDE PVT REHAB PGM (FY26-31)	
		07/19/2023	11037	801 0021 SR60/MORENO BEACH PH 2	
Remit to: PASADENA, CA					<u>FYTD:</u> \$10,942.00
TYLER TECHNOLOGIES, INC.	245834	07/12/2023	045-421938	BUSINESS PROCESS REVIEW - HR HELP 5/18/23	\$1,214.24
		07/12/2023	045-424884	PROJECT MANAGEMENT - REMAINING BALANCE	
Remit to: DALLAS, TX					<u>FYTD:</u> \$1,214.24
U.S. BANK NA	37838	07/12/2023	13793020	INVESTMENT CUSTODIAL SERVICES-MAY 2023	\$965.00
Remit to: ST. PAUL, MN					<u>FYTD:</u> \$965.00
U.S. POSTAL SERVICE	245917	07/26/2023	FALL/WINTER 2023	PERMIT #153-DEPOSIT FOR POSTAGE TO MAIL RECREATION GUIDES	\$11,000.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$11,000.00

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ULTRASERV AUTOMATED SERVICES, LLC	37794	07/05/2023	260402	COFFEE SERVICE SUPPLIES-CITY HALL/CITY CLERK LOCATION	\$1,678.17
		07/05/2023	260572	COFFEE SERVICE SUPPLIES-CITY HALL/BREAK ROOM LOCATION	
		07/05/2023	261507	COFFEE SERVICE SUPPLIES-CITY HALL/BREAK ROOM LOCATION	
		07/05/2023	263631	COFFEE SERVICE SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
		07/05/2023	263635	COFFEE SERVICE SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
		07/05/2023	263731	COFFEE SERVICE SUPPLIES-ANNEX 1	
		07/05/2023	263740	COFFEE SERVICE SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
		07/05/2023	263826	COFFEE SERVICE SUPPLIES-CITY HALL/BREAK ROOM LOCATION	
		07/05/2023	263832	COFFEE SERVICE SUPPLIES-CITY YARD	
	07/05/2023	263890	COFFEE SERVICE SUPPLIES-ANNEX 1		
Remit to: COSTA MESA, CA					<u>FYTD:</u> \$1,678.17

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



City of Moreno Valley
Payment Register
For Period 7/1/2023 through 7/31/2023

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	37903	07/19/2023	520230480 (a)	DIGALERT TICKETS SUBSCRIPTION SERVICE-MAY 2023	\$295.25
		07/19/2023	520230480 (b)	DIGALERT TICKETS SUBSCRIPTION SERVICE-MAY 2023	
		07/19/2023	520230480 (c)	DIGALERT TICKETS SUBSCRIPTION SERVICE-MAY 2023	
		07/19/2023	520230480 (d)	DIGALERT TICKETS SUBSCRIPTION SERVICE-MAY 2023	
	37904	07/19/2023	620230472 (a)	DIGALERT TICKETS SUBSCRIPTION SERVICE-JUNE 2023	\$260.25
		07/19/2023	620230472 (b)	DIGALERT TICKETS SUBSCRIPTION SERVICE-JUNE 2023	
		07/19/2023	620230472 (c)	DIGALERT TICKETS SUBSCRIPTION SERVICE-JUNE 2023	
		07/19/2023	620230472 (d)	DIGALERT TICKETS SUBSCRIPTION SERVICE-JUNE 2023	
	245867	07/19/2023	22-2304237 (a)	CA STATE FEE FOR REGULATORY COSTS TO SAFE EXCAVATION BOARD	\$84.03
		07/19/2023	22-2304237 (b)	CA STATE FEE FOR REGULATORY COSTS TO SAFE EXCAVATION BOARD	
		07/19/2023	22-2304237 (c)	CA STATE FEE FOR REGULATORY COSTS TO SAFE EXCAVATION BOARD	
		07/19/2023	22-2304237 (d)	CA STATE FEE FOR REGULATORY COSTS TO SAFE EXCAVATION BOARD	
	245868	07/19/2023	22-2304627 (a)	CA STATE FEE FOR REGULATORY COSTS TO SAFE EXCAVATION BOARD	\$84.03
		07/19/2023	22-2304627 (b)	CA STATE FEE FOR REGULATORY COSTS TO SAFE EXCAVATION BOARD	
		07/19/2023	22-2304627 (c)	CA STATE FEE FOR REGULATORY COSTS TO SAFE EXCAVATION BOARD	
		07/19/2023	22-2304627 (d)	CA STATE FEE FOR REGULATORY COSTS TO SAFE EXCAVATION BOARD	
Remit to: CORONA, CA					FYTD: \$723.56

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



City of Moreno Valley
Payment Register
For Period 7/1/2023 through 7/31/2023

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
UNITED RENTALS, INC.	245797	07/05/2023	218471376-001	BRUSH MOWER ATTACHMENT - SKID STEER - M&O	\$1,216.47
		07/05/2023	220648079-001	SCISSOR LIFT FOR FACILITIES - PUBLIC SAFETY BLDG	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,216.47
UNITED SITE SERVICES OF CA, INC.	37905	07/19/2023	114-13637152	FENCE RENTAL AT ANIMAL SHELTER 06/29-07/26/23	\$106.40
Remit to: DALLAS, TX					<u>FYTD:</u> \$106.40

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



City of Moreno Valley Payment Register

For Period 7/1/2023 through 7/31/2023

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
VACATE TERMITES & PEST ELIMINATION COMPANY	37795	07/05/2023	123345	PEST CONTROL SERVICE-JUN. 2023-FIRE STATION 58	\$2,305.00
		07/05/2023	123682	PEST CONTROL SERVICE-JUN. 2023-TOWNGATE COMM. CENTER	
		07/05/2023	123683	MOSQUITO ABATEMENT TRAP/FLY LIGHT SERVICE-TOWNGATE COMM. CENTER	
		07/05/2023	123686	PEST CONTROL SERVICE-JUN. 2023-MARCH ANNEX	
		07/05/2023	123687	PEST CONTROL SERVICE-JUN. 2023-MARCH FIELD PARK COMM. CENTER	
		07/05/2023	123689	PEST CONTROL SERVICE-JUN. 2023-SENIOR CENTER	
		07/05/2023	123690	MOSQUITO ABATEMENT TRAP/FLY LIGHT SERVICE-SENIOR CENTER	
		07/05/2023	123691	PEST CONTROL SERVICE-JUN. 2023-MAIN LIBRARY	
		07/05/2023	123747	PEST CONTROL SERVICE-JUN. 2023-FIRE STATION 6	
		07/05/2023	123748	PEST CONTROL SERVICE-JUN. 2023-FIRE STATION 48	
		07/05/2023	123750	PEST CONTROL SERVICE-JUN. 2023-FIRE STATION 2	
		07/05/2023	123757	PEST CONTROL SERVICE-JUN. 2023-FIRE STATION 99	
		07/05/2023	123759	PEST CONTROL SERVICE-JUN. 2023-FIRE STATION 65	
		07/05/2023	123766	PEST CONTROL SERVICE-JUN. 2023-FIRE STATION 91	
		07/05/2023	123842	PEST CONTROL SERVICE-JUN. 2023-TRANSPORTATION TRAILER	
		07/05/2023	123843	PEST CONTROL SERVICE-JUN. 2023-CITY YARD	
		07/05/2023	123844	PEST CONTROL SERVICE FOR ROACHES-COTTONWOOD GOLF CENTER	
		07/05/2023	123864	PEST CONTROL SERVICE-JUN. 2023-COTTONWOOD GOLF CENTER	
		07/05/2023	124001	MOSQUITO ABATEMENT TRAP/FLY LIGHT SERVICE-ANIMAL SHELTER	
		07/05/2023	124002	PEST CONTROL SERVICE-JUN. 2023-ANIMAL SHELTER	
		07/05/2023	124005	PEST CONTROL SERVICE-JUN. 2023-RAINBOW RIDGE	
		07/05/2023	124007	PEST CONTROL SERVICE-JUN. 2023-RED MAPLE	
		07/05/2023	124127	ANTS IN BREAKROOM NEAR CA OFFICE-CITY HALL	
		07/05/2023	124128	BEEES AT TOWNGATE COMM. CENTER	

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



**City of Moreno Valley
Payment Register
For Period 7/1/2023 through 7/31/2023**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
VACATE TERMITES & PEST ELIMINATION COMPANY	37795	07/05/2023	124158	MOSQUITO ABATEMENT TRAP/FLY LIGHT SEBEERVICE-PUBLIC SAFETY BLDG.	
		07/05/2023	124159	PEST CONTROL SERVICE-JUN. 2023-PUBLIC SAFETY BLDG.	
		07/05/2023	124170	MOSQUITO ABATEMENT TRAP/FLY LIGHT SERVICE-CITY YARD	
		07/05/2023	124171	PEST CONTROL SERVICE-JUN. 2023-EMERGENCY OPS CENTER	
		07/05/2023	124172	PEST CONTROL SERVICE-JUN. 2023-CITY HALL	
	37954	07/05/2023	124173	PEST CONTROL SERVICE-JUN. 2023-CONFERENCE & REC. CENTER	
		07/26/2023	123096	PEST CONTROL SERVICE-MAY 2023-UTILITY FIELD OFFICE	\$90.00
		07/26/2023	123753	PEST CONTROL SERVICE-JUN. 2023-UTILITY FIELD OFFICE	
Remit to: MORENO VALLEY, CA					FYTD: \$2,395.00
VARGAS, KAREN	245887	07/19/2023	2003444.047	ACTIVITY REFUND- VALLEY DAY CAMP	\$108.00
Remit to: MORENO VALLEY, CA					FYTD: \$108.00
VELASQUEZ ANGELES, JOHANNA ALICIA	245843	07/12/2023	04/05 - 07/03/23	MILEAGE REIMBURSEMENT	\$262.00
Remit to: MORENO VALLEY, CA					FYTD: \$262.00
VERTIGIS NORTH AMERICA DBA LATITUDE GEOGRAPHICS	245798	07/05/2023	IN-VGNA-00005080	GCX SERVICES-APP DEVELOPMENT & SERVICES - MAY 2023	\$1,760.00
	245869	07/19/2023	IN-VGNA-00005218	GCX SERVICES-APP DEVELOPMENT & SERVICES AND PROJECT MANAGEMENT	\$150.00
Remit to: VICTORIA, BC					FYTD: \$1,910.00
VISION SERVICE PLAN	37955	07/26/2023	817966684	EMPLOYEE VISION INSURANCE	\$3,708.24
Remit to: SAN FRANCISCO, CA					FYTD: \$3,708.24
VISTA PAINT CORPORATION	37796	07/05/2023	2023-048767-00	TRAFFIC PAINT EQUIPMENT ITEMS	\$387.38
Remit to: FULLERTON, CA					FYTD: \$387.38

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



City of Moreno Valley
Payment Register
For Period 7/1/2023 through 7/31/2023

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
VOICES FOR CHILDREN, INC.	37839	07/12/2023	11 - (MAY 2023)	CDBG SUBRECIPIENT PAYMENT-COURT APPTD. SPECIAL ADVOCATE PROGRAM	\$2,967.26
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$2,967.26
VOYAGER FLEET SYSTEM, INC.	37797	07/05/2023	8692116152321	CNG FUEL PURCHASES	\$11,156.04
	37840	07/12/2023	8693366022321	FUEL CARD CHARGES-PD TRAFFIC MOTORS	\$2,987.75
Remit to: HOUSTON, TX					<u>FYTD:</u> \$14,143.79

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



City of Moreno Valley Payment Register

For Period 7/1/2023 through 7/31/2023

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
VULCAN MATERIALS CO, INC.	37798	07/05/2023	73652777	ASPHALTIC/CRACK SEAL MATERIALS	\$3,992.54
		07/05/2023	73655725	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73655726	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73659361	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73662002	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73662003	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73665140	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73667063	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73670119	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73670120	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73673186	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73675121	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73677939	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73677940	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73681188	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73683136	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73685958	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73685959	ASPHALTIC/CRACK SEAL MATERIALS	
		07/05/2023	73689037	ASPHALTIC/CRACK SEAL MATERIALS	
		37906	07/19/2023	73690830	ASPHALTIC/CRACK SEAL MATERIALS
		07/19/2023	73693621	ASPHALTIC/CRACK SEAL MATERIALS	
		07/19/2023	73693622	ASPHALTIC/CRACK SEAL MATERIALS	
		07/19/2023	73697457	ASPHALTIC/CRACK SEAL MATERIALS	
Remit to: LOS ANGELES, CA					FYTD: \$4,434.12
WAXIE ENTERPRISES, LLC DBA WAXIE SANITARY SUPPLY	37956	07/26/2023	81791799	JANITORIAL/CLEANING SUPPLIES FOR LIBRARY BRANCHES	\$323.83
Remit to: LOS ANGELES, CA					FYTD: \$323.83

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



**City of Moreno Valley
Payment Register
For Period 7/1/2023 through 7/31/2023**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
WEST COAST ARBORISTS, INC.	37958	07/26/2023	202009	SD TREE MAINTENANCE ZONE M, ID 23	\$4,967.55
		07/26/2023	202010	SD TREE MAINTENANCE ZONE 09	
		07/26/2023	202011	SD TREE MAINTENANCE ZONE D	
		07/26/2023	202012	SD TREE MAINTENANCE ZONE 04	
		07/26/2023	202013	SD TREE MAINTENANCE ZONE E-7	
		07/26/2023	202020	SD TREE MAINTENANCE ZONE 02	
Remit to: ANAHEIM, CA					FYTD: \$4,967.55
WEST COAST SHOPPING CART SERVICE, INC.	245835	07/12/2023	23-0017	SHOPPING CART RETRIEVAL SERVICES-MAY 2023	\$3,935.50
		245870	07/19/2023	23-0020	SHOPPING CART RETRIEVAL SERVICES-JUN. 2023
Remit to: WEST COVINA, CA					FYTD: \$7,361.00
WESTERN MUNICIPAL WATER DISTRICT	245914	07/26/2023	23821-018257/JU3	WATER CHARGES-MARCH FIELD PARK COMMUNITY CTR. LANDSCAPE	\$6,467.59
		07/26/2023	23821-018258/JU3	WATER CHARGES-MARCH FIELD PARK COMMUNITY CTR.-BLDG. 938	
		07/26/2023	23866-018292/JU3	WATER CHARGES-SKATE PARK	
		07/26/2023	24753-018620/JU3	WATER CHARGES-M.A.R.B. BALLFIELDS	
Remit to: ARTESIA, CA					FYTD: \$6,467.59
WILKINSON, PAUL	245915	07/26/2023	23108	JURASSIC JEEP MOVIE VEHICLE FOR 2023 JULY 4TH PARADE	\$250.00
Remit to: MENIFEE, CA					FYTD: \$250.00
WILLDAN ENGINEERING	37842	07/12/2023	00418709	ON-CALL CONSTRUCTION INSPECTION SERVICES - MAY 2023	\$21,376.00
Remit to: ANAHEIM, CA					FYTD: \$21,376.00
WILLIE, RILEY	245840	07/12/2023	2003434.047	DEPOSIT REFUND- SENIOR CTR.	\$340.00
Remit to: MORENO VALLEY, CA					FYTD: \$340.00

Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



City of Moreno Valley
Payment Register
For Period 7/1/2023 through 7/31/2023

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
YOUNG, CAROL	245841	07/12/2023	2003423.047	DEPOSIT REFUND-TOWNGATE COMM. CTR	\$230.50
Remit to: MORENO VALLEY, CA					FYTD: \$230.50

TOTAL CHECKS UNDER \$25,000					\$1,260,417.41
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GRAND TOTAL					\$20,141,586.27
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Attachment: 2023_JulyPaymentRegister (6392 : JULY PAYMENT REGISTER 2023)



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Assistant City Manager

AGENDA DATE: September 19, 2023

TITLE: APPROVE THIRD AMENDMENT TO THE AGREEMENT FOR CITYWIDE SECURITY SERVICES TO LYONS SECURITY SERVICES, INC.

RECOMMENDED ACTION

Recommendations:

1. Approve the Third Amendment to the Agreement for On-Site and/or Professional Services with Lyons Security Service Inc., to provide security guard services at various City facilities and special events;
2. Authorize a Change Order to the existing Purchase Order with Lyons, Inc. in the amount of \$68,000 once the Third Amendment has been signed by all parties;
3. Authorize the City Manager, or their designee, to execute the Third Amendment to the Agreement for On-Site and/or Professional Services with Lyons Security Service, Inc. subject to the approval of the City Attorney; and
4. Authorize the City Manager to execute subsequent amendments to the Agreement, including the authority to authorize associated purchase orders in accordance with the terms of the Agreement, subject to the approval of the City Attorney and the approved budget by City Council.

SUMMARY

This report recommends approval of the Third Amendment to Agreement with Lyons Security Services, Inc. for security guard services at various City facilities and special events. These additional costs are primarily the result of increases due to additional specials events and security guard services at various City facilities.

DISCUSSION

The City has contracted for security guard services with Lyons Inc. since 2017 and has provided the City with excellent service over the past six (6) years. Over the past few years, security needs have continued to increase due to additional coverage being added, including an armed guard at City Hall, full time coverage at the CRC, weekend coverage at the main library branch, intermittent coverage at the City Yard, to cover leave time for City security staff, special City events, and rental use of the City recreational facilities. Security costs that are result of facility rentals are reimbursed through the collection of the rental fees.

Staff is recommending increasing the agreement with Lyons, Inc. by \$68,000 for a new not to exceed agreement of \$1,368,000.00 to cover expenses incurred as well as allow the City to continue the additional services as long as needed. The above amount is an estimate based on the amount already expensed in FY22/23 and estimating future needs for services, which may need to be increased as various City facilities and special events as requested.

ALTERNATIVES

1. Approve the Third Amendment of On-Site and/or Professional Services Agreement with Lyons Security Services, Inc. to provide security guard services at various City facilities and special events. *Staff recommends this alternative.*
2. Do not approve Third Amendment of On-Site and/or Professional Services Agreement with Lyons Security Services, Inc. however, this could result in an extended delay and cause a potential disruption in the City security operations. *Staff does not recommend this alternative.*

FISCAL IMPACT

There is no impact to the General Fund.

NOTIFICATION

Publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Anna Chacon
Purchasing & Sustainability Division Manager

Department Head Approval:
Brian Mohan
Assistant City Manager / Chief Financial Officer /
City Treasurer

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

To view large attachments, please click your “bookmarks”  on the left hand side of this document for the necessary attachment.

- 1. Third Amendment to Agreement with Lyons Security Services, Inc.

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/09/23 10:08 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/11/23 11:25 AM

**THIRD AMENDMENT TO AGREEMENT
FOR PROFESSIONAL SERVICES**

The Third Amendment to Agreement is by and between the CITY OF MORENO VALLEY, a municipal corporation, hereinafter referred to as “City,” and **Lyon’s Security Services, Inc.**, hereinafter referred to as “Consultant.” This Third Amendment to Agreement is made and entered into effective on the date the City signs this Amendment.

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled “AGREEMENT FOR ON-SITE AND/OR PROFESSIONAL SERVICES,” hereinafter referred to as “Agreement,” dated July 1, 2019.

Whereas, the Consultant is providing professional Security Guard contracting services required by the City on the terms and conditions set forth in the Agreement.

Whereas, the Agreement was amended by the “First Amendment to Agreement for Professional Services” dated September 16, 2019.

Whereas, the Agreement was amended by the “Second Amendment to Agreement for Professional Services” dated February 11, 2020.

Whereas, it is desirable to amend the Agreement to extend to increase the contractor’s original compensation as is more particularly described in Section 1 of this Third Amendment.

SECTION 1 AMENDMENT TO ORIGINAL AGREEMENT:

1.1 The Agreement termination date of **June 30, 2024** is not extended by this Amendment.

1.2 The total “Not-to-Exceed” fee for this contract is \$1,368,000 (\$25,000 for the original Agreement, \$25,000 for the First Amendment to Agreement, \$1,250,000

THIRD AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

for the Second Amendment to Agreement plus \$68,000 for the Third Amendment to Agreement).

SECTION 2

2.1 Except as otherwise specifically provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

SIGNATURE PAGE TO FOLLOW

Attachment: Third Amendment to Agreement with Lyons Security Services, Inc. (6351 : APPROVE THIRD AMENDMENT TO THE AGREEMENT

THIRD AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

City of Moreno Valley

Lyon's Security Services, Inc.

By: _____

By: _____

Mike Lee
City Manager

Kathleen Guidice
President

Date: _____

Date: _____

INTERNAL USE ONLY

APPROVED AS TO FORM:

City Attorney

Date

RECOMMENDED FOR APPROVAL:

Department Head

Date

Attachment: Third Amendment to Agreement with Lyons Security Services, Inc. (6351 : APPROVE THIRD AMENDMENT TO THE AGREEMENT



Report to City Council

TO: Mayor and City Council

FROM: Jesse Park, Fire Chief

AGENDA DATE: September 19, 2023

TITLE: SB 1205 FY2022/2023 STATE MANDATED INSPECTIONS

RECOMMENDED ACTION

Recommendation:

1. Approve Resolution No. 2023-XX, acknowledging the receive and file report regarding the State-mandated annual inspections of certain occupancies pursuant to California Health and Safety Code Sections §13145, §13146 and §17921.

SUMMARY

Senate Bill (SB) 1205 was enacted on September 27, 2018, requiring the Fire Department to provide an annual report to the City Council regarding the completion of state-mandated annual inspections per California Health and Safety Codes §13146.2 and §13146.3.

In accordance with California Health and Safety Codes §13145, §13146, and §17921, the Moreno Valley Fire Department inspects all state-mandated structures each year, for compliance with fire and life safety standards, as well as other regulations, as set forth by the State Fire Marshal. These state-mandated structures include apartments, hotels, lodging homes, motels, public or private schools, and certain residential care facilities annually.

DISCUSSION

California Health and Safety Codes §13145, §13146, and §17921 grant the authority of City and County Fire Departments to enforce fire and life safety standards, adopted by the State Fire Marshal. Since 2010, residents and occupants of the structures within the City of Moreno Valley have benefited from the annual, comprehensive inspection program, by having an increased level of safety at these types of facilities.

In accordance with the City of Moreno Valley's adopted fee schedule, inspection fees are set by the California Health and Safety Codes §13146.2 and §13146.3. The Moreno Valley Fire Department inspects various buildings, identified as state-mandated structures, consisting of apartments, hotels, lodging homes, motels, public or private schools, and certain residential care facilities for compliance with fire and life safety standards.

The Moreno Valley Fire Department ensures compliance of these facilities, by scheduling inspections with property managers and/or owners, during each facility's assigned inspection month. The Moreno Valley Fire Department is mandated by the state of California to have completed inspections at 360 facilities and/or complexes for FY 2022/2023; 100% of which have been completed. The 360 inspected facilities and/or complexes equates to a total of 1,161 individual buildings inspected. A copy of the SB 1205 Annual Report is attached to Resolution No. 2023-XX as Exhibit A.

ALTERNATIVES

1. Approve Resolution No. 2023-XX, acknowledging the receive and file report regarding the state-mandated annual inspection of certain occupancies requiring inspections of occupancies pursuant to sections §13145, §13146 and §17921 of the California Health and Safety Code. Staff recommends this alternative to complete the process as mandated by SB1205.
2. Do Not Approve Resolution No. 2023-XX, acknowledging the receive and file report regarding the state-mandated annual inspection of certain occupancies requiring inspections of occupancies pursuant to sections §13145, §13146 and §17921 of the California Health and Safety Code. Staff does not recommend this alternative as not approving the Resolution does not allow for the completion of the process mandated by SB 1205.

FISCAL IMPACT

There is no cost to the City of Moreno Valley for approval of Resolution 2023-XX. The City of Moreno Valley will request reimbursement of incurred costs, if the State of California identifies this specific statute has imposed State-Mandated Costs. The reimbursement of a State-Mandated Cost is legislated by Senate Bill 90 and is managed by the Financial & Management Services Department.

PREPARATION OF STAFF REPORT

Prepared By:
Doug Bloom
Fire Marshal

Department Head Approval:
Jesse Park
Fire Chief

Concurred By:
Shanna Palau
Senior Contracts Analyst

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

CITY COUNCIL STRATEGIC PRIORITIES

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2. Public Safety
3. Library
4. Infrastructure
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6. Youth Programs

ATTACHMENTS

To view large attachments, please click your “bookmarks”  on the left hand side of this document for the necessary attachment.

1. FY22-23 Resolution
2. State Mandate Inspections Graph FY 22-23
3. SB1205_93

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/09/23 10:11 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/11/23 11:25 AM

RESOLUTION NO. 2023 – XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ACKNOWLEDGING RECEIPT OF THE RECEIVE AND FILE REPORT REGARDING THE STATE-MANDATED ANNUAL INSPECTIONS OF CERTAIN OCCUPANCIES PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODES §13145, §13146 AND §17921.

WHEREAS, California Health & Safety Code Section §13146.4 was added in 2018, and became effective on September 27, 2018; and

WHEREAS, California Health & Safety Code Sections §13146.2 and §13146.3 requires all fire departments, including the Moreno Valley Fire Department, that provide fire protection services to perform annual inspections in every building used as a public or private schools, hotels, motels, lodging houses, and apartment houses for compliance with building standards, as provided; and

WHEREAS, California Health & Safety Code Section §13146.4 requires all fire departments, including the Moreno Valley Fire Department, that provide fire protection services to report annually to its administering authority on its compliance with sections §13146.2 and §13146.3; and

WHEREAS, the Council of the City of Moreno Valley intends this Resolution to fulfill the requirements of the California Health & Safety Code regarding acknowledgment of the Moreno Valley Fire Department’s compliance with California Health and Safety Code Sections §13146.4.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

The Council expressly acknowledges the receipt of the annual fire inspection report for fiscal year 2022/2023, attached hereto as Exhibit “A”.

APPROVED AND ADOPTED this _____ day of _____, YYYY.

Resolution No. 2023-_____

Date Adopted: Month Day, 2023

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Attachment: FY22-23 Resolution (6397 : SB 1205 FY2022/2023 State Mandated Inspections)

Resolution No. 2023-2
Date Adopted: September 19, 2023

RESOLUTION JURAT

STATE OF CALIFORNIA)

COUNTY OF RIVERSIDE) ss.

CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2023 -___ was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 19th day of September, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Resolution No. 2023-3
Date Adopted: September 19, 2023

Attachment: FY22-23 Resolution (6397 : SB 1205 FY2022/2023 State Mandated Inspections)



Senate Bill No. 1205

CHAPTER 854

An act to add Section 13146.4 to the Health and Safety Code, relating to fire protection.

[Approved by Governor September 27, 2018. Filed with Secretary of State September 27, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1205, Hill. Fire protection services: inspections: compliance reporting.

Existing law requires the chief of any city or county fire department or district providing fire protection services and his or her authorized representatives to inspect every building used as a public or private school within his or her jurisdiction, for the purpose of enforcing specified building standards, not less than once each year, as provided. Existing law requires every city or county fire department or district providing fire protection services that is required to enforce specified building standards to annually inspect certain structures, including hotels, motels, lodging houses, and apartment houses, for compliance with building standards, as provided.

This bill would require every city or county fire department, city and county fire department, or district required to perform the above-described inspections to report annually to its administering authority, as defined, on the department's or district's compliance with the above-described inspection requirements, as provided. The bill would require the administering authority to acknowledge receipt of the report in a resolution or a similar formal document. To the extent this bill would expand the responsibility of a local agency, the bill would create a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

The people of the State of California do enact as follows:

SECTION 1. Section 13146.4 is added to the Health and Safety Code, to read:

13146.4. (a) Every city or county fire department, city and county fire department, or district required to perform an annual inspection pursuant

to Sections 13146.2 and 13146.3 shall report annually to its administering authority on its compliance with Sections 13146.2 and 13146.3.

(b) The report made pursuant to subdivision (a) shall occur when the administering authority discusses its annual budget, or at another time determined by the administering authority.

(c) The administering authority shall acknowledge receipt of the report made pursuant to subdivision (a) in a resolution or a similar formal document.

(d) For purposes of this section, “administering authority” means a city council, county board of supervisors, or district board, as the case may be.

SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

O



Report to City Council

TO: Mayor and City Council

FROM: Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: September 19, 2023

TITLE: AUTHORIZE THE AWARD OF PURCHASE FOR TWO VEHICLES TO PB LOADER CORPORATION AND TYMCO, INC.

RECOMMENDED ACTION

Recommendations:

1. Award the purchase of one 2024 Asphalt Patch Truck to PB Loader Corporation.
2. Authorize the Purchasing & Sustainability Division Manager to issue a Purchase Order to PB Loader Corporation in the amount of \$212,752.00 plus an estimated sales and use tax amount of \$16,488.28, for a total amount of \$229,240.28 using Fleet Operations Replacement Reserve (Fund 7430).
3. Award the purchase of one 2023 Street Sweeper to TYMCO, Inc.
4. Authorize the Purchasing & Sustainability Division Manager to issue a Purchase Order to TYMCO, Inc. in the amount of \$502,707.63 using Fleet Operations Replacement Reserve (Fund 7430).
5. Authorize the City Manager or their designee to execute future vehicle & equipment purchases in accordance with the approved Fiscal Year 2023/24-2024/25 budget and procurement procedures.

SUMMARY

City staff recommends utilizing the cooperative purchase agreement with Sourcewell for the FY 2023/24-2024/25 vehicle & equipment purchases. These standardized purchasing practices for vehicle and equipment purchases were approved by the City Council on May 16, 2017.

The use of cooperative purchase agreements between Sourcewell, HGACBuy, National IPA and their vendors provide the City an advantageous purchasing strategy. The contracts have been competitively bid, and HGAC, Sourcewell, and National IPA receive greater discounts from the vendors due to a higher purchase volume than the City would receive if issuing its own bid.

These purchases are funded through Fleet Operations Replacement Reserve (Fund 7430) in the Adoption of the Fiscal Year 2023/24-2024/25 Budget request approved by the City Council on May 2, 2023.

DISCUSSION

This vehicle purchase will represent continuation of the Vehicle Replacement Program first initiated in FY 2015/16. The goal of the Vehicle Replacement Program is to ensure vehicle reliability and cost-effective City programs support by complying with a best management practice of maintaining a fleet of vehicles and equipment that do not exceed ten years of age and/or 100,000 miles.

Replacement needs and priority are based on a combination of age, maintenance history, mileage, and critical program support. The vehicles recommended for purchase will replace existing service and maintenance related vehicles that have exceeded their normal life cycles. Replacing these vehicles is imperative to maintain service levels across city-wide business unit programs.

Per the Moreno Valley Municipal Code, Section 3.12.260, "Where advantageous for the city and to the extent consistent with state law, the city manager may authorize the financial and administrative services director or the purchasing manager to purchase supplies, materials, equipment or contractual services through legal, competitively awarded contracts with or of other governmental jurisdictions or public agencies, including California Multiple Award Schedules (CMAS) commonly referred to as "piggybacking," without further contracting, solicitation or formal bidding as described in this chapter. (Ord. 844 § 2, 2012)."

Staff believes the Sourcewell, HGAC, and National IPA contracts provide the most competitive pricing and highest quality equipment to the City, thereby offering the best value.

ALTERNATIVES

1. Authorize the award of purchase for the specified vendors in the amounts outlined in the Recommended Action section for a total cost of \$731,947.91. *Staff recommends these actions as they are consistent with the best practice of replacing vehicles that exceed their useful life to support a cost-effective fleet replacement/maintenance program and provide reliable vehicles and equipment for City programs.*
2. Reject and/or award any of the individual recommended actions as presented in this staff report. *Staff does not recommend this action as this may result in*

excessive maintenance costs to maintain the existing vehicles, which have exceeded their normal life-cycle, and related potential down-time resulting in delays to City programs and services.

FISCAL IMPACT

These purchases are funded through Fleet Operations Replacement Reserve (Fund 7430) in the Adoption of the Fiscal Year 2023/24-2024/25 Budget request approved by the City Council on May 2, 2023. The total purchase amount for the recommended vehicles is within the previously approved budget, no additional appropriation is required.

NOTIFICATION

N/A.

PREPARATION OF STAFF REPORT

Prepared By:
Tyler Smith
Management Analyst

Department Head Approval:
Melissa Walker, P.E.
Public Works Director / City Engineer

Concurred By:
Joseph Mattox
Fleet & Facilities Maintenance Division Manager

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

To view large attachments, please click your “bookmarks”  on the left hand side of this document for the necessary attachment.

- 1. TYMCO, Inc. Street Sweeper Proposal
- 2. PB Loader Corporation Patch Truck Proposal

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/09/23 10:05 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/11/23 11:27 AM

Sourcewell Quote Form v6.0 - Sourcewell Contract #122017-TYM
Feb. 20, 2023 - Feb. 20, 2024



Customer / Sourcewell Member:	City of Moreno Valley, CA
Sourcewell Member #:	64732
Quote Date:	9/5/2023
Quote Validity:	30 Days
Quoted By:	Kaye Morgan
TYMCO Dealer:	Mar-Co Equipment
TYMCO Dealer Contact:	Neil Feinberg
TYMCO Dealer Contact E-Mail:	nfeinberg@marcoequip.com

**Purchasing Details: Issue Purchase Orders to TYMCO, Inc., ATTN: Kaye Morgan
(kaye.morgan@tymco.com | 254-799-5546).**

Quote is Good for 30 Days (Unless Otherwise Noted Above) | Pricing is Quoted in US Dollars (USD) | Payment Terms: Net 30 Days

MODEL 500x® SWEEPER STANDARD EQUIPMENT

Auxiliary Engine: John Deere diesel turbocharged 4045T Final Tier 4; 4 cyl.; 4.5 L (275 CID); 115 HP @ 2200 RPM; Torque 373 ft. lb. @ 1500 RPM; Donaldson PowerCore® air filter with restriction indicator in cab; fuel/water separator, fuel filter; intake heater; 3.8 useable gallon Diesel Exhaust Fluid (DEF) tank. Includes John Deere Standard Warranty coverage 2 Year / 2000 Hours and Extended Warranty coverage up to 5 Years / 5000 Hours, contact factory for details.

Amber Beacon Light – LED: Center mounted between truck cab and sweeper unit; SAE Class 1/California Title 13 compliant with protective limb guard.

Auxiliary Engine In-Cab Air Filter Restriction Indicator with Gauge: A filter restriction gauge included on the in-cab BlueLogic display with an audio and visual high restriction indicator.

Auxiliary Engine Protection System: Engine ECU to provide automatic engine monitoring with derate or shutdown when engine problem is detected such as high coolant temperature or low oil pressure.

Auxiliary Fuse Panel: A 12V DC fused power source panel for any needed additional electrical components or accessories, i.e. radios, warning lights, controls, etc.

Auxiliary Hydraulic System: Electrically operates hydraulic system (except hopper lift) without auxiliary engine running.

Back-Up Alarm: ECCO Model 510; SAE Type C 97dB

BlueLogic® Control System: Multiplexed electrical system includes hardware and TYMCO designed software that integrates the in-cab controls to the auxiliary engine and all sweeper functions; as well as provides intelligent safety features. The BlueLogic Control System provides sweeper and auxiliary engine data to the operator through the touch-screen display and the multiplexed switch pack on the control console. The display is pedestal mounted for improved visibility and includes hour meters (Trip and Total) for the auxiliary engine, gutter brooms, pick-up head, blower, water pump, and BAH broom if applicable; dump cycle counter, sweeper odometer (records curb miles swept and sweeping hours), service reminders, custom reminders, overspeed warning, low water audible alarm, dust control system winterization guide, and On-Board Diagnostics (OBD) for the auxiliary engine and sweeper.

Bolt-On Suction Transition

Broom Assist Pick-Up Head with Duo Skids: Duo skids warranted for 2 years / 2000 hours.

Dust Control System: 250 gallon capacity polyethylene water tanks; 5 GPM electric diaphragm type pump; low water audible alarm and message on BlueLogic display; spray nozzles around pick-up head, gutter broom(s) and inside hopper.

*Peterbilt chassis requires Extra Water Capacity (Refer to Dust Control Section)

Dust Separator Cleanout Tool: Foldable for storage.

Gutter Brooms, Twin; LED Floodlights, Parabolic Mirrors, Tilt Adjusters and Variable Speed: Left and right side mounted 43" diameter wire filled digger type; adjustable LED floodlight each gutter broom; 10.5" parabolic mirrors on front fender extension. Variable speed control for each gutter broom is located on center mount console. Each broom shall have a hydraulic actuated tilt capacity of 27 degrees operated from inside cab. Cab mounted controls for both left and right gutter broom speed. (Parabolic Mirrors N/A on Cabover Chassis)

Hopper/High Capacity Dust Separator: Fabricated with an industrial, non-magnetic, low carbon, high chromium stainless steel. Hopper has an infinitely variable dump height from 24 inches to 132 inches. A large hydraulically locked hopper door (68 inches wide by 57 inches tall) has two (2) additional mechanical cam locks for air and water tight operation. Discharge chute (72 inches wide and 48 inches long) has a minimum reach of 22 inches eliminates the need of a side shift. Safety props provided for Dump Door/Tilt Cylinders – two (2) total

Hopper Drain System: Drains water picked up during sweeper operation.

Hopper Lift: Two-stage scissor lift with lift capacity of 10,000 pounds. Scissor mechanism actuated by two (2) double acting hydraulic cylinders with integral counterbalance holding valves. Safety props provided. Left and right stabilizers automatically deploy before hopper begins dump cycle. Non-greaseable design.

Hydraulic System: Includes a 34 gallon reservoir; sight level/temperature gauge, triple suction line strainers; replaceable 10 micron spin-on tank filler/vent port filter; a 3 micron absolute in-line return filter with restriction indicator in cab, oil temperature and level monitored by BlueLogic Control System.

LED Floodlights: Rear (2); Right Side Hopper Chute (1)

LED Stop/Turn/Tail/Clearance Lights

LED Warning Lights: Four (4) LED amber lights and two (2) LED stop/turn/tail lights mounted on rear doors of engine compartment.

Pressure Bleeder: Air pressure is deflected out allowing additional suction across the front of pick-up head. Cable operated.

Rear View Camera System: 3rd Eye®, heavy duty rear infrared camera with 7" color monitor mounted in cab

Reverse Pick-Up Head System: Allows unit to back up without damage to pick-up head

Rubber Lined Blower: Driven using a fixed displacement heavy-duty hydraulic motor. Blower housing includes Tilt-N-Seal® design with adjustable spring balance to ensure long life operation. Warranty - 1 year / 1,000 hours prorated

Shop Prop: Scissor lift safety prop designed for use in areas requiring approximately 15' of overhead clearance (on-board safety props require approximately 20' of overhead clearance).

Storage Compartments: 5.6 cubic feet with lockable door mounted on left side

Water Fill Hose & Rack: Flexible 20 foot long water tank fill hose with 2-1/2 inch hydrant coupling with rack mount. System incorporates air gap.

Sweeper Warranty: 1 Year / 1000 Hours. Contact factory for details.

Attachment: TYMCO, Inc. Street Sweeper Proposal (6385 : AUTHORIZE THE AWARD OF PURCHASE FOR TWO VEHICLES TO PB LOADER

Section / Type	Qty	Model 500x® Sweeper and Cab/Chassis Equipment	Sourcewell Price	Sourcewell Ext
550000	1	Model 500x® Sweeper with Standard Equipment (Base Price)	\$250,011.00	\$250,011.00
Sourcewell Base Price Discount (Approx 5%)			-\$12,501.00	-\$12,501.00
Model 500x® Sweeper Base Price			\$237,510.00	\$237,510.00
1 AUXILIARY ENGINE HYDRAULIC OPTIONS:				
500xCNG	1	CNG Auxiliary Engine (Exchange)	\$17,910.00	\$17,910.00
2 GUTTER BROOM OPTIONS:				
550081	1	Gutter Broom Drop Down: Right	\$875.00	\$875.00
550081	1	Gutter Broom Drop Down: Left	\$875.00	\$875.00
3 DUST CONTROL SYSTEM OPTIONS:				
550002	1	A.O.D. (Air Operated Diaphragm) Water Pump with Wash Down Hose & Gun (Exchange)	\$2,075.00	\$2,075.00
Unpublished	1	Hydrant Wrench	\$50.00	\$50.00
550077	1	Low Emissions Package - South Coast AQMD Rule 1186 Compliant (Modifications to this option nullifies AQMD Rule 1186 compliance)	\$1,045.00	\$1,045.00
Unpublished	1	Water Tank Level Gauge	\$600.00	\$600.00
4 HOPPER OPTIONS:				
550036	1	Abrasion Protection Package	\$1,045.00	\$1,045.00
550019	1	Hopper Load Indicators	\$475.00	\$475.00
550089	1	Hopper Vibrator - Electric	\$1,900.00	\$1,900.00
550043	1	Sweeper Deluge System	\$1,045.00	\$1,045.00
5 PICK-UP HEAD OPTIONS:				
550079	1	Auto Sweep Interrupt (ASI)	\$1,045.00	\$1,045.00
550087	1	Pick-Up Head Curtain Lifter	\$1,615.00	\$1,615.00
6 AUXILIARY HAND HOSE OPTIONS:				
7 STAINLESS STEEL OPTIONS:				
8 SWEEPER ADDITIONAL OPTIONS:				
Unpublished	1	Sweeper Paint: TYMCO Standard White	\$0.00	\$0.00
9 UNPUBLISHED SPECIAL SWEEPER OPTIONS:				
10 CAB CHASSIS:				
550705	1	2023 Freightliner M2-112 (LN9 NZ 250 HP), 33,000 lb. GVWR, 176" WB, CNG (2-SPD)	\$174,555.00	\$174,555.00
Unpublished	1	UPGRADE: 2024 Freightliner M2-112 (LN9 NZ 250 HP), 33,000 lb. GVW, 176" WB, CNG (2-SPD)	\$6,250.00	\$6,250.00
11 CHASSIS ADDITIONAL OPTIONS:				
Unpublished	1	Air Horn (Dual)	\$500.00	\$500.00
Unpublished	1	Battery Disconnect Switch	\$450.00	\$450.00
550840	1	LED Amber Light Bar: Cab Mounted *Exchange with Standard Mid-Ship Beacon Light*	\$1,330.00	\$1,330.00
550823	1	LED Amber Traffic Directing Light: Rear Mounted	\$1,200.00	\$1,200.00
Unpublished	1	Truck Paint: Standard Factory White	\$0.00	\$0.00
12 UNPUBLISHED SPECIAL CHASSIS OPTIONS:				
13 DEALER UNPUBLISHED OPTIONS:				
14 TOTAL COST OF ACQUISITION COSTS				
	1	Freight / PDI / Inservice	\$12,500.00	\$12,500.00
	1	Extended Warranty - Allison Transmission 5 yrs/unlimited miles	\$1,700.00	\$1,700.00
	1	CA Sales Tax (7.75%)	\$36,157.63	\$36,157.63

Purchasing Details: Issue Purchase Orders to TYMCO, Inc., ATTN: Kaye Morgan
(kaye.morgan@tymco.com | 254-799-5546).

Quote is Good for 30 Days (Unless Otherwise Noted Above) | Pricing is Quoted in US Dollars (USD) | Payment Terms: Net 30 Days

Total Price:	\$502,707.63
FOB:	Moreno Valley, CA
Delivery ARO:	300-365 Days - See NOTE Below

Attachment: TYMCO, Inc. Street Sweeper Proposal (6385 : AUTHORIZE THE AWARD OF PURCHASE FOR TWO VEHICLES TO PB LOADER

Section / Type	Qty	Model 500x® Sweeper and Cab/Chassis Equipment	Sourcewell Price	Sourcewell Ext
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Notes 1.

NOTE: Delivery Subject to Truck Availability.

Attachment: TYMCO, Inc. Street Sweeper Proposal (6385 : AUTHORIZE THE AWARD OF PURCHASE FOR TWO VEHICLES TO PB LOADER



CITY OF MORENO VALLEY
 MORENO VALLEY. CA 92552
 SOURCEWELL MEMBER ID# 64732
 PB LOADER CONTRACT NO. 080521-PBL SOURCEWELL CONTRACT - LISTED PRICES

QUOTATION NO. **A.9.b**

QUOTE DATE 8/23/2023
 TERMS Net
 FOB CUSTOM
 MFG PRODUCT ARO See Belc
 INSTALL AROT See Belc

QTY	PART NO.	DESCRIPTION	PRICE	EXTENSION
1	51618-18	PATCHER MODEL BC-1.8 ASPHALT PATCHER (1.5 CUBIC YARD CAPACITY) EQUIPPED WITH RADIANT HEATER, THERMOSTATICALLY CONTROLLED LPG BURNER, HYDRAULIC TOP LIDS AND DOORS, KEVLAR CHAIN CONVEYOR, HAND TORCH, SHOVEL APRON, 25 GAL. LPG TANK, INSTALLATION AND PAINT BLACK	\$73,773.00	\$73,773.00
1	BH-45-10	EMULSION SYSTEM PB MODEL BH-45-10 EMULSION SPRAY UNIT HEATED BY TRUCK COOLING SYSTEM, Y STRAINER, FILL BASKET, HYDRAULICALLY POWERED, 10 GAL. SOLVENT TANK, 35 GAL. EMULSION, WAND WITH 25' HOSE, AUXILIARY ELECTRIC HEAT SYSTEM, INSTALLATION AND PAINT BLACK	\$9,434.00	\$9,434.00
1	MODS-EC	EMULSION SYSTEM OPTIONS 12V ELECTRIC COMPRESSOR	\$2,202.00	\$2,202.00
0	50640-00	COMPACTION TOOLS COMPACTOR LIFT PLATFORM - HYDRAULIC	\$3,406.00	\$3,406.00
0	7100-31	COMPACTOR PLATE - WACKER WP1550AW HONDA	\$3,201.00	\$3,201.00
0	130-08	8 GAL POLY WATER TANK W/ 10' HOSE & SPIGOT	\$404.00	\$404.00
1	5438-00	HOSE REELS HOSE REEL - 1/2" X 25' FOR EMULSION	\$569.00	\$569.00
1	5437-00t	HOSE REEL - 3/8" X 25' FOR TORCH	\$506.00	\$506.00
1	5437-00s	HOSE REEL - 3/8" X 25' FOR SOLVENT	\$506.00	\$506.00
1	5437-00a	HOSE REEL - 3/8" X 25' FOR AIR	\$506.00	\$506.00
1	5399-00h	HOSE REEL - DUAL 1/2" X 25' FOR HYD HAMMER	\$1,616.00	\$1,616.00
1	CHASSIS	CHASSIS 2024 F-550 CHASSIS 4X2 SD REGULAR CAB 169" WB DRQ XL CHASSIS 19,500 GVWR WITH 7.3L V-8 GAS ENGINE, 10-SPEED AUTOMATIC, 26.5 GAL. MID SHIP TANK, STEEL WHEELS, RUNNING BOARDS, PAYLOAD PLUS PACKAGE, REAR CAMERA, 40/20/40 BENCH SEAT, PAINTED OXFORD WHITE	\$78,356.00	\$78,356.00
1	50555-26	HEATING LPG TANK 20 GAL HORZ. W/ QUICK FILL & LEVEL GAUGE	\$1,505.00	\$1,505.00
1	50630-01	ELECTRIC OVERNIGHT HEATING SYSTEM - 240 VAC 6K 40AMP	\$3,207.00	\$3,207.00
1	7065-00	25' POWER CABLE 240 VOLT	\$588.00	\$588.00
1		WANDS AIR BLOW GUN W/ 25' HOSE (REQ COMPRESSOR OPTION OR TRUCK AIR)	\$1,770.00	\$1,770.00
1	50560-00	SOLVENT PUMP & WAND WITH 25FT HOSE	\$1,461.00	\$1,461.00
1	MODS-57	SPOIL BINS SMALL SPOILS BIN 18"	\$2,566.00	\$2,566.00
1	MODS-61	WORK PLATFORMS 12" WORK PLATFORM/CATWALK WITH HAND RAILS AND LADDERS	\$2,202.00	\$2,202.00
1	50635-00	CONTROLS CAB CONTROLS (TOP LIDS) AIR TOGGLE	\$700.00	\$700.00
1	5999-00S	STORAGE LOCKABLE SIDE TOOL BASKET - SMALL	\$1,330.00	\$1,330.00
1	50480-00	HAMMER SYSTEMS HYDRAULIC TOOL CIRCUIT W/ FLOW METER, PSI GAUGE AND FAN OIL COOLER	\$2,952.00	\$2,952.00
1	7020-10	HYDRAULIC HAMMER BR-45 W/ ASPHALT CUTTER AND TAMPER PAD	\$4,078.00	\$4,078.00
1	7021-00	LOCKABLE HAMMER HANGER	\$353.00	\$353.00
1	50553-00	DISCHARGE SYSTEMS PIVOTAL ASPHALT CHUTE	\$1,296.00	\$1,296.00
1	695-2MC	WARNING SYSTEMS STROBE - WHELEN MICRONS MCRNSA LED (SET OF TWO)	\$1,344.00	\$1,344.00
4	695-51A	STROBE - WHELEN 500V 5V1A LED (SET OF TWO)	\$1,720.00	\$6,880.00
1	7300-00F	SAFETY ACCESSORIES DUAL FRONT BUMPER CONE HOLDER (MALE) - FORD	\$574.00	\$574.00
1	CUSTOM	MARKET RATE ITEMS TUBE STYLE TOOL HOLDERS FOR TWO (2) TOOLS ON SIDE OF COMPACTOR LIFT	\$400.00	\$400.00
1	CUSTOM	WHELEN TA125NF2 46" WIDE ARROW STYLE TRAFFIC ADVISOR	\$3,267.00	\$3,267.00

Attachment: PB Loader Corporation Patch Truck Proposal (6385) : AUTHORIZE THE AWARD OF PURCHASE FOR TWO VEHICLES TO PB LOADER CORPORATION AND TYMCO, INC.)



CITY OF MORENO VALLEY
 MORENO VALLEY. CA 92552
 SOURCEWELL MEMBER ID# 64732
 PB LOADER CONTRACT NO. 080521-PBL SOURCEWELL CONTRACT - LISTED PRICES

QUOTATION NO. **A.9.b**

QUOTE DATE 8/23/2023
 TERMS Net
 FOB CUSTOM
 MFG PRODUCT ARO See Belc
 INSTALL AROT See Belc

QTY	PART NO.	DESCRIPTION	PRICE	EXTENSION
		SOURCEWELL LISTED TOTAL:		\$207,285.0
		MARKET RATE ITEMS TOTAL PRICE:		\$3,667.0
		ESTIMATED FREIGHT TO CUSTOMER:		\$1,800.0
		GRAND TOTAL:		<u>\$212,752.0</u>
		GRAND TOTAL FOR 1 UNITS:		\$212,752.0

1. LEAD TIME FOR BODY PRODUCTION IS 120 DAYS, WITH AN ADDITIONAL 120-150 DAYS TO INSTALL AFTER RECEIPT OF CHASSIS AND BODY.
2. PRICES ARE SOURCEWELL CUSTOMER DISCOUNTED PRICE.



Attachment: PB Loader Corporation Patch Truck Proposal (6385 : AUTHORIZE THE AWARD OF PURCHASE FOR TWO VEHICLES TO PB LOADER CORPORATION AND TYMCO, INC.)



Report to City Council

TO: Mayor and City Council

FROM: Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: September 19, 2023

TITLE: PEN21-0184 (TR 38236) – APPROVE TRACT MAP 38236 LOCATED SOUTH OF ALESSANDRO BOULEVARD AND WEST OF OLIVER STREET AND APPROVE COOPERATIVE AGREEMENT BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, THE CITY, AND D.R. HORTON LOS ANGELES HOLDING COMPANY, INC.

RECOMMENDED ACTION

Recommendations:

1. Approve Tract Map 38236.
2. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.
3. Approve the Cooperative Agreement with the Riverside County Flood Control and Water Conservation District (the District), the City of Moreno Valley (the City), and D.R. Horton Los Angeles Holding Company, Inc. (the Developer), for the MDP Line H, Stage 2 and Moreno – Alessandro Boulevard Lateral Storm Drain, Stage 1.
4. Authorize the City Manager to execute the Cooperative Agreement.
5. Direct the City Clerk to forward the signed Cooperative Agreement to the District.

SUMMARY

This report recommends approval of Tract Map 38236, which is owned by D.R. Horton, Los Angeles Holding Company, Inc. Tract Map 38236 will construct 204 single-family residential lots on approximately 30 acres and is located south of Alessandro Boulevard

and west of Oliver Street. In addition, this report recommends approval of the Cooperative Agreement between the District, the City, and the Developer to allow for the construction of the storm drain facilities required by the conditions of approval.

DISCUSSION

On July 28, 2022, the Planning Commission of the City of Moreno Valley approved Tentative Tract Map 38236. The project involves the subdivision of approximately 30 acres (gross) into 204 single-family residential lots located south of Alessandro Boulevard and west of Oliver Street.

Tract Map 38236 is in substantial conformance with the approved Tentative Tract Map. The developer has requested that Tract Map 38236 be approved for recordation.

The required storm drain facility for this project includes the construction of 96-inch cured in place pipe (CIPP) of approximately 3,660 lineal feet and 60-inch reinforced concrete pipe (RCP) of approximately 72 lineal feet, as required per the District's Master Drainage Plan Line H, Stage 2 and the Moreno – Alessandro Boulevard Lateral Storm Drain, Stage 1. The District's maintenance responsibility shall be the 96-inch CIPP and 60-inch RCP, which connect to their existing storm drain at the downstream end.

The Developer will be responsible for the design and construction of the project improvements. The Developer will prepare plans and specifications in accordance with the District's and the City's standards and submit improvement plans to the District and the City for review and approval. The City will review the plans and specifications, provide inspection for the construction, and accept responsibility for the operation and maintenance of the City's drainage facilities, if the developer meets all requirements of the agreement. The District will review the plans and specifications, provide inspection for the construction, and accept ownership and responsibility for the maintenance of the District's drainage facilities, if the developer meets all requirements of the agreement.

Prior to the construction of the facility or recordation of the final map, whichever occurs first, the Developer will be required to submit bonds for the improvements and execute an Agreement for Public Improvements, as approved by the Public Works Director/City Engineer for PEN21-0184. The Agreement will include a Faithful Performance bond and Material and Labor bond for both the District's drainage facility and the City's drainage facility. The storm drain portion of the bonds will be held by the City until completion of the storm drain and acceptance of the storm drain improvements by the City and the District.

ENVIRONMENTAL

On July 28, 2022, the Planning Commission of the City of Moreno Valley approved Tentative Tract Map 38236 (PEN21-0184) and the Initial Study/Mitigated Negative Declaration (IS/MND) prepared for the project. The IS/MND was completed in compliance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines. It reflects that the Planning Commission reviewed, considered the information contained in the document, exercised its independent judgment, and the analysis of the proposed Project's potential environmental impacts. In accordance with CEQA Guidelines, the Planning Commission determined that the project would not result in significant impacts on the environment. In addition, no revisions or further analysis of the adopted Mitigated Negative Declaration was required. Therefore, no subsequent environmental review is required.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *Staff recommends this alternative as it will allow the tract map to be recorded and allow the project to move forward with development of residential property and storm drain improvements.*
2. Do not approve and do not authorize the recommended actions as presented in this staff report. *Staff does not recommend this alternative as it will not allow the tract map to be recorded and not allow the project to move forward with development of residential property and storm drain improvements.*

FISCAL IMPACT

No fiscal impact is anticipated.

NOTIFICATION

Publication of agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Larry Gonzales
Senior Engineer, P.E.

Department Head Approval:
Melissa Walker, P.E.
Public Works Director/City Engineer

Concurred By:
Clement Jimenez, P.E.
Principal Engineer

Concurred By:
Harold Zamora, P.E.
Engineering Division Manager/Assistant City Engineer

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.

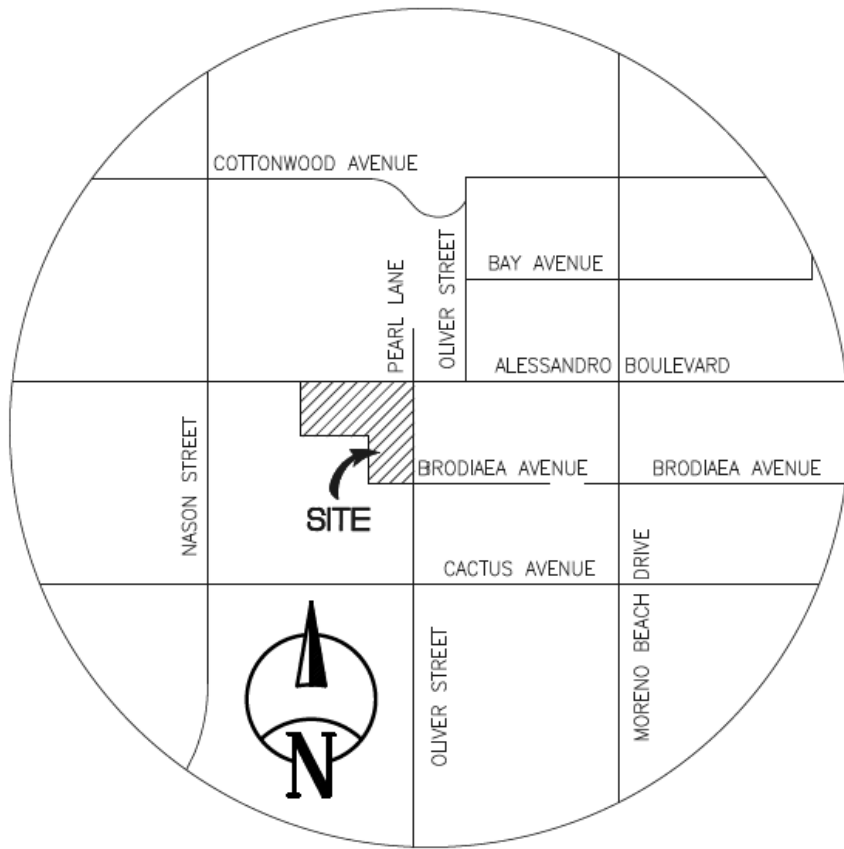
ATTACHMENTS

To view large attachments, please click your “bookmarks”  on the left hand side of this document for the necessary attachment.

- 1. Vicinity Map - PEN21-0184 (TR 38236)
- 2. Cooperative Agreement - Moreno MDP Line H, Stage 2 & Alessandro Blvd Lateral SD, Stage 1- TR 38236
- 3. FTM_38236_20230824-Signed Sbmtl

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/09/23 9:46 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/11/23 11:24 AM



VICINITY MAP

N.T.S.

**CITY OF MORENO VALLEY
 PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT
 DIVISION**

**PEN21-0184 (TR 38236)
 VICINITY MAP**

Attachment: Vicinity Map - PEN21-0184 (TR 38236) (6321 : PEN21-0184 (TR 38236) – APPROVE COOPERATIVE AGREEMENT)

COOPERATIVE AGREEMENT

Moreno MDP Line H, Stage 2

Moreno - Alessandro Boulevard Lateral Storm Drain, Stage 1

Project Nos. 4-0-00763 and 4-0-00789

Tract Map No. 38236

This Cooperative Agreement ("Agreement"), dated as of _____, is entered into by and between the Riverside County Flood Control and Water Conservation District, a body politic ("DISTRICT"), the City of Moreno Valley, a municipal corporation of the State of California ("CITY"), and D.R. Horton Los Angeles Holding Company, Inc., a California corporation ("DEVELOPER"). DISTRICT, CITY and DEVELOPER are individually referred to herein as "Party" and collectively referred to herein as "Parties". Parties hereto hereby agree as follows:

RECITALS

A. DEVELOPER is the legal owner of record of certain real property located within the city of Moreno Valley and has submitted for approval Tract Map No. 38236 related to the property. The legal description of the property related to Tract Map No. 38236 is provided in Exhibit "A", attached hereto and made a part hereof; and

B. DEVELOPER has submitted for approval Tract Map No. 38236, related to the property, which is located in the city of Moreno Valley. As a condition of approval for Tract Map No. 38236, DEVELOPER must construct certain flood control facilities in order to provide flood protection and drainage for DEVELOPER's planned development; and

C. The required flood control facilities and drainage improvements related to Tract Map No. 38236 are identified in DISTRICT's Moreno Valley Master Drainage Plan ("MDP"), as shown on DISTRICT's Drawing No. 4-1220 and shown in concept on Exhibit "B", attached hereto and made a part hereof, and includes the construction of:

- i. Moreno MDP Line H, Stage 2 ("LINE H STAGE 2") consisting of approximately 3,660 lineal feet of 96-inch underground storm drain and its associated structures as shown in blue on Exhibit "B". At its downstream terminus, LINE H STAGE 2, will connect to DISTRICT's existing Moreno MDP Line H, Stage 1 facility, as shown on DISTRICT's Drawing Number 4-0867. At its upstream terminus, LINE H STAGE 2 ends with concrete bulkhead for future extension.
- ii. Moreno - Alessandro Boulevard Lateral Storm Drain, Stage 1 ("ALESSANDRO BLVD LATERAL") consisting of approximately 72 lineal feet of 60-inch reinforced concrete pipe as shown in red on Exhibit "B"; and
- iii. All safety devices requested by DISTRICT staff during the course of project construction and during any final field inspections, including, but not limited to, concrete pads, slope protection barriers, signage and fencing ("SAFETY DEVICES"). SAFETY DEVICES shall be purchased and installed by DEVELOPER's contractor and are subject to DISTRICT's inspection and approval.
- iv. Together, LINE H STAGE 2, ALESSANDRO BLVD LATERAL and SAFETY DEVICES are hereinafter called "DISTRICT DRAINAGE FACILITIES"; and

D. Associated with the construction of DISTRICT DRAINAGE FACILITIES is the construction of various catch basins, grated inlets, curbs and gutters, connector pipes and certain lateral storm drains that are thirty-six inches (36") or less in diameter within CITY's right of way, hereinafter called "CITY FACILITIES"; and

E. Together, DISTRICT DRAINAGE FACILITIES and CITY FACILITIES are hereinafter called "PROJECT"; and

F. Tract Map No. 38236 is located within Moreno Area Drainage Plan ("MORENO ADP"). MORENO ADP fee obligation for Tract Map No. 38236 ("MORENO ADP OBLIGATION") shall be calculated in accordance with the "Rules and Regulations for Administration of Moreno Area Drainage Plans", dated September 16, 1980 and as amended ("RULES"); and

G. LINE H STAGE 2 is an identified segment of MORENO ADP ("MORENO ADP FACILITY"); and

H. Pursuant to the RULES and the provisions of this Agreement, if DISTRICT estimates that upon constructing LINE H STAGE 2, DEVELOPER would earn MORENO ADP fee credit ("MORENO ADP CREDIT") for constructing MORENO ADP FACILITY, MORENO ADP CREDIT may be used to satisfy MORENO ADP OBLIGATION for future development for properties located within the boundaries of MORENO ADP, hereinafter called "ELIGIBLE PROPERTIES"; and

I. DEVELOPER and DISTRICT desire CITY to accept ownership and the responsibility for the operation and maintenance of CITY FACILITIES; and

J. DEVELOPER and CITY desire DISTRICT to accept ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES; and

K. DISTRICT is willing to accept ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, provided DEVELOPER performs all of the following: (a) complies with this Agreement, (b) prepares PROJECT plans in accordance with DISTRICT and CITY approved plans and specifications and this Agreement, (c) constructs PROJECT in accordance with DISTRICT and CITY approved plans and specifications

and (d) accepts ownership and responsibility for the operation and maintenance of PROJECT following completion of PROJECT construction, until such time as DISTRICT accepts ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES and CITY accepts ownership and responsibility for the operation and maintenance of CITY FACILITIES.

L. CITY is willing to (i) review and approve, in conjunction with DISTRICT, DEVELOPER's plans and specifications for PROJECT, (ii) accept and hold faithful performance and payment bonds submitted by DEVELOPER on behalf of DISTRICT for DISTRICT DRAINAGE FACILITIES and CITY for CITY FACILITIES, (iii) inspect the construction of PROJECT, (iv) grant DISTRICT the right to inspect, operate and maintain DISTRICT DRAINAGE FACILITIES within CITY rights of way and (v) accept ownership and responsibility for the operation and maintenance of CITY FACILITIES, provided PROJECT is constructed in accordance with plans and specifications approved by DISTRICT, CITY and DEVELOPER.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the Parties hereto mutually agree that the above recitals are true and correct and incorporated into the terms of this Agreement and as follows:

SECTION I

DEVELOPER shall:

1. Prepare PROJECT plans and specifications, hereinafter called "IMPROVEMENT PLANS", in accordance with applicable DISTRICT and CITY standards, and submit to DISTRICT and CITY for their respective review and approval.

2. Continue to pay DISTRICT, within thirty (30) days after receipt of periodic billings from DISTRICT, any and all such amounts as are deemed reasonably necessary by DISTRICT to cover DISTRICT's costs associated with (i) the review and approval of

IMPROVEMENT PLANS, (ii) the processing and administration of this Agreement and (iii) construction inspection costs. Additionally, DEVELOPER shall pay CITY, within thirty (30) calendar days after receipt of periodic billings from CITY, any and all such amounts as are deemed reasonably necessary by CITY to cover CITY's costs associated with (i) the review and approval of IMPROVEMENT PLANS, (ii) the review and approval of rights of way and conveyance documents, (iii) the processing and administration of this Agreement and (iv) construction inspection costs.

3. By execution of this Agreement, grant DISTRICT and CITY the right to enter upon DEVELOPER's property where necessary and convenient for the purpose of gaining access to and performing inspection services for the construction of PROJECT, as set forth herein.

4. Upon execution of this Agreement or not less than twenty (20) calendar days prior to recordation of the final map for Tract Map No. 38236 or any phase thereof, whichever occurs first, provide CITY with faithful performance and payment bonds in accordance with CITY's municipal code or ordinance, including any amendments thereto, for the estimated cost for construction of (i) DISTRICT DRAINAGE FACILITIES as determined by DISTRICT and (ii) CITY FACILITIES as determined by CITY. The surety, amount and form of the bonds shall list CITY as an obligee and shall be subject to approval of DISTRICT (Attention: Contract Services Section) and CITY. The bonds shall remain in full force and effect until at least one (1) year after DISTRICT DRAINAGE FACILITIES are accepted by DISTRICT and CITY FACILITIES are accepted by CITY as complete. Both bonds shall be subscribed by an Admitted Surety Insurer, which is authorized to transact surety insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger. Should any bond or surety become insufficient, DEVELOPER shall furnish a new bond within ten (10) calendar days after

receiving notice from CITY, which such surety, amount and form of bonds shall be subject to approval of DISTRICT and CITY.

5. Upon DISTRICT and CITY approval of IMPROVEMENT PLANS, deposit with DISTRICT (Attention: Business Office – Accounts Receivable) and notify Contract Services Section the estimated cost of providing construction inspection for DISTRICT DRAINAGE FACILITIES, in an amount as determined and approved by DISTRICT in accordance with CITY's municipal code or ordinance, including any amendments thereto, based upon the bonded value of DISTRICT DRAINAGE FACILITIES.

6. Upon DISTRICT and CITY approval of IMPROVEMENT PLANS, furnish DISTRICT (Attention: Contract Services Section) with a complete list of all contractors and subcontractors to be performing work on PROJECT, including the corresponding license number and license classification of each. At such time, DEVELOPER shall further identify in writing its designated superintendent for PROJECT construction.

7. Upon DISTRICT and CITY approval of IMPROVEMENT PLANS, furnish DISTRICT (Attention: Contract Services Section) with a construction schedule which shall show the order and dates in which DEVELOPER or DEVELOPER's contractor proposes to carry out the various parts of work, including estimated start and completion dates. As construction of PROJECT progresses, DEVELOPER shall update said construction schedule as requested by DISTRICT.

8. Upon DISTRICT and CITY approval of IMPROVEMENT PLANS, furnish DISTRICT (Attention: Contract Services Section) with a confined space entry procedure specific to PROJECT. The procedure shall comply with requirements contained in California Code of Regulations, Title 8, Section 5158, Other Confined Space Operations; Section 5157, Permit Required Confined Space; and DISTRICT Confined Space Procedures, SOM-18. The procedure

shall be reviewed and approved by DISTRICT prior to the issuance of a Notice to Proceed, which shall be given by DISTRICT to DEVELOPER upon DISTRICT and CITY approval.

9. Upon DISTRICT and CITY approval of IMPROVEMENT PLANS, an original certificate of insurance evidencing the required insurance coverage shall be provided to DISTRICT. At minimum, the procured insurance coverages should adhere to DISTRICT's required insurance provided in Exhibit "C", attached hereto and made a part hereof. DEVELOPER shall not commence operations until DISTRICT (Attention: Contract Services Section) and CITY have been furnished with original certificate(s) of insurance and original certified copies of endorsements and, if requested, certified original policies of insurance including all endorsements and any and all other attachments. Failure to maintain the insurance required by this paragraph shall be deemed a material breach of this Agreement and shall authorize and constitute authority for DISTRICT, at its sole discretion, to provide written notice to DEVELOPER that DISTRICT is unable to perform its obligations hereunder and will not accept responsibility for ownership, operation and maintenance of DISTRICT DRAINAGE FACILITIES, either in whole or in part, due to said breach of this Agreement.

10. Upon DISTRICT and CITY approval of IMPROVEMENT PLANS or not less than twenty (20) calendar days prior to recordation of the final map for Tract Map No. 38236 or any phase thereof, whichever occurs first, furnish DISTRICT (Attention: Plan Check Section) and CITY with sufficient evidence of DEVELOPER having secured such necessary licenses, agreements, permits, approvals, rights of way, rights of entry and temporary construction easements as may be needed for the construction, inspection, operation and maintenance of PROJECT as determined and approved by DISTRICT and CITY.

11. [INTENTIONALLY DELETED]

12. [INTENTIONALLY DELETED]

13. Furnish DISTRICT (Attention: Plan Check Section) and CITY each with a set of final mylar PROJECT plans and assign their ownership to DISTRICT and CITY respectively prior to the start on any portion of PROJECT construction.

14. After receiving DISTRICT's plan check and administrative clearance for PROJECT construction as set forth in Sections I.4 through I.13., notify DISTRICT (Attention: Construction Management Section) and CITY with twenty (20) calendar days written notice of intent to start construction of PROJECT, and include PROJECT's geotechnical firm, concrete lab/test firm, D-Load test forms, trench shoring/falsework calculations and concrete mix designs for DISTRICT's review and approval. Construction shall not begin on any element of PROJECT, for any reason whatsoever, until DISTRICT and CITY have issued to DEVELOPER a written Notice to Proceed authorizing DEVELOPER to commence construction of PROJECT. DISTRICT reserves the right to withhold issuance of the Notice to Proceed in accordance with Section IV.3.

15. Prior to commencing construction, obtain, at its sole cost and expense, and furnish DISTRICT (Attention: Plan Check Section) and CITY with copies of all permits, approvals or agreements required by any federal, state or local resource and/or regulatory agency for the construction, operation and maintenance of PROJECT. Such documents include, but are not limited to, those issued by the U.S. Army Corps of Engineers, California Regional Water Quality Control Board, California State Department of Fish and Wildlife, State Water Resources Control Board and Western Riverside County Regional Conservation Authority ("REGULATORY PERMITS").

16. Not permit any change to or modification of DISTRICT and CITY approved IMPROVEMENT PLANS without the prior written permission and consent of DISTRICT and CITY.

17. Comply with all Cal/OSHA safety regulations, including, but not limited to, regulations concerning confined space and maintain a safe working environment for DEVELOPER, DISTRICT and CITY employees on the site.

18. Upon receipt of DISTRICT's written Notice to Proceed, construct or cause to be constructed PROJECT at DEVELOPER's sole cost and expense, in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS.

19. Within two (2) weeks of completing PROJECT construction, provide DISTRICT (Attention: Construction Management Section) and CITY with written notice that PROJECT construction is substantially complete and request that DISTRICT conduct a final inspection of DISTRICT DRAINAGE FACILITIES and CITY conduct a final inspection of PROJECT.

20. [INTENTIONALLY DELETED]

21. [INTENTIONALLY DELETED]

22. Upon completion of PROJECT construction, accept ownership, sole responsibility and all liability whatsoever for the operation and maintenance of PROJECT until such time as (i) DISTRICT accepts ownership and responsibility for operation and maintenance of DISTRICT DRAINAGE FACILITIES and (ii) CITY accepts ownership and responsibility for operation and maintenance of CITY FACILITIES. If, subsequent to the inspection and in the sole discretion of DISTRICT, DISTRICT DRAINAGE FACILITIES are not in an acceptable condition, corrections shall be made at sole expense of DEVELOPER.

23. Upon completion of PROJECT construction but prior to DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance, provide or cause its civil engineer of record or construction civil engineer of record, duly registered in the State of California, to provide DISTRICT (Attention: Construction Management Section)

with (i) soil compaction report(s) stamped and wet signed by the geotechnical engineer, (ii) concrete testing report(s) stamped and wet signed by the civil engineer of record and (iii) a redlined "record drawings" copy of IMPROVEMENT PLANS. After DISTRICT approval of the redlined "record drawings", DEVELOPER's engineer shall schedule with DISTRICT a time to transfer the redlined changes onto DISTRICT's original mylars at DISTRICT's office; after which, the engineer shall review, stamp and sign the original IMPROVEMENT PLANS as "record drawings."

24. Ensure that all work performed pursuant to this Agreement by DEVELOPER, its agents or contractors is done in accordance with all applicable local, state and federal laws and regulations, including, but not limited to, all applicable provisions of the Labor Code, Business and Professions Code, and Water Code. DEVELOPER shall be solely responsible for all costs associated with compliance with applicable laws and regulations.

25. Pay, if suit is brought upon this Agreement or any bond guaranteeing the completion of PROJECT, all costs and reasonable expenses and fees, including reasonable attorneys fees, and acknowledge that, upon entry of judgment, all such costs, expenses and fees shall be computed as costs and included in any judgment rendered.

SECTION II

DISTRICT shall:

1. Review IMPROVEMENT PLANS and approve when DISTRICT has determined that such plans meet DISTRICT standards and are found acceptable to DISTRICT prior to the start of PROJECT construction.
2. Provide CITY an opportunity to review and approve IMPROVEMENT PLANS prior to DISTRICT's final approval.

3. Upon execution of this Agreement, record or cause to be recorded a copy of this Agreement in the Official Records of the Riverside County Recorder.

4. [INTENTIONALLY DELETED]

5. Endeavor to issue DEVELOPER a Notice to Proceed within twenty (20) calendar days of receipt of DEVELOPER's complete written notice of intent to start of construction of PROJECT as set forth in Section I.14.; however, DISTRICT's construction inspection staff is limited and, therefore, the issuance of a Notice to Proceed is subject to staff availability.

6. Reserves the right to withhold issuance of the Notice to Proceed pursuant to Section IV.4.

7. Inspect construction of DISTRICT DRAINAGE FACILITIES.

8. Keep an accurate accounting and submit periodic invoices to DEVELOPER of all DISTRICT costs associated with the (i) review and approval of IMPROVEMENT PLANS and (ii) processing and administration of this Agreement.

9. Keep an accurate accounting of all DISTRICT construction inspection costs and, within forty-five (45) calendar days after DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES as being complete, submit a final cost statement to DEVELOPER. If the deposit as set forth in Section I.5. exceeds such inspection costs, DISTRICT shall reimburse DEVELOPER the excess amount within sixty (60) calendar days after DISTRICT's acceptance of DISTRICT DRAINAGE FACILITIES as being complete.

10. Upon (i) DISTRICT acceptance of PROJECT construction as being complete and (ii) DISTRICT receipt of stamped and signed "record drawing" of IMPROVEMENT PLANS as set forth in Section I.23, provide DEVELOPER with a reproducible duplicate copy of "record drawings" of IMPROVEMENT PLANS.

11. Prior to DISTRICT acceptance of ownership and responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES, DISTRICT DRAINAGE FACILITIES shall be in a satisfactorily maintained condition as solely determined by DISTRICT. If, subsequent to any inspection and in the sole discretion of DISTRICT, DISTRICT DRAINAGE FACILITIES are not in an acceptable condition, corrections shall be made at sole expense of DEVELOPER.

12. Accept ownership and sole responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES upon (i) DISTRICT inspection of DISTRICT DRAINAGE FACILITIES in accordance with Section I.19., (ii) DISTRICT acceptance of PROJECT construction as being complete, (iii) DISTRICT receipt of stamped and signed "record drawings" of IMPROVEMENT PLANS as set forth in Section I.23., (iv) DISTRICT DRAINAGE FACILITIES are fully functioning as a flood control drainage system as solely determined by DISTRICT and (v) DISTRICT's sole determination that DISTRICT DRAINAGE FACILITIES are in a satisfactorily maintained condition.

13. Upon (i) DISTRICT acceptance of PROJECT construction as being complete and (ii) DISTRICT receipt of stamped and signed "record drawing" of IMPROVEMENT PLANS as set forth in Section I.23., provide CITY with (a) a reproducible duplicate copy of "record drawings" of constructed DISTRICT DRAINAGE FACILITIES, (b) a written notice that PROJECT is complete and (c) request CITY release bonds held for DISTRICT DRAINAGE FACILITIES and CITY FACILITIES.

SECTION III

CITY shall:

1. Review IMPROVEMENT PLANS and approve when CITY has determined that such plans meet CITY standards and are found acceptable to CITY prior to the

start of PROJECT construction. CITY shall not request any modifications on the IMPROVEMENT PLANS without prior DISTRICT approval.

2. Accept CITY and DISTRICT approved faithful performance and payment bonds submitted by DEVELOPER, in accordance with the CITY's municipal code or ordinance, including any amendments thereto, for the estimated cost for construction of DISTRICT DRAINAGE FACILITIES as determined by DISTRICT and of CITY FACILITIES as determined by CITY and hold said bonds as provided in this Agreement. The surety, amount and form of the bonds shall list CITY as an obligee and shall be subject to approval of DISTRICT (Attention: Contract Services Section) and CITY. The bonds shall remain in full force and effect until at least one (1) year after DISTRICT DRAINAGE FACILITIES are accepted by DISTRICT and CITY FACILITIES are accepted by CITY as complete. Both bonds shall be subscribed by an Admitted Surety Insurer, which is authorized to transact surety insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger. Should any bond or surety become insufficient, DEVELOPER shall furnish a new bond within ten (10) calendar days after receiving notice from CITY. CITY shall not release said bonds until DISTRICT provides CITY with a reproducible duplicate copy of "record drawings" and written notification that the PROJECT is complete as set forth in Section II.13.

3. Request DEVELOPER to update the construction schedule, as deemed necessary.

4. Grant DISTRICT, by execution of this Agreement, the right to inspect, operate and maintain DISTRICT DRAINAGE FACILITIES within CITY rights of way, in accordance with a CITY encroachment permit.

5. [INTENTIONALLY DELETED]

6. [INTENTIONALLY DELETED]

7. Inspect PROJECT construction.

8. [INTENTIONALLY DELETED]

9. Accept ownership and sole responsibility for the operation and maintenance of CITY FACILITIES upon (i) DISTRICT acceptance of DISTRICT DRAINAGE FACILITIES for ownership, operation and maintenance, (ii) CITY's final inspection of CITY FACILITIES and (iii) CITY's sole determination that CITY FACILITIES are in a satisfactorily maintained condition.

10. Release occupancy permits in accordance with the approved Conditions of Approval for Tract Map No. 38236, in accordance with applicable federal, state and local laws, rules and regulations.

11. Upon DISTRICT and CITY acceptance of PROJECT construction as being complete, accept sole responsibility for the adjustment of all PROJECT manhole rings and covers located within CITY rights of way which must be performed at such time(s) that the finished grade along and above the underground portions of DISTRICT DRAINAGE FACILITIES are improved, repaired, replaced or changed. It being further understood and agreed that any such adjustments shall be performed at no cost to DISTRICT.

SECTION IV

It is further mutually agreed:

1. DISTRICT may withhold acceptance for ownership and sole responsibility for the operation and maintenance of DISTRICT DRAINAGE FACILITIES unless and until DEVELOPER performs all obligations under this Agreement.

2. All construction work involved with PROJECT shall be inspected by DEVELOPER, DISTRICT and CITY but shall not be deemed complete until DISTRICT and

CITY mutually agree in writing that construction of PROJECT is completed in accordance with DISTRICT and CITY approved IMPROVEMENT PLANS.

3. DISTRICT and CITY personnel may observe and inspect all work being done on DISTRICT DRAINAGE FACILITIES but shall provide any comments to DISTRICT personnel who shall be solely responsible for all quality control communications with DEVELOPER's contractor(s) during the construction of PROJECT.

4. If DEVELOPER fails to commence construction of PROJECT within twenty-four (24) consecutive months after execution of this Agreement, then DISTRICT reserves the right to withhold issuance of the Notice to Proceed after this period of time pending a review of the existing site conditions as they exist at the time DEVELOPER provides written notification to DISTRICT of the start of construction as set forth in Section I.14. In the event of a change in the existing site conditions that materially affects PROJECT function or DISTRICT's ability to operate and maintain DISTRICT DRAINAGE FACILITIES, DISTRICT may require DEVELOPER to modify IMPROVEMENT PLANS as deemed necessary by DISTRICT.

5. DEVELOPER shall complete construction of PROJECT within twelve (12) months after commencement of construction of PROJECT, unless CITY and DISTRICT agree to extend the time to complete construction. Failure of DEVELOPER to perform the work within the agreed upon time shall constitute authority for (i) DISTRICT to terminate the Agreement and (ii) CITY to perform the remaining work on PROJECT and require DEVELOPER's surety to pay to CITY the penal sum of any and all bonds. CITY also reserves all other rights and remedies afforded it. Should CITY perform the remaining work on PROJECT under this section, DEVELOPER grants to CITY and CITY's officers, deputies, employees, agents, representatives, contractors and other designees the irrevocable permission to enter upon property subject to the Tract Map No. 38236 to complete construction and remaining work on PROJECT. This right of

entry shall terminate when such construction and remaining work is complete. CITY shall subsequently reimburse DISTRICT from the funds paid by DEVELOPER's surety, if any, for any DISTRICT costs incurred covered by said bonds.

6. In the event DEVELOPER wishes to expedite issuance of a Notice to Proceed, DEVELOPER may elect to furnish an independent qualified construction inspector at DEVELOPER's sole cost and expense. DEVELOPER shall furnish appropriate documentation of the individual's credentials and experience to DISTRICT for review and, if appropriate, approval. DISTRICT shall review the individual's qualifications and experience, and upon approval thereof, said individual, hereinafter called "DEPUTY INSPECTOR", shall be authorized to act on DISTRICT's behalf on all DISTRICT DRAINAGE FACILITIES construction and quality control matters. If DEVELOPER's initial construction inspection deposit furnished pursuant to Section I.5 exceeds Ten Thousand Dollars (\$10,000), DISTRICT shall refund to DEVELOPER up to eighty percent (80%) of DEVELOPER's initial inspection deposit within forty-five (45) calendar days of DISTRICT's approval of DEPUTY INSPECTOR; however, a minimum balance of Ten Thousand Dollars (\$10,000) shall be retained on account.

7. PROJECT construction work shall be on a five (5) day, forty (40) hour work week with no work on Saturdays, Sundays or DISTRICT or CITY designated legal holidays, unless otherwise approved in writing by DISTRICT and CITY. If DEVELOPER feels it is necessary to work more than the normal forty (40) hour work week or on DISTRICT or CITY designated legal holidays, DEVELOPER shall make a written request for permission from DISTRICT and CITY to work the additional hours. The request shall be submitted to DISTRICT and CITY at least seventy-two (72) hours prior to the requested additional work hours and state the reasons for the overtime and the specific time frames required. The decision of granting permission for overtime work shall be made by DISTRICT and CITY at their sole discretion and

shall be final. If permission is granted by DISTRICT and CITY, DEVELOPER will be charged the cost incurred at the overtime rates for additional inspection time required in connection with the overtime work in accordance with the CITY's municipal code or ordinance, including any amendments thereto.

8. DEVELOPER shall indemnify, defend and hold harmless and require DEVELOPER's construction contractor(s) to indemnify, defend and hold harmless the DISTRICT, the County of Riverside and CITY (including their respective Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, contractors, agents and representatives) (individually and collectively hereinafter referred to as "Indemnitees") from any liability action, claim or damage whatsoever, based or asserted upon any negligent acts, omissions or services of DEVELOPER and/or DEVELOPER's construction contractor(s) (including their respective officers, employees, subcontractors, agents or representatives) (individually and collectively hereinafter referred to as "Indemnitors") arising out of or in any way relating to this Agreement, including, but not limited to, property damage, bodily injury or death, or any other element of any kind or nature whatsoever, except where caused by the active negligence, sole negligence or willful misconduct of CITY or DISTRICT. DEVELOPER or DEVELOPER's construction contractor(s) shall defend, at its sole expense, the Indemnitees, including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such alleged acts or omissions. All applicable indemnification provisions of this Agreement shall remain in effect following the termination of the Agreement.

9. With respect to any action or claim subject to indemnification herein by DEVELOPER, DEVELOPER shall, at its sole cost, have the right to use counsel of their own choice and may adjust, settle or compromise any such claim only with the prior consent of

DISTRICT, the County of Riverside and CITY. Any such adjustment, settlement or compromise shall not in any manner whatsoever limit or circumscribe DEVELOPER's indemnification obligations to Indemnitees as set forth herein.

10. DEVELOPER and DEVELOPER's construction contractor(s) indemnification obligations hereunder shall be satisfied when DEVELOPER or DEVELOPER's construction contractor(s) have provided to DISTRICT and CITY the appropriate form of dismissal (or similar document) relieving DISTRICT, the County of Riverside or CITY from any liability for the claim, proceeding or action involved.

11. The specified insurance limits required in this Agreement shall in no way limit or circumscribe DEVELOPER or DEVELOPER's construction contractor(s) obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

12. In the event there is conflict between this section and California Civil Code Section 2782, this section shall be interpreted to comply with California Civil Code Section 2782. Such interpretation shall not relieve DEVELOPER or DEVELOPER's construction contractor(s) from indemnifying the Indemnitees to the fullest extent allowed by law.

13. DEVELOPER for itself, its successors and assigns hereby releases DISTRICT, the County of Riverside and CITY (including their respective agencies, districts, special districts and departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives) from any and all claims, demands, actions or suits of any kind arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution or any other law or ordinance which seeks to impose any other liability or damage whatsoever for damage caused by the discharge of drainage within or from PROJECT. Nothing contained herein shall

constitute a release of DEVELOPER by DISTRICT, the County of Riverside or CITY (including each of their respective Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives) from any and all claims, demands, actions or suits of any kind arising out of any liability, known or unknown, present or future, for the negligent maintenance of PROJECT after the acceptance of PROJECT by DISTRICT and CITY, as described in this Agreement.

14. Any waiver by any Party hereto of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of any Party hereto to require exact, full and complete compliance with any terms of this Agreement of any other Party shall not be construed as in any manner changing the terms hereof or stopping such Party from enforcement hereof.

15. Any and all notices sent or required to be sent to the Parties of this Agreement will be mailed by first class mail, postage prepaid, to the following addresses:

- To DISTRICT: RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
1995 Market Street
Riverside, CA 92501
Attn: Contract Services Section
- To CITY: CITY OF MORENO VALLEY
14177 Frederick Street
Moreno Valley, CA 92552
Attn: Melissa Walker
- To DEVELOPER: DR HORTON LOS ANGELES HOLDING COMPANY, INC.
2280 Wardlow Circle, Suite 100
Corona, CA 92878
Attn: Megan Whieldon

16. This Agreement is to be construed in accordance with the laws of the State of California. If any provision of this Agreement is held by a court of competent jurisdiction to be

Attachment: Cooperative Agreement - Moreno MDP Line H, Stage 2 & Alessandro Blvd Lateral SD, Stage 1- TR 38236 (6321 : PEN21-0184 (TR

invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force and effect without being impaired or invalidated in any way.

17. Any action at law or in equity brought by any of the Parties hereto for the purpose of enforcing a right or rights provided for by the Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the Parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other County.

18. This Agreement is the result of negotiations between the Parties hereto and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by DISTRICT shall have no importance or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT prepared this Agreement in its final form.

19. The provisions of this Agreement are solely for the benefit of the Parties, and not for the benefit of any third party. Accordingly, no third party shall have any right or action based on the provisions of this Agreement.

20. The rights and obligations of DEVELOPER shall inure to and be binding upon all heirs, successors and assignees.

21. No Party shall assign this Agreement without the written consent of all other Parties. Any attempt to delegate or assign any interest herein without written consent of all other Parties shall be deemed void and of no effect.

22. In the event DEVELOPER sells Tract Map No. 38236, DEVELOPER shall notify DISTRICT and CITY of any such transfer or assignment in writing no later than thirty (30) calendar days from the date of the sale. DEVELOPER expressly understands and agrees that it shall remain liable with respect to any and all of the obligations and duties in this Agreement until DISTRICT, CITY, DEVELOPER and the new owner(s) of Tract Map No. 38236 fully execute an

assignment and assumption agreement that transfers all DEVELOPER's rights, duties or obligations in this Agreement to the new owner(s) of Tract Map No. 38236.

23. The individual(s) executing this Agreement on behalf of DEVELOPER certify that they have the authority within their respective company(ies) to enter into and execute this Agreement and have been authorized to do so by all boards of directors, legal counsel and/or any other board, committee or other entity within their respective company(ies) which have the authority to authorize or deny entering into this Agreement.

24. This Agreement is intended by the Parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This Agreement may be changed or modified only upon the written consent of the Parties hereto.

25. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

//

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on

(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By _____
JASON E. UHLEY
General Manager-Chief Engineer

By _____
KAREN SPIEGEL, Chair
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

MINH C. TRAN
County Counsel

KIMBERLY RECTOR
Clerk of the Board

By _____
CAROLINE MONROY
Deputy County Counsel

By _____
Deputy

(SEAL)

[Signed in Counterpart]

Cooperative Agreement:
Moreno MDP Line H, Stage 2
Moreno - Alessandro Boulevard Lateral Storm Drain, Stage 1
Project Nos. 4-0-00763 and 4-0-00789
Tract Map No. 38236
MM:rlp
06/07/23

Attachment: Cooperative Agreement - Moreno MDP Line H, Stage 2 & Alessandro Blvd Lateral SD, Stage 1- TR 38236 (6321 : PEN21-0184 (TR

RECOMMENDED FOR APPROVAL:

CITY OF MORENO VALLEY

By _____
MIKE LEE
City Manager

APPROVED AS TO FORM:

ATTEST:

By _____
STEVE QUINTANILLA
Interim City Attorney

By _____
JANE HALSTEAD
City Clerk

(SEAL)

Cooperative Agreement:
Moreno MDP – Line H, Stage 2
Moreno - Alessandro Boulevard Lateral Storm Drain, Stage 1
Project No. 4-0-00763 and 4-0-00789
Tract Map No. 38236
MM:rlp
06/07/23

Attachment: Cooperative Agreement - Moreno MDP Line H, Stage 2 & Alessandro Blvd Lateral SD, Stage 1- TR 38236 (6321 : PEN21-0184 (TR

**D.R. HORTON LOS ANGELES HOLDING
COMPANY, INC.,**
a California corporation

By _____
VICKI GULLION
Authorized Signatory – West Region

(ATTACH NOTARY WITH CAPACITY
STATEMENT)

Cooperative Agreement:
Moreno MDP Line H, Stage 2
Moreno - Alessandro Boulevard Lateral Storm Drain, Stage 1
Project Nos. 4-0-00763 and 4-0-00789
Tract Map No. 38236
MM:rlp
06/07/23

Attachment: Cooperative Agreement - Moreno MDP Line H, Stage 2 & Alessandro Blvd Lateral SD, Stage 1- TR 38236 (6321 : PEN21-0184 (TR

Exhibit A

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL 1:

LOT 2 IN BLOCK 118 AS SHOWN BY MAP NO. 1 OF BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 11, PAGE (S) 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

EXCEPTING THE WESTERLY 6 ACRES THEREOF.

ALSO EXCEPTING THEREFROM ANY AND ALL (I) OIL RIGHTS, (II) MINERAL RIGHTS, (III) NATURAL GAS RIGHTS, (IV) RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, (V) GEOTHERMAL HEAT RIGHTS OR GEOTHERMAL SUBSTANCES THAT MAY BE PRODUCED FROM THE PROPERTY, (VI) WATER RIGHTS AND CLAIMS OR RIGHTS TO WATER AND (VII) ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, "SUBSURFACE RESOURCES") LOCATED IN OR UNDER THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN (THE "PROPERTY"), TO THE EXTENT SUCH SUBSURFACE RESOURCES HAVE NOT BEEN PREVIOUSLY RESERVED AS CONVEYED TO DRH ENERGY, INC., A COLORADO CORPORATION BY DEED RECORDED MAY 31, 2023 AS INSTRUMENT NO. 2023-0155146 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM THE PROPERTY, INCLUDING WITHOUT LIMITATION THE RIGHT TO WHIPSTOCK OR

DIRECTIONALLY DRILL AND MINE, FROM LANDS OTHER THAN THE PROPERTY, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE PROPERTY, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF THE PROPERTY, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE, EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE PROPERTY OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY AS CONVEYED TO DRH ENERGY INC., A COLORADO CORPORATION BY DEED RECORDED MAY 31, 2023 AS INSTRUMENT NO. 2023-0155146 OF OFFICIAL RECORDS.

APN: PORTION OF 486 260 004

PARCEL 2:

THE WESTERLY 6 ACRES OF LOT 2 IN BLOCK 118 AS SHOWN BY MAP NO. 1 OF BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 11, PAGE (S) 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ANY AND ALL (I) OIL RIGHTS, (II) MINERAL RIGHTS, (III) NATURAL GAS RIGHTS, (IV) RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, (V) GEOTHERMAL HEAT RIGHTS OR GEOTHERMAL SUBSTANCES THAT MAY BE PRODUCED FROM THE PROPERTY, (VI) WATER RIGHTS AND CLAIMS OR RIGHTS TO WATER AND (VII) ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, "SUBSURFACE

Exhibit A

RESOURCES”) LOCATED IN OR UNDER THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED IN EXHIBIT “A” ATTACHED HERETO AND INCORPORATED HEREIN (THE “PROPERTY”), TO THE EXTENT SUCH SUBSURFACE RESOURCES HAVE NOT BEEN PREVIOUSLY RESERVED AS CONVEYED TO DRH ENERGY, INC., A COLORADO CORPORATION BY DEED RECORDED MAY 31, 2023 AS INSTRUMENT NO. 2023-0155146 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM THE PROPERTY, INCLUDING WITHOUT LIMITATION THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE, FROM LANDS OTHER THAN THE PROPERTY, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE PROPERTY, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF THE PROPERTY, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE, EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE PROPERTY OR THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY AS CONVEYED TO DRH ENERGY INC., A COLORADO CORPORATION BY DEED RECORDED MAY 31, 2023 AS INSTRUMENT NO. 2023-0155146 OF OFFICIAL RECORDS.

APN: 486 260 003 AND PORTION OF 486 260 004

PARCEL 3:

LOTS 1 AND 8 IN BLOCK 118 OF BEAR VALLEY AND ALESSANDRO DEVELOPMENT CO., IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 11 PAGE 10 OF MAP, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO, CALIFORNIA.

EXCEPTING THEREFROM ANY AND ALL (I) OIL RIGHTS, (II) MINERAL RIGHTS, (III) NATURAL GAS RIGHTS, (IV) RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, (V) GEOTHERMAL HEAT RIGHTS OR GEOTHERMAL SUBSTANCES THAT MAY BE PRODUCED FROM THE PROPERTY, (VI) WATER RIGHTS AND CLAIMS OR RIGHTS TO WATER AND (VII) ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, “SUBSURFACE RESOURCES”) LOCATED

IN OR UNDER THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED IN EXHIBIT “A” ATTACHED HERETO AND INCORPORATED HEREIN (THE “PROPERTY”), TO THE EXTENT SUCH SUBSURFACE RESOURCES HAVE NOT BEEN PREVIOUSLY RESERVED AS CONVEYED TO DRH ENERGY, INC., A COLORADO CORPORATION BY DEED RECORDED MAY 31, 2023 AS INSTRUMENT NO. 2023-0155144 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM THE PROPERTY, INCLUDING WITHOUT LIMITATION THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE, FROM LANDS OTHER THAN THE PROPERTY, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE PROPERTY, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF THE PROPERTY, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE, EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OF THE PROPERTY OR THE UPPER FIVE

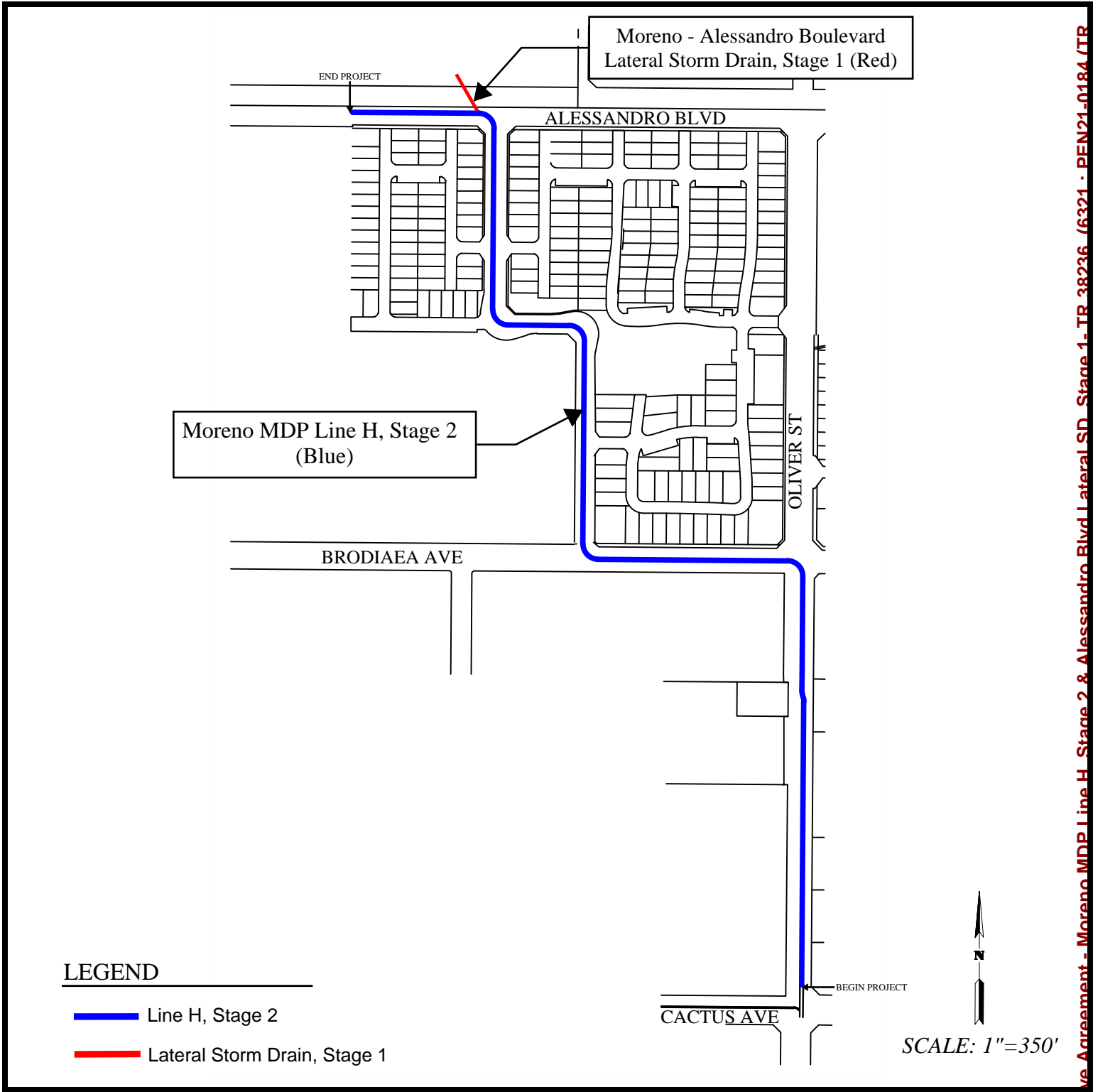
Exhibit A

HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY AS CONVEYED TO DRH ENERGY INC., A COLORADO CORPORATION BY DEED RECORDED MAY 31, 2023 AS INSTRUMENT NO. 2023-0155144 OF OFFICIAL RECORDS.

APN: 486 260 005 AND 486 260 009

Attachment: Cooperative Agreement - Moreno MDP Line H, Stage 2 & Alessandro Blvd Lateral SD, Stage 1- TR 38236 (6321 : PEN21-0184 (TR

COOPERATIVE AGREEMENT
Tract Map No. 38236 Drawing 4-1220
Moreno MDP Line H, Stage 2
Project Number 4-0-00763
Moreno Alessandro Boulevard Lateral Storm Drain, Stage 1
Project Number 4-0-00789



COOPERATIVE AGREEMENT
 Tract Map No. 38236 Drawing 4-1220
 Moreno MDP Line H, Stage 2
 Project Number 4-0-00763
 Moreno Alessandro Boulevard Lateral Storm Drain, Stage 1
 Project Number 4-0-00789

Attachment: Cooperative Agreement - Moreno MDP Line H, Stage 2 & Alessandro Blvd Lateral SD, Stage 1 - TR 38236 - 6321 - PEN21-0184 (TR

Exhibit C

DISTRICT's Insurance Requirements is as follows:

Without limiting or diminishing DEVELOPER's obligation to indemnify or hold DISTRICT harmless, DEVELOPER shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the DISTRICT herein refers to the Riverside County Flood Control and Water Conservation District, the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

A. Workers' Compensation:

If DEVELOPER has employees as defined by the State of California, DEVELOPER shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed to waive subrogation in favor of DISTRICT.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of DEVELOPER's performance of its obligations hereunder. Policy shall name the DISTRICT as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If DEVELOPER's vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then DEVELOPER shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name the DISTRICT as Additional Insureds.

Exhibit C

D. Professional Liability:

DEVELOPER shall cause any architect or engineer retained by DEVELOPER in connection with the performance of DEVELOPER's obligations under this Agreement to maintain Professional Liability Insurance providing coverage for the performance of their work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. DEVELOPER shall require that, if such Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and that such architect or engineer shall purchase at such architect or engineer's sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from a new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that such architect or engineer has maintained continuous coverage with the same or original insurer. Coverage provided under items: 1), 2) or 3) shall continue for the term specified in the insurance policy as long as the law allows.

E. General Insurance Provisions – All Lines:

- a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. BEST rating of not less than an A: VIII (A: 8) unless such requirements are waived, in writing, by the DISTRICT Risk Manager. If the DISTRICT's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- b. The DEVELOPER must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the DISTRICT Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention deemed unacceptable to the DISTRICT, and at the election of the DISTRICT's Risk Manager, DEVELOPER's carriers shall either: 1) reduce or eliminate such self-insured retention with respect to this Agreement with DISTRICT, or 2) procure a bond which guarantees payment of losses and

Exhibit C

- related investigations, claims administration, and defense costs and expenses.
- c. DEVELOPER shall cause their insurance carrier(s) or its contractor's insurance carrier(s), to furnish DISTRICT with 1) a properly executed original certificate(s) of insurance and certified original copies of endorsements effecting coverage as required herein; and 2) if requested to do so orally or in writing by the DISTRICT Risk Manager, provide original certified copies of policies including all endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the DISTRICT prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If DEVELOPER insurance carrier(s) policies does not meet the minimum notice requirement found herein, DEVELOPER shall cause DEVELOPER's insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.
 - d. In the event of a material modification, cancellation, expiration or reduction in coverage, this Agreement shall terminate forthwith, unless DISTRICT receives, prior to such effective date, another properly executed original certificate of insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto, evidencing coverages set forth herein and the insurance required herein is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the certificate of insurance.
 - e. It is understood and agreed by the parties hereto that DEVELOPER's insurance shall be construed as primary insurance, and DISTRICT's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
 - f. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services or there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes,

Exhibit C

etc.); or the term of this Agreement, including any extensions thereof, exceeds five (5) years, DISTRICT reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverages currently required herein, if, in the DISTRICT Risk Manager's reasonable judgment, the amount or type of insurance carried by DEVELOPER has become inadequate.

- g. DEVELOPER shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
- h. The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to DISTRICT.
- i. DEVELOPER agrees to notify DISTRICT of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

GROSS AREA: 30.01 ACRES
NET AREA: 18.89 ACRES
204 NUMBERED LOT
54 LETTERED LOTS

IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 1 OF 22 SHEETS

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.



MARCH 2021

RECORDER'S STATEMENT

FILED THIS _____ DAY OF _____, 20____ AT _____ .M.,
IN BOOK _____ OF MAPS, AT PAGES _____,
AT THE REQUEST OF THE CITY CLERK OF THE CITY OF MORENO VALLEY.
NO. _____
FEE _____
PETER ALDANA, ASSESSOR-COUNTY CLERK- RECORDER
BY: _____, DEPUTY

SUBDIVISION GUARANTEE:
FIRST AMERICAN TITLE COMPANY

OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNERS OF THE LAND INCLUDED WITHIN THE SUBDIVISION SHOWN HEREON; THAT WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS A CLEAR TITLE TO SAID LAND; THAT WE CONSENT TO THE MAKING AND RECORDING OF THIS SUBDIVISION MAP AS SHOWN WITHIN THE DISTINCTIVE BORDER LINE.

WE HEREBY DEDICATE LOT "A" (ALESSANDRO BOULEVARD), LOT "B" (OLIVER STREET), LOT "C" (BRODIAEA AVENUE), LOT "D" (SELENE STREET), LOT "E" (GRACE AVENUE), AND LOT "F" (JESSE STREET), TO THE PUBLIC, FOR PUBLIC STREET AND PUBLIC UTILITY PURPOSES, AS SHOWN ON SAID MAP.

WE HEREBY DEDICATE TO THE CITY OF MORENO VALLEY, A BLANKET EASEMENT FOR PUBLIC UTILITY PURPOSES OVER LOTS "G", "H", "I", "J", "K", "L", "M", "N", "O", "P", "Q", "R", "S", "T", "U", "V", "W", "X", AND "Y" AS SHOWN ON SAID MAP.

WE ALSO HEREBY DEDICATE TO THE CITY OF MORENO VALLEY A BLANKET EASEMENT FOR ELECTRIC UTILITY PURPOSES OVER LOTS 1 THROUGH 204, INCLUSIVE, FOR THE RIGHTS OF INGRESS AND EGRESS FOR THE PURPOSE OF OPERATION, MAINTENANCE, FACILITY REPAIR AND METER READING.

WE HEREBY RELEASE AND RELINQUISH ALL PEDESTRIAN AND VEHICULAR ABUTTER'S RIGHTS OF ACCESS ALONG ALESSANDRO BOULEVARD, OLIVER STREET, BRODIAEA AVENUE, SELENE STREET, GRACE AVENUE AND JESSE STREET TO THE PUBLIC. THE OWNERS OF LOTS 49, 67, 68, 148, 201, 202, "Z", "AA", "BB", "CC", "DD", "EE", "FF", "GG", "HH", "II", "JJ", "KK", "LL", "MM", "NN", "OO", "PP", "QQ", "RR", "SS", "TT", "UU", "VV" AND "BBB" FOR OPEN SPACE AND LANDSCAPE PURPOSES, AS SHOWN ON SAID MAP.

WE HEREBY DEDICATE IN FEE LOT "AAA" TO THE CITY OF MORENO VALLEY COMMUNITY SERVICES DISTRICT FOR PARK AND RECREATION PURPOSES, AS SHOWN ON SAID MAP.

WE HEREBY RESERVE FOR OURSELVES, OUR HEIRS, SUCCESSORS AND ASSIGNS THE FOLLOWING:

WE HEREBY RESERVE LOTS "G" THROUGH "Y", INCLUSIVE FOR PRIVATE STREET PURPOSES AS SHOWN ON SAID MAP.

LOTS "Z", "AA", "BB", "CC", "DD", "EE", "FF", "GG", "HH", "II", "JJ", "KK", "LL", "MM", "NN", "OO", "PP", "QQ", "RR", "SS", "TT", "UU", "VV" AND "BBB" FOR OPEN SPACE AND LANDSCAPE PURPOSES, AS SHOWN ON SAID MAP.

LOTS "WW", "XX", "YY" AND "ZZ" FOR WATER QUALITY AND BASIN PURPOSES, AS SHOWN ON SAID MAP.

THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: TO EASTERN MUNICIPAL WATER DISTRICT ("DISTRICT"), A PUBLIC AGENCY ORGANIZED AND EXISTING UNDER AND BY VIRTUE OF THE MUNICIPAL WATER DISTRICT LAW OF 1911, ITS SUCCESSORS AND ASSIGNS. A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, MAINTAIN, ENLARGE, RECONSTRUCT, REMOVE AND REPLACE, OPERATE, INSPECT, REPAIR, IMPROVE AND RELOCATE SEWER, WATER, AND RECYCLED WATER FACILITIES, ALL AS SHOWN ON THIS MAP WITHIN THE SUBDIVISION AND DESIGNATED "SEWER, WATER, AND RECYCLED WATER EASEMENT" HEREON, TOGETHER WITH THE RIGHT OF ACCESS TO AND FROM SAID EASEMENT FOR THE PURPOSE OF EXERCISING THE RIGHTS GRANTED IN SAID EASEMENT. OWNER RETAINS THE RIGHT TO USE THE EASEMENT AREA PROVIDED THAT THE OWNER SHALL NOT CONSTRUCT OR ERECT BUILDINGS, MASONRY WALLS, MASONRY FENCES AND OTHER STRUCTURES OR IMPROVEMENTS, OR PLANT OR GROW TREES OR SHRUBS, OR CHANGE THE SURFACE GRADE OR INSTALL PRIVATELY-OWNED PIPELINES WITHOUT THE PRIOR WRITTEN CONSENT OF DISTRICT.

D.R. HORTON LOS ANGELES HOLDING COMPANY, INC., A CALIFORNIA CORPORATION

BY: _____
TODD FUNK
VICE PRESIDENT

NOTARY ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF _____

ON _____ BEFORE ME, _____, A NOTARY PUBLIC PERSONALLY APPEARED _____,

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND:

PRINT NAME _____

SIGNATURE _____

NOTARY PUBLIC, STATE OF CA COMMISSION NO.: _____

MY COMMISSION EXPIRES: _____

COUNTY OF PRINCIPAL PLACE OF BUSINESS _____

SOILS REPORT STATEMENT

PURSUANT TO THE PROVISIONS OF SECTION 66490 OF THE SUBDIVISION MAP ACT, A PRELIMINARY SOILS REPORT WAS PREPARED BY GEOTEK, INC, REGISTERED IN THE STATE OF CALIFORNIA, PROJECT NO. 2868-CR DATED SEPTEMBER 29, 2021 WHICH IS ON FILE IN THE OFFICE OF THE CITY ENGINEER, CITY OF MORENO VALLEY.

SIGNATURE OMISSIONS

PURSUANT TO SECTION 66436(o)(3)(A) OF THE SUBDIVISION MAP ACT, THE SIGNATURES OF THE FOLLOWING PARTIES HAVE BEEN OMITTED SINCE THE RIGHT-OF-WAY, EASEMENTS, OR OTHER INTERESTS CANNOT RIPEN A FEE:

BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, HOLDER OF A RESERVED EASEMENT FOR PIPELINES, DITCHES, FLUMES AND INCIDENTAL PURPOSES AS SHOWN BY MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, OFFICIAL RECORDS OF SAN BERNARDINO COUNTY. SAID EASEMENT IS BLANKET IN NATURE.

SOUTHERN CALIFORNIA GAS COMPANY, A CORPORATION, AN UNDIVIDED 3/4 INTEREST AND SUCCESSOR IN INTEREST TO SOUTHERN COUNTIES GAS COMPANY, AN UNDIVIDED 1/4 INTEREST, HOLDER OF AN EASEMENT FOR PIPELINE AND INCIDENTAL PURPOSES RECORDED SEPTEMBER 20, 1947, AS INSTRUMENT NO. 3024, IN BOOK 847, PAGE 567, OFFICIAL RECORDS.

SOUTHERN CALIFORNIA EDISON, SUCCESSOR IN INTEREST TO CALIFORNIA ELECTRIC POWER COMPANY, HOLDER OF AN EASEMENT FOR UTILITIES AND INCIDENTAL PURPOSES, RECORDED AUGUST 27, 1956, AS INSTRUMENT NO. 59640, IN BOOK 323, OFFICIAL RECORDS.

MOUNTAINWEST SOUTHERN TRAILS PIPELINE COMPANY, SUCCESSOR IN INTEREST TO FOUR CORNERS PIPELINE COMPANY, HOLDER OF AN EASEMENT FOR PIPELINE AND INCIDENTAL PURPOSES RECORDED SEPTEMBER 19, 1957, IN BOOK 2150, PAGE 303, OFFICIAL RECORDS.

SOUTHERN CALIFORNIA EDISON, SUCCESSOR IN INTEREST TO CALIFORNIA ELECTRIC POWER COMPANY, HOLDER OF AN EASEMENT FOR POLE LINES AND INCIDENTAL PURPOSES, RECORDED DECEMBER 1, 1961, AS INSTRUMENT NO. 103334, OFFICIAL RECORDS.

EASTERN MUNICIPAL WATER DISTRICT'S ACCEPTANCE STATEMENT

I HEREBY STATE THAT THE EASEMENTS DEDICATED ON THIS MAP TO THE EASTERN MUNICIPAL WATER DISTRICT ARE HEREBY ACCEPTED AND THE DISTRICT CONSENTS TO THE RECORDATION THEREOF BY ITS DULY AUTHORIZED OFFICER.

SHEILA ZELAYA, BOARD SECRETARY OF THE EASTERN MUNICIPAL WATER DISTRICT AND THE BOARD OF DIRECTORS THEREOF.

DATE: _____

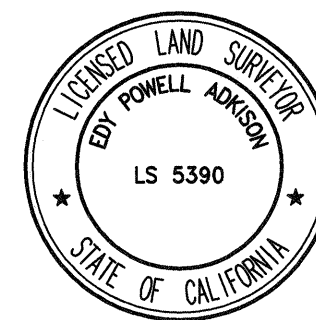
SURVEYOR'S STATEMENT

I, EDY POWELL ADKISON, A LICENSED LAND SURVEYOR OF THE STATE OF CALIFORNIA, HEREBY STATE THAT THE FIELD SURVEY OF THIS SUBDIVISION IS IN CONFORMANCE WITH THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AND WAS MADE BY ME OR UNDER MY DIRECTION ON MARCH 4, 2021 AT THE REQUEST OF DR HORTON LOS ANGELES HOLDING COMPANY, INC., A CALIFORNIA CORPORATION, AND THAT SAID SURVEY IS TRUE AND COMPLETE AS SHOWN; THAT THE MONUMENTS OF THE CHARACTER INDICATED HAVE BEEN SET OR FOUND OR WILL BE SET AT THE SUBDIVISION BOUNDARY CORNERS AND I WILL SET ALL OTHER MONUMENTS WITHIN THIRTY (30) DAYS AFTER THE COMPLETION OF THE REQUIRED IMPROVEMENTS AND THEIR ACCEPTANCE BY THE CITY OF MORENO VALLEY, AND ALL SUCH MONUMENTS ARE OR WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP.

DATE: 8-18, 2023

EDY POWELL ADKISON L.S. 5390



CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP; THAT THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP OF THE TRACT MAP AS FILED AND APPROVED BY THE CITY OF MORENO VALLEY PLANNING COMMISSION AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL KNOWN PROVISIONS OF THE STATE LAW AND CITY REGULATIONS APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH.

MELISSA WALKER, R.C.E. 62940,
PUBLIC WORKS DIRECTOR / CITY ENGINEER
CITY OF MORENO VALLEY

DATE _____



CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP, AND HAVE FOUND THAT IT CONFORMS WITH MAPPING PROVISIONS OF THE SUBDIVISION MAP ACT, AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

AMELIA PAULA PEREIRA, PLS 8493
AUTHORIZED AGENT OF THE CITY ENGINEER
CITY OF MORENO VALLEY

DATE _____



CITY CLERK'S CERTIFICATE

I HEREBY CERTIFY THAT THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DULY APPROVES THIS TRACT MAP AND ACCEPTS ON BEHALF OF THE PUBLIC THE DEDICATION OF LOT "A" (ALESSANDRO BOULEVARD), LOT "B" (OLIVER STREET), LOT "C" (BRODIAEA AVENUE), LOT "D" (SELENE STREET), LOT "E" (GRACE AVENUE), AND LOT "F" (JESSE STREET), SUBJECT TO THE COMPLETION OF PUBLIC STREET AND PUBLIC UTILITY IMPROVEMENTS BEING ACCEPTED INTO AND BECOMING A PART OF THE CITY MAINTAINED ROAD SYSTEM.

AND DO ACCEPT ON BEHALF OF THE CITY OF MORENO VALLEY:

A BLANKET EASEMENT FOR PUBLIC UTILITY PURPOSES OVER LOTS "G", "H", "I", "J", "K", "L", "M", "N", "O", "P", "Q", "R", "S", "T", "U", "V", "W", "X", AND "Y" AS SHOWN ON SAID MAP.

THE BLANKET EASEMENT OVER LOTS 1 THROUGH 204, INCLUSIVE, FOR THE RIGHTS OF INGRESS AND EGRESS FOR THE PURPOSE OF OPERATION, MAINTENANCE, FACILITY REPAIR, AND METER READING.

THE PEDESTRIAN AND VEHICULAR ABUTTER'S ACCESS RIGHTS ALONG ALESSANDRO BOULEVARD, OLIVER STREET, BRODIAEA AVENUE, SELENE STREET, GRACE AVENUE AND JESSE STREET AS RELEASED AND RELINQUISHED.

AND DO ACCEPT IN FEE ON BEHALF OF THE CITY OF MORENO VALLEY COMMUNITY SERVICES DISTRICT:

LOT "AAA" FOR PARK AND RECREATIONAL PURPOSES, SUBJECT TO COMPLETION AND ACCEPTANCE OF IMPROVEMENTS.

I HEREBY CERTIFY THAT PURSUANT TO SECTION 66499.20 1/2 AND 66434 OF THE SUBDIVISION MAP ACT, THE FILING OF THIS FINAL MAP CONSTITUTES ABANDONMENT OF THE FOLLOWING ITEMS SHOWN WITHIN THIS BOUNDARY OF THIS FINAL MAP:

1. THE SOUTHERLY 5.00 FEET OF ALESSANDRO BOULEVARD, AS SHOWN BY THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY MAP NO. 1, FILED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA
2. THE NORTHERLY 7.00 FEET OF BRODIAEA AVENUE, AS SHOWN BY THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY MAP NO. 1, FILED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.
3. THE EASEMENT FOR UTILITIES AND INCIDENTAL PURPOSES, RECORDED AUGUST 27, 1956 AS INSTRUMENT NO. 59640 IN BOOK 1963, PAGE 323, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.
4. THE EASEMENT FOR POLE LINES AND INCIDENTAL PURPOSES, RECORDED DECEMBER 1, 1961 AS INSTRUMENT NO. 103334 IN BOOK 1963, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

I ALSO CERTIFY THAT APPROVAL OF SUBJECT MAP IS PURSUANT TO THE PROVISIONS OF SECTION 66436 (o)(3)(A) OF THE SUBDIVISION MAP ACT.

DATED _____, 20____

JANE HALSTEAD, CITY CLERK

TAX BOND CERTIFICATE

I HEREBY CERTIFY THAT A BOND IN THE SUM OF \$ _____ HAS BEEN EXECUTED AND FILED WITH THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, CALIFORNIA, CONDITIONED UPON THE PAYMENT OF ALL TAXES, STATE, COUNTY, MUNICIPAL, OR LOCAL, AND ALL SPECIAL ASSESSMENTS COLLECTED AS TAXES, WHICH AT THE TIME OF FILING OF THIS MAP WITH THE COUNTY RECORDER ARE A LIEN AGAINST SAID PROPERTY BUT NOT YET PAYABLE AND SAID BOND HAS BEEN DULY APPROVED BY SAID BOARD OF SUPERVISORS.

DATE: _____, 20____

CASH OR SURETY BOND

MATTHEW JENNINGS
COUNTY TAX COLLECTOR

BY: _____, DEPUTY

TAX COLLECTOR'S CERTIFICATE

I HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF THIS OFFICE, AS OF THIS DATE, THERE ARE NO LIENS AGAINST THE PROPERTY SHOWN ON THE WITHIN MAP FOR UNPAID STATE, COUNTY, MUNICIPAL, OR LOCAL TAXES, OR SPECIAL ASSESSMENTS COLLECTED AS TAXES, EXCEPT TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES NOW A LIEN BUT NOT YET PAYABLE, WHICH ARE ESTIMATED TO BE \$ _____.

DATE: _____, 20____

MATTHEW JENNINGS
COUNTY TAX COLLECTOR

BY: _____, DEPUTY

Attachment: FTM_38236_20230824-Signed Sbmtl (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

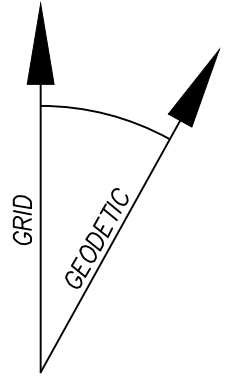


AUGUST 2021

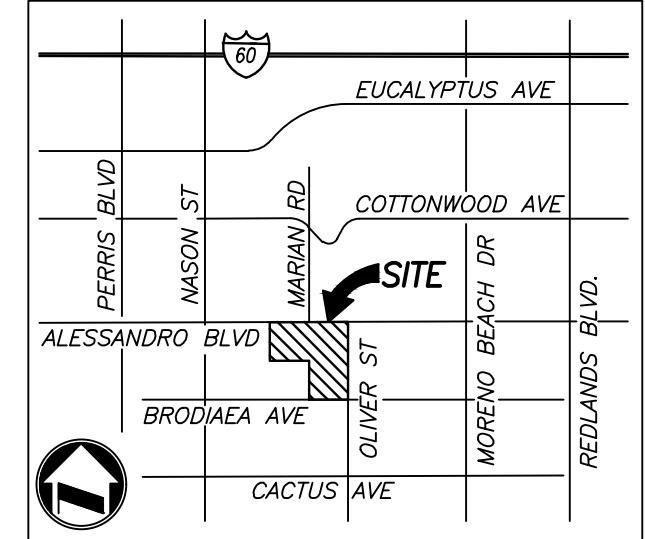
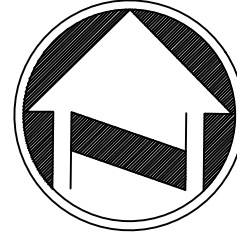
GPS CONTROL DIAGRAM

NOT TO SCALE

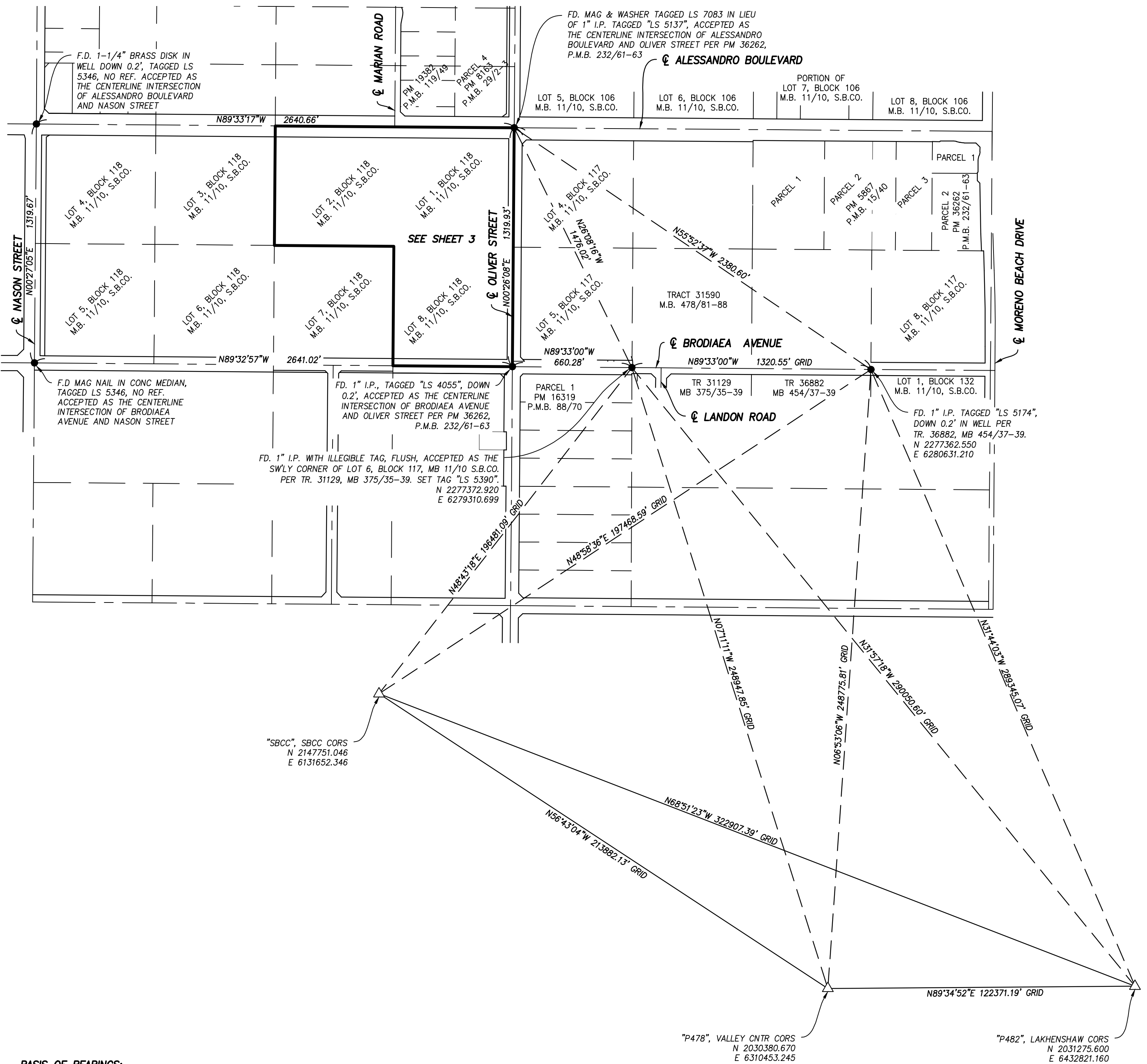
NOTE:
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.



CONVERGENCE ANGLE $-0^{\circ}30'32.42''$
CALCULATIONS ARE MADE AT THE FD. 1" I.P. TAGGED "LS 5174", DOWN 0.2" IN WELL PER TR. 36882, MB 454/37-39.



VICINITY MAP
(N.T.S.)



BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS THE CALIFORNIA STATE PLANE COORDINATE SYSTEM, CCS83, ZONE 6, BASED LOCALLY ON CONTROL STATIONS "P482", "P478", AND "SBCC" NAD 83 (NSRS2011) EPOCH 2010.00 AS SHOWN HEREON. ALL BEARINGS SHOWN ON THIS MAP ARE GRID. QUOTED BEARINGS AND DISTANCES FROM REFERENCE MAPS OR DEEDS ARE AS SHOWN PER THAT RECORD REFERENCE. ALL DISTANCES SHOWN ARE GROUND DISTANCES UNLESS SPECIFIED OTHERWISE. GRID DISTANCES, MAY BE OBTAINED BY MULTIPLYING THE GROUND DISTANCE BY A COMBINATION FACTOR OF 0.99993579. CALCULATIONS ARE MADE AT 1" I.P. TAGGED "LS 5174", DOWN 0.2" IN WELL PER TR. 36882, MB 454/37-39 WITH COORDINATES OF N: 2277362.55000000, E: 6280631.21000000, USING AN ELEVATION OF 1565.533.

Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

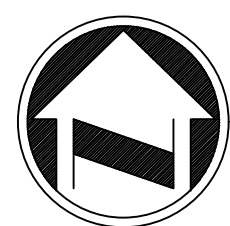
TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

adkan
ENGINEERS

AUGUST 2021

BOUNDARY MAP



GRAPHIC SCALE



(IN FEET)
1 inch = 200 ft.

NOTE:

SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.

SEE SHEET 4 FOR INDEX MAP.

SURVEYOR'S NOTES:

THIS TRACT CONTAINS 30.01 ACRES (GROSS) WITHIN THE DISTINCTIVE BORDER.

- - INDICATES FOUND AND ACCEPTED MONUMENT, AS NOTED. UNLESS NOTED OTHERWISE.
- △ - INDICATES SET 1" I.P., 18" IN LENGTH AND TAGGED L.S. 5390, PER CITY OF MORENO VALLEY STD. PLAN MVSI-170A-0 (MONUMENT COVER) FLUSH, UNLESS OTHERWISE NOTED.
- - INDICATES SET 1" I.P., 18" IN LENGTH AND TAGGED L.S. 5390, PER CITY OF MORENO VALLEY STD. PLAN MVSI-170B-0 (STANDARD "A" MONUMENT) FLUSH, UNLESS OTHERWISE NOTED.

SET 1" I.P. 18" LENGTH, FLUSH, TAGGED LS 5390 AT REAR LOT CORNERS AND ANGLE POINTS IN SIDE LOT LINES, UNLESS OTHERWISE NOTED. (STD MONUMENT "A" PER MVSI-170B-0)

SET NAIL AND TAG LS 5390 ON TOP OF CONC. CURB AT THE PROLONGATION OF SIDE LOT LINES IN LIEU OF FRONT CORNERS, AND FOR CURB RETURNS, E.C.'S AND B.C.'S (STD MONUMENT "E" PER MVSI-170E-0)

SET NAIL AND TAG LS 5390 ON TOP OF WALL, IN LIEU OF REAR LOT CORNERS WHERE APPLICABLE. (ST MONUMENT "E" PER MVSI-170E-0)

ALL MONUMENTS SET PER CITY OF MORENO VALLEY STD. MVSI-170 SERIES AND THE MONUMENT AGREEMENT FOR THIS MAP.

(M) - INDICATES MEASURED DATA.

() - INDICATES RECORD DATA PER REFERENCE LISTED BELOW.

R1 - INDICATES RECORD DATA PER PM 36262, P.M.B. 232/61-63

R2 - INDICATES RECORD DATA PER PM 5867, P.M.B. 15/40

R3 - INDICATES RECORD DATA PER PM 29700, P.M.B. 196/95-97

R4 - INDICATES RECORD DATA PER RECORD OF SURVEY, RS 113/28-29

R5 - INDICATES RECORD DATA PER MB 11/10

R6 - INDICATES RECORD AND MEASURED DATA PER TR 31590, MB 478/81-88

R7 - INDICATES RECORD DATA PER PM 6002, P.M.B. 15/67

R8 - INDICATES RECORD DATA PER RS 94/63-66.

1 - FD. 1-1/4" I.P. W/ BRASS DISC TAGGED "LS 5137", DOWN 0.2' IN MONUMENT WELL, IN LIEU OF 1" I.P. W/ PLASTIC PLUG STAMPED "PLS 5137" PER RS 113/28-29. ACCEPTED AS THE CENTERLINE INTERSECTION OF ALESSANDRO BOULEVARD AND NASON STREET.

2 - FD. PK & WASHER "LS 7083", FLUSH PER CR 2021-0094. ACCEPTED AS THE CENTERLINE INTERSECTION OF ALESSANDRO BOULEVARD AND OLIVER STREET.

3 - FD. 1" I.P., TAGGED "LS 4055", DOWN 0.2', ACCEPTED AS THE CENTERLINE INTERSECTION OF BRODIAEA AVENUE AND OLIVER STREET PER PM 36262, P.M.B. 232/61-63.

4 - FD. MAG NAIL & TAG "LS 5346", FLUSH, IN CONCRETE MEDIAN, NO REFERENCE. ACCEPTED AS THE CENTERLINE INTERSECTION OF BRODIAEA AVENUE AND NASON STREET.

CENTERLINE TIES WILL BE SUBMITTED TO THE CITY OF MORENO VALLEY.

(R) - INDICATES RADIAL LINE

||||| - INDICATES ACCESS RIGHTS RESTRICTED

— - INDICATES TRACT BOUNDARY

EASEMENT NOTES:

1 INDICATES AN EASEMENT IN FAVOR OF THE PUBLIC FOR PUBLIC ROAD PURPOSES PER BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY MAP FILED IN BOOK 11, PAGE 10 OF MAPS, OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

2 INDICATES AN EASEMENT IN FAVOR OF SOUTHERN CALIFORNIA GAS COMPANY, A CORPORATION, AN UNDIVIDED 3/4 INTEREST AND SOUTHERN COUNTIES GAS COMPANY, AN UNDIVIDED 1/4 INTEREST, FOR PIPELINE AND INCIDENTAL PURPOSES RECORDED SEPTEMBER 20, 1994, AS INSTRUMENT NO. 3024, BOOK 847, PAGE 567, OF OFFICIAL RECORDS.

3 INDICATES AN EASEMENT IN FAVOR OF CALIFORNIA ELECTRIC POWER COMPANY, FOR UTILITIES AND INCIDENTAL PURPOSES, RECORDED AUGUST 27, 1956, AS INSTRUMENT NO. 59640, OF OFFICIAL RECORDS.

4 INDICATES AN EASEMENT IN FAVOR OF FOUR CORNERS PIPELINE COMPANY FOR PIPELINE AND INCIDENTAL PURPOSES RECORDED SEPTEMBER 19, 1957, IN BOOK 2150, PAGE 303, OF OFFICIAL RECORDS. LOCATION DETERMINED FROM LOCATING THE CENTERLINE OF THE PIPELINE AS DETERMINED FROM A POTHOLE SURVEY COMPLETED ON SEPTEMBER 22, 2022.

5 INDICATES AN EASEMENT IN FAVOR OF CALIFORNIA ELECTRIC POWER COMPANY FOR POLE LINES AND INCIDENTAL PURPOSES RECORDED DECEMBER 01, 1961, AS INSTRUMENT NO. 103334, OF OFFICIAL RECORDS.

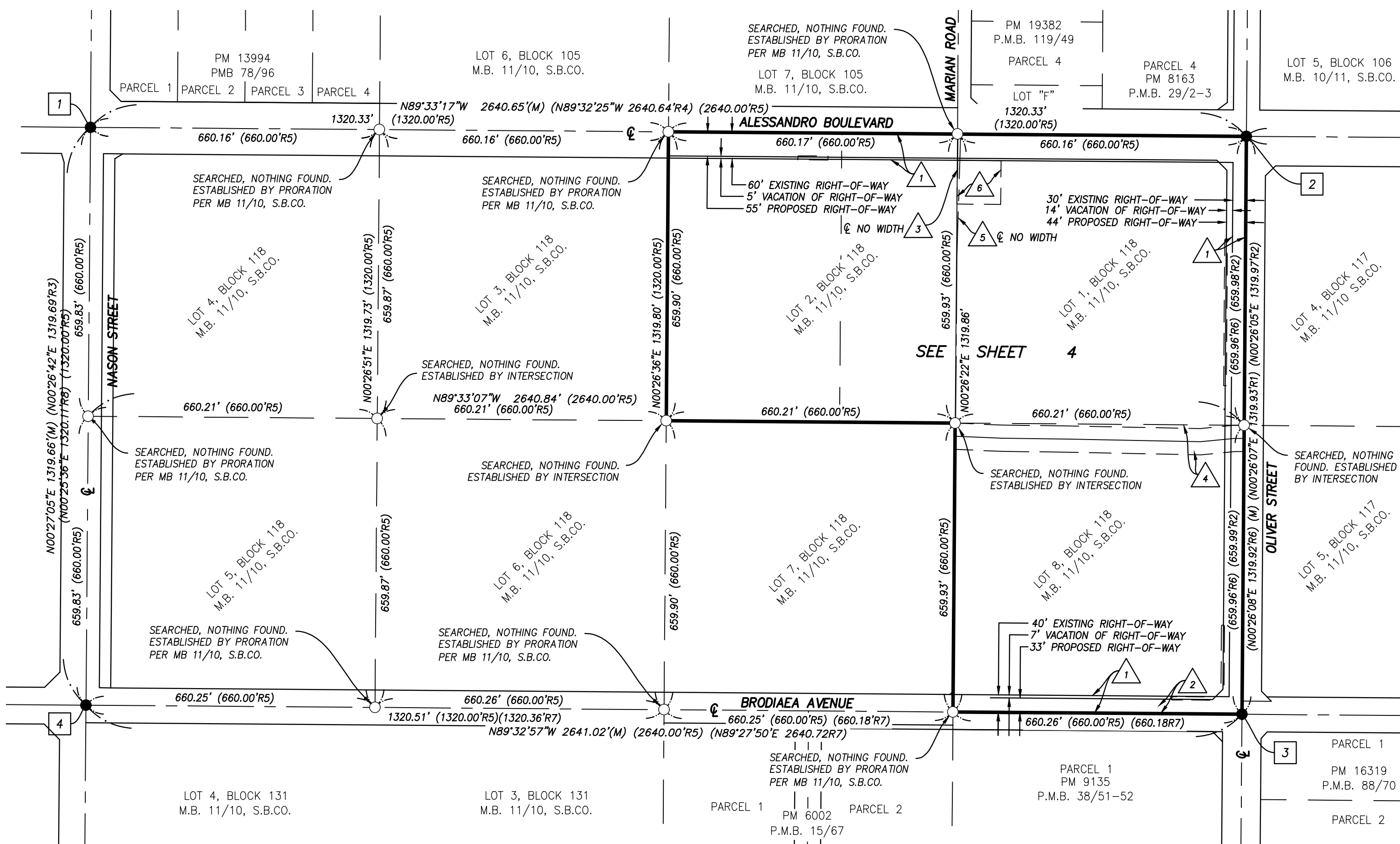
6 INDICATES AN EASEMENT IN FAVOR OF EASTERN MUNICIPAL WATER DISTRICT FOR PUBLIC SERVICE AND INCIDENTAL PURPOSES RECORDED JULY 24, 2019, AS INSTRUMENT NO. 2019-275779, OF OFFICIAL RECORDS.

7 INDICATES AN EASEMENT IN FAVOR OF THE CITY OF MORENO VALLEY FOR PUBLIC UTILITY PURPOSES, TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS FOR EMERGENCY VEHICLES, AS SHOWN ON THIS MAP.

8 INDICATES A LANDSCAPE EASEMENT IN FAVOR OF THE CITY OF MORENO VALLEY FOR LANDSCAPE MAINTENANCE PURPOSES, AS SHOWN ON THIS MAP.

9 INDICATES AN EASEMENT IN FAVOR OF THE CITY OF MORENO VALLEY FOR MAINTENANCE ACCESS AND WATER QUALITY INSPECTION PURPOSES, AS SHOWN ON THIS MAP.

10 AN EASEMENT IN FAVOR OF EASTERN MUNICIPAL WATER DISTRICT, FOR SEWER, WATER AND RECYCLED WATER PURPOSES AS SHOWN HEREON.



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

adkan
ENGINEERS

AUGUST 2021

INDEX MAP

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.

SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.



GRAPHIC SCALE



(IN FEET)
1 inch = 100 ft.



SEARCHED, NOTHING FOUND. ESTABLISHED BY PRORATION PER MB 11/10, S.B.CO.

SEARCHED, NOTHING FOUND. ESTABLISHED BY PRORATION PER MB 11/10, S.B.CO.

SEARCHED, NOTHING FOUND. ESTABLISHED BY PRORATION PER MB 11/10, S.B.CO.

SEARCHED, NOTHING FOUND. ESTABLISHED BY PRORATION PER MB 11/10, S.B.CO.

OFFER OF DEDICATION IN FAVOR OF THE CITY OF MORENO VALLEY FOR PUBLIC ROAD, PUBLIC UTILITY AND INCIDENTAL PURPOSES RECORDED 07/18/2023 AS DOCUMENT NO. 2023-0207626, AND ACCEPTED BY DOCUMENT RECORDED 08/21/2023 AS DOCUMENT NO. 2023-0246715, BOTH OF OFFICIAL RECORDS.

OFFER OF DEDICATION IN FAVOR OF THE CITY OF MORENO VALLEY FOR PUBLIC ROAD, PUBLIC UTILITY AND INCIDENTAL PURPOSES RECORDED 07/18/2023 AS DOCUMENT NO. 2023-0207627, AND ACCEPTED BY DOCUMENT RECORDED 08/21/2023 AS DOCUMENT NO. 2023-0246710, BOTH OF OFFICIAL RECORDS.

SEARCHED, NOTHING FOUND. ESTABLISHED BY PRORATION PER MB 11/10, S.B.CO.

SEARCHED, NOTHING FOUND. ESTABLISHED BY PRORATION PER MB 11/10, S.B.CO.

NOTE

SEE SHEET 2 FOR BASIS OF BEARINGS. SEE SHEET 3 FOR SURVEYOR'S AND EASEMENT NOTES.

Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.



AUGUST 2021



GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.

NOTE:

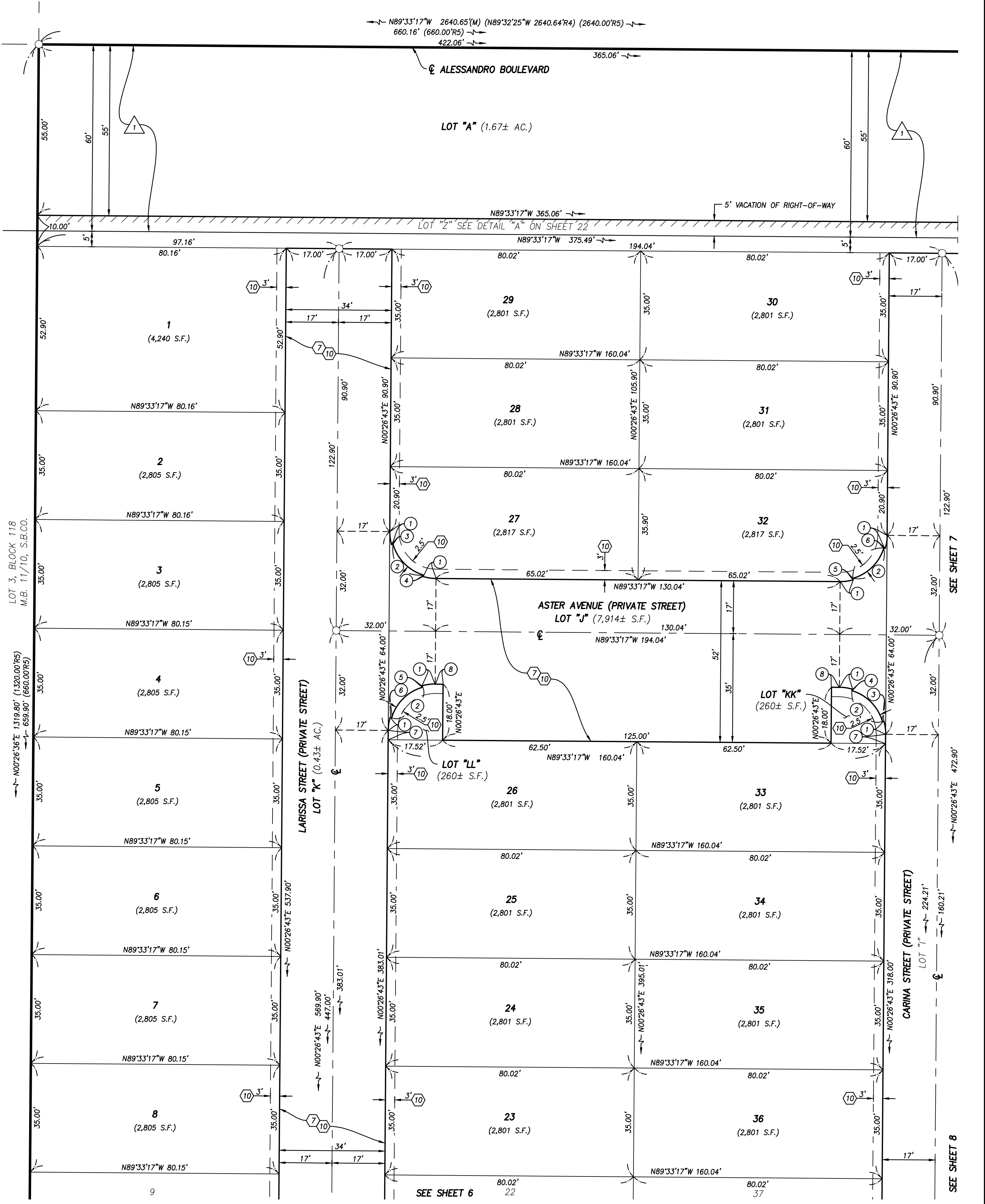
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.

SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.

SEE SHEET 4 FOR INDEX MAP.

COURSE DATA:

- ① Δ=16°13'04" R=15.00' L=4.25'
- ② Δ=57°33'52" R=14.50' L=14.57'
- ③ N74°13'39"E(R) 0.50'
- ④ N16°39'47"E(R) 0.50'
- ⑤ N15°46'21"W(R) 0.50'
- ⑥ N73°20'13"W(R) 0.50'
- ⑦ N00°26'43"E(R) 3.00'
- ⑧ N89°33'17"W 2.52'



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

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AUGUST 2021

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.

COURSE DATA:

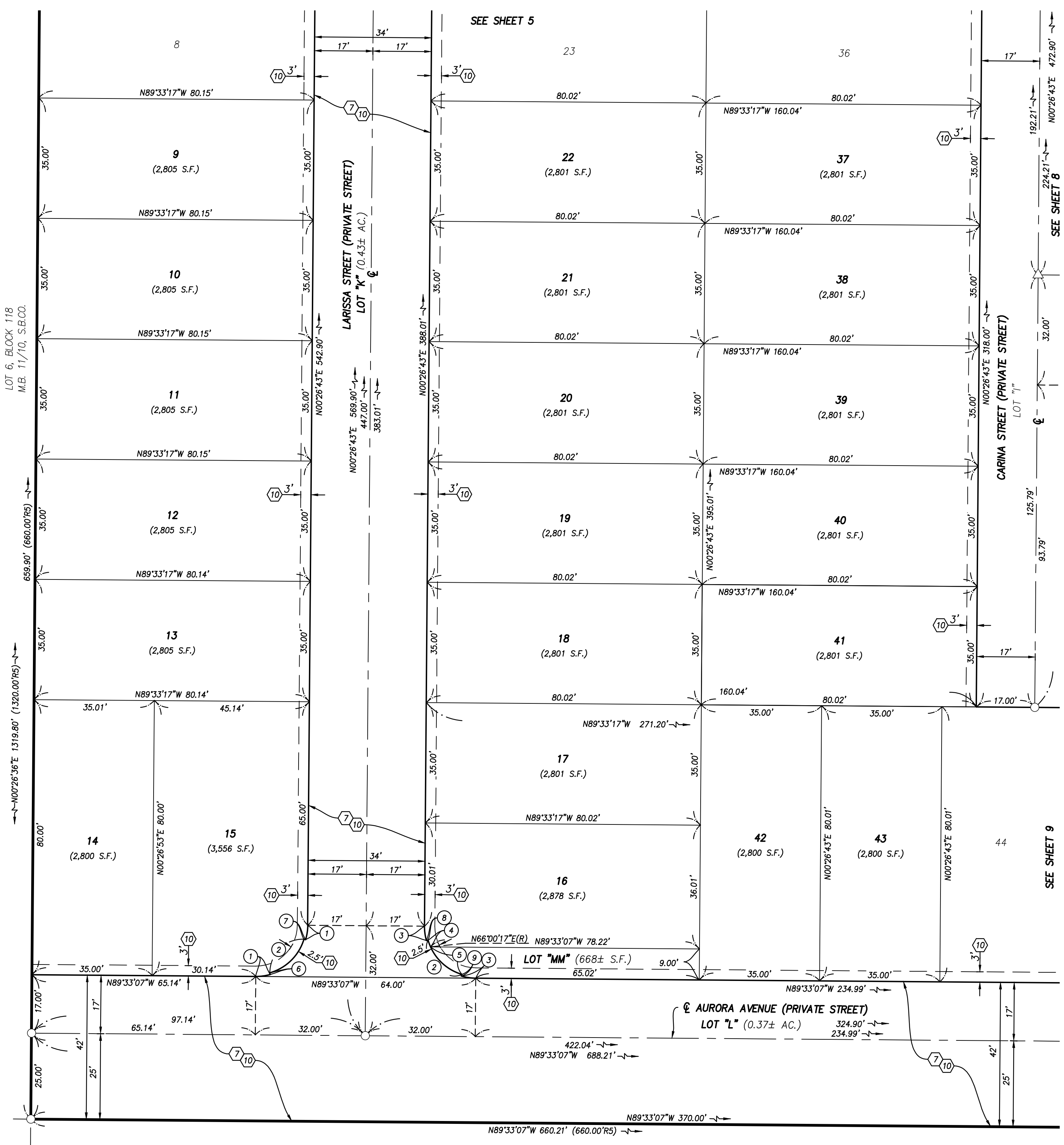
- ① $\Delta=16^{\circ}13'09''$ R=15.00' L=4.25'
- ② $\Delta=57^{\circ}33'52''$ R=14.50' L=14.57'
- ③ $\Delta=16^{\circ}12'59''$ R=15.00' L=4.25'
- ④ $\Delta=8^{\circ}13'27''$ R=14.50' L=2.08'
- ⑤ $\Delta=49^{\circ}20'25''$ R=14.50' L=12.49'
- ⑥ N15°46'16"W(R) 0.50'
- ⑦ N73°20'08"W(R) 0.50'
- ⑧ N74°13'44"E(R) 0.50'
- ⑨ N16°39'52"E(R) 0.50'



GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.



LOT 7, BLOCK 118
M.B. 11/10, S.B.CO.

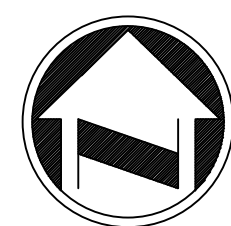
Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 7 OF 22 SHEETS

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.35., R.3W., S.B.M.



GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.

adkan
ENGINEERS

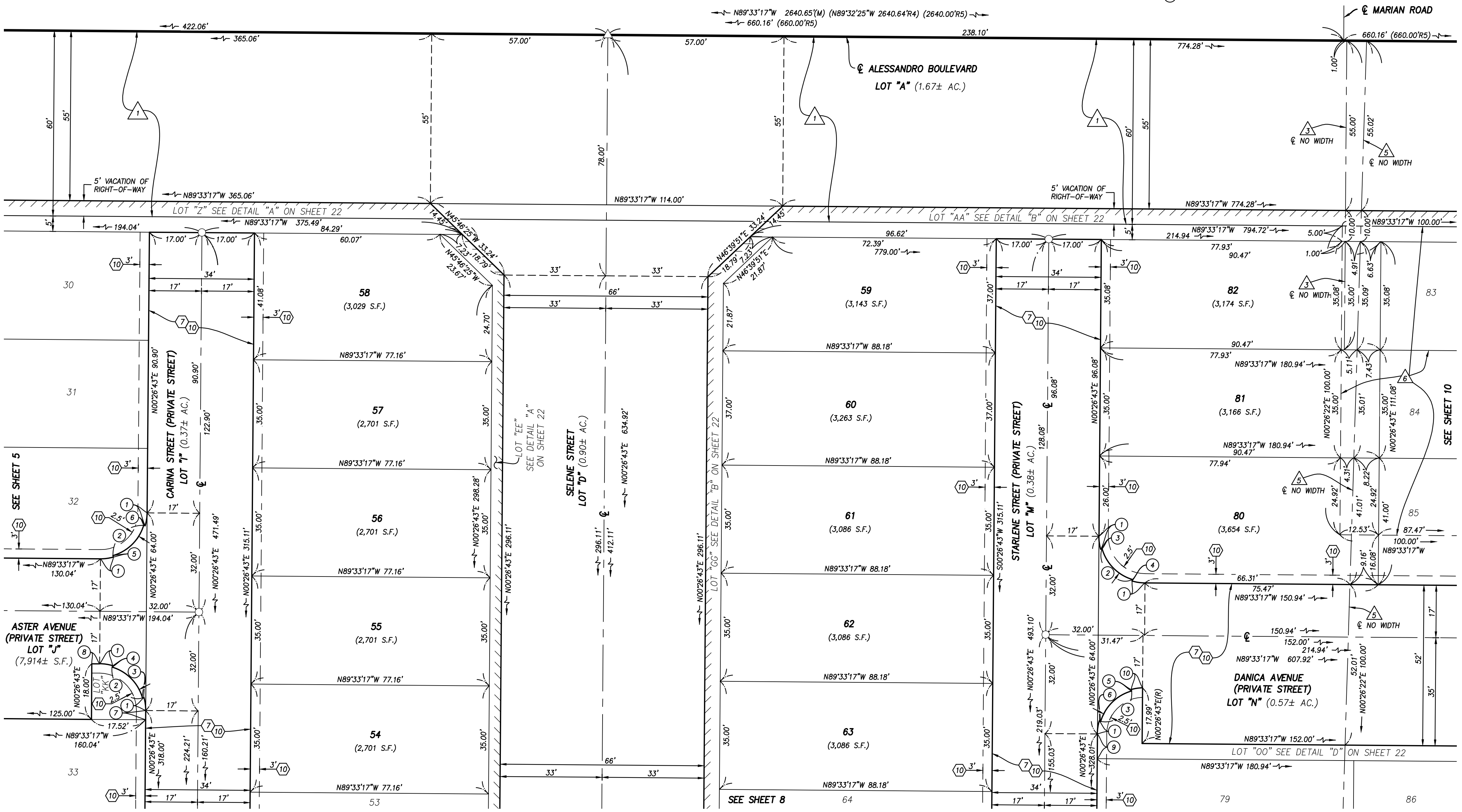
AUGUST 2021

COURSE DATA:

- ① Δ=16°13'04" R=15.00' L=4.25'
- ② Δ=57°33'52" R=14.50' L=14.57'
- ③ N74°13'39"E(R) 0.50'
- ④ N16°39'47"E(R) 0.50'
- ⑤ N15°46'21"W(R) 0.50'
- ⑥ N73°20'13"W(R) 0.50'
- ⑦ N00°26'43"E(R) 3.00'
- ⑧ N89°33'17"W 2.52'
- ⑨ N00°26'43"E 8.02'
- ⑩ Δ=14°11'23" R=15.00' L=3.71'

NOTE:

SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.



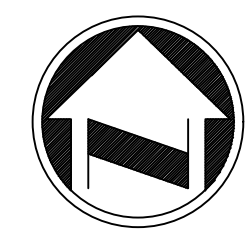
Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

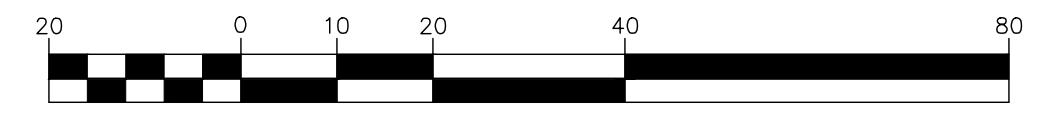
SHEET 8 OF 22 SHEETS

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.
LYING WITHIN SECTION 15, T.35., R.3W., S.B.M.



GRAPHIC SCALE



adkan
ENGINEERS

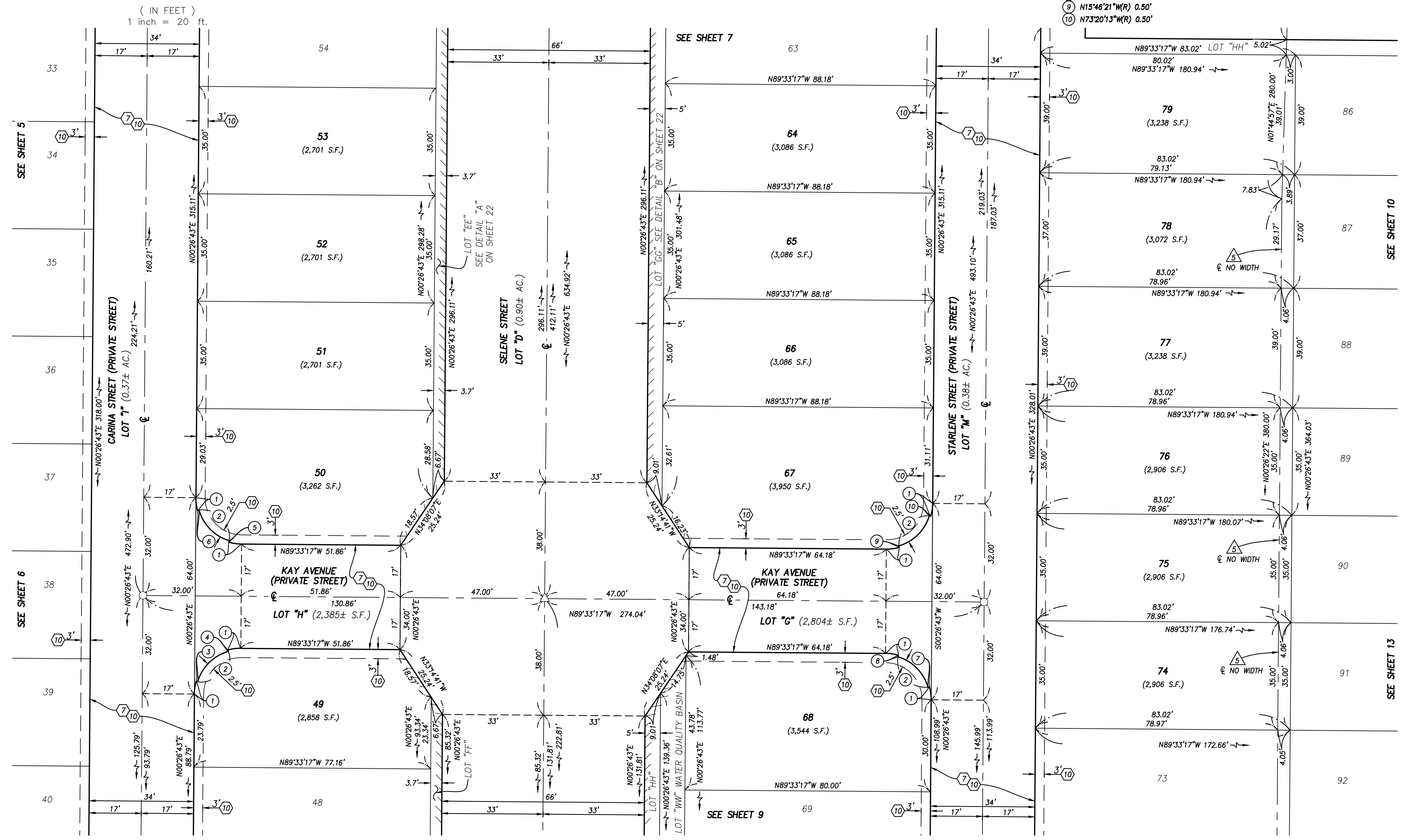
AUGUST 2021

COURSE DATA:

- ① Δ=16°13'04" R=15.00' L=4.25'
- ② Δ=57°33'52" R=14.50' L=14.57'
- ③ N73°20'13"W(R) 0.50'
- ④ N15°46'21"W(R) 0.50'
- ⑤ N16°39'47"E(R) 0.50'
- ⑥ N74°13'39"E(R) 0.50'
- ⑦ N74°13'39"E(R) 0.50'
- ⑧ N16°39'47"E(R) 0.50'
- ⑨ N15°46'21"W(R) 0.50'
- ⑩ N73°20'13"W(R) 0.50'

NOTE:

- SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
- SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
- SEE SHEET 4 FOR INDEX MAP.



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 9 OF 22 SHEETS

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

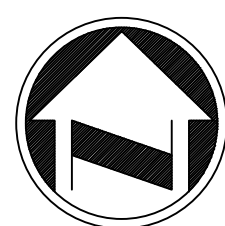
adkan ENGINEERS

AUGUST 2021

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.

COURSE DATA:

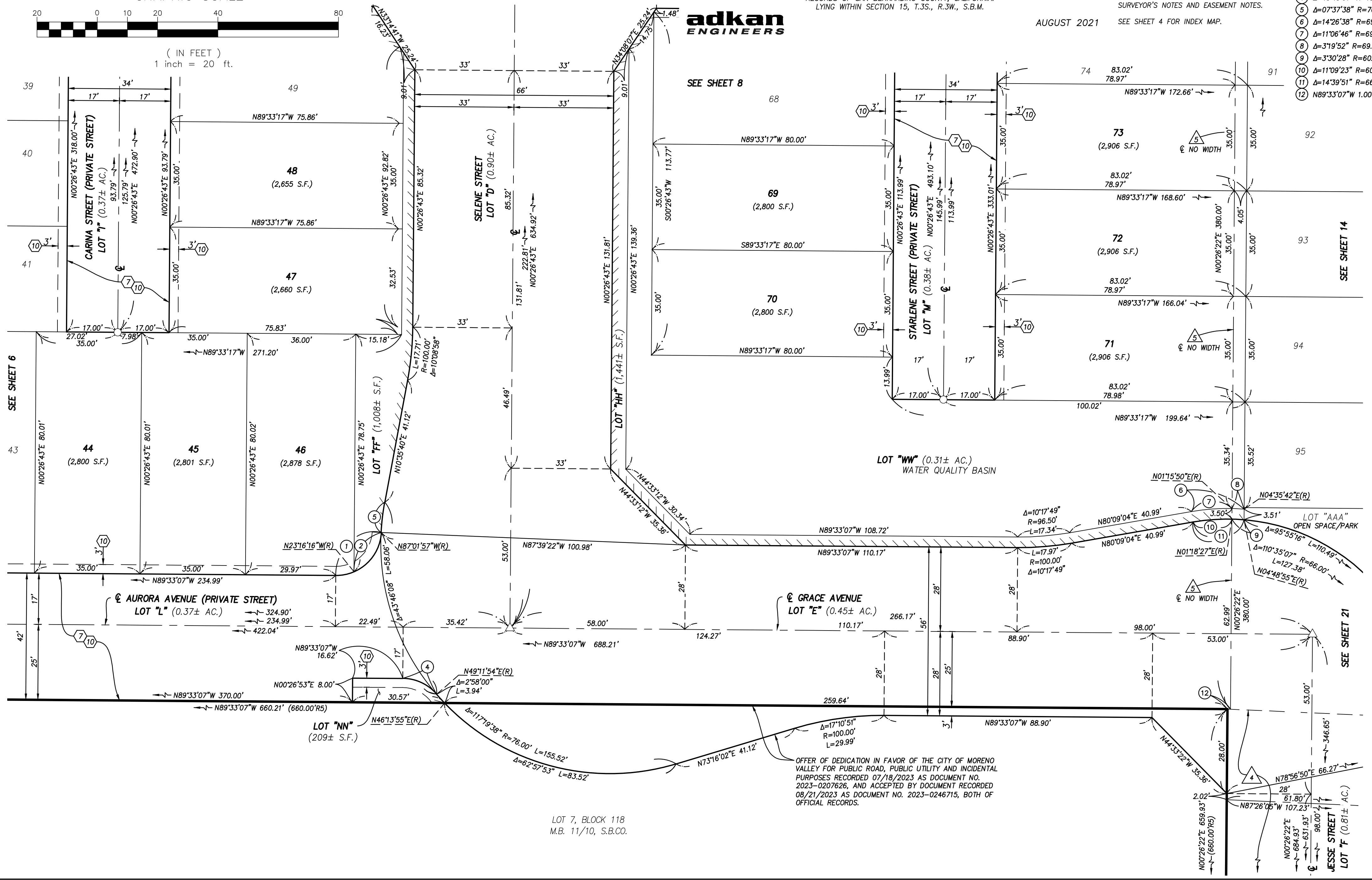
- Δ=87°28'50" R=15.00' L=22.90'
- Δ=63°45'41" R=15.00' L=16.69'
- Δ=23°43'09" R=15.00' L=6.21'
- Δ=48°45'01" R=15.00' L=12.76'
- Δ=07°37'38" R=76.00' L=10.12'
- Δ=14°26'38" R=69.50' L=17.52'
- Δ=11°06'46" R=69.50' L=13.48'
- Δ=3°19'52" R=69.50' L=4.04'
- Δ=3°30'28" R=60.00' L=4.04'
- Δ=11°09'23" R=60.00' L=12.85'
- Δ=14°39'51" R=66.00' L=16.89'
- N89°33'07"W 1.00'



GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.



OFFER OF DEDICATION IN FAVOR OF THE CITY OF MORENO VALLEY FOR PUBLIC ROAD, PUBLIC UTILITY AND INCIDENTAL PURPOSES RECORDED 07/18/2023 AS DOCUMENT NO. 2023-0207626, AND ACCEPTED BY DOCUMENT RECORDED 08/21/2023 AS DOCUMENT NO. 2023-0246715, BOTH OF OFFICIAL RECORDS.

Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) -- APPROVE COOPERATIVE AGREEMENT)

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.



AUGUST 2021

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.



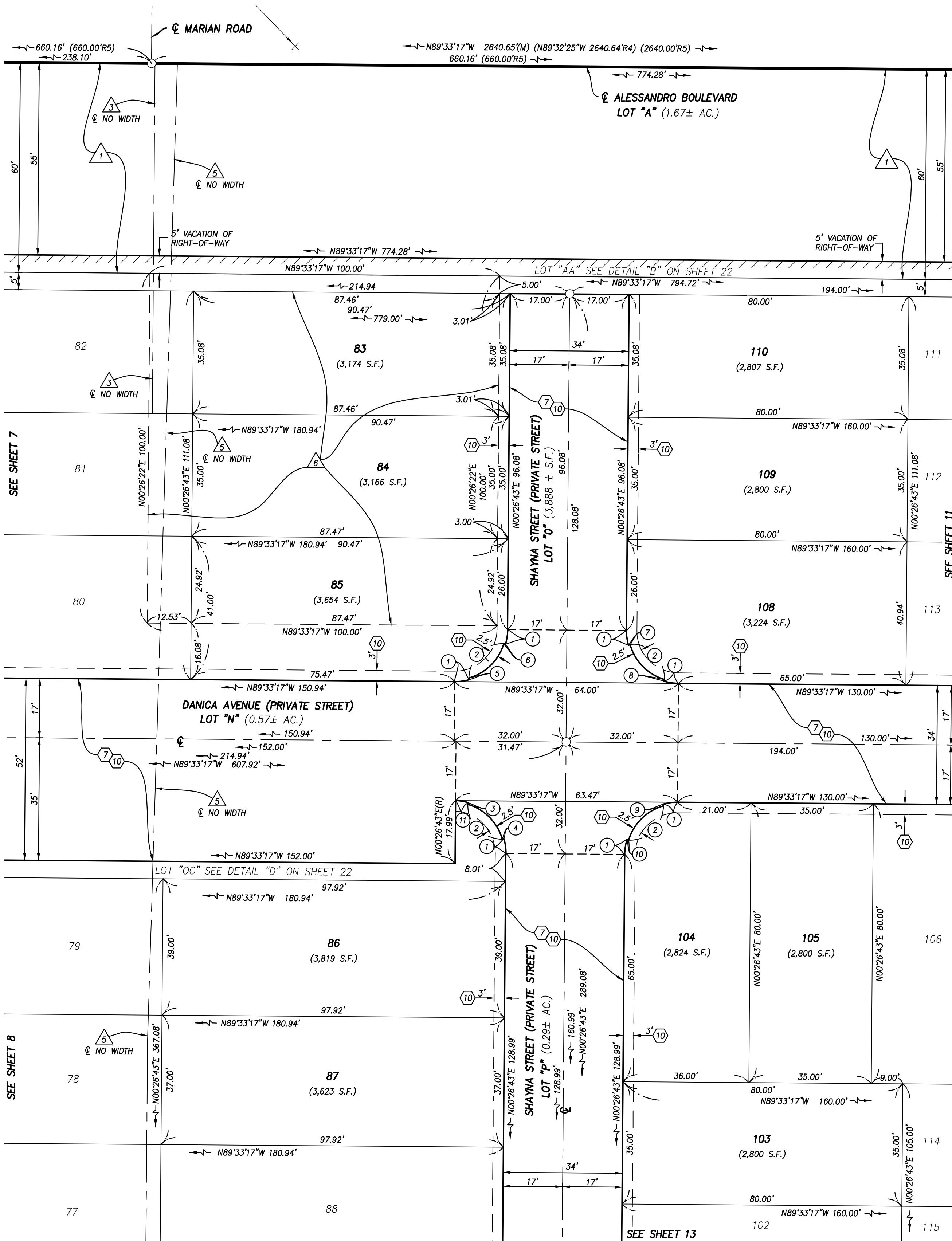
GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.

COURSE DATA:

- ① Δ=16°13'04" R=15.00' L=4.25'
- ② Δ=57°33'52" R=14.50' L=14.57'
- ③ N16°39'47"E(R) 0.50'
- ④ N74°13'39"E(R) 0.50'
- ⑤ N15°46'21"W(R) 0.50'
- ⑥ N73°20'13"W(R) 0.50'
- ⑦ N74°13'39"E(R) 0.50'
- ⑧ N16°39'47"E(R) 0.50'
- ⑨ N15°46'21"W(R) 0.50'
- ⑩ N73°20'13"W(R) 0.50'
- ⑪ Δ=14°11'23" R=15.00' L=3.71'



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236)) - APPROVE COOPERATIVE AGREEMENT

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

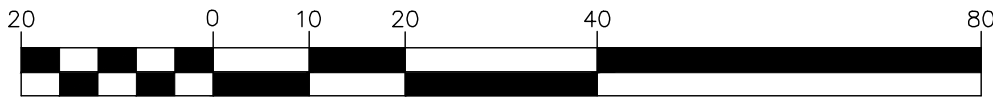


AUGUST 2021

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.



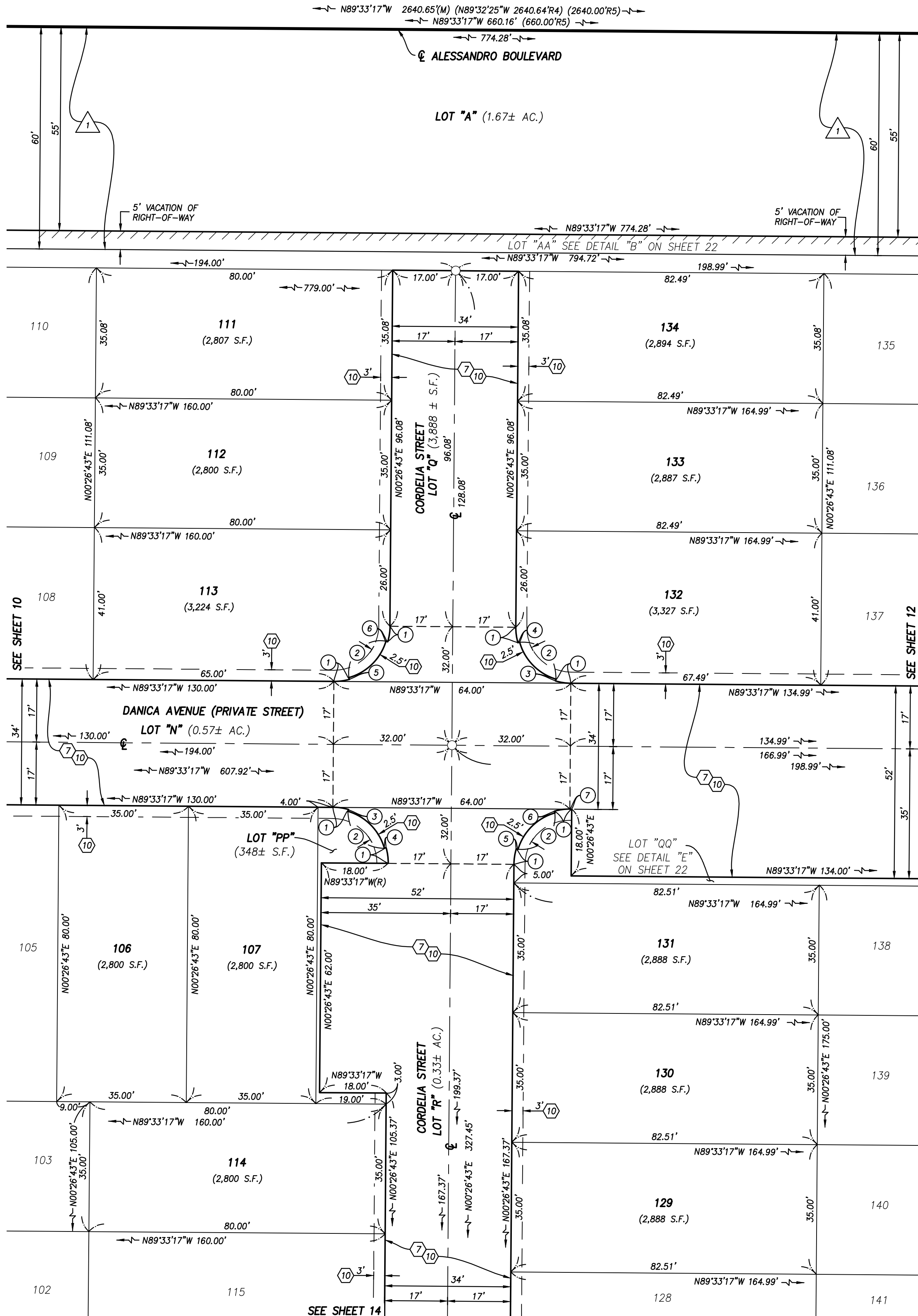
GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.

COURSE DATA:

- ① Δ=16°13'04" R=15.00' L=4.25'
- ② Δ=57°33'52" R=14.50' L=14.57'
- ③ N16°39'47"E(R) 0.50'
- ④ N74°13'39"E(R) 0.50'
- ⑤ N15°46'21"W(R) 0.50'
- ⑥ N73°20'13"W(R) 0.50'
- ⑦ N89°33'17"W 0.49'



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236)) - APPROVE COOPERATIVE AGREEMENT

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.



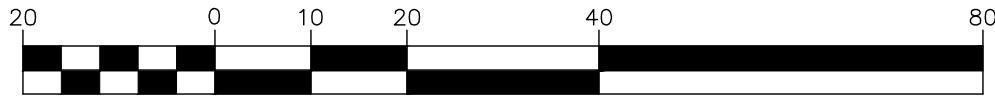
AUGUST 2021

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.

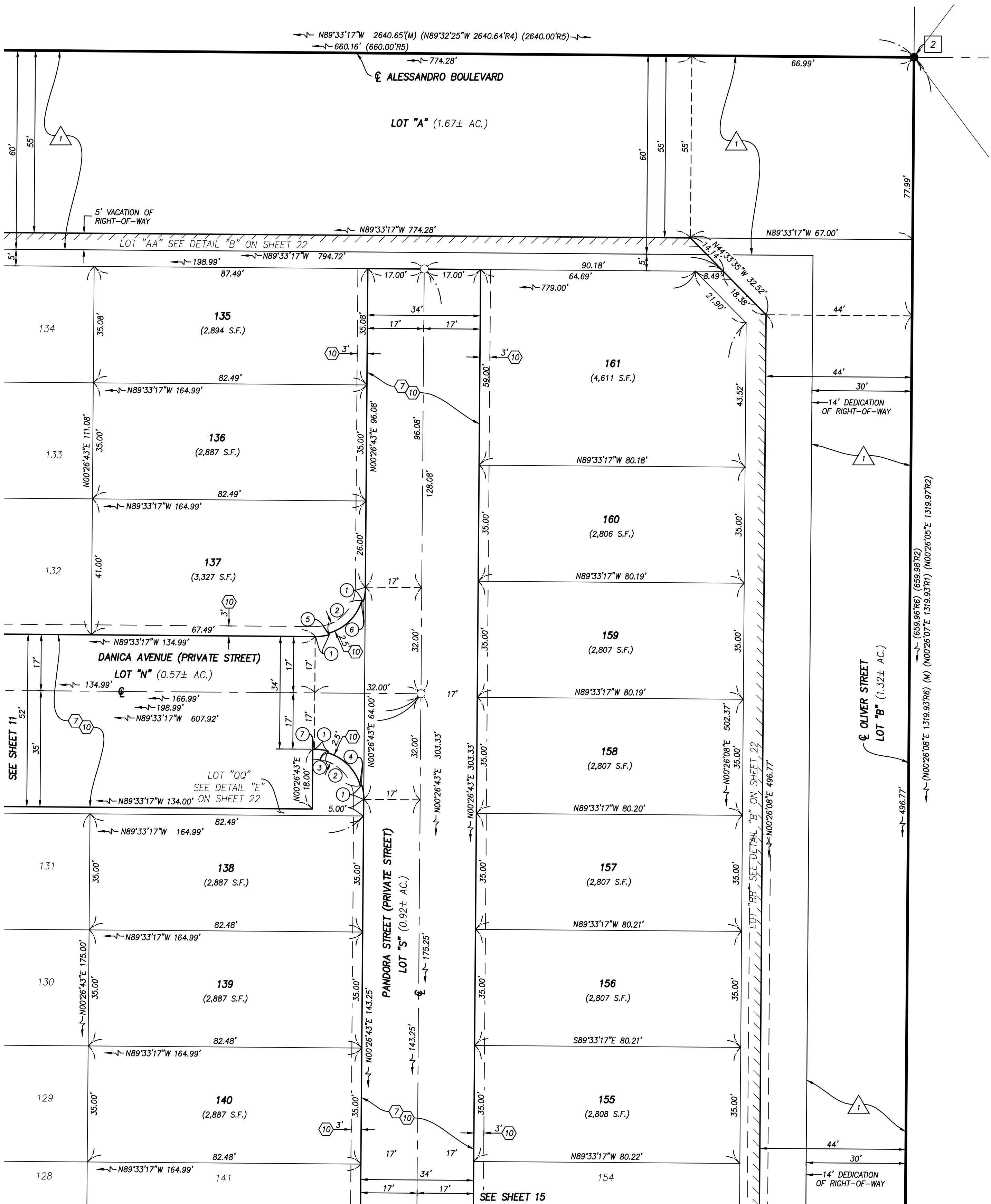
- COURSE DATA:**
- ① Δ=16°13'04" R=15.00' L=4.25'
 - ② Δ=57°33'52" R=14.50' L=14.57'
 - ③ N16°39'47"E(R) 0.50'
 - ④ N74°13'39"E(R) 0.50'
 - ⑤ N15°46'21"W(R) 0.50'
 - ⑥ N73°20'13"W(R) 0.50'
 - ⑦ N89°33'17"W 0.49'



GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.



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BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

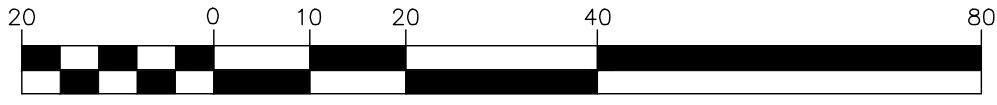


AUGUST 2021

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.



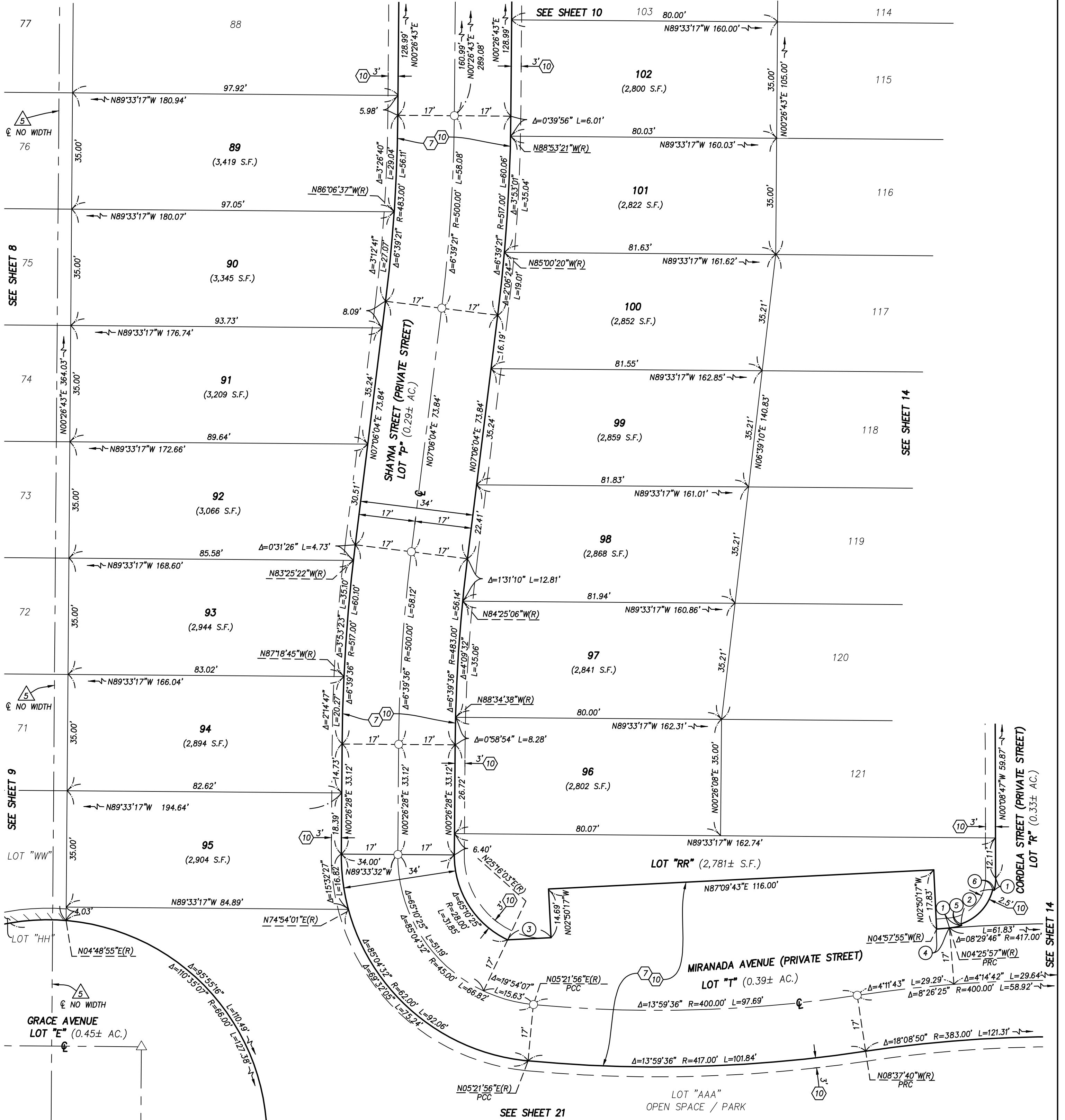
GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.

COURS DATA:

- ① Δ=14°04'29" R=15.00' L=3.68'
- ② Δ=57°33'52" R=14.50' L=14.57'
- ③ N87°09'43"E 13.07'
- ④ Δ=0°31'58" R=417.00' L=3.88'
- ⑤ N18°30'26"W(R) 0.50'
- ⑥ N76°04'18"W(R) 0.50'



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

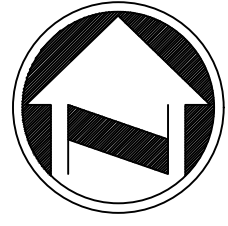


AUGUST 2021

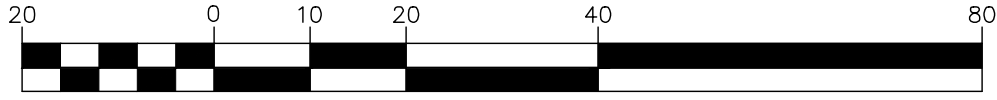
NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.

COURSE DATA:

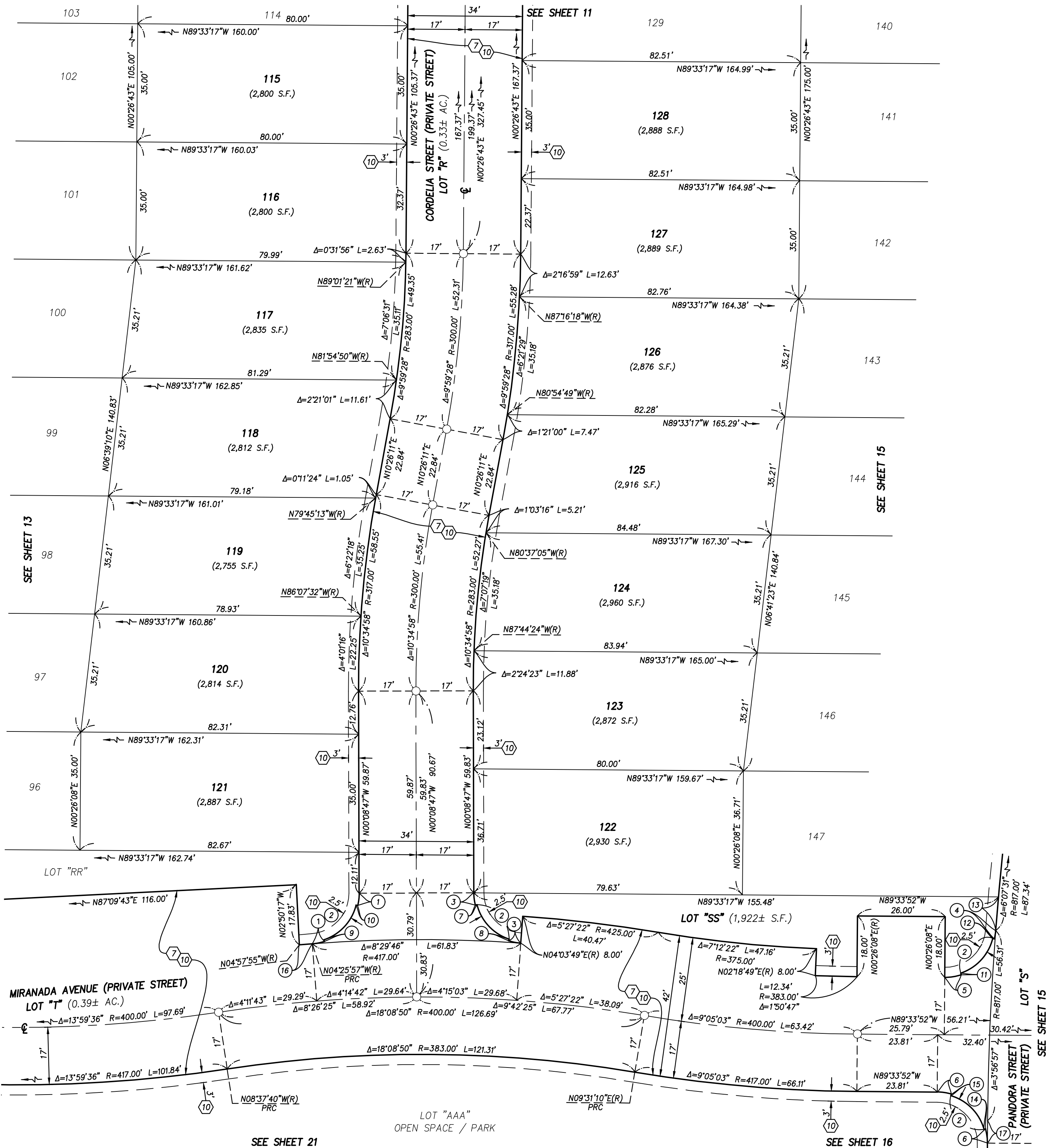
- ① $\Delta=14^{\circ}04'29''$ R=15.00' L=3.68'
- ② $\Delta=57^{\circ}33'52''$ R=14.50' L=14.57'
- ③ $\Delta=14^{\circ}06'46''$ R=15.00' L=3.69'
- ④ $\Delta=9^{\circ}26'33''$ R=15.00' L=2.47'
- ⑤ $\Delta=19^{\circ}02'38''$ R=15.00' L=4.99'
- ⑥ $\Delta=16^{\circ}13'04''$ R=15.00' L=4.25'
- ⑦ $N75^{\circ}44'27''E(R)$ 0.50'
- ⑧ $N18^{\circ}10'35''E(R)$ 0.50'
- ⑨ $N18^{\circ}30'26''W(R)$ 0.50'
- ⑩ $N76^{\circ}04'18''W(R)$ 0.50'
- ⑪ $N18^{\circ}36'31''W(R)$ 0.50'
- ⑫ $N76^{\circ}10'23''W(R)$ 0.50'
- ⑬ $\Delta=0^{\circ}42'17''$ L=10.05'
- ⑭ $N74^{\circ}13'04''E(R)$ 0.50'
- ⑮ $N16^{\circ}39'12''E(R)$ 0.50'
- ⑯ $\Delta=0^{\circ}31'58''$ R=417.00' L=3.88'
- ⑰ $N00^{\circ}26'08''E$ 6.70'



GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236)) - APPROVE COOPERATIVE AGREEMENT

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. LYING WITHIN SECTION 15, T.35., R.3W., S.B.M.



adkan
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AUGUST 2021

GRAPHIC SCALE



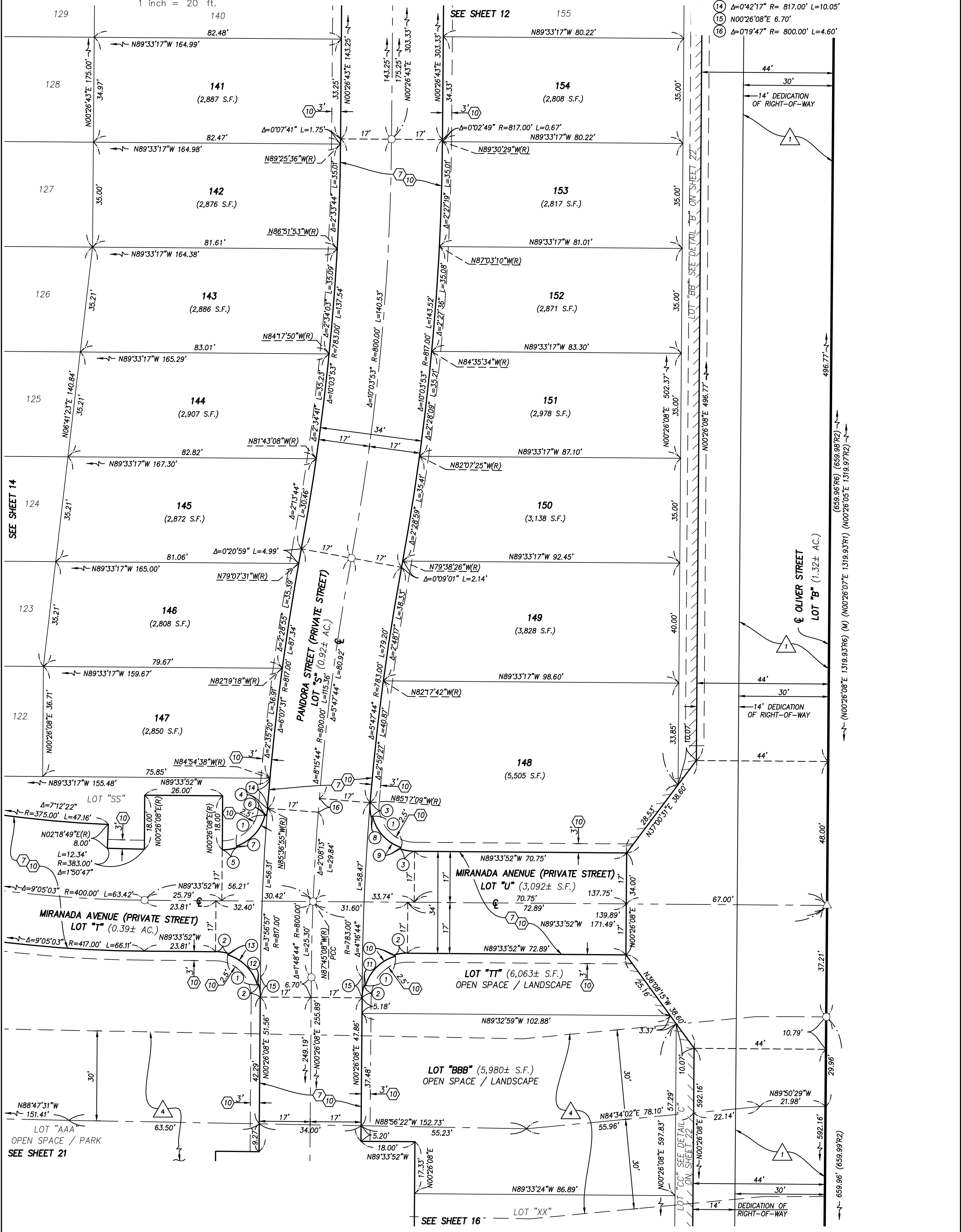
(IN FEET)
1 inch = 20 ft.

COURSE DATA:

- ① Δ=57°33'52" R=14.50' L=14.57'
- ② Δ=16°13'04" R=15.00' L=4.25'
- ③ Δ=18°21'26" R=15.00' L=4.81'
- ④ Δ=09°26'33" R=15.00' L=2.47'
- ⑤ Δ=19°02'38" R=15.00' L=4.99'
- ⑥ N76°10'23"W(R) 0.50'
- ⑦ N18°36'31"W(R) 0.50'
- ⑧ N76°21'26"E(R) 0.50'
- ⑨ N18°47'34"E(R) 0.50'
- ⑩ N15°46'56"W(R) 0.50'
- ⑪ N73°20'48"W(R) 0.50'
- ⑫ N74°13'04"E(R) 0.50'
- ⑬ N16°39'12"E(R) 0.50'
- ⑭ Δ=0°42'17" R= 817.00' L=10.05'
- ⑮ N00°26'08"E 6.70'
- ⑯ Δ=0°19'47" R= 800.00' L=4.60'

NOTE:

SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.



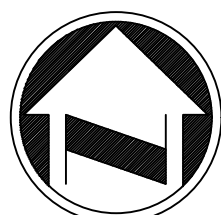
Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

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BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

AUGUST 2021

adkan
ENGINEERS



GRAPHIC SCALE



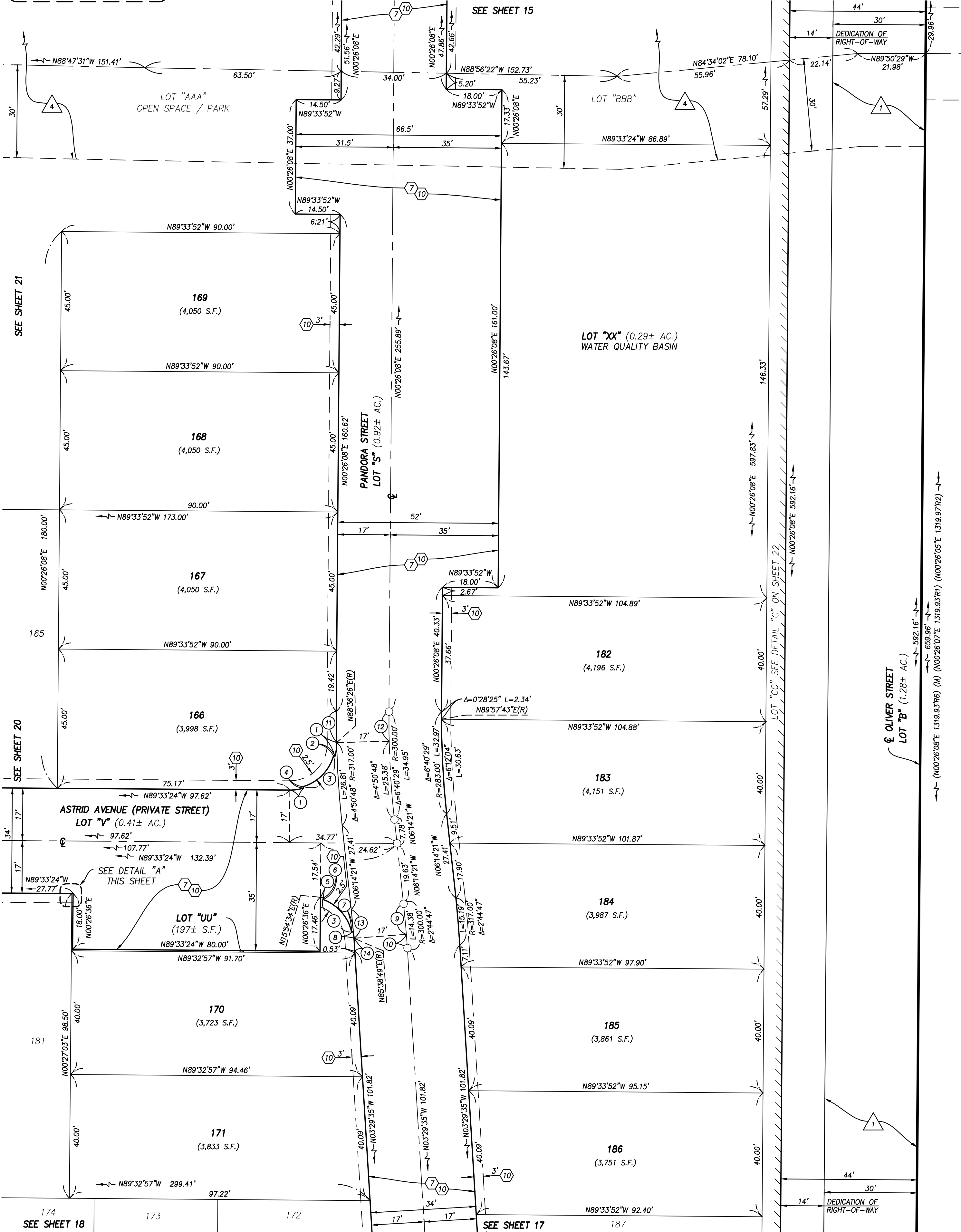
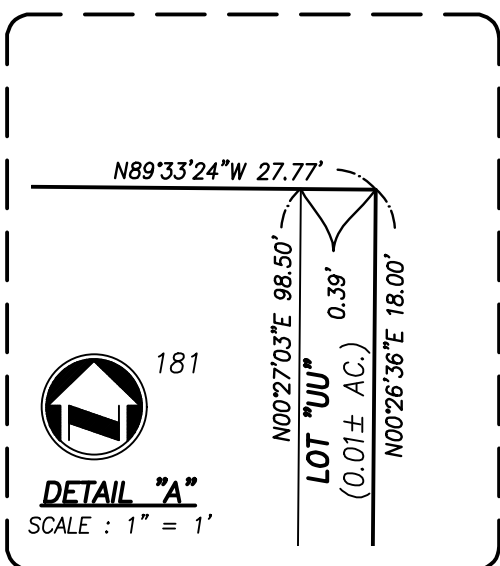
(IN FEET)
1 inch = 20 ft.

COURSE DATA:

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- ② N74°15'25"W(R) 0.50'
- ③ Δ=57°33'52" R=14.50' L=14.57'
- ④ N18°41'33"W(R) 0.50'
- ⑤ Δ=03°55'31" R=15.00' L=1.03'
- ⑥ N19°50'05"E(R) 0.50'
- ⑦ N77°23'57"E(R) 0.50'
- ⑧ Δ=08°14'52" R=15.00' L=2.16'
- ⑨ Δ=1°53'10" R=300.00' L=9.88'
- ⑩ Δ=0°51'36" R=300.00' L=4.50'
- ⑪ Δ=1°49'42" R=317.00' L=10.11'
- ⑫ Δ=1°49'42" R=300.00' L=9.57'
- ⑬ Δ=1°53'10" R=283.00' L=9.32'
- ⑭ Δ=0°51'36" R=283.00' L=4.25'

NOTE:

SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236)) - APPROVE COOPERATIVE AGREEMENT)

TRACT NO. 38236

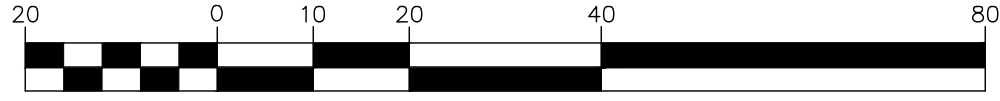
BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.



AUGUST 2021

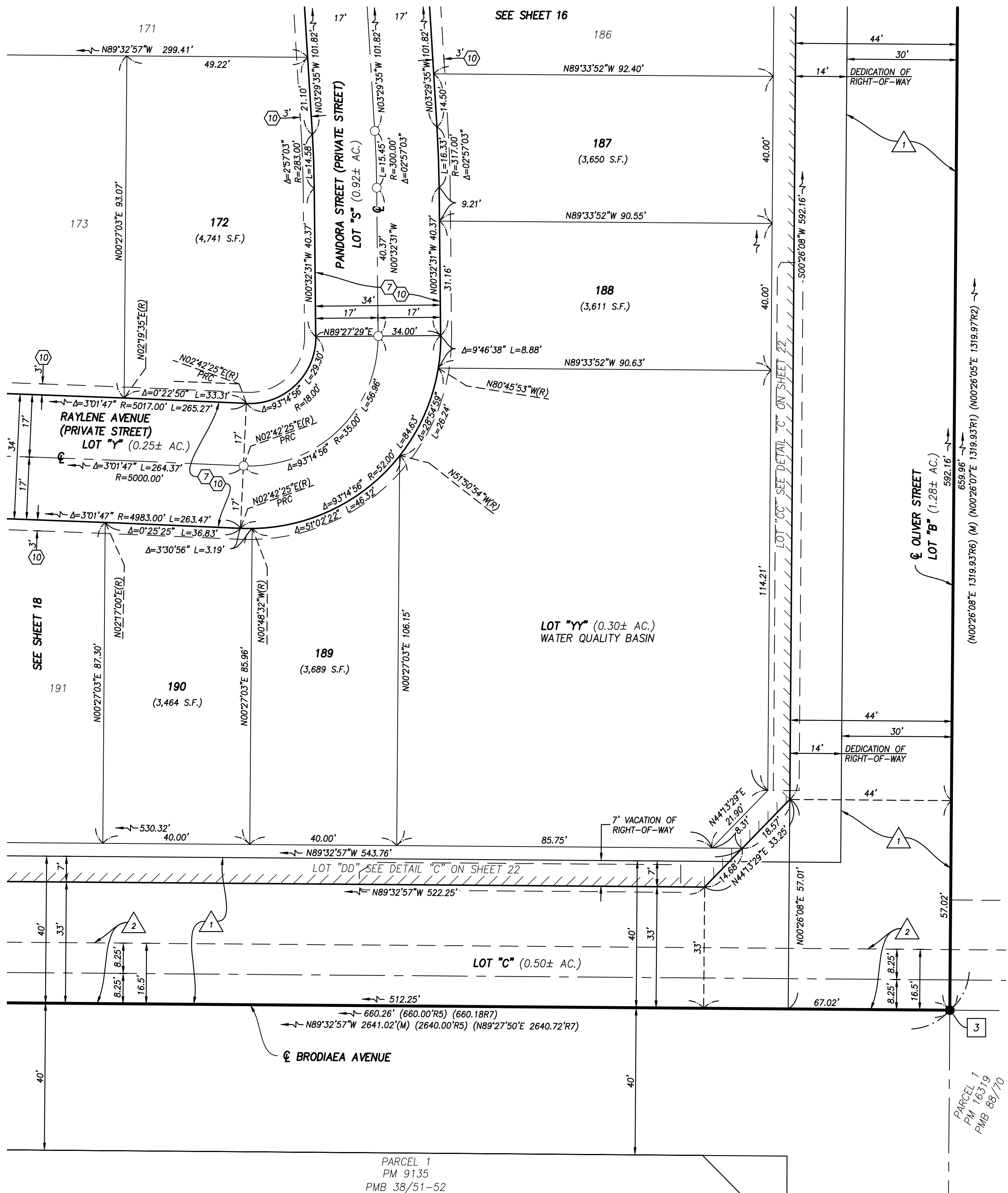


GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
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Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

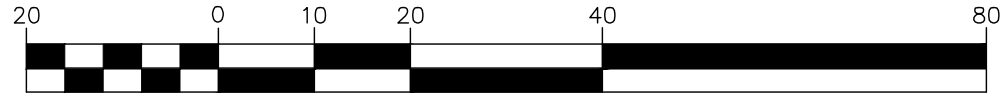


AUGUST 2021

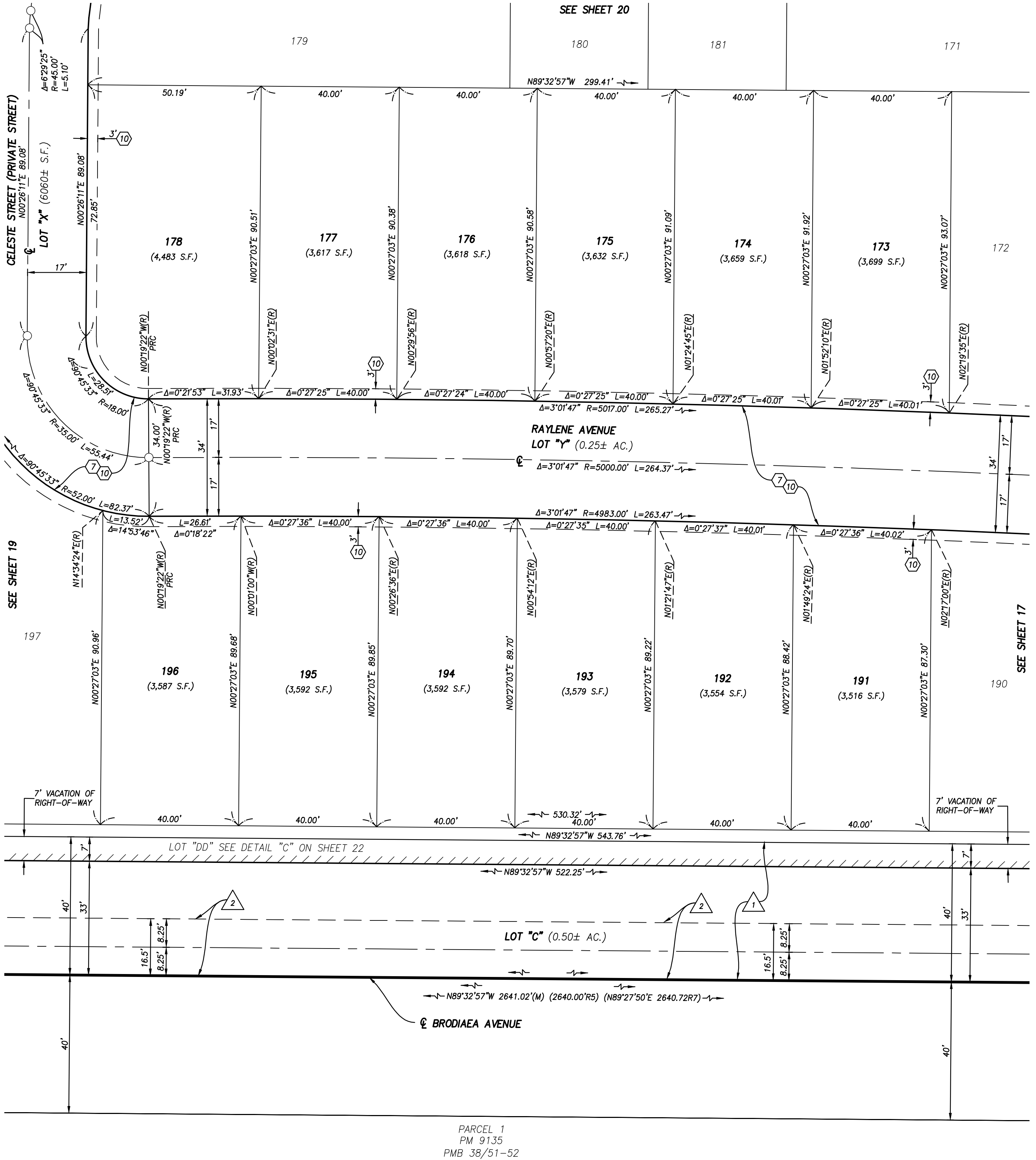
NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.



GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

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adkan
ENGINEERS

AUGUST 2021

COURSE DATA:

- ① N83°04'24"W 0.50'
- ② Δ=06°54'45" R=15.00' L=1.81'
- ③ N42°30'15"W(R) 0.50'
- ④ Δ=40°34'09" R=14.50' L=10.27'
- ⑤ N06°55'36"E 6.08'
- ⑥ Δ=19°27'21" R=15.00' L=5.09'
- ⑦ N77°28'16"E(R) 0.50'
- ⑧ Δ=57°33'52" R=14.50' L=14.57'
- ⑨ N19°54'24"E(R) 0.50'

NOTE:

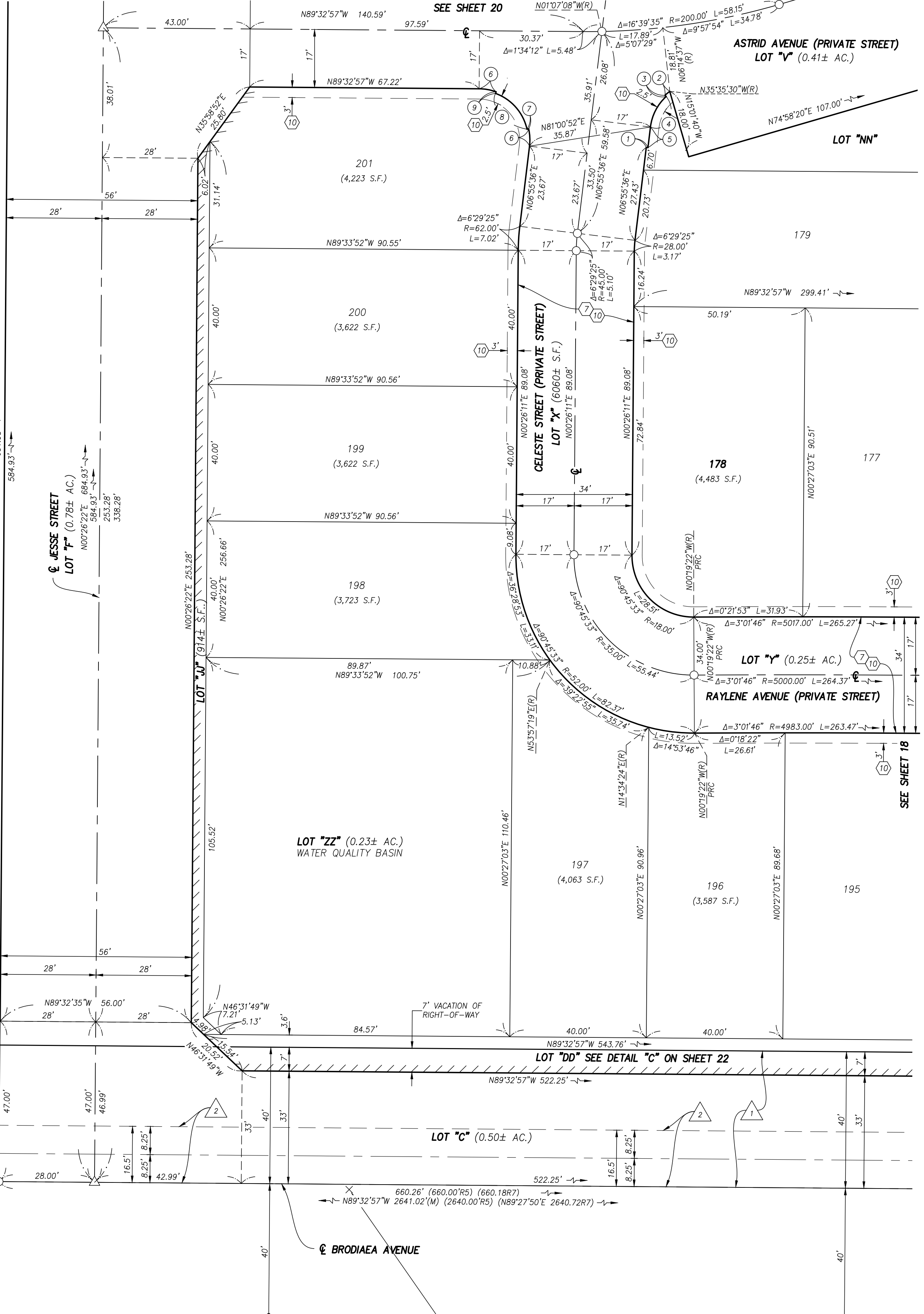
- SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
- SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
- SEE SHEET 4 FOR INDEX MAP.



(IN FEET)
1 inch = 20 ft.

LOT 7, BLOCK 118
M.B. 10/11, S.B.CO.

OFFER OF DEDICATION IN FAVOR OF THE CITY OF MORENO VALLEY FOR
PUBLIC ROAD, PUBLIC UTILITY AND INCIDENTAL PURPOSES RECORDED BY
07/18/2023 AS DOCUMENT NO. 2023-0207627, AND ACCEPTED BY
DOCUMENT RECORDED 08/21/2023 AS DOCUMENT NO. 2023-0246710,
BOTH OF OFFICIAL RECORDS.



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236)) - APPROVE COOPERATIVE AGREEMENT

IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

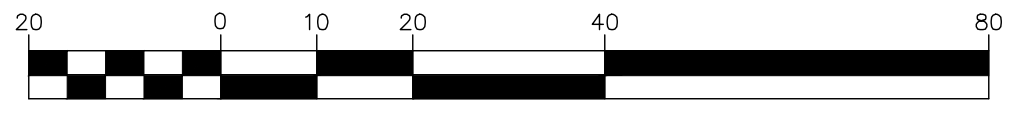
SHEET 20 OF 22 SHEETS

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.35., R.3W., S.B.M.



GRAPHIC SCALE



(IN FEET)
1 inch = 20 ft.

adkan
ENGINEERS

AUGUST 2021

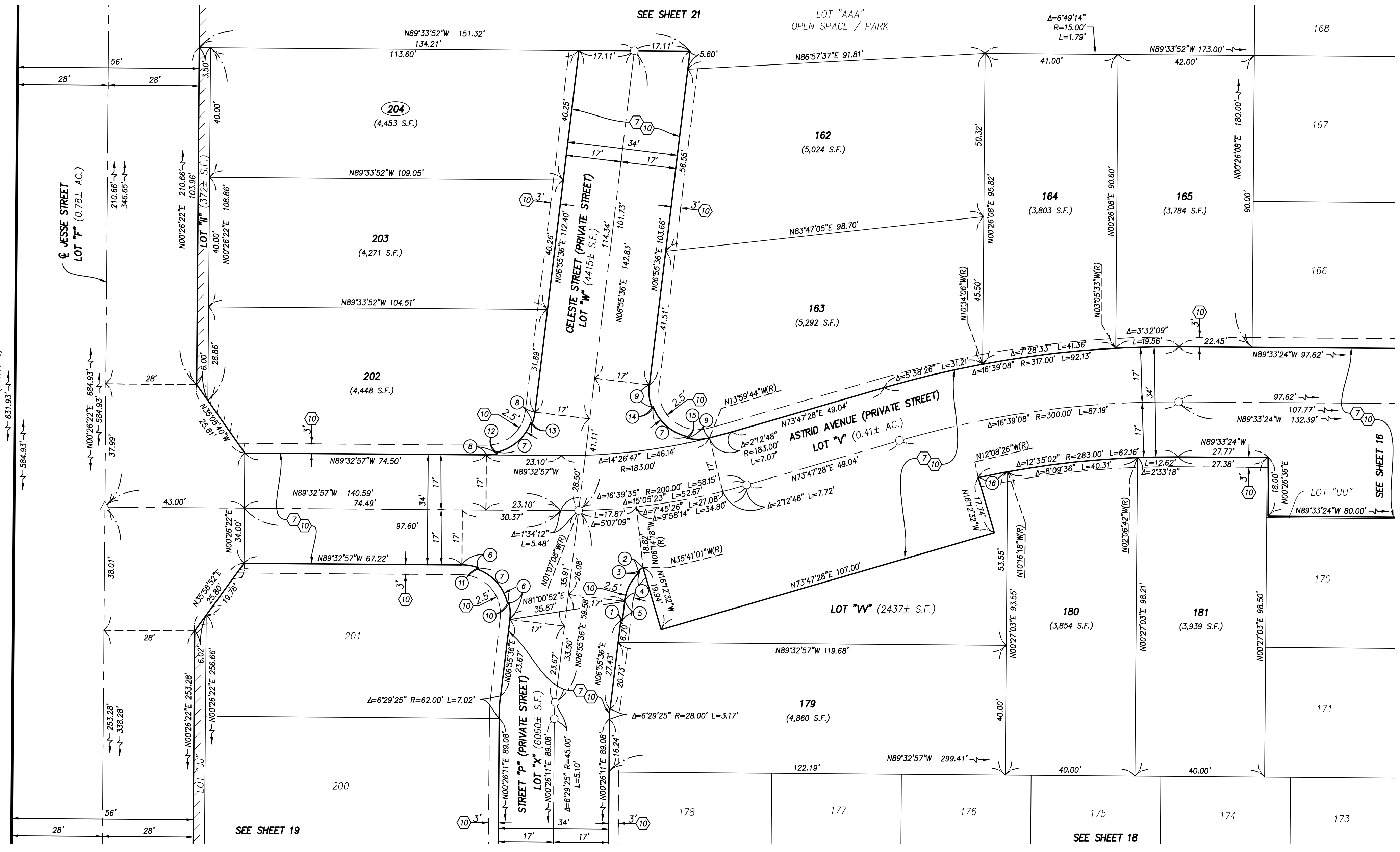
COURSE DATA:

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- ⑤ N06°55'36"E 6.08'
- ⑥ Δ=19°27'21" R=15.00' L=5.09'
- ⑦ Δ=57°33'52" R=14.50' L=14.57'
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- ⑪ N19°54'24"E(R) 0.50'
- ⑫ N12°31'44"W(R) 0.50'
- ⑬ N70°05'36"W(R) 0.50'
- ⑭ N70°14'52"E(R) 0.50'
- ⑮ N12°41'00"E(R) 0.50'
- ⑯ Δ=01°52'08" R=283.00' L=9.23'

NOTE:

SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
SEE SHEET 4 FOR INDEX MAP.

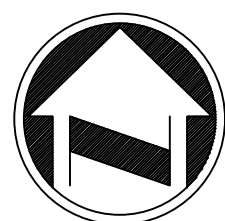
LOT 7, BLOCK 118
M.B. 11/10, S.B.C.O.



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)

IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 21 OF 22 SHEETS



GRAPHIC SCALE



(IN FEET)
1 inch = 30 ft.

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.
LYING WITHIN SECTION 15, T.35., R.3W., S.B.M.



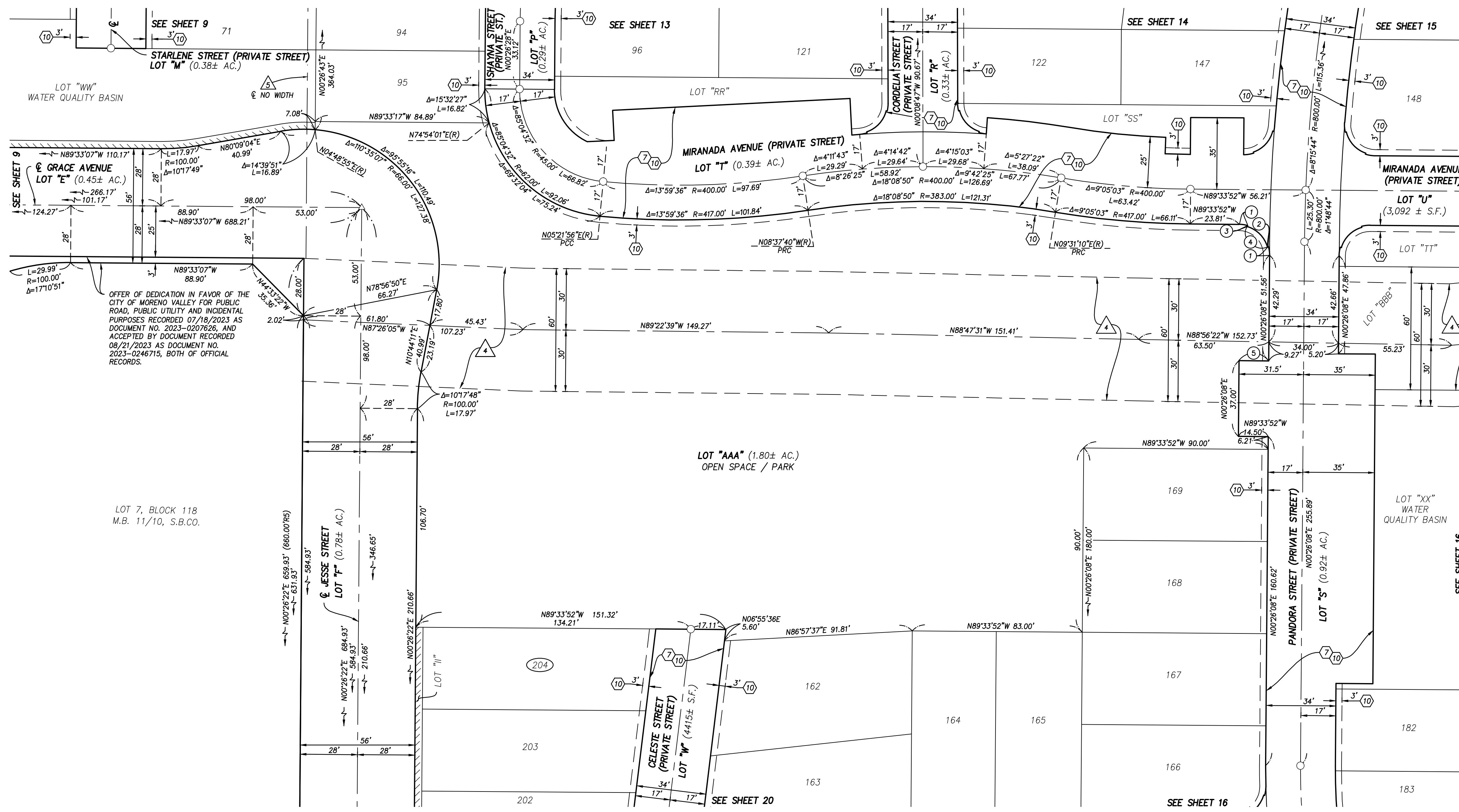
AUGUST 2021

COURSE DATA:

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- ② $N74'13'04''E(R)$ $0.50'$
- ③ $N16'39'12''E(R)$ $0.50'$
- ④ $\Delta=57'33'52''$ $R=14.50'$ $L=14.57'$
- ⑤ $N89'33'52''W$ $14.50'$

NOTE:

- SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.
- SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.
- SEE SHEET 4 FOR INDEX MAP.



OFFER OF DEDICATION IN FAVOR OF THE CITY OF MORENO VALLEY FOR PUBLIC ROAD, PUBLIC UTILITY AND INCIDENTAL PURPOSES RECORDED 07/18/2023 AS DOCUMENT NO. 2023-0207626, AND ACCEPTED BY DOCUMENT RECORDED 08/21/2023 AS DOCUMENT NO. 2023-0246715, BOTH OF OFFICIAL RECORDS.

LOT 7, BLOCK 118
M.B. 11/10, S.B.CO.

Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184) (TR 38236) - APPROVE COOPERATIVE AGREEMENT

TRACT NO. 38236

BEING A SUBDIVISION OF LOTS 1, 2 AND 8 IN BLOCK 118 OF MAP NO. 1 OF THE LANDS OF THE BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 11, PAGE 10 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, LYING WITHIN SECTION 15, T.3S., R.3W., S.B.M.

NOTE:
SEE SHEET 2 FOR BASIS OF BEARINGS AND VICINITY MAP.

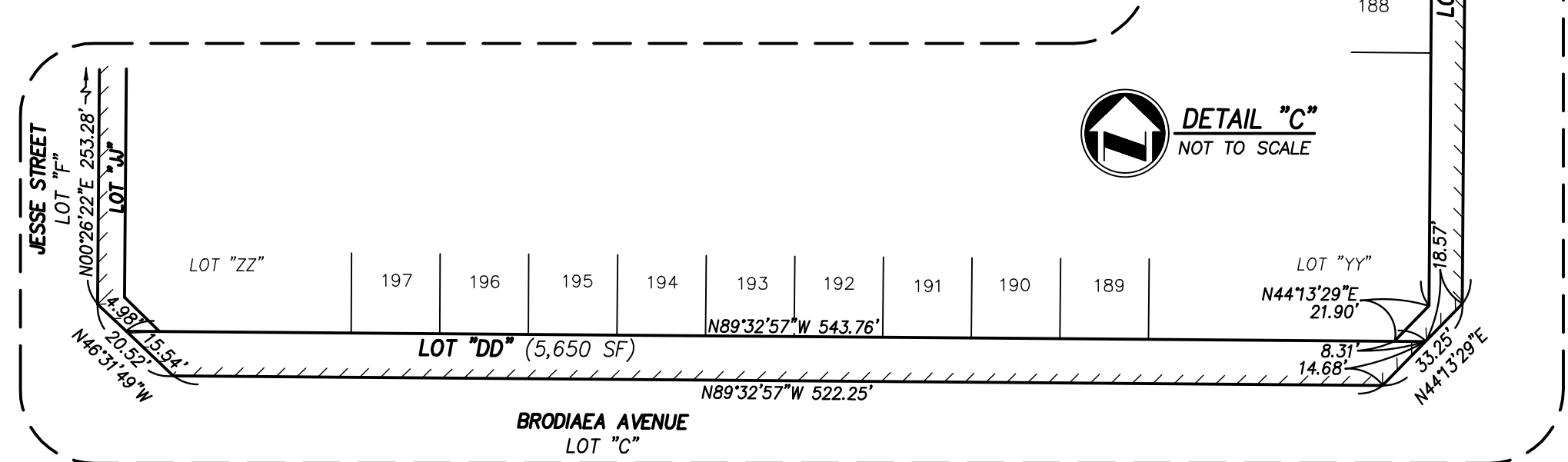
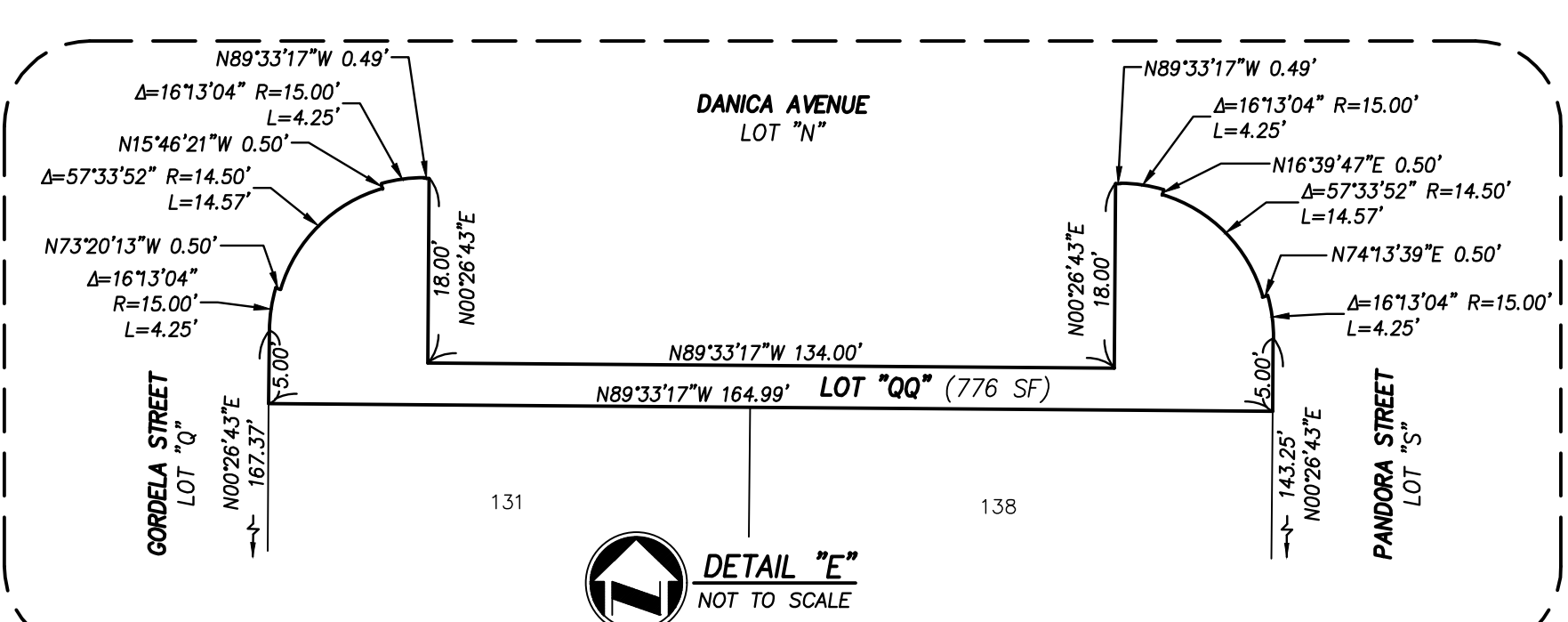
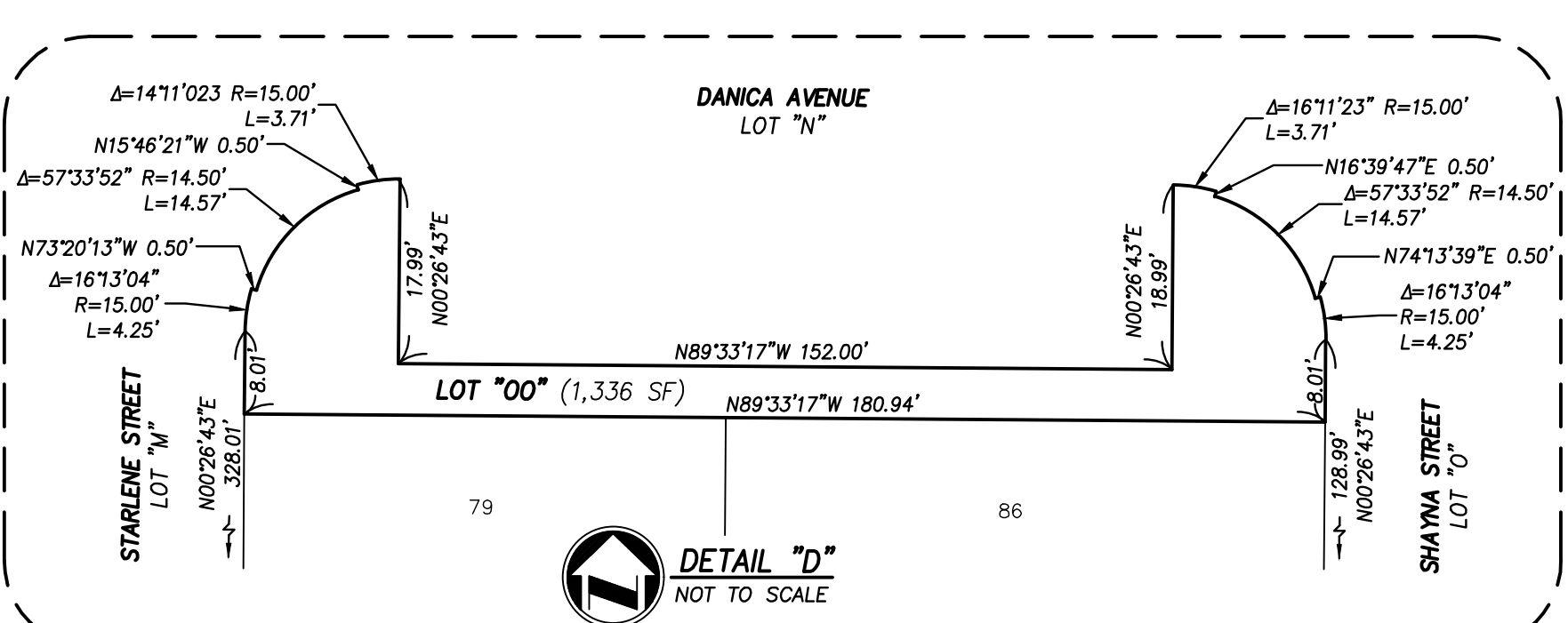
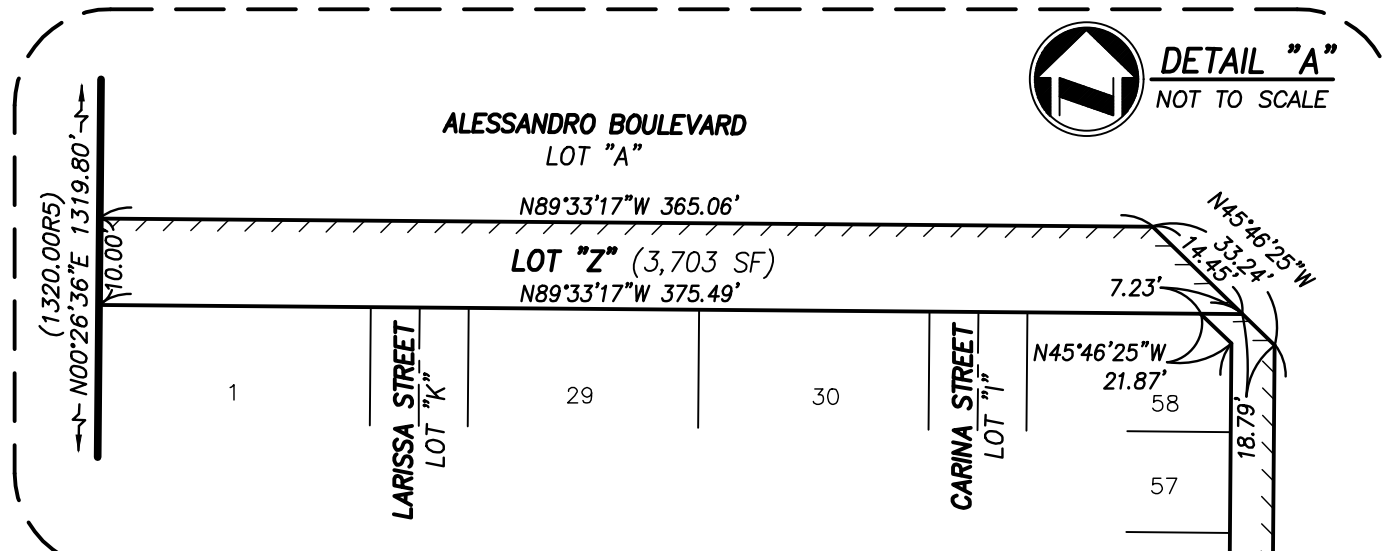
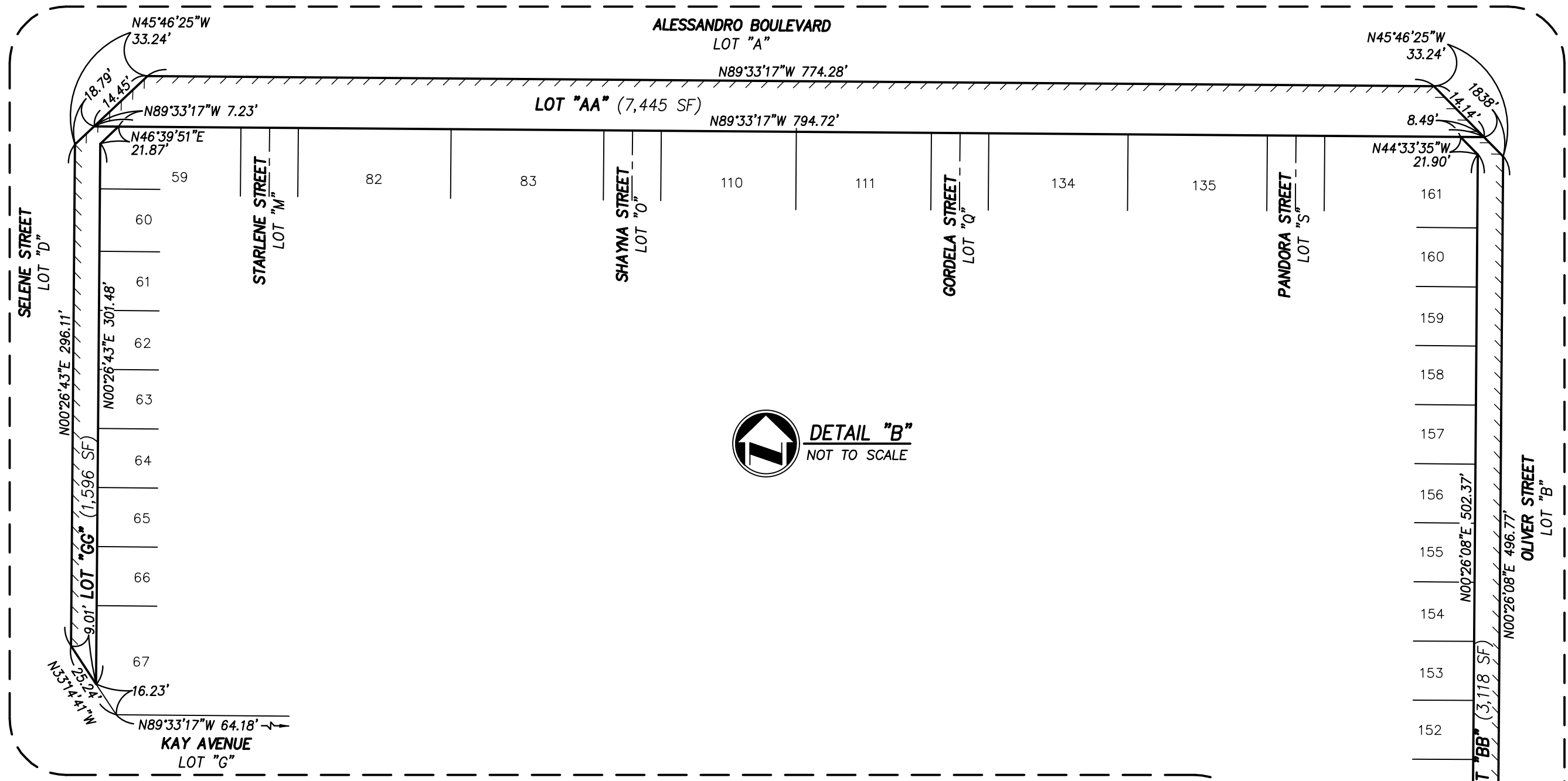
SEE SHEET 3 FOR BOUNDARY MAP, SURVEYOR'S NOTES AND EASEMENT NOTES.

SEE SHEET 4 FOR INDEX MAP.

adkan
ENGINEERS

AUGUST 2021

DETAILS



Attachment: FTM_38236_20230824-Signed Sbm1 (6321 : PEN21-0184 (TR 38236) - APPROVE COOPERATIVE AGREEMENT)



Report to City Council

TO: Mayor and City Council

FROM: Steve Quintanilla, Interim City Attorney

AGENDA DATE: September 19, 2023

TITLE: PUBLIC HEARING – TOWN CENTER PROJECT
ECONOMIC OPPORTUNITY SUMMARY REPORT
PURSUANT TO GOVERNMENT CODE SECTION 52201

RECOMMENDED ACTION

That the City Council conduct the Public Hearing and adopt the attached Resolution approving the Economic Opportunity Summary Report for the Town Center Project pursuant to Government Code Section 52201, and approve of the related Purchase and Sale Agreement.

DISCUSSION AND ANALYSIS

A. Background

(1) City's Purchase of Subject Property

In 1985, the City purchased approximately 56.42 acres of land located at the northwest corner of Alessandro Boulevard and Nason Street ("Subject Property"). The City purchased the Subject Property as a potential Civic Center site known as the "Town Center Project."

(2) Moreno Valley General Plan 2040 Downtown Plan

The Downtown Center Plan Policy ("Downtown Plan"), as set forth in the Moreno Valley "General Plan 2040," ("General Plan") specifically provides for the development of the Subject Property, which is located in the heart of the City, as a vibrant new "Downtown Town Center" (the "Town Center"). The Town Center has been planned to serve as a focal point of the community and destination for people from around the region. Specifically, as described in the Downtown Plan, the plan is to develop the Subject Property with a mix of business, entertainment, residential, cultural, and civic uses which will create a synergy that will provide activities for the public throughout the

day and into the evening. The Downtown Plan also envisions the Town Center as having Nason Street designed as a grand boulevard and central spine of the Town Center, with the highest intensity of development focused along it, along with a walkable new “main street” envisioned at the core, lined with shops, restaurants, workplaces, and cultural venues. Currently, the Subject Property is vacant and undeveloped, and owned in fee simple by the City.

(3) RFP/Purchase and Sale Agreement

The City prepared and distributed a Request for Proposals (RFP) for the development of the “Town Center Project” in November 2019. The RFP was distributed to more than 9,000 developers. Lewis Acquisition Company, LLC (“Developer”) was selected as the “Developer” in March 2020.

In the RFP and a Purchase and Sale Agreement (“PSA”) with Lewis Acquisition Company, LLC (“Developer”) regarding the Subject Property, the City Council identified economic development as the #1 strategic priority of the City Council for the Town Center Project. The purpose of the proposed sale is for the Developer to construct the Town Center Project as described in the General Plan’s Downtown Plan. It will include a mixed use master planned Town Center consisting of commercial, office and public uses that will include entertainment, hospitality, restaurants, shops, office buildings and public amenities such as, but not limited to, public parkland, public open space, public sidewalks, public streets, public art displays, a police substation, an Innovation Library/Technology Center and other civic uses, complemented by high density residential housing, as envisioned and planned per the Downtown Plan.

The Developer has agreed to purchase the Subject Property for \$5,600,000, which is consistent with the appraised value of the Subject Property as determined by Cushman & Wakefield Western, Inc. in an independent appraisal. It has also been determined that \$5,600,000 is a reasonable price for the Subject Property and does not constitute a gift of public funds.

Under the PSA, the Developer will be required to pay: (i) all of the escrow fees and charges; (ii) the cost of the premium for the Title Policy; (iii) the cost of all endorsements to the Title Policy; (iv) all costs and charges for the recordation of any grant deeds; (v) any documentary or other local transfer taxes on the transfer of the Subject Property; and (vi) the Developer’s share of the charges prorated under the PSA. In addition, the Developer will be required to pay for all applicable filing and processing fees as set forth in the Moreno Valley Municipal Code (“Municipal Code”) in the amounts set forth in the schedule of fees in effect at the time such fees are due and payable during the review process related to the land use entitlements for the Town Center Project. The Developer will also be required to pay all applicable Development Impact Fees (“DIF”) as set forth in the Municipal Code and/or any applicable fee schedule adopted by the City. The Developer, however, will receive credits against such fees if the Developer constructs any public infrastructure contained in the City's capital improvement DIF Fee program. Such credits will not be extended to include any credits

for any DIF fees for the \$2,000,000 one-acre public park amenity that the Developer is required to incorporate into the Town Center Project at no cost to the City. Finally, in addition to the above, the Developer will be required to reimburse the City for the actual costs and expenses reasonably incurred by the City for all services provided by the City and its consultants, including legal counsel, for review, preparation and processing of the Land Use Entitlements and other permits, licenses, etc. for the Town Center Project, which are not factored in the City's standard processing fees. In light of the foregoing, the City will not incur any costs under the PSA.

B. Economic Opportunity

As stated above, in the RFP and the PSA, the City Council identified economic development as the #1 strategic priority of the City Council for the Town Center Project.

Section 52201(a)(1) of the Government Code provides in part that a city may sell property to create an economic opportunity. Section 52201(c) of the Government Code further provides that the provisions of Section 52201 are an alternative to any other authority granted by law to cities to dispose of city-owned property.

Section 52200.2(b) of the Government Code provides in part that "Economic Opportunity" includes sale agreements or other agreements that increase property tax revenues to all property tax collecting entities, in which the legislative body finds that the agreement will result in an increase of at least 15 percent of total property tax resulting from the project at full implementation when compared to the year prior to the property being acquired by the government entity."

There will be three revenue producing components of the Town Center Project: 1) Commercial, 2) Residential, and 3) Hotel. Based on the analysis performed by HdL EconSolutions, upon buildout, the Subject Property will provide economic vitality and new opportunities for businesses, residents, and visitors. The Town Center Project will generate new revenue for the City through property tax, sales tax and transient occupancy tax (from the hotel) estimated to exceed \$2,000,000 annually upon completion of the Town Center Project. This amount is projected to grow to nearly \$3.3 million by year 25 (with a 2% compounded annual growth rate), and over a 25-year period, assuming a 2.0% escalator, the City would collect a projected \$64,688,974 in tax revenues from the Town Center Project.

(1) Sales Tax Revenue

The combined annual sales receipts for the Commercial Component are projected to amount to \$80,951,600, which will produce annual sales tax revenue for the City in the amount of \$809,516. For residential use, based on SiteSeer demographics, the City averages 3.74 persons per household which has a disposable income of \$85,411, which HdL Econ Solutions estimates 30% will be used for household spending, with 70% potentially taxable.

The Town Center Project will employ 285 employees, who are projected to spend \$2,163,720 per year, with annual total taxable spending estimated to be \$1,514,604, which will produce \$15,146 in additional sales tax revenue for the City on an annual basis which, together with the additional sales tax revenue to be generated by the Town Center Project's construction workers and residents, is estimated to exceed \$152,000 annually. The Developer is also committed to coordinating with the City's Employment Resource Center to conduct periodic job fairs for prospective businesses within the Town Center Project and to promote local hiring for the businesses and tenants within the Town Center Project.

(2) Transient Occupancy Tax Revenue

The Hotel Component, which will include an upscale lodging establishment, is expected to produce annual transient occupancy tax revenue in the amount of \$563,326, based on a projected 80% occupancy rate.

(3) Property Tax Revenue

Upon transfer of ownership to the Developer, the Subject Property's tax rate will be increased from \$0 to a tax rate of 1.11692 percent of the \$5,600,000 sales price of the Subject Property. The entire cost (total building valuation) of the Town Center Project, not including land is estimated at over \$301,000,000, which has the potential of producing more than \$494,000 in annual property tax revenue, compared to \$0 since the Subject Property is currently exempt from property taxes under City ownership. The Residential, Commercial and Hotel Components of the Town Center Project are projected to respectively produce a stream of \$389,395, \$69,703, and \$35,192, in annual property tax revenue for the City's General Fund. In summary, the Town Center Project will generate increased property taxes in an amount vastly exceeding the 15% threshold identified as a measure of "economic opportunity" in Government Code 52200.2(b), when compared to the year prior to the acquisition of the Subject Property by the City in 1985.

C. Summary Report

A Summary Report has been prepared pursuant to Section 52201 of the Government Code, with regards to the Purchase and Sale Agreement. Section 52201 of the Government Code provides that a city may sell property to create an economic opportunity. The acquisition, sale, or lease shall first be approved by the legislative body (city council) by resolution after a legally noticed public hearing. The City is also required to make available a copy of a Summary Report that describes and contains specific elements of the proposed transaction for public inspection prior to the public hearing.

As required, the Summary Report contains the following information:

- A copy of the proposed sale agreement; and
- A summary that describes the following:
 - The cost of the agreement to the city, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the city, plus the expected interest on any loans or bonds to finance the agreements;
 - The estimated value of the interest to be conveyed, determined at the highest and best uses permitted under the City's General Plan or zoning;
 - The estimated value of the interest to be conveyed determined at the use and with the conditions, covenants, and development costs required by the sale;
 - The purchase price which is not less than the fair market value of the interest to be conveyed, determined at the highest and best use; and
 - An explanation of why the acquisition, sale, or lease of the subject property will assist in the creation of economic opportunity, with reference to all supporting facts and materials relied upon in making this explanation.

The Summary Report is organized into the following sections:

- Summary of the Proposed Sale – This section includes a description of and other relevant information pertaining to the proposed sale of the Subject Property by the City to the Developer pursuant to the terms of the PSA;
- Cost of the Agreement to the City – This section addresses the cost of the PSA to the City, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the City, plus the expected interest on any loans or bonds to finance the agreements;
- Estimated Value of the Interest to be Conveyed Determined at the Highest and Best Use Permitted Under the General Plan or Zoning – This section estimates the value of the interest to be conveyed, determined at the highest and best use permitted under the General Plan and zoning for the Subject Property;
- Estimated Value of the Interest to be Conveyed Determined at the Use and with the Conditions, Covenants, and Development Costs Required by the Sale – This section estimates the value of the Subject Property interest to be conveyed determined at the use and with the conditions, covenants, and development costs required by the sale of the Subject Property (i.e., the purchase price);
- Consideration Received and Comparison with the Established Value – This section addresses that the sales price of the Subject Property is not less than the fair market value for the Subject Property based on its highest and best use; and

- Economic Opportunity – This section includes an explanation of why the sale of the Subject Property will assist in the creation of economic opportunity.

D. Surplus Lands Act

Typically, before a local agency disposes of (sells) any real property, it must comply with the Surplus Lands Act. The Surplus Land Act requires local agencies to complete certain procedures before disposing of surplus land. "Surplus land" is defined as land owned in fee simple by a local agency for which the local agency's governing body declares at a regular public meeting that the land is not necessary for the agency's use [Gov Code Section 54221(b)(1)].

In situations where the Surplus Lands Act is applicable, before disposing of surplus land, the local agency must send a written notice of availability of the property to certain entities, for the purpose of developing low- or moderate-income housing, park and recreation or open space purposes, school purposes, or infill development purposes. Entities desiring to purchase or lease surplus land for low- and moderate-income housing, park and recreation or open space purposes, school purposes, or infill development purposes must notify the local agency within 60 days after receipt of notice from the local agency. If there is any interest expressed by any of the entities which have received notice of availability, the local agency must engage in good-faith negotiations with the interested entity for a period of 90 days.

(1) Agency's Use

As described above, land owned by a city that is ***necessary for the agency's use is not "surplus land" or "exempt surplus land."*** The Surplus Lands Act defines "agency's use" as including, but not limited to, land that is being used, is ***planned to be used under a written plan adopted by the local agency's governing body or is disposed of to support the agency's work.*** [Gov. Code Section 54221 (c)(1)].

Here, the City purchased the Subject Property as a potential Civic Center site known as the "Town Center" in the Downtown Plan, as set forth in the General Plan. (General Plan 2040, p 2-16). The General Plan includes several written plans and policies related to the development of the Subject Property. The Downtown Plan envisions a vibrant mix of business, entertainment, residential, cultural, and **civic uses**. (General Plan 2040, p 2-10). One of the main purposes for selling the Subject Property is to implement the General Plan's Downtown Plan by requiring the Developer to set aside land for or develop, construct, or install multiple civic "agency uses", that will include ***public amenities such as public parkland, public open space, public sidewalks, public streets, public art displays, a police substation, and an Innovation Library/Technology Center,*** which the Developer will be providing for the benefit of the City at no cost to the City.

In light of the foregoing agency uses which are integral and necessary for the Town Center Project, and for the other reasons described below, the City Council has

not taken any action to declare the Subject Property “surplus land or “exempt surplus land.”

(2) Surplus Lands Act Conflicts with Economic Opportunity Statues

AB 1486 (Ting) amended Article 8 Surplus Land, as set forth in Government Code sections 54220-54234. It’s clear that these amendments were designed to provide opportunities for public land to be used for affordable housing. However, although the goals of the amendments are laudable, they fail to consider the realities of how public agencies use and dispose of real property.

The amendments included Section 54226 which expressly provides that “No provision of this article [Article 8 Surplus Land] shall be applied when it conflicts with any other provision of statutory law.” (Amended by Stats. 2019, Ch. 664, Sec. 7. (AB 1486) Effective January 1, 2020.) Statutory Law is commonly defined as a written law or group of laws passed by a legislature or other official governing bodies, as distinguished from the unwritten law or common law.

Some of the statutory laws in question include the economic opportunity statutes – specifically Government Code Section 52201. Section 52201 clearly provides that a city may sell property to create an economic opportunity. Notably, Government Code Section 52200.6 provides that the economic opportunity process is an alternative to any authority of a city to create an economic opportunity to sell property for economic development, found in the Constitution, state law, local ordinance or charter. And, while Section 52200.6 further states that the economic opportunity statutes do not limit or in any way affect the application of any other such laws, the plain reading of AB 1486, which was adopted after the economic opportunity statutes, explicitly provides otherwise under Section 54226, which again states that no provision of Article 8 Surplus Land shall be applied when it conflicts with any other provision of statutory law.

Since AB 1486 does not provide a definition of “conflict,” it is appropriate to apply the plain meaning rule to Section 54226. The plain meaning rule dictates that statutes are to be interpreted using the ordinary meaning of the language of the statute. In other words, a statute is to be read word for word and is to be interpreted according to the ordinary meaning of the language, unless a statute explicitly defines some of its terms otherwise. Under the plain meaning rule, ordinary words are given their ordinary meaning and technical terms are given their technical meaning. The plain meaning rule is the mechanism that prevents courts from taking sides in legislative or political issues.

At the very least, the plain language of Section 54226 must be interpreted to mean that a conveyance of property for an economic opportunity as defined in the Government Code that complies with the procedures set forth in Section 52201 conflicts with Article 8 (Surplus Land) making Article 8 inapplicable under Section 54226.

The economic opportunity statutes were adopted in 2014 in the wake of the dissolution of redevelopment agencies. The purpose of the economic opportunity statutes was to set forth processes and procedures for cities to create economic

opportunity, through increasing jobs and generating tax revenue for all levels of government. The procedures are substantially similar to the procedures previously relied on by redevelopment agencies. In adopting Government Code Sections 52200 et seq., the State Legislature declared: (1) “whenever the creation of economic opportunity in cities . . . cannot be accomplished by private enterprise alone, without public participation and assistance in the acquisition of land, in planning and in the financing of land assembly, in the work of clearance, and in the making of improvements necessary therefor, it is in the public interest to advance or expend public funds for these purposes, and to provide a means by which economic opportunity can be created;” and (2) “that the creation of economic opportunity and the provisions for appropriate continuing land use and construction policies with respect to property acquired, in whole or in part, for economic opportunity constitute public uses and purposes for which public money may be advanced or expended and private property acquired, and are governmental functions of state concern in the interest of health, safety, and welfare of the people of the state and cities and counties.” Government Code §§ 52200.4(b) and (c), emphasis added.

Economic opportunity under the economic opportunities’ statutes includes agreements that create, retain, or expand new jobs. Economic opportunity also includes increasing property tax revenues to all property tax collecting entities, in which the legislative body finds that the agreement will result in an increase of at least 15% of total property tax resulting from the project at full implementation when compared to the year prior to the property being acquired by the local agency. Incidentally, the economic opportunity statutes also include the “creation of affordable housing” as an economic opportunity, provided that a demonstrated affordable housing need exists in the community, as defined in the approved housing element or regional housing needs assessment.

With respect to creating new jobs, the Town Center Project’s establishment of certain commercial, retail and office uses will provide employment opportunities for the residents of the City and create many local construction job opportunities. In this regard, the Developer will be required to coordinate with the City of Moreno Valley Employment Resource Center to conduct job fairs for the Project’s prospective businesses and to make commercially reasonable efforts to encourage local hire for the business’ tenants within the Project.

With respect to increasing property tax revenues, the Town Center Project will have three revenue producing components of the Town Center Project: 1) Commercial, 2) Residential, and 3) Hotel, which upon buildout, the Town Center Project will generate new revenue for the City through property tax, sales tax and transient occupancy tax estimated to exceed \$2,000,000 annually upon completion of the Town Center Project. Again, this amount is projected to grow to nearly \$3.3 million by year 25 (with 2% compounded annual growth rate), and over a 25-year period, assuming a 2.0% escalator, the City would collect a projected \$64,688,974 in tax revenues from the Town Center Project. In light of these figures, the Town Center Project will clearly generate increased property taxes in an amount vastly exceeding the 15% threshold identified as

a measure of “economic opportunity” in Government Code 52200.2(b), when compared to the year prior to the acquisition of the Subject Property by the City in 1985.

Moreover, development of the Town Center Project’s higher valued residential land with market-rate housing amongst the mix of residential and non-residential uses is essential to the Town Center Project’s economic viability. The residential component must absorb a greater share of the improvement costs and fees in order to make the non-residential land financially feasible to improve and develop. In other words, without a market-rate residential component, the Town Center Project would not otherwise be economically feasible; thus, depriving the City of the economic opportunity which is the principal objective of the Town Center Project.

The resulting increased revenues from the sale or lease of the market rate residential units is essential for the Developer to finance the construction of the necessary public improvements and major public amenities required in the Downtown Plan. An analysis was performed by HdL EconSolutions to assess the economic benefits of the Subject Property upon buildout. As discussed in the HdL report, construction of affordable housing as a component of the Town Center Project would not eliminate the need for the public improvements and the major public amenities needed for the Town Center Project which are projected to cost in excess of \$31.5 million. This cost will be offset by revenues from the for-sale housing which is intended to be sold at market rate prices. In other words, the inclusion of 25% affordable housing will materially reduce the revenues necessary to fund the public improvements and the major public amenities of the Town Center Project which would conflict with the City’s creation of economic opportunity. The inclusion of 25% affordable housing will also reduce the proforma Developer revenues from the residential development by approximately 12% in addition to a reduction of Community Facilities District proceeds by 39%, resulting in an overall 16% reduction in the Town Center Project’s revenues. Simply put, since an affordable housing developer would not pay any of the costs of the backbone infrastructure and site improvements required to construct the affordable units, there will not be sufficient revenue for the construction, development or installation of the Town Center Project’s necessary public improvements and public amenities. Moreover, the inclusion of 25% affordable housing will reduce 25% of the projected average annual household incomes essential for spending on goods and services in the Project’s Retail/Commercial component which could cause a 40% to 50% decrease in the projected annual revenue generation for the City through sales tax, property tax and TOT revenues. In light of the foregoing, it is unlikely that if the Subject Property is used for affordable housing, it will meet the definition of economic opportunity. As such, if the provisions of Article 8 (Surplus Lands) are applied, there would be a direct conflict with Government Code section 52201 which permits cities to dispose of properties for economic opportunity.

In conclusion, at a time when the state has significantly limited cities' ability to address economic development needs, via the demise of redevelopment agencies, a broad-brush application of Article 8 (Surplus Lands) serves to deprive cities of a very valuable and effective economic development tool. Following the dissolution of redevelopment agencies, this approach leaves many cities with few options for

developing balanced communities that address not only the housing needs of the community but also the need for jobs and services for low and very low-income households.

(a) State Housing Statues

Again, AB 1486 (Ting) amended Article 8 Surplus Land, as set forth in Government Code sections 54220-54234, which included Section 54226 which expressly provides that *“No provision of this article [Article 8 Surplus Land] shall be applied when it conflicts with any other provision of statutory law.”* (Amended by Stats. 2019, Ch. 664, Sec. 7. (AB 1486) Effective January 1, 2020.) Statutory Law is commonly defined as a written law or group of laws passed by a legislature or other official governing bodies, as distinguished from the unwritten law or common law.

As required by the State’s Housing Statues, the City submitted the first draft of its Housing Element to HCD for its review and consideration in February of 2021. In response to comments received from HCD and the public, City staff made various revisions and posted the revisions on the City’s website before submitting the draft revisions to HCD. The City submitted its revised draft of the Housing Element for the 2021-29 Planning Period to HCD for its final review and approval, which HCD ultimately certified on October 11, 2022.

The City’s certified Housing Element includes a 2021-29 Moreno Valley Housing Sites Inventory, which consists of an inventory of housing opportunity sites and an analysis of the capacity of those sites to accommodate the City’s Regional Housing Needs Assessment (“RHNA”). The City’s RHNA allocation for the 2021-2029 Planning Period has been determined by SCAG to be 13,595 housing units, including 3,768 units for very low-income households, 2,046 units for low-income households, 2,161 units for moderate income households, and 5,620 units for above moderate-income households.

The analysis of each housing opportunity site was conducted in a manner consistent with the guidance provided by HCD to ensure that the Housing Element is consistent with the applicable State Housing Statutes. The lower income sites were selected based on the certain parameters established by HCD related to the size of sites for lower income units in addition to feasibility considerations.

In the City’s Housing Element, Low and Very Low Income RHNA sites include 156 sites in the Low and Very Low-Income category, representing 323 total acres of vacant and non-vacant land. Sites identified to accommodate lower income RHNA are designated Corridor Mixed Use (COMU), Center Mixed Use (CEMU) R30 Residential (R30), and R20 Residential (R20) in the City’s General Plan Land Use map. Under these zoning designations, it allows for a maximum residential density between 20 and 30 dwelling units per acre.

The City's certified Housing Element's 2021-29 Moreno Valley Housing Sites Inventory demonstrates that the City of Moreno Valley has adequate site capacity that is suitable and available to accommodate the City's regional housing needs for all income groups, including lower income households without the need for adding any properties that are situated within the Subject Property. In light of HCD's approval and certification of the City's Housing Element, the City has ensured that: (a) sites are properly zoned to allow owner-occupied and rental multifamily residential uses "by-right" (only subject to ministerial approval) in which 20 percent or more of the units are affordable to lower income households; (b) the development of at least 16 units per site is permitted; (c) sites permit a minimum of 20 dwelling units per acre; and (d) at least 50 percent of the low- and very low-income regional housing need can be accommodated on sites designated exclusively for residential uses, at appropriate densities. The parcels which constitute the Subject Property were not identified as affordable housing sites and could not effectively be used for accommodating the City's RHNA allocation since, under the guidance provided by HCD, the subject parcels are located within the City's Downtown District which is not encompassed by a zoning designation that has a minimum/maximum density per acre.

The City's HCD-certified Housing Element demonstrates that during the 2021-29 Planning Period, the City of Moreno Valley has adequate site capacity that is suitable and available to accommodate the regional housing needs for all income groups, including lower income households without the need for adding any affordable housing development within the Subject Property under the Surplus Lands Act. In other words, the City does not have an existing need for affordable housing as defined in the City's Housing Element or Regional Housing Needs Assessment. This means that if the Surplus Land Act disposition procedures are applied under the specific circumstances, it would conflict (e.g., undermine, defeat and frustrate) with the General Plan's Housing Element that was recently certified by the California Department of Housing and Community Development ("HCD") on or about October 11, 2022, pursuant to the applicable State Housing Statutes, and after extensive analysis and public input and a determination by HCD that the parcels which constitute the Subject Property were not identified as affordable housing sites and could not effectively be used for accommodating the City's RHNA allocation.

Moreover, in light of the certification of the City's Housing Element by HCD, the City was designated as a Prohousing jurisdiction. The State's Prohousing Program was established with the aim at increasing the availability of housing statewide, which is critical to improving the quality of life for all Californians and to ending homelessness. The State's Prohousing Program provides designated Prohousing jurisdictions with a spectrum of support, incentives, and accountability measures to meet the State's aggressive housing objectives. It was no easy task for the City to be designated by HCD as a Prohousing jurisdiction. However, there is genuine concern that if the same agency (HCD), that certified the City's Housing Element and designated the City as a Prohousing jurisdiction, demands that the Surplus Land Act apply to the Town Center Project, its application would conflict with various provisions of statutory law related to

the basic threshold requirements that the City had to meet in order to comply with not only Housing Element Law, but also other state housing laws pertaining to zoning and land use, housing production, construction and development costs, etc., that were relied upon by HCD when it designated the City of Moreno Valley as a Prohousing jurisdiction. As such, there is an incredible risk that the application of the Surplus Lands Act under the instant circumstances could result in decertification of the City's Housing Element and consequently strip the City of Moreno Valley of its designated status as a Prohousing jurisdiction, which clearly would be in conflict with all the statutory law the City relied upon in order to achieve the status of a designated Prohousing jurisdiction.

ALTERNATIVES

The City Council has the following alternatives:

1. Adopt the Resolution approving the Summary Report for the Town Center Project pursuant to Section 52201 of the Government Code for Economic Opportunity and approving the related Purchase and Sale Agreement [STAFF RECOMMENDS THIS ALTERNATIVE]; or
2. Do not approve the Summary Report. [STAFF DOES NOT RECOMMEND THIS ALTERNATIVE.]

FISCAL IMPACT

If the City Council approves the Summary Report for purposes of Economic Opportunity and the PSA, the City would earn \$5,600,000 related to the sale of the subject property, receive the financial benefits associated with the development, construction and installation of several civic uses and public infrastructure by the Developer, realize thousands of dollars in the form of development impact fees and gain future revenues associated with the Town Center Project's projected sales taxes, property taxes and transient occupancy taxes.

NOTIFICATION

This staff report was made available for public review and inspection and posted on the City's website at least 72 hours prior to the September 19, 2023, Regular City Council meeting, and the public hearing was noticed at least ten days prior to the Public Hearing.

PREPARATION OF STAFF REPORT

Prepared By:
Steven B. Quintanilla
City Attorney

CITY COUNCIL GOALS

- Community Image
- Positive Environment
- Public Safety

ATTACHMENTS

Resolution Approving Summary Report and PSA

APPROVALS

City Manager Approval	<u>✓ Approved</u>
City Clerk Approval	<u>✓ Approved</u>

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

To view large attachments, please click your “bookmarks”



on the left hand side of this document for the necessary attachment.

1. Economic Opportunity Summary Report Staff Report
2. Resolution - Summary Report

- 3. Summary Report (08.01.2023)
- 4. Attachment A - Copy of PSA
- 5. Attachment B - Copy of RFP
- 6. Attachment C - Copy of Appraisal Summary
- 7. Attachment D - Copy of HDL Economic Analysis

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/14/23 8:38 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/14/23 8:42 AM



Report to City Council

TO: Mayor and City Council

FROM: Steven B. Quintanilla, Interim City Attorney

AGENDA DATE: September 19, 2023

TITLE: PUBLIC HEARING – TOWN CENTER PROJECT
ECONOMIC OPPORTUNITY SUMMARY REPORT
PURSUANT TO GOVERNMENT CODE SECTION 52201

RECOMMENDED ACTION

That the City Council conduct the Public Hearing and adopt the attached Resolution approving the Economic Opportunity Summary Report for the Town Center Project pursuant to Government Code Section 52201, and approve of the related Purchase and Sale Agreement.

DISCUSSION AND ANALYSIS

A. Background

(1) City's Purchase of Subject Property

In 1985, the City purchased approximately 56.42 acres of land located at the northwest corner of Alessandro Boulevard and Nason Street ("Subject Property"). The City purchased the Subject Property as a potential Civic Center site known as the "Town Center Project."

(2) Moreno Valley General Plan 2040 Downtown Plan

The Downtown Center Plan Policy ("Downtown Plan"), as set forth in the Moreno Valley "General Plan 2040," ("General Plan") specifically provides for the development of the Subject Property, which is located in the heart of the City, as a vibrant new "Downtown Town Center" (the "Town Center"). The Town Center has been planned to serve as a focal point of the community and destination for people from around the region. Specifically, as described in the Downtown Plan, the plan is to develop the Subject Property with a mix of business, entertainment, residential, cultural, and civic

uses which will create a synergy that will provide activities for the public throughout the day and into the evening. The Downtown Plan also envisions the Town Center as having Nason Street designed as a grand boulevard and central spine of the Town Center, with the highest intensity of development focused along it, along with a walkable new “main street” envisioned at the core, lined with shops, restaurants, workplaces, and cultural venues. Currently, the Subject Property is vacant and undeveloped, and owned in fee simple by the City.

(3) RFP/Purchase and Sale Agreement

The City prepared and distributed a Request for Proposals (RFP) for the development of the “Town Center Project” in November 2019. The RFP was distributed to more than 9,000 developers. Lewis Acquisition Company, LLC (“Developer”) was selected as the “Developer” in March 2020.

In the RFP and a Purchase and Sale Agreement (“PSA”) with Lewis Acquisition Company, LLC (“Developer”) regarding the Subject Property, the City Council identified economic development as the #1 strategic priority of the City Council for the Town Center Project. The purpose of the proposed sale is for the Developer to construct the Town Center Project as described in the General Plan’s Downtown Plan. It will include a mixed use master planned Town Center consisting of commercial, office and public uses that will include entertainment, hospitality, restaurants, shops, office buildings and public amenities such as, but not limited to, public parkland, public open space, public sidewalks, public streets, public art displays, a police substation, an Innovation Library/Technology Center and other civic uses, complemented by high density residential housing, as envisioned and planned per the Downtown Plan.

The Developer has agreed to purchase the Subject Property for \$5,600,000, which is consistent with the appraised value of the Subject Property as determined by Cushman & Wakefield Western, Inc. in an independent appraisal. It has also been determined that \$5,600,000 is a reasonable price for the Subject Property and does not constitute a gift of public funds.

Under the PSA, the Developer will be required to pay: (i) all of the escrow fees and charges; (ii) the cost of the premium for the Title Policy; (iii) the cost of all endorsements to the Title Policy; (iv) all costs and charges for the recordation of any grant deeds; (v) any documentary or other local transfer taxes on the transfer of the Subject Property; and (vi) the Developer’s share of the charges prorated under the PSA. In addition, the Developer will be required to pay for all applicable filing and processing fees as set forth in the Moreno Valley Municipal Code (“Municipal Code”) in the amounts set forth in the schedule of fees in effect at the time such fees are due and payable during the review process related to the land use entitlements for the Town Center Project. The Developer will also be required to pay all applicable Development Impact Fees (“DIF”) as set forth in the Municipal Code and/or any applicable fee schedule adopted by the City. The Developer, however, will receive credits against such fees if the Developer constructs any public infrastructure contained in the City’s capital

improvement DIF Fee program. Such credits will not be extended to include any credits for any DIF fees for the \$2,000,000 one-acre public park amenity that the Developer is required to incorporate into the Town Center Project at no cost to the City. Finally, in addition to the above, the Developer will be required to reimburse the City for the actual costs and expenses reasonably incurred by the City for all services provided by the City and its consultants, including legal counsel, for review, preparation and processing of the Land Use Entitlements and other permits, licenses, etc. for the Town Center Project, which are not factored in the City's standard processing fees. In light of the foregoing, the City will not incur any costs under the PSA.

B. Economic Opportunity

As stated above, in the RFP and the PSA, the City Council identified economic development as the #1 strategic priority of the City Council for the Town Center Project.

Section 52201(a)(1) of the Government Code provides in part that a city may sell property to create an economic opportunity. Section 52201(c) of the Government Code further provides that the provisions of Section 52201 are an alternative to any other authority granted by law to cities to dispose of city-owned property.

Section 52200.2(b) of the Government Code provides in part that “Economic Opportunity” includes sale agreements or other agreements that increase property tax revenues to all property tax collecting entities, in which the legislative body finds that the agreement will result in an increase of at least 15 percent of total property tax resulting from the project at full implementation when compared to the year prior to the property being acquired by the government entity.”

There will be three revenue producing components of the Town Center Project: 1) Commercial, 2) Residential, and 3) Hotel. Based on the analysis performed by Hdl EconSolutions, upon buildout, the Subject Property will provide economic vitality and new opportunities for businesses, residents, and visitors. The Town Center Project will generate new revenue for the City through property tax, sales tax and transient occupancy tax (from the hotel) estimated to exceed \$2,000,000 annually upon completion of the Town Center Project. This amount is projected to grow to nearly \$3.3 million by year 25 (with a 2% compounded annual growth rate), and over a 25-year period, assuming a 2.0% escalator, the City would collect a projected \$64,688,974 in tax revenues from the Town Center Project.

(1) Sales Tax Revenue

The combined annual sales receipts for the Commercial Component are projected to amount to \$80,951,600, which will produce annual sales tax revenue for the City in the amount of \$809,516. For residential use, based on SiteSeer demographics, the City averages 3.74 persons per household which has a disposable income of

\$85,411, which HdL Econ Solutions estimates 30% will be used for household spending, with 70% potentially taxable.

The Town Center Project will employ 285 employees, who are projected to spend \$2,163,720 per year, with annual total taxable spending estimated to be \$1,514,604, which will produce \$15,146 in additional sales tax revenue for the City on an annual basis which, together with the additional sales tax revenue to be generated by the Town Center Project's construction workers and residents, is estimated to exceed \$152,000 annually. The Developer is also committed to coordinating with the City's Employment Resource Center to conduct periodic job fairs for prospective businesses within the Town Center Project and to promote local hiring for the businesses and tenants within the Town Center Project.

(2) Transient Occupancy Tax Revenue

The Hotel Component, which will include an upscale lodging establishment, is expected to produce annual transient occupancy tax revenue in the amount of \$563,326, based on a projected 80% occupancy rate.

(3) Property Tax Revenue

Upon transfer of ownership to the Developer, the Subject Property's tax rate will be increased from \$0 to a tax rate of 1.11692 percent of the \$5,600,000 sales price of the Subject Property. The entire cost (total building valuation) of the Town Center Project, not including land is estimated at over \$301,000,000, which has the potential of producing more than \$494,000 in annual property tax revenue, compared to \$0 since the Subject Property is currently exempt from property taxes under City ownership. The Residential, Commercial and Hotel Components of the Town Center Project are projected to respectively produce a stream of \$389,395, \$69,703, and \$35,192, in annual property tax revenue for the City's General Fund. In summary, the Town Center Project will generate increased property taxes in an amount vastly exceeding the 15% threshold identified as a measure of "economic opportunity" in Government Code 52200.2(b), when compared to the year prior to the acquisition of the Subject Property by the City in 1985.

C. Summary Report

A Summary Report has been prepared pursuant to Section 52201 of the Government Code, with regards to the Purchase and Sale Agreement. Section 52201 of the Government Code provides that a city may sell property to create an economic opportunity. The acquisition, sale, or lease shall first be approved by the legislative body (city council) by resolution after a legally noticed public hearing. The City is also required to make available a copy of a Summary Report that describes and contains

specific elements of the proposed transaction for public inspection prior to the public hearing.

As required, the Summary Report contains the following information:

- A copy of the proposed sale agreement; and
- A summary that describes the following:
 - The cost of the agreement to the city, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the city, plus the expected interest on any loans or bonds to finance the agreements;
 - The estimated value of the interest to be conveyed, determined at the highest and best uses permitted under the City's General Plan or zoning;
 - The estimated value of the interest to be conveyed determined at the use and with the conditions, covenants, and development costs required by the sale;
 - The purchase price which is not less than the fair market value of the interest to be conveyed, determined at the highest and best use; and
 - An explanation of why the acquisition, sale, or lease of the subject property will assist in the creation of economic opportunity, with reference to all supporting facts and materials relied upon in making this explanation.

The Summary Report is organized into the following sections:

- Summary of the Proposed Sale – This section includes a description of and other relevant information pertaining to the proposed sale of the Subject Property by the City to the Developer pursuant to the terms of the PSA;
- Cost of the Agreement to the City – This section addresses the cost of the PSA to the City, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the City, plus the expected interest on any loans or bonds to finance the agreements;
- Estimated Value of the Interest to be Conveyed Determined at the Highest and Best Use Permitted Under the General Plan or Zoning – This section estimates the value of the interest to be conveyed, determined at the highest and best use permitted under the General Plan and zoning for the Subject Property;
- Estimated Value of the Interest to be Conveyed Determined at the Use and with the Conditions, Covenants, and Development Costs Required by the Sale – This section estimates the value of the Subject Property interest to be conveyed determined at the use and with the conditions, covenants, and development costs required by the sale of the Subject Property (i.e., the purchase price);

- Consideration Received and Comparison with the Established Value – This section addresses that the sales price of the Subject Property is not less than the fair market value for the Subject Property based on its highest and best use; and
- Economic Opportunity – This section includes an explanation of why the sale of the Subject Property will assist in the creation of economic opportunity.

D. Surplus Lands Act

Typically, before a local agency disposes of (sells) any real property, it must comply with the Surplus Lands Act. The Surplus Land Act requires local agencies to complete certain procedures before disposing of surplus land. "Surplus land" is defined as land owned in fee simple by a local agency for which the local agency's governing body declares at a regular public meeting that the land is not necessary for the agency's use [Gov Code Section 54221(b)(1)].

In situations where the Surplus Lands Act is applicable, before disposing of surplus land, the local agency must send a written notice of availability of the property to certain entities, for the purpose of developing low- or moderate-income housing, park and recreation or open space purposes, school purposes, or infill development purposes. Entities desiring to purchase or lease surplus land for low- and moderate-income housing, park and recreation or open space purposes, school purposes, or infill development purposes must notify the local agency within 60 days after receipt of notice from the local agency. If there is any interest expressed by any of the entities which have received notice of availability, the local agency must engage in good-faith negotiations with the interested entity for a period of 90 days.

(1) Agency's Use

As described above, land owned by a city that is ***necessary for the agency's use*** is not "surplus land" or "exempt surplus land." The Surplus Lands Act defines "agency's use" as including, but not limited to, land that is being used, is ***planned to be used under a written plan adopted by the local agency's governing body or is disposed of to support the agency's work.*** [Gov. Code Section 54221 (c)(1)].

Here, the City purchased the Subject Property as a potential Civic Center site known as the "Town Center" in the Downtown Plan, as set forth in the General Plan. (General Plan 2040, p 2-16). The General Plan includes several written plans and policies related to the development of the Subject Property. The Downtown Plan envisions a vibrant mix of business, entertainment, residential, cultural, and **civic uses**. (General Plan 2040, p 2-10). One of the main purposes for selling the Subject Property is to implement the General Plan's Downtown Plan by requiring the Developer to set aside land for or develop, construct, or install multiple civic "agency uses", that will include ***public amenities such as public parkland, public open space, public sidewalks, public streets, public art displays, a police substation, and an***

Innovation Library/Technology Center, which the Developer will be providing for the benefit of the City at no cost to the City.

In light of the foregoing agency uses which are integral and necessary for the Town Center Project, and for the other reasons described below, the City Council has not taken any action to declare the Subject Property “surplus land or “exempt surplus land.”

(2) Surplus Lands Act Conflicts with Economic Opportunity Statutes

AB 1486 (Ting) amended Article 8 Surplus Land, as set forth in Government Code sections 54220-54234. It’s clear that these amendments were designed to provide opportunities for public land to be used for affordable housing. However, although the goals of the amendments are laudable, they fail to consider the realities of how public agencies use and dispose of real property.

The amendments included Section 54226 which expressly provides that “No provision of this article [Article 8 Surplus Land] shall be applied when it conflicts with any other provision of statutory law.” (Amended by Stats. 2019, Ch. 664, Sec. 7. (AB 1486) Effective January 1, 2020.)) Statutory Law is commonly defined as a written law or group of laws passed by a legislature or other official governing bodies, as distinguished from the unwritten law or common law.

Some of the statutory laws in question include the economic opportunity statutes – specifically Government Code Section 52201. Section 52201 clearly provides that a city may sell property to create an economic opportunity. Notably, Government Code Section 52200.6 provides that the economic opportunity process is an alternative to any authority of a city to create an economic opportunity to sell property for economic development, found in the Constitution, state law, local ordinance or charter. And, while Section 52200.6 further states that the economic opportunity statutes do not limit or in any way affect the application of any other such laws, the plain reading of AB 1486, which was adopted after the economic opportunity statutes, explicitly provides otherwise under Section 54226, which again states that no provision of Article 8 Surplus Land shall be applied when it conflicts with any other provision of statutory law.

Since AB 1486 does not provide a definition of “conflict,” it is appropriate to apply the plain meaning rule to Section 54226. The plain meaning rule dictates that statutes are to be interpreted using the ordinary meaning of the language of the statute. In other words, a statute is to be read word for word and is to be interpreted according to the ordinary meaning of the language, unless a statute explicitly defines some of its terms otherwise. Under the plain meaning rule, ordinary words are given their ordinary meaning and technical terms are given their technical meaning. The plain meaning rule is the mechanism that prevents courts from taking sides in legislative or political issues.

At the very least, the plain language of Section 54226 must be interpreted to mean that a conveyance of property for an economic opportunity as defined in the

Government Code that complies with the procedures set forth in Section 52201 conflicts with Article 8 (Surplus Land) making Article 8 inapplicable under Section 54226.

The economic opportunity statutes were adopted in 2014 in the wake of the dissolution of redevelopment agencies. The purpose of the economic opportunity statutes was to set forth processes and procedures for cities to create economic opportunity, through increasing jobs and generating tax revenue for all levels of government. The procedures are substantially similar to the procedures previously relied on by redevelopment agencies. In adopting Government Code Sections 52200 et seq., the State Legislature declared: (1) “whenever the creation of economic opportunity in cities . . . cannot be accomplished by private enterprise alone, without public participation and assistance in the acquisition of land, in planning and in the financing of land assembly, in the work of clearance, and in the making of improvements necessary therefor, it is in the public interest to advance or expend public funds for these purposes, and to provide a means by which economic opportunity can be created;” and (2) “that the creation of economic opportunity and the provisions for appropriate continuing land use and construction policies with respect to property acquired, in whole or in part, for economic opportunity constitute public uses and purposes for which public money may be advanced or expended and private property acquired, and are governmental functions of state concern in the interest of health, safety, and welfare of the people of the state and cities and counties.” Government Code §§ 52200.4(b) and (c), emphasis added.

Economic opportunity under the economic opportunities’ statutes includes agreements that create, retain, or expand new jobs. Economic opportunity also includes increasing property tax revenues to all property tax collecting entities, in which the legislative body finds that the agreement will result in an increase of at least 15% of total property tax resulting from the project at full implementation when compared to the year prior to the property being acquired by the local agency. Incidentally, the economic opportunity statutes also include the “creation of affordable housing” as an economic opportunity, provided that a demonstrated affordable housing need exists in the community, as defined in the approved housing element or regional housing needs assessment.

With respect to creating new jobs, the Town Center Project’s establishment of certain commercial, retail and office uses will provide employment opportunities for the residents of the City and create many local construction job opportunities. In this regard, the Developer will be required to coordinate with the City of Moreno Valley Employment Resource Center to conduct job fairs for the Project’s prospective businesses and to make commercially reasonable efforts to encourage local hire for the business’ tenants within the Project.

With respect to increasing property tax revenues, the Town Center Project will have three revenue producing components of the Town Center Project: 1) Commercial, 2) Residential, and 3) Hotel, which upon buildout, the Town Center Project will generate new revenue for the City through property tax, sales tax and transient occupancy tax estimated to exceed \$2,000,000 annually upon completion of the Town Center Project.

Again, this amount is projected to grow to nearly \$3.3 million by year 25 (with 2% compounded annual growth rate), and over a 25-year period, assuming a 2.0% escalator, the City would collect a projected \$64,688,974 in tax revenues from the Town Center Project. In light of these figures, the Town Center Project will clearly generate increased property taxes in an amount vastly exceeding the 15% threshold identified as a measure of “economic opportunity” in Government Code 52200.2(b), when compared to the year prior to the acquisition of the Subject Property by the City in 1985.

Moreover, development of the Town Center Project’s higher valued residential land with market-rate housing amongst the mix of residential and non-residential uses is essential to the Town Center Project’s economic viability. The residential component must absorb a greater share of the improvement costs and fees in order to make the non-residential land financially feasible to improve and develop. In other words, without a market-rate residential component, the Town Center Project would not otherwise be economically feasible; thus, depriving the City of the economic opportunity which is the principal objective of the Town Center Project.

The resulting increased revenues from the sale or lease of the market rate residential units is essential for the Developer to finance the construction of the necessary public improvements and major public amenities required in the Downtown Plan. An analysis was performed by HdL EconSolutions to assess the economic benefits of the Subject Property upon buildout. As discussed in the HdL report, construction of affordable housing as a component of the Town Center Project would not eliminate the need for the public improvements and the major public amenities needed for the Town Center Project which are projected to cost in excess of \$31.5 million. This cost will be offset by revenues from the for-sale housing which is intended to be sold at market rate prices. In other words, the inclusion of 25% affordable housing will materially reduce the revenues necessary to fund the public improvements and the major public amenities of the Town Center Project which would conflict with the City’s creation of economic opportunity. The inclusion of 25% affordable housing will also reduce the proforma Developer revenues from the residential development by approximately 12% in addition to a reduction of Community Facilities District proceeds by 39%, resulting in an overall 16% reduction in the Town Center Project’s revenues. Simply put, since an affordable housing developer would not pay any of the costs of the backbone infrastructure and site improvements required to construct the affordable units, there will not be sufficient revenue for the construction, development or installation of the Town Center Project’s necessary public improvements and public amenities. Moreover, the inclusion of 25% affordable housing will reduce 25% of the projected average annual household incomes essential for spending on goods and services in the Project’s Retail/Commercial component which could cause a 40% to 50% decrease in the projected annual revenue generation for the City through sales tax, property tax and TOT revenues. In light of the foregoing, it is unlikely that if the Subject Property is used for affordable housing, it will meet the definition of economic opportunity. As such, if the provisions of Article 8 (Surplus Lands) are applied, there would be a direct conflict with Government Code section 52201 which permits cities to dispose of properties for economic opportunity.

In conclusion, at a time when the state has significantly limited cities' ability to address economic development needs, via the demise of redevelopment agencies, a broad-brush application of Article 8 (Surplus Lands) serves to deprive cities of a very valuable and effective economic development tool. Following the dissolution of redevelopment agencies, this approach leaves many cities with few options for developing balanced communities that address not only the housing needs of the community but also the need for jobs and services for low and very low-income households.

(a) State Housing Statues

Again, AB 1486 (Ting) amended Article 8 Surplus Land, as set forth in Government Code sections 54220-54234, which included Section 54226 which expressly provides that *“No provision of this article [Article 8 Surplus Land) shall be applied when it conflicts with any other provision of statutory law.”* (Amended by Stats. 2019, Ch. 664, Sec. 7. (AB 1486) Effective January 1, 2020.) Statutory Law is commonly defined as a written law or group of laws passed by a legislature or other official governing bodies, as distinguished from the unwritten law or common law.

The Surplus Land Act provisions cannot be segregated from the State Housing Statutes, since the laws that require a city to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element, which AB 1486 ** amended related requirements and procedures.

As required by the State’s Housing Statues, the City submitted the first draft of its Housing Element to HCD for its review and consideration in February of 2021. In response to comments received from HCD and the public, City staff made various revisions and posted the revisions on the City’s website before submitting the draft revisions to HCD. The City submitted its revised draft of the Housing Element for the 2021-29 Planning Period to HCD for its final review and approval, which HCD ultimately certified on October 11, 2022.

The City’s certified Housing Element includes a 2021-29 Moreno Valley Housing Sites Inventory, which consists of an inventory of housing opportunity sites and an analysis of the capacity of those sites to accommodate the City’s Regional Housing Needs Assessment (“RHNA”). The City’s RHNA allocation for the 2021-2029 Planning Period has been determined by SCAG to be 13,595 housing units, including 3,768 units for very low-income households, 2,046 units for low-income households, 2,161 units for moderate income households, and 5,620 units for above moderate-income households.

The analysis of each housing opportunity site was conducted in a manner consistent with the guidance provided by HCD to ensure that the Housing Element is consistent with the applicable State Housing Statutes. The lower income sites were selected based on the certain parameters established by HCD related to the size of sites for lower income units in addition to feasibility considerations.

In the City's Housing Element, Low and Very Low Income RHNA sites include 156 sites in the Low and Very Low-Income category, representing 323 total acres of vacant and non-vacant land. Sites identified to accommodate lower income RHNA are designated Corridor Mixed Use (COMU), Center Mixed Use (CEMU) R30 Residential (R30), and R20 Residential (R20) in the City's General Plan Land Use map. Under these zoning designations, it allows for a maximum residential density between 20 and 30 dwelling units per acre.

The City's certified Housing Element's 2021-29 Moreno Valley Housing Sites Inventory demonstrates that the City of Moreno Valley has adequate site capacity that is suitable and available to accommodate the City's regional housing needs for all income groups, including lower income households without the need for adding any properties that are situated within the Subject Property. In light of HCD's approval and certification of the City's Housing Element, the City has ensured that: (a) sites are properly zoned to allow owner-occupied and rental multifamily residential uses "by-right" (only subject to ministerial approval) in which 20 percent or more of the units are affordable to lower income households; (b) the development of at least 16 units per site is permitted; (c) sites permit a minimum of 20 dwelling units per acre; and (d) at least 50 percent of the low- and very low-income regional housing need can be accommodated on sites designated exclusively for residential uses, at appropriate densities. The parcels which constitute the Subject Property were not identified as affordable housing sites and could not effectively be used for accommodating the City's RHNA allocation since, under the guidance provided by HCD, the subject parcels are located within the City's Downtown District which is not encompassed by a zoning designation that has a minimum/maximum density per acre.

The City's HCD-certified Housing Element demonstrates that during the 2021-29 Planning Period, the City of Moreno Valley has adequate site capacity that is suitable and available to accommodate the regional housing needs for all income groups, including lower income households without the need for adding any affordable housing development within the Subject Property under the Surplus Lands Act. In other words, the City does not have an existing need for affordable housing as defined in the City's Housing Element or Regional Housing Needs Assessment. This means that if the Surplus Land Act disposition procedures are applied under the specific circumstances, it would conflict (e.g., undermine, defeat and frustrate) with the General Plan's Housing Element that was recently certified by the California Department of Housing and Community Development ("HCD") on or about October 11, 2022, pursuant to the applicable State Housing Statutes, and after extensive analysis and public input and a determination by HCD that the parcels which constitute the Subject Property were not identified as affordable housing sites and could not effectively be used for accommodating the City's RHNA allocation.

Moreover, in light of the certification of the City's Housing Element by HCD, the City was designated as a Prohousing jurisdiction. The State's Prohousing Program was established with the aim at increasing the availability of housing statewide, which is critical to improving the quality of life for all Californians and to ending homelessness. The State's Prohousing Program provides designated Prohousing jurisdictions with a spectrum of support, incentives, and accountability measures to meet the State's aggressive housing objectives. It was no easy task for the City to be designated by HCD as a Prohousing jurisdiction. However, there is genuine concern that if the same agency (HCD), that certified the City's Housing Element and designated the City as a Prohousing jurisdiction, demands that the Surplus Land Act apply to the Town Center Project, its application would conflict with various provisions of statutory law related to the basic threshold requirements that the City had to meet in order to comply with not only Housing Element Law, but also other state housing laws pertaining to zoning and land use, housing production, construction and development costs, etc., that were relied upon by HCD when it designated the City of Moreno Valley as a Prohousing jurisdiction. As such, there is an incredible risk that the application of the Surplus Lands Act under the instant circumstances could result in decertification of the City's Housing Element and consequently strip the City of Moreno Valley of its designated status as a Prohousing jurisdiction, which clearly would be in conflict with all the statutory law the City relied upon in order to achieve the status of a designated Prohousing jurisdiction.

ALTERNATIVES

The City Council has the following alternatives:

1. Adopt the Resolution approving the Summary Report for the Town Center Project pursuant to Section 52201 of the Government Code for Economic Opportunity and approving the related Purchase and Sale Agreement [STAFF RECOMMENDS THIS ALTERNATIVE]; or
2. Do not approve the Summary Report. [STAFF DOES NOT RECOMMEND THIS ALTERNATIVE.]

FISCAL IMPACT

If the City Council approves the Summary Report for purposes of Economic Opportunity and the PSA, the City would earn \$5,600,000 related to the sale of the subject property, receive the financial benefits associated with the development, construction and installation of several civic uses and public infrastructure by the Developer, realize thousands of dollars in the form of development impact fees and gain future revenues associated with the Town Center Project's projected sales taxes, property taxes and transient occupancy taxes.

NOTIFICATION

This staff report was made available for public review and inspection and posted on the City's website at least 72 hours prior to the September 19, 2023, Regular City Council

meeting, and the public hearing was noticed at least ten days prior to the Public Hearing.

PREPARATION OF STAFF REPORT

Prepared By:
Steven B. Quintanilla
City Attorney

CITY COUNCIL GOALS

- Community Image
- Positive Environment
- Public Safety

ATTACHMENTS

Resolution Approving Summary Report and PSA

APPROVALS

City Manager Approval	<u>✓ Approved</u>
City Clerk Approval	<u>✓ Approved</u>

RESOLUTION NO. 2023-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY DECLARING THAT THE SALE AND SUBSEQUENT DEVELOPMENT OF 56.42 ACRES LOCATED AT THE NORTHWEST CORNER OF ALESSANDRO BOULEVARD AND NASON STREET WILL CREATE AN ECONOMIC OPPORTUNITY FOR THE CITY AS CONTEMPLATED BY GOVERNMENT CODE SECTION 52201 AND APPROVING RELATED PURCHASE AND SALE AGREEMENT

WHEREAS, Section 52201(a)(1) of the California Government Code provides in part that the City may sell property to create an economic opportunity; and

WHEREAS, Section 52201(c) of the California Government Code provides that the provisions of Section 52201 are an alternative to any other authority granted by law to cities to dispose of city-owned property; and

WHEREAS, in 1985, the City of Moreno Valley (the “City”) purchased approximately 56.42 acres of land located at the northwest corner of Alessandro Boulevard and Nason Street (“Subject Property”) as a potential Civic Center site known as the “Town Center Project” in the Downtown Center Plan Policy, as set forth in the City of Moreno Valley” General Plan 2040” (General Plan 2040, p 2-16); and

WHEREAS, the City of Moreno Valley General Plan 2040 identifies that the large area around the prominent crossroads of Nason and Alessandro that encompasses approximately 1,200 acres near the geographic center of the community, which includes the Subject Property, presents a prime opportunity to foster a Downtown Center for the City of Moreno Valley and the region (General Plan 2040, p 2-16); and

WHEREAS, the Downtown Center Plan Policy, as set forth in the City of Moreno Valley General Plan 2040, provides for the development of a vibrant new Downtown Center at the heart of the City of Moreno Valley to serve as a focal point of the community and destination for people from around the region (General Plan 2040, p 2-10), which includes the Subject Property parcel at the northwest corner of Nason and Alessandro where the Town Center Project is proposed (General Plan 2040, p 2-16); and

WHEREAS, the General Plan 2040 Downtown Center Plan policy allows for a vibrant mix of business, entertainment, residential, cultural, and civic uses to activate the Downtown Center, which includes the Subject Property, throughout the day and into the evening, which will integrate existing uses and layers compatible new land uses and public amenities together at various scales and intensities to foster a mix of uses that encourages people to live, work, play, and shop within the Downtown Center which includes the Subject Property (General Plan 2040, p 2-10); and

WHEREAS, the City of Moreno Valley General Plan 2040 envisions the Downtown Center, which includes the Subject Property, as the heart of the community and the City's premier activity center that will incorporate vibrant mixed use areas that act as major focal points in the community, offering an array of choices for living, working, shopping and enjoying free time and serving as a dynamic destination with amenities that draw local residents from Moreno Valley and visitors from the wider region (General Plan 2040, p 2-8); and

WHEREAS, the City of Moreno Valley General Plan 2040 has identified that having a Downtown Center, which includes the Subject Property, that is a vibrant gathering place that will foster a downtown destination with a full range of choices for shopping, dining, doing business, and having fun is an important objective for the City of Moreno Valley and strongly supported in the community (General Plan 2040, p 2-16); and

WHEREAS, the City of Moreno Valley General Plan 2040 envisions the Downtown Center, which includes the Subject Property, as having Nason Street designed as a grand boulevard and central spine of the Downtown Center, with the highest intensity of development focused along it, along with a walkable new "main street" envisioned at the core, lined with shops, restaurants, workplaces, and cultural venues (General Plan 2040, p 2-16); and

WHEREAS, the City of Moreno Valley General Plan 2040 includes Goal LCC-2, to "[f]oster Vibrant Gathering Places for Moreno Valley Residents and Visitors" and includes the following policies for the Downtown Center, which includes the Subject Property:

LCC.2-1: Create a Downtown Center, which includes the Subject Property, with a vibrant mix of uses that will serve as the primary hub and focal point of Moreno Valley economic and cultural engine in the region.

LCC.2-2: Require that proposed projects in the Downtown Center, which includes the Subject Property, prepare an area plan demonstrating consistency with the applicable land use and urban design, circulation and parks and open space principles outlined in Table LCC-2's Downtown Center Development Principles and the illustrative development program shown in Table LCC-3's Downtown Center Illustrative Development Program which includes the net new development for 2020-2040 consisting of 1,320 units of Residential Low Density Residential (less than 10 du/ac) 5,524 units of Medium/High Density Residential (more than 10 du/ac), 400,000 square feet of Employment Retail/Service, 1,450,000 square feet of Office/Research & Development, and 1,500,000 square feet of Other/Commercial.

LCC.2-3: Within the Downtown Center, which includes the Subject Property, ensure the high intensity of development is concentrated so as to create a central core with a mix of uses to activate it throughout the day and evening and to promote strong connectivity between new uses and Riverside University Health System Medical Center (RUMC), Aquabella, and the Kaiser hospital campus.

LCC.2-4: Leverage the presence of the hospitals and large tracts of vacant land to attract new higher-wage employers to the Downtown Center, which includes the Subject Property.

LCC.2-5: Integrate new employment-oriented uses into the fabric of the Downtown Center, which includes the Subject Property, as employment, educational, corporate, and research campuses and/or as part of mixed-use developments.

LCC.2-6: Create a Central Park facility to serve as a defining feature of the Downtown Center, which includes the Subject Property.

LCC.2-7: Recognize recreation and entertainment as key contributors to the vitality of the Downtown Center, which includes the Subject Property, and accommodate a world class sports/recreational facility to provide activities and entertainment for Moreno Valley residents.

LCC.2-8: Transform Nason Street and Alessandro Boulevard into grand boulevards with a distinctive, inviting character that announces arrival in the Downtown Center, which includes the Subject Property.

LCC.2-9: Support the vitality of commercial and retail development downtown with significant new housing in and adjacent to the Downtown Center, which includes the Subject Property.

LCC.2-10: Create an attractive, safe environment for bicycles and pedestrians that promotes “micro-mobility” and connectivity within the Downtown Center, which includes the Subject Property, as well as encourage electric and autonomous vehicles.

LCC.2-11: Allow for the evolution of the Downtown Center, which includes the Subject Property, and encourage site planning that facilitates redevelopment of sites within the core of the area in the future as land values increase and higher development intensities become more financially feasible; and

WHEREAS, the City desires to sell the Subject Property, which the City owns in fee simple, for the development of a mixed use master planned Moreno Valley Town Center consisting of commercial, office and public uses that will include entertainment, hospitality, restaurants, shops, office buildings and public amenities including but not limited to public parkland, public open space, public sidewalks, public streets, public art displays, a police substation, and an Innovation Library/Technology Center and other civic uses, complemented by high density rental housing, that will be the central feature of the Downtown Center, as envisioned and planned per the Downtown Center Plan Policy, as set forth in the City of Moreno Valley General Plan 2040; and

WHEREAS, a Summary Report, attached hereto and incorporated herein by this reference as Exhibit “A”, was prepared pursuant to Section 52201 of Government Code in connection with the sale of property by the City Of Moreno Valley (“City”) to Lewis Acquisition Company, LLC (“Developer”); and

WHEREAS, the proposed sale pertains to approximately 56.42 acres of land (APNs 487-470-030 and 487-470-031) located at the northwest corner of Alessandro Boulevard and Nason Street (again, the “Subject Property”); and

WHEREAS, the purpose of the proposed sale is to develop a Civic Center site known as the “Town Center Project” in the Downtown Center as more particularly described in the Downtown Center Plan Policy, as set forth in the City of Moreno Valley” General Plan 2040” (General Plan 2040, p 2-16); and

WHEREAS, the Summary Report, pursuant to section 52201(a)(2)(B), contains the following information:

- A copy of the proposed purchase and sale agreement;
- A summary that describes the following:
 - The cost of the agreement to the city, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the city, plus the expected interest on any loans or bonds to finance the agreements.
 - The estimated value of the interest to be conveyed, determined at the highest and best uses permitted under the City’s General Plan or zoning.
 - The estimated value of the interest to be conveyed determined at the use and with the conditions, covenants, and development costs required by the sale.
 - The purchase price which is not is less than the fair market value of the interest to be conveyed, determined at the highest and best use.
 - An explanation of why the acquisition, sale, or lease of the subject property will assist in the creation of economic opportunity, with reference to all supporting facts and materials relied upon in making this explanation.

WHEREAS, the Summary Report is organized into the following sections:

- **Summary of the Proposed Sale** – This section includes a description of and other relevant information pertaining to the proposed sale of the Subject Property by the City to the Developer pursuant to the terms of the Purchase and Sale Agreement (the “PSA”);
- **Cost of the Agreement to the City** – This section addresses the cost of the PSA to the City, including land acquisition costs, clearance costs,

relocation costs, the costs of any improvements to be provided by the City, plus the expected interest on any loans or bonds to finance the agreements;

- **Estimated Value of the Interest to be Conveyed Determined at the Highest and Best Use Permitted Under the General Plan or Zoning** – This section estimates the value of the interest to be conveyed, determined at the highest and best use permitted under the General Plan and zoning for the Subject Property;
- **Estimated Value of the Interest to be Conveyed Determined at the Use and with the Conditions, Covenants, and Development Costs Required by the Sale** – This section estimates the value of the Subject Property interest to be conveyed determined at the use and with the conditions, covenants, and development costs required by the sale of the Subject Property (i.e., the purchase price);
- **Consideration Received and Comparison with the Established Value** – This section addresses that the sales price of the Subject Property is not less than the fair market value for the Subject Property based on its highest and best use; and
- **Economic Opportunity** – This section includes an explanation of why the sale of the Subject Property will assist in the creation of economic opportunity.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals

That the foregoing Recitals are true and correct and are hereby incorporated by this reference.

Section 2. Evidence

That the City Council has considered all of the evidence submitted into the administrative record, including, but not limited to, the following:

- (a) Moreno Valley General Plan 2040 Downtown Center Plan policy and all other relevant provisions contained therein;
- (b) Title 9 (Planning and Zoning) of the Moreno Valley Municipal Code and all other relevant provisions referenced therein;
- (c) California Government Code, including but not limited to sections 37351, 52201, and 54221;

- (d) The PSA, Request for Proposals, Appraisal Summary, and HdL Economic Impact and Benefit Analysis;
- (e) Staff Report prepared for the City Council and all documents, records and references related thereto;
- (f) Staff's presentation at the City Council meeting; and
- (g) Testimony and/or comments from all persons that were provided in written format or correspondence, at, or prior to, the public hearing.

Section 3. Findings Regarding Cost of the PSA to the City

That based on the content of the foregoing Recitals and the Evidence contained in the Administrative Record as set forth above, the City Council makes the following findings regarding the cost of the PSA to the City:

- (a) The Developer will be purchasing the Subject Property for a purchase price of Five Million, Six Hundred Thousand Dollars (\$5,600,000), which is consistent with the appraisal of the Subject Property by Cushman & Wakefield Western, Inc. (the "Appraisal"), which is a reasonable price for the Subject Property and at such a price, the sale shall not constitute a gift of public funds;
- (b) There is no cost estimated to the City as part of the PSA since the Developer shall pay: (i) all of the escrow fees and charges of Escrow Holder; (ii) the cost of the premium for the Title Policy; (iii) the cost of all endorsements to the Title Policy; (iv) all costs and charges for the recordation of any grant deeds; (v) any documentary or other local transfer taxes on the transfer of the Subject Property; and (vi) Buyer's share of the charges prorated under the PSA;
- (c) The Developer will be required to pay for all applicable filing and processing fees as set forth in the Moreno Valley Municipal Code in the amounts set forth in the schedule of fees in effect at the time such fees are due and payable during the Land Use Entitlements review process;
- (d) The Developer will be required to pay all applicable Development Impact (Mitigation) Fees ("DIF Fees") as set forth in the Moreno Valley Municipal Code and/or fee schedule adopted by the City subject to the Developer's receipt of credits against such fees for public infrastructure in the City's capital improvement DIF Fee program constructed by the Developer for the Town Center Project, but the Developer shall not receive a credit against DIF fees for the \$2,000,000 major one-acre public park amenity that the Developer is required to incorporate into the Town Center Project at no cost to the City;
- (e) The Developer will be required to reimburse the City for the actual costs and expenses reasonably incurred by the City for all services provided by the City and its consultants, including legal counsel, for review, preparation and processing of the Land Use Entitlements and other permits, licenses, etc. for the Town Center Project, which are not factored in the City's standard processing fees.

Section 4. Findings Regarding Estimated Value of the Interest to be Conveyed Based on the Highest and Best Use Permitted Under the General Plan and Zoning

That based on the content of the foregoing Recitals and the Evidence contained in the Administrative Record as set forth above, the City Council makes the following findings regarding the Estimated Value of the Interest to be Conveyed Based on the Highest and Best Use Permitted Under the General Plan and Zoning:

- (a) The Subject Property was appraised based on a determination of the reasonably probable use of Subject Property that would result in the highest value;
- (b) The zoning regulations in effect at the time of the Appraisal determined the legal permissibility of the potential use of the Subject Property, which is zoned "Public District," the primary purpose of which is to provide for the conduct of public and institutional activities, including providing protected designated areas for public and institutional facilities, and which is planned to be rezoned to its Highest and Best Use via a Specific Plan that would allow for the development of a mix of commercial, residential and public facilities that is necessary to achieving sustainable long-term economic and community benefits;
- (c) The Subject Property is adequate to accommodate a mix of commercial, residential and public facilities in that the Subject Property contains 56.42 acres, or 2,457,654 square feet, is level at street grade, has good frontage and access, with all public utilities available to the Subject Property including public water and sewer, gas, electric and telephone; and
- (d) The prospective use of the Subject Property has the potential to provide a sufficient return to attract investment capital over alternative forms of investment in that the Appraisal indicates that the Highest and Best Use of the Subject Property, based in part on its physical characteristics, location and market conditions, is for development with a mixed-use (residential and/or commercial) development built to its maximum feasible building area.

Section 5. Findings Regarding Estimated Value of the Interest to be Conveyed Based on the Use and with the Conditions, Covenants, and Development Costs Required by the Sale

That based on the content of the foregoing Recitals and the Evidence contained in the Administrative Record as set forth above, the City Council makes the following findings regarding the Estimated Value of the Interest to be Conveyed Based on the Use and with the Conditions, Covenants, and Development Costs Required by the Sale:

- (a) The Appraisal of the Subject Property includes a Value Conclusion Range of \$4,700,000 to \$5,600,000, based on the assumption that the Subject Property would be rezoned to its Highest and Best Use via a Specific Plan that would be adopted for the Subject Property.
- (b) The Request for Proposals (“RFP”) distributed by the City asked for proposals to develop the Subject Property into *Destination MoVal Town Center*, a vibrant, safe, multi-use destination for its residents, visitor and business owners.
- (c) The RFP sought proposals to provide a distinctive opportunity for a Town Center that would include commercial development, entertainment, professional office, research and development, civic uses, public gathering spaces and diverse forms of connectivity with potential for a complementary residential component or corporate headquarter(s) campus location.

Section 6. Findings Regarding Consideration Received and Comparison with the Estimated Value of the Interest to be Conveyed at Highest and Best Use

That based on the content of the foregoing Recitals and the Evidence contained in the Administrative Record as set forth above, the City Council makes the following findings regarding the consideration received and comparison with the estimated value of the interest to be conveyed at highest and best use:

- (a) The Appraisal of the Subject Property did not include the “As Is Value” under the current Public District zoning; rather, it includes a Value Conclusion Range of \$4,700,000 to \$5,600,000, since the Subject Property will be rezoned to its Highest and Best Use via a Specific Plan that would be adopted for the Subject Property;
- (b) The RFP sought proposals to provide a distinctive opportunity for a Town Center that would include commercial development, entertainment, professional office, research and development, civic uses, public gathering spaces and diverse forms of connectivity with potential for a complementary residential component or corporate headquarter(s) campus location.
- (c) The Developer will be purchasing the Subject Property for a purchase price of Five Million, Six Hundred Thousand Dollars (\$5,600,000), which is consistent with the appraisal of the Subject Property by Cushman & Wakefield Western, Inc. (again, the "Appraisal") at the top end of the Value Conclusion Range; and
- (d) The sale of the Subject Property for \$5,600,000 is deemed a reasonable price for the Subject Property and at such a price, the sale shall not constitute a gift of public funds.

Section 7. Findings Regarding Economic Opportunity

That based on the content of the foregoing Recitals and the Evidence contained in the Administrative Record as set forth above, the City Council makes the following findings regarding Economic Opportunity:

- (a) Based on the analysis performed by HdL EconSolutions, upon buildout, the Subject Property will provide economic vitality and new opportunities for businesses, residents, and visitor;
- (b) The Town Center Project will generate new revenue for the City through property tax, sales tax and transient occupancy tax (from the hotel) estimated to exceed \$2,000,000 annually upon completion of the Town Center Project, with that number growing to nearly \$3.3 million by year 25 (with 2% compounded annual growth rate), and over a 25-year period, assuming a 2.0% escalator, the City would collect a projected \$64,688,974 in tax revenues from the Project;
- (c) There will be three revenue producing components of the Town Center Project: 1) Commercial, 2) Residential, and 3) Hotel;
- (d) The combined annual sales receipts for the Commercial Component are projected to amount to \$80,951,600, which will produce annual sales tax revenue for the City in the amount of \$809,516;
- (e) Based on SiteSeer demographics, the City averages 3.74 persons per household and has disposable income of \$85,411 which HdL Econ Solutions estimates 30% will be used for household spending, with 70% potentially taxable;
- (f) The Hotel Component, which will include an upscale lodging establishment, is expected to produce annual transient occupancy tax revenue in the amount of \$563,326, based on a projected 80% occupancy rate;
- (g) The Town Center Project will employ 285 employees, who will spend \$ 2,163,7120 per year, with annual total taxable spending estimated to be \$1,514,604, which will produce \$15,146 in additional sales tax revenue for the City on an annual basis which, together with the additional sales tax revenue to be generated by Project construction workers and Project residents, is estimated to exceed \$152,000 annually;
- (h) The Developer is committed to coordinating with the City of Moreno Valley Employment Resource Center to conduct periodic job fairs for prospective businesses within the Project and to promote local hiring for the businesses and tenants within the Town Center Project;

- (i) Upon transfer of ownership to the Developer, the Subject Property's tax rate will be increased from \$0 to a tax rate of 1.11692 percent of the \$5,600,000 sales price of the Subject Property;
- (j) The entire cost (total building valuation) of the Town Center Project, not including land is estimated at over \$301,000,000, which has the potential of producing more than \$494,0000 in annual property tax revenue, compared to \$0 since the Subject Property is currently exempt from property taxes under City ownership;
- (k) The Residential, Commercial and Hotel Components of the Subject Property are projected to respectively produce a stream of \$389,395, \$69,703 and \$35,192, in annual property tax revenue for the City's General Fund; and
- (l) The Town Center Project will generate increased property taxes in an amount vastly exceeding the 15% threshold identified as a measure of "economic opportunity" in Government Code 52200.2(b) when compared to the year prior to the acquisition of the Subject Property by the City in 1985.

Section 8. Findings Regarding Conflict Between the Surplus Lands Act and Government Code Section 52201

That based on the content of the foregoing recitals and the evidence contained in the administrative record as set forth above, the City Council makes the following findings regarding the conflict between the application of the Surplus Lands Act conflicts with the City's sale of the Subject Property under Government Code section 52201 to create economic opportunity:

- (a) Although proceeding with a sale pursuant to Section 52201 of the California Government for "Economic Opportunity" may be a legally separate and independent basis for the sale of the Subject Property and an alternative to compliance with the land disposition procedures of the Surplus Land Act, Government Code Section 54226 provides that the Surplus Land Act disposition procedures shall not be applied when it conflicts with any other provision of statutory law;
- (b) If the Surplus Land Act disposition procedures are applied under the specific circumstances, it would conflict (e.g., undermine, defeat and frustrate) with the City's stated objective to sell the Subject Property for Economic Opportunity pursuant to Government Code Section 52201;
- (c) The Project's higher valued residential land amongst the mix of residential and non-residential uses is essential to the Project's economic viability because it can absorb a greater share of the improvement costs and fees making the non-residential land financially feasible to improve and develop and without a majority market rate residential component, the Project would not otherwise be economically feasible;

- (d) The resulting increased revenues from the sales of the market rate residential units are essential for the Developer to finance the construction of the necessary public improvements and major public amenities required in the Downtown Center and to subsidize the Developer's costs of developing the Retail/Commercial and Hotel components of the Town Center Project in order for the Retail/Commercial and Hotel components to operate profitably;
- (e) Construction of affordable housing does not eliminate the need for the public improvements and the major public amenities needed for the Project which are projected to cost in excess of \$31.5 million which will be offset by revenues from the for-sale housing which is intended to all be sold at market rate prices;
- (f) The inclusion of 25% affordable housing will materially reduce the revenues necessary to fund the public improvements and the major public amenities of the Project which conflicts with the City's creation of economic opportunity;
- (g) The inclusion of 25% affordable housing will reduce the proforma Developer revenues from the residential development by approximately 12% in addition to a reduction of Community Facilities District proceeds by 39%, resulting in an overall 16% reduction in Project revenues since an affordable housing developer would pay no costs of the backbone infrastructure and site improvements required to construct the affordable units;
- (h) The inclusion of 25% affordable housing will also reduce 25% of the projected average annual household incomes essential for spending on goods and services in the Project's Retail/Commercial component which would cause a 40% to 50% decrease in the projected annual revenue generation for the City through sales tax, property tax and TOT revenues; and
- (i) If 25% affordable housing was required, the significant loss of residential revenues would render the entire Project economically infeasible as envisioned, and the City of Moreno Valley would be denied the significant Economic Opportunities from the Residential, Hotel and Commercial components of the Project.

Section 9. Findings Regarding Conflict Between the Surplus Lands Act and State Housing Law and the City's Housing Element Certified by HCD

That based on the content of the foregoing recitals and the evidence contained in the administrative record as set forth above, the City Council makes the following findings regarding the conflict between the application of the Surplus Lands Act and the State Housing Law and the City's Housing Element certified by HCD:

- (a) If the Surplus Land Act disposition procedures are applied under the specific circumstances, it would conflict (e.g., undermine, defeat and frustrate) with the

City's MOVAL 2040 General Plan's Housing Element that was recently certified by the California Department of Housing and Community Development on or about October 11, 2022.

- (b) As required by State Housing Law, the City submitted the first draft of the MOVAL 2040 General Plan's Housing Element to HCD for its review and consideration, and the draft was made available for public comment for requisite number of days and in response to comments received from HCD and the public, City staff made various revisions, posted said revisions on the City's website before submitting the draft revisions to HCD.
- (c) The City submitted its revised draft of its Housing Element to HCD for its final review and approval, which HCD ultimately certified on or about October 11, 2022.
- (d) The City's certified Housing Element, as an essential component and mandatory element of the General Plan, guides planning for housing to meet the current and projected needs of all households in the City of Moreno Valley for the 2021-29 Planning Period.
- (e) The City's certified Housing Element includes a 2021-29 Moreno Valley Housing Sites Inventory, which consists of an inventory of housing opportunity sites and an analysis of the capacity of those sites to accommodate the City's Regional Housing Needs Assessment (RHNA) allocation as determined by the Southern California Association of Governments (SCAG).
- (f) The City's RHNA allocation for the 2021-2029 Planning Period has been determined by SCAG to be 13,595 housing units, including 3,768 units for very low-income households, 2,046 units for low-income households, 2,161 units for moderate income households, and 5,620 units for above moderate-income households;
- (g) The analysis of each housing opportunity site was conducted in a manner consistent with the guidance provided by HCD, to ensure that the Housing Element is consistent State law that Low and Very Low Income RHNA sites are not located in Federal Emergency Management Agency-designated (FEMA) flood hazard areas or active fault zones and that do not require remediation of contaminated soil or water prior to development.
- (h) The lower income sites were selected based on the parameters established by HCD for the size of sites for lower income units in view of feasibility considerations.
- (i) In the City's Housing Element, Low and Very Low Income RHNA sites include 156 sites in the Low and Very Low-Income category, representing 323 total acres of vacant and non-vacant land.

- (j) Sites identified to accommodate lower income RHNA are designated Corridor Mixed Use (COMU), Center Mixed Use (CEMU) R30 Residential (R30), and R20 Residential (R20) on the City's General Plan Land Use map which allow for a maximum residential density between 20 and 30 dwelling units per acre.
- (k) The City's certified Housing Element's 2021-29 Moreno Valley Housing Sites Inventory demonstrates that the City of Moreno Valley has adequate site capacity that is suitable and available to accommodate the regional housing need for all income groups, including lower income households without the need for adding any properties that are part of the Subject Property.
- (l) In light of HCD's approval and certification of the City's Housing Element, the City has ensured that: (a) sites are properly zoned to allow owner-occupied and rental multifamily residential uses "by-right" (only subject to ministerial approval) in which 20 percent or more of the units are affordable to lower income households; (b) the development of at least 16 units per site is permitted; (c) sites permit a minimum of 20 dwelling units per acre; and (d) at least 50 percent of the low- and very low-income regional housing need can be accommodated on sites designated for exclusively residential uses, at appropriate densities;
- (m) If the Subject Property is subjected to the Surplus Lands Act, it will undermine all the efforts and resources the City invested in developing a Housing Element that adequately complies with State Housing Law.
- (n) The City's HCD-certified Housing Element demonstrates that the City of Moreno Valley has adequate site capacity that is suitable and available to accommodate the regional housing need for all income groups, including lower income households without the need for adding any properties that are part of the Subject Property via the Surplus Land Act.
- (o) The parcels which constitute the Subject Property could not effectively be used for accommodating the City's RHNA allocation since, under the guidance provided by HCD, the subject parcels which are located within the City's Downtown District (where the Subject Property is located) are not encompassed by a zoning designation that has a minimum/maximum density per acre.
- (p) If the same agency (HCD), that certified the City's Housing Element and designated the City as a Prohousing jurisdiction, demands that the Surplus Land Act apply to the Town Center Project, its application would conflict with various provisions of statutory law related to the basic threshold requirements that the City had to meet in order to comply with not only Housing Element Law, but also other state housing laws pertaining to zoning and land use, housing production, construction and development costs, etc., that were relied upon by HCD when it designated the City of Moreno Valley as a Prohousing jurisdiction.

- (q) There is an incredible risk that the application of the Surplus Lands Act under the instant circumstances could result in decertification of the City's Housing Element and consequently strip the City of Moreno Valley of its designated status as a Prohousing jurisdiction, which clearly would be in conflict with all the statutory law the City relied upon in order to achieve the status of a designated Prohousing jurisdiction.

Section 10. Determinations and Conclusions

That based on the content of the foregoing recitals, the evidence contained in the administrative record and the findings set forth above, the City Council hereby determines and concludes as follows:

- (a) The Purchase and Sale Agreement will not impose any costs for the City;
- (b) The estimated value of the Subject Property is based on the Highest and Best Use Permitted under the City's General Plan and Zoning;
- (c) The Estimated Value of the Subject Property is also based on the use and with the Conditions, Covenants, and Development Costs Required by the sale;
- (d) The sale of the Subject Property and its subsequent development will create an economic opportunity for the City as contemplated by Government Code section 52201 to create economic opportunity;
- (e) The application of the Surplus Lands Act conflicts with the City's sale of the Subject Property under Government Code section 52201 to create economic opportunity; and
- (f) The application of the Surplus Lands Act conflicts with the State Housing Laws that the City relied upon for developing its Housing Element that was Certified by HCD in October 2022, and obtaining the designation as a Prohousing jurisdiction from HCD.

Section 11. Severability

That the City Council declares that, should any provision, section, paragraph, sentence or word of this Resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Resolution as hereby adopted shall remain in full force and effect.

Section 12. Effective Date

That this Resolution shall take effect immediately upon the date of adoption.

Section 13. Certification.

That the City Clerk shall certify to the passage of this Resolution.

PASSED AND ADOPTED THIS ____ day of _____ 2023.

Ulisis Cabrera, Mayor

ATTEST:

Jane Halstead, City Clerk

APPROVED AS TO FORM:

Steven B. Quintanilla, Interim City Attorney

EXHIBIT "A"
SUMMARY REPORT
[SEE ATTACHED]

Attachment: Resolution - Summary Report (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

**SUMMARY REPORT
PURSUANT TO SECTION 52201 OF CALIFORNIA GOVERNMENT CODE
IN CONNECTION WITH THE SALE OF PROPERTY
BY AND BETWEEN THE CITY OF MORENO VALLEY
AND LEWIS ACQUISITION COMPANY, LLC**

I. PURPOSE OF SUMMARY REPORT

This Summary Report has been prepared pursuant to Section 52201 of the California Government Code, with regards to the Purchase and Sale Agreement and Escrow Instructions (“PSA”), by and between Lewis Acquisition Company, LLC, a Delaware limited liability company, or assignee (“Developer”) and the City Of Moreno Valley (“City”) pertaining to the sale of approximately 56.42 acres of land (APN 487-470-030 and APN 487-470-031) located at the northwest corner of Alessandro Boulevard and Nason Street (“Subject Property”) by the City to Developer for the development of a Civic Center site known as the “Town Center Project” in the Downtown Center as more particularly described in the Downtown Center Plan Policy, as set forth in the City of Moreno Valley ”General Plan 2040” (General Plan 2040, p 2-16).

Section 52201 of the California Government Code provides that a city, county, or city and county may sell or lease property to create an economic opportunity. The acquisition, sale, or lease shall first be approved by the legislative body (city council) by resolution after a legally noticed public hearing. The city shall also make available a copy of a Summary Report that describes and contains specific elements of the proposed transaction for public inspection prior to the public hearing.

Pursuant to section 52201(a)(2)(B), the Summary Report must include the following information:

- A copy of the proposed acquisition, sale, or lease agreement.
- A summary that describes and specifies all of the following:
 - The cost of the agreement to the city, county, or city and county, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the city, county, or city and county, plus the expected interest on any loans or bonds to finance the agreements.
 - For the sale or lease of property, the estimated value of the interest to be conveyed or leased, determined at the highest and best uses permitted under the City’s General Plan or zoning.
 - For the sale or lease of property, the estimated value of the interest to be conveyed or leased, determined at the use and with the conditions, covenants, and development costs required by the sale or lease. The purchase price or present value of the lease payments which the lessor will be required to make during the term of the lease. If the sale price or total rental amount is less than the fair market value of the interest to be conveyed or leased, determined at the highest and best

use, then the city, county, or city and county shall provide as part of the summary an explanation of the reasons for the difference.

- An explanation of why the acquisition, sale, or lease of the property will assist in the creation of economic opportunity, with reference to all supporting facts and materials relied upon in making this explanation.

This Summary Report outlines the primary terms of the proposed sale of the Subject Property from the City to the Developer as outlined in the PSA and addresses the reporting requirements pursuant to Government Code Section 52201.

II. SUMMARY REPORT ORGANIZATION

This Summary Report is based upon information provided in connection with the sale of the Subject Property and is organized into the following sections:

- **Summary of the Proposed Sale** – This section includes a description of and other relevant information pertaining to the proposed sale of the Subject Property by the City to the Developer pursuant to the terms of the PSA;
- **Cost of the Agreement to the City** – This section addresses the cost of the PSA to the City, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the City, plus the expected interest on any loans or bonds to finance the agreements;
- **Estimated Value of the Interest to be Conveyed Determined at the Highest and Best Use Permitted Under the General Plan or Zoning** – This section estimates the value of the interest to be conveyed, determined at the highest and best use permitted under the General Plan and zoning for the Subject Property;
- **Estimated Value of the Interest to be Conveyed Determined at the Use and with the Conditions, Covenants, and Development Costs Required by the Sale** – This section estimates the value of the Subject Property interest to be conveyed determined at the use and with the conditions, covenants, and development costs required by the sale of the Subject Property (i.e., the purchase price);
- **Consideration Received and Comparison with the Established Value** – This section addresses that the sales price of the Subject Property is not less than the fair market value for the Subject Property based on its highest and best use;
- **Economic Opportunity** – This section includes an explanation of why the sale of the Subject Property will assist in the creation of economic opportunity.

This Summary Report sets forth certain details of the sale the Subject Property by the City to the Developer. A copy of the PSA is attached to this Summary Report. (See Attachment “A”.)

III. SUMMARY OF PROPOSED SALE OF THE SUBJECT PROPERTY

The City conducted a Request for Proposals (RFP) for the Town Center Project in November 2019. A copy of the RFP , which was issued to more than 9000 developers, is attached as Attachment “B”. Developer was selected as the Developer in March, 2020, and the PSA approved by the City Council in October, 2020, with Economic Development identified as the #1 strategic priority of the City Council for this project.

Under the terms of the PSA, the Developer is acquiring the Subject Property "AS IS, WHERE IS" without any representation or warranty of the City, as Seller, express, implied or statutory, as to the nature or condition of or title to the Subject Property or its fitness for the Developer’s intended use. The Developer is familiar with the Subject Property and is relying solely upon its own, independent inspections, investigations and analysis of the Subject Property as it deems necessary or appropriate in so acquiring the Subject Property from the City, including, without limitation, an analysis of any and all matters concerning the condition of the Subject Property and its suitability for the Developer’s intended purposes, and a review of all applicable laws, ordinances, rules and governmental regulations (including, but not limited to, those relative to building, zoning and land use) affecting the development, use, occupancy or enjoyment of the Subject Property.

The Developer is purchasing the Subject Property for a purchase price of Five Million, Six Hundred Thousand Dollars (\$5,600,000), which is consistent with the appraisal of the Subject Property by Cushman & Wakefield Western, Inc. (the "Appraisal"). As such, the sale of the Subject Property for \$5,600,000 is deemed a reasonable price for the Subject Property and at such a price, the sale shall not constitute a gift of public funds. A copy of the Appraisal Summary is attached as Attachment “C”.

The intended use of the Subject Property is for the development of a Town Center that shall consist of a quality mixed use development with two required and integrated components: (1) a "Non-Residential Component" comprised of between 150,000 sq. ft. and 172,000 sq. ft. (or as otherwise approved in the Land Use Entitlements, as that term is defined in the PSA) of office, retail and commercial uses, which potentially may include a lodging establishment such as a hotel for transient occupancy use as described in Chapter 3.24 Transient Occupancy Tax of the Moreno Valley Municipal Code, and all ancillary landscaping, parking amenities, and public elements such as but not limited to, parks, open space, paseos and connectivity corridors, plazas, and other public gathering spaces and related public improvements consistent with the zoning in place at the time of issuance of the Land Use Entitlements; and (2) a "Residential Component," comprised of between 300-700 market rate residential units (or as otherwise agreed by the City and the Developer and approved in the Land Use Entitlements) with ancillary landscaping, parking amenities, and public elements such as, but not limited to, parks, open space, paseos and connectivity corridors, plazas, and other public gathering spaces and related public improvements consistent with the zoning in place at the time of issuance of the Land Use Entitlements, with the Residential Component occupying approximately 60% of the Subject Property. The Non-Residential Component may include, without limitation, public buildings, entertainment, retail, office, fitness, hospitality and any other similar uses combining to total square footage between 150,000 sq. ft. and 172,000 sq. ft. **Exhibit B** to the PSA identifies in greater detail the overall Town Center Project

which the Developer is required to complete in total; development of just the Residential Component by Developer is not permitted by the terms of the PSA.

The Developer shall also construct all necessary public improvements and amenities and public infrastructure required by the Land Use Entitlements as conditions of approval for the Town Center Project at an estimated total cost in excess of \$31,500,000 (excluding land costs). The Developer may petition City to form a Mello Roos Community Facilities District to finance such improvements, which will be at no cost to the City.

IV. COST OF THE PSA TO THE CITY

There is no cost estimated to the City as part of the PSA. Per the terms and conditions of the PSA, the Developer shall pay: (i) all of the escrow fees and charges of Escrow Holder; (ii) the cost of the premium for the Title Policy; (iii) the cost of all endorsements to the Title Policy; (iv) all costs and charges for the recordation of any grant deeds; (v) any documentary or other local transfer taxes on the transfer of the Subject Property; and (vi) Buyer's share of the charges prorated under the PSA. In addition, if any escrow shall fail to close for any reason other than the City's default, the Developer shall pay any applicable escrow cancellation charges.

The Developer is required to pay for all applicable filing and processing fees as set forth in the Moreno Valley Municipal Code in the amounts set forth in the schedule of fees in effect at the time such fees are due and payable during the Land Use Entitlements review process. The Developer shall also pay all applicable Development Impact (Mitigation) Fees ("DIF Fees") as set forth in the Moreno Valley Municipal Code and/or fee schedule adopted by the City subject to the Developer's receipt of credits against such fees for public infrastructure in the City's capital improvement DIF Fee program constructed by the Developer for the Town Center Project. However, the Developer would not be eligible for a credit against DIF fees for the \$2,000,000 major one-acre public park amenity that the Developer is required to incorporate into the Town Center Project at no cost to the City.

The Developer is also required to reimburse the City for the actual costs and expenses reasonably incurred by the City for all services provided by the City and its consultants, including legal counsel, for review, preparation and processing of the Land Use Entitlements and other permits, licenses, etc. for the Town Center Project, which are not factored in the City's standard processing fees. Furthermore, to the extent that the City, at the request of and on behalf of Developer, attempts to enter into binding agreements with other entities in order to assure the availability of certain permits and approvals or services necessary for development of the Subject Property, as described in the PSA, the Developer shall reimburse the City for all costs and expenses incurred in connection with seeking and entering into any such agreements, subject to Developer's consent to such costs and expenses, which consent shall not be unreasonably withheld. In addition, any fees, assessments or other amounts payable by the City pursuant to any such agreements described herein shall be borne by the Developer except where Developer has notified the City in writing, prior to the City entering into any such agreement, that it does not desire for the City to execute said agreement.

V. ESTIMATED VALUE OF THE INTEREST TO BE CONVEYED DETERMINED AT THE HIGHEST AND BEST USE PERMITTED UNDER THE GENERAL PLAN AND ZONING

Since the City wanted to place the highest value on the Subject Property, it was appraised based on a determination of the reasonably probable use of property that would result in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

- Legal Permissibility** – The zoning regulations in effect at the time of the Appraisal determined the legal permissibility of the potential use of the Subject Property, which is zoned Public District. The primary purpose of the Public District zoning designation is to provide for the conduct of public and institutional activities, including providing protected designated areas for public and institutional facilities. However, the appraisal of the Subject Property was based on the assumption that the Subject Property would be rezoned to its Highest and Best Use via a Specific Plan that would be adopted for the Subject Property in the context of a Public Private Partnership, between the City and the Developer. This was the primary reason why the City’s Request for Proposals to develop the Subject Property indicated a desire to have a mix of commercial, residential and public facilities as part of the plan and assumed that this type of a plan would be a joint effort with a future developer in the context of a Public Private Partnership that was deemed necessary to achieving sustainable long-term economic and community benefits.
- Physically Possible** – The physical possibility of a use is dictated by the size, shape, topography, availability of utilities, and any other physical aspects of the site. The Subject Property contains 56.42 acres, or 2,457,654 square feet. The Subject Property is irregularly shaped and level at street grade. It has good frontage, average access, and good visibility. The overall utility of the Subject Property is considered to be good. All public utilities are available to the Subject Property including public water and sewer, gas, electric and telephone. Overall, the Subject Property is considered adequate to accommodate most permitted future development possibilities that include a mix of commercial, residential and public facilities.
- Financially Feasible and Maximally Productive** – The prospective use of the Subject Property must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. A positive net income or acceptable rate of return would indicate that a use is financially feasible. Financially feasible uses are those uses that can generate a profit over and above the cost of acquiring the site and constructing the improvements. Of the uses that are permitted, possible, and financially feasible, the one that will result in the maximum value for the property is considered the highest and best use. Considering the Subject Property’s physical characteristics and location, as well as the state of the local market in the midst of the COVID-19 pandemic, it has been determined in the Appraisal that the Highest and Best Use of the Subject Property is for development with a mixed-use (residential and/or commercial) development built to its maximum feasible building area, when market conditions allow.

B. ESTIMATED VALUE OF THE INTEREST TO BE CONVEYED AT THE USE AND WITH THE CONDITIONS, COVENANTS, AND DEVELOPMENT COSTS REQUIRED BY THE SALE

The current zoning of the Subject Property is Public District. The primary purpose of the Public District zoning designation is to provide for the conduct of public and institutional activities, including providing protected designated areas for public and institutional facilities. Prohibited uses within the Public District zone include residential and commercial uses.

Although the Appraisal of the Subject Property did not include the “As Is Value” under the current Public District zoning, it did include a Value Conclusion Range of \$4,700,000 to \$5,600,000, based on the assumption that the Subject Property would be rezoned to its Highest and Best Use via a Specific Plan that would be adopted for the Subject Property. The Request for Proposals (RFP) distributed by the City asked for proposals to develop the Subject Property into *Destination MoVal Town Center*, a vibrant, safe, multi-use destination for its residents, visitor and business owners. The RFP sought proposals to provide a distinctive opportunity for a Town Center that would include commercial development, entertainment, professional office, research and development, civic uses, public gathering spaces and diverse forms of connectivity with potential for a complementary residential component or corporate headquarter(s) campus location.

B. CONSIDERATION RECEIVED AND COMPARISON WITH THE ESTIMATED VALUE OF THE INTEREST TO BE CONVEYED AT HIGHEST AND BEST USE

The Developer is purchasing the Subject Property for a purchase price of Five Million, Six Hundred Thousand Dollars (\$5,600,000), which is consistent with the appraisal of the Subject Property by Cushman & Wakefield Western, Inc. (the “Appraisal”) at the top end of the Value Conclusion Range. As such, the sale of the Subject Property for \$5,600,000 is deemed a reasonable price for the Subject Property and at such a price, the sale shall not constitute a gift of public funds.

The Developer will also construct all necessary public improvements and public infrastructure required by the Land Use Entitlements as conditions of approval for the Town Center Project at an estimated cost in excess of \$35,400,000. The Developer may petition City to form a Mello Roos Community Facilities District to finance such improvements, which will be at no cost to the City.

VIII. ECONOMIC OPPORTUNITY

Due to the size and nature of the Subject Property and based on its Highest and Best Use, it was determined that the most likely buyer would be a developer that would work in a Public Private Partnership to develop a Specific Plan for future development of the Subject Property into a mix of commercial, residential and public facilities. This Public Private Partnership has been deemed necessary to achieving sustainable long-term economic and community benefits.

An analysis was performed by HdL EconSolutions to assess the economic benefits of the Subject Property upon buildout. A copy of that analysis is attached as Attachment “D” (the “HdL Report”). Upon buildout, the Subject Property will provide economic vitality and new opportunities for

businesses, residents, and visitors. The HdL EconSolutions analysis projects that the Town Center Project will generate new revenue for the City through property tax, sales tax and transient occupancy tax (from the hotel) estimated to exceed \$2,000,000 annually upon completion of the Town Center Project, with that number growing to nearly \$3.3 million by year 25 (with 2% compounded annual growth rate). Over a 25-year period, assuming a 2.0% escalator, the City would collect a projected \$64,688,974 in tax revenues from the Project.

There will be three revenue producing components of the Town Center Project: 1) Commercial, 2) Residential, and 3) Hotel. The Commercial component includes uses such as a library, office, theater, retail, restaurant, and fitness center. The combined annual sales receipts for the Commercial Component are projected to amount to \$80,951,600, which will produce annual sales tax revenue for the City in the amount of \$809,516 (see, HdL Report, page 4). Based on SiteSeer demographics, the City of Moreno Valley averages 3.74 persons per household and has disposable income of \$85,411 which HdL Econ Solutions estimates 30% will be used for household spending, with 70% potentially taxable. The Hotel Component, which will include an upscale lodging establishment, is expected to produce annual transient occupancy tax revenue in the amount of \$563,326, based on a projected 80% occupancy rate (see, HdL Report, page 4).

Moreover, it is projected by HdL Econ Solutions that the Town Center Project will employ 285 employees, who will spend \$ 2,163,7120 per year, with annual total taxable spending estimated to be \$1,514,604. That will in turn produce \$15,146 in additional sales tax revenue for the City on an annual basis which, together with the additional sales tax revenue to be generated by Project construction workers and Project residents, is estimated by HdL to exceed \$152,000 annually (see, HdL Report page 6). The Developer is committed to coordinating with the City of Moreno Valley Employment Resource Center to conduct periodic job fairs for prospective businesses within the Project and to promote local hiring for the businesses and tenants within the Town Center Project.

The Subject Property is located in the taxing jurisdiction of the County of Riverside. The assessor's parcel identification numbers are 487-470-030 and 487-470-031. Total property taxes for the Subject Property are currently \$0 since the Subject Property has been owned in fee by the City of Moreno Valley since 1985. However, the tax rate for the area is 1.11692 percent, which has been utilized in the Appraisal.

Under the provisions of Article XIII A of the California Tax and Revenue Code (Proposition 13), properties are assessed their market value as of March 1, 1975, the base year lien date, or a later date, such as when a property was last sold, or substantial renovation/construction occurred. Reassessment due to new construction is usually based on the additional construction costs. However, upon the sale of the Subject Property, it will be reassessed according to the Assessor's opinion of market value of the Subject Property, which will likely be based on the sales price. Consequently, the tax amount applicable to the Subject Property, upon transfer of ownership to the Developer, will be based on the sales price of the Subject Property (\$5,600,000) and the current tax rate (1.11692 %) plus any special assessments.

Notwithstanding the above, the entire cost (total building valuation) of the Town Center Project, not including land is estimated at over \$301,000,000, which has the potential of producing more than \$494,0000 in annual property tax revenue, compared to \$0 since the Subject Property is

currently exempt from property taxes under City ownership (see, HdL Report page 6). Approximately 30 acres of the Subject Property has been designated for multifamily residential use with the remaining 26.42 acres designated for civic, retail, restaurant, fitness, market and office uses which will include an upscale hotel and movie theater. Specifically, the residential, commercial and hotel components of the Subject Property are projected to respectively produce a stream of \$389,395, \$69,703 and \$35,192, respectively, in annual property tax revenue for the City's General Fund (see, HdL Report page 6).

In light of the foregoing, the Town Center Project will surely generate increased property taxes in an amount vastly exceeding the 15% threshold identified as a measure of "economic opportunity" in Government Code 52200.2(b) when compared to the year prior to the acquisition of the Subject Property by City in 1985.

IX. THE APPLICATION OF THE SURPLUS LANDS ACT CONFLICTS WITH THE CITY'S SALE OF THE SUBJECT PROPERTY UNDER GOVERNMENT CODE SECTION 52201 TO CREATE ECONOMIC OPPORTUNITY AND WOULD BE IN CONFLICT WITH THE CITY'S HOUSING ELEMENT AS CERTIFIED BY HCD

The sale of the Subject Property pursuant to Section 52201 of the California Government for "Economic Opportunity" is a legally separate and independent basis for the sale of the Subject Property and an alternative to compliance with the land disposition procedures of the Surplus Land Act. In particular, Government Code Section 54226 provides that the Surplus Land Act disposition procedures shall not be applied when it conflicts with any other provision of statutory law. In this particular situation, it is clear that if the Surplus Land Act disposition procedures are applied under the specific circumstances, it would conflict (e.g., undermine, defeat and frustrate) with not only the City's stated objective to sell the Subject Property for Economic Opportunity pursuant to Government Code Section 52201, but it would also conflict with the State Housing Law that the City has relied on to prepare and develop the City's MOVAL 2040 General Plan's Housing Element that was recently certified by the California Department of Housing and Community Development on or about October 11, 2022.

A. Economic Opportunity Conflict.

Developments such as the Town Center Project typically have a mix of residential and non-residential uses. The higher valued residential land is essential to the project's economic viability because it can absorb a greater share of the improvement costs and fees making the non-residential land financially feasible to improve and develop. Without a majority market rate residential component, this Town Center Project would not otherwise be economically feasible.

While the land area of The Town Center Project is split 60 % residential / 40% non-residential, the residential acreage, including CFD proceeds on the for-sale (market rate) units accounts for approximately 80% of projected Developer revenues. With CFD proceeds included, residential land provides a much higher value per improved acre than non-residential land. These resulting increased revenues from the sales of the market rate residential units are essential for the Developer to finance the construction of the necessary public improvements and major public amenities

required in the Downtown Center and to subsidize the Developer's costs of developing the Retail/Commercial and Hotel components of the Town Center Project in order for the Retail/Commercial and Hotel components to operate profitably

Construction of affordable housing does not eliminate the need for the public improvements and the major public amenities needed for the project at a cost in excess of \$31.5 million. The costs of these multi-million-dollar improvements are still required and are intended to be offset by revenues from the for-sale housing which is intended to all be sold at market rate prices. As discussed below and in the HdL Report, the inclusion of 25% affordable housing will materially reduce the revenues necessary to fund the public improvements and the major public amenities of the Town Center which conflicts with the City's creation of economic opportunity.

Hdl EconSolutions has confirmed that the following significant financial impacts would result by the inclusion of affordable housing in the Town Center Project. Assuming 25% of the residential portion of the Town Center Project is affordable housing, proforma Developer revenues from the residential development would be reduced by approximately 12%. In addition, available CFD proceeds would be reduced by 39%, resulting in an overall 16% reduction in project revenues to Lewis. In part, this is because the affordable housing developer would pay no costs of the backbone infrastructure and site improvements required to construct the affordable units. In the case of the Town Center Project, these costs would need to be funded by the remaining market rate housing, materially reducing funds necessary to construct the public improvements and major public amenities required to develop the entirety of the Town Center.

Inclusion of affordable housing will also reduce 25% of the projected average annual household incomes essential for spending on goods and services in the project's Retail/Commercial component. The HdL report provided that the 25% reduction in the market-rate residential units to satisfy the affordability requirement could cause a 40% to 50% decrease in the projected annual revenue generation for the City through sales tax, property tax and TOT revenues.

The HdLReport concluded that if 25% affordable housing was required, the significant loss of residential revenues would render the entire Town Center Project economically infeasible as envisioned, and the City of Moreno Valley would be denied the significant Economic Opportunities from the Residential, Hotel and Commercial components of the project. Similar impacts would result if 15% affordable housing is required

B. Housing Element Conflict.

As required by State Housing Law, the City submitted the first draft of the MOVAL 2040 General Plan's Housing Element to HCD for its review and consideration, and the draft was made available for public comment for requisite number of days. In response to comments received from HCD and the public, City staff made various revisions, posted said revisions on the City's website before submitting the draft revisions to HCD. Finally, the City submitted the revised draft as approved by the City Council to HCD for its final review and approval, which HCD ultimately certified on or about October 11, 2022.

The City's recently certified Housing Element for the 2021-2029 Planning Period (Housing Element cycle) is an essential component and mandatory element of the City's MOVAL 2040 General Plan. The MoVal 2040 General Plan charts the course of Moreno Valley's future for the next 20 years. The General Plan includes comprehensive information about housing growth, housing development types, and goals for affirmatively furthering fair housing development across the entire City of Moreno Valley. The City's certified Housing Element, as an essential component and mandatory element of the General Plan, guides planning for housing to meet the current and projected needs of all households in the City of Moreno Valley for the 2021-29 Planning Period. The Housing Element summarizes the available land, financial, and administrative resources available for the preservation, improvement, and development of housing throughout the City of Moreno Valley. The Housing Element also includes an evaluation of the availability of land resources and other important considerations for future housing development, the City's ability to satisfy its share of the region's future housing needs, the financial resources available to support housing activities, and the administrative resources available to assist in implementing the City's housing programs and policies.

The City's certified Housing Element includes a 2021-29 Moreno Valley Housing Sites Inventory, which is critical part of the Housing Element. The 2021-29 Inventory consists of an inventory of housing opportunity sites and an analysis of the capacity of those sites to accommodate the City's Regional Housing Needs Assessment (RHNA) allocation as determined by the Southern California Association of Governments (SCAG). State Housing Law requires that each jurisdiction establish the number of housing units that will be constructed, rehabilitated, and preserved over the planning period. The RHNA is mandated by State Housing Law as part of the process of updating local housing elements of the General Plan. The RHNA quantifies the need for housing within each jurisdiction during specified planning periods. Communities use the RHNA in land use planning, prioritizing local resource allocation, and in deciding how to address identified existing and future housing needs resulting from population, employment, and household growth. The RHNA allows communities to anticipate growth, so that collectively the region and sub-region can grow in ways that enhance quality of life, improve access to jobs, promote transportation mobility, and addresses social equity and fair share housing needs. The RHNA consists of two measurements of housing need: existing and future needs. The existing needs assessment simply examines key variables from the most recent census to measure ways in which the housing market is not meeting the needs of current residents. These variables include the number of low-income households paying more than 30 percent of their income for housing, as well as severe overcrowding, farmworker needs, and housing preservation needs. The future need for housing is determined primarily by the forecasted growth of housing in a community. For instance, each new household, created by a child moving out of a parent's home, by a family moving to a community for employment, and so forth, creates the need for a housing unit. The anticipated housing needed for new households is then adjusted to account for an ideal level of vacancy units. In summary, the Quantified Objectives of the RHNA are required to be part of the Housing Element and the City of Moreno Valley is committed to obtaining these objectives.

In light of the foregoing, the City's Housing Element includes a table that shows the City's total "Quantified Objectives" for the 2021-2029 Planning Period. The Quantified Objectives assume

optimum conditions for the production of housing. However, environmental, physical and market conditions influence the timing, type and cost of housing production in a community. Moreover, satisfaction of the City's regional housing needs will partially depend on the cooperation of private funding sources and resources of the State, Federal and County programs that are used to support the needs of the extremely low-, very low-, low-, and moderate-income households.

The City's RHNA allocation for the 2021-2029 Planning Period has been determined by SCAG to be 13,595 housing units, including 3,768 units for very low-income households, 2,046 units for low-income households, 2,161 units for moderate income households, and 5,620 units for above moderate-income households. As such, the City's Quantified Objectives have been set forth in the City's Housing Element, for the number of housing units needed, broken down by income category, over the 2021-2029 Planning Period as follows:

- Very Low Income (0-50% of Area Median Income) – Need 3,768 Units which consists of 27.7% of City's RHNA Allocation
- Low Income (51-80% of Area Median Income) – Need 2,046 Units which consists of 15.0% of City's RHNA Allocation
- Moderate Income (81-120% of Area Median Income) – Need 2,161 Units which consists of 15.9% of City's RHNA Allocation
- Above Moderate Income (more than 120% of Area Median Income) – Need 5,620 Unites which consists of 41.3% of City's RHNA Allocation
- Total New Construction – Need 13,595 Units to meet 100% of City's RHNA Allocation

As referenced above, the City's certified Housing Element includes a 2021-29 Moreno Valley Housing Sites Inventory, which is an inventory of housing opportunity sites and an analysis of the capacity of those sites to accommodate the City's RHNA allocation as determined by SCAG.

The analysis of each housing opportunity site was conducted in a manner consistent with the guidance provided by HCD. For instance, consistent with HCD's guidance and applicable State law, Low and Very Low Income RHNA sites included on the 2021-29 Moreno Valley Housing Sites Inventory have been screened to ensure they are not located in Federal Emergency Management Agency-designated (FEMA) flood hazard areas or active fault zones and that they do not require remediation of contaminated soil or water prior to development.

In addition, the lower income sites were selected based on the parameters established by HCD for the size of sites for lower income units in view of feasibility considerations. Per HCD's guidance, parcels less than 0.5 acres in size are generally not considered suitable for lower income housing development as smaller parcels may not allow development of a sufficient number of units for proposed affordable housing projects to compete effectively for limited funding resources. Moreover, parcels larger than 10 acres in size are also not considered suitable by HCD as development of very large projects since it could lead to an over concentration of affordable housing in one location or may render proposed affordable housing projects ineligible for funding. Therefore, all sites attributed to Low and Very Low Income RHNA in the Housing Element's

2021-29 Moreno Valley Housing Sites Inventory are between 0.5 and 10 acres in size, with an average site size of 2.1 acres

Low and Very Low Income RHNA sites include 156 sites in the Low and Very Low Income category, representing 323 total acres of vacant and non-vacant land. Low and Very Low Income households are those making up to 80 percent of the local area median income. Sites identified to accommodate lower income RHNA are designated Corridor Mixed Use (COMU), Center Mixed Use (CEMU) R30 Residential (R30), and R20 Residential (R20) on the City's General Plan Land Use map. These designations allow for a maximum residential density between 20 and 30 dwelling units per acre.

In summary, the City's certified Housing Element's 2021-29 Moreno Valley Housing Sites Inventory demonstrates that the City of Moreno Valley has adequate site capacity that is suitable and available to accommodate the regional housing need for all income groups, including lower income households without the need for adding any properties that are part of the Subject Property. The sites included in the 2021-29 Inventory were specifically selected to facilitate and encourage the development of a variety of types of housing for people at all income levels, including multifamily rental housing, factory-built housing, mobilehomes, emergency shelters, and transitional housing. As such, the 2021-29 Inventory accommodates 100 percent of the shortfall of sites necessary to accommodate the remaining housing need for housing for very low- and low-income households during the 2021-29 Planning Period. The sites are also appropriately zoned to provide realistic and viable development opportunities for all housing types, including without limitation low- and low-income housing. In light of HCD's approval and certification of the City's Housing Element, the City has ensured that: (a) sites are properly zoned to allow owner-occupied and rental multifamily residential uses "by-right" (only subject to ministerial approval) in which 20 percent or more of the units are affordable to lower income households (b) the development of at least 16 units per site is permitted; (c) sites permit a minimum of 20 dwelling units per acre; and (d) at least 50 percent of the low- and very low-income regional housing need can be accommodated on sites designated for exclusively residential uses, at appropriate densities.

In light of the foregoing, if the Subject Property is subjected to the Surplus Lands Act, it will undermine all the efforts and resources the City invested in developing a Housing Element that adequately complies with State Housing Law. The Regional Housing Needs Assessment (RHNA) is a requirement of State Housing Law and is a process that determines projected and existing housing needs for all jurisdictions, including the City of Moreno Valley. As required under State Housing Law, the process to determine a RHNA allocation is conducted by a council of governments, such as SCAG, every eight (8) years. State Housing Law further mandates that every jurisdiction plan for its RHNA allocation in its housing element of its general plan by ensuring there is enough sites and zoning to accommodate their RHNA allocation. In March 2020, SCAG adopted its 6th cycle RHNA allocation plan, which covers the Planning Period, commencing October 2021 through October 2029. For the 6th cycle, SCAG received a need of 1,341,827 housing units, which was distributed to all 197 SCAG jurisdictions, including the City of Moreno Valley which through its HCD-certified Housing Element has demonstrated that the City of Moreno Valley has adequate site capacity that is suitable and available to accommodate the regional housing need for all income groups, including lower income households without the need for adding any properties that are part of the Subject Property via the Surplus Land Act. Finally, it is

important to note that the parcels which constitute the Subject Property could not effectively be used for accommodating the City's RHNA allocation since, under the guidance provided by HCD, the subject parcels which are located within the City's Downtown District (where the Subject Property is located) are not encompassed by a zoning designation that has a minimum/maximum density per acre.

ATTACHMENTS

A-COPY OF PSA

B-COPY OF RFP

C-COPY OF APPRAISAL SUMMARY

D-COPY OF HDL ECONOMIC IMPACT & BENEFIT ANALYSIS

**ATTACHMENT "A" TO CITY OF MORENO VALLEY
SUMMARY REPORT (GOV C 52201)**

COPY OF PSA

[SEE ATTACHED]

Attachment: Attachment A - Copy of PSA (6402 : PUBLIC HEARING -- TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

**PURCHASE AND SALE AGREEMENT
AND
ESCROW INSTRUCTIONS**

This PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS ("Agreement") is dated as of 10/20/20 ("Effective Date") and is entered into by and between LEWIS ACQUISITION COMPANY, LLC, a Delaware limited liability company, or assignee ("Buyer" or "Developer") and the CITY OF MORENO VALLEY ("Seller" or "City").

RECITALS

WHEREAS, the City owns in fee those certain undeveloped parcels located at the northwest corner of Alessandro Boulevard and Nason Street in Moreno Valley, California, as more particularly described in *Exhibit A* attached hereto and made a part hereof, ("Subject Property"); and

WHEREAS, Buyer desires to purchase the Subject Property from the City for the purpose of developing a mixed-use project as conceptually described in *Exhibit B* attached hereto and made a part hereof ("Project") and the terms and conditions of this Agreement; and

WHEREAS, California Government Code Section 37350 provides that the City may dispose of real property for the common benefit; and

WHEREAS, the sale of the Subject Property for the purposes described herein, will be for the common benefit in that the Project is intended to result in: (a) the elimination of blight; (b) a higher and better use of the Subject Property, (c) an increase in property tax and transient sales tax revenue generated by development of certain portions of the Subject Property with retail and potential hotel uses; (d) the construction and installation of certain public infrastructure and improvements; (e) the development of a residential component which will provide a variety of housing opportunities for families; (f) the establishment of certain commercial, retail and office uses which will provide employment opportunities for the residents of the City; (g) the creation of local construction job opportunities; (h) the development of additional parking amenities; (i) the installation of private and public landscaping at no cost to the City's taxpayers; (j) the development and installation of public gathering places, parks, open space, paseos and connectivity corridors, plazas, other social gathering spaces; (k) the dedication of approximately 40,000 square feet of developable land that will be mass-graded, uncompacted, with utilities stubbed to the property, to the City of Moreno Valley at no cost to the City for a future innovation tech library or other civic use(s); (l) the designation of approximately 1,200 to 1,400 square feet within one of the retail buildings to be used as a police substation by the Moreno Valley Police Department; (m) the provision of a negotiated and discounted Common Area Maintenance ("CAM") charge to the City for all public buildings within the Project; (n) coordination with the City of Moreno Valley Employment Resource Center to conduct job fairs for the Project's prospective businesses; (o) commercially reasonable effort being made by the Developer to encourage local hire for the businesses tenants within the Project; (p) the incorporation of a public art component and (q) a major public amenity up to one(1) acre in size (the "**Major Project Amenity**"), all subject to the approval of the City; and

WHEREAS, during the term of this Agreement the Project will be defined for CEQA and further refined as part of the related Entitlement process described in Section 5 Land Use Entitlements and tenant/user demand conducted during the term of this Agreement; and

WHEREAS, it is also acknowledged that as part of the Entitlement process for the Project and before the sale of the Property is completed to Buyer under this Agreement, the City will conduct environmental review of the Project in full compliance with CEQA, will identify any environmental impacts, and will, to the fullest extent required by CEQA, provide all feasible mitigation of any such environmental impacts. In addition, it is anticipated that the Project will be designed to include necessary street and utility infrastructure to serve the Project which will also be further considered by the City as part of the Land Use Entitlements and CEQA review process; and

WHEREAS, the City commissioned an appraisal of the Property by Cushman & Wakefield (the “Appraisal”) and in light of that Appraisal and in light of the foregoing, the City has determined that selling the Subject Property for a purchase price of Five Million, Six Hundred Thousand Dollars (\$5,600,000), will result in the City obtaining a reasonable price for the Subject Property and at such a price, the sale shall not constitute a gift of public funds.

WHEREAS, the parties acknowledge that the escrow pertaining to the disposition of the Subject Property by the City to Buyer for the purposes described in this Agreement, shall not close unless the Planning Commission finds and determines that the location, purpose and extent of such disposition is in conformity with the City’s General Plan and all elements contained therein, which are in effect at the time of the Planning Commission’s review and consideration of the Land Use Entitlements as described in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the terms and conditions of this Agreement and for other valuable consideration, set out in this Agreement, Buyer and Seller agree as follows:

Section 1. Incorporation of Recitals and Exhibits

The foregoing Recitals and attached Exhibits are true and correct and are incorporated into this Agreement by this reference as though fully set forth herein.

Section 2. Purchase and Sale

Subject to and in accordance with the terms and conditions set forth in this Agreement, Seller agrees to sell the Subject Property, as more particularly described in *Exhibit A*, to Buyer, and Buyer agrees to purchase the Subject Property from Seller for the purpose of developing the Project, as more particularly described in Exhibit B, subject to the Planning Commission finding and determining that the location, purpose and extent of such disposition of the Subject Property is in conformity with the City’s General Plan and all elements contained therein, which are in effect at the time of the Planning Commission’s review and consideration of the Land Use Entitlements as described in this Agreement.

Section 3. Broker's Commissions

The parties acknowledge that this transaction did not involve a broker, a salesperson or finder representing either Buyer or Seller. Each party shall defend, indemnify and hold the other party harmless from and against any and all claims for any broker's commissions or similar compensation that may be payable to a broker based on communications between the indemnifying party and any such broker. The provisions of this Section 3 Broker's Commissions shall survive the close of escrow for the Subject Property. Buyer's affiliate, Lewis Management Corp. ("LMC"), is licensed by the California Department of Real Estate ("DRE") under DRE Broker License No. 01994759 and certain of its employees, including Robert Martin (DRE Broker License No. 00963777) and William Hoover (DRE Salesperson License No. 00957092) represent Buyer in this transaction. LMC and such employees claim no commission or finder's fee in connection with this transaction.

Section 4. Intended Use

Buyer's intended use of the Subject Property is to develop the Project that is planned conceptually to consist of a quality mixed use development with two components (each a "Component"): (1) a "Non-Residential Component" and (2) a "Residential Component," each as conceptually described in *Exhibit B* attached hereto together with ancillary landscaping, parking amenities, public gathering places, and related public improvements consistent with the zoning in place at the time of issuance of the Land Use Entitlements in accordance with Section 5 herein.

Section 5. Land Use Entitlements

Seller is aware that Buyer is purchasing the Subject Property for development purposes as described in *Exhibit B*, subject to the Planning Commission finding and determining that the location, purpose and extent of such disposition of the Subject Property is in conformity with the City's General Plan and all elements contained therein, which are in effect at the time of the Planning Commission's review and consideration of the Land Use Entitlements as described in this Agreement.

The development of the Project on the Subject Property will require Buyer obtain certain Land Use Entitlements that may include, but not be limited to, a project-specific general plan amendment, zone changes, conditional use permits, subdivision maps, parcel maps, lot line adjustments, variances, grading permits, etc. (the "**Land Use Entitlements**") all at Buyer's cost. Provided Buyer has not disapproved the feasibility of the Project and elected to terminate the Agreement during the Due Diligence Period described in Section 18 Due Diligence Period, Buyer shall proceed in a commercially reasonable manner to submit complete applications for each necessary Entitlement, with payment of all requisite fees, and otherwise provide the City with all documents, applications, plans and other information necessary for the City to carry out its obligations under this Agreement and cause its planners, engineers and other consultants to do the same, all in order for Buyer to obtain final approval of the Land Use Entitlements prior to the Closing Date (subject to extension as set forth in Section 24). Buyer shall also be responsible to apply for such other permits and approvals from other governmental or quasi-governmental

agencies having jurisdiction over the Project or Subject Property as may be required for the development, operation or use of the Project or Subject Property, as contemplated by this Agreement.

Upon receipt of complete applications for each Land Use Entitlements and the payment of all requisite fees, the City shall use its best good faith efforts to process each of the Land Use Entitlement applications pursuant to all applicable procedures, CEQA review and consistent with the City's General Plan policies and zoning as may be amended and all applicable development standards and specifications. If the City denies the necessary Land Use Entitlements to complete the Project after Buyer has submitted all the necessary Land Use Entitlement applications and paid all the requisite fees, then Buyer may elect to terminate this Agreement, whereupon the Escrow Deposit, as defined in Section 16 Escrow Deposit and Seller's Cost Deposit, shall be retained by the City, any unused funds contained in the Seller's Cost Deposit, as defined in Section 16 Escrow Deposit and Seller's Cost Deposit, shall be returned to Buyer, and neither party shall have any further rights or obligations under this Agreement.

Section 6. Planning Commission and City Council Review

The parties understand and acknowledge that in order to close escrow on the Subject Property, the Planning Commission must first find and determine that the location, purpose and extent of such disposition of the Subject Property is in conformity with the City's General Plan and all elements contained therein, which are in effect at the time of the Planning Commission's review and consideration of the Land Use Entitlements as described in this Agreement, and that environmental review of the Project shall be subject to the Planning Commission's review, and that any final action or recommendation to the City Council must be based on findings that the Project has been adequately reviewed under CEQA and the CEQA Guidelines. Developer understands and agrees that City approval of the Entitlements shall be subject to the City's sole and absolute discretion in the exercise of its police powers and Developer assumes the risk of not obtaining such approvals. The parties understand that City is reserving the right to exercise its discretion as to all matters with respect to the Land Use Entitlements and the Project which City is, by law, entitled or required to exercise, at its discretion and that nothing in this Agreement shall be construed as having the effect of waiving or limiting City's police powers and exercise of discretion. To this end, the parties understand that City shall have the complete and unfettered discretion to reject the Project or the Land Use Entitlements as provided for under applicable laws and regulations. City reserves the right to exercise its discretion as to all matters which it is, by law, entitled or required to exercise, at its sole discretion and nothing in this Agreement shall be construed as having the effect of waiving or limiting police powers and exercise of discretion by the City. The parties acknowledge and agree that, notwithstanding any other provision herein to the contrary, that in order to close escrow on the Subject Property, the City's Planning Commission and City Council.

Section 7. Relationship of Parties

It is specifically understood and agreed by and between the parties hereto that the Project is a private development and that neither party is acting as the agent of the other in any respect hereunder. Seller and Buyer also hereby renounce the existence of any form of joint venture or

partnership between them and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making Seller and Buyer joint venturers or partners.

Section 8. Covenant of Good Faith and Fair Dealing

No party shall do anything which shall have the effect of injuring the right of the other party to receive the benefits of this Agreement or do anything which would render its performance under this Agreement impossible. Each party shall perform all acts contemplated by this Agreement to accomplish the objectives and purposes of this Agreement.

Section 9. Time is of the Essence

The parties hereto agree that time is of the essence with respect to each term, condition and covenant set forth in this Agreement.

Section 10. Purchase Price

The total purchase price for the Subject Property to be paid by Buyer shall be Five Million, Six Hundred Thousand Dollars (\$5,600,000) ("Purchase Price").

Section 11. As Is and Where Is Conditions

Buyer is acquiring the Subject Property "AS IS, WHERE IS" without any representation or warranty of Seller, express, implied or statutory, as to the nature or condition of or title to the Subject Property or its fitness for Buyer's intended use. Buyer is familiar with the Subject Property and is relying solely upon its own, independent inspections, investigations and analysis of the Subject Property as it deems necessary or appropriate in so acquiring the Subject Property from Seller, including, without limitation, an analysis of any and all matters concerning the condition of the Subject Property and its suitability for Buyer's intended purposes, and a review of all applicable laws, ordinances, rules and governmental regulations (including, but not limited to, those relative to building, zoning and land use) affecting the development, use, occupancy or enjoyment of the Subject Property.

Section 12. Buyer's Acknowledgments

BUYER ACKNOWLEDGES AND AGREES THAT, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, OR CONCERNING THE SUBJECT PROPERTY OR ANY MATTER RELATED THERETO, INCLUDING, WITHOUT LIMITATION, THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE SUBJECT PROPERTY, AND COMPLIANCE WITH ANY ENVIRONMENTAL LAWS OR THE PRESENCE, ABSENCE, CONDITION OR STATUS OF ANY HAZARDOUS MATERIALS.

BUYER ALSO ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE SUBJECT PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS, AND THAT SELLER HAS NO OBLIGATIONS TO MAKE REPAIRS, REPLACEMENTS OR IMPROVEMENTS OR REMOVE ANY HAZARDOUS MATERIALS. FURTHERMORE, ALTHOUGH BOTH PARTIES UNDERSTAND AND ACKNOWLEDGE THAT BUYER WILL BE APPLYING FOR LAND USE ENTITLEMENTS IN ORDER TO DEVELOP THE PROJECT ON THE SUBJECT PROPERTY, SELLER CANNOT GUARANTEE OR PROMISE THAT SUCH LAND USE ENTITLEMENTS WILL BE RECOMMENDED FOR APPROVAL OR APPROVED BY THE PLANNING COMMISSION AND/OR THE CITY COUNCIL.

BY INITIALING BELOW, BUYER ACKNOWLEDGES THAT: (i) THIS SECTION 12 BUYER'S ACKNOWLEDGMENTS HAS BEEN READ AND FULLY UNDERSTOOD, (ii) BUYER HAS HAD THE CHANCE TO ASK QUESTIONS OF ITS COUNSEL ABOUT ITS MEANING AND SIGNIFICANCE, AND (iii) BUYER HAS ACCEPTED AND AGREED TO THE TERMS AND CONDITIONS SET FORTH IN THIS SECTION 12 BUYER'S ACKNOWLEDGMENTS.

BUYER'S INITIALS: JMH

Section 13. Opening of Escrow

Within five (5) business days after the Effective Date, the parties shall open an escrow account ("**Escrow**") with Orange Coast Title Company ("**Escrow Holder**" and "**Title Company**"), located at 3536 Concours, Suite 120, Ontario, California 97164 Attn: Tina Duncan, Escrow Officer; Phone: (909) 987-5433 Email: TinaD@octitle.com by delivering a copy of this fully executed Agreement to Escrow (the "**Opening of Escrow**").

Section 14. Standard Instructions

Each party agrees to execute Escrow Holder's supplemental reasonable standard instructions as may be necessary or proper in order to consummate the transactions contemplated by this Agreement; provided, however, in the event of a material conflict between the terms hereof and the terms of such standard instructions, the terms hereof shall control.

Section 15. Authorization to Record Documents and Disburse Funds

Escrow Holder shall be authorized to record the documents, disburse the funds and distribute the documents called for hereunder upon the Close of Escrow, provided each of the following conditions has then been fulfilled:

(a) The Title Company can issue in name of Buyer, the Title Policy, with a liability amount equal to the Purchase Price, showing fee title to the Subject Property vested in Buyer, subject only to the Title Exceptions; and

(b) Seller and Buyer shall have deposited in Escrow the documents and funds required pursuant to Section 16 Escrow Deposit and Seller's Cost Deposit and Section 22 Deposit of Documents and Funds in Escrow.

Section 16. Escrow Deposit and Seller's Cost Deposit

Upon the Opening of Escrow in accordance with Section 13, Buyer shall deposit into Escrow the sum of Two Hundred Thousand Dollars (\$200,000) ("**Escrow Deposit**") which shall be applied toward the Purchase Price and released to Seller by Escrow Holder the next business day after the expiration of the Due Diligence Period in Section 18 unless this Agreement has been terminated by Buyer on or before expiration of the Due Diligence Period.

Upon the Opening of Escrow in accordance with Section 13, Buyer shall also deposit into Escrow the sum of Twenty-Five Thousand Dollars (\$25,000) ("**Seller's Cost Deposit**") which shall be immediately released to Seller and used to reimburse Seller for costs related to the RFP and preparation of this Agreement. Any funds of the Seller's Cost Deposit that remain unused at the time of closure of both escrows shall be refunded to Buyer. In the event this Agreement is terminated by Buyer as a result of a default by Seller, then the Escrow Deposit and any unused funds of the Seller's Cost Deposit shall be refunded to Buyer. In the event the Agreement is terminated by Seller solely as a result of default by Buyer, then the entire amounts of the Escrow Deposit and the Seller's Cost Deposit shall be retained by Seller as liquidated damages as set forth in Section 30 Liquidated Damages.

Section 17. Charges

Buyer shall pay: (i) all of the escrow fees and charges of Escrow Holder; (ii) the cost of the premium for the Title Policy; (iii) the cost of all endorsements to the Title Policy; (iv) all costs and charges for the recordation of any grant deeds; (v) any documentary or other local transfer taxes on the transfer of the Subject Property; and (vi) Buyer's share of the charges prorated under this Agreement. In addition, if any escrow shall fail to close for any reason other than Seller's default, Buyer shall pay any applicable escrow cancellation charges.

Section 18. Due Diligence; Right of Entry

Seller hereby grants Buyer and its agents, employees, contractors and subcontractors, as designated in writing by Buyer to Seller (collectively "Representatives") the right to enter on the Subject Property for a period of three hundred (300) consecutive calendar days after the Effective Date (the "**Due Diligence Period**") for the purpose of inspecting the physical surface and subsurface conditions of the Subject Property, including, but not necessarily limited to: soils, geological, biological, cultural, and environmental matters, including the presence of toxic or hazardous substances and other contamination, the presence of any threatened or endangered species or habitat, or the presence of any historical or cultural artifacts, all subject to scheduling and coordination with Seller. In addition, Buyer may inspect the Subject Property and conduct all necessary investigation and work related to securing the Land Use Entitlements and all other permits, licenses, etc. from the City for the Project and/or Subject Property. The Due Diligence Period may be extended upon mutual agreement of both parties as long as Buyer is using its commercially reasonable efforts to pursue City approval of the required Land Use Entitlements

and other permits, licenses, etc. for the Project. All inspections, investigations and reports shall be at Buyer's expense. All work performed by Buyer and its Representatives shall be performed diligently and, in a manner, consistent with the standards of care, diligence and skill exercised by recognized consulting firms for similar services, and in accordance with professional standards and the requirements of any governmental agency or entity and all applicable laws.

Buyer and its Representatives shall promptly notify Seller of any discovery, spill, release, or discharge of any Hazardous Substances on, under or about the Subject Property, which is discovered, encountered, or results from or is related to Buyer's or its Representatives' access to and/or use of the Subject Property under this Agreement.

In connection with the inspections of the Subject Property by Buyer and its Representatives, Buyer shall, at its own cost and expense, take any necessary action to keep the Subject Property and its improvements, if any, in good order and repair and in a safe condition to the extent that the Subject Property and improvements, if any, were in such condition prior to its entry. Buyer shall also maintain the Subject Property, in a clean, sanitary and orderly condition, including, without limitation, ensuring that any holes, ditches or other indentations, as well as any mounds or other inclines created by any excavation by Buyer or its Representatives are regraded, resurfaced and compacted. If any portion of the Subject Property or an adjacent property, including improvements and fixtures, suffers damage or alteration by reason of the access and activities of Buyer or its Representatives on the Subject Property, Buyer shall, at its own cost and expense, promptly repair all such damage and restore the Subject Property or adjacent property to a similar condition as before such damage or alteration occurred, or if it cannot be repaired, Buyer shall replace such damaged or altered property to the extent commercially reasonable.

Prior to entering the Subject Property, Buyer shall provide Seller with reasonable evidence that Buyer has reasonable insurance covering Buyer's activities on the Subject Property. Seller agrees that the insurance identified by the Certificate attached hereto as *Exhibit D* is acceptable to Seller. In any event, at its sole cost and expense, Buyer shall defend, protect, indemnify, and hold free and harmless Seller and its employees, agents, and representatives, and their successors, and assigns (individually each an "Indemnitee" and collectively, "Indemnitees"), from and against any and all damages, costs, expenses, liabilities, claims, demands, settlement costs, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever (collectively, the "Claims"), including fees of accountants, attorneys, expert witnesses, or other professionals, and all costs associated therewith, arising or claimed to arise, directly or indirectly, out of, in connection with, resulting from, or related to any act, failure to act, error, or omission of Buyer or any of its Representatives arising or claimed to arise, directly or indirectly, out of, in connection with, resulting from, or related to their entry upon the Subject Property pursuant to this Section 18 Due Diligence; Right of Entry; provided the foregoing indemnity shall not apply to any Claims which arise by reason of (i) the mere discovery by Buyer or its Representatives of the presence of any Hazardous Materials or other physical condition or circumstances at the Real Property including conditions that might require disclosure by Seller to governmental agencies or remedial actions or that otherwise may impact the present or future use or value of the Real Property, or (ii) any negligence or willful misconduct of Seller or any other Indemnitee.

If Buyer determines for any reason, in its sole and absolute discretion, that the condition of the Subject Property is not acceptable for Buyer’s intended use, then Buyer may terminate this Agreement by written notice to Seller given on or before the end of the Due Diligence Period (the “**Buyer Disapproval Notice**”) whereupon Buyer shall receive full reimbursement of the Escrow Deposit and any balance remaining in the Seller’s Cost Deposit and the parties shall have no further rights or obligations under this Agreement. Buyer’s failure to deliver its Buyer Disapproval Notice by the end of the Due Diligence Period shall be deemed to constitute Buyer’s approval of this Due Diligence condition whereupon the Escrow Deposit shall be nonrefundable to Buyer except in the event of a Seller default under this Agreement or as otherwise expressly provided herein.

After expiration of the Due Diligence Period and until the Closing, Buyer shall continue to have the foregoing right to enter the Property to conduct additional tests, studies and surveys as Buyer deems reasonably necessary for the Project subject to all of the foregoing requirements in this Section 18.

**Section 19. Physical Conditions - Waiver and Release;
Civil Code Section 1542 Waiver**

Buyer waives and releases as of the close of either of the Escrows any and all claims it may have against Seller relating to the physical condition of the Subject Property, or any portion thereof, (including, without limitation, the presence or release hazardous materials or substances).

In furtherance of the intentions of the parties to this Agreement, Buyer with and under advice of counsel, hereby expressly waives any and all right and benefit conferred upon Buyer by the provisions of Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT A CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

Buyer further expressly waives any and all rights and benefits conferred upon Buyer by any provision of any other state, federal or local statute, code, ordinance or law similar to Section 1542 of the Civil Code. Buyer expressly consents that the waiver of rights contained in the first paragraph shall be given full force and effect, according to the express terms and provisions of the instant waiver, to unknown and unsuspected claims, demands and causes of action, if any, arising out of or relating to the waiver of rights contained in this Agreement.

BUYER'S INITIALS: 

Section 20. Seller Right to Repurchase. In the event Buyer has not, within twelve (12) years from the Opening of Escrow (the “**Development Period**”), “Developed” at least 150,000 s.f. of land within the Non-Residential Component and for which land Buyer has

obtained Non-Residential Commitments, then Seller shall have the right but not the obligation to repurchase any parcels of the Property (each a “**Repurchase Parcel**”) which Buyer has not yet Developed. For purposes of this Section, the term “**Developed**” means rough grading completed and all subdivision improvement bonds posted with the City to guarantee completion of all horizontal improvements required by the City for development of that Repurchase Parcel. Development of the future innovation tech library parcel or any other public building areas shall be credited against the 150,000 s.f. requirement. The City must exercise its repurchase right by delivering Buyer written notice of its election to repurchase that identifies those Repurchase Parcel(s) to be repurchased (the “**Selected Repurchase Land**”) together with the delivery of an earnest money cash deposit to Escrow Holder equal to 10% of the Repurchase Price all within ninety (90) days after the expiration of the 12-year Development Period (the “**Repurchase Election Period**”) and then proceeding to complete the close of escrow for the repurchase within ninety (90) days after expiration of the Repurchase Election Period. That 10% deposit shall be a credit against the Repurchase Price and shall be liquidated damages retained by Buyer if Seller fails to complete the repurchase of all the Selected Repurchase Land. The Repurchase Price shall be equal to the original per acre Purchase Price paid by Buyer for the Property (\$2.28/s.f. = \$99,316/ac.). This Section of the Agreement shall terminate once Buyer has Developed 150,000 s.f. of land within the Non-Residential Component for which land Buyer has obtained Non-Residential Commitments. Seller acknowledges that it shall be acquiring the Selected Repurchase Land in its "AS IS, WHERE IS" condition without any representation or warranty of Buyer, express, implied or statutory, as to the nature or condition of or title to the Selected Repurchase Land or its fitness for Seller’s intended use as set forth in Section 11 of the Agreement when Seller originally sold that land to Buyer. All escrow and title fees for this repurchase shall be paid by Seller including the cost of any title policy desired by Seller provided any delinquent taxes or assessments or any deeds of trust or other similar monetary encumbrances or any mechanics liens shall be paid by Buyer at the close of the repurchase escrow. Seller shall receive a credit against the Repurchase Price equal to the amount of \$2,000,000 less the actual third-party costs of the Major Public Amenity previously incurred by Buyer during the Development Period.

Section 21. Condemnation; Destruction; City Property Maintenance

All risk of loss with respect to the Subject Property or any portion thereof shall remain with Seller until the closure of the applicable Escrow and delivery of possession of the Subject Property or any portion thereof to Buyer. If at any time prior to the closure of an applicable Escrow, the Subject Property, or any portion thereof, is damaged by fire, earthquake, floods or other casualty or taken or appropriated through eminent domain or similar proceedings, or is condemned for any public or quasi-public use, Buyer may either terminate this Agreement or maintain this Agreement in full force and effect as provided below.

If Buyer elects to terminate this Agreement, under this Section 21 Condemnation; Destruction, Buyer shall receive full reimbursement of the Escrow Deposit and any balance remaining in the Seller’s Cost Deposit and Seller shall be entitled to receive all insurance proceeds payable to Seller or all condemnation proceeds actually paid for the portion of the Subject Property taken.

If Buyer elects to maintain this Agreement in full force and effect, then upon closure of the applicable Escrow, Buyer shall be entitled to receive all insurance proceeds payable to Seller or all condemnation proceeds actually paid for that portion of the Property taken or, if such proceeds have been paid to Seller, Buyer shall receive a credit against the applicable Purchase Price equal to the amount of proceeds actually paid to Seller. Buyer, however, shall not be entitled to any reduction in any applicable Purchase Price.

City shall during the term of this Agreement, at its cost, operate and manage the Subject Property in the ordinary course and consistent with City's current practices and all applicable laws. Such operation and maintenance shall include, without limitation, routine weed abatement and disking and environmental maintenance to avoid the creation of wetlands or other protected habitat.

Section 22. Deposit of Documents and Funds in Escrow

Seller and Buyer, as applicable, hereby covenant and agree to deliver to Escrow Holder at least three (3) business day prior to Close of Escrow the following instruments and documents, the delivery of each which shall be a condition of the Close of Escrow.

a. Seller shall deliver:

- (i) A Grant Deed(s) in the form attached hereto as *Exhibit C* duly executed and acknowledged by Seller (the "Deed") together with a Temporary Construction Easement (the "TCE") duly executed and acknowledged by Seller for purposes of Buyer performing any work on any City property related and necessary to the development of the Project; the TCE shall be in form approved by City and Buyer during the Due Diligence Period;
- (ii) A Withholding Exemption Certificate Form 593 as contemplated by California Revenue and Taxation Code §18662 (the "Withholding Affidavit") duly executed by Seller;
- (iii) A Certification of Non-Foreign Status ("FIRPTA") in accordance with Internal Revenue Code Section 1445 duly executed by Seller; and
- (iv) Such proof of Seller's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy together with all other documents required by Escrow Holder.

b. Buyer shall deliver:

- (i) The Purchase Price (less the Escrow Deposit) together with such funds as are required to pay for costs and expenses payable by Buyer hereunder;

- (ii) The TCE duly executed and acknowledged by Buyer; and
- (iii) Such proof of Buyer's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy together with all other documents required by Escrow Holder.

Section 23. Buyer's Conditions to the Close of Escrow.

Buyer's obligations to purchase the Property under this Agreement are subject to satisfaction of the following conditions precedent ("**Buyer's Closing Conditions**") prior to the Closing. In the event any of such Buyer Conditions are not satisfied then Buyer may terminate this Agreement whereupon (unless such nonsatisfaction is the result of a Seller default in which event Buyer shall have Buyer's remedies in Section 29 Default below) the Escrow Deposit and all interest earned thereon while in Escrow shall be retained by Seller, any unused funds contained in the Seller's Cost Deposit, shall be returned to Buyer, and neither party shall have any further rights or obligations hereunder. If the Closing occurs and Buyer has failed to disapprove of any of the following Buyer's Closing Conditions, then such condition(s) shall be deemed waived:

a. Planning Commission Determination. Planning Commission finding and determining that the location, purpose and extent of such disposition of the Subject Property is in conformity with the City's General Plan and all elements contained therein, which are in effect at the time of the Planning Commission's review and consideration of the Land Use Entitlements as described in this Agreement.

b. Non-Residential Commitments. Buyer shall have obtained the Non-Residential Commitments and the Non-Residential Component shall be economically feasible as determined by Buyer.

c. Property Condition/Moratoria: The Subject Property shall be in substantially the same physical condition at the Close of Escrow as on the Effective Date and there shall be no moratorium enacted by the City or any public utility that will service the Project limiting, restricting, or delaying the development of the Project after the Closing. Seller and Buyer agree that the risk of loss for injury or damage to the Property prior to the Close of Escrow remains with the Seller subject to the terms of Section 20 above.

d. No Lawsuit. Neither this Agreement or the Project shall be the subject a third-party legal challenge.

Section 24. Close of Escrow

The date of closure of the Escrow (the "**Close of Escrow**") shall be the "conformed" date that a grant deed in the form of *Exhibit C* attached hereto in favor of Buyer for the respective

Component is recorded in the Official Records of the County Recorder’s Office for the County of Riverside.

The parties understand and acknowledge that Close of Escrow shall be contingent upon the terms and conditions set forth herein below and the Planning Commission finding and determining that the location, purpose and extent of such disposition of the Subject Property is in conformity with the City’s General Plan and all elements contained therein, which are in effect at the time of the Planning Commission’s review and consideration of the Land Use Entitlements as described in this Agreement.

Provided the Land Use Entitlements for the Project are approved, then if Non-Residential buyers and tenants have made binding commitments to lease or purchase at least ninety-five percent (95%) of the Non-Residential Component¹ via viable offers or agreements within thirty-six (36) months after the Effective Date which meet the Buyer’s requirements set forth in *Exhibit E* following the Effective Date (the “**Non-Residential Commitments**”), and provided the Non-Residential Component is economically feasible as determined by Buyer, then Buyer shall close Escrow on the Subject Property before the forty-eighth (48th) consecutive calendar month following the Effective Date (the “**Closing Date**”); provided Buyer, in its sole discretion, may elect to extend the Closing Date a maximum of two (2) twelve (12) month extensions. For each extension Buyer shall, prior to the then-scheduled Closing Date, increase the Escrow Deposit by the amount of \$200,000 for each extension (each an “**Extension Payment**”). The Extension Payments shall be applicable to the Purchase Price and shall be retained by Seller as additional Liquidated Damages, pursuant to the provisions of Section 30 Liquidated Damages, as set forth below, if Buyer fails to purchase the Subject Property. Buyer shall use commercially reasonable effort to seek Non-Residential Commitments from tenants that can generate new revenues, such as sales and hotel taxes, for the City.

;
Section 25. Title and Title Insurance

Buyer's fee title to the Subject Property, or portions thereof, shall be insured at the applicable close of escrow by an CLTA Standard Coverage Owner's Policy of Title Insurance in the amount of the Purchase Price, issued by Title Company or, at the option of Buyer, an ALTA policy if Buyer performs an ALTA survey at Buyer's cost prior to the Close of Escrow and requires an ALTA Extended Coverage Owner's Policy of Title Insurance (the "**Title Policy**"). The Title Policy shall be subject to the exceptions in the Title Report dated _____ issued by Title Company under Order No. _____ approved by Buyer in writing during the Due Diligence Period ("**Permitted Title Exceptions**"). Buyer’s approval of Due Diligence shall be deemed Buyer’s approval of any exceptions in the Title Report not previously removed or endorsed by Title Company during the Due Diligence Period.

Seller shall not encumber nor agree to sell the Subject Property or any portion thereof to any other party during the period from Effective Date to Close of Escrow or the date of the termination of this Agreement.

¹ Excluding those portions of the Non-Residential Component designated for public uses

Attachment: Attachment A - Copy of PSA (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Section 26. Indemnification

From and after the Due Diligence Period and provided Buyer has not terminated this Agreement under Section 18, Buyer, or its successor-in-interests, shall defend, indemnify and hold harmless the City, city council, commissions, boards, subcommittees and the City's elected and appointed officials, commissioners, board members, officers, agents, consultants and employees ("**City Parties**") from and against any and all liabilities, demands, claims, actions or proceedings and costs and expenses incidental thereto (including costs of defense, settlement and reasonable attorneys' fees), which any or all of them may suffer, incur, be responsible for or pay out as a result of or in connection with any challenge to the legality, validity or adequacy of any of the following items: (i) this Agreement and any other agreements by and between the City and Buyer; (ii) any concurrent and subsequent permits, licenses and entitlements approved by the City in furtherance of the Project; (iii) any environmental determination made by the City in connection with the Project, Subject Property or this Agreement; and (iv) any proceedings or other actions undertaken by the City in connection with the adoption or approval of any of the above.

In the event of any administrative, legal, equitable action or other proceeding instituted by any third party (including without limitation a governmental entity or official) challenging the legality, validity or adequacy of any of the above items or any portion thereof, the parties shall mutually cooperate with each other in defense of said action or proceeding.

Notwithstanding the above, the City, at its sole option, may tender to Buyer the complete defense of any third-party challenge as described herein. In the event the City elects to contract with special counsel to provide for such a defense, the City shall meet and confer with Buyer, or its successor in interest, regarding the selection of counsel, and upon mutual agreement Buyer shall pay all costs related to retention of such counsel by the City. Buyer may elect at any time to decline to defend any such litigation whereupon this Agreement may be terminated by Seller or Buyer and the Escrow Deposit and all interest earned thereon while in Escrow, shall be retained by City, any unused funds contained in the Seller's Cost Deposit shall be returned to Buyer, and neither party shall have any further rights or obligations under this Agreement.

Section 27. Delays in Performance

In addition to any other provisions of this Agreement with respect to delay, Buyer and Seller shall be excused for performance of their obligations hereunder during any period of delay caused by acts of God or civil commotion; major acts of terrorism occurring in the United States of America; pandemics and epidemics, mass shootings; riots, strikes, picketing, or other labor disputes; shortage of materials or supplies; damage to or prevention of work in process by reason of fire, floods, earthquake, or other casualties; litigation, acts or neglect of the other party; restrictions imposed or mandated by governmental or quasi-governmental entities; and/or enactment of conflicting provisions of the Constitution, laws of the United States of America, the State of California, or any codes, statutes, regulations or executive mandates promulgated thereunder. If written notice of such delay is given to either party within thirty (30) days of the commencement of such delay, an extension of time for such cause shall be granted in writing for the period of the delay, or longer as may be mutually agreed upon.

Section 28. Waiver

All waivers must be in writing to be effective or binding upon the waiving party, and no waiver shall be implied from any omission by a party to take any action with respect to an Event of Default as defined in this Agreement. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party shall not constitute a waiver of such party's right to demand strict compliance and specific performance by the other party in the future. In addition, no express written waiver of any Event of Default shall affect any other Event of Default, or cover any period of time other than as specified in such express waiver.

Section 29. Default

In the event of a breach or default under this Agreement by either Seller or Buyer, the non-defaulting party shall have the right to terminate this Agreement and the Escrow for the purchase and sale of the Subject Property, and any portion thereof, by delivering written notice thereof to the defaulting party and to the Escrow Holder. If Seller is the defaulting party, Buyer shall, subject to the limitation in Section 31, have all remedies at law or in equity, including the right to terminate this Agreement and thereupon promptly receive a refund of the Escrow Deposit and any unused funds of the Seller's Cost Deposit, or to file an action to seek specific performance of this Agreement.

Section 30. LIQUIDATED DAMAGES

IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE SUBJECT PROPERTY AS HEREIN PROVIDED BY REASON OF DEFAULT OF BUYER, IT IS AGREED THAT THE ESCROW DEPOSIT AND SELLER'S COST DEPOSIT THEN HELD BY ESCROW HOLDER SHALL BE NON-REFUNDABLE AND SELLER SHALL BE ENTITLED TO SUCH DEPOSIT WHICH AMOUNT SHALL BE ACCEPTED BY SELLER NOT AS A PENALTY, BUT AS LIQUIDATED DAMAGES WHICH SHALL BE SELLER'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ.

BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES SELLER WOULD SUFFER UPON BUYER'S FAILURE TO COMPLETE ITS PURCHASE OF THE SUBJECT PROPERTY. BUYER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND BUYER AND SELLER DESIRE TO AVOID THE COSTS AND DELAYS THEY WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE SELLER'S RIGHTS.

IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS SECTION, BUYER AND SELLER AGREE TO

EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:

SELLER'S INITIALS Y.G. BUYER'S INITIALS JMK

Section 31. No Damages Relief

Notwithstanding anything else in this Agreement to the contrary, the parties acknowledge that Seller/City would not have entered into this Agreement had Seller/City or its elected and appointed officials, commissioners, board members, officers, agents, consultants and employees been exposed to damage claims for any breach hereof. As such, the parties agree that in no event shall Buyer, or its successors in interest, be entitled to recover monetary damages of any kind whatsoever (other than the recovery of costs and attorney's fees pursuant to the terms of this Agreement or applicable law) against Seller/City for breach of this Agreement.

Section 32. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 33. Venue

In the event that suit is brought by either party to this Agreement, the parties agree that venue shall be exclusively vested in the State courts of the County of Riverside, California or where appropriate, in the United States District Court, Southern District of California, Riverside, California.

Section 34. Attorneys' Fees

In the event that suit is brought for the enforcement of this Agreement or as the result of any alleged breach thereof, the prevailing party or parties in such suit shall be entitled to recover their reasonable attorneys' fees, costs, and expenses from the losing party or parties, and any judgment or decree rendered in such proceedings shall include an award thereof.

Section 35. Notices and Demands

All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, or by recognized national courier service or by personal delivery, or by electronic mail.

Notices shall be considered given upon the earlier of (a) personal delivery or (b) two (2) business days following deposit in the United States mail, postage prepaid, certified or registered, return receipt requested or the following business day if sent by overnight courier, or (c) the same business day if sent by electronic mail. A copy of all notices shall be sent to Escrow Holder. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as set forth in that notice:

Buyer:

Lewis Acquisitions Company, LLC
 Attn: John M. Goodman
 c/o Lewis Management Corp
 1156 North Mountain
 Upland, CA 91785
 Tel: (909) 985-0971
 Email: john.goodman@lewismc.com

Copies to:

Lewis Management Corp
 Attn: W. Bradford Francke
 1156 North Mountain
 Upland, CA 91785
 Tel: (909) 946-7538
 Email: brad.francke@lewismc.com

Lewis Management Corp
 Attn: Bill Hoover
 1156 North Mountain
 Upland, CA 91785
 Tel: (909) 579-5134
 Email: bill.hoover@lewismc.com

Seller:

City of Moreno Valley
 Mr. Mike Lee, City Manager
 14177 Frederick Street
 Moreno Valley CA 92552-0805
 Tel: (951) 413-3460
 Email: mikel@moval.org

Copy to:

Steve Quintanilla, Interim City Attorney
 Office of the City Attorney
 14177 Frederick Street
 Moreno Valley CA 92552-0805
 Tel: (951) 413-3036
 Email: steveg@qalawyers.com

Escrow Holder:

Orange Coast Title Company
 Attn: Tina Duncan, Escrow Officer
 3536 Concours, Suite 120
 Ontario, California 97164
 Tel: (909) 987-5433
 Email: TinaD@octitle.com

Section 36. No Third Party Beneficiary Rights

This Agreement is entered into for the sole benefit of Seller and Buyer and no other parties are intended to be direct or incidental beneficiaries of this Agreement.

Section 37. Assignment of Agreement.

Neither Buyer nor Seller may assign or transfer their respective rights or obligations under this Agreement without first obtaining the prior written consent of the other, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Buyer shall have the right to assign this Agreement and its rights and obligations hereunder, without Seller's consent, to any entity in which Buyer, or any of Buyer's constituent members, or any of Richard Lewis, Robert Lewis, Roger Lewis, Randall Lewis, or John Goodman, individually or collectively, directly or indirectly, own a majority interest.

Section 38. Successors and Assigns

The provisions of this Agreement are expressly binding upon, and shall inure to the benefit of the parties hereto and their successors in interest and assigns, provided that Buyer may not assign its responsibilities and obligations to pursue Land Use Entitlements and develop the Subject Property except as permitted in Section 37 above, without the prior written consent of Seller.

Section 39. Entire Agreement

This Agreement and the exhibits attached hereto contain all the representations and the entire agreement between the parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement and the exhibits attached hereto, any prior correspondence, memoranda, warranties, representations and agreements unless otherwise provided in this Agreement, are superseded in total by this Agreement and the exhibits attached hereto.

Section 40. Ambiguities or Uncertainties

The parties hereto have mutually negotiated the terms and conditions of this Agreement and each party received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions contained herein. As such, this Agreement is a product of the joint drafting efforts of both parties and neither party

shall be deemed to have solely or independently prepared or framed this Agreement. Therefore, any ambiguities or uncertainties are not to be construed against or in favor of either party.

Section 41. Severability

If any term, provision, covenant or condition of this Agreement is repealed by referendum or is held by a court of competent jurisdiction or an authorized government enforcement agency to be invalid, void or unenforceable, the remaining provisions, if any, of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so invalidated would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Agreement.

Section 42. Singular and Plural; Gender; and Person

Except where the context requires otherwise, the singular of any word shall include the plural and vice versa; pronouns inferring the masculine gender shall include the feminine gender and neuter, and vice versa; and a reference to "person" shall include, in addition to a natural person, any governmental entity and any partnership, corporation, joint venture or any other form of business entity.

Section 43. Amendments

Any amendments to this Agreement shall be effective only when in writing, duly executed by Seller and Buyer and deposited with Escrow Holder. City Manager shall have the authority, on behalf of the City, to approve and execute amendments to this Agreement other than amendments to the Purchase Price, including amendments to extend the time for Developer's performance of any of the terms and conditions of this Agreement, if the City Manager determines that it is in the best interest of the City to approve such amendments.

Section 44. Authority to Execute Agreement

The person or persons executing this Agreement on behalf of Buyer and Seller warrant and represent that they have the authority to execute this Agreement and the authority to bind Buyer and Seller, as applicable, to the performance of their respective obligations hereunder.

Section 45. Counterparts/Electronic Signatures

This Agreement may be executed simultaneously in one or more counterparts (either manually or by electronic signature such as DocuSign or Adobe Sign which shall be considered the equivalent of ink signature pages), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. For purposes of this Agreement, the delivery of electronic scanned PDF signatures or facsimile signatures shall be deemed to be original signatures and binding upon the Parties.

SIGNATURE PAGE TO FOLLOW


IN WITNESS HEREOF, the parties have each caused their authorized representative to execute this Agreement.

CITY OF MORENO VALLEY

LEWIS ACQUISITIONS COMPANY, LLC,
a Delaware limited liability company

By: Lewis Management Corp., a
Delaware corporation, Its Manager

BY: 
Dr. Yxstian Gutierrez, Mayor

BY: 
John M. Goodman
Exec VP/CEO

Date: OCT 22 2020

Date: October 21, 2020

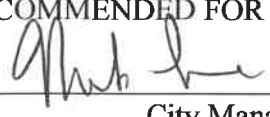
INTERNAL USE ONLY

ATTEST: 
City Clerk

APPROVED AS TO LEGAL FORM:

City Attorney

10/27/2020
Date

RECOMMENDED FOR APPROVAL:

City Manager

10/27/2020
Date

Attachment: Attachment A - Copy of PSA (6402 : PUBLIC HEARING -- TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

List of Exhibits:

- A - Description of Property
- B - Buyer's Conceptual Project Description
- C - Form of Grant Deed
- D - Certificate of Insurance
- E - Requirements for Non-Residential Commitments

Exhibit A

Description of Subject Property to be Conveyed

NWC Alessandro Boulevard and Nason Street
Approximately 56.42 acres containing the following parcels:
APN 487-470-030
APN 487-470-031

Attachment: Attachment A - Copy of PSA (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Exhibit B

Buyer's Conceptual Project Description

1. Intended Use. The intended use of the Subject Property is for the development of a quality mixed use development with two components: (1) a "Non-Residential Component" comprised of between 150,000 sq. ft. and 172,000 sq. ft. (or as otherwise approved in the Land Use Entitlements) of office, retail and commercial uses, which potentially may include a lodging establishment such as a hotel for transient occupancy use as described in Chapter 3.24 Transient Occupancy Tax of the Moreno Valley Municipal Code, and all ancillary landscaping, parking amenities, and public elements such as but not limited to, parks, open space, paseos and connectivity corridors, plazas, and other public gathering spaces and related public improvements consistent with the zoning in place at the time of issuance of the Land Use Entitlements; and (2) a "Residential Component," comprised of between 300-700 residential units (or as otherwise agreed by Seller and Buyer and approved in the Entitlements) with ancillary landscaping, parking amenities, and public elements such as, but not limited to, parks, open space, paseos and connectivity corridors, plazas, and other public gathering spaces and related public improvements consistent with the zoning in place at the time of issuance of the Land Use Entitlements, with the Residential Component occupying approximately 60% of the Subject Property. The Non-Residential Component may include, without limitation, public buildings, entertainment, retail, office, fitness, hospitality and any other similar uses combining to total square footage between 150,000 sq. ft. and 172,000 sq. ft.

2. Public Improvements/Infrastructure. The Project will include Buyer's construction of all necessary public improvements and public infrastructure required by the Land Use Entitlements as conditions of approval for the Project. Buyer may petition City to form a Mello Roos Community Facilities District to finance such improvements.

3. Processing Fees. The Project will include Buyer's payment of all applicable filing and processing fees as set forth in the Moreno Valley Municipal Code in the amounts set forth in the schedule of fees in effect at the time such fees are due and payable during the Land Use Entitlements review process.

4. Development (Mitigation) Impact Fees. The Project will include Buyer's payment of all applicable Development Impact (Mitigation) Fees ("DIF Fees") as set forth in the Moreno Valley Municipal Code and/or fee schedule adopted by the City subject to Buyer's receipt of credits against such fees for public infrastructure in the City's capital improvement DIF Fee program constructed by Buyer for the Project. The costs of the Major Project Amenity (Item 14 below) would not be eligible for a credit against DIF Fees.

5. Additional Cost Reimbursement. The Project will include Buyer's reimbursement to the City for the actual costs and expenses reasonably incurred by the City for all services provided by the City and its consultants, including legal counsel, for review, preparation and processing of the Land Use Entitlements and other permits, licenses, etc. for the Project, which are not factored in the City's standard processing fees. Furthermore, to the extent that the City, at the request of and on behalf of Buyer, attempts to enter into binding agreements with other entities in order to assure the availability of certain permits and approvals or services necessary for

development of the Project or Subject Property, as described in this Agreement, Buyer shall reimburse the City for all costs and expenses incurred in connection with seeking and entering into any such agreements, subject to Buyer's consent to such costs and expenses, which consent shall not be unreasonably withheld. Any fees, assessments or other amounts payable by the City pursuant to any such agreements described herein shall be borne by Buyer except where Buyer has notified the City in writing, prior to the City entering into any such agreement, that it does not desire for the City to execute said agreement. It is anticipated by the parties that the total of all reimbursements to be paid by Buyer under this Section 5 will not exceed a reasonable cap to be agreed upon by Buyer and City during the Due Diligence Period.

6. Land Use Entitlement Process. Buyer shall submit the requisite complete applications for all necessary Land Use Entitlements, permits, licenses, etc. necessary for the Project or Subject Property.

7. Cooperation by Buyer. Buyer shall, in a timely manner, provide the City with all documents, applications, plans and other information necessary for the City to carry out its obligations under this Agreement and cause its planners, engineers and other consultants to do the same. Buyer shall also be responsible to apply for such other permits and approvals from other governmental or quasi-governmental agencies having jurisdiction over the Project or Subject Property as may be required for the development, operation or use of the Project or Subject Property, as contemplated by this Agreement.

8. Non-Residential Tenants. Buyer shall demonstrate good faith effort in pursuing Non-Residential tenants that can generate new revenues such as sales and hotel taxes to the City.

9. Innovation Tech Library/Civic Uses. The Project will include Buyer's dedication to the City of an approximate 40,000 square feet of the Subject Property, legally subdivided, after that parcel is mass-graded, uncompacted, with utilities available to the parcel all at no cost to the City for its use to construct a future innovation tech library of not more than 30,000 square feet with parking per municipal code, or other civic use(s) as mutually agreed upon by Buyer and City.

10. Police Department. The Project will include City's right to lease, upon completion of Project construction, of approximately 1,200 to 1,400 square feet within one of the retail buildings in the Project for City' use as a police substation by the Moreno Valley Police Department.

11. Cam Charges. The Project will include a discounted Common Area Maintenance (CAM) charge to the City to be negotiated by the Buyer and City during development of the Project for the tech library and/or police substation.

12. Freeway Signage. Buyer and the City shall work together to attempt to secure and permit freeway identification signage advertising the Project along the California State Route 60 freeway.

13. Employment Resource Center. The project will include Buyer's coordination with the City of Moreno Valley Employment Resource Center to conduct periodic job fairs for

prospective businesses within the Project and to promote local hiring for the businesses and tenants within the Project .

14. Major Project Amenity . The Land Use Entitlements shall incorporate a major public park amenity of up to one (1) acre in size into the Project with approval from the City at a cost to Buyer of approximately \$2,000,000. The Major Project Amenity may be integrated into other public improvements that are required as conditions of approval for the Project (for example, fountains or other public water features, or an outdoor amphitheater).

15. Public Art. The Land Use Entitlements shall incorporate a public art component into the Project with approval from the City.

16. Temporary Construction Easement. The City will issue a Temporary Construction Easement for purposes of performing any work related to the development of the Project.

17. Public Building Lease. Buyer shall have the option but not obligation to include in the Project a public building/facility that Buyer could build and lease at market rates all subject to further Seller/Buyer discussions.

Exhibit C
GRANT DEED
[to be attached]

Attachment: Attachment A - Copy of PSA (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Exhibit D
Certificate of Insurance

[to be attached]

Attachment: Attachment A - Copy of PSA (6402 : PUBLIC HEARING -- TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Exhibit E

Requirements for Non-Residential Commitments

Drafting Note:

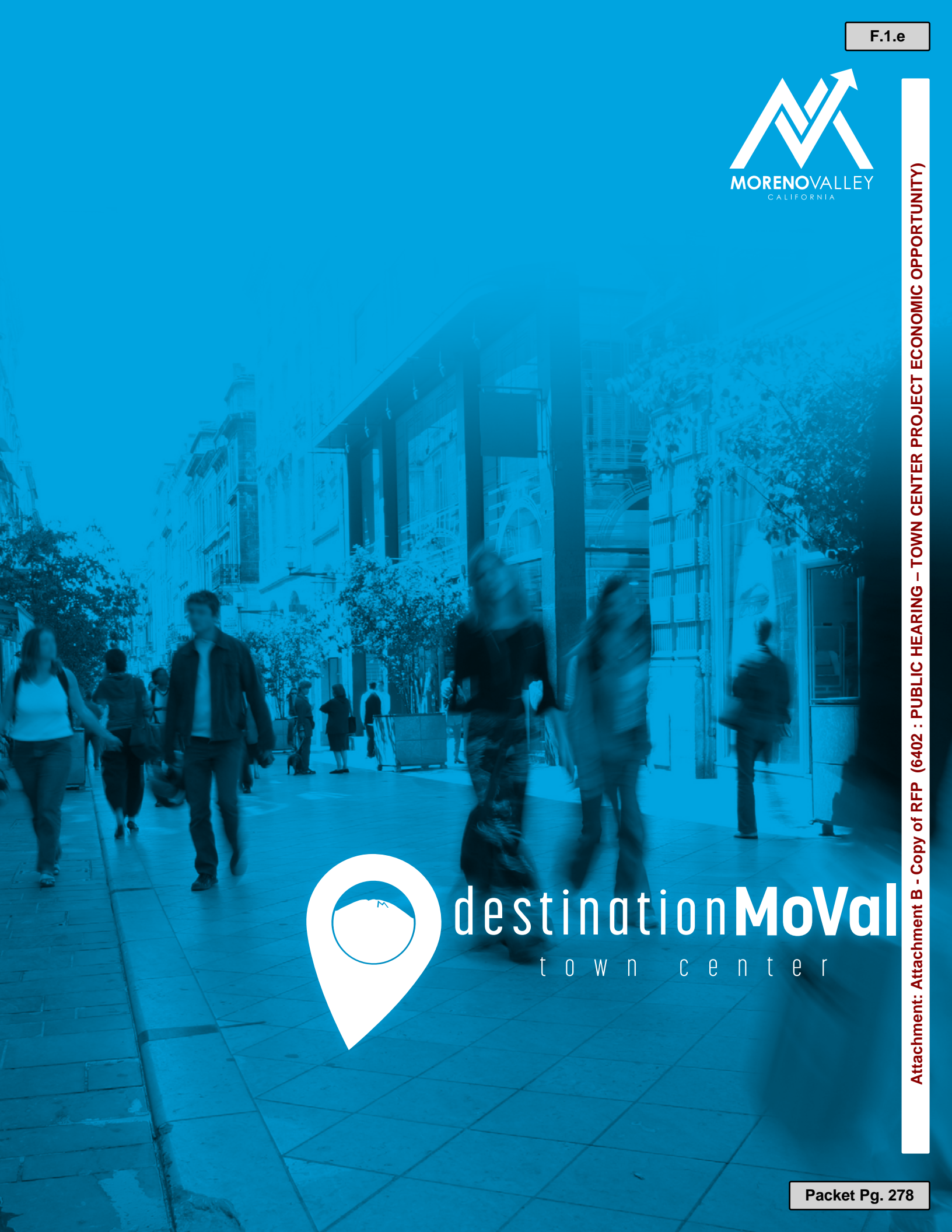
Exhibit E to be completed by Buyer prior to end of Due Diligence to further define the 95% commitment requirement including the type of users and commitments (anchor/secondary/lessee/ground lease/pad purchaser)

**ATTACHMENT “B” TO CITY OF MORENO VALLEY
SUMMARY REPORT (GOV C 52201)**

COPY OF RFP

[SEE ATTACHED]

Attachment: Attachment B - Copy of RFP (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



destinationMoVal

t o w n c e n t e r

Attachment: Attachment B - Copy of RFP (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



City of Moreno Valley

Mike Lee
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destinationMoVal

t o w n c e n t e r

INTRODUCTION

The Opportunity
The Vision

PROJECT OVERVIEW

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The Region
The Site

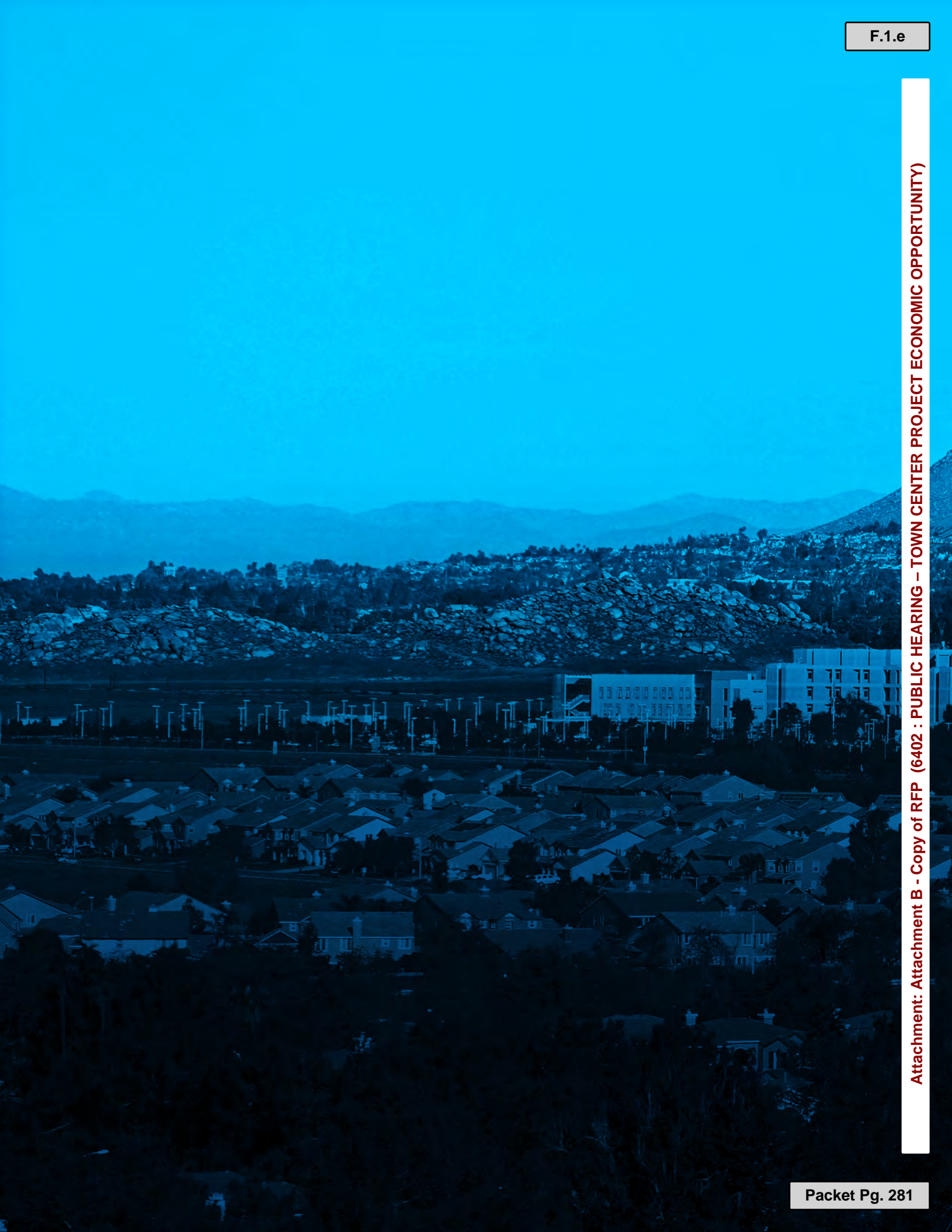
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introduction

The City of Moreno Valley invites qualified respondents to submit innovative proposals to develop and transform an approximately 56.42-acre City-owned site into *Destination MoVal: Town Center*, a vibrant, safe, multi-use destination for its residents, visitors, business owners and community stakeholders. *Destination MoVal: Town Center*, will be a flexible framework with diverse experiential qualities unlike any other in the region.

Destination MoVal: Town Center marks the debut of an expansive program which will similarly energize other key areas of the City (near the Town Center as well as in other geographic areas) to continue Moreno Valley's development as Inland Southern California's premier community.

the opportunity

The City of Moreno Valley (“City”) is seeking innovative development proposals (“Proposals”) from qualified firms (“Developers”) for the opportunity to transform approximately 56.42 acres of prime property at the northwest corner of Nason Street and Alessandro Boulevard.

The City Council has identified this property (“Site”) as key in the creation of a destination development (“*Destination MoVal: Town Center*”) that will attract employment and visitors from across the City and the surrounding region. The site provides a distinctive opportunity for a Town Center space that may include commercial development, entertainment, professional office, R&D, civic uses, public gathering spaces and diverse forms of connectivity with potential for a complementary residential component or corporate headquarter(s) campus location.

The City desires to enter into a Public Private Partnership in order to achieve sustainable long-term economic and community benefits. The City would contribute its acreage to a project that would be developed consistent with the Council’s vision at private expense.

the vision

Town centers are the heart of a community. They provide a place for people to gather, to celebrate, to interact, to create memories or to simply enjoy daily life. A Town Center will create a new landmark and identity for Moreno Valley, serving the daily needs of the community and providing a space for generations to enjoy.

Moreno Valley envisions its Town Center Site (“*Destination MoVal: Town Center*”) as a vibrant downtown scene that attracts residents, daytime professionals, and visitors to experience a high quality work/shop/stay/play atmosphere. *Destination MoVal: Town Center* will create a new landmark for the community, anchored by unique experiences that are connected by public plazas and open spaces, in a walkable environment that is friendly for all ages. Strategically located at the center of the City, this prime real estate asset is surrounded by the City’s expanding medical corridor, which includes: Riverside University Health System Medical Center, Kaiser Permanente hospitals, and various medical facilities. It is also adjacent to the master planned community of Aquabella, and close proximity to the approved World Logistics Center project, the largest corporate industrial park in California with over 40.6 million square feet.

The City is seeking creative concepts for mixed-use projects that may include the following key components:

COMMERCIAL SPACE

- Retail
- Entertainment
- Food and dining
- Hotels and Convention Center

PROFESSIONAL USES

- Class A and B Office
- Medical/Hospital
- Research and development
- Corporate headquarter(s)/ Corporate campus

CIVIC USE POTENTIAL

- City offices or services
- Library (new main Library or satellite branch)
- Police sub-station
- College/University satellite presence
- Performing Arts or cultural component - Indoor and/or Outdoor
- Active Plaza

HOUSING

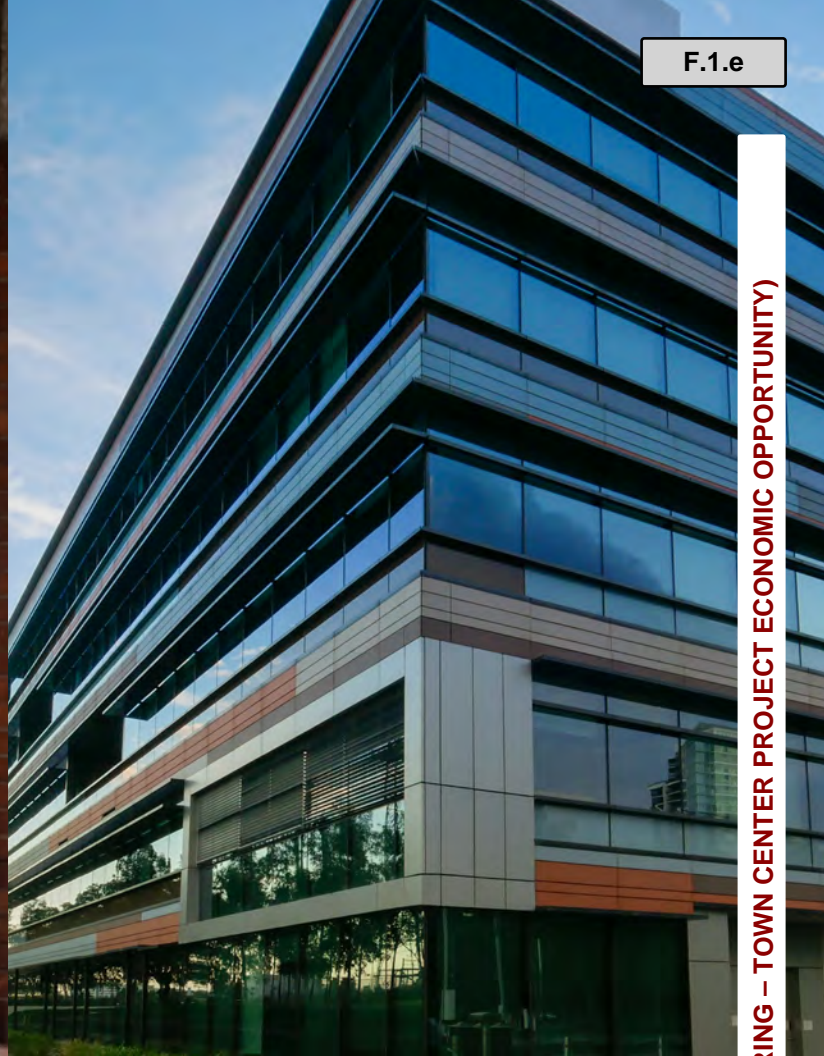
- Apartments and/or condos

TRANSIT AND PARKING AMENITIES

- Parking structure or other transportation amenities

Working with the selected developer, the City of Moreno Valley desires to implement a Master Development Plan of innovative development methods that will achieve sustainable long-term economic and community benefits. Commercial retail and entertainment experiences for *Destination MoVal: Town Center* are highly encouraged. Potential retail uses include food/beverage establishments, general and specialty retail with a mix of anchor or medium/small box tenants. Commercial office uses and/or corporate headquarters/campus would provide daytime vibrancy and increase the customer base for retail. The City also encourages prospective proposers to include civic uses and/or cultural attractions into its development proposal. A new Public Library or civic building could serve as a prominent anchor to the public open spaces and retail experience. Residential development can provide ancillary benefits to the project.

The City will consider proposals and prioritize them according to types and quality of tenant mix, tax revenue generation, job creation potential, market demand, economic impact and quality of life benefits for the community. Recognizing that all land use changes will require Planning Commission and City Council approval, the City anticipates the need to rezone the Site and will work with the selected developer to bring the project to fruition.



Attachment: Attachment B - Copy of RFP (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



project overview

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the community

The City of Moreno Valley is located in Riverside County, California, and is part of the Inland Empire region in Southern California. Moreno Valley now boasts a thriving population of over 214,000 and 2.3 million in a twenty mile radius. Growing at a 4% annual growth rate, the City is now the second-largest city in Riverside County by population, and twenty-first in the State of California and is considered one of the Inland Empire's population centers.

why moreno valley?

 <p>2nd largest city in Riverside County</p>	 <p>21st largest city in CALIFORNIA</p>	 <p>51.3 square MILES</p>
<p>213,914 Moreno Valley Population 2020</p>	 <p>20-mile radius population 2,342,656</p>	 <p>4.55% annual growth RATE</p>
 <p>Inland Empire ONE OF THE FASTEST GROWING REGIONS IN THE US</p>	 <p>Home to numerous Fortune 500 AND INTERNATIONAL COMPANIES</p>	 <p>Average Household Income \$85,356</p>
 <p>4500 businesses STRONG</p>	 <p>Median AGE: 32.2</p>	 <p>20,000 JOBS created in 6 years</p>
<p>SERVED BY</p>   		 <p>PRIVATE AIR FLIGHTS FROM MARCH INLAND PORT IN MORENO VALLEY AND INTERNATIONAL FLIGHTS FROM Ontario Airport</p>

Strategically located at the junction of State Route 60 and Interstate 215, Moreno Valley is only an hour away from Los Angeles, Orange and San Diego counties and less than three hours from Nevada, Arizona and Mexico.



With over 51.3 square miles of land and a pro-business environment, Moreno Valley is experiencing a large influx of Fortune 500 and international Companies. The development of more than 25 million square feet of industrial, corporate, office, commercial and hospitality development in the past 6 years has propelled Moreno Valley to becoming an Inland Southern California job center. More than 20,000 new jobs were created since 2012.

INDUSTRIAL MARKET:

Moreno Valley led the region with more than 8.4 million square feet of new industrial corporate facilities constructed and absorbed in the past two years. Recent industrial attraction successes include facilities for Aldi Foods, two Amazon facilities, Deckers Outdoor, Fisher Paykel, Floor & Decor, Harbor Freight Tools, Harman Kardon, iHerb, Legrand North America, Lowe's Home Improvement, Medline, Procter & Gamble, ResMed, Ross Dress For Less, Skechers USA, Serta Simmons Bedding, Sherwin Williams, United Material Handling, United Natural Foods, Walgreens and more.

Advanced manufacturing is emerging as a sub-category of industrial growth. Solaris Paper churns out household goods in their 862,000 sq. ft. re-processing plant while Karma Automotive's (formerly Fisker) 555,000 sq. ft. facility creates the luxury solar/hybrid electric vehicle, the Karma Revero.

City Council recently approved the World Logistics Center, which offers another 40.6 million square feet on 2,600 acres - the largest industrial corporate business campus in California. The World Logistics Center is expected to create more than 20,000 new jobs in the City.

HEALTHCARE MARKET:

Riverside County's hospital headquarters (Riverside University Health System Medical Center - RUHS) is located in Moreno Valley, along with Kaiser Permanente. Both campuses are undergoing rapid expansion to meet strong regional demand. RUHS is adding to its 439-bed hospital footprint with the construction of the first of six 200,000 sq. ft. medical office buildings and Kaiser is in the design stages of a master campus expansion. Several supportive medical facilities are developing to provide post-acute and skilled nursing care. Combined, these projects add more than 2,000,000 sq. ft. to Moreno Valley's thriving healthcare industry. Moreno Valley's two hospitals and various medical related facilities contribute to more than 5,000 full-time jobs.

RETAIL MARKET:

2 regional shopping destinations and 40 shopping plazas provide a plethora of shopping, dining and entertainment options for residents and travelers. Major tenants include Costco, SuperTarget, Home Depot, Lowe's Home Improvement, Macy's, Burlington, TJ Maxx/HomeGoods, Ulta, BevMo and more. Moreno Valley's restaurants have documented performance that exceeds their chains' national average by as much as 25.6%.

RESIDENTIAL MARKET:

Keeping up with employment growth, residential construction is adding new housing with more than 7,000 single and multi-family units under development adding to the inventory of 56,000 housing units.

EDUCATION:

Three colleges - the University of California, Riverside, California Baptist University and Moreno Valley College - attract more than 40,000 students to the community each year. RUHS also serves as a teaching hospital for the UC Riverside School of Medicine. It is the region's primary academic medical center for health care professionals - training hundreds of medical residents, nursing students and allied health professionals every year in its own residency programs and in affiliation with several universities and community colleges. Student consumers in town are plentiful, youthful and driven.

MILITARY:

March Air Reserve Base (MARB), previously known as March Air Force Base, is the City's largest employer with 9,600 full-time employees. MARB is home to the Air Force Reserve Command's Fourth Air Force Headquarters and houses numerous missions including military airlift, in-flight refueling, worldwide media broadcasting, interdiction coordination for the entire Western Hemisphere, and remotely-piloted aircraft operations. MARB also hosts the March Field AirFest, where 500,000 attendees watch the United States Air Force "Thunder Over The Empire" in its bi-annual air show. Also serving as a private air cargo airport, Amazon Prime Air added March Air Reserve Base to its cargo distribution network in 2018. A general aviation terminal (Million Air) opened recently to serve customers for private charter flights.

TRANSPORTATION:

Air transportation is provided by Moreno Valley's March Inland Port Airport for air cargo and corporate flights, and passengers can choose from five international airports within an hour's drive. Rail transport adjacent, the recently-opened Metrolink rail station offers passenger transport. Sea transportation is provided by two major seaports (Port of Los Angeles and Port of Long Beach).

CITY-OWNED UTILITY:

Moreno Valley's electric utility, which is 100% underground, has earned the Certificate of Excellence in Reliability from the American Public Power Association for the last 4 years. Moreno Valley Utility, or MVU, provides multiple points of service/redundant service for customers. Plan check review time is streamlined - averaging only 3 weeks. Future capital improvement projects will focus on automating communication and protection in circuits that serve critical customers, and building infrastructure necessary to serve new customers. In addition, MVU provides various incentives and utility rate rebate programs to assist businesses. Additional rebate for local hire provision.

PRO-BUSINESS PHILOSOPHY:

Companies continue to choose Moreno Valley for providing the best service in Southern California. The City boasts a pro-business and pro-customer culture and has a dedicated award-winning Economic Development Department to serve its customers. The City's unique business concierge service assists businesses through each step of the development process and fast-tracks business development with unparalleled plan check turnaround times that consistently beat other agencies in the region. The City has invested in an innovative permitting system, SimpliCity, which allows developers and businesses to check their permit status online. The City also operates an award-winning Employment Resource Center to assist businesses with job recruitment needs and to partner with educational institutions for workforce training.

LIFESTYLE:

When it comes to affordable lifestyle with the most amenities, there is no better place than Moreno Valley. The weather is warm. The lakes are cool. There are nearly 200 City-sponsored classes for children and adults and an assortment of entertaining events, including parades, community bike rides, film festivals and volunteer days. There are plenty of other activities for kids and adults, from Round1, a Japanese-themed entertainment center with bowling, arcades and karaoke, to the Hangar Trampoline Park. The Moreno Valley Equestrian Park includes roping chutes and a cattle run. Two community golf courses serve golfing enthusiasts. The City offers over 352 acres of parks and 32.3 miles of trails. The 8,000 acre Lake Perris State Recreation Area provides opportunities for fishing, swimming, jet skiing, picnicking, camping, rock climbing, concerts, and is the site for the 2028 Summer Olympics rowing competition.



Attachment: Attachment B - Copy of RFP (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

the region

Just 60 miles east of the Pacific Ocean, the City of Moreno Valley is strategically located in one of the fastest-growing metropolitan areas in the country. Larger than 25 states, Inland Southern California encompasses Riverside and San Bernardino counties and has a population of 4.5 million. Growth drivers include availability of developable and affordable land and housing, lower lease rates, close proximity to two of the nation's busiest port complexes (Los Angeles and Long Beach), a diverse transportation system, and a reach of more than 24 million consumers.

Southern California boasts more than 50 top colleges and universities in the nation. A recent Forbes study ranked several California schools - namely, Stanford University; California Institute of Technology, Pomona College; Claremont McKenna; Harvey Mudd College; the University of California, Berkeley; Scripps College; the University of Southern California; and the University of California, Los Angeles - among the top 50 schools in the United States. Nearly 230,000 undergraduates are enrolled in local colleges within an hour of Moreno Valley.

Southern California is home to companies like Google, Disney, Northrop Grumman and Scripps Health. Logistics, construction, healthcare, manufacturing and management/scientific/professional work are the main sectors driving growth in the region. Professionals and young families are relocating from coastal communities to experience home ownership and to escape the high cost of housing in Los Angeles, Orange and San Diego counties. Employers are experiencing similar trends; industrial and commercial properties in the Inland Southern California offer the lowest lease rates in all of Southern California.

Transportation includes a dynamic system of freeways, roads, rail lines, air travel and sea transport. The Ports of Los Angeles and Long Beach, the busiest container ports in the U.S., span nearly 70 miles of coastline and move more than \$450 billion worth of cargo. Freeways, the chief method of travel across Southern California, are anticipated to receive \$153 billion in new projects and improvements over the next 10 years.

California hosts more than 270 million tourists a year, who spend \$126.3 billion in the state. An array of amusement parks, professional sports complexes, music venues, theaters, outdoor activities, exclusive shopping and dining experiences, art, wineries and national parks draw visitors year-round under the perpetual California sunshine.

Channel your inner movie star and spend a day shopping, enjoying the Film Festival or riding the largest aerial tramway in the world in neighboring Palm Springs. Surfers, joggers, bicyclists, rowers and sailors unite at local world-renowned beaches, while desert regions like the Mojave National Preserve and Anza-Borrego Park offer opportunities for scenic hikes

and rock-climbing. Altitude in the local mountains ranges from 6,000 to 9,000 feet, allowing for prime snowboarding, skiing and tubing during the winter months, and hiking and cycling during the summer.

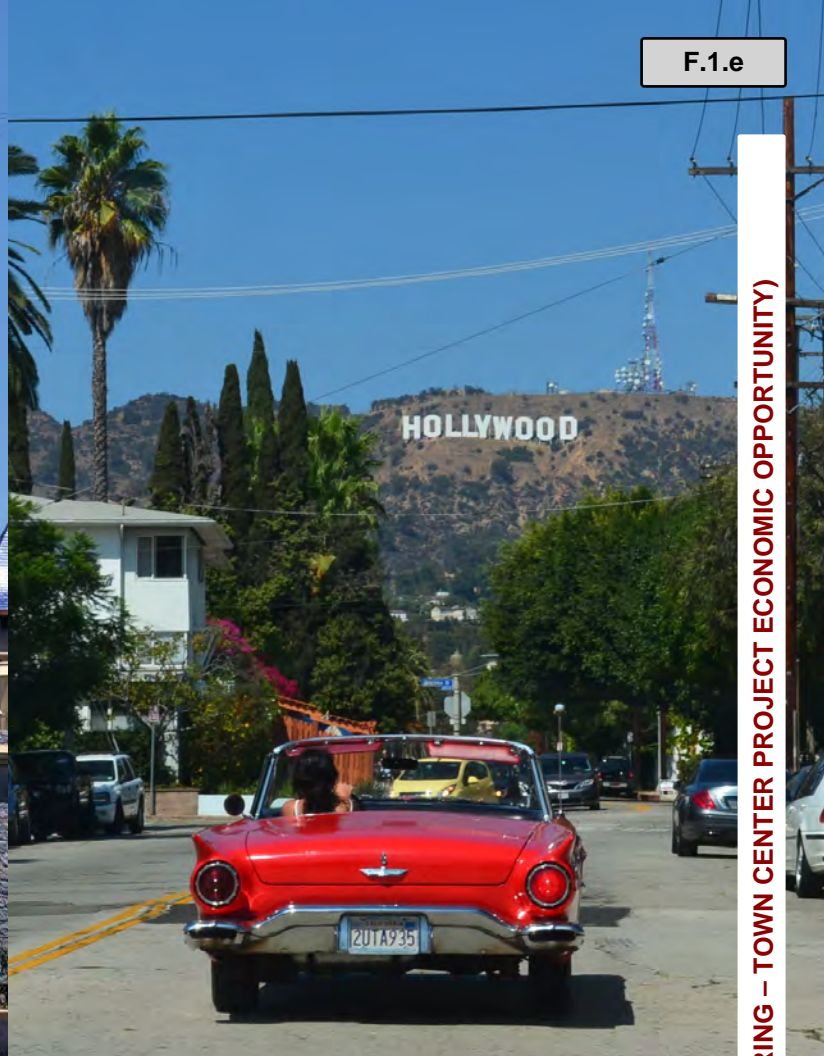
If you're adventurous, you can skydive in Perris, hang glide or coast in a glider plane. For a beautiful view at a slower pace, soar in a hot-air balloon above Temecula Valley while sipping on local wines. Microbreweries like Woody's Brewhouse in Moreno Valley, Hangar 24 in Redlands and Brew Rebellion in San Bernardino not only make outstanding beer but offer activities, brewery tours and personality to match.

Coachella, one of the nation's most famous rock and hip-hop music festivals, and its partner, Stagecoach, a 3-day country music festival, take place in Indio, about an hour from Moreno Valley.

There are theater and musical options, from the Lewis Family Playhouse in Rancho Cucamonga and the Fox Theater in Riverside, to the Redlands Bowl, which offer free performances to the public throughout the year. Catch a comedian at the Ontario Improv; lounge by the pool, indulge in award-winning buffets, take in a show or test your luck at a local casino like Morongo and Pechanga - both as luxurious and entertaining as those in Las Vegas, Nevada (which, coincidentally, is just a few hours' drive away).

Southern California residents and visitors enjoy close proximity to Disney parks, Universal Studios, Knott's Berry Farm and Legoland, while those passionate about sports cheer on professional and minor league teams in baseball, football, hockey, basketball and soccer.

Destination MoVal: Town Center presents the opportunity to attract not only local residents but also regional residents, visitors and tourists alike. Southern California town centers like Rancho Cucamonga's Victoria Gardens, Old Town Temecula and Old Town Monrovia include notable features like walkable streets, civic uses and extensive programming of community events. The development of a new "Main Street" district with open spaces, civic uses, retail and professional services, food and beverage establishments and entertainment within a walkable neighborhood in Moreno Valley could help fill the gap for such destinations in the eastern portion of the Inland Southern California.



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the site

Purchased in 1985, the City initially identified the 56.42-acre Site for use as a potential Civic Center.

Bordered by Nason Street to the east and Alessandro Boulevard to the south, the City-owned Site consists of two adjoining lots that offer a combined 56.42 acres. The Site has direct access to two of the City's major arterial streets. Alessandro Boulevard is a major east/west thoroughfare that connects to Interstate 215 (which leads to San Bernardino to the north and San Diego to the South), and Nason Street is a major North/south thoroughfare connects to State Route 60 (which leads to Los Angeles to the west and Palm Springs/Arizona to the east). The Site sits almost directly in the City's geographic center and is within easy reach of the region's residents.



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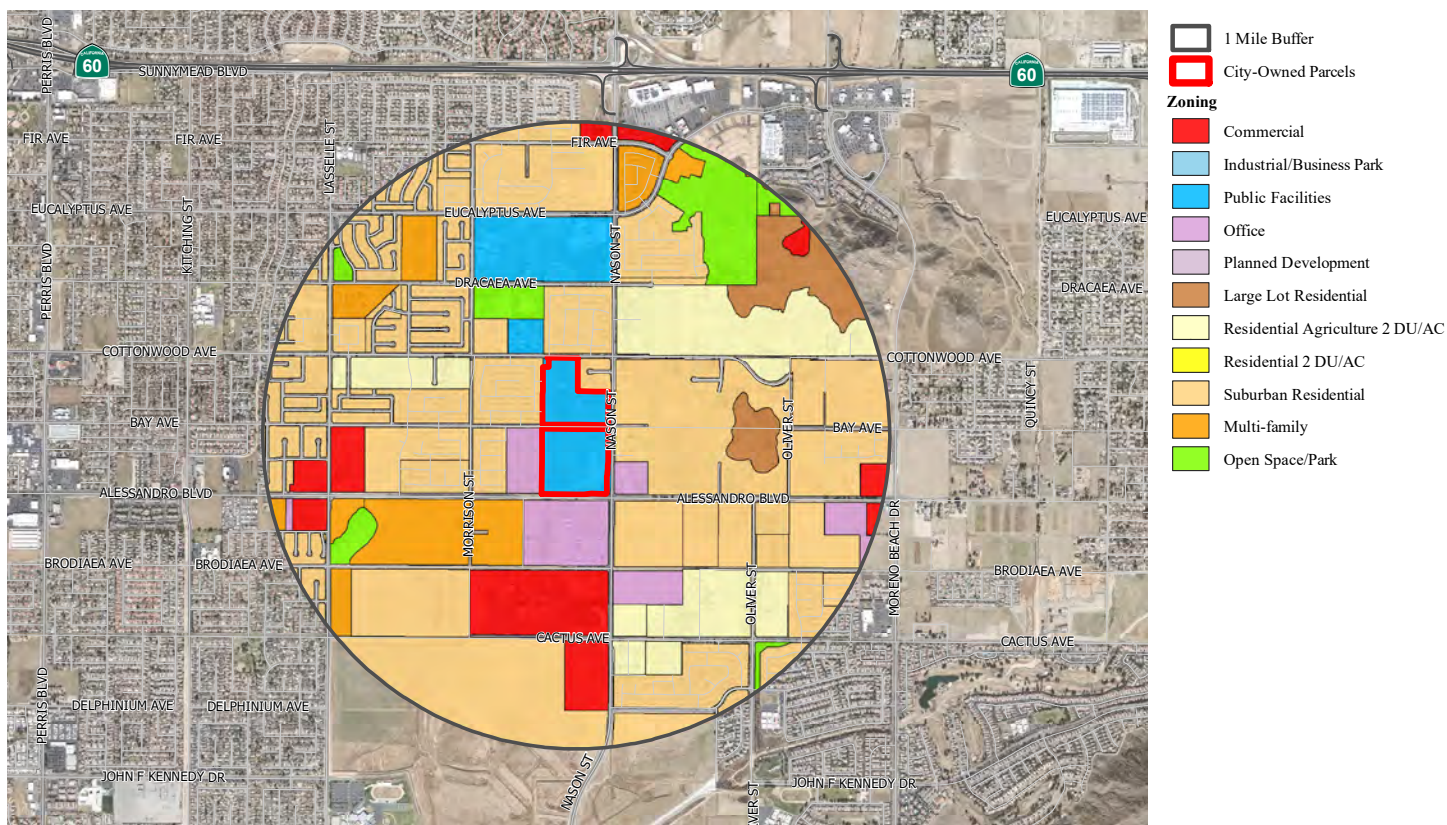
To the west of the Site sits the March Air Reserve Base, and Lake Perris State Recreational Area lies to the south. Picturesque rock outcroppings fill the surrounding landscape, framed by the ridgelines of Box Springs Mountain to the northwest, which displays the City's iconic "M" landmark, Mt. Russell to the south, San Jacinto Mountain to the southwest and seasonally snow-capped San Gorgonio Mountain to the northeast.

Nearby, Riverside University Health System Medical Center and Kaiser Permanente Hospital comprise the City's medical corridor. Riverside University Health System is currently constructing the first of six 200,000 square foot medical office buildings and Kaiser Permanente is expanding to a master campus of 800,000 square feet. Additional medical office buildings and skilled nursing facilities are also under construction within a quarter-mile of the Site. Moreno Valley College is just a few miles away, with a student population of nearly 20,000.

Both the medical corridor and the community college provide significant daytime population and are important contributors to demand for future growth retail, entertainment and services at the Site. Close by, the future 680-acre Aquabella master planned community will drive additional demand in the heart of the City.

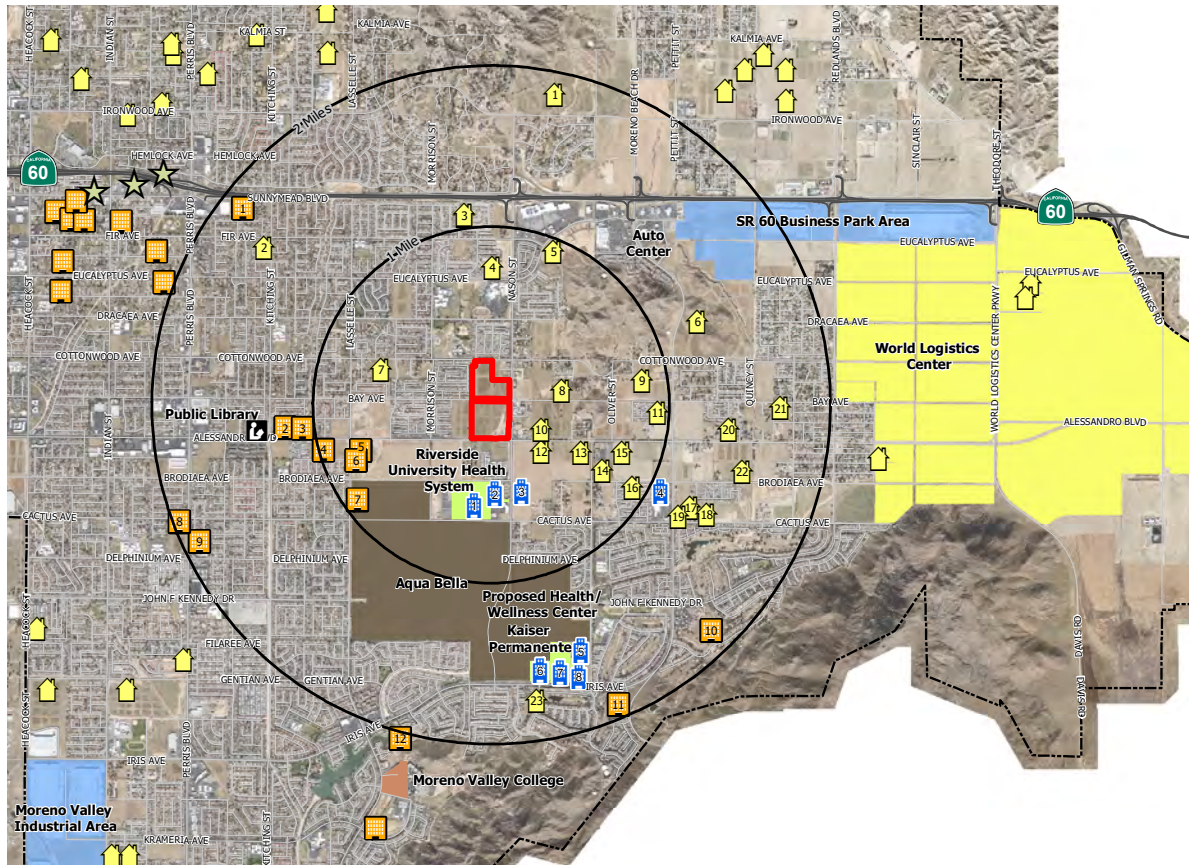
The World Logistics Center, which is 40.6 million square feet of planned corporate business park space, is expected to bring approximately 20,000 jobs to Moreno Valley and will create additional demand for services and housing in the area. In addition, the Riverside Transit Authority (RTA) is planning a new transit center along the Nason Street corridor and bus transit along Alessandro Boulevard; both investments will increase access to and from the Site.

The General Plan Land Use designations for the Site include public facilities and residential/office designations. The City of Moreno Valley General Plan articulates a vision for the City by creating a sense of community, providing amenities, and promoting a safe and healthy environment. The General Plan designations are intended to improve the quality of life of residents by creating a 'sense of place.' Rezoning of the Site is fully anticipated.



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A number of development projects are planned in the surrounding area. A total of 2,237 single family and 1,781 multifamily residential units are planned within a 2 mile radius. Office and medical uses are expected to increase by more than 2,000,000 sq. ft., including six 200,000 sq. ft. Medical Office Buildings at Riverside University Health System Medical Center. Kaiser is developing a new medical campus expansion of over 1,000,000 square feet with a new 460-bed hospital, new Medical Office Buildings and facilities. A 99-bed skilled nursing facility at the adjacent Integrated Care Communities facility and a large assisted living/skilled nursing facility and medical office building across Nason Street are also in development. These planned projects will increase the number of households and jobs near the Site, offering opportunity for support services, civic uses and additional employment uses.



- City-Owned Parcels
- Buffers
- 🏠 Single Family Housing
- 🏢 Multi-Family Housing
- 🏢 Office/Medical
- ★ Hospitality
- 🏫 Moreno Valley College
- 🏥 Hospitals
- 🏭 Industrial/Business Park
- 🏠 Aqua Bella
- 🏭 World Logistics Center

OFFICE/MEDICAL BUILDING DEVELOPMENT

ID#	NAME	SQ. FT.
1	Riverside County Regional Medical Center	200,000
2	Integrated Care Communities	44,000
3	Moreno Valley Medical Plaza - East	217,000
4	Renaissance Village of Moreno Valley	98,400
5	Mainstreet Post-Acute Care	57,000
6	Moreno Valley Medical Overlay Area	122,250
7	Kaiser Permanente	8,500
8	Fresenius Medical Care	12,000

MULTI FAMILY HOUSING

MAP ID	UNITS
2	39
3	58
5	141
7	220
9	52
8	122
11	135
12	62
1	60
6	426
4	49
10	417

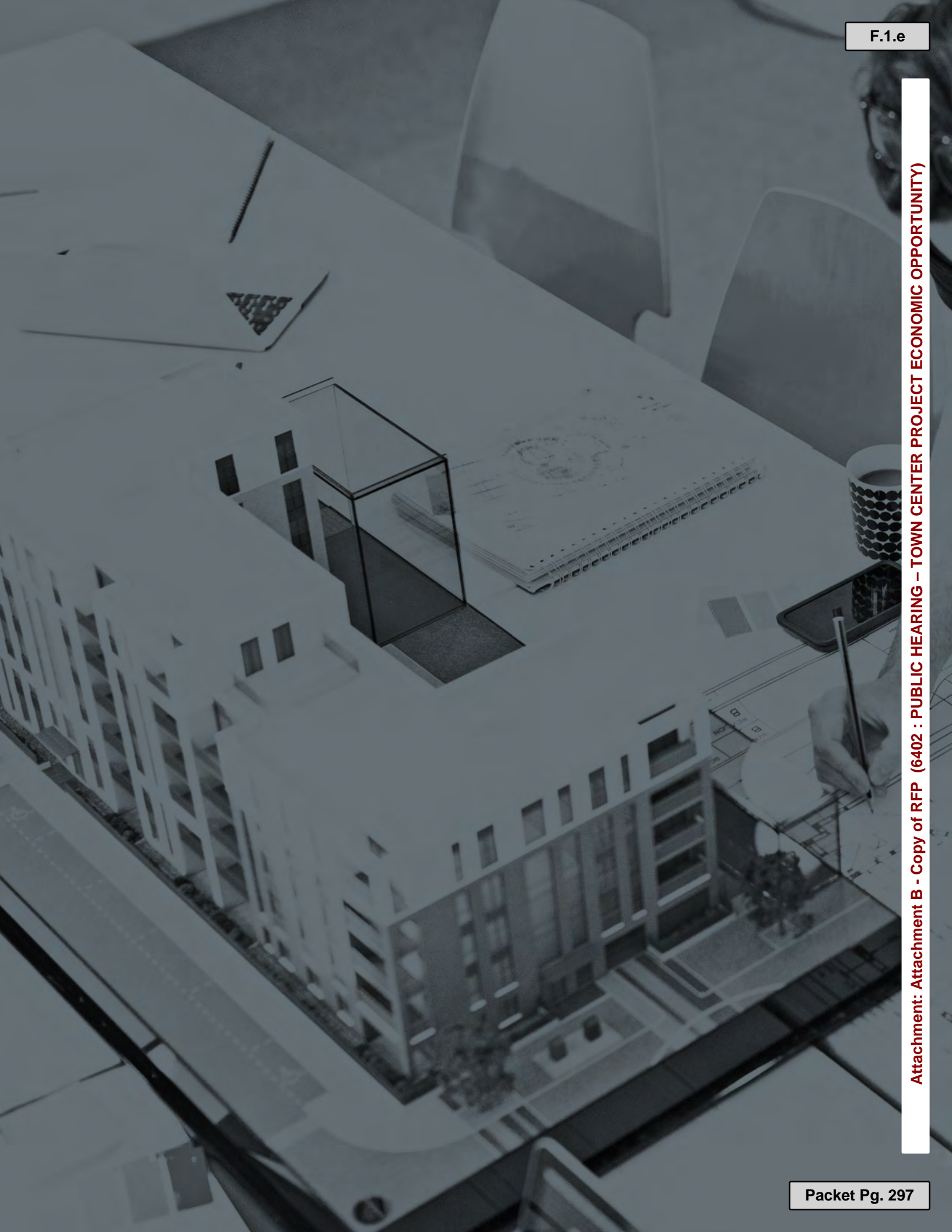
SINGLE FAMILY HOUSING

MAP ID	UNITS
1	272
2	12
7	16
6	562
9	80
12	107
13	63
14	32
15	96
17	8
18	6
20	7
21	25
22	45
5	275
8	52
10	54
11	56
16	40
19	159
23	83
3	100
4	87

Attachment: Attachment B - Copy of RFP (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



Attachment: Attachment B - Copy of RFP (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



timelines

Release Request for Proposals	November 18, 2019
Deadline for Submittal of Proposals	5:00 p.m., February 18, 2020
Evaluation of Submission by City	February/March, 2020
Preliminary presentations to Economic Development Subcommittee	March 10, 2020
City Council Deliberation and Direction possible Exclusive Right to Negotiation Agreement (ERN)	May 5, 2020



proposal instructions

A complete, concise and professional response to this RFP will enable the City to identify the Developer who will provide the highest benefit to the City and will be indicative of the level of the Developer's experience and commitment to the proposed project. Proposals must demonstrate that the approach, design, and financing plan for the proposed project will allow the project's successful development and delivery.

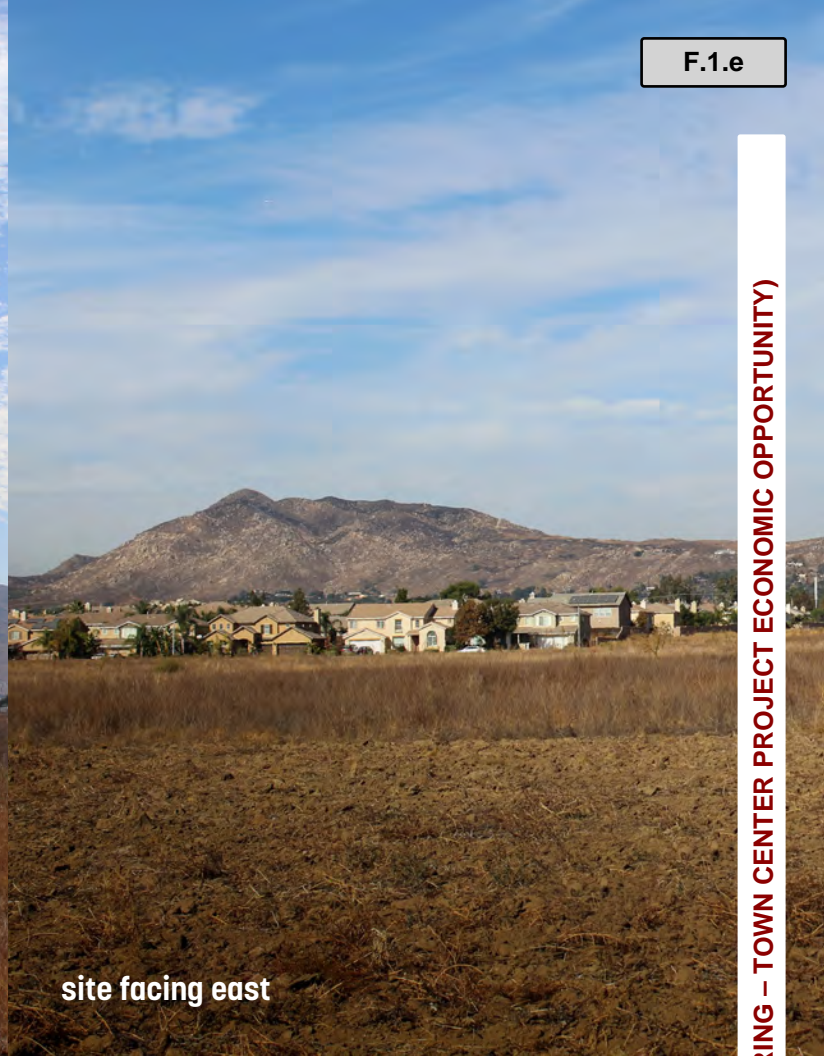
The following minimum information should be provided in each proposal and will be utilized in evaluating each proposal submitted. Proposals should include the following items:

- Scope of Development which shall include the following:
 - The firm / team's statement of qualifications.
 - A narrative description that expresses the firm / team's understanding of the project and vision for development. The narrative should reflect the respondent's development design intent, strategy and implementation expertise, and understanding of the scope of work.
 - Resumes with related expertise of the specific Developer and any other consultant or subcontractor resumes with relevant expertise and experience.
 - Descriptions of the firm's / team's last three completed projects that demonstrate the Developer's:
 - Experience in working with municipalities and/or other public agencies to develop commercial development.
 - Ability to complete projects of a similar size, scope, and purpose in a timely manner.
 - Description of any other completed projects (representative examples) of similar types of projects. Include current addresses, telephone numbers, and the names of reference contacts for each project. Similar project descriptions should be submitted for all major subcontractors.
 - Proposed civic amenities to be constructed at developer's cost.
 - Proposed tenants and tenant mix for the development.
 - Analysis of the proposed job creation potential, market demand, and the economic and financial benefits of various potential uses proposed for the Site.
 - A proposed approach for undertaking this development, including
 - Detailed scope of work and
 - Schedule for predevelopment analysis, entitlement review, construction, etc.
- Standard statements:
 - A statement that this RFP shall be incorporated in its entirety as a part of the Developer's proposal.
 - A statement that this RFP and the Developer's proposal will jointly become part of the "Exclusive Right to Negotiate" ("ERN") agreement for this project when the ERN is fully executed by the Developer and the City Manager of Moreno Valley,
 - A single and separate section "EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL" containing a complete and detailed description of any/all of the exceptions to the provisions and conditions of this Request for Proposal upon which the Developer's proposal is contingent and which shall take precedent over this RFP,
 - A statement that the Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

The City will not be liable for any expenses incurred by Developers responding to this solicitation. All material submitted will be kept by the City.



site facing north



site facing east



site facing west





the legal info

Following Developer selection and execution of an Exclusive Right to Negotiate agreement, Developer shall proceed with detailed due diligence, pre-development, and entitlement activities while working with City to negotiate a Purchase and Sale Agreement for the property.

As the future viability of the commercial development is critical to the success of the project, the City will require some form of recorded maintenance and security covenant on the property as part of the Purchase and Sales Agreement.

The City anticipates that the general scope of the successful Developer team's responsibilities would include, but not be limited to:

pre-development costs

The selected Developer shall bear all predevelopment costs relating to this project. All fees or expenses of engineers, architects, financial consultants, attorneys, planning or other consultants or contractors retained by Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review, surveys, planning and/or design activities, drawings, specifications or other activity or matter relating to the Project shall be the sole responsibility of and undertaken at the sole cost and expense of Developer and no such activity or matter shall be deemed to be undertaken for the benefit of, at the expense of, or in reliance upon the City.

deposit

The selected Developer shall reimburse the City for the actual out-of-pocket costs and expenses incurred (consultants' fees, title reports, and appraisal costs) in negotiating and preparing the Purchase and Sale Agreement and fulfilling its obligations under this Agreement ("Reimbursable Costs"). Developer shall deposit with the City the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) ("Deposit Funds"). The Deposit Funds shall be used and applied from time to time by the City to pay itself for the Reimbursable Costs.

legislative action

City and Developer acknowledge that the City must exercise its independent legislative authority in making any and all findings and determinations required of it by law concerning the City Parcels. Developer selection does not restrict the legislative authority of the City in any manner whatsoever and does not obligate the City to enter into the Exclusive Right to Negotiate Agreement or to take any course of action with respect to the Project.

financing

The Developer shall be responsible for providing funding for the Project, whether it be in the form of debt financing, equity, tax credits or a combination of these methods. If debt financing is used, no financial risk or credit risk shall be imposed upon or borne by the City.

construction

The Developer shall be responsible for demolition, construction and commissioning of the Project including obtaining all permits, fees, and approvals necessary for construction of the Project.

available analysis

The City completed substantial technical analysis of the Site. The information is provided as reference only. The City does not warrant or represent the accuracy or relevance of these studies to the Developer's proposed project. The selected Developer may need to amend and/or pursue new studies to support the Developer's proposed project.

The site analysis information listed below is available on the Economic Development Department's website at <https://www.morenovalleybusiness.com/opportunities/>:

- Economic Development Map
- Demographics (City and 20 mile trade area)
- Commercial Development Marketing Sheet
- Preliminary Title Report

general project comments

The intended outcome of this Request for Proposals (“RFP”) process is the development of an Exclusive Right to Negotiate agreement (“ERN”) that will establish terms and conditions, and further define the scope, design, overall use and development of the Project upon which the selected Developer can purchase and develop the preferred project on the City Parcels.

During the RFP period, Developers and their employees, agents or representatives, shall have the right of reasonable access to the City Parcels during normal business hours for the purposes of inspecting the City Parcels, undertaking any necessary soils tests and otherwise conducting due diligence to ensure that the City Parcels are suitable for Developer’s intended use. Notwithstanding anything else in this Request for Proposals, Developer shall defend, indemnify and hold the City, its employees, officers and agents, harmless from any injury, property damage or liability arising out of the exercise by Developer of this right of access, other than injury, property damage or liability relating to the gross negligence or willful misconduct of the City or its officers, agents or employees.

The City has the sole authority to select a Developer for this project and reserves the right to reject any and all proposals and to waive any informality or minor defects in proposals received.

The City reserves the right to retain all proposals submitted and to use any ideas in a proposal, regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the proposing Developer of the conditions contained in this Request for Proposals, unless clearly and specifically noted.

The City will not pay for any information requested, nor is it liable for any costs incurred by the Developers in preparing and submitting proposals.

CONTRACTOR INDEMNIFICATION

Developer shall indemnify, defend and hold the City, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District (CSD), their officers, agents and employees harmless from any and all claims, damages, losses, causes of action and demands, including, without limitation, the payment of all consequential damages, expert witness fees, reasonable attorney’s fees and other related costs and expenses, incurred in connection with or in any manner arising out of Developer’s performance of the work contemplated by this RFP. Submitting a response to this RFP signifies that the Developer is not covered under the City’s general liability insurance, employee benefits, or worker’s compensation. It further establishes that the Developer shall be fully responsible for such coverage. Developer’s obligation to indemnify shall survive expiration or termination of this RFP and shall not be restricted to insurance proceeds, if any, received by the City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees.

ADDITIONAL INDEMNITY OBLIGATIONS

Developer shall defend, with counsel of City’s choosing and at Developer’s own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind that may be brought or instituted against City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees as a result of this RFP. Developer shall pay and satisfy any judgment, award or decree that may be rendered against City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees as part of any such claim, suit, action or other proceeding. Developer shall also reimburse City for the cost of any settlement paid by City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City’s attorney’s fees and costs, including expert witness fees. Developer shall reimburse City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

INTELLECTUAL PROPERTY

Any system or documents developed, produced or provided in response to this RFP, including any intellectual property discovered or developed by Developer in the course of performing or otherwise as a result of its work, shall become the sole property of the City unless explicitly stated otherwise in the RFP response. The Developer may retain copies of any and all material, including drawings, documents, and specifications, produced by the Developer in performance of this proposal. The City and the Developer agree that to the extent permitted by law, until final approval by the City, all data shall be treated as confidential and will not be released to third parties without the prior written consent of both parties.

PUBLIC RECORD

Proposals received will become the property of the City. All proposals, evaluation documents, and any subsequent contracts will be subject to public disclosure per the "California Public Records Act," California Government Code, sections 6250 - 6270. All documents related to this solicitation will become public records once discussions and negotiations with proposers have been fully completed and an award has been announced.

Appropriately identified trade secrets will be kept confidential to the extent permitted by law. Any proposal section alleged to contain proprietary information will be identified by the proposer in boldface text at the top and bottom as "PROPRIETARY." Designating the entire proposal as proprietary is not acceptable and will not be honored. Submission of a proposal will constitute an agreement to this provision for public records. Pricing information is not considered proprietary information.

ASSIGNMENT

Developer selection includes consideration of the merits of the firm / team. Assignment of the proposal is discouraged and the City reserves the right to cancel the contract if the contract is assigned without City's written consent.

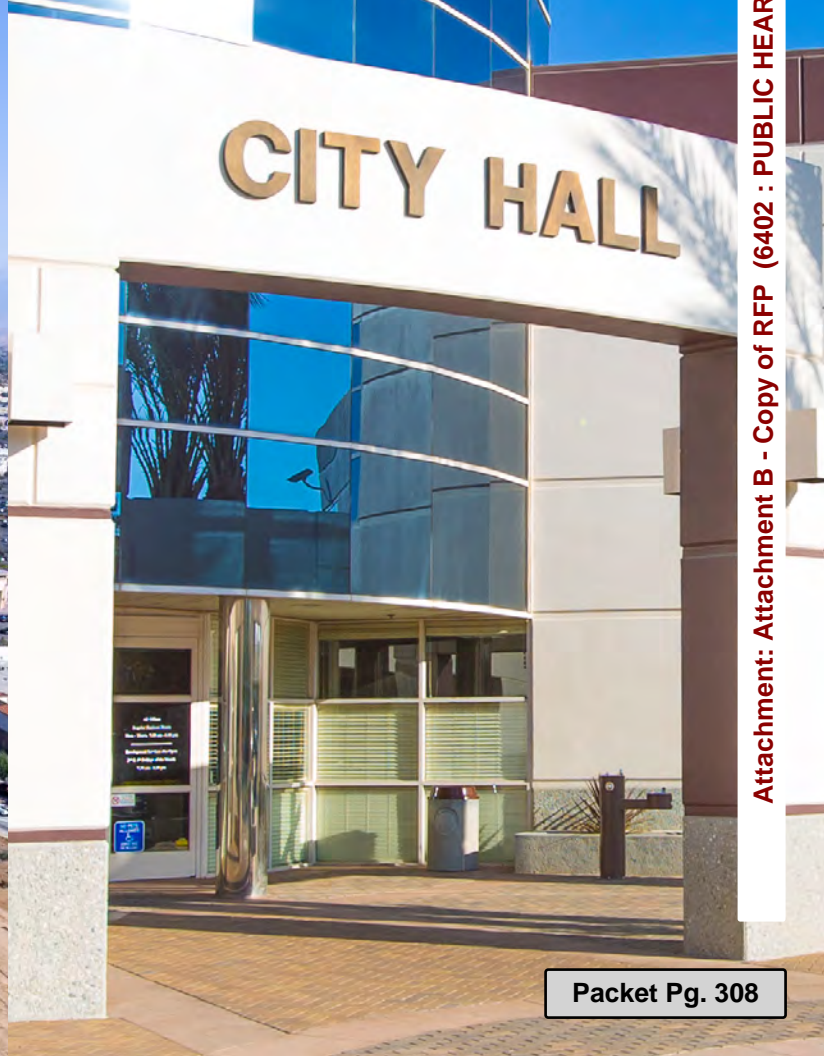
RFP ADDENDA

The City may determine it is necessary to revise any part of this solicitation. Revisions will be made by written addenda and it is the Developer's responsibility to understand and comply with any addenda to this solicitation. Addenda may be posted on the City's website, <https://www.morenovalleybusiness.com/opportunities/>, under *Destination MoVal: Town Center* RFP and may contact the Economic Development Department:

City of Moreno Valley
 Attn: Mike Lee, Economic Development Director
 14177 Frederick Street
 Moreno Valley, CA 92552-0805
 Telephone: 951.413.3460
 Email: mikel@moval.org

CIVIL RIGHTS COMPLIANCE/EQUAL OPPORTUNITY ASSURANCE

Developer will be in compliance with the applicable provisions of the Americans with Disabilities Act of 1990, and will be an equal opportunity employer as defined by Title VII of the Civil Rights Act of 1964, including the California Fair Employment and Housing Act of 1980. As such, Developer will not discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, age or sex with respect to hiring, application for employment, tenure or terms and conditions of employment. In addition, the City of Moreno Valley, as defined in Resolution NS-20,137 and Ordinance 92-11, further prohibits discrimination on the basis of sexual orientation, height, weight and physical characteristics. Developer agrees to abide by all of the foregoing statutes, regulations, ordinances and resolutions.



Attachment: Attachment B - Copy of RFP (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

destinationMoVal

t o w n c e n t e r



City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92552-0805
Telephone: 951.413.3460
www.morenovalleybusiness.com

**ATTACHMENT "C" TO CITY OF MORENO VALLEY
SUMMARY REPORT (GOV C 52201)
COPY OF APPRAISAL SUMMARY**

[SEE ATTACHED]



APPRAISAL OF REAL PROPERTY

City Owned Land
NWC Alessandro Blvd. & Nason St.
Moreno Valley, Riverside County, CA 92555

IN AN APPRAISAL REPORT

As of March 27, 2020

Prepared For:

City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92553

Prepared By:

Cushman & Wakefield Western, Inc.
Valuation & Advisory
901 N. Via Piemonte, Suite 200
Ontario, CA 91764
Cushman & Wakefield File ID: 20-38017-900034-001

CUSHMAN & WAKEFIELD WESTERN, INC.
901 N. VIA PIEMONTE, SUITE 200
ONTARIO, CA 91764



City Owned Land
NWC Alessandro Blvd. & Nason St.
Moreno Valley, Riverside County, CA 92555

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



901 N. Via Piemonte, Suite 200
 Ontario, CA 91764
 Tel +1 909-980-7788
 cushmanwakefield.com

April 23, 2020

Ms. Michele Patterson
 Economic Development Manager
City of Moreno Valley
 14177 Frederick Street
 Moreno Valley, CA 92553

Re: Appraisal Report

City Owned Land
 NWC Alessandro Blvd. & Nason St.
 Moreno Valley, Riverside County, CA 92555

Cushman & Wakefield File ID: 20-38017-900034-001

Dear Ms. Patterson:

In fulfillment of our agreement as outlined in the Letter of Engagement copied in the Addenda, we are pleased to transmit our appraisal of the above referenced property in the following Appraisal Report.

The subject property consists of 2,457,654 square feet (56.42 acres), which is currently zoned for public facilities and is owned by the city of Moreno Valley. The subject features two non-contiguous legal parcels with an 80-foot wide right-of-way dividing the property (Bay Avenue, yet to be improved). The subject property is located in the eastern section of the city in an area known as Rancho Belago. The property consists entirely of raw land with no on-site improvements. Off-site improvements include curb, gutter and sidewalks along Nason Street and curb and gutter along Cottonwood Avenue. There are no curb and gutter improvements along Alessandro Blvd.

Per review of the Moreno Valley RFP provided, the City Council asked for proposals on November 18, 2019 to develop the site into *Destination MoVal Town Center*, a vibrant, safe, multi-use destination for its residents, visitor and business owners. The request from the city was for the proposals to provide a distinctive opportunity for a center that would include commercial development, entertainment, professional office, R&D, civic uses, public gathering spaces and diverse forms of connectivity with potential for a complementary residential; component or corporate headquarter(s) campus location.

The city desires to enter into a Public Private Partnership in order to achieve sustainable long-term economic and community benefits. The City would contribute its acreage to a project that would be developed consistent the City Council's vision at private expense.

The city has requested an appraisal report reflecting the Highest & Best Use of the site (alternative zoning designation permitted). The Sales Comparison Analysis and a Land Residual Analysis were utilized to determine the Market Value As-Is of the vacant site. Per discussions with city officials, an industrial use would not be a permitted use.

This Appraisal Report has been prepared in accordance with Uniform Standards of Professional Appraisal Practice (USPAP).

In recent times, the CRE market has been driven by investor demand and strong liquidity. Asset values can fall significantly in short periods of time if either of these two factors, often in conjunction with many others, change significantly. While Cushman & Wakefield is closely monitoring the latest developments resulting from the COVID-19 pandemic, and will continue to provide updates as events unfold, the reader is cautioned to consider that values and incomes are likely to change more rapidly and significantly than during standard market conditions. Furthermore, the reader should be cautioned and reminded that any conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property(ies) of this event, or any event, subsequent to the effective date of the appraisal.

Based on the agreed-to Scope of Work, and as outlined in the report, we developed the following opinion:

Value Conclusion			
Appraisal Premise	Real Property Interest	Date of Value	Value Conclusion Range
Market Value As-Is	Fee Simple	March 27, 2020	\$4,700,000 to \$5,600,000

Compiled by Cushman & Wakefield Western, Inc.

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

It is an Extraordinary Assumption of this report that the city of Moreno Valley will work with a prospective buyer to develop a Specific Plan for the development of the subject site and we are assuming there is no entitlement risk associated with the site as this will be a Public Private Partnership.

Hypothetical Conditions

For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

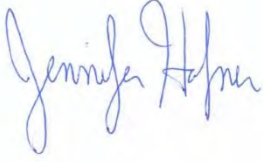
This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Ms. Michele Patterson
City of Moreno Valley
April 23, 2020
Page 5

Cushman & Wakefield Western, Inc.

Respectfully submitted,

CUSHMAN & WAKEFIELD WESTERN, INC.



Jennifer A. Hafner, MAI
Director
CA Certified General Appraiser
License No. AG039874
jennifer.hafner@cushwake.com
(909) 942-4676 Office Direct

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Client Satisfaction Survey

WE WANT TO HEAR FROM YOU! VALUATION & ADVISORY



V&A National Quality Control Group values your feedback!

- What are we doing right?
- Are there areas where we could improve?
- Did our report meet your requirements?

As part of our quality monitoring campaign, your comments are critical to our efforts to continuously improve our service.

We'd appreciate your help in completing a short survey pertaining to this report and the level of service you received. Rest assured, any feedback will be treated with proper discretion and is not shared with executive management. If you prefer to limit who receives the survey response, the distribution can be altered at your request.

Simply click <https://www.surveymonkey.com/r/LQKCGLF?c=20-38017-900034-001> to respond or print out the survey in the Addenda to submit a hard copy.

Contact our Quality Control Committee with any questions or comments:

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Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Summary of Salient Facts and Conclusions

BASIC INFORMATION

Common Property Name:	City Owned Land	
Address:	NWC Alessandro Blvd. & Nason St. Moreno Valley, California 92555	
County:	Riverside	
Property Ownership Entity:	City of Moreno Valley, California	

SITE INFORMATION

Land Area:	2,457,654 Square Feet	56.42 Acres
APN:		
487-470-030	1,501,949 Square Feet	34.48 Acres
487-470-031	955,706 Square Feet	21.94 Acres
Site Shape:	Irregularly shaped	
Site Topography:	Level at street grade	
Frontage:	Good	
Site Utility:	Good	

MUNICIPAL INFORMATION

Assessment Information:		
Assessing Authority:	Riverside County	
Assessor's Parcel Identification:	487-470-030 and 031	
Current Tax Year:	2019/2020	
Taxable Assessment:	\$0 (Tax Exempt)	
Current Tax Liability:	\$0 (Tax Exempt)	
Zoning Information:		
Municipality Governing Zoning:	City of Moreno Valley	
Current Zoning:	Public District	
Is current use permitted?	Yes	
Current Use Compliance:	Complying use	
Zoning Change:	The city of Moreno Valley is entertaining alternative uses for the site and likely a Specific Plan will be developed for the subject site.	

HIGHEST & BEST USE

As Vacant:
A mixed-use (residential and/or commercial) development built to its maximum feasible building area, when market conditions allow.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

VALUATION INDICES		Market Value As-Is
VALUE DATE		March 27, 2020
Land Value		
Indicated Value (Low-End):		\$4,700,000
Indicated Value (Mid-Point):		\$5,100,000
Indicated Value (High-End):		\$5,600,000
FINAL VALUE CONCLUSION		
Real Property Interest:		Fee Simple
Concluded Value:		\$4,700,000 to \$5,600,000
Per Square Foot:		\$1.91 to \$2.28
EXPOSURE AND MARKETING TIMES		
Exposure Time:		12+ Months
Marketing Time:		12+ Months

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

It is an Extraordinary Assumption of this report that the city of Moreno Valley will work with a prospective buyer to develop a Specific Plan for the development of the subject site and we are assuming there is no entitlement risk associated with the site as this will be a Public Private Partnership.

Hypothetical Conditions

For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Property Photographs

AERIAL PHOTOGRAPH



Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER

VIEW LOOKING NORTH FROM ALESSANDRO BOULEVARD



VIEW LOOKING NORTHEAST FROM ALESSANDRO BOULEVARD



VIEW LOOKING SOUTHWEST FROM NASON STREET



VIEW LOOKING SOUTH FROM THE NORTHERN PROPERTY LINE



VIEW LOOKING EAST FROM THE WESTERN PROPERTY LINE



VIEW LOOKING WEST FROM THE EASTERN PROPERTY LINE



Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

VIEW LOOKING EAST ALONG ALESSANDRO BOULEVARD



VIEW LOOKING WEST ALONG ALESSANDRO BOULEVARD



VIEW LOOKING NORTH ALONG NASON STREET



VIEW LOOKING SOUTH ALONG NASON STREET



VIEW LOOKING WEST ALONG COTTONWOOD AVENUE



VIEW LOOKING EAST ALONG COTTONWOOD AVENUE



Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Scope of Work

Overview

Scope of work is the type and extent of research and analyses involved in an assignment. To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the relevant characteristics of the subject property, and other pertinent factors. Our concluded scope of work is summarized below, and in some instances, additional scope details are included in the appropriate sections of the report:

Research

- We inspected the property and its environs. Physical information on the subject was obtained from the property owner's representative, public records, and/or third-party sources.
- Regional economic and demographic trends, as well as the specifics of the subject's local area were investigated. Data on the local and regional property market (supply and demand trends, rent levels, etc.) was also obtained. This process was based on interviews with regional and/or local market participants, primary research, available published data, and other various resources.
- Other relevant data was collected, verified, and analyzed. Comparable property data was obtained from various sources (public records, third-party data-reporting services, etc.) and confirmed with a party to the transaction (buyer, seller, broker, owner, tenant, etc.) wherever possible. It is, however, sometimes necessary to rely on other sources deemed reliable, such as data reporting services.

Analysis

- Based upon the subject property characteristics, prevailing market dynamics, and other information, we developed an opinion of the property's Highest and Best Use. The subject site is currently zoned for public use. Providing a As Is Value under the current zoning was not part of the scope of this assignment. It is an Extraordinary Assumption of this report that the city of Moreno Valley will work with a prospective buyer to develop a Specific Plan for the development of the subject site and we are assuming there is no entitlement risk associated with the site as this will be a Public Private Partnership.
- We analyzed the data gathered using generally accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. We utilized both the Sales Comparison and Land Residual Approaches to determine the unentitled land value of the site, as though being zoned under a new Specific Plan.
- The results of each valuation approach are considered and reconciled into a reasonable value estimate.

This Appraisal Report has been prepared in accordance with Uniform Standards of Professional Appraisal Practice (USPAP).

Cushman & Wakefield Western, Inc. has an internal Quality Control Oversight Program. This Program mandates a "second read" of all appraisals. Assignments prepared and signed solely by designated members (MAIs) are read by another MAI who is not participating in the assignment. Assignments prepared, in whole or in part, by non-designated appraisers require MAI participation, Quality Control Oversight, and signature. For this assignment, Quality Control Oversight was provided by Eric Garfield, MAI.

This appraisal employs the Sales Comparison and Land Residual Approaches. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Typical purchasers do not generally rely on the Cost or Income Capitalization Approaches when purchasing a property such as the subject of this report. Therefore, we

have not employed the Cost Approach or the Income Capitalization Approach to develop an opinion of market value. The exclusion of these approaches to value does not reduce the credibility of the assignment results.

Report Option Description

USPAP identifies two written report options: Appraisal Report and Restricted Appraisal Report. This document is prepared as an Appraisal Report in accordance with USPAP guidelines. The terms “describe,” “summarize,” and “state” connote different levels of detail, with “describe” as the most comprehensive approach and “state” as the least detailed. As such, the following provides specific descriptions about the level of detail and explanation included within the report:

- Describes the real estate and/or personal property that is the subject of the appraisal, including physical, economic, and other characteristics that are relevant
- States the type and definition of value and its source
- Describes the Scope of Work used to develop the appraisal
- Describes the information analyzed, the appraisal methods used, and the reasoning supporting the analyses and opinions; explains the exclusion of any valuation approaches
- States the use of the property as of the valuation date
- Describes the rationale for the Highest and Best Use opinion

Identification of Property

Common Property Name:	City Owned Land
Address:	NWC Alessandro Blvd. & Nason St., Moreno Valley, Riverside County, California 92555
Location:	The subject property is located in the eastern section of the city in an area known as Rancho Belago.
Assessor's Parcel Numbers:	487-470-030 and 031
Legal Description:	The legal description is presented in the Addenda of the report (Preliminary Title Report, prepared by Chicago Title Company and dated November 8, 2019)

Property Ownership and Recent History

Current Ownership:	City of Moreno Valley, California
Sale History:	To our knowledge, the property has not otherwise sold or transferred within three years of the effective date of the appraisal.
Current Disposition:	To the best of our knowledge, the subject property is not under contract for sale; however, per review of the provided Moreno Valley RFP, the City Council has asked for proposals to develop the site into Destination MoVal Town Center, a vibrant, safe, multi-use destination for its residents, visitor and business owners.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Dates of Inspection and Valuation

Effective Date of Valuation:

As Is: March 27, 2020

Date of Report: April 23, 2020

Date of Inspection: March 27, 2020

Property Inspected by: Jennifer A. Hafner, MAI did an exterior inspection only.

Client, Intended Use and Users of the Appraisal

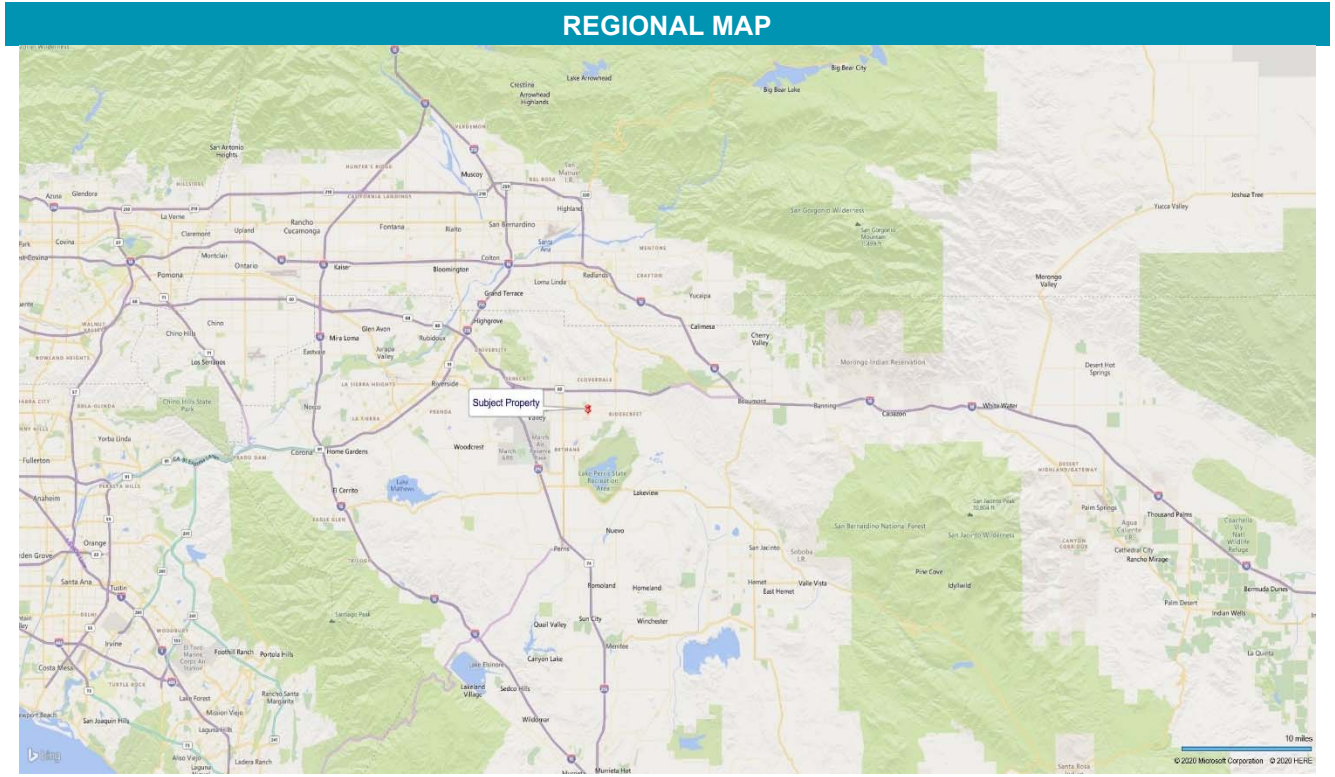
Client: City of Moreno Valley

Intended Use: This appraisal is intended to provide an opinion of the Market Value of the Fee Simple interest in the property for the use of the client for internal decision making purposes. This report is not intended for any other use.

Intended User: This appraisal report was prepared for the exclusive use of City of Moreno Valley. Use of this report by others is not intended by the appraiser. Please see the Engagement Letter in the addenda.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Inland Empire Regional Analysis



Introduction

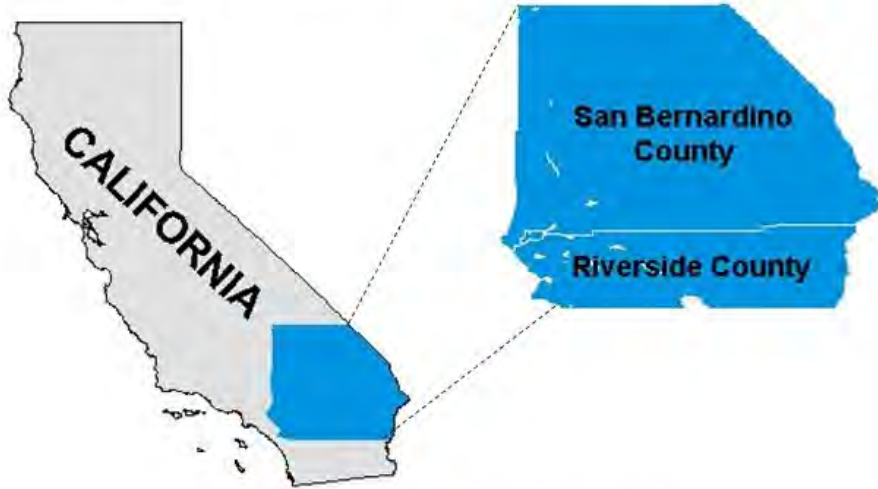
The Riverside-San Bernardino-Ontario Core Based Statistical Area (CBSA), known as the Inland Empire, encompasses Riverside and San Bernardino counties in Southern California. Although the Inland Empire covers a large geographic region of approximately 27,298 square miles, the majority of land is desert. The metro area’s population is concentrated in the west, in proximity to the population centers of Los Angeles County and Orange County. San Bernardino County is the largest in terms of total land area in California, and Riverside County is ranked the fourth largest. According Experian Marketing Solutions Inc., 2.4 million residents reside in Riverside County and roughly 2.2 million residents live in San Bernardino County, nearly dividing the 4.6 million residents of the metro area evenly. The principal city of the metro area is Riverside, with an estimated population of 324,120 residents, representing approximately 7.1% of the total Inland Empire metro population. The primary driving factor of growth in the Inland Empire historically has been the region’s proximity to the coastal regions of Los Angeles and Orange County. Relative to these regions, the rather inexpensive land prices combined with large supply of vacant land has allowed the Inland Empire to develop into a key distribution and manufacturing epicenter abundant with industrial space.

Map

The following map displays the Inland Empire within California:

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

RIVERSIDE, CA CORE BASED STATISTICAL AREA (CBSA)



Source: Cushman & Wakefield Valuation & Advisory

Current Trends

Riverside-San Bernardino-Ontario’s expansion is maintaining more than average momentum at the beginning of 2020, mostly thanks to a solid housing market and strong net migration before the recent COVID-19 pandemic. Employment had leveled at the beginning of 2020 and it is too soon to tell what the impact on employment will be in the region due to the pandemic. Despite the slowing in employment, wages in the Inland Empire had been continuing to increase, although at a more modest pace than in the state and again, too soon to tell the longer term impact due to COVID-19. As a result of strong population growth in 2018, Inland Empire led the state in job and payroll growth in 2019. According to UCR Center for Forecasting, Inland Empire payroll grew 2% from 2018 to 2019. In 2019, the region also experienced a 2% boost in job growth, adding roughly 1.6 million jobs, which outpaced both the national and state employment rate. The logistics sector remains the primary economic driver in the Inland Empire, which is recognized for being one of the nation’s top warehousing hubs by both employment share and warehouse space, which should bode well for the region as warehousing and distribution will continue to be an essential segment for continued economic driver during the aftermath of COVID-19. The region’s heavy reliance on the sector, however, will limit the area from further external developments and economic diversification long-term. Nevertheless, the metro area continues to serve as an affordable alternative to the neighboring coastal regions of Los Angeles and Orange County for housing and business operations, while benefiting from its position as a secondary shipping center of the Twin Ports of Los Angeles and Long Beach. Overall, the outlook of the Inland Empire is uncertain at this point in time due to the changing landscape of the COVID-19 pandemic.

Further considerations are as follows:

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

- In August 2018, the Ontario International Airport Authority (OIAA) marked the completion of the airport's eight dining concessions. In 2017, ONT went under a \$6 million makeover for the complete rebranding and refurbishment of the airport's food and dining concessions. The airport formed an agreement with Delaware North to help deliver a high-quality dining experience. The partnership with Delaware North will help generate over \$13 million over the next decade for the OIAA. Additionally, the Federal Aviation Administration has awarded the authority a \$11.8 million grant through the agency's Airport Improvement Program. The Airport Improvement Program supports U.S airports in improving and modernizing their infrastructure. The Federal Aviation Administration grant includes: \$8.7 million to repair ramp aprons, \$2.6 million to build a taxiway, \$314,000 for taxiway repairs, and \$204,000 to install runway lighting.
- The explosive growth of e-commerce has increased investment in the Inland Empire industrial market, which is the fifth-largest in the nation by inventory and serves as the inland gateway for the largest U.S. shipping ports in Los Angeles and Long Beach. Investment and absorption by major online retailers in the region's warehouse and fulfillment centers have created significant economic impact, translating into increased consumer spending and low-wage employment in the region's trade, transportation & utilities and construction sectors. Inland Empire will be the home to three of the ten biggest industrial developments built in the country. In late 2018, Nordstrom signed one of the largest property sales in the Inland Empire history, over one million-square-foot logistic hub in Columbia Business Park for approximately \$123.8 million and moved-in February 2019. In 2017, Amazon opened a new a one million square foot fulfillment center at the Goodman Commerce Center facility in Eastvale. In June 2019, Amazon announced that they plan to hire an additional 2,000 full-time employees in the Inland Empire's fulfillment centers.
- A combination of space, amenities, and affordability has helped drive continued home price gains in the Inland Empire. In 2019, the median price for an existing single-family home is \$380,000, almost a 5.6% boost year-over-year. However, the region's gains still fall behind rates from 2016 to 2018 when prices experienced an 8% increase annually. The Inland Empire's median home price remains 3.4% below its pre-recession peak of \$393,400.
- Steady gains in passenger and cargo volumes continued in January at Ontario International Airport (ONT), putting the Inland Empire airport on pace to welcome nearly 5.6 million air travelers in 2019, the highest number in a decade and 9.1% more than the previous year. For two consecutive years, Ontario was ranked the fastest growing airport in the United States, according to the Global Traveler. Arriving and departing passengers totaled more than 454,539 in January 2020, a 14.7% increase from January a year ago. The number included 423,643 domestic passengers, 14.7% higher than January 2019. The number of international travelers also jumped 14.7% from 26,929 last January to 30,896 passengers.

Economic Trends

The November 2019 Moody's Analytics Précis report for the Inland Empire Region is as follows:

MOODY'S
ANALYTICS

RIVERSIDE-SAN BERNARDINO-ONTARIO CA

Data Bufile® HSA code: IUSA_HRIV

ECONOMIC DRIVERS

LOGISTICS

DEFENSE

EMPLOYMENT GROWTH RANK

2018-2020
46
1st quintile
Best=1, Worst=410

2018-2023
34
1st quintile

RELATIVE COSTS

LIVING
112%

BUSINESS
102%

U.S.=100%

VITALITY

RELATIVE
112%
Rank: 77
Best=7, Worst=403

QUALITY

OF LIFE
82
Best=7, Worst=378

BUSINESS CYCLE STATUS

STRENGTHS & WEAKNESSES

STRENGTHS

- Comparative advantage in transportation, distribution and warehousing.
- Lower business and housing costs than in nearby California coastal areas.
- Positive and increasing net migration.

WEAKNESSES

- Lack of vibrant central core, downtown.
- Low per capita income; poorly educated workforce.
- Dearth of knowledge-based industries.

ANALYSIS

Recent Performance. Riverside-San Bernardino-Ontario is riding the tide of a fast-growing logistics industry and a late-cycle population shift from California's more costly coastal areas to its interior. Rapid growth in transportation and warehousing has nudged the job mix toward mid-paying positions, pushing up the average hourly wage. However, most new jobs owe to growth in consumer spending by a rapidly growing population. Residential construction has yet to catch up to the influx of new residents. As a result, single-family house prices are still rising while much of the rest of the state cools. Slower labor force growth is a rare weak spot and hints at trouble drawing workers from outside the metro area.

Special delivery. The race for faster delivery times and lower transportation and warehousing costs will further RIV's transformation into a logistics and shipping hub for Southern California and Nevada. Employment in transportation and wholesale trade has risen by nearly two-thirds since it surpassed its prerecession peak in 2013 and has increased its share of total employment and output substantially. Proximity to large population centers in Southern California and Northern Nevada, abundant warehouse space, and low building costs will power further gains. Amazon, FedEx and Nordstrom top the list of shipping and retail giants with distribution centers in the metro area, the latter will increase its footprint as it seeks to revamp its online retail business.

RIV's ascent as a logistics hub is not costless. Reliance on wholesale trade, distribution and transportation will make the metro area more vulnerable to ups and downs in consumer spending at the national level. Downsizing at military installations will make this even more so. The presence of military families in and around Camp Haan will lend stability to the housing market, but a smaller troop presence will decrease spending off base.

Late-stage boom. RIV's economy will bear few of the marks of a late-stage expansion as residents from nearby coastal areas pad the labor force. Commute times to Los Angeles and Anaheim are lengthy, but lower housing costs will lure new residents even as coastal markets cool. House prices in coastal areas are no longer outpacing wage growth, but earlier gains have eroded affordability. The median house price in RIV is one-third lower than in Anaheim and almost four times lower than in Los Angeles. Consumer spending by new residents will power above-average job gains at local restaurants and retail stores, while rising home sales will breathe life into a real estate industry badly stung by the 2018 rise in mortgage rates. Increased spending by new residents will power labor force gains, providing a much-needed backstop to an already-taut labor market.

Immigration. Tighter immigration policies pose the greatest risk to RIV's economy. According to the University of California at Riverside, one in five residents in RIV hail from outside the country. Stepped-up enforcement of immigration laws could discourage international migrants and deprive critical industries of much-needed labor. Migrants are also a significant source of consumer spending, and reduced inflows could stifle growth in the near and medium term.

Riverside-San Bernardino-Ontario is fundamentally healthy, and a growing population will feed the labor force and keep its expansion going. Barring a shake-up of its industrial base, the metro area will remain a lower-income bedroom community to Los Angeles longer term.

Jesse Rogers
November 2019

1-866-275-3266
help@ecorany.com

FORECAST RISKS

SHORT TERM

RISK EXPOSURE
2019-2024 **262** 4th quintile
Highest=1, Lowest=403

UPSIDE

- Exorbitant costs in Southern California drive more firms and workers into RIV.
- Stronger domestic migration bolsters housing and consumer services.
- Construction adds even more jobs.

DOWNSIDE

- Cost advantage erodes more quickly.
- Trade tensions with Pacific partners intensify, and less freight traffic hurts trade, transportation and warehousing.

LONG TERM

MOODY'S RATING

Aa3

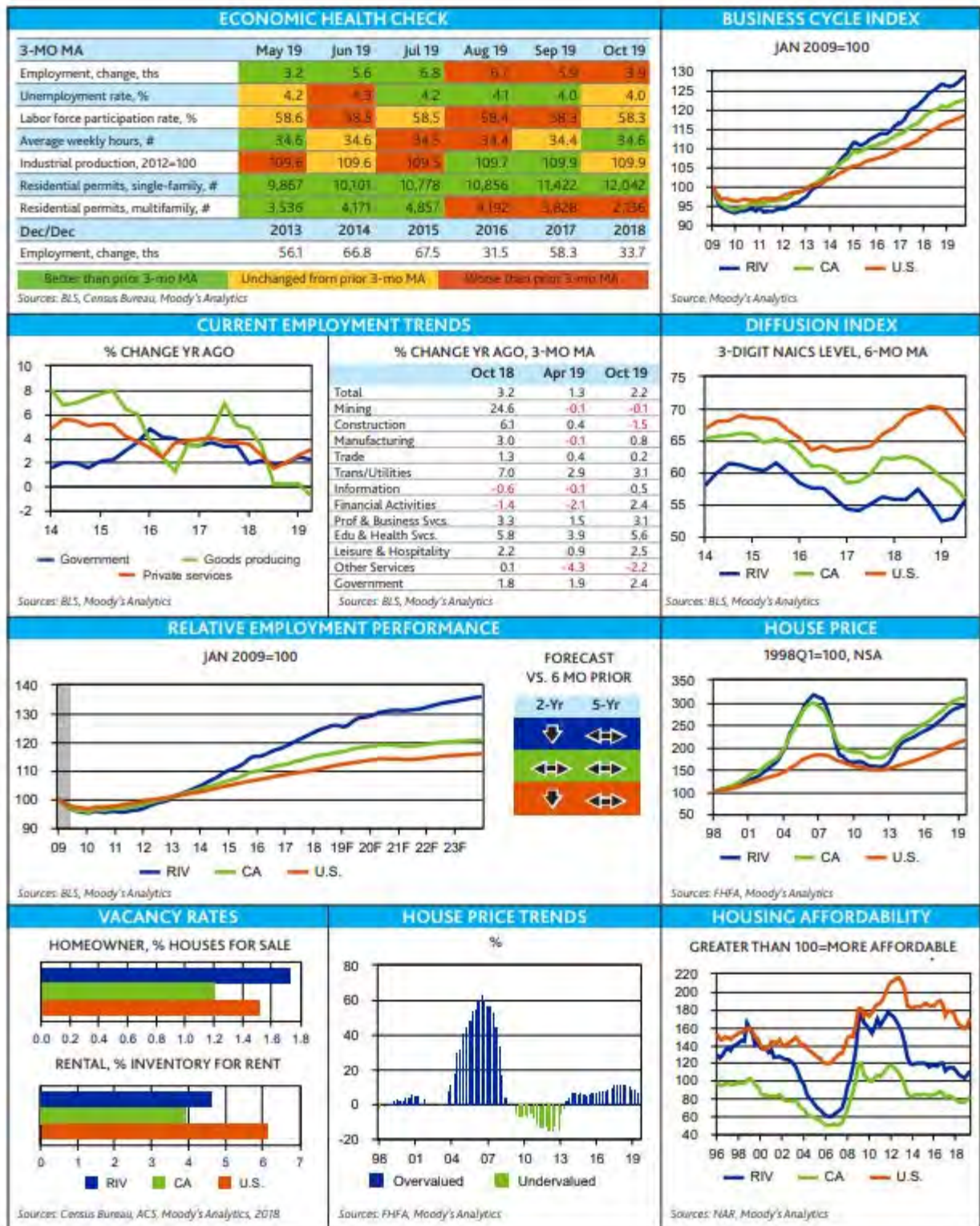
COUNTY
AS OF FEB 28, 2013

2013	2014	2015	2016	2017	2018	INDICATORS	2019	2020	2021	2022	2023	2024
150.8	158.0	166.7	171.1	178.5	186.6	Gross metro product (C12\$ bil)	191.1	196.7	203.0	211.1	218.0	224.7
3.7	4.8	5.5	2.6	4.3	4.5	% change	2.5	2.9	3.2	4.0	3.3	3.1
1,234.2	1,290.4	1,353.9	1,402.8	1,454.8	1,505.3	Total employment (ths)	1,534.4	1,571.1	1,582.0	1,606.1	1,628.1	1,647.8
4.7	4.6	4.9	3.6	3.7	3.5	% change	1.9	2.4	0.7	1.5	1.4	1.2
9.8	8.1	6.6	6.0	5.1	4.2	Unemployment rate (%)	4.2	4.4	5.9	6.6	6.9	7.0
3.1	5.9	6.7	4.8	4.9	6.6	Personal income growth (%)	6.3	4.5	3.9	5.3	4.8	4.5
53.2	54.6	56.3	58.8	62.0	63.5	Median household income (\$ ths)	64.4	66.7	68.4	70.2	72.1	73.9
4,371.9	4,418.7	4,465.2	4,516.7	4,570.4	4,622.4	Population (ths)	4,681.2	4,732.5	4,786.8	4,852.6	4,925.9	5,000.6
0.8	1.1	1.1	1.2	1.2	1.1	% change	1.3	1.1	1.1	1.4	1.5	1.5
3.2	14.2	14.0	20.2	24.7	23.9	Net migration (ths)	28.8	19.5	22.0	33.3	40.3	41.6
6,472	7,222	7,816	8,837	10,955	11,591	Single-family permits (#)	10,538	12,513	17,022	22,611	22,978	22,127
2,876	2,944	2,110	2,084	3,721	3,218	Multifamily permits (#)	4,176	2,640	3,190	3,469	3,344	3,234
193.4	225.6	239.6	254.5	275.3	298.1	FHFA house price (1995Q1=100)	311.3	324.5	336.0	345.0	354.7	369.4

MOODY'S ANALYTICS / Price® U.S. Metro / November 2019

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

PRÉCIS® U.S. METRO • Riverside-San Bernardino-Ontario CA



PRÉCIS® U.S. METRO • Riverside-San Bernardino-Ontario CA

EMPLOYMENT AND INDUSTRY

TOP EMPLOYERS

Stater Brothers Markets	18,000
Arrowhead Regional Medical Center	18,000
U.S. Marine Corps Air Ground Combat Center	16,266
Fort Irwin	13,805
Walmart Stores Inc.	12,263
U.C. Riverside	8,686
Loma Linda University	8,582
March Air Reserve Base	8,500
Ontario International Airport	7,510
Amazon	7,500
VA Loma Linda Healthcare System	6,147
Kaiser Permanente	5,739
Target Brands Inc.	4,800
Pechanga Resort & Casino	4,000
Riverside County Regional Medical Center	3,876
Eisenhower Medical Center	3,665
San Manuel Band of Mission Indians	3,261
Morongo Casino, Resort & Spa	3,000
JW Marriott Desert Springs Resort & Spa	2,304
California Baptist University	2,285

Sources: City of Riverside, 2017; Riverside County Economic Development Agency, 2017

PUBLIC

Federal	20,707
State	30,980
Local	206,040

2018

INDUSTRIAL DIVERSITY

Mod Diverse (U.S.)

0.69

Least Diverse

EMPLOYMENT VOLATILITY

Due to U.S. fluctuations

Relative to U.S.

94% 186 100

■ Not due to U.S. ■ Due to U.S. ■ RIV ■ U.S.

ENTREPRENEURSHIP

EMPLOYMENT IN NEW COMPANIES, % OF TOTAL

1.4 1.3 1.2

■ RIV ■ CA ■ U.S.

Sources: Census Bureau, Moody's Analytics, avg 2012-2016

EXPORTS

Product	\$ mil
Food and kindred products	697.7
Chemicals	864.1
Primary metal manufacturing	ND
Fabricated metal products	ND
Machinery, except electrical	ND
Computer and electronic products	1,764.6
Transportation equipment	1,049.0
Miscellaneous manufacturing	1,710.4
Other products	3,659.9
Total	9,745.7

Destination	\$ mil
Africa	76.5
Asia	3,851.2
European Union	1,874.5
Canada & Mexico	2,839.2
South America	398.7
Rest of world	705.5
Total	9,745.7

% of GDP: 5.2
Rank among all metro areas: 139

Sources: BEA, International Trade Administration, Moody's Analytics, 2018

PRODUCTIVITY

REAL OUTPUT PER WORKER, \$

86,942 110,574 92,001

■ RIV ■ CA ■ U.S.

Sources: BEA, Moody's Analytics, 2017

COMPARATIVE EMPLOYMENT AND INCOME

Sector	% OF TOTAL EMPLOYMENT			AVERAGE ANNUAL EARNINGS		
	RIV	CA	U.S.	RIV	CA	U.S.
Mining	0.1	0.1	0.5	\$45,680	\$66,127	\$103,785
Construction	7.0	5.0	4.9	\$65,601	\$78,900	\$68,455
Manufacturing	6.7	7.7	8.5	\$66,585	\$108,759	\$83,365
Durable	65.7	64.0	62.6	nd	\$124,251	\$86,331
Nondurable	34.3	36.0	37.4	nd	\$83,145	\$78,483
Transportation/Utilities	8.8	3.9	4.0	\$54,516	\$57,283	\$60,890
Wholesale Trade	4.3	4.1	3.9	\$73,839	\$91,917	\$88,316
Retail Trade	12.0	9.8	10.6	\$36,693	\$42,493	\$35,245
Information	0.7	3.2	1.9	\$74,865	\$184,240	\$119,417
Financial Activities	2.9	4.9	5.7	\$29,539	\$68,248	\$59,540
Prof. and Bus. Services	10.0	15.5	14.1	\$41,325	\$82,844	\$71,767
Educ. and Health Services	16.0	15.9	15.9	\$49,851	\$57,703	\$56,400
Leisure and Hosp. Services	11.3	11.6	11.0	\$27,021	\$36,319	\$29,108
Other Services	3.0	3.3	3.9	\$39,245	\$42,403	\$38,639
Government	17.1	15.1	15.1	\$88,674	\$98,813	\$78,273

Sources: Percent of total employment - BLS, Moody's Analytics, 2018; Average annual earnings - BEA, Moody's Analytics, 2017

BUSINESS COSTS

U.S.=100

■ 2012 ■ 2017

Source: Moody's Analytics

HIGH-TECH EMPLOYMENT

	Ths	% of total
RIV	28.3	1.9
U.S.	7,261.0	4.9

HOUSING-RELATED EMPLOYMENT

	Ths	% of total
RIV	156.5	10.4
U.S.	14,296.2	9.6

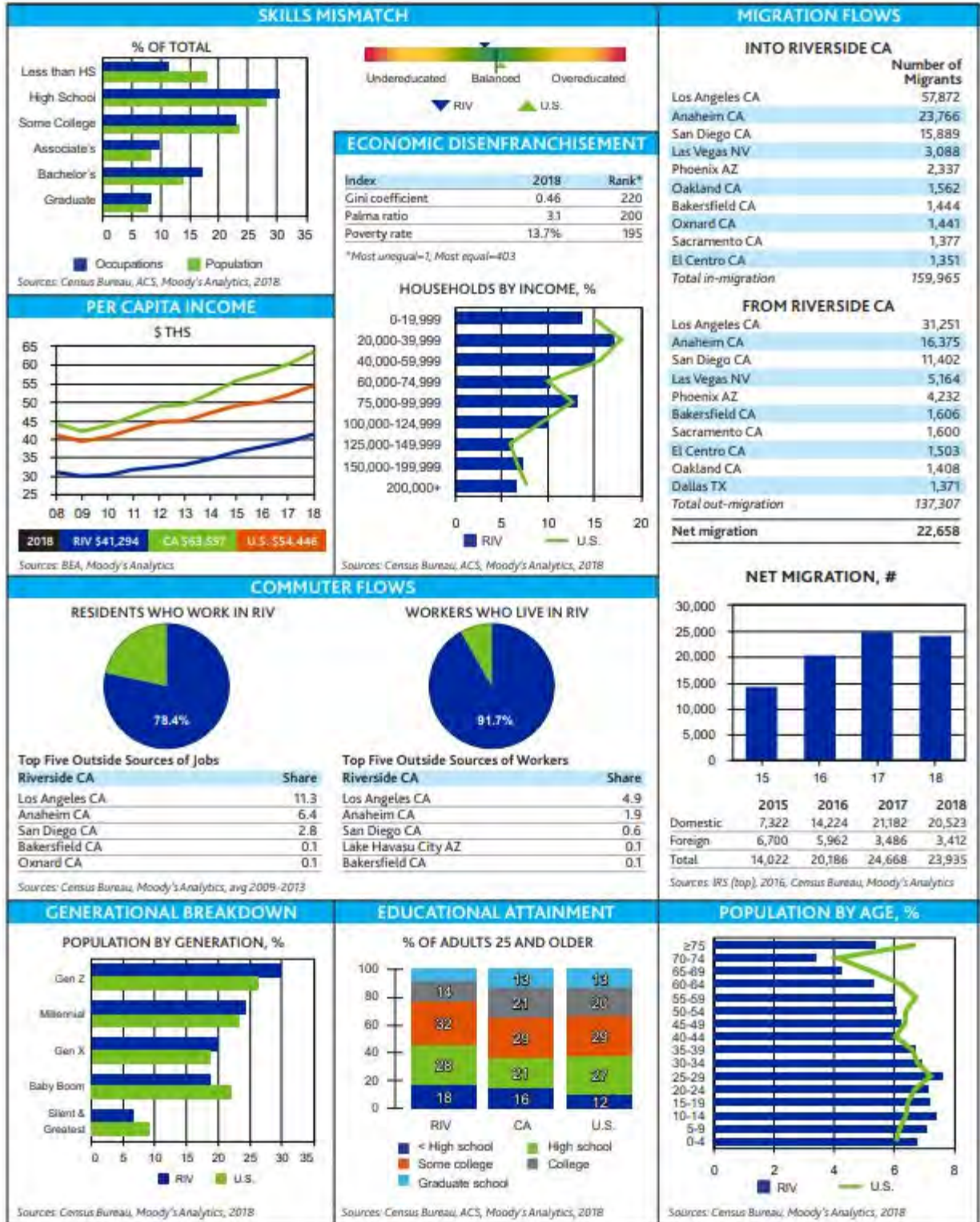
Source: Moody's Analytics, 2018

LEADING INDUSTRIES BY WAGE TIER

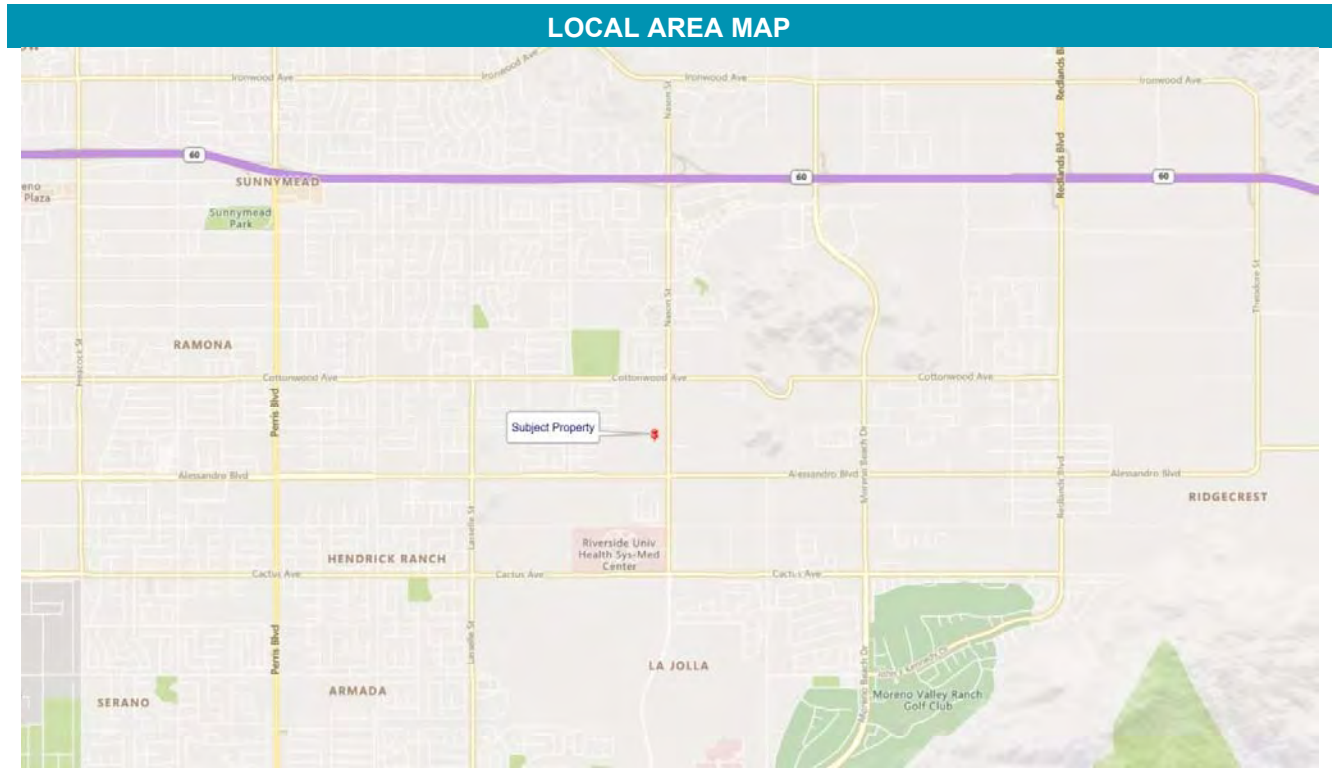
NAICS Industry	Location Quotient	Employees (ths)
6221 General medical and surgical hospitals	0.8	35.8
6211 Offices of physicians	0.9	22.0
GVF Federal Government	0.8	20.3
5416 Mgmt., scientific & technical consult. svcs.	0.7	9.4
GVL Local Government	1.4	186.7
GV5 State Government	0.6	29.1
ML Total Military Personnel	1.2	22.1
2382 Building equipment contractors	1.1	21.5
7225 Restaurants and other eating places	1.2	115.9
5613 Employment services	1.7	59.6
6241 Individual and family services	2.5	52.6
4931 Warehousing and storage	5.1	43.1

Source: Moody's Analytics, 2018

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Local Area Analysis



Location Overview

The property is located in Riverside County within the City of Moreno Valley, CA. The subject property is located in the southeastern section of the city in an area known as Rancho Belago. The area was created in 2007 and is considered an upscale part of Moreno Valley, with new stores, shopping centers and higher-end homes.

Access

Local area accessibility is generally average, relying on the following transportation arteries:

- Local: Access to the subject neighborhood is via Nason Street, which is a north/south arterial running through the city and connects to State Highway 60. SH-60 is the main east/west route that is one-mile north of the subject property, which connect with the 215 Freeway approximately five and one-half miles west. State Highway 60 connects with Interstate 15, approximately 20 miles west.
- Regional: Interstate 215 and the 60 freeway provide regional ingress and egress to the City of Moreno Valley from Orange County, Los Angeles County, and nearby San Bernardino County. The local area is also served by several regional rail lines.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Nearby and Adjacent Uses

The subject's immediate neighborhood consists predominantly residential and vacant land uses. The uses immediately surrounding the subject property are as follows:

- **North:** North of the subject is a residential neighborhood and an elementary school (Moreno Elementary School) and a public park (Morrison Park). One block north along Dracaea Avenue, is a public high school (Valley View High School) and a middle school (Mountain View Middle School). State Highway 60 is located approximately one mile north. Adjacent to the freeway are major retail credit tenants including Target, Costco and Walmart within the Stoneridge Towne Center and Moreno Beach Plaza. Further north are the cities of Redlands and Loma Linda.
- **South:** Across Alessandro Boulevard to the south is a vacant land parcel and a private school (Valley Christian Academy). Riverside County Regional Medical Center (415 bed) is located one block south. There is residential land (Aquabella Residential site) located south of the hospital. Aquabella is a Specific Plan with over 645 acres site that allows for 2,922 dwelling units for a gated active-adult resort community, which was adopted in 2005. Kaiser Permanente is also expanding their campus, which is located adjacent and to the south of the Aquabella site. Kaiser's proposed expansion is a multi-phased, state-of-the-art medical center campus, with approximately 460-bed hospital, support buildings, outpatient office buildings, energy center, and parking. This proposed site is located one and one-half miles to the south of the subject property. There is a Stater Bros. anchored center under two miles southwest at the intersection of Lasselle Street and Iris Avenue. Moving south, across Iris Avenue, are residential neighborhoods and the Moreno Valley Community College (estimated 9,000 students). Within three and three-quarter miles south is Lake Perris State Recreation Area. This 8,800-acre park allows for fishing, water sports, camping, rock climbing and horseback riding.
- **East:** East of the subject, across Nason Street are residential and commercial uses followed by vacant land. Further east are neighborhoods within the Rancho Belago community and a Stater Bros. anchored center within the Moreno Marketplace shopping center. The location for the planned World Logistics Center is within two miles east of the subject, which is a master-planned development encompassing up to 40.6 million square feet of building area specifically designed to support large-scale logistics operations in a quality business environment. Within three miles of the subject, the land use turns to mountain terrains.
- **West:** Adjacent to the east of the subject is a vacant land parcel zoned for office along Alessandro Boulevard. Adjacent to this parcel is single-family residential neighborhood. Moving west, the land use is primarily residential with scattered retail uses along the primary arteries. The land use turns to industrial use as it passes Heacock Street, which is approximately three miles to the west. March Air Reserve Base is located approximately three and one-half miles west of the subject. The Escondido (215) freeway is located just west of the base. The city of Riverside is adjacent west of the city of Moreno Valley.

Local Area Characteristics

Incorporated in 1984, Moreno Valley had been one of the fastest-growing communities in the nation prior to the recession. Moreno Valley is centrally located in the Inland Empire region of Southern California, a region containing vast amounts of land and a rapidly growing population. Although, growth has slowed considerably since the recent recession, Moreno Valley has grown from a largely undeveloped and unpopulated area of Riverside County to a diverse community with a large work force and surplus of comparatively inexpensive residential housing. The City limits encompass 50 square miles of land bordering the cities of Riverside and Perris, the Lake Perris Recreational Area, and the March Global Port.

The rapid population growth is largely attributed to Moreno Valley’s large range of affordable housing options and its huge surplus of developable land. The City is made up mostly of young families, with an average family consisting of two parents and two young children.

Moreno Valley is home to over 32 public parks and 6,000 acres of open space at the Lake Perris Recreational Area. Recently, the City was voted “Number One in Riverside County for Family Recreation” by the Press Enterprise newspaper. The City has two public school districts and is home to the Riverside Community College (Moreno Valley campus). Moreno Valley is also in close proximity to Cal State San Bernardino, Loma Linda Medical University, the University of Redlands, and the University of California, Riverside, the Inland Empire’s largest institution of higher education.

Moreno Valley experienced a rapid growth rate over the past five years as the area’s industrial base increased dramatically along the I-215 Industrial Corridor. This region is currently home to the following warehouse/distribution centers: Amazon, Skechers, Whirlpool, Hanes, Minka Lighting, Philips Electronics, a Post Office Distribution Center, Ross Distribution Center, Serta Mattress Manufacturing & Distribution Center, United Natural Foods, Inc., and Walgreen’s Distribution Center. The commercial sector of the City grew rapidly with the addition of the following businesses: Ayres Suites, Best Buy, Costco’s expansion, Hampton Inn & Suites, Kohl’s, Super Target, Wal-Mart Super Center and several nationally recognized restaurants.

Demographics

The accompanying chart “Demographic Profile” provides an overview of the demographic characteristics of the 1, 3 and 5-mile radius, the City of Moreno Valley, along with Riverside County, and the State of California. (Source: Experian Market Services 2019)

The approximate population within a three-mile radius of the subject is 119,801 as of 2019 and is expected to grow at an annual compounded growth of 0.64 percent for the next five years, however this is lower than the growth rate of 0.92 percent for Riverside County. Within a three-mile radius, the number of households was 31,432 and the average household size was 3.81 persons.

The median home price for the city of Moreno Valley was \$360,000, below the County of Riverside average of \$400,000 (Source: CoreLogic February 2020).

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DEMOGRAPHIC SUMMARY						
	1.0-Mile Radius	3.0-Mile Radius	5.0-Mile Radius	City of Moreno Valley	Riverside County	State of California
POPULATION STATISTICS						
2000	2,891	74,018	132,724	142,529	1,545,383	33,859,654
2019	8,451	119,801	195,815	208,285	2,416,944	39,612,413
2024	9,006	123,663	201,020	213,565	2,530,618	40,846,261
Compound Annual Change						
2000 - 2019	5.81%	2.57%	2.07%	2.02%	2.38%	0.83%
2019 - 2024	1.28%	0.64%	0.53%	0.50%	0.92%	0.62%
HOUSEHOLD STATISTICS						
2000	769	19,723	36,397	39,257	506,221	11,498,168
2019	2,060	31,432	52,495	56,016	770,508	13,593,621
2024	2,212	32,580	54,078	57,614	808,687	14,077,777
Compound Annual Change						
2000 - 2019	5.32%	2.48%	1.95%	1.89%	2.24%	0.89%
2019 - 2024	1.43%	0.72%	0.60%	0.56%	0.97%	0.70%
AVERAGE HOUSEHOLD INCOME						
2000	\$51,085	\$52,916	\$53,304	\$54,066	\$56,061	\$65,671
2019	\$80,897	\$74,305	\$73,811	\$75,208	\$86,589	\$106,762
2024	\$90,555	\$83,125	\$82,683	\$84,184	\$98,100	\$122,842
Compound Annual Change						
2000 - 2019	2.45%	1.80%	1.73%	1.75%	2.31%	2.59%
2019 - 2024	2.28%	2.27%	2.30%	2.28%	2.53%	2.85%
OCCUPANCY						
Owner Occupied	59.05%	62.10%	58.89%	59.53%	64.78%	54.18%
Renter Occupied	40.95%	37.90%	41.11%	40.47%	35.22%	45.82%

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Moreno Valley Development

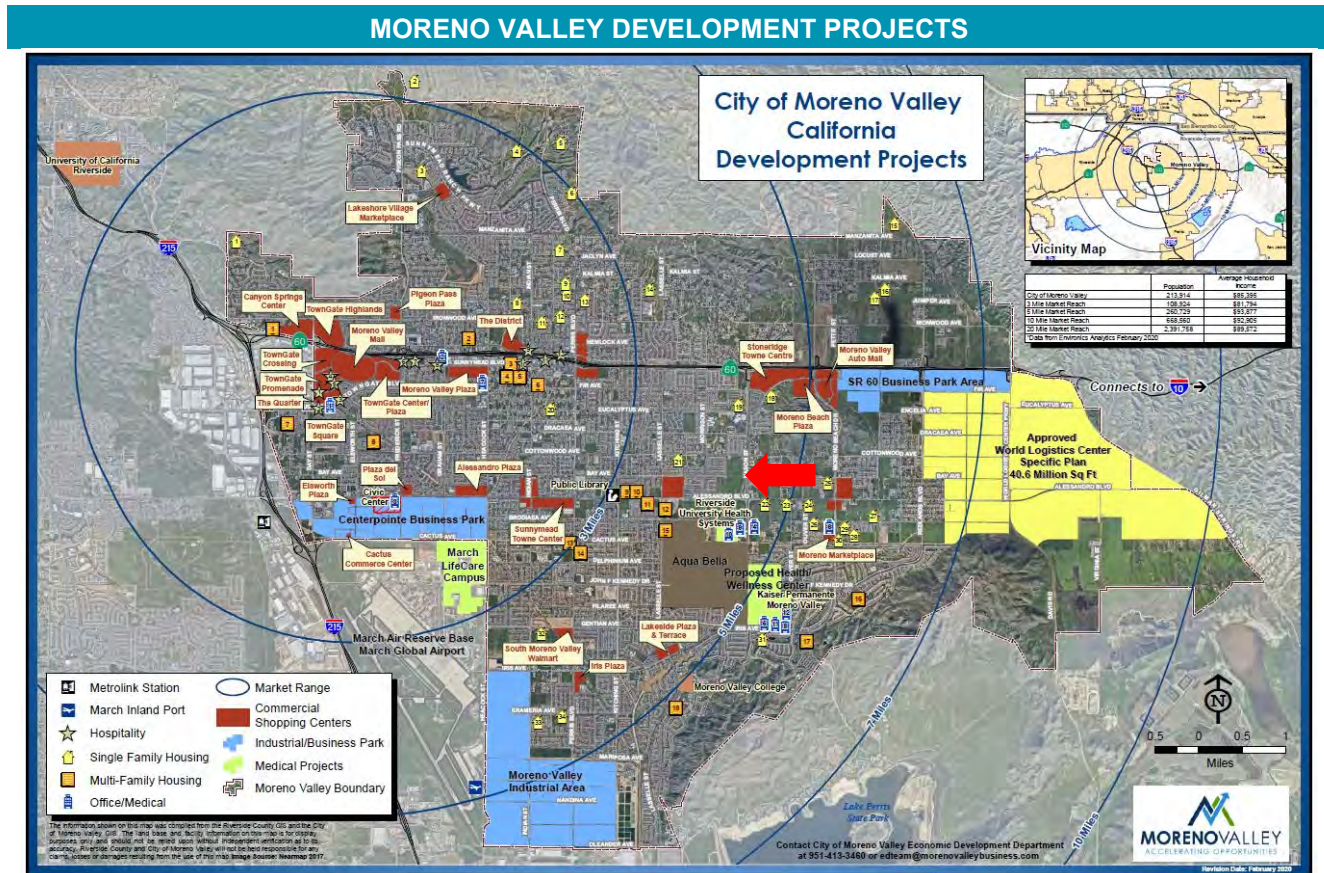
Based on the February 2020 Development Projects available on the City’s website and below is a general summary of the land uses and development projects with the City:

- *Retail* concentration has been at the northwestern edge of the city at the junction of the 60 and 215 Freeways (brown in map below).
- *Industrial* development has been primarily located surrounding the March Air Force Base and to the east along the 60 Freeway (blue in map below). The new proposed World Logistic Center will predominantly be for industrial use as well (yellow in the map below).
- *Hospitality* development has primarily been along the 60 Corridor and the Moreno Valley Mall (stars on the map below) in the northwestern portion of the city.
- *Single Family* developments either under construction, in process, approved or in plan check total 2,228 units. There are a total of 674 units currently under construction and 690 units that have been approved, the remaining 864 units are either in plan check or in process with the city. (yellow house in map below) There are two primary development clusters of single family residential development at the northern portion of the city and to the southeast of the subject along the foothills of Lake Perris.
- *Multi-family* developments either under construction, in process, approved or in plan check total 2,465 units. There are a total of 266 units currently under construction and 1,285 units that have been approved, the

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remaining 914 units are either in plan check or in process with the city. (orange square in map below) The primary multi-family clusters of proposed developments are located to the northwest along the 60 Freeway and to the west of the Riverside University Health Systems and proposed Aquabella site (brown in map below).

- o As discussed previously, the Aquabella Specific Plan is a 645.24 acre site that is for 2,922 dwelling units for a gated active-adult resort community. This specific plan was adopted in 2005, before the housing crisis of 2008, and over the past 15 years has yet to be developed as the demand for housing of this type of high-end senior housing was changed since the last market cycle.



Conclusion

Moreno Valley grew rapidly over the past several decades as residents from surrounding cities sought more affordable housing alternatives. As a result, the job base and supporting retail expanded. A plethora of new retail projects were built in the area. The economic downturn in 2007 had an effect on Riverside County and in particular, Moreno Valley with a significant increase in foreclosures, higher vacancies in retail centers, and industrial properties sitting vacant for months. Over the past decade, the industrial and retail markets have improved as much of the stagnant inventory has been absorbed, with the industrial market expanding and faring well. There have been numerous housing developments constructed in the past decade which has bode well as the area offers a diverse labor pool and an affordable option to other cities in the western portion of the Inland Empire, however it is uncertain how the long-term outlook will be in the aftermath of COVID-19.

The specific location of the subject property is in the approximate geographic center of the city (red arrow in map above) and is approximately five and one-half miles from the 215 Freeway and one mile south of the 60 Freeway at

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the eastern edge of where the primary residential development had taken place in the past market cycle. The subject's specific location is not located at the economic center of the city, which is more concentrated at the northwestern portion of the city where the 60 and 215 Freeways meet. The area is surrounded by older residential and commercial uses within this pocket of the city. There is not a clear path of development for new commercial projects within the city immediately surrounding the subject property.

Below are some analytics for retail space according to Costar Analytics for the Moreno Valley/Perris Submarket (April 9, 2020)

- *Vacancy:* Average vacancy rate for all retail spaces is 10.6 percent within 13 million square feet of inventory, which is up 1.37 percent from a year ago.
- *Demand:* Net 12 month absorption is negative by approx. 137,000 square feet
- *Under Construction:* Total square footage under construction: approx. 113,000 square feet

Therefore, based on the above information, our local area analysis conclusions for the subject is one of caution for future development growth potential since in light of the uncertainty in the market during the current COVID-19 pandemic. There are over 4,693 housing units in the pipeline within the city, there is negative absorption within the retail sector over the past 12 months, which this sector is forecasted to be one of the hardest hit sectors in the aftermath of the COVID-19 crisis and there are currently 113,000 square feet of new retail space that will hit the submarket in the coming few years. The subject property does not appear to be in the direct path of growth with most new developments being closer to the 60 Freeway or further southeast along the foothills of Lake Perris.

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Property Analysis

Site Description

GENERAL

Location: NWC Alessandro Blvd. & Nason St.
 Moreno Valley, Riverside County, California 92555
 The subject property is located in the eastern section of the city in an area known as Rancho Belago. This area was created in 2007 and is considered an upscale part of Moreno Valley, with new stores, shopping centers and higher-end homes.

Assessor Parcel Nos. 487-470-030 and 031

Shape: Irregularly shaped

Topography: Level at street grade

Land Area: 56.42 acres / 2,457,654 gross square feet (Source: Riverside County Assessor’s records)
 APN: 487-470-030 - 1,501,948 sf (34.48 acres)
 APN: 487-470-031 - 955,706 sf (21.94 acres)

Access, Visibility and Frontage: The subject property has average access and good visibility. The frontage is rated as good.
 The frontage dimensions are listed below:
 Alessandro Blvd.: 1,087 feet
 Nason Street: 1,741 feet
 Cottonwood Avenue: 580 feet

Utilities: All public utilities are available and deemed adequate. Utility providers for the subject property are as follows:
 Water Eastern Municipal Water District
 Sewer Eastern Municipal Water District
 Electricity Southern California Edison/Moreno V:
 Gas The Gas Company
 Telephone Various Providers

Site Improvements: Unimproved, vacant land

SITE CONDITIONS

Soil Conditions: We were not given a soil report to review. However, we assume that the soil's load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.

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Land Use Restrictions: We reviewed a title report prepared by Chicago Title Company, dated November 8, 2019, Order # 00120929-987-OC1-K27. A copy is included in the Addenda of this report. It is assumed that this report sets out the descriptions, and all conditions of title which encumber the subject property, and that these easements and conditions of title do not affect the highest and best use of the subject property. The appraiser assumes no liability, nor is aware of any easement or encroachments that may have occurred or been established during or after issuance of the title report provided.

Wetlands: We were not given a wetlands survey to review. If subsequent engineering data reveal the presence of regulated wetlands, it could materially affect property value. We recommend a wetlands survey by a professional engineer with expertise in this field.

Hazardous Substances: We observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the hiring of a professional engineer with expertise in this field.

Flood Zone Description: The subject property is located in flood zone X (Areas determined to be outside the 500 year flood plain) as indicated by FEMA Map 06065C0765G, dated August 28, 2008. The flood zone determination and other related data are provided by a third party vendor deemed to be reliable. If further details are required, additional research is required that is beyond the scope of this analysis.

Earthquake Zone/Seismic Hazard: According to maps on the California Department of Conservation’s website, the site is not located in a Special Study Zone as established by California’s Alquist-Priolo Geological Hazards Act. However, all areas of Southern California are subject to seismic activity.

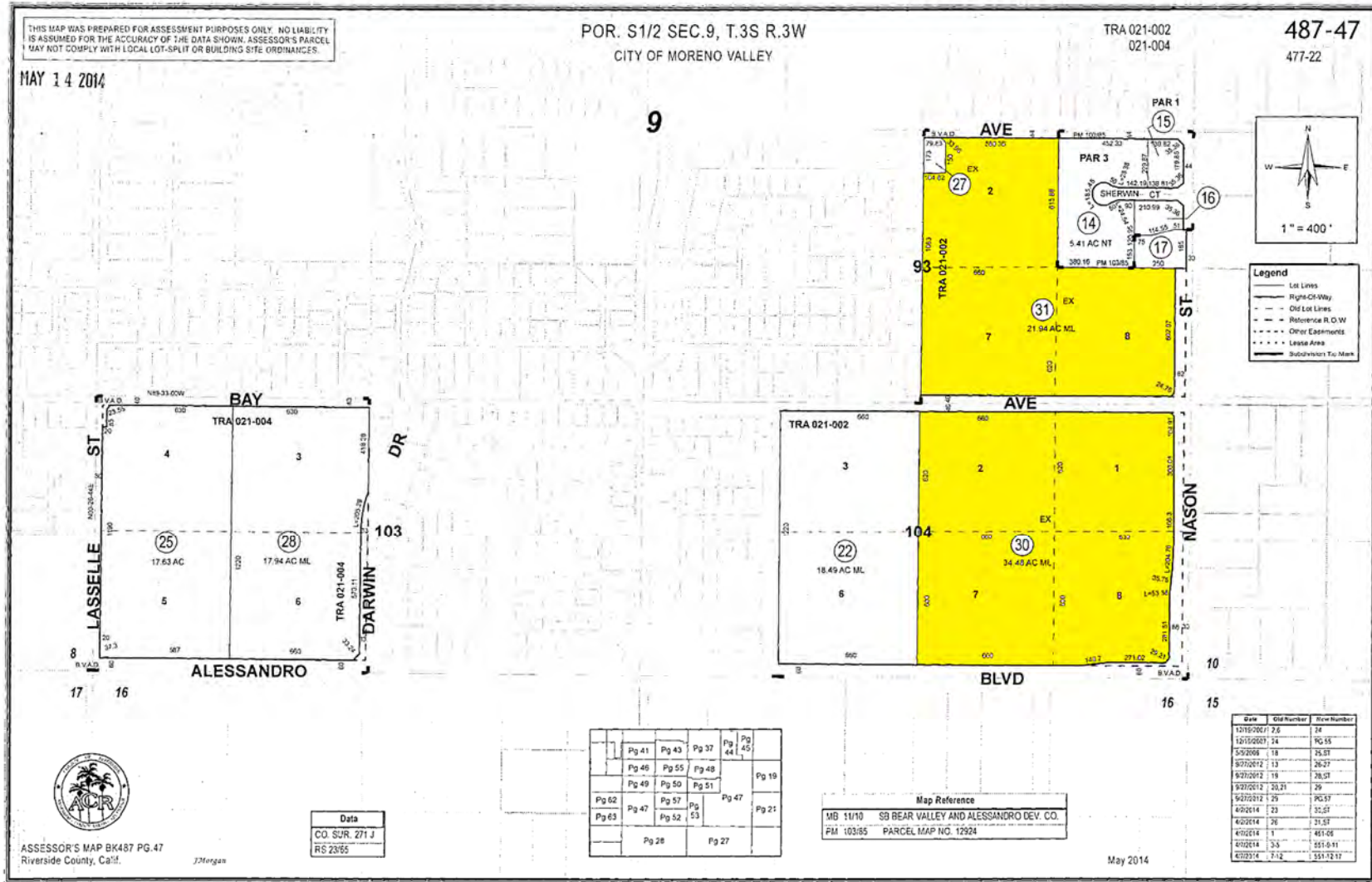
CONCLUSIONS

Overall Site Utility: Average

Location Rating: Average

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ASSESSOR'S PARCEL MAP



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Real Property Taxes and Assessments

Current Property Taxes

The subject property is located in the taxing jurisdiction of Riverside County. The assessor’s parcel identification numbers are 487-470-030 and 031. The subject is located in the City of Moreno and is tax exempt; however, the tax rate for the area is 1.11692 percent which has been utilized in our analysis herein.

CALIFORNIA ASSESSMENT AND TAX ANALYSIS

Assessor’s Parcel Number:	487-470-030 and 031
Assessing Authority:	Riverside County
Current Tax Year:	2019/2020

ASSESSMENT INFORMATION

	2019/2020
Assessed Value	
Total (Tax Exempt):	\$0
Tax Rate	1.11692%

Compiled by Cushman & Wakefield Western, Inc.

Total taxes for the property are currently \$0 as the subject is owned by the City of Moreno Valley and the city is tax exempt.

Under the provisions of Article XIII A of the California Tax and Revenue Code (Proposition 13), properties are assessed their market value as of March 1, 1975, the base year lien date, or a later date, such as when a property was last sold or substantial renovation/construction occurred. Under Proposition 13 the base tax rate is limited to 1.0 percent plus any additional increase subject to a two-thirds voter approval (55% approval in the case of educational districts). Because of the required voter approval ratio, the tax rate is usually stable.

The assessed value may be increased for inflation a maximum of 2.0 percent per year until the property is again sold, substantial new construction occurs, or the property’s use changes significantly. In no event should a property be assessed above its current market value.

Reassessment due to new construction is usually based on the additional construction costs. Should the property sell, it would be reassessed according to the Assessor’s opinion of market value. Generally, market value for reassessment after transfer of ownership is based on the sale price.

Thus, assessed value typically only relates to market value as of a particular sale date. As a result, comparison of assessed value with other properties in the market is not material to this analysis. Therefore, tax comparables are not pertinent and not included herein.

This analysis assumes taxes are current to the date of value. The tax amount used in the analysis assumes taxes based on a market sale as of the appraisal date (assessed at the estimated market value of the property and based on the current tax rate) plus any special assessments

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Zoning

General Information

The property is currently zoned Public District by the City of Moreno Valley. It is an Extraordinary Assumption of this report that the city of Moreno Valley will work with a prospective buyer to develop a Specific Plan for the development of the subject site and we are assuming there is no entitlement risk associated with the site as this will be a Public Private Partnership. Providing an As Is Land Value under the current zoning was not part of the scope of this assignment, however a Public District use is a more restricted use than as if developed under a new Specific Plan.

A summary of the subject’s current zoning is provided in the following table:

ZONING		
Municipality Governing Zoning:	City of Moreno Valley	
Current Zoning:	Public District	
Permitted Uses:	The primary purpose of the public district is to provide for the conduct of public and institutional activities, including providing protected designated areas for public and institutional facilities	
Prohibited Uses:	Prohibited uses within this district include residential and community facility uses	
ZONING REQUIREMENTS	CODE	SUBJECT COMPLIANCE
Minimum Lot Area:	1 acre	Not Applicable
Minimum Site Width:	160 feet	Not Applicable
Minimum Site Depth:	160 feet	Not Applicable
Maximum Building Height:	35 feet	Not Applicable
Maximum Lot Coverage (% of Lot Area):	45.0%	Not Applicable
Minimum Yard Setbacks:		
Front (Feet):	30 feet	Not Applicable
Rear (Feet):	25 feet	Not Applicable
Side (Feet):	25 feet (interior), 30 feet (side)	Not Applicable

Compiled by Cushman & Wakefield Western, Inc.

Zoning Compliance

Property value is affected by whether or not an existing or proposed improvement complies with zoning regulations, as discussed below.

Complying Uses

An existing or proposed use that complies with zoning regulations implies that there is no legal risk and that the existing improvements could be replaced “as-of-right.”

Pre-Existing, Non-Complying Uses

In many areas, existing buildings pre-date the current zoning regulations. When this is the case, it is possible for an existing building that represents a non-complying use to still be considered a legal use of the property. Whether or not the rights of continued use of the building exist depends on local laws. Local laws will also determine if the existing building may be replicated in the event of loss or damage.

Non-Complying Uses

A proposed non-complying use to an existing building might remain legal via variance or special use permit. When appraising a property that has such a non-complying use, it is important to understand the local laws governing this use.

Other Restrictions

We know of no deed restrictions, private or public, that further limit the subject property's use. The research required to determine whether or not such restrictions exist is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or title company can usually uncover such restrictive covenants. We recommend a title examination to determine if any such restrictions exist.

Zoning Conclusions

We analyzed the zoning requirements in relation to the subject property, and considered the compliance of the existing or proposed use. We are not experts in the interpretation of complex zoning ordinances but based on our review of public information, the subject property appears to be a complying use, though the site is vacant undeveloped land currently. We have assumed the property will be rezoned to its highest and best use and per discussions with city officials, it is likely a specific plan will be adopted for the subject site as a Public Private Partnership with a future developer. The City did indicate that industrial use would not be approved for the subject site, leaving the primary available uses for a future plan to be residential and commercial in nature.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our study correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence.

We note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

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Valuation

Highest and Best Use

Highest and Best Use Definition

The Dictionary of Real Estate Appraisal, Sixth Edition (2015), a publication of the Appraisal Institute, defines the highest and best use as:

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

To determine the highest and best use we typically evaluate the subject site under two scenarios: as though vacant land and as presently improved. In both cases, the property's highest and best use must meet the four criteria described above.

Highest and Best Use of Site as though Vacant

Legally Permissible

The zoning regulations in effect at the time of the appraisal determine the legal permissibility of a potential use of the subject site. As described in the Zoning section, the subject site is zoned Public District by the City of Moreno Valley. The primary purpose of the public district is to provide for the conduct of public and institutional activities, including providing protected designated areas for public and institutional facilities. However, we have assumed the property will be rezoned to its highest and best use and per discussions with city officials, it is likely a specific plan will be adopted for the subject site in a Public Private Partnership. Also, the City had indicated, industrial zoning was not a consideration for the site and is not consistent with the surrounding uses. The City's RFP proposal indicated a desire to have a mix of commercial, residential and public facilities as part of the plan and have assumed that this type of a plan will be a joint effort with a future developer.

Physically Possible

The physical possibility of a use is dictated by the size, shape, topography, availability of utilities, and any other physical aspects of the site. The subject site contains 56.42 acres, or 2,457,654 square feet. The site is irregularly shaped and level at street grade. It has good frontage, average access, and good visibility. The overall utility of the site is considered to be good. All public utilities are available to the site including public water and sewer, gas, electric and telephone. Overall, the site is considered adequate to accommodate most permitted future development possibilities.

Financially Feasible and Maximally Productive

In order to be seriously considered, a use must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. A positive net income or acceptable rate of return would indicate that a use is financially feasible. Financially feasible uses are those uses that can generate a profit over and above the cost of acquiring the site and constructing the improvements. Of the uses that are permitted, possible, and financially feasible, the one that will result in the maximum value for the property is considered the highest and best use.

A full-scale feasibility study was not part of the Scope of this assignment. However, based on the City's desire to have a mixed-use property with both commercial and residential uses, this would support and be consistent with the surrounding uses of the site.

Conclusion

We considered the legal issues related to zoning and legal restrictions. We also analyzed the physical characteristics of the site to determine what legal uses would be possible and considered the financial feasibility of these uses to determine the use that is maximally productive. Considering the subject site’s physical characteristics and location, as well as the state of the local market in the midst of the COVID-19 pandemic, it is our opinion that the Highest and Best Use of the subject site as though vacant is for development with a mixed-use (residential and/or commercial) development built to its maximum feasible building area, when market conditions allow. However, any new construction would warrant a timely review of the marketplace to determine when that timing for development would be feasible. Due to the COVID-19 crisis, the availability of financing a proposed development is increasingly compromised via traditional financing channels. We have spoken with bankers and developers, who have postponed or cancelled financing projects of proposed projects due to the inherent risk associated with new development.

Most Likely Buyer

Due to the size and nature of this site, being owned by the City of Moreno Valley, the most likely buyer would be a developer that would work in a Public Private Partnership to develop a Specific Plan for future development of the site.

Investment Considerations

Before determining an appropriate capitalization rate to apply to the subject's net operating income, a review of recent market conditions, particularly in the financial markets, is warranted. The following subsection(s) provide a review of these trends, ending with a summary of the investment considerations impacting the subject property, based upon the appraiser's market research, discussions with participants in the market, and the relative position of the subject property within its market.

Overview

Prior to the current market disruption brought on by the Covid-19 pandemic, the U.S. economy had officially begun its eleventh consecutive year of growth in the second half of 2019; a new record for the longest economic expansion in history. Economic growth beat market expectations during the fourth quarter of 2019, and the unemployment rate hit a 50-year low as it sits at 3.5%. As the economy moved closer to full employment in what many viewed as late-cycle growth, the uncertainty of the global economy had raised the fears of a recession. During the year, American consumers continued to profit from the expansion, despite the threat of possible recession. The Federal Reserve cut interests rates for the third time in 2019 as a means of shielding the U.S. economy from global slowing. Additionally, payroll employment rose by 2.1 million in 2019, falling short of payroll employment gains in 2018, at 2.7 million, according to the Bureau of Labor Statistics. The trade war between the U.S. and China took a step in the right direction, as phase one of the deal was signed by President Donald Trump and senior Chinese leaders on January 15. Further considerations include:

- Throughout the holiday season there were concerns by consumers over business conditions and job prospects. Despite confidence levels being high, there was an expectation that holiday spending would drop. During fourth quarter 2019, the Consumer Confidence Index came in at 125.9 in October, 126.8 in November and 126.5 in December. Momentum looked to further growth in early-2020 as the economy had not shown signs of weakening.
- Consumer spending growth estimates for the fourth quarter currently sit around 2.5%. Retail sales rose each month during the fourth quarter and in December retail sales increased 0.3%. Despite major big-box retailers reporting a decline in sales during the holiday period, coupled with a lack of mall foot traffic, retail sales improved in December.
- All major U.S. Indices rose during the fourth quarter, with the S&P 500, Dow Jones and Nasdaq improving by 0.3%. Materials and energy were the best-performing sectors in the S&P 500, while IBM, Cisco Systems and Apple led the Dow Jones. For the year, the S&P 500, Nasdaq and the Dow rose 28.9%, 35.2% and 22.3%, respectively.
- U.S. commercial real estate investment activity was generally down during 2019, as transaction volume sat 2% below 2018's year-end total. For the fourth quarter, transaction volume was down 7% in a year-over-year comparison, ending the quarter with \$162.1 billion in activity, according to Real Capital Analytics.
- With Boris Johnson as the new United Kingdom Prime Minister, the United Kingdom left the European Union (EU) on January 31, 2020. The Brexit deal has been passed through the House of Commons and is now in the House of Lords and is expected to pass. During the United Kingdom's transition period, the UK will follow all of the EU's rules and the trading relationship will remain the same. The transition period will last until December 31, 2020 or until the two sides agree upon a United Kingdom-EU free trade deal.

Entering 2020 on a stable, if not strong economic footing, the novel coronavirus has clearly had a severe impact on the economy. Keeping in mind that a majority of the information in this report contains the latest concrete data

available (typically as of 4Q 2019), events have been changing rapidly, and the latest statistical information available has been provided, as available. Some further thoughts on recent events:

- The commercial real estate sector is not the stock market. It is often slower moving and the leasing fundamentals do not swing wildly from day-to-day. If the virus has a sustained and material impact on the broader economy, it will have feed through impacts on property as well.
- The outbreak has prompted a flight to quality, driving investors into the bond markets, where lower rates are creating more attractive debt/refinance options.
- If past outbreaks are a useful guide, then COVID-19 should largely be contained by the first half of 2020. Most anticipate a strong rebound in markets in the second half of the year.

Economic Conditions

Leading up to the current economic turbulence, the current U.S. economic expansion cycle was over a decade old and was, by general consent, a strong economy and getting stronger. Despite this, interest rates, which help determine the cost of borrowing money for investments, had lingered near historic lows since the 2008 recession. Interest rates went unchanged through December 2015, when the Federal Reserve increased the rate for the first time in almost a decade. Following more tariffs being implemented on trade and inventories, the Federal Reserve Chairman Jerome Powell had shown an openness to cutting rates based on how the economy responded to the new trade deals made during the past year. In turn, the Federal Reserve reduced interest rates for a third time in 2019 to combat the trade war and boost the economy. The benchmark interest rate was reduced to a range of 1.5% to 1.75%. As of Q4, the central bank did not see a recession coming in the near-term and the reduced rate looked to offer additional protection from global slowdown and uncertainty. The Federal Reserve spent much of 2019 providing the American economy with insurance through interest rate cuts.

In addition, the U.S.-China trade war appears to have come to halt, as the two sides reached agreement on a deal that will see the U.S. reduce tariffs on \$120 billion in Chinese products from 15% to 7.5%. China has agreed to purchase \$200 billion worth of U.S. products over the next two years as part of the deal. The deal is a huge win for the U.S. as total exports to China would increase to approximately \$260 billion 2020 and almost \$310 billion in 2021.

On March 11, 2020, the World Health Organization (WHO) declared the novel coronavirus (COVID-19) outbreak a global pandemic. Economies around the world face significant headwinds as seen by the severe drop in demand for some services (such as travel, hospitality and entertainment). Further reduced economic activity has resulted from increasing social distance measures, including quarantines or lockdowns, throughout Europe and North America, as governments have taken unprecedented actions to stop the spread of the virus. As the stock market remains extremely volatile and financial markets struggle to quantify events that are still unfolding, there remains a lack of comparable transactions and market data. This leaves many CRE participants reporting that they are not yet able to accurately assess risk. Proceeding through these uncertain times, the reader is asked to consider some key events that have transpired:

- In early March 2020, the disintegration of an alliance between OPEC and Russia caused crude oil prices to dip to their lowest level since 2016. By April 20th, demand dropped so much that oil prices fell below 0\$ a barrel as producers are forced to pay to dispose of excess.
- On Thursday March 12, 2020, the Federal Reserve announced that it would inject up to \$5 trillion into short-term markets to offset economic impacts brought on by the novel coronavirus. The Federal Reserve will be providing up to \$2.3 trillion in additional funding to support the economy, as of April 9, 2020.

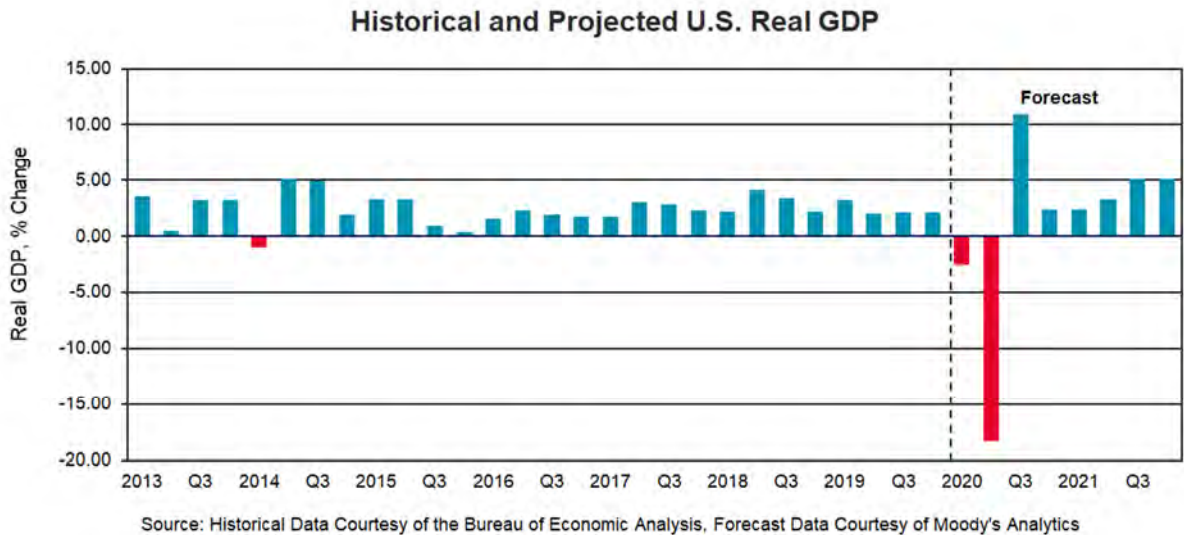
- On Sunday, March 15, 2020, the Federal Open Market Committee cut interest rates to near zero for the first time since the 2008 recession. Since then, it has announced dollar swap lines with various foreign central banks, as well as various credit facilities aimed at backstopping and providing liquidity to key parts of financial markets.
- On Tuesday, March 17, 2020, Amazon announced the hiring of 100,000 new distribution workers to keep up with the online shopping surge caused by the coronavirus. Amazon has stated that the coronavirus outbreak has caused a surge of online shopping in the United States to keep with the demand. The company will also invest more than \$355 million to raise pay for hourly employees in warehouse and distribution roles through April. Amazon is prioritizing medical supplies, household staples and other high-demand products through its warehouses until April 5, 2020. On April 13, Amazon announced they had filled the 100,000 jobs pledge and with increased demand the eCommerce retailer would be hiring an additional 75,000 workers to help serve customers during this unprecedented time.
- On Thursday, March 19, California Governor Gavin Newsom put into effect a shelter-in-place order to extend to all 40-million Californians. Then, on Friday March 20, New York Governor Andrew Cuomo ordered residents to shelter in their homes, which was subsequently followed by Illinois Governor J.B. Pritzker. Many other states increased precautions throughout the week as well.
- Also on Thursday March 19, The Labor Department reported a 30% increase in unemployment claims.
- On Friday March 20, President Trump announced that he had invoked the Defense Production Act, a law that gives executive powers that can require and/or incentivize businesses to produce goods tied to national security.
- On Wednesday March 25, the White House and Congress agreed to deliver \$2 trillion in government relief. This is the largest stimulus in history and more than double the \$800 billion bill that was passed in 2008 during the financial crisis.
- On Friday March 27, the President signed the "Coronavirus Aid, Relief, and Economic Security Act," or "CARES Act" into law. The unparalleled \$2.2 trillion economic rescue package provides measures that include \$1,200 in direct payments to eligible Americans, and \$500 to children. The Treasury Department received \$500 billion that will support programs direct loans to airlines, cargo, and companies deemed important to national security. Additionally, the Treasury can provide loans or loan guarantees for other companies as well as provide funds to backstop lending programs to the Fed. Other funds will be divided as such: \$377 billion will go to loans and other forms of aid to small businesses; \$250 billion will help provide relief for unemployed workers; and \$100 billion has been assigned to boost healthcare. The bill finances a response with a price tag that amounts to 10% of 2019 nominal GDP.
- 22 million Americans filed for unemployment benefits in the four weeks through April 10th, increasing the nation's estimated unemployment rate from 3.5% to as high as 18%.
- Deadlines around the country are being extended into May and June in response to the ongoing pandemic and attempts to slow the spread of the virus. Guidelines vary depending on state and local government interpretation of CDC guidelines.
- As of April 16, 2020, the administration and a number of governors have begun to introduce possible scenarios for how the U.S. economy could re-open and get back to work, leading to some optimism, along with further speculation as to how long the impacts of the virus will last.

In recent times, the CRE market has been driven by investor demand and strong liquidity. Asset values can fall significantly in short periods of time if either of these two factors, often in conjunction with many others, change significantly. While Cushman & Wakefield is closely monitoring the latest developments resulting from the COVID-19 pandemic, and will continue to provide updates as events unfold, the reader is cautioned to consider that values

and incomes are likely to change more rapidly and significantly than during standard market conditions. Furthermore, the reader should be cautioned and reminded that any conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property(ies) of this event, or any event, subsequent to the effective date of the appraisal.

While the consensus generally suggests that the U.S. is falling into recession, with GDP expected to decline significantly in Q2 2020, the market may be anticipating a second-half snap-back following the initial impacts of the Covid-19 pandemic. Although it is too soon to know how the economy will respond once the challenges pass, the world appears to be watching markets such as China to see how fast (or slow) the recovery may be. At this writing, there are a myriad of potential scenarios, some that include a sharp “V”-shaped recovery in the latter-part of 2020, and others that show a more moderate trend line for improvement. As an example, some forecasts show U.S. GDP declining as much as 10% (or more) during Q2 2020, while some recovery forecasts show GDP expanding by as much as 15% in Q4. Again, it is too soon to know.

The following graph displays historical and projected U.S. real GDP percentage change (annualized on a quarterly basis) from first quarter 2013 through fourth quarter 2021:



Further points regarding current economic conditions are as follows:

- Moody's baseline forecasts a 2.5% drop in GDP for 1Q 2020, followed by a drop of 18.3% in the second quarter. By 3Q 2020, Moody's is expecting a strong rebound at 11.0% as we move out of the bottleneck and then maintain healthy growth rates through the end of 2021.
- Gross domestic product grew by an annualized rate of 2.1% in the fourth quarter 2019, according to the "advance" estimate released by the Bureau of Economic Analysis. And prior to the current disruption, economists had forecast continued economic expansion through 2021. The National Association for Business Economics had forecast 1.8% GDP growth in 2020, while the Urban Land Institute's annual forecast survey expected the economy to grow 1.9% in 2021. GDP correlates strongly with the commercial real estate sector, so a strong economy indicates strong support for our business going forward.

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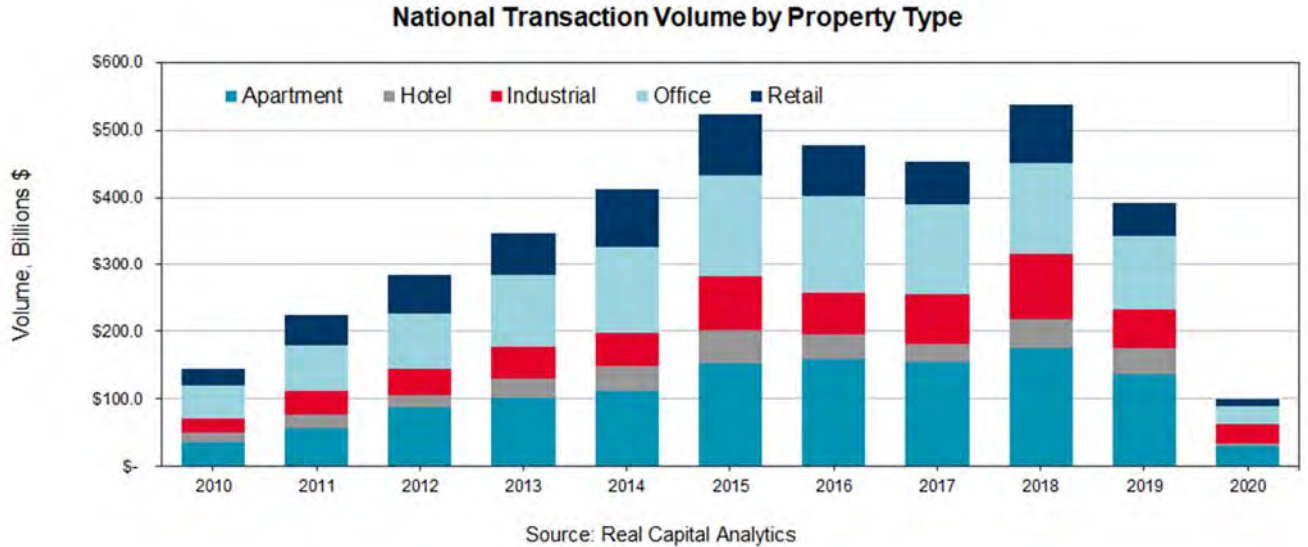
- Commercial and multifamily mortgage loan originations increased 7% in third quarter 2019 (latest data available) when compared to the end of 2018, according to the Mortgage Bankers Association's Quarterly Survey of Commercial/Multifamily Mortgage Banker. Low interest rates are the cause for increased commercial and multifamily borrowing and lending and should lead to continued support into 2020.
- Commercial mortgage-backed securities (CMBS) have been spurred by measured investment sales activity and stable credit spreads. Commercial Mortgage Alert data indicates that U.S. CMBS issuance in first quarter 2020, at \$22.9 billion, was 38.5% higher when compared to CMBS issuance during the same period in 2019.

U.S. Real Estate Market Implications

The commercial real estate market’s sales volume totaled roughly \$64.8 billion during the first quarter of 2020 and increased by 11.5% from the first quarter 2019. In a year-over-year comparison, four out of the five property sectors saw a decrease in sales volume in the first quarter, according to Real Capital Analytics, and the industrial sector was the only property sector to increase sales volume over this time frame. Additionally, in first quarter 2020 pricing for commercial real estate sits at \$194 per square foot.

The industrial sector saw an increase in transaction volume in first quarter 2020 over first quarter 2019, rising by 61.1%. Retail transaction activity was down 14.3% through first quarter 2020, according to Real Capital Analytics. The apartment sector remained the largest investment market through the first quarter of 2020, with sales of almost \$40 billion, while the office sector totaled \$25.8 billion in activity over the same time period. Through first quarter 2020, hotel sector sales volume fell by 51.6% in a year-over-year comparison and totaled roughly \$3.9 billion during the first quarter.

The following graph compares national transaction volume by property from 2010 through first quarter 2020:



According to PricewaterhouseCoopers (PwC) Real Estate Investor Survey average cap rates for all property types decreased in 17 survey markets, increased in nine, and held steady in eight over fourth quarter 2019, according to the PwC Real Estate Investor Survey for first quarter 2020. For the year, more than half of the market averages are lower today than they were a year ago. Given current market conditions, we expect that cap rates may move upward in certain markets and for certain property types during second quarter.

The following chart displays overall cap rate analysis of five distinct property classes during first quarter 2019:

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Overall Cap Rate Analysis			
First Quarter 2020			
Asset Class	Q1 2020	Q1 2019	Basis Point Change
CBD Office	5.45%	5.48%	-3
Suburban Office	6.36%	6.64%	-28
National Warehouse	4.79%	4.64%	15
National Apartment	5.14%	5.03%	11
National Regional Mall	6.23%	6.31%	-8
National Full-Service Lodging	7.38%	7.43%	-5

Source: PwC Real Estate Investor Survey and Cushman & Wakefield Valuation & Advisory

Notable points for the U.S. real estate market include:

- Annual price growth in the six major metro areas rose 13.1% in first quarter of 2020, while annual price growth in the non-major metros rose by 18.6% in a year-over-year comparison.
- Most participants in the PwC Real Estate Investor Survey believe that current market conditions favor sellers in the national net lease market (100%).
- The national warehouse market climbed 15 basis points, while the national CBD office market fell by three basis points in a year-over-year comparison. The national net lease and national suburban office markets declined over the same period. At 7.7%, the Chicago office market improved by 20 basis points from the previous quarter and is still the highest, while Manhattan office market, at 4.8%, remains as the lowest cap rate but improved from first quarter 2019. Over the next six months, most surveyed investors foresee overall cap rates holding steady in 31 markets.

Conclusion

The U.S. economy entered 2020 in solid shape, although the pace of growth appeared to be slowing. However, as the first quarter has evolved, the emergence of the coronavirus global pandemic has clouded the outlook. As a result, economists have been steadily reducing their GDP growth forecasts. Oxford Economics has steadily reduced its global GDP growth forecast from 2.5% at the beginning of the year, to 2.3% at the end of January, to 2.0% as of early March. For the U.S., the 2020 GDP growth forecast has been reduced from 1.7% in early January to 1.3% in early March; for the eurozone, the GDP forecast has been revised down from 1.1% in 2020 to 0.6%. Given the aggressive actions being taken to restrict spread of the virus, it would not be surprising to see these figures revised down further. Other forecasting services are making similar downward adjustments.

Below are notes regarding the outlook for the U.S. national real estate market in 2020 and beyond:

- Investment activity is slowing across the globe. Many investors have “pushed the pause button” waiting for more clarity on economic conditions before determining their strategy. Investors are still flush with cash and will look for opportunity as the environment evolves.
- Monetary policy has been aggressively loosened across the board as global central banks lower interest rates and announce plans to purchase securities and take other actions to increase liquidity.
- The consumer confidence index dropped sharply, hitting 120 in March 2020, which is its lowest rating since June 2017. While consumer confidence remains strong on a historical level it is expected to decline as the full impact of the coronavirus pandemic are felt. At the moment, all signs point to a recover in the second half of the year as the pandemic is played out.

- Overall, the outlook for the U.S. economy is clouded with uncertainty, but due to the high unemployment rate projected GDP declines, and other high frequency data trends which are similarly bleak, it is widely believed that the U.S. has entered a recession. As of now, the expectation is that in the second half of the year, the tailwinds of the stimulus and pent-up demand will likely lead to healthy rebound.

After considering the above, the factors listed in the following table have been considered in the valuation of the subject property and have an impact on the selection of all investor rates.

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Valuation Process

Methodology

There are three generally accepted approaches to developing an opinion of value: Cost, Sales Comparison and Income Capitalization. We considered each in this appraisal to develop an opinion of the market value of the subject property. In appraisal practice, an approach to value is included or eliminated based on its applicability to the property type being valued and the quality of information available. The reliability of each approach depends on the availability and comparability of market data as well as the motivation and thinking of purchasers.

The valuation process is concluded by analyzing each approach to value used in the appraisal. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value, or is a correlation of all the approaches used in the appraisal.

We considered each approach in developing our opinion of the market value of the subject property. We discuss each approach below and conclude with a summary of their applicability to the subject property.

Cost Approach

The Cost Approach is based on the proposition that an informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements which represent the Highest and Best Use of the land; or when relatively unique or specialized improvements are located on the site for which there are few improved sales or leases of comparable properties.

In the Cost Approach, the appraiser forms an opinion of the cost of all improvements, depreciating them to reflect any value loss from physical, functional and external causes. Land value, entrepreneurial profit and depreciated improvement costs are then added, resulting in an opinion of value for the subject property.

Sales Comparison Approach

In the Sales Comparison Approach, sales of comparable properties are adjusted for differences to estimate a value for the subject property. A unit of comparison such as price per square foot of building area or effective gross income multiplier is typically used to value the property. When developing an opinion of land value the analysis is based on recent sales of sites of comparable zoning and utility, and the typical units of comparison are price per square foot of land, price per acre, price per unit, or price per square foot of potential building area. In both cases, adjustments are applied to the unit of comparison from an analysis of comparable sales, and the adjusted unit of comparison is then used to derive an opinion of value for the subject property.

Income Capitalization Approach

In the Income Capitalization Approach the income-producing capacity of a property is estimated by using contract rents on existing leases and by estimating market rent from rental activity at competing properties for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as Direct Capitalization.

Related to the Direct Capitalization Method is the Yield Capitalization Method. In this method periodic cash flows (which consist of net operating income less capital costs) and a reversionary value are developed and discounted

to a present value using an internal rate of return that is determined by analyzing current investor yield requirements for similar investments.

Summary

This appraisal employs the Sales Comparison and Land Residual Approaches. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Typical purchasers do not generally rely on the Cost or Income Capitalization Approaches when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach or the Income Capitalization Approach to develop an opinion of market value. The exclusion of these approaches to value does not reduce the credibility of the assignment results.

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Land Valuation

We used the Sales Comparison Approach to develop an opinion of land value. We examined current offerings and analyzed prices buyers have recently paid for comparable sites. If the comparable was superior to the subject, a downward adjustment was made to the comparable sale. If inferior, an upward adjustment was made.

The most widely used and market-oriented unit of comparison for properties with characteristics similar to those of the subject is on a price per square foot of land. All transactions used in this analysis are based on the most appropriate method used in the local market.

The major elements of comparison used to value the subject site include the property rights conveyed, the financial terms incorporated into the transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its utility and the physical characteristics of the property.

For the purposes of this comparison, we have concluded to a Hypothetical Land Value as if the site were fully entitled for a mixed-use project. At the conclusion of this approach we have utilized a Land Residual technique to conclude to the As Is value of the site, which will be discussed later in this report.

The ideal comparable would be a fully entitled mixed-use project. As there were few sales of this type of fully entitled large mixed-use projects in the Inland Empire, we considered similar secondary market locations within the Southern California region. We also considered fully entitled commercial and residential developments that have sold in the past five years and concentrated our search for these types of properties in Moreno Valley and locations within close proximity to the subject. The comparables and our analysis are presented on the following pages. Comparable land sale data sheets are presented in the Addenda of this report.

SUMMARY OF LAND SALES														
PROPERTY INFORMATION									TRANSACTION INFORMATION					
No.	Location	Size (SF)	Size (Acres)	Proposed Use	Zoning	Site Utility	Condition	Public Utilities	Grantor	Grantee	Sale Date	Sale Price	\$/SF Land	\$/Acre
S	Subject Property	2,457,654	56.42	Mixed-Use (assumed)	Specific Plan (assumed)	Good	Entitled (assumed)	All available						
Mixed-Use Development														
1	Guasti Plaza Specific Plan 2703 E Guasti Rd Ontario, CA	2,439,360	56.00	Mixed Use	Guasti Plaza SP	Good	Unentitled	All Available	Guasti Mansion Development LLC	Ontario Airport Venture, LLC	8/19	\$29,175,000	\$11.96	\$520,982
2	Ontario Center - Piemonte 4th Street and Haven Avenue Ontario, CA	1,953,230	44.84	Mixed Use	Ontario Center Piemonte Overlay SP	Average	Entitled	All Available	Wells Fargo & City of Ontario RDA	Lewis Properties & Lincoln Properties	9/17	\$16,175,461	\$8.28	\$360,737
3	Sand Canyon Plaza Sand Canyon Road Santa Clarita, CA	3,811,500	87.50	Mixed Use	MX-N Mixed Use-Neighborhood	Average	Entitled	All Available	Sand Canyon Plaza LLC	N/Av	In Escrow	\$28,000,000	\$7.35	\$320,000
Commercial Development														
4	Calimesa I Land (Entitled SP) SEC Interstate 10 and Cherry Valley Boulevard Calimesa, CA	764,042	17.54	Retail-Commercial	SP/TC-7	Good	Entitled	All Available	Northlight Trust	Lewis Commercial	5/19	\$7,000,000	\$9.16	\$399,088
Residential Development														
5	Unentitled R-10 Zoned Land 14631 Perris Blvd Moreno Valley, CA	683,019	15.68	Residential-Single-Family	R10, 10 DU/AC	Good	Unentitled	All Available	Perris-Cactus Development LLC	Century Communities Of California, LLC	2/20	\$2,850,000	\$4.17	\$181,761
6	Unentitled R-3 Land SEC Alessandro Blvd & Nason St Moreno Valley, CA	1,520,679	34.91	N/A	R3	Good	Unentitled	All Available	Alessandro and Nason Hamner Properties LLC	East Valley Plaza LLC	9/19	\$6,155,900	\$4.05	\$176,336
STATISTICS														
Low		683,019	15.68								9/17	\$2,850,000	\$4.05	\$176,336
High		3,811,500	87.50								2/20	\$29,175,000	\$11.96	\$520,982
Average		1,861,972	42.74								4/19	\$14,892,727	\$7.50	\$326,484

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LAND SALE ADJUSTMENT GRID

Economic Adjustments (Cumulative)							Property Characteristic Adjustments (Additive)							
No.	Price PSF Land & Date	Property Rights Conveyed	Conditions of Sale	Financing	Market ⁽¹⁾ Conditions	PSF Land Subtotal	Location	Size	Public Utilities	Zoning	Utility ⁽²⁾	Other	Adj. Price PSF Land	Adj. Price Per Acre
1	\$11.96 8/19	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 1.8%	\$12.18 1.8%	Superior -30.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	Superior -25.0%	Inferior 10.0%	\$6.70 -45.0%	\$291,698 -45.0%
2	\$8.28 9/17	Fee Simple 0.0%	Arm's-Length 6.2%	None 0.0%	Inferior 7.8%	\$9.48 14.5%	Superior -30.0%	Smaller -2.0%	Similar 0.0%	Similar 0.0%	Superior -5.0%	Similar 0.0%	\$5.97 -37.0%	\$260,137 -37.0%
3	\$7.35 In Escrow	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Similar 0.0%	\$7.35 0.0%	Superior -35.0%	Larger 3.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	Similar 0.0%	\$5.00 -32.0%	\$217,600 -32.0%
4	\$9.16 5/19	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 2.7%	\$9.41 2.7%	Superior -10.0%	Smaller -10.0%	Similar 0.0%	Inferior 5.0%	Superior -20.0%	Similar 0.0%	\$6.12 -35.0%	\$266,411 -35.0%
5	\$4.17 2/20	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 0.4%	\$4.19 0.4%	Similar 0.0%	Smaller -10.0%	Similar 0.0%	Inferior 5.0%	Similar 0.0%	Inferior 55.0%	\$6.28 50.0%	\$273,732 50.0%
6	\$4.05 9/19	Fee Simple 0.0%	Arm's-Length 0.0%	None 0.0%	Inferior 1.6%	\$4.11 1.6%	Similar 0.0%	Smaller -4.0%	Similar 0.0%	Inferior 5.0%	Similar 0.0%	Inferior 36.0%	\$5.63 37.0%	\$245,446 37.0%

STATISTICS															
	\$4.05	- Low											Low -	\$5.00	\$217,600
	\$11.96	- High											High -	\$6.70	\$291,698
	\$7.50	- Average											Average -	\$5.95	\$259,171

Compiled by Cushman & Wakefield Western, Inc.

(1) Market Conditions Adjustment Footnote

Compound annual change in market conditions: 3.00%
Date of Value (for adjustment calculations): 3/27/20

(2) Utility Footnote

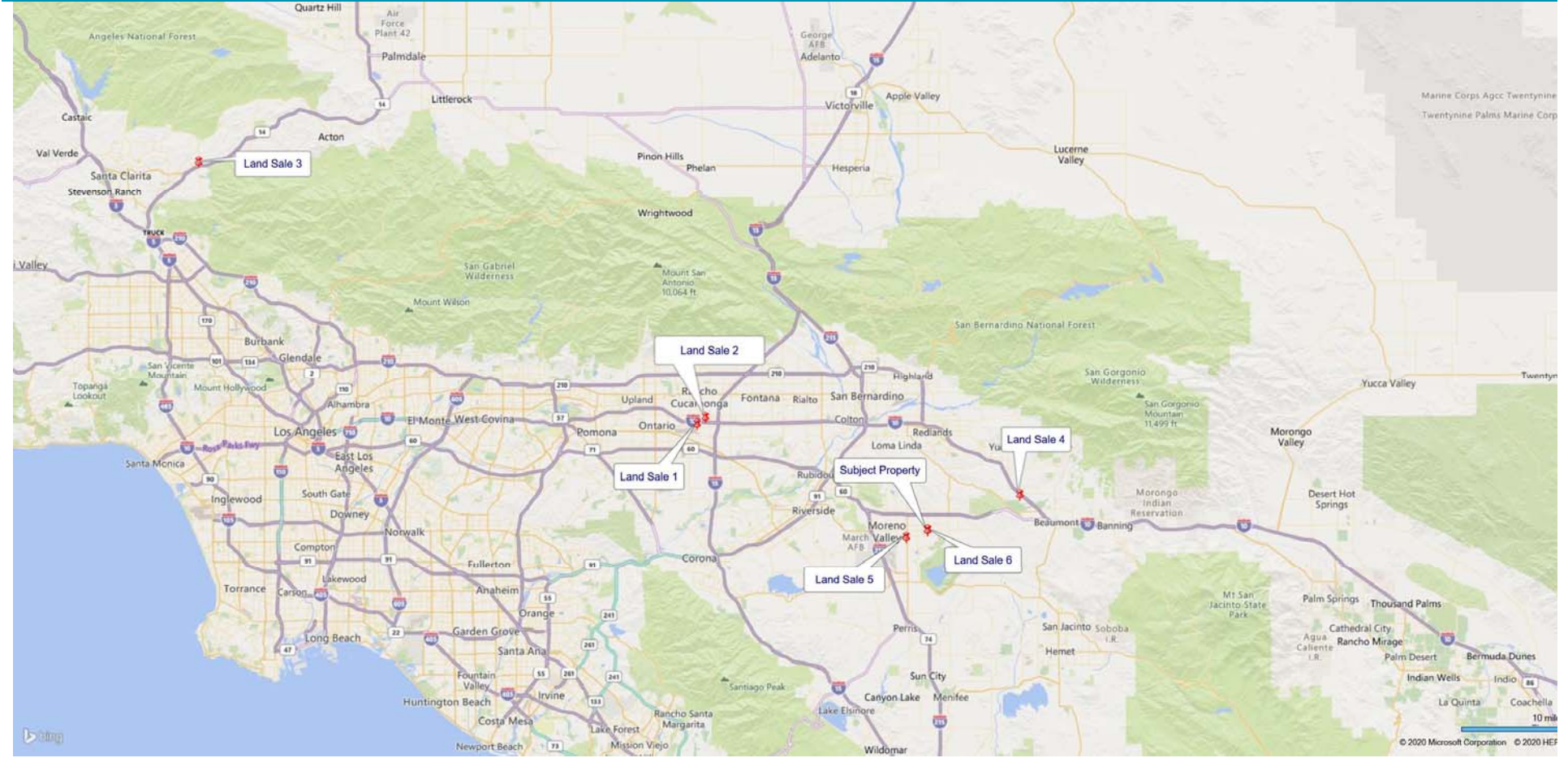
Utility includes shape, access, frontage and visibility.

Variable Growth Rate Assumptions

Starting Growth Rate: 3.0%
Inflection Point 1 (IP1): 3/1/2020
Change After IP1: 0.0%

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LAND SALE LOCATION MAP



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Discussion of Adjustments

Property Rights Conveyed

The property rights conveyed in a transaction typically have an impact on the sale price of a property. Acquiring the fee simple interest implies that the buyer is acquiring the full bundle of rights. Acquiring a leased fee interest typically means that the property being acquired is encumbered by at least one lease, which is a binding agreement transferring rights of use and occupancy to the tenant. A leasehold interest involves the acquisition of a lease, which conveys the rights to use and occupy the property to the buyer for a finite period of time. At the end of the lease term, there is typically no reversionary value to the leasehold interest. Since we are valuing the fee simple interest as reflected by each of the comparables, an adjustment for property rights is not required.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations the conditions of sale may significantly affect transaction prices. However, all sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. As discussed in the data sheet for **Land Sale 2** in the Addenda, the buyer spent an additional \$1 million getting the land entitled after they entered into contract. Therefore, we added that cost as a percentage of the sale price to the adjustment grid. It should be noted that **Land Sale 3** is currently in escrow. Based on our conversation with the listing broker, the specific sale price could not be disclosed, however indicated that the pricing was in the high \$20 million dollar price range. Therefore, we made an assumption that the pending sale price was \$28 million for the purposes of this analysis.

Financial Terms

The financial terms of a transaction can have an impact on the sale price of a property. A buyer who purchases an asset with favorable financing might pay a higher price, as the reduced cost of debt creates a favorable debt coverage ratio. A transaction involving above-market debt will typically involve a lower purchase price tied to the lower equity returns after debt service. We analyzed all of the transactions to account for atypical financing terms. To the best of our knowledge, all of the sales used in this analysis were accomplished with cash or market-oriented financing. Therefore, no adjustments were required.

Market Conditions

The sales that are included in this analysis occurred between September 2017 and February 2020. As the market has improved over this time period, we applied a 3 percent upward adjustment through March 1, 2020 and a 0 percent adjustment thereafter to reflect the uncertainty in the market due to the COVID-19 pandemic.

Location

An adjustment for location is required when the locational characteristics of a comparable property differ from those of the subject property. The subject property is located in the southeastern section of the city in an area known as Rancho Belago. This neighborhood was created in 2007 and is considered an upscale part of Moreno Valley, with new stores, shopping centers and higher-end homes. The specific location of the subject property is in the approximate geographic center of the city and is approximately five and one-half miles from the 215 Freeway and one mile south of the 60 Freeway at the eastern edge of where the primary residential development has taken place in the past market cycle. The subject's specific location is not located at the economic center of the city, which is more concentrated at the northwestern portion of the city where the 60 and 215 Freeways meet. The area is surrounded by older residential and commercial uses within this pocket of the city. There is not a clear path of development for new commercial projects within the city immediately surrounding the subject property. We also

reviewed demographic information from the subject locale as well as the locations of the comparable land sales. This information is provided in the following table:

Characteristics of Improved Sales Locations			
Sale	City / Zip Code	Average Household Income	Median Home Price
		(3-mile radius) (Experian 2019)	(CoreLogic - Feb. 2020)
Subject	Moreno Valley / 92555	\$75,208	\$360,000
1	Ontario / 91761	\$122,601	\$473,000
2	Ontario / 91764	\$83,260	\$473,000
3	Santa Clarita / 91387	\$119,958	\$515,000
4	Calimesa / 92320	\$84,719	\$391,250
5	Moreno Valley / 92553	\$68,465	\$360,000
6	Moreno Valley / 92555	\$75,208	\$360,000

We made a downward adjustment to those comparables considered superior in location compared to the subject. Conversely, upward adjustments were made to those comparables considered inferior and taking into consideration the percentage differences between the median home prices with the subject and the average household income.

Land Sale 1 is located in the Inland Empire West in the city of Ontario. The average household income within a 3-mile radius of this comparable was \$122,601 (2019 data) and the average home price \$473,000. Due to the superior demographics of this comparable a downward adjustment was applied. **Land Sale 2** is located at the northern portion of the city of Ontario with the city of Rancho Cucamonga across the street from the comparable. The average household income within a 3-mile radius of this comparable was \$83,260 and the average home price \$473,000 within the city. This comparable is located one-half mile north of the 15 Freeway. The overall demographics of the area, specific location and superior surrounding uses warranted a substantial downward adjustment. This comparable is located along a primary commercial artery and is adjacent to a Target anchored shopping center. **Land Sale 3** is located in Los Angeles County within the city of Santa Clarita. The demographics of the area are found superior in relation to the subject's locale (\$119,958 HH Income and \$515,000 median home price). This comparable is located in the eastern end of the city with the more desirable locations found to the west side of Interstate 5. However, the location is superior in relation to the subject and a downward adjustment was applied. **Land Sale 4** is located in the Inland Empire East in the city of Calimesa. The demographics are slightly superior and a downward adjustment was applied (\$84,719 HH Income and \$391,250 median home price). **Land Sales 5 and 6** are located in the city of Moreno Valley and within close proximity to the subject; hence, adjustments for location were not needed.

Size

The adjustment for size generally reflects the inverse relationship between unit price and lot size. Smaller lots tend to sell for higher unit prices than larger lots, and vice versa. Therefore, upward adjustments were made to larger land parcels, and downward adjustments were made to smaller land parcels. The subject features 2,457,654 or 56.42 acres. The comparables ranged from 683,019 to 3,811,500 square feet (15.68 to 87.50 acres). **Land Sale 1** features a similar site size as compared to the subject and an adjustment was not needed. **Land Sales 2, 4, 5 and 6** feature smaller site sizes and varying downward adjustments were applied. Conversely, **Land Sale 3** features a larger size and an upward adjustment was applied. All adjustments were based on a 5 percent adjustment per doubling in site size.

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Public Utilities

The availability of public utilities has a significant impact on the value of a property. Municipal utility providers often, but not always, provide utilities such as gas, water, electric, sewer, and telephone. It is therefore important to understand any differences that may exist in the availability of public utilities to the subject property and its comparables. All of the sales, like the subject, had full access to public utilities at the time of sale. Therefore, no adjustments were required.

Zoning

We have assumed the city of Moreno Valley will work with a prospective buyer to develop a Specific Plan for the development of the subject site which will feature a mixed-use configuration (commercial and/or residential uses). **Land Sales 1, 2 and 3** feature a zoning that allows for mixed use developments; therefore, an adjustment for zoning was not needed. **Land Sales 4, 5 and 6** feature a more restrictive zoning (either commercial use or residential use) and an upward adjustment was applied to these three comparables.

Utility

The subject parcel is adequately shaped to accommodate a typical building. It has average access, good frontage and good visibility. Overall, it has been determined that the site has good utility. Adjustments were made where a comparable was considered to have superior or inferior utility. The subject features a slightly irregular shape; however, said irregularity will likely not impact the development of the site. The subject benefits from a corner location and frontage along three arterials in a predominantly residential area, with the closest freeway access one mile north. **Land Sale 1** features a slightly irregular shape; however, this property benefits from direct freeway frontage along Interstate 10. For this reason, a substantial downward adjustment was applied. **Land Sale 2** includes some non-contiguous parcels, though within the same block, however there is a loss in economies due to the configuration, which is inferior, however this was considered somewhat offsetting to its frontage along several primary commercial arteries within the city and at the center of the retail shopping district of Ontario and Rancho Cucamonga along 4th Street, which is far superior to the subject's specific location outside of the primary commercial and shopping districts. Therefore, we made a small net downward adjustment. **Land Sales 3, 5 and 6** feature similar corner locales with similar street frontage/visibility (no freeway frontage) and adjustments were not needed. **Land Sale 4** features freeway visibility (easement between subject and freeway) and warranted a downward adjustment.

Other

In some cases, other variables will have an impact on the price of a land transaction. Examples include soil or slope conditions, restrictive zoning, easements, wetlands or external influences. As stated, we have assumed the property will be rezoned to its highest and best use and per discussions with city officials, it is likely a specific plan will be adopted for the subject site as a Public Private Partnership with a future developer. The City did indicate that an industrial use would not be approved for the subject site, leaving the primary available uses for a future plan to be residential and commercial in nature. In our analysis, we have assumed the property is entitled with a Specific Plan (General Plan Amendment and Rezoning of the site), all environmental and geotechnical studies completed and EIR in place (all CEQA issues addressed). We spoke with local builders who provided an estimate on entitlements (includes rezoning and environmental and geotechnical studies) for the subject and a range of \$1,500,000 to \$2,500,000 was indicated. We have assumed a cost of \$2,000,000 or \$35,488 per acre (based on subject site size of 56.42 acres). Also, the cost of CEQA needs to be addressed and will vary by location. Per discussions with developers, the cost for CEQA issues could be in the \$1,000,000 range (used by developers as an estimate). Therefore, we have estimated overall entitlements costs of \$3,000,000 for the subject site. **Land Sales 2, 3 and 4** represented fully entitled sites and adjustments were not needed. **Land Sale 1** features a similar site size and we have assumed that entitlements costs would be similar to the subject and therefore, we have provided an

adjustment based on entitlement costs of \$3,000,000 or 10% of the sale price. **Land Sales 5 and 6** are smaller site sizes and we have based entitlements costs on the site size. We have assumed the entitlement costs (with the exception of CEQA) of \$35,488 per acre plus \$1,000,000 to address CEQA issues. Therefore, the cost for entitlements for **Land Sale 5** is estimated at \$1,556,452 (\$556,452 plus \$1,000,000) or approximately 55 percent of the sale price. The cost for entitlements for **Land Sale 6** is estimated at \$2,238,886 (\$1,238,886 plus \$1,000,000) or approximately 36 percent of the sale price.

Conclusion of Site Value (Hypothetical Land Value, As If Entitled)

The adjustments applied to the comparable sales in the Land Sale Adjustment Chart reflect what we determined is appropriate in the marketplace. Despite the subjectivity, the adjustments were considered reasonable and were applied consistently.

After a thorough analysis, the comparable land sales reflect adjusted unit values ranging from \$5.00 per square foot to \$6.70 per square foot, with an average of \$5.95 per square foot. The low end of the range is represented by **Land Sale 3**, which is a larger site. The high end of the adjusted range is represented by **Land Sale 1**, which is a fully entitled mixed-use site in a far superior locale. The most similar comparable is **Land Sales 2 and 3**, which are both a fully entitled, large mixed-use sites and we placed significant weight on both of these comparables. Our concluded value of \$5.65 per square foot for the Hypothetical Land Value, As If Entitled, also falls to the low end of the range of the adjusted values for **Land Sales 5 and 6**, which are both Moreno Valley comparables and closest geographically.

Therefore, after discussions with brokers and local developers, we concluded that the indicated land value by the Sales Comparison Approach was:

HYPOTHETICAL LAND VALUE, AS IF ENTITLED CONCLUSION	Price PSF
Indicated Value	\$5.65
SQFT Measure	x 2,457,654
Indicated Value	\$13,885,745
Rounded to nearest \$100,000	\$13,900,000
\$/SF Basis	\$5.66
LAND VALUE CONCLUSION	\$13,900,000
\$/SF Basis	\$5.66

Compiled by Cushman & Wakefield Western, Inc.

Land Residual

In order to derive the As Is Land Value as of March 27, 2020, we have utilized a land residual technique, which is used to capitalize the income allocated to an investment component of an unknown value (As Is Land Value) after all investment components of known values have been satisfied. (Source: The Dictionary of Real Estate Appraisal, Fifth Edition).

We have made the following assumptions for this analysis:

- We have concluded to the above land value based on a fully developed site and then have deducted the holding costs, entitlement costs, and the cost of sale.
- We have estimated a total of 12 quarters or 3 years for the site to be fully entitled. We spoke with several brokers and developers on typical entitlement timing for a new Specific Plan (General Plan Amendment

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

and Rezoning of the site), all environmental and geotechnical studies completed and EIR in place (all CEQA issues addressed).

- Land Growth Rate: Due to the current market environment with the COVID-19 pandemic, there is considerable uncertainty in the market on pricing and land values are directly affected is there is a change in the underlying value fundamentals. Therefore, we have provided a sensitivity analysis for our change in land value over the 12 quarters. We utilized an annual grow rate of -2 percent, 0 percent and a 2 percent and have provided a value range for our conclusion.
- We spoke with local builders who provided an estimate on entitlements (includes rezoning and environmental and geotechnical studies) for the subject and a range of \$1,500,000 to \$2,500,000 was indicated. We have assumed a cost of \$2,000,000 or \$35,488 per acre (based on subject site size of 56.42 acres). Also, the cost of CEQA needs to be addressed and will vary by location. Per discussions with developers, the cost for CEQA issues could be in the \$1,000,000 range (used by developers as an estimate). Therefore, we have estimated overall entitlements costs of \$3,000,000 for the subject site.
- We have discounted the Net Cash Flows to conclude to our Net Present Value (NPV) of the land. A range of discount rates between 14 to 15 percent were considered based on information from PwC, 4th Quarter 2019 Real Estate Investor Survey and Realty Rates' 1st Quarter information for Residential Mixed-use projects, see below:

DISCOUNT RATES (IRR)			
Survey	Date	Range	Average
PwC Institutional	Fourth Quarter 2019	10.00% - 20.00%	15.90%
Realty Rates	First Quarter 2020	10.87% - 20.37%	14.99%

PwC - National Development Land Market (published in 2nd & 4th Qtr. only)
 Realty Rates - Residential - Mixed Use

The discount rates above consider the land to be free-and-clear including developer's profit and assumes entitlements are in place. Without entitlements in place, some investors consider increasing the discount rate between 100 and 800 basis points (an average increase of 400 basis points). Therefore, since the subject site is currently not entitled, we have concluded to a discount rate slightly higher than the average or at 19.0 percent for this analysis.

Below are three tables with our sensitivity analysis at a -2 percent, 0 percent and 2 percent annual land growth rates over the following 12 quarter period.

LAND RESIDUAL - Sensitivity Analysis at -2% Land Growth Rate													
Land Value (SF)		\$5.65											
Site Size (SF)		2,457,654											
Hypothetical Land Value, As If Entitled (March 27, 2020)		\$13,885,745											
Rounded		\$13,900,000											
Annual Land Value Growth Rate:		-2%											
Time Period (Qtly)		1	2	3	4	5	6	7	8	9	10	11	12
Development Timeline (Ending):	Total	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Land Value As If Entitled		\$5.65	\$5.62	\$5.59	\$5.57	\$5.54	\$5.51	\$5.48	\$5.46	\$5.43	\$5.40	\$5.37	\$5.35
Total Land Value (Trended)		\$13,885,745	\$13,816,316	\$13,747,235	\$13,678,499	\$13,610,106	\$13,542,056	\$13,474,345	\$13,406,974	\$13,339,939	\$13,273,239	\$13,206,873	\$13,140,838
Less: Property Taxes	(\$176,018)	(\$13,124)	(\$13,386)	(\$13,654)	(\$13,927)	(\$14,206)	(\$14,490)	(\$14,780)	(\$15,075)	(\$15,377)	(\$15,684)	(\$15,998)	(\$16,318)
Less: Property Insurance	(\$122,883)	(\$30,721)	(\$30,721)	(\$30,721)	(\$30,721)	(\$31,642)	(\$31,642)	(\$31,642)	(\$31,642)	(\$32,592)	(\$32,592)	(\$32,592)	(\$32,592)
Less Entitlement Costs	(\$3,000,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)
Less Cost of Sale (2%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$256,839)
Total Carrying/Entitlement Costs	(3,298,900)	(293,844)	(294,107)	(294,375)	(294,648)	(295,848)	(296,132)	(296,422)	(296,717)	(297,968)	(298,276)	(298,589)	(555,748)
Net Cash Flow		(\$293,844)	(\$294,107)	(\$294,375)	(\$294,648)	(\$295,848)	(\$296,132)	(\$296,422)	(\$296,717)	(\$297,968)	(\$298,276)	(\$298,589)	\$12,585,091
Discount Rate % Range		18.0%	19.0%	20.0%									
Net Present Value (NPV)		\$4,897,589	\$4,721,165	\$4,550,493									
Concluded Market Value As Is													
March 27, 2020		\$4,700,000											
Total NPV, PSF		\$1.91											
Variance in current \$ As Is vs. entitled site		195.7%											

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LAND RESIDUAL - Sensitivity Analysis at 0% Land Growth Rate														
Land Value (SF)		\$5.65												
Site Size (SF)		2,457,654												
Hypothetical Land Value, As If Entitled (March 27, 2020)		\$13,885,745												
Rounded		\$13,900,000												
Annual Land Value Growth Rate:		0%												
Time Period (Qtly)		1	2	3	4	5	6	7	8	9	10	11	12	
Development Timeline (Ending):	Total	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	
Land Value As If Entitled		\$5.65	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65	\$5.65	
Total Land Value (Trended)		\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	\$13,885,745	
Less: Property Taxes	(\$190,998)	(\$14,241)	(\$14,526)	(\$14,816)	(\$15,112)	(\$15,415)	(\$15,723)	(\$16,037)	(\$16,358)	(\$16,685)	(\$17,019)	(\$17,359)	(\$17,707)	
Less: Property Insurance	(\$122,883)	(\$30,721)	(\$30,721)	(\$30,721)	(\$30,721)	(\$31,642)	(\$31,642)	(\$31,642)	(\$31,642)	(\$32,592)	(\$32,592)	(\$32,592)	(\$32,592)	
Less Entitlement Costs	(\$3,000,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	
Less Cost of Sale (2%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$271,709)	
Total Carrying/Entitlement Costs	(3,313,881)	(294,961)	(295,246)	(295,537)	(295,833)	(297,057)	(297,365)	(297,680)	(298,000)	(299,277)	(299,611)	(299,951)	(572,007)	
Net Cash Flow		(\$294,961)	(\$295,246)	(\$295,537)	(\$295,833)	(\$297,057)	(\$297,365)	(\$297,680)	(\$298,000)	(\$299,277)	(\$299,611)	(\$299,951)	\$13,313,738	
Discount Rate % Range		18.0%	19.0%	20.0%										
Net Present Value (NPV)		\$5,316,799	\$5,128,372	\$4,946,066										
Concluded Market Value As Is														
March 27, 2020		\$5,100,000												
Total NPV, PSF		\$2.08												
Variance in current \$ As Is vs. entitled site		172.5%												

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LAND RESIDUAL - Sensitivity Analysis at 2% Land Growth Rate													
Land Value (SF)		\$5.65											
Site Size (SF)		2,457,654											
Hypothetical Land Value, As If Entitled (March 27, 2020)		\$13,885,745											
Rounded		\$13,900,000											
Annual Land Value Growth Rate:		2%											
Time Period (Qtly)		1	2	3	4	5	6	7	8	9	10	11	12
Development Timeline (Ending):	Total	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Land Value As If Entitled		\$5.65	\$5.68	\$5.71	\$5.74	\$5.76	\$5.79	\$5.82	\$5.85	\$5.88	\$5.91	\$5.94	\$5.97
Total Land Value (Trended)		\$13,885,745	\$13,955,174	\$14,024,950	\$14,095,074	\$14,165,550	\$14,236,378	\$14,307,559	\$14,379,097	\$14,450,993	\$14,523,248	\$14,595,864	\$14,668,843
Less: Property Taxes	(\$209,723)	(\$15,637)	(\$15,950)	(\$16,269)	(\$16,594)	(\$16,926)	(\$17,264)	(\$17,610)	(\$17,962)	(\$18,321)	(\$18,688)	(\$19,061)	(\$19,442)
Less: Property Insurance	(\$122,883)	(\$30,721)	(\$30,721)	(\$30,721)	(\$30,721)	(\$31,642)	(\$31,642)	(\$31,642)	(\$31,642)	(\$32,592)	(\$32,592)	(\$32,592)	(\$32,592)
Less Entitlement Costs	(\$3,000,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)
Less Cost of Sale (2%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$287,336)
Total Carrying/Entitlement Costs	(3,332,606)	(296,358)	(296,670)	(296,989)	(297,315)	(298,568)	(298,907)	(299,252)	(299,604)	(300,913)	(301,279)	(301,653)	(589,370)
Net Cash Flow		(\$296,358)	(\$296,670)	(\$296,989)	(\$297,315)	(\$298,568)	(\$298,907)	(\$299,252)	(\$299,604)	(\$300,913)	(\$301,279)	(\$301,653)	\$14,079,473
Discount Rate % Range		18.0%	19.0%	20.0%									
Net Present Value (NPV)		\$5,755,267	\$5,554,255	\$5,359,750									
Concluded Market Value As Is													
March 27, 2020		\$5,600,000											
Total NPV, PSF		\$2.28											
Variance in current \$ As Is vs. entitled site		148.2%											

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Below is a summary of the sensitivity analysis of the indicated As Is land values:

VALUATION INDICES		Market Value As-Is
VALUE DATE		March 27, 2020
Land Value		
Indicated Value (Low-End):		\$4,700,000
Indicated Value (Mid-Point):		\$5,100,000
Indicated Value (High-End):		\$5,600,000
FINAL VALUE CONCLUSION		
Real Property Interest:		Fee Simple
Concluded Value:	\$4,700,000 to \$5,600,000	
Per Square Foot:		\$1.91 to \$2.28
EXPOSURE AND MARKETING TIMES		
Exposure Time:		12+ Months
Marketing Time:		12+ Months

Reconciliation and Final Value Opinion

Valuation Methodology Review and Reconciliation

This appraisal employs the Sales Comparison and Land Residual Approaches. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Typical purchasers do not generally rely on the Cost or Income Capitalization Approaches when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach or the Income Capitalization Approach to develop an opinion of market value. The exclusion of these approaches to value does not reduce the credibility of the assignment results.

The approaches indicated the following:

FINAL VALUE RECONCILIATION		
	Market Value As-Is	PSF
Date of Value	March 27, 2020	
Land Valuation		
Land Value (Low-End)	\$4,700,000	\$1.91
Land Value (Mid-Point)	\$5,100,000	\$2.08
Land Value (High-End)	\$5,600,000	\$2.28
Final Value Conclusion Range	\$4,700,000 to \$5,600,000	\$1.91 to \$2.28

Compiled by Cushman & Wakefield Western, Inc.

We gave most weight to the Sales Comparison Approach and Land Residual because this mirrors the methodologies used by purchasers of this property type.

Value Conclusion			
Appraisal Premise	Real Property Interest	Date of Value	Value Conclusion Range
Market Value As-Is	Fee Simple	March 27, 2020	\$4,700,000 to \$5,600,000

Compiled by Cushman & Wakefield Western, Inc.

Extraordinary Assumptions

For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions. The use of extraordinary assumptions, if any, might have affected the assignment results.

It is an Extraordinary Assumption of this report that the city of Moreno Valley will work with a prospective buyer to develop a Specific Plan for the development of the subject site and we are assuming there is no entitlement risk associated with the site as this will be a Public Private Partnership.

Hypothetical Conditions

For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions. The use of hypothetical conditions, if any, might have affected the assignment results.

This appraisal does not employ any hypothetical conditions.

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Exposure Time and Marketing Time

Based on our review of national investor surveys, discussions with market participants and information gathered during the sales verification process, a reasonable exposure time for the subject property at the value concluded within this report would have been approximately 12+ Months. This assumes an active and professional marketing plan would have been employed by the current owner. Due to the recent COVID-19 crisis, market exposure and market timing for vacant land is considered to be the most risky asset class and we are assuming based on comments from local brokers that timing would last over a year.

We believe, based on the assumptions employed in our analysis, as well as our selection of investment parameters for the subject, that our value conclusion represents a price achievable within 12+ Months even if this site was used for land banking.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Assumptions and Limiting Conditions

"Report" means the appraisal or consulting report and conclusions stated therein, to which these Assumptions and Limiting Conditions are annexed.

"Property" means the subject of the Report.

"Cushman & Wakefield" means Cushman & Wakefield, Inc. or its subsidiary that issued the Report.

"Appraiser(s)" means the employee(s) of Cushman & Wakefield who prepared and signed the Report.

The Report has been made subject to the following assumptions and limiting conditions:

- No opinion is intended to be expressed and no responsibility is assumed for the legal description or for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate appraiser. Title to the Property is assumed to be good and marketable and the Property is assumed to be free and clear of all liens unless otherwise stated. No survey of the Property was undertaken.
- The information contained in the Report or upon which the Report is based has been gathered from sources the Appraiser assumes to be reliable and accurate. The owner of the Property may have provided some of such information. Neither the Appraiser nor Cushman & Wakefield shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits and factual matters. Any authorized user of the Report is obligated to bring to the attention of Cushman & Wakefield any inaccuracies or errors that it believes are contained in the Report.
- The opinions are only as of the date stated in the Report. Changes since that date in external and market factors or in the Property itself can significantly affect the conclusions in the Report.
- The Report is to be used in whole and not in part. No part of the Report shall be used in conjunction with any other analyses. Publication of the Report or any portion thereof without the prior written consent of Cushman & Wakefield is prohibited. Reference to the Appraisal Institute or to the MAI designation is prohibited. Except as may be otherwise stated in the letter of engagement, the Report may not be used by any person(s) other than the party(ies) to whom it is addressed or for purposes other than that for which it was prepared. No part of the Report shall be conveyed to the public through advertising, or used in any sales, promotion, offering or SEC material without Cushman & Wakefield's prior written consent. Any authorized user(s) of this Report who provides a copy to, or permits reliance thereon by, any person or entity not authorized by Cushman & Wakefield in writing to use or rely thereon, hereby agrees to indemnify and hold Cushman & Wakefield, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person(s) or entity(ies).
- Except as may be otherwise stated in the letter of engagement, the Appraiser shall not be required to give testimony in any court or administrative proceeding relating to the Property or the Appraisal.
- The Report assumes (a) responsible ownership and competent management of the Property; (b) there are no hidden or unapparent conditions of the Property, subsoil or structures that render the Property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Report; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value opinion contained in the Report is based.
- The physical condition of the improvements considered by the Report is based on visual inspection by the Appraiser or other person identified in the Report. Cushman & Wakefield assumes no responsibility for the soundness of structural components or for the condition of mechanical equipment, plumbing or electrical components.
- The forecasted potential gross income referred to in the Report may be based on lease summaries provided by the owner or third parties. The Report assumes no responsibility for the authenticity or completeness of lease information provided by others. Cushman & Wakefield recommends that legal advice be obtained regarding the interpretation of lease provisions and the contractual rights of parties.

- The forecasts of income and expenses are not predictions of the future. Rather, they are the Appraiser's best opinions of current market thinking on future income and expenses. The Appraiser and Cushman & Wakefield make no warranty or representation that these forecasts will materialize. The real estate market is constantly fluctuating and changing. It is not the Appraiser's task to predict or in any way warrant the conditions of a future real estate market; the Appraiser can only reflect what the investment community, as of the date of the Report, envisages for the future in terms of rental rates, expenses, and supply and demand.
- Unless otherwise stated in the Report, the existence of potentially hazardous or toxic materials that may have been used in the construction or maintenance of the improvements or may be located at or about the Property was not considered in arriving at the opinion of value. These materials (such as formaldehyde foam insulation, asbestos insulation and other potentially hazardous materials) may adversely affect the value of the Property. The Appraisers are not qualified to detect such substances. Cushman & Wakefield recommends that an environmental expert be employed to determine the impact of these matters on the opinion of value.
- Unless otherwise stated in the Report, compliance with the requirements of the Americans with Disabilities Act of 1990 (ADA) has not been considered in arriving at the opinion of value. Failure to comply with the requirements of the ADA may adversely affect the value of the Property. Cushman & Wakefield recommends that an expert in this field be employed to determine the compliance of the Property with the requirements of the ADA and the impact of these matters on the opinion of value.
- If the Report is submitted to a lender or investor with the prior approval of Cushman & Wakefield, such party should consider this Report as only one factor, together with its independent investment considerations and underwriting criteria, in its overall investment decision. Such lender or investor is specifically cautioned to understand all Extraordinary Assumptions and Hypothetical Conditions and the Assumptions and Limiting Conditions incorporated in this Report.
- In the event of a claim against Cushman & Wakefield or its affiliates or their respective officers or employees or the Appraisers in connection with or in any way relating to this Report or this engagement, the maximum damages recoverable shall be the amount of the monies actually collected by Cushman & Wakefield or its affiliates for this Report and under no circumstances shall any claim for consequential damages be made.
- If the Report is referred to or included in any offering material or prospectus, the Report shall be deemed referred to or included for informational purposes only and Cushman & Wakefield, its employees and the Appraiser have no liability to such recipients. Cushman & Wakefield disclaims any and all liability to any party other than the party that retained Cushman & Wakefield to prepare the Report.
- Unless otherwise noted, we were not given a soil report to review. However, we assume that the soil's load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.
- Unless otherwise noted, we were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site's use. However, we recommend a title search to determine whether any adverse conditions exist.
- Unless otherwise noted, we were not given a wetlands survey to review. If subsequent engineering data reveal the presence of regulated wetlands, it could materially affect property value. We recommend a wetlands survey by a professional engineer with expertise in this field.
- Unless otherwise noted, we observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the hiring of a professional engineer with expertise in this field.
- Unless otherwise noted, we did not inspect the roof nor did we make a detailed inspection of the mechanical systems. The appraisers are not qualified to render an opinion regarding the adequacy or condition of these components. The client is urged to retain an expert in this field if detailed information is needed.
- By use of this Report each party that uses this Report agrees to be bound by all of the Assumptions and Limiting Conditions, Hypothetical Conditions and Extraordinary Assumptions stated herein.

Certification

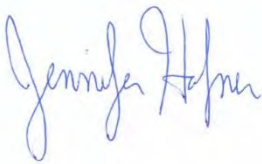
We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Jennifer A. Hafner, MAI did make a personal inspection of the property that is the subject of this report.
- Jennifer A. Hafner, MAI has not provided prior services, as an appraiser or in any other capacity, within the three-year period immediately preceding acceptance of this assignment.
- Marilyn Olson provided significant professional assistance with respect to problem definition, preliminary analysis, data collection, highest and best use analysis, application of the approaches to value and final value conclusion.
- As of the date of this report, Jennifer A. Hafner, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Respectfully submitted,

CUSHMAN & WAKEFIELD WESTERN, INC.



Jennifer A. Hafner, MAI
 Director
 CA Certified General Appraiser
 License No. AG039874
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Addenda Contents

- Addendum A: Glossary of Terms & Definitions
- Addendum B: Client Satisfaction Survey
- Addendum C: Engagement Letter
- Addendum D: Preliminary Title Report
- Addendum E: Comparable Land Sale Data Sheets
- Addendum F: Qualifications of the Appraiser

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Addendum A:

Glossary of Terms & Definitions

The following definitions of pertinent terms are taken from *The Dictionary of Real Estate Appraisal*, Sixth Edition (2015), published by the Appraisal Institute, Chicago, IL, as well as other sources.

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Proposed Interagency Appraisal and Evaluation Guidelines, OCC-4810-33-P 20%)

Band of Investment

A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment.

Cash Equivalency

An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash.

Depreciation

1. In appraising, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. 2. In accounting, an allowance made against the loss in value of an asset for a defined purpose and computed using a specified method.

Disposition Value

The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

- Consummation of a sale will occur within a limited future marketing period specified by the client.
- The actual market conditions currently prevailing are those to which the appraised property interest is subject.
- The buyer and seller is each acting prudently and knowledgeably.
- The seller is under compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider their best interest.
- An adequate marketing effort will be made in the limited time allowed for the completion of a sale.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Note that this definition differs from the definition of market value. The most notable difference relates to the motivation of the seller. In the case of Disposition value, the seller would be acting under compulsion within a limited future marketing period.

Ellwood Formula

A yield capitalization method that provides a formulaic solution for developing a capitalization rate for various combinations of equity yields and mortgage terms. The formula is applicable only to properties with stable or stabilized income streams and properties with income streams expected to change according to the J- or K-factor pattern. The formula is

$$RO = [YE - M (YE + P / S n^{\gamma} - RM) - \Delta O / S n^{\gamma}] / [1 + \Delta I / J]$$

where

RO = Overall Capitalization Rate

YE = Equity Yield Rate

M = Loan-to-Value Ratio

P = Percentage of Loan Paid Off

$1/S n^{\gamma}$ = Sinking Fund Factor at the Equity Yield Rate

RM = Mortgage Capitalization Rate

ΔO = Change in Total Property Value

ΔI = Total Ratio Change in Income

J = J Factor

Also called mortgage-equity formula.

Exposure Time

1. The time a property remains on the market. 2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. See also marketing time.

Extraordinary Assumption

An assignment-specific assumption, as of the effective date regarding uncertain information used in an analysis, which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Highest and Best Use

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

Hypothetical Conditions

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Insurable Replacement Cost/Insurable Value

A type of value for insurance purposes.

Intended Use

The use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

Intended User

The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).

Leasehold Interest

The tenant's possessory interest created by a lease. See also negative leasehold; positive leasehold.

Liquidation Value

The most probable price that a specified interest in real property is likely to bring under all of the following conditions:

- Consummation of a sale will occur within a severely limited future marketing period specified by the client.
- The actual market conditions currently prevailing are those to which the appraised property interest is subject.
- The buyer is acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- The buyer is acting in what he or she considers his or her best interest.
- A limited marketing effort and time will be allowed for the completion of a sale.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Note that this definition differs from the definition of market value. The most notable difference relates to the motivation of the seller. Under market value, the seller would be acting in his or her own best interests. The seller would be acting prudently and knowledgeably, assuming the price is not affected by undue stimulus or atypical motivation. In the case of liquidation value, the seller would be acting under extreme compulsion within a severely limited future marketing period.

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

Market Value

As defined in the Agencies' appraisal regulations, the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) See also exposure time.

Mortgage-Equity Analysis

Capitalization and investment analysis procedures that recognize how mortgage terms and equity requirements affect the value of income-producing property.

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Prospective Value upon Reaching Stabilized Occupancy

The value of a property as of a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy. At such point, all capital outlays for tenant improvements, leasing commissions, marketing costs and other carrying charges are assumed to have been incurred.

¹ "Interagency Appraisal and Evaluation Guidelines." Federal Register 75:237 (December 10, 2010) p. 77472.

Special, Unusual, or Extraordinary Assumptions

Before completing the acquisition of a property, a prudent purchaser in the market typically exercises due diligence by making customary enquiries about the property. It is normal for a Valuer to make assumptions as to the most likely outcome of this due diligence process and to rely on actual information regarding such matters as provided by the client. Special, unusual, or extraordinary assumptions may be any additional assumptions relating to matters covered in the due diligence process, or may relate to other issues, such as the identity of the purchaser, the physical state of the property, the presence of environmental pollutants (e.g., ground water contamination), or the ability to redevelop the property.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Addendum B: Client Satisfaction Survey

Survey Link: <https://www.surveymonkey.com/r/LQKCGLF?c=20-38017-900034-001>
Cushman & Wakefield File ID: 20-38017-900034-001
Fax Option: (716) 852-0890

1. Based on the scope and complexity of the assignment, please rate the development of the appraisal relative to the adequacy and relevance of the data, the appropriateness of the techniques used, and the reasonableness of the analyses, opinions, and conclusions:

- Excellent
- Good
- Average
- Below Average
- Poor

Comments: _____

2. Please rate the appraisal report on clarity, attention to detail, and the extent to which it was presentable to your internal/external users without revisions:

- Excellent
- Good
- Average
- Below Average
- Poor

Comments: _____

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

3. The appraiser communicated effectively by listening to your concerns, showed a sense of urgency in responding, and provided convincing support of his/her conclusions:

- Not Applicable
- Excellent
- Good
- Average
- Below Average
- Poor

Comments: _____

4. The report was on time as agreed, or was received within an acceptable time frame if unforeseen factors occurred after the engagement:

- Yes
- No

Comments: _____

5. Please rate your overall satisfaction relative to cost, timing, and quality:

- Excellent
- Good
- Average
- Below Average
- Poor

Comments: _____

6. Any additional comments or suggestions you feel our National Quality Control Committee should know?

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

7. Would you like a representative of our National Quality Control Committee to contact you?

- Yes
- No

Name & Phone (if contact is desired):

Contact Information: Rick Zbranek, MAI
Senior Managing Director, National Quality Control
(713) 963-2863

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Addendum C: Engagement Letter

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Eric Garfield, MAI, CCIM, CRE
Managing Director



Cushman & Wakefield of Western, Inc.
900 Wilshire Blvd., Suite 2400
Los Angeles, CA 90017-5752
213.955.6477 Tel
eric.garfield@cushwake.com

March 19, 2020

Michele Patterson
Economic Development Manager
Economic Development
CITY OF MORENO VALLEY
14177 Frederick Street
Moreno Valley, California 92553

Re: **Appraisal Report**
Two (2) adjacent parcels at the northwest corner of
Alessandro Blvd. and Nason Street, Moreno Valley Riverside County, California
APNs include: 487-470-030 and 487-470-0310

Dear Ms. Patterson:

Thank you for requesting our proposal for appraisal services. This proposal letter will become, upon your acceptance, our letter of engagement to provide the services outlined herein.

TERMS OF ENGAGEMENT

I. PROBLEM IDENTIFICATION

- The Parties to This Agreement:** Cushman & Wakefield of Western, Inc. ("C&W") and CITY OF MORENO VALLEY (the "Client").
- Intended Users:** The appraisal will be prepared for the Client and is intended only for the use specified below. The Client agrees that there are no other Intended Users.
- Intended Use:** Internal decision making.
- Type of Opinion and Rights Appraised:** Market Value of a portion of land.
- Date of Value:** Date of inspection
- Subject of the Assignment and Relevant Characteristics:** The subject property consists of two adjacent parcels at the northwest corner of Alessandro Boulevard and Nason Street. in Moreno Valley, CA and are further identified by Riverside County APNs 487-470-030 and 487-470-031. The parcels are composed of approximately 56.42 acres in total.

Assignment Conditions: We do not anticipate the use of any extraordinary assumptions or hypothetical conditions.

II. ANTICIPATED SCOPE OF WORK

USPAP Compliance: C&W will develop an appraisal in accordance with USPAP and the Code of Ethics and Certification Standards of the Appraisal Institute.

General Scope of Work:

- Property Inspection to the extent necessary to adequately identify the real estate
- Research relevant market data, in terms of quantity, quality, and geographic comparability, to the extent necessary to produce credible appraisal results
- Consider and develop those approaches relevant and applicable to the appraisal problem. Based on our discussions with the Client, we anticipate developing the following valuation approaches:
 - Highest & Best Use Analysis
 - Sales Comparison Analysis (Land Valuation via sales of land comparables by-right of similar zoning).

III. REPORTING AND DISCLOSURE

Scope of Work Disclosure: The actual Scope of Work will be reported within the report.

Reporting Option: The appraisal will be communicated in an Appraisal Report.

IV. FEE, EXPENSES AND OTHER TERMS OF ENGAGEMENT

Fee: \$xxx. All invoices are due upon receipt. The Client shall be solely responsible for C&W's fees and expenses hereunder. Acknowledgement of this obligation is made by the countersignature to this agreement by an authorized representative of the Client.

Additional Expenses: Fee quoted is inclusive of expenses related to the preparation of the report.

Retainer: A retainer of 50% is required for this assignment in order to commence work.

Report Copies: The final report will be delivered in electronic format. Up to three hard copies will be provided upon request.

Start Date: The appraisal process will initiate upon receipt of signed agreement, applicable retainer, and the receipt of the property-specific data.

Acceptance Date: This proposal is subject to withdrawal if the engagement letter is not executed by the Client within four (4) business days.

Final Report Delivery: Within seven (7) days of receipt of your written authorization to proceed, assuming prompt receipt of necessary property

Michele Patterson
 City of Moreno Valley
 March 19, 2020
 Page 3

information. Payment of the fee shall be due and payable upon delivery of the report.

Changes to Agreement:

The identity of the Client, Intended User(s) identified herein, or Intended Use identified herein; the date of value; type of value or interest appraised; or property appraised cannot be changed without a new agreement.

Prior Services Disclosure:

USPAP requires disclosure of prior services performed by the individual appraiser within the three years prior to this assignment. The undersigned appraiser(s) have not provided prior services within the designated time frame.

Future Marketing Disclosure:

Unless otherwise directed, at the conclusion of this engagement, we may disclose that we have appraised the subject property in future marketing documents and materials.

Conflicts of Interest:

C&W adheres to a strict internal conflict of interest policy. If we discover in the preparation of our appraisal a conflict with this assignment, we reserve the right to withdraw from the assignment without penalty.

Cancellation of Engagement:

Client may cancel this agreement at any time prior to C&W's delivery of the appraisal report upon written notification to C&W. Client shall pay C&W for work completed on the assignment prior to C&W's receipt of written cancellation notice, unless otherwise agreed upon by C&W and Client in writing.

Withdrawal of Appraiser Prior to Completion of Assignment:

C&W may withdraw without penalty or liability from the assignment(s) contemplated under this agreement before completion or reporting of the appraisal in the event that C&W determines, at C&W's sole discretion, that insufficient information was provided to C&W prior to the engagement, that Client or other parties have not or cannot provide C&W with documentation or information necessary to C&W's analysis or reporting, that conditions of the subject property render the original scope of work inappropriate, or that the Client has not complied with its payment obligations under this agreement. C&W shall notify the Client of such withdrawal in writing.

Further Conditions of Engagement:

The Conditions of Engagement attached hereto are incorporated herein and are part of this letter of engagement.

Michele Patterson
City of Moreno Valley
March 19, 2020
Page 4

Thank you for calling on us to render these services and we look forward to working with you.

Sincerely,
CUSHMAN & WAKEFIELD OF WESTERN, INC.



Eric Garfield, MAI, CCIM, CRE
Managing Director

cc: Jennifer Hafner, MAI
Marilyn Olson

AGREED:
CLIENT: CITY OF MORENO VALLEY

By:  Date: 3/24/20
Michele Patterson

Title: Economic Development Manager

E-mail Address: michelep@moval.org

Phone Number: 951-413-3030 / C: 951-750-2047

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Information Needed to Complete the Assignment

We understand that you will provide the following information for our review, if available.

Physical Information

- Plot plan/survey and legal description
- Building plans/leasing plan/stacking plan
- Property Conditions Assessment Report
- Original construction and site acquisition costs
- Cost of any major expansions, modifications or repairs incurred over the past three years/capital expense budget
- On Site Contact—name and phone number—for property inspection

Other Documentation

- Copy of your guidelines or instructions to appraisers/consultants
- Supplemental Standards, if applicable (applies only to government agencies, government sponsored entities, other entities that establish public policy)
- Additional Information to be considered in the appraisal

Note: Please advise if, to your knowledge, C&W is representing the Client or the subject property in any other capacity (i.e., leasing, sale, financing, property management, etc.)

CONDITIONS OF ENGAGEMENT

- 1) Each Intended User identified herein should consider the appraisal as only one factor together with its independent investment considerations and underwriting criteria in its overall investment decision. The appraisal cannot be used by any party or for any purpose other than the Intended User(s) identified herein for the Intended Use described herein.
- 2) Unless identified expressly in this agreement, there are no third-party beneficiaries of agreement pertaining to the appraisal, and no other person or entity shall have any right, benefit or interest under such agreement. The identification of a party as an intended user of the appraisal does not mean that the party is a third-party beneficiary of the agreement.
- 3) The appraisal report will be subject to our standard Assumptions and Limiting Conditions, which will be incorporated into the appraisal. All users of the appraisal report are specifically cautioned to understand the standard Assumptions and Limiting Conditions as well as any Extraordinary Assumptions and Hypothetical Conditions which may be employed by the appraiser and incorporated into the appraisal.
- 4) C&W shall have the right to utilize its affiliates in the performance of its services, provided that they comply with the obligations of C&W pursuant to this engagement.
- 5) The appraisal report or our name may not be used in any offering memoranda or other investment material without the prior written consent of C&W, which may be given at the sole discretion of C&W. Any such consent, if given, shall be conditioned upon our receipt of an indemnification agreement from a party satisfactory to us and in a form satisfactory to us. Furthermore, Client agrees to pay the fees of C&W's legal counsel for the review of the material which is the subject of the requested consent. C&W disclaims any and all liability with regard to the appraisal prepared pursuant to the engagement to any party other than the Intended User(s). Under no circumstances will C&W consent to the quote, reference or inclusion of the appraisal in connection with crowd funding activities. Further, crowd funding investors are specifically excluded from any class of Intended Users.
- 6) In the event the Client provides a copy of the appraisal to, or permits reliance thereon by, any party not identified herein as an Intended User, Client hereby agrees to indemnify and hold C&W, its affiliates and the respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the appraisal by any such party.
- 7) The balance of the fee for the appraisal will be due upon delivery of a report. Payment of the fee is not contingent on the appraised value, a loan closing, or any other prearranged condition. Additional fees will be charged on an hourly basis for any work, which exceeds the scope of this proposal, including performing additional valuation scenarios, additional research and conference calls or meetings with any party, which exceed the time allotted by C&W for an assignment of this nature. If we are requested to stop working on this assignment, for any reason, prior to our completion of the appraisal, C&W will be entitled to bill the Client for the time expended to date at C&W's hourly rates for the personnel involved.
- 8) If C&W or any of its affiliates or any of their respective employees receives a subpoena or other judicial command to produce documents or to provide testimony involving this assignment in connection with a lawsuit or proceeding, C&W will use reasonable efforts to notify the Client of our receipt of same. However, if C&W or any of its affiliates are not a party to these proceedings, Client agrees to compensate C&W or its affiliate for the professional time and reimburse C&W or its affiliate for the actual expense that it incurs in responding to any such subpoena or judicial command, including attorneys' fees, if any, as they are incurred. C&W or its affiliate will be compensated at the then prevailing hourly rates of the personnel responding to the subpoena or command for testimony.
- 9) By signing this agreement Client expressly agrees that its sole and exclusive remedy for any and all losses or damages relating to this agreement or the appraisal shall be limited to the amount of the appraisal fee paid by the Client. In the event that the Client, or any other party entitled to do so, makes a claim against C&W or any of its affiliates or any of their respective officers or employees in connection with or in any way relating to this engagement or the appraisal, the maximum damages recoverable from C&W or any of its affiliates or their respective officers or employees shall be the amount of the monies actually collected by C&W or any of its affiliates for this assignment and under no circumstances shall any claim for consequential, indirect, special, punitive or liquidated damages be made.
- 10) C&W disclaims any and all liability to any party with regard to the appraisal report other than an Intended User identified herein.
- 11) The fees and expenses shall be due C&W as agreed in this letter. If it becomes necessary to place collection of the fees and expenses due C&W in the hands of a collection agent and/or an attorney (whether or not a legal action is filed) Client agrees to pay all fees and expenses including attorneys' fees incurred by C&W in connection with the collection or attempted collection thereof.
- 12) Unless the time period is shorter under applicable law, any legal action or claim relating to the appraisal or this agreement shall be filed in court (or in the applicable arbitration tribunal, if the parties to the dispute have executed an arbitration agreement) within two (2) years from the date of delivery to Client of the appraisal report to which the claims or causes of action relate or, in the case of acts or conduct after

- delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages. The time period stated in this section shall apply to all non-criminal claims or causes of action of any type.
- 13) Notwithstanding that C&W may comment on, analyze or assume certain conditions in the appraisal, C&W shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations and other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise.
 - 14) Legal claims or causes of action relating to the appraisal or this agreement are not assignable, except: (i) as the result of a merger, consolidation, sale or purchase of a legal entity, (ii) with regard to the collection of a bona fide existing debt for services but then only to the extent of the total compensation for the appraisal plus reasonable interest, or (iii) in the case of an appraisal performed in connection with the origination of a mortgage loan, as part of the transfer or sale of the mortgage before an event of default on the mortgage or note or its legal equivalent.
 - 15) Each party represents and warrants to the other that it, and all persons and entities owning (directly or indirectly) an ownership interest in it: (a) are not, and will not become, a person or entity with whom a party is prohibited from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order or other governmental action; and (b) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described in clause (a) above.
 - 16) Each party represents and warrants to the other that it (and any party acting on its behalf) has not, in order to enter into this agreement, offered, promised, authorized or made any payments or transfers of anything of value which have the purpose or effect of public or commercial bribery, kickbacks or other unlawful or improper means of doing business ("Prohibited Activity") and will not engage in Prohibited Activity during the term of this agreement. In the event of any violation of this section, the non-offending party shall be entitled to immediately terminate this agreement and take such other actions as are permitted or required to be taken under law or in equity.

Addendum D: Preliminary Title Report

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



Issuing Policies of Chicago Title Insurance Company

ORDER NO.: **00120929-987-OC1-K27**

Escrow/Customer Phone: **(949) 724-3117**

City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92553
ATTN: Melissa McClain
Email: melissam@moval.org
REF:

Title Officer: **John Balassi/Jason Silva (OC/Comm)**
Title Officer Phone: **(949) 724-3117**
Title Officer Fax: **(949) 258-5237**
Title Officer Email:
CTCommercialTitleNewport@ctt.com

PROPERTY: **VACANT LAND, MORENO VALLEY, CA**

PRELIMINARY REPORT

*In response to the application for a policy of title insurance referenced herein, **Chicago Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.*

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Chicago Title Insurance Company, a Florida corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Chicago Title Company

By: 
Authorized Signature



By: 
ATTEST 
President Secretary

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)


PRELIMINARY REPORT

EFFECTIVE DATE: **November 8, 2019 at 7:30 a.m.**

ORDER NO.: 00120929-987-OC1-K27

The form of policy or policies of title insurance contemplated by this report is:

A PRELIMINARY REPORT ONLY

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

CITY OF MORENO VALLEY, CALIFORNIA

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

See Exhibit A attached hereto and made a part hereof.

PRELIMINARY REPORT
YOUR REFERENCE:

Chicago Title Company
ORDER NO.: 00120929-987-OC1-K27

EXHIBIT "A"

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MORENO VALLEY, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOTS 1, 2, 7, AND 8 IN BLOCK 104 OF THE LANDS OF THE [BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY](#), IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN [BOOK 11, PAGE 10, OF MAPS](#), RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE COUNTY OF RIVERSIDE BY GRANT DEED RECORDED APRIL 20, 1976 AS [INSTRUMENT NO. 52387, OF OFFICIAL RECORDS](#).

APN: [487-470-030-7](#)

PARCEL 2:

LOTS 2, 7, AND 8 IN BLOCK 93 OF THE LANDS OF THE [BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY](#), IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN [BOOK 11, PAGE 10, OF MAPS](#), RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM THAT PORTION AS GRANTED TO THE EASTERN MUNICIPAL WATER DISTRICT DESCRIBED IN DEED RECORDED MARCH 7, 2012, AS [INSTRUMENT NO. 2012-0105312, OF OFFICIAL RECORDS](#).

APN: [487-470-031-8](#)

PRELIMINARY REPORT
YOUR REFERENCE:

Chicago Title Company
ORDER NO.: 00120929-987-OC1-K27

EXCEPTIONS

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

- A. There were no taxes levied for the fiscal year 2019-2020 as the property was vested in a public entity.
- Affects: 487-470-030-7 and 487-470-031-8.
- B. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.

THE FOLLOWING MATTERS AFFECT PARCEL 1:

1. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;
- Reserved to: Bear Valley and Alessandro Development Company
Purpose: A right of way over, under, through and upon said Land and every part thereof for all necessary pipelines, ditches and flumes; also the right to enter upon said Land to construct and repair pipelines, ditches, and flumes, together with the right to conduct water in and through the same.
Recording No.: [Book 11, Page 10, of Maps](#), San Bernardino County Records
- The exact location and extent of said easement is not disclosed of record.
2. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: California Electric Power Company, a corporation
Purpose: Polelines
Recording Date: August 9, 1943
Recording No: [Book 1001, Page 568, of Official Records](#)
Affects: said land more particularly described therein.
- and Recording Date: August 9, 1943
and Recording No: [Book 1001, Page 570, of Official Records](#)
3. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:
- Purpose: Pipeline
Recording Date: September 1, 1961
Recording No: [75625, of Official Records](#)
- The exact location and extent of said easement is not disclosed of record.
4. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: Southern California Edison Company, a corporation
Purpose: Utilities
Recording Date: March 16, 1977
Recording No: [43349, of Official Records](#)
Affects: said land more particularly described therein.

PRELIMINARY REPORT
YOUR REFERENCE:

Chicago Title Company
ORDER NO.: 00120929-987-OC1-K27

EXCEPTIONS
(Continued)

5. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters shown on

Map: Record of Survey
Recording No: [Book 80, Page 53, of Record of Surveys](#)

6. Matters contained in that certain document

Entitled: Lease Agreement
Executed by: Moreno Valley Public Facilities Financing Corporation and the City of Moreno Valley
Recording Date: May 31, 1989
Recording No: [177633, of Official Records](#)

Reference is hereby made to said document for full particulars.

7. Matters contained in that certain document

Entitled: Assignment Agreement
Executed by: The Moreno Valley Public Facilities Financing Corporation and State Street Bank and Trust Company of California, N.A.
Recording Date: May 31, 1989
Recording No: [177630, of Official Records](#)

Reference is hereby made to said document for full particulars.

8. Matters contained in that certain document

Entitled: Resolution No. 93-43, Resolution of the City Council of the City of Moreno Valley, California, Accepting a Grant of Easement for Public Street and Utility Purposes from the Moreno Valley Public Facilities Financing Corporation But Specifically Not Accepting as Part of the City-Maintained Street System
Recording Date: June 7, 1993
Recording No: [211297, of Official Records](#)

Reference is hereby made to said document for full particulars.

9. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: County of Riverside
Purpose: Anchor easement
Recording Date: April 20, 1976
Recording No: [52387, of Official Records](#)
Affects: said land more particularly described therein.

10. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: The City of Moreno Valley
Purpose: Perpetual easement and right of way for public highway purposes, including public utilities, private utilities
Recording Date: September 25, 2013
Recording No: [2013-0463248, of Official Records](#)
Affects: As described therein.

EXCEPTIONS
(Continued)

11. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: The City of Moreno Valley
 Purpose: Operate, maintain and construct drainage facilities
 Recording Date: September 25, 2013
 Recording No: [2013-0463250, of Official Records](#)
 Affects: As described therein.

12. Matters contained in that certain document

Entitled: Resolution No. 2013-70, a Resolution of the City Council of the City of Moreno Valley, California, Granting a Drainage Easement on a City Owned Parcel on the Northwest Corner of Alessandro Boulevard and Nason Street
 Recording Date: October 8, 2013
 Recording No: [2013-0484376, of Official Records](#)

Reference is hereby made to said document for full particulars.

THE FOLLOWING MATTERS AFFECT PARCEL 2:

13. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Reserved to: Bear Valley and Alessandro Development Company
 Purpose: A right of way over, under, through and upon said Land and every part thereof for all necessary pipelines, ditches and flumes; also the right to enter upon said Land to construct and repair pipelines, ditches, and flumes, together with the right to conduct water in and through the same.
 Recording No.: [Book 11, Page 10, of Maps](#), San Bernardino County Records

The exact location and extent of said easement is not disclosed of record.

14. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Southern Sierras Power Company, a corporation
 Purpose: Public utilities
 Recording Date: April 29, 1930
 Recording No: [Book 852, Page 325, of Deeds](#)
 Affects: said land more particularly described therein.

15. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: California Electric Power Company, a corporation
 Purpose: Polelines
 Recording Date: February 24, 1961
 Recording No: [16151, of Official Records](#)
 Affects: said land more particularly described therein.

PRELIMINARY REPORT
YOUR REFERENCE:

Chicago Title Company
ORDER NO.: 00120929-987-OC1-K27

EXCEPTIONS
(Continued)

16. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: Southern California Edison Company, a corporation
Purpose: Either or both pole lines, conduits
Recording Date: March 16, 1977
Recording No: [43349, of Official Records](#)
Affects: said land more particularly described therein.
17. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters shown on
- Map: Record of Survey
Recording No: [Book 80, Page 53, of Record of Surveys](#)
18. Matters contained in that certain document
- Entitled: Lease Agreement
Executed by: Moreno Valley Public Facilities Financing Corporation, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California and the City of Moreno Valley, a general law city duly organized and existing under the laws of the State of California
Recording Date: May 31, 1989
Recording No: [177633, of Official Records](#)
- Reference is hereby made to said document for full particulars.
19. Matters contained in that certain document
- Entitled: Assignment Agreement
Executed by: The Moreno Valley Public Facilities Financing Corporation and State Street Bank and Trust Company of California, N.A.
Recording Date: May 31, 1989
Recording No: [177630, of Official Records](#)
- Reference is hereby made to said document for full particulars.
20. Matters contained in that certain document
- Entitled: Resolution No. 93-43, Resolution of the City Council of the City of Moreno Valley, California, Accepting a Grant of Easement for Public Street and Utility Purposes from the Moreno Valley Public Facilities Financing Corporation But Specifically Not Accepting as Part of the City-Maintained Street System
Recording Date: June 7, 1993
Recording No: [211297, of Official Records](#)
- Reference is hereby made to said document for full particulars.

EXCEPTIONS
(Continued)

21. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: Eastern Municipal Water District
Purpose: Pipelines
Recording Date: February 8, 2012
Recording No: [2012-0058023, of Official Records](#)
Affects: A portion of said land as more particularly described in said document.
22. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: Eastern Municipal Water District
Purpose: Pipelines
Recording Date: April 19, 2012
Recording No: [2012-0177957, of Official Records](#)
Affects: A portion of said land as more particularly described in said document.
23. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: The City of Moreno Valley
Purpose: Perpetual easement and right of way for public highway purposes, including public utilities, private utilities
Recording Date: September 25, 2013
Recording No: [2013-0463249, of Official Records](#)
Affects: As described therein.

THE FOLLOWING MATTERS AFFECT ALL PARCELS:

24. Matters contained in that certain document
- Entitled: Hold Harmless Agreement for Sewer
Dated: November 8, 2012
Executed by: City of Moreno Valley and Eastern Municipal Water District, a public agency
Recording Date: January 18, 2013
Recording No: [2013-0030669, of Official Records](#)
- Reference is hereby made to said document for full particulars.
25. Matters contained in that certain document
- Entitled: Resolution No. 2013-69, a Resolution of the City Council of the City of Moreno Valley, California, Granting a Public Roadway Easement on City Owned Parcels Fronting the West Side of Nason Street Between Alessandro Boulevard and Cottonwood Avenue
Recording Date: October 8, 2013
Recording No: [2013-0484375, of Official Records](#)
- Reference is hereby made to said document for full particulars.
26. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters which a correct survey would disclose and which are not shown by the public records.
27. Any easements not disclosed by the public records as to matters affecting title to real property, whether or not said easements are visible and apparent.

PRELIMINARY REPORT
YOUR REFERENCE:

Chicago Title Company
ORDER NO.: 00120929-987-OC1-K27

**EXCEPTIONS
(Continued)**

- 28. Matters which may be disclosed by an inspection and/or by a correct ALTA/NSPS Land Title Survey of said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.
- 29. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.

The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

PLEASE REFER TO THE “INFORMATIONAL NOTES” AND “REQUIREMENTS” SECTIONS WHICH FOLLOW FOR INFORMATION NECESSARY TO COMPLETE THIS TRANSACTION.

END OF EXCEPTIONS

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

REQUIREMENTS SECTION

1. The requirement that this company be furnished with proper regulatory statues authorizing this transaction and appropriate documentation indicating who may execute on behalf of the City of Moreno Valley.
2. Unrecorded matters which may be disclosed by an Owner's Affidavit or Declaration. A form of the Owner's Affidavit/Declaration is attached to this Preliminary Report/Commitment. This Affidavit/Declaration is to be completed by the record owner of the land and submitted for review prior to the closing of this transaction. Your prompt attention to this requirement will help avoid delays in the closing of this transaction. Thank you.

The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit/Declaration.

END OF REQUIREMENTS

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

INFORMATIONAL NOTES SECTION

1. None of the items shown in this report will cause the Company to decline to attach ALTA Endorsement Form 9 to an Extended Coverage Loan Policy, when issued.
2. Note: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.
3. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.
4. Pursuant to Government Code Section 27388.1, as amended and effective as of 1-1-2018, a Documentary Transfer Tax (DTT) Affidavit may be required to be completed and submitted with each document when DTT is being paid or when an exemption is being claimed from paying the tax. If a governmental agency is a party to the document, the form will not be required. DTT Affidavits may be available at a Tax Assessor-County Clerk-Recorder.
5. Due to the special requirements of SB 50 (California Public Resources Code Section 8560 et seq.), any transaction that includes the conveyance of title by an agency of the United States must be approved in advance by the Company's State Counsel, Regional Counsel, or one of their designees.
6. Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.

END OF INFORMATIONAL NOTES

John Balassi/Jason Silva (OC/Comm)/725

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Wire Fraud Alert

This Notice is not intended to provide legal or professional advice. If you have any questions, please consult with a lawyer.

All parties to a real estate transaction are targets for wire fraud and many have lost hundreds of thousands of dollars because they simply relied on the wire instructions received via email, without further verification. **If funds are to be wired in conjunction with this real estate transaction, we strongly recommend verbal verification of wire instructions through a known, trusted phone number prior to sending funds.**

In addition, the following non-exclusive self-protection strategies are recommended to minimize exposure to possible wire fraud.

- **NEVER RELY** on emails purporting to change wire instructions. Parties to a transaction rarely change wire instructions in the course of a transaction.
- **ALWAYS VERIFY** wire instructions, specifically the ABA routing number and account number, by calling the party who sent the instructions to you. **DO NOT** use the phone number provided in the email containing the instructions, use phone numbers you have called before or can otherwise verify. **Obtain the phone number of relevant parties to the transaction as soon as an escrow account is opened.** **DO NOT** send an email to verify as the email address may be incorrect or the email may be intercepted by the fraudster.
- **USE COMPLEX EMAIL PASSWORDS** that employ a combination of mixed case, numbers, and symbols. Make your passwords greater than eight (8) characters. Also, change your password often and do **NOT** reuse the same password for other online accounts.
- **USE MULTI-FACTOR AUTHENTICATION** for email accounts. Your email provider or IT staff may have specific instructions on how to implement this feature.

For more information on wire-fraud scams or to report an incident, please refer to the following links:

Federal Bureau of Investigation:
<http://www.fbi.gov>

Internet Crime Complaint Center:
<http://www.ic3.gov>

FIDELITY NATIONAL FINANCIAL, INC. PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies (collectively, “FNF,” “our,” or “we”) respect and are committed to protecting your privacy. This Privacy Notice explains how we collect, use, and protect personal information, when and to whom we disclose such information, and the choices you have about the use and disclosure of that information.

Types of Information Collected

We may collect two types of information from you: Personal Information and Browsing Information.

Personal Information. FNF may collect the following categories of Personal Information:

- contact information (e.g., name, address, phone number, email address);
- demographic information (e.g., date of birth, gender, marital status);
- identity information (e.g., Social Security Number, driver’s license, passport, or other government ID number);
- financial account information (e.g., loan or bank account information); and
- other personal information necessary to provide products or services to you.

Browsing Information. FNF may automatically collect the following types of Browsing Information when you access an FNF website, online service, or application (each an “FNF Website”) from your Internet browser, computer, and/or mobile device:

- Internet Protocol (IP) address and operating system;
- browser version, language, and type;
- domain name system requests; and
- browsing history on the FNF Website, such as date and time of your visit to the FNF Website and visits to the pages within the FNF Website

How Personal Information is Collected

We may collect Personal Information about you from:

- information we receive from you on applications or other forms;
- information about your transactions with FNF, our affiliates, or others; and
- information we receive from consumer reporting agencies and/or governmental entities, either directly from these entities or through others.

How Browsing Information is Collected

If you visit or use an FNF Website, Browsing Information may be collected during your visit. Like most websites, our servers automatically log each visitor to the FNF Website and may collect the Browsing Information described above. We use Browsing Information for system administration, troubleshooting, fraud investigation, and to improve our websites. Browsing Information generally does not reveal anything personal about you, though if you have created a user account for an FNF Website and are logged into that account, the FNF Website may be able to link certain browsing activity to your user account.

Other Online Specifics

Cookies. When you visit an FNF Website, a “cookie” may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer’s hard drive. Information gathered using cookies helps us improve your user experience. For example, a cookie can help the website load properly or can customize the display page based on your browser type and user preferences. You can choose whether or not to accept cookies by changing your Internet browser settings. Be aware that doing so may impair or limit some functionality of the FNF Website.

Web Beacons. We use web beacons to determine when and how many times a page has been viewed. This information is used to improve our websites.

Do Not Track. Currently our FNF Websites do not respond to “Do Not Track” features enabled through your browser.

Links to Other Sites. FNF Websites may contain links to other websites. FNF is not responsible for the privacy practices or the content of any of those other websites. We advise you to read the privacy policy of every website you visit.

Use of Personal Information

FNF uses Personal Information for three main purposes:

- To provide products and services to you or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you about our, our affiliates’, and third parties’ products and services, jointly or independently.

When Information Is Disclosed

We may make disclosures of your Personal Information and Browsing Information in the following circumstances:

- to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to nonaffiliated service providers who provide or perform services or functions on our behalf and who agree to use the information only to provide such services or functions;
- to nonaffiliated third party service providers with whom we perform joint marketing, pursuant to an agreement with them to jointly market financial products or services to you;
- to law enforcement or authorities in connection with an investigation, or in response to a subpoena or court order; or

- in the good-faith belief that such disclosure is necessary to comply with legal process or applicable laws, or to protect the rights, property, or safety of FNF, its customers, or the public.

The Law does not require your prior authorization and does not allow you to restrict the disclosures described above. Additionally, we may disclose your information to third parties for whom you have given us authorization or consent to make such disclosure. We do not otherwise share your Personal Information or Browsing Information with nonaffiliated third parties, except as required or permitted by law.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of bankruptcy, reorganization, insolvency, receivership, or an assignment for the benefit of creditors. By submitting Personal Information and/or Browsing Information to FNF, you expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings.

Please see “**Choices With Your Information**” to learn the disclosures you can restrict.

Security of Your Information

We maintain physical, electronic, and procedural safeguards to guard your Personal Information. We limit access to nonpublic personal information about you to employees who need to know that information to do their job. When we provide Personal Information to others as discussed in this Privacy Notice, we expect that they process such information in compliance with our Privacy Notice and in compliance with applicable privacy laws.

Choices With Your Information

If you do not want FNF to share your information with our affiliates to directly market to you, you may send an “opt out” request by email, phone, or physical mail as directed at the end of this Privacy Notice. We do not share your Personal Information with nonaffiliates for their use to direct market to you.

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you.

For California Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties, except as permitted by California law.

For Nevada Residents: You may be placed on our internal Do Not Call List by calling (888) 934-3354 or by contacting us via the information set forth at the end of this Privacy Notice. Nevada law requires that we also provide you with the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: BCPINFO@ag.state.nv.us.

For Oregon Residents: We will not share your Personal Information and Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

For Vermont Residents: We will not share information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

Information From Children

The FNF Websites are meant for adults and are not intended or designed to attract persons under the age of eighteen (18). We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian.

International Users

FNF’s headquarters is located within the United States. If you reside outside the United States and choose to provide Personal Information or Browsing Information to us, please note that we may transfer that information outside of your country of residence for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection, transfer, and use of such information in accordance with this Privacy Notice.

FNF Website Services for Mortgage Loans

Certain FNF companies provide services to mortgage loan servicers, including hosting websites that collect customer information on behalf of mortgage loan servicers (the “Service Websites”). The Service Websites may contain links to both this Privacy Notice and the mortgage loan servicer or lender’s privacy notice. The sections of this Privacy Notice titled When Information is Disclosed, Choices with Your Information, and Accessing and Correcting Information do not apply to the Service Websites. The mortgage loan servicer or lender’s privacy notice governs use, disclosure, and access to your Personal Information. FNF does not share Personal Information collected through the Service Websites, except (1) as required or authorized by contract with the mortgage loan servicer or lender, or (2) as required by law or in the good-faith belief that such disclosure is necessary to comply with a legal process or applicable law, to enforce this Privacy Notice, or to protect the rights, property, or safety of FNF or the public.

Your Consent To This Privacy Notice; Notice Changes

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information in accordance with this Privacy Notice. We may change this Privacy Notice at any time. The revised Privacy Notice, showing the new revision date, will be posted on the FNF Website. Each time you provide information to us following any amendment of this Privacy Notice, your provision of information to us will signify your assent to and acceptance of the terms of the revised Privacy Notice for all previously collected information and information

collected from you in the future. We may use comments, information or feedback that you submit to us in any manner that we may choose without notice or compensation to you.

Accessing and Correcting Information; Contact Us

If you have questions, would like to access or correct your Personal Information, or want to opt-out of information sharing for affiliate marketing, send your requests via email to privacy@fnf.com, by phone to (888) 934-3354, or by mail to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries (“FNF”) must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer’s right to be charged the field rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for each discount. These discounts only apply to transaction involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

FNF Underwritten Title Company

CTC - Chicago Title Company

FNF Underwriter

CTIC - Chicago Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (CTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within 12 months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge within the following time period from the date of the report.

DISASTER LOANS (CTIC)

The charge for a lender’s Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (CTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church’s obligation the charge for an owner’s policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender’s policy shall be 40% to 50% of the appropriate title insurance rate, depending on the type of coverage selected.

EMPLOYEE RATE (CTC and CTIC)

No charge shall be made to employees (including employees on approved retirement) of the Company or its underwritten, subsidiary title companies for policies or escrow services in connection with financing, refinancing, sale or purchase of the employees’ bona fide home property. Waiver of such charges is authorized only in connection with those costs which the employee would be obligated to pay, by established custom, as a party to the transaction.

ATTACHMENT ONE

CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)

ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;

- c. that result in no loss to You; or
- d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.
 This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
- 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
- 8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- 9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1.00% % of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 18:	1.00% % of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$ 5,000.00

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

(Except as provided in Schedule B - Part II, (t(or)his policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

(PART I

(The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:)

2006 ALTA OWNER'S POLICY (06-17-06)**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

(The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.
7. (Variable exceptions such as taxes, easements, CC&R's, etc. shown here.)

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (12-02-13)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

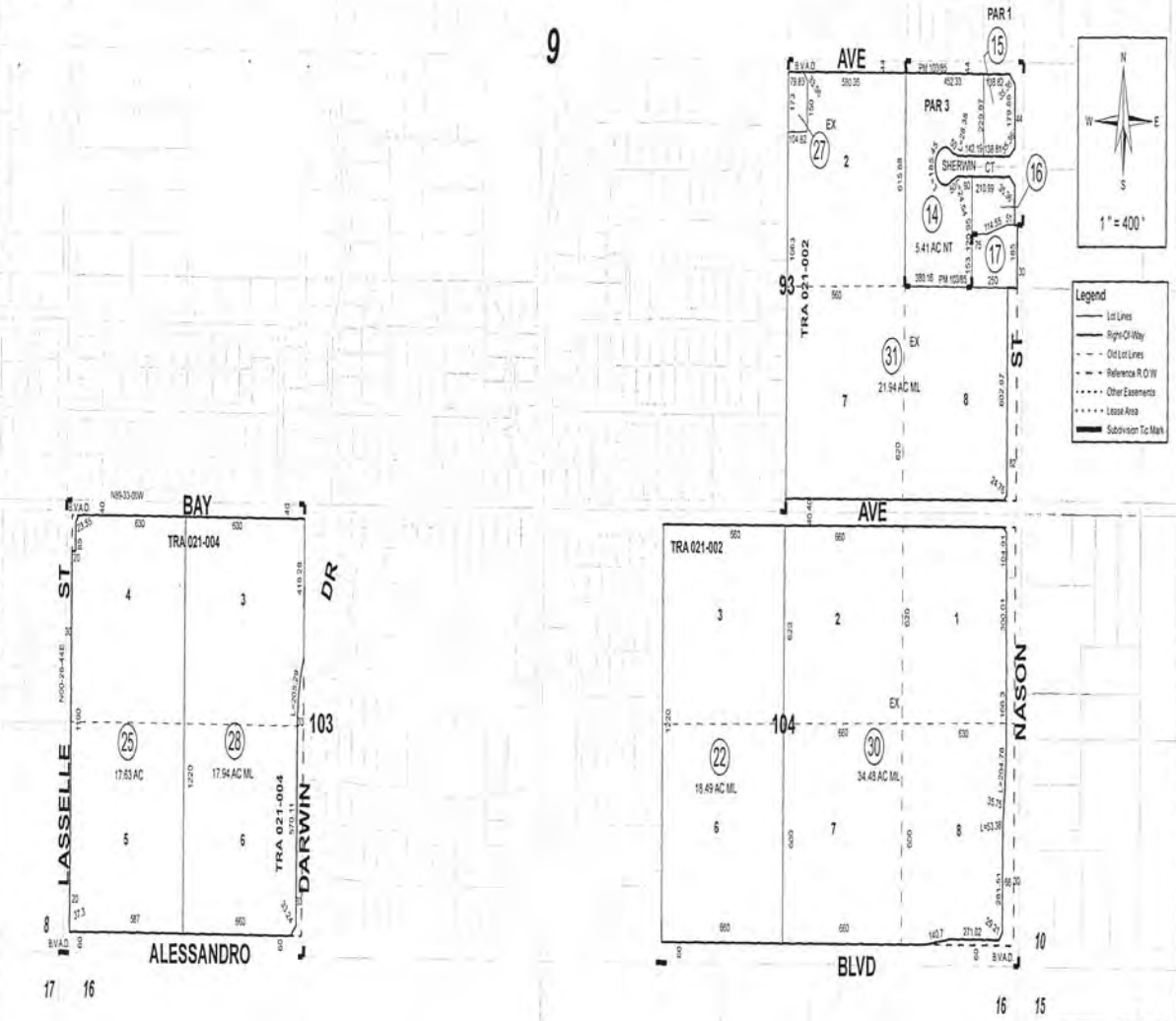
THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

POR. S1/2 SEC.9, T.3S R.3W
CITY OF MORENO VALLEY

TRA 021-002
021-004
487-47
477-22

MAY 14 2014

9



ASSESSOR'S MAP BK487 PG 47
Riverside County, Calif.

Date
CO. SUR. 271-J
RS 2365

Pg 41	Pg 43	Pg 37	Pg 45
Pg 46	Pg 55	Pg 48	
Pg 49	Pg 50	Pg 51	Pg 19
Pg 62	Pg 47	Pg 57	Pg 47
Pg 63	Pg 52	Pg 53	Pg 21
	Pg 28	Pg 27	

Map Reference	
MB 11170	SE BEAR VALLEY AND ALESSANDRO DEV. CO.
PM 10365	PARCEL MAP NO. 12924

Date	Old Number	New Number
02/19/2007	23	24
02/19/2007	24	PG.55
9/9/2009	18	25,57
9/21/2012	13	26,57
9/21/2012	19	28,57
9/21/2012	20,21	29
9/21/2012	25	PG.57
4/20/14	23	25,57
4/20/14	24	27,57
4/20/14	1	481,48
4/20/14	3A	551,611
4/20/14	7,1E	551,517

May 2014

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

OWNER'S DECLARATION

Escrow No.: 00120929-987-OC1-K27
Property Address: Vacant Land
Moreno Valley, CA

The undersigned hereby declares as follows:

- 1. (Fill in the applicable paragraph and strike the other)
a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at Vacant Land, Moreno Valley, CA, further described as follows: See Preliminary Report/Commitment No. for full legal description (the "Land").
b. Declarant is the _____ of _____ ("Owner"), which is the owner or lessee, as the case may be, of certain premises located at Vacant Land, Moreno Valley, CA, further described as follows: See Preliminary Report/Commitment No. for full legal description (the "Land").
2. (Fill in the applicable paragraph and strike the other)
a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.
b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless Chicago Title Company against any and all claims arising therefrom.
3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.
4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, regular assessments, special assessments, periodic assessments or any assessment from any source, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records. There are no violations of the covenants, conditions and restrictions as shown in the above-referenced Preliminary Report/Commitment.
5. The Land is currently in use as _____; _____ occupy/occupies the Land; and the following are all of the leases or other occupancy rights affecting the Land:

6. There are no other persons or entities that assert an ownership interest in the Land, nor are there unrecorded easements, claims of easement, or boundary disputes that affect the Land.
7. There are no outstanding options to purchase or rights of first refusal affecting the Land.
8. Between the most recent Effective Date of the above-referenced Preliminary Report/Commitment and the date of recording of the Insured Instrument(s), Owner has not taken or allowed, and will not take or allow, any action or inaction to encumber or otherwise affect title to the Land.

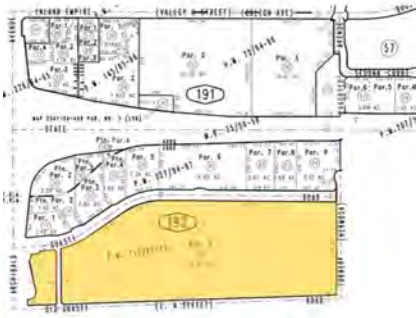
This declaration is made with the intention that Chicago Title Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Owner, by the undersigned Declarant, agrees to indemnify the Company against loss or damage (including attorneys fees, expenses, and costs) incurred by the Company as a result of any untrue statement made herein.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on _____ at _____.

Signature: _____

Addendum E: Comparable Land Sale Data Sheets

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



Property Name: Guasti Plaza Specific Plan
 Address: 2703 E Guasti Rd
 City, State, Zip: Ontario CA 91761
 Jurisdiction: San Bernardino
 MSA: Riverside - San Bernardino
 Submarket: Inland Empire-Ontario
 Property Type: Land
 Property Subtype: Commercial
 Classification: N/A
 ID: 507066
 Tax Number(s): 0210-192-11,0211-201-15

PROPERTY INFORMATION

Site Area (Acres):	56.0004	Public Utilities:	All Avail
Site Area (Sq.Ft.):	2,439,360	Electricity:	
Zoning:	Guasti Plaza SP	Water:	
Utility:	Good	Sewer:	
Access:	Good	Gas:	
Frontage:	Good	Proposed Use:	Mixed U
Visibility:	Good	Maximum FAR:	
Shape:	Irregular	Potential Building Area:	
Topography:	Level	Potential Units::	

SALE INFORMATION

Status:	Closed Sale	OAR:	
Sale Date:	8/2019	NOI:	
Sale Price:	\$29,175,000	Price per Sq.Ft.:	\$11
Value Interest:	Fee Simple	Price per Acre:	\$520,0
Grantor:	Guasti Mansion Development LLC	Price per Potential Building Area:	
Grantee:	Ontario Airport Venture, LLC	Price per Potential Units:	
Financing:	N/A		
Condition of Sale:	N/A		

VERIFICATION COMMENTS

CoStar Comps and Public Records

COMMENTS

Confirmed by the buyer 56 acres sold for \$29.175 million or about \$521K per acre (per COStar). The property has a SP for a mixed-use development. The buyer does not have a plan for this property yet, exploring options with the city. There is approximately 175,000 square feet of historical buildings on the site that will require renovation and incorporated into the overall development.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Property Name: Ontario Center - Piemonte
 Address: 4th Street and Haven Avenue
 City, State, Zip: Ontario CA 91764
 Jurisdiction: San Bernardino
 MSA: Riverside-San Bernardino
 Submarket: Inland Empire-Ontario
 Property Type: Land
 Property Subtype: Other(Land)
 Classification: N/A
 ID: 544718
 Tax Number(s): 0210-531-10,0210-531-09,0210-531-08,0210-531-07,0210-531-06,0210-531-11,0210-531-12



PROPERTY INFORMATION

Site Area (Acres):	44.8400	Public Utilities:	All Avail
Site Area (Sq.Ft.):	1,953,230	Electricity:	
Zoning:	Ontario Center Piemonte Overlay SP	Water:	
Utility:	Average	Sewer:	
Access:	Good	Gas:	
Frontage:	Excellent	Proposed Use:	Mixed I
Visibility:	Excellent	Maximum FAR:	
Shape:	Irregular	Potential Building Area:	1,292,
Topography:	Level	Potential Units::	

SALE INFORMATION

Status:	Closed Sale	OAR:	
Sale Date:	9/2017	NOI:	
Sale Price:	\$16,175,461	Price per Sq.Ft.:	\$8
Value Interest:	N/A	Price per Acre:	\$360,
Grantor:	Wells Fargo & City of Ontario RDA	Price per Potential Building Area:	\$12
Grantee:	Lewis Properties & Lincoln Properties	Price per Potential Units:	\$20,
Financing:	N/A		
Condition of Sale:	Arm's Length		

VERIFICATION COMMENTS

Bill Hoover, Lewis Management Corp

COMMENTS

The property went under contract in September 2016 from both Wells Fargo Bank who had taken back the site from the prior developer and the City of Ontario Successor Agency to re-entitle the site. The City had very specific mandates for the revised Specific Plan, with some very specific entertainment, retail and high-density residential uses. According to information provided by Lewis Management, these uses are very specific and limited in nature as to the types of development that can be done at the property, therefore development of the property has not occurred since it closed escrow in the past 2.5 years.

According to Lewis Management, approximately \$1 million was spent on the re-entitlement process, which involved updates to surrounding CC&Rs of adjoining properties. Therefore, the above pricing of the sale does not include these costs, but should be factored in as a cost as a fully entitled site.

The types of uses allowable under this revised specific plan include:

- Commercial uses, with specifically a grocery anchored center at the SE corner of Haven Avenue and 4th Street
- Office uses along Concourse Street
- High density residential uses at 30 DU/acre (3-4 story residenti

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



Property Name: Sand Canyon Plaza
 Address: Sand Canyon Road
 City, State, Zip: Santa Clarita CA 91387
 Jurisdiction: Los Angeles
 MSA: Los Angeles-Long Beach
 Submarket: Los Angeles North-Santa Clarita Valley
 Property Type: Land
 Property Subtype: Other(Land)
 Classification: N/A
 ID: 544276
 Tax Number(s): 2839-006-052,2839-006-058,2839-006-059,2839-006-060,2839-006-063,2839-006-064,2839-006-065

PROPERTY INFORMATION

Site Area (Acres):	87.5000	Public Utilities:	All Avail
Site Area (Sq.Ft.):	3,811,500	Electricity:	
Zoning:	MX-N Mixed Use- Neighborhood	Water:	
Utility:	Average	Sewer:	
Access:	Average	Gas:	
Frontage:	Average	Proposed Use:	Mixed I
Visibility:	Average	Maximum FAR:	
Shape:	Irregular	Potential Building Area:	145,
Topography:	Irregular	Potential Units::	

SALE INFORMATION

Status:	N/A	OAR:	
Sale Date:	4/2020	NOI:	
Sale Price:	\$28,000,000	Price per Sq.Ft.:	\$7
Value Interest:	Fee Simple	Price per Acre:	\$320,
Grantor:	Sand Canyon Plaza LLC	Price per Potential Building Area:	\$193
Grantee:	N/Av	Price per Potential Units:	\$48,.
Financing:	N/A		
Condition of Sale:	None		

VERIFICATION COMMENTS

Curt Randall, WD Land (949) 275-6441

COMMENTS

Per the listing broker, the property is under contract and the buyer is in their due diligence period. Specific deal details were not provided, however the broker indicated that there is a LOI for this private builder with debt secured from Saudi Arabia. Specific details on the sale price could not be disclose however pricing was in the high \$20 million sale range.

Project details: Fully approved master planned community with certified EIR and Tentative tract map for this unimproved site. Approved for 60,000 sf of grocery anchored retail center, 85,000 sf of assisted living (180 beds), 312 apartment units, 149 townhomes (3 & 4 bedroom at 1,489 to 2,080sf), 119 units of single family detached (1,900 to 2,900sf), streets, private park & recreation center, drainage basin, open space/landscaping and right of way dedication. Net/Buildable: 37.8 AC

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



Property Name: Calimesa I Land (Entitled SP)
 Address: SEC Interstate 10 and Cherry Valley Boulevard
 City, State, Zip: Calimesa CA 92320
 Jurisdiction: Riverside
 MSA: Riverside - San Bernardino
 Submarket: Inland Empire
 Property Type: Land
 Property Subtype: Commercial
 Classification: N/A
 ID: 437444
 Tax Number(s): N/A

PROPERTY INFORMATION

Site Area (Acres):	17.5401	Public Utilities:	All Avail
Site Area (Sq.Ft.):	764,042	Electricity:	
Zoning:	SP/TC-7	Water:	
Utility:	Good	Sewer:	
Access:	Good	Gas:	
Frontage:	Good	Proposed Use:	Retail-Commer
Visibility:	Good	Maximum FAR:	
Shape:	Irregular	Potential Building Area:	
Topography:	Rolling	Potential Units::	

SALE INFORMATION

Status:	Closed Sale	OAR:	
Sale Date:	5/2019	NOI:	
Sale Price:	\$7,000,000	Price per Sq.Ft.:	\$9
Value Interest:	N/A	Price per Acre:	\$399,1
Grantor:	Northlight Trust	Price per Potential Building Area:	
Grantee:	Lewis Commercial	Price per Potential Units:	
Financing:	N/A		
Condition of Sale:	N/A		

VERIFICATION COMMENTS

Lukasz Mysliwiec, Northlight Capital Partners (646) 873-6406

COMMENTS

Lewis Acquisition is building a retail center, with Stater Bros. as the anchor tenant. The site was entitled for a 170,000 square foot commercial proper with eight recorded parcels designated for a mix of retail uses including a grocery store, fast food restaurants and office uses.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Property Name: Unentitled R-10 Zoned Land
 Address: 14631 Perris Blvd
 City, State, Zip: Moreno Valley CA 92553
 Jurisdiction: Riverside
 MSA: Riverside-San Bernardino
 Submarket: Inland Empire-Moreno Valley
 Property Type: Land
 Property Subtype: Residential (Multi-Family) For Sale
 Classification: N/A
 ID: 544352
 Master Plan: N/A
 Tract/Plat Map: N/A
 Planning Area: N/A
 Tax Number(s): 428-230-024,482-582-038,482-582-039,482-582-040



SITE INFORMATION

Gross Site Area (Acres / Sq.Ft.):	15.6801	683,019	Public Utilities:	All Avail
Net Residential Area (Acres / Sq.Ft.):	15.6801	683,019	Electricity:	
Zoning:		R10, 10 DU/AC	Water:	
Utility:		Good	Sewer:	
Access:		Good	Gas:	
Frontage:		Good	Proposed Use:	Residential-Single-Fa
Visibility:		Good	Maximum FAR:	
Shape:		Irregular	Potential Building Area:	
Topography:		Irregular	Number of Units:	
Physical Condition:		N/A	Units per Acre (Gross / Net):	N/A
Entitlements:		No	Tax Rate/Special Assessments:	
Premium Potential:		N/A		
Premium Type:		N/A		
No. Premium Lots:		N/A		
Lot Premium:		N/A		

IMPROVEMENT INFORMATION

Product Type:		N/A	HOA Dues (per Month/per Year):	N/A
Retail Pricing (Min,Avg,Max):	N/A	N/A	Amenities:	
Home Size (Min,Avg,Max):	N/A	N/A	Gated:	
Commercial Space (SqFt):		N/A	School District:	

SALE INFORMATION

Status:	Closed Sale	Price per Sq.Ft.:	\$2
Sale Date:	2/2020	Price per Acre:	\$181,
DOM / Exposure Time:	1,093	Sale Price per Potential Building	
Sale Price:	\$2,850,000	Price per Unit:	
Grantor:	Perris-Cactus Development LLC	Cost to Finished Lot (per Unit):	
Grantee:	Century Communities Of California, LLC	Price per Finished Lot:	
Financing:	N/A	Finished Lot to Home Price Ratio:	
Document No:	2020-0057272		
Value Interest:	Fee Simple		
Buyer Intention:	N/A		
Bulk / Rolling:	N/A		
Avg. Takedown Rate per Quarter:	N/A		
Escalator Amount:	N/A		
Rolling Options:	N/A		
Ground Lease:	No		

VERIFICATION COMMENTS

Confirmed - CoStar Comps and Public Records

COMMENTS

The property had a long escrow period (approx. 18 months) in which the buyer entitled the property for 122 SFR's. According to the development ma provided by the city of Moreno Valley, the development is in the planning stages.

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Property Name: Unentitled R-3 Land
 Address: SEC Alessandro Blvd & Nason St
 City, State, Zip: Moreno Valley CA 92555
 Jurisdiction: Riverside
 MSA: Riverside-San Bernardino
 Submarket: Inland Empire-Moreno Valley
 Property Type: Land
 Property Subtype: Residential (Multi-Family) For Sale
 Classification: N/A
 ID: 544353
 Master Plan: N/A
 Tract/Plat Map: N/A
 Planning Area: N/A
 Tax Number(s): 486-260-002,486-260-007,486-260-012,486-260-013



SITE INFORMATION

Gross Site Area (Acres / Sq.Ft.):	34.9102	1,520,679	Public Utilities:	All Avail
Net Residential Area (Acres / Sq.Ft.):	34.9102	1,520,679	Electricity:	
Zoning:		R3	Water:	
Utility:		Good	Sewer:	
Access:		Good	Gas:	
Frontage:		Good	Proposed Use:	
Visibility:		Good	Maximum FAR:	
Shape:		Rectangular	Potential Building Area:	
Topography:		Level	Number of Units:	
Physical Condition:		N/A	Units per Acre (Gross / Net):	N/A
Entitlements:		No	Tax Rate/Special Assessments:	
Premium Potential:		N/A		
Premium Type:		N/A		
No. Premium Lots:		N/A		
Lot Premium:		N/A		

IMPROVEMENT INFORMATION

Product Type:		N/A	HOA Dues (per Month/per Year):	N/A
Retail Pricing (Min,Avg,Max):	N/A	N/A	Amenities:	
Home Size (Min,Avg,Max):	N/A	N/A	Gated:	
Commercial Space (SqFt):		N/A	School District:	

SALE INFORMATION

Status:	Closed Sale	Price per Sq.Ft.:	\$2
Sale Date:	9/2019	Price per Acre:	\$176,
DOM / Exposure Time:	N/A	Sale Price per Potential Building	
Sale Price:	\$6,155,900	Price per Unit:	
Grantor:	Alessandro and Nason Hamner Properties LLC	Cost to Finished Lot (per Unit):	
Grantee:	East Valley Plaza LLC	Price per Finished Lot:	
Financing:	N/A	Finished Lot to Home Price Ratio:	
Document No:	2019-0355154		
Value Interest:	Fee Simple		
Buyer Intention:	N/A		
Bulk / Rolling:	N/A		
Avg. Takedown Rate per Quarter:	N/A		
Escalator Amount:	N/A		
Rolling Options:	N/A		
Ground Lease:	No		

VERIFICATION COMMENTS

Confirmed - CoStar and Public Records

COMMENTS

This is the purchase of 35.33 acres of residential land in the City of Moreno Valley CA. According to representative of the city of Moreno Valley Planning Department, there are currently no entitlements for the site

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING - TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

Addendum F: Qualifications of the Appraiser

Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)



Jennifer A. Hafner, MAI Director

Valuation & Advisory
Cushman & Wakefield Western, Inc.

Professional Expertise

Jennifer Hafner is a Director with Cushman & Wakefield Western, Inc.'s Valuation & Advisory team, based in Ontario, California. Ms. Hafner is responsible for valuing industrial, office, retail, multifamily, and land assets within the Inland Empire market. She joined Cushman & Wakefield in 2014 and has been appraising commercial properties in Southern California since 2005.

Experience includes valuation assignments in Southern California and across the United States, as well as underwriting assignments for various CMBS investors. Assignments include market and financial analysis for major income properties and pension fund portfolio valuations. Additional services provided include site inspections for lending and securitization. Property types include retail, office, industrial and multifamily. Retail property experience includes freestanding specialty retail, community centers and neighborhood centers. Office and R&D experience includes CBD and suburban properties. Industrial experience includes the analysis of large warehouse, distribution product and business parks. Multifamily engagements include both large-scale apartment development and smaller projects.

Ms. Hafner also possesses over 12 years of experience managing projects and promotions and coordinating events in the high-tech industry. Ms. Hafner has developed strong skills in the field of sales and marketing. She has successfully helped launch new products, trained customers and grew new customer accounts. Project management, event coordination and communication are among her strengths.

Memberships, Licenses, Professional Affiliations and Education

- Designated Member, Appraisal Institute (MAI #14343). As of the current date, Jennifer A. Hafner, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
- Certified General Real Estate Appraiser in the following state:
 - California – AG039874
- Member, CREW Los Angeles & Inland Empire Chapters
- Member, Saint Mary's College Alumnae
- Member, Pasadena Playhouse District
- Bachelor of Arts in Business Administration, St. Mary's College, Notre Dame, IN

CALIFORNIA



Attachment: Attachment C - Copy of Appraisal Summary (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC OPPORTUNITY)

**ATTACHMENT “D” TO CITY OF MORENO VALLEY
SUMMARY REPORT (GOV C 52201)
COPY OF HDL ECONOMIC IMPACT & BENEFIT ANALYSIS**

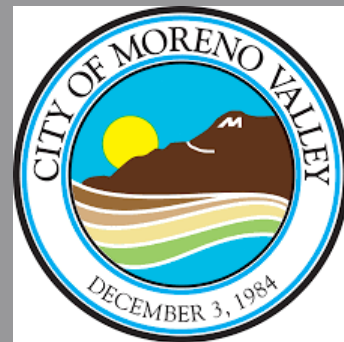
[SEE ATTACHED]

Attachment: Attachment D - Copy of HDL Economic Analysis (6402 : PUBLIC HEARING – TOWN CENTER PROJECT ECONOMIC

City of Moreno Valley

Economic Impact & Benefit Analysis and Impact of Surplus Land Act (Affordable Housing) Requirements on Town Center Project in Moreno Valley, California.

February 2023





OBJECTIVE

HdL ECONsolutions has updated the Economic Impact & Benefit Analysis it did in early 2020 for the proposed “Town Center” project by the Lewis Group of Companies (Lewis). The work originally done for the City comprehensively projected the direct and indirect revenue potential to be produced by Lewis with a proposed mixed-use project on 56.42 acres of undeveloped property owned by the City of Moreno Valley situated at the NW corner of Alessandro Boulevard and Nason Street in Moreno Valley California. To update the original analysis performed in early 2020, HdL ECONsolutions reviewed the updated development plan for the site based on the Specific Plan in process with the City of Moreno Valley, looked at changes in market conditions that would affect the proforma of the proposed project, especially development cost increases that would impact building valuation and property tax revenue, as well as sales volumes of proposed uses that would impact sales tax revenue potential. Additionally, HdL ECONsolutions evaluated and carefully analyzed the impact to the proposed Town Center project if the residential component of the proposed was required to set aside 25% of the residential units for housing affordable to lower income households to comply with the Surplus Land Act, which analysis included the following:

- Material reduction in potential revenues to Lewis from the residential units necessary to fund the retail development and public infrastructure and public amenities.
- Impact on potential revenues to be realized by the City from the proposed Town Center project.

OVERVIEW OF PROPOSED TOWN CENTER PROJECT

Lewis was selected by the City to develop the proposed mixed-use Town Center project to be developed on a 56.42-acre undeveloped property owned by the City of Moreno Valley situated at the NW corner of Alessandro Boulevard and Nason Street in Moreno Valley CA. The site is located nearly at the geographic center of the City of Moreno Valley in an area the City of Moreno Valley has designated as the Downtown Center in the City’s General Plan. The Downtown Center is envisioned as the City’s premiere economic development area with dynamic mixed-use destinations and amenities that draw local residents from Moreno Valley and visitors from the wider region.

The City of Moreno Valley has long envisioned the 56.42-acre site to be a quality mixed-use development with a non-residential component comprised of office, retail, restaurant, and commercial uses as well as a hotel for transient occupancy use as described in Chapter 3.24 Transient Occupancy Tax of the Moreno Valley Municipal Code. The City refers to this project as its “Town Center.” The non-residential component would also include all ancillary landscaping, parking amenities and public elements such as parks, open space, paseos, connectivity corridors, plazas and other public gathering spaces and related public improvements consistent with the requirements of the Downtown Center zoning. The development would also include a residential component of between 300 and 700 residential units. The Town Center project is intended to be developed with 40% non-residential uses and 60% residential uses.

Lewis is also responsible for constructing all public infrastructure including but not limited to, sewer, water, reclaimed water, storm drains and street improvements required to service the Town Center project. As a condition to purchasing the property, Lewis is required to set aside 40,000 square feet of



improved land, at no cost to the City, for construction of a future innovation tech library or other civic use. Other City conditions for the Town Center project include the right to lease up to 1,400 square feet of office space for a police substation with discounted common area maintenance charges, advertising signage on the 60 freeway, a major project amenity of not less than \$2,000,000 in value and a City approved public art component.

The current plan for the Town Center project provides for construction of a 222,000 square foot commercial center on 16 acres including the civic use mentioned above, a 106-room hotel, a market, a fitness health club and a mix of retail and restaurant tenants. Lewis is currently proposing 554 residential units on 36 acres, with parks, and recreational elements on the remaining 4.8 acres.

ECONOMIC IMPACT AND BENEFIT ANALYSIS OF THE PROPOSED TOWN CENTER PROJECT

An analysis was performed to assess the economic benefits of the proposed Town Center project. The 56.42-acre site is nearby to Riverside University Medical Center and Kaiser Permanente Hospital, both of which are underway with major expansion projects. Approximately 60% of the site has been designated for residential use currently planned to include 278 apartments and 271 homes for sale. The remaining 40% of the project site is planned to include a market, a health club, retail, restaurant, and office uses as well as a hotel. The entire project cost (total building valuation), not including land, is estimated at over \$301,000,000. The annual economic benefit to the City of Moreno Valley is estimated to exceed \$2 million, with that number growing to nearly \$3.3 million by year 25 (with 2% compounded annual growth rate).

Over a 25-year period, assuming a 2.0% escalator, the City would collect a projected \$64,688,974 in tax revenues from the Project.



Direct Revenues

Commercial Component						
Use	Bldg. SF	Sales/SF	Annual Sales	Annual Sales Tax Revenue	Total Bldg. Valuation	Property Tax
Library/Civic	30,000				\$9,300,000	
Market	45,000	\$1,000	\$45,000,000	\$450,000	\$13,950,000	\$23,157
Retail	39,290	\$500	\$19,645,000	\$196,450	\$12,179,900	\$20,219
Restaurant	21,160	\$760	\$16,081,600	\$160,816	\$6,559,600	\$10,889
Fitness	30,000	\$8	\$225,000	\$2,250	\$9,300,000	\$15,438
	165,450		\$80,951,600	\$809,516	\$51,289,500	\$69,703

Residential Component						
Use	Units	P/HH	Total Residents	Cost/Unit	Total Valuation	Property Tax
MFR	278	3.74	1,040	\$410,000	\$113,980,000	\$189,207
For- Sale Homes	271	3.74	1,013	\$445,000	\$120,595,000	\$200,188

Hotel Component							
Use	Total Rooms	Cost/Room	Total Cost	Occupancy	Annual Room Sales	Annual TOT Revenue	Property Tax
Upscale	106	\$200,000	\$21,200,000	80%	\$4,333,280	\$563,326	\$35,192

Property tax revenue is based on 16.6% share of the City's 1% property tax collected using a total project valuation of \$175,240,000

Sales Tax Revenue - By Resident						
Use	Units	Spending/HH	Total HHS	Percentage Spending	Total Taxable Spending	Sales Tax Generated
MFR	278	\$19,508	\$5,423,298	70%	\$3,796,308	\$37,963
For-Sale Homes	271	\$19,508	\$5,286,740	70%	\$3,700,718	\$37,007

Sales Tax Revenue - by Employees					
Use	Employees	Annual Spending	Percentage Spending	Total Taxable Spending	Sales Tax Generated
Library/ Civic	30	\$227,760	70%	\$159,432	\$1,594
Market	75	\$569,400		\$398,580	\$3,986
Retail	60	\$455,520		\$318,864	\$3,189
Restaurant	100	\$759,200		\$531,440	\$5,314
Fitness	20	\$151,840		\$106,288	\$1,063
	285	\$2,163,720		\$1,514,604	\$15,146

Based on SiteSeer demographics, the City of Moreno Valley averages 3.74 persons per household and has an average disposable income of \$85,411 of which HdL ECONsolutions estimates 30% will be used for household spending. Of that 70% is potentially taxable.

Similarly, employee spending is approximately \$146 per week or \$7,592 a annually. Of which 70% is potentially taxable and spent in



Employment Economic Impact - Residential					
Use	Units	Direct Residential Construction Employment Impact	Indirect Residential Employment Impact	Annual Direct Residential Construction Employee Spending	Annual Indirect Residential Employee Spending
MFR	278	826	314	\$6,268,411	\$2,384,951
For-Sale Homes	271	805	306	\$6,110,573	\$2,324,898
TOTAL	549	1631	620	\$12,378,984	\$4,709,849

Sales Tax - by Direct and Indirect Employees - Residential			
Direct Residential Construction Employment Impact	Indirect Residential Employment Impact	Percentage of Taxable Spending in the City	Sales Tax Generated
\$2,599,587	\$989,068	\$3,588,655	\$35,887

Sales Tax - By Indirect Employees - Commercial					
Use	Commercial Construction Employment	Indirect Commercial Employee Impact	Annual Commercial Construction Employee Spending	Annual Indirect Commercial Employee Spending	Potential Sales Tax Generated
Retail	518	1143	\$825,838	\$1,822,542	\$26,484

Residential direct employment is determined using the multiplier 2.97 times the number of proposed residential units and residential indirect construction employment is expressed using the multiplier 1.13 - sourced from an Economic and Housing Policy analysis by the National Association of Home Builders (NAHB). Jobs are given in full-time equivalents. Full-time equivalent is defined as enough work to keep one worker employed for a full year based on average hours worked per week in the relevant industry.

Total employee spending is based on ICSC 2013 Study which determined that the average employee spends \$146 per week (not including spending on transportation and online sales). Total impact (employee/spending) is calculated using 2019 dollars considering the total estimated employees within each project. Additionally, Annual Direct & Annual Indirect spending has been factored for weekly spending multiplied by 52 weeks per year and does not consider holidays/vacations etc.

Sales tax generated by construction employees and indirect employees (those providing ongoing maintenance) captured by the City is based on the assumption that 70% of the total spending is on taxable items and of that 30% is spent in the City of Moreno Valley.

The following is a summary of revenue to be produced by the proposed Town Center project including direct and indirect revenues.

Revenue Summary	
Direct Revenues	
Sales Tax Revenue	
Commercial	\$809,516
Property Tax Revenue	
Commercial	\$69,703
Residential	\$389,395
Hotel	\$35,192
Transient Occupancy Tax Revenue	
Hotel	\$563,326
Total	\$1,867,131
Indirect Revenues	
Sales Tax Revenue	
Commercial Employees	\$15,146
Commercial Employer	\$26,484
Residential Employment	\$35,887
Residential Resident	\$74,970
Total	\$152,487
Total Annual Sales Tax, Property Tax and TOT Revenue: \$2,019,618	

Sales tax revenue generated by employment within the proposed Town Center project is based on the potential spending that may happen as a result of workers and residents satisfying their daily retail needs. This is not an endorsement of amounts but should be seen as a conservative projection of the potential revenue that could be realized from new residents and employees within the Town Center. This number will decrease as construction has completed and will only be made up of residents, direct employment and indirect employment made up of those that are providing a service or product on an ongoing basis. This could include landscapers, plumbers, janitorial service etc.

IMPACT OF THE SURPLUS LAND ACT’S AFFORDABLE HOUSING REQUIREMENTS

The City requested HdL ECONsolutions evaluate the financial impacts of developing the residential portion of the Town Center with no less than 25% of the units being designated as affordable pursuant to the State of California’s Surplus Land Act. Not being legal counsel, HdL ECONsolutions shall not render any opinions on the requirements contained in the Surplus Land Act, but rather provide a professional opinion on the economic impact to the City that results from having 25% of the residential units set aside for affordable housing purposes.



As highlighted in the previous section of this report, the Town Center project as proposed offers significant positive economic opportunities and benefits to the City of Moreno Valley in the form of creating a higher-end development, along with significant projected revenues to the City of Moreno Valley through increased sales tax, property tax and transient occupancy tax (TOT). To require that 25% of the planned 549 residential units be used for the development of affordable housing would materially diminish the types and quality of possible users to be secured with the 26.42-acres to be developed with commercial related uses including a mix of retail and restaurant uses, market, health club and an upscale hotel use. Developing affordable housing within the Town Center likely significantly impacts the attraction of a higher-end hotel and may prevent securing any commitment from a possible hotel user.

Inserting the 25% affordable housing component into the Town Center project thereby reducing the planned number of market rate units will reduce the overall viability of the project from a proforma standpoint and the necessary return on investment for a new project of this type as proposed by Lewis. While the land area of The Town Center project is split 60% residential / 40% non-residential, the proforma revenues from 549 market-rate residential units together with CFD proceeds on the for-sale (market rate) units accounts for approximately 80% of projected revenues to Lewis. With CFD proceeds included, residential land provides a much higher value per improved acre than non-residential land. These resulting increased revenues from the sales/lease of the market rate residential units are essential for Lewis to finance the construction of the necessary public improvements and major public amenities required in the Town Center and to subsidize the Developer's costs of developing the Retail/Commercial and Hotel components of the Town Center Project in order for the Retail/Commercial and Hotel components to operate profitably. The financial impacts of the inclusion of affordable housing in the Town Center project are significant. Assuming 25% of the for sale residential portion of the Town Center project is affordable housing, total residential proforma revenues would be reduced by approximately 12%. In addition, available CFD proceeds would be reduced significantly by 39% resulting in an overall 16% reduction in project revenues to Lewis. In part, this is because the affordable housing developer would pay no costs of the backbone infrastructure and site improvements required to construct the affordable units. In the case of the Town Center project, these costs would need to be funded by the remaining market rate housing, materially reducing funds necessary to construct the public improvements and major public amenities required to develop the entirety of the Town Center. This substantial loss of residential revenues exceeds projected profits the result of which are unsustainable operating losses rendering the entire Town Center project infeasible for Lewis or any other developer to develop.

More importantly the 25% reduction in the market-rate residential units to satisfy the affordability requirement will cause a significant decrease in possible new annual revenue generation for the City through enhanced sales tax, property tax and TOT revenues. HdL ECONsolutions suggests that the projected estimate of more than \$2.01 million in new annual revenue through sales tax, property tax and TOT could be reduced by 40% to maybe 50% or even more, if the 25% affordable housing requirement is required. Furthermore, HdL ECONsolutions believes the economic viability of the proposed commercial development component (retail and restaurant uses, and an upper end hotel) is significantly impacted with the incorporation of affordable housing into the project.



SUMMARY

HdL ECONsolutions has carefully analyzed and evaluated the possibility of requiring 25% of the residential units be designated for affordable housing purposes for low-income users. HdL ECONsolutions believes the impact would be significant on the viability of the entire Town Center project. Potential new revenue opportunities to the City of Moreno Valley from enhanced sales tax, property tax and TOT revenue would be reduced by 40% to 50%. Furthermore, the inclusion of 25% of the residential units to be affordable for low-income residents materially reduces the proforma residential revenues and CFD proceeds to Lewis causing the overall Town Center project to be infeasible for Lewis or any other developer to develop.

ABOUT HdL ECONsolutions

HdL Companies (HdL) is 40-year-old consulting business based in Brea California and with other California offices in Fresno and Pleasanton, as well as offices in Texas, Colorado, Alabama, Georgia, and North Carolina. HdL has more than 400 local government clients in California and offers a full range of consulting services including sales tax, property tax, business license management, cannabis support and economic development.

In 2014, HdL formed HdL ECONsolutions to provide a variety of economic development related products and services in further serving local governments. In nearly 9 years, HdL ECONsolutions has worked for 180 local governments, plus many private sector developers on a full range of economic development related services. Presently, HdL ECONsolutions is presently working for 32 clients. Some of the services HdL ECONsolutions provides includes the following:

- INSIGHT Market Analytics
- Community Profile
- Trade Area & Void Analysis
- Site Selection Assistance
- Retail Attraction Support
- Economic Development Action Plan
- Retail Performance Assessment
- Hotel Market Study
- Market Study
- Financial Impact Analysis & Revenue Projections
- Reuse & Redevelopment Study
- Highest & Best Use Assessment
- Administrative Support of ARPA Business Assistance Programs
- Community E-Gift Card Programs (in partnership with Yiftee)



Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, CMC, City Clerk

AGENDA DATE: September 19, 2023

TITLE: OFFICE OF THE MAYOR AND CITY COUNCIL SPONSORSHIP PROGRAM

RECOMMENDED ACTION

Recommendation:

1. That the City Council approve the annual \$60,000.00 Office of the Mayor and City Council Sponsorship Program.

SUMMARY/DISCUSSION

Mayor Cabrera and Mayor Pro Tem Delgado have requested the following proposed \$60,000 annual sponsorship events and programs be presented to the City Council for its consideration.

Policy 2.13 City Sponsorship outlines the criteria that must be met by any person or entity requesting City sponsorship, which usually includes submitting a Sponsorship application to the City Manager, who may defer the request to the City Council. However, the Sponsorship Program has already been budgeted for the 2024/25 fiscal year budget, no applications will be required.

The proposed sponsorship contributions are as follows:

ONE-TIME ANNUAL EVENT SPONSORSHIPS	
Riverside University Health System Medical Center - Festival of Trees Gala	\$9,500.00
Riverside Drive March Air Reserve Base - Air & Space Expo	\$5,000.00
Southwest Veterans' Business Resource Center, Inc. - Veteran & Small Business Summit	\$3,300.00
Riverside Sheriff's Association - Desert Willow Charity Golf Tournament	\$2,500.00
Think Together - Raise a Hand for Education Benefit	\$2,500.00

Riverside University Health System Foundation - Pinwheels for Prevention	\$2,500.00
Veteran Supplemental Support Network - Daisy Walk for Military and Veteran Suicide Prevention	\$2,500.00
Riverside County Workforce Development Board - Jamil Dada Character Excellence Youth Awards	\$2,500.00
Riverside County Sheriff's Department - Annual Award Ceremony	\$1,000.00
ORGANIZATION SPONSORSHIPS	
Moreno Valley & Val Verde Unified School District Student of the Month Program	\$5,000.00
Moreno Valley Community Band (MVCB)/Wind Symphony	\$5,000.00
Pacific Crest Youth Arts Organization SoCal Drum Corps	\$2,500.00
Building Up Lives Foundation	\$2,000.00
Power Speaks Louder	\$2,000.00
Inland Compassion	\$2,000.00
Support Move & Groove For Health	\$2,000.00
Unity of The Faith Christian Outreach Ministries Inc.	\$2,000.00
The Hole In Wall Inc.	\$1,000.00
Imani Praise Fellowship	\$2,000.00
Rising Stars Business Academy YouthBuild	\$1,000.00
Edgemont Women's Club	\$1,000.00
Moreno Valley Trailseekers	\$500.00
San Gorgino Girls Scouts	\$500.00
Total: \$59,800.00	

ALTERNATIVES

1. Approve as recommended. Staff recommends this alternative.
2. Do not approve as recommended but provide an alternative direction to staff. Staff recommends this alternative.

FISCAL IMPACT

The various sponsorship are budgeted, the above list has no additional fiscal impact to the City.

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
 Name Jane Halstead
 Title Manager of the Office of Mayor and City Council/City Clerk
 Clerk

Department Head Approval:
 Name Jane Halstead
 Title Manager of the Office of Mayor and City Council/City

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

To view large attachments, please click your “bookmarks”  on the left hand side of this document for the necessary attachment.

- 1. Policy #2.13

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	9/14/23 8:11 AM
City Attorney Approval	<u>✓ Approved</u>	
City Manager Approval	<u>✓ Approved</u>	9/14/23 8:56 AM

CITY SPONSORSHIP

PURPOSE: City sponsorship is provided for the purpose of aiding eligible organizations in providing worthwhile community events by paying a portion of the costs and receiving positive publicity for the City. The purpose of this policy is to set forth criteria to be met by the applicant prior to consideration of the request for sponsorship, as well as policies and procedures to be followed by the City in acting on the request for sponsorship.

POLICY:

I. Sponsorship

The City of Moreno Valley receives numerous requests to sponsor or co-sponsor events, activities, individuals or groups. The City has limited resources available for these sponsorship opportunities. For that reason, it is the City's policy to only sponsor or co-sponsor cultural or recreational events provided to the community by non-profit organizations existing pursuant to Internal Revenue Code Section 501(c)(3) or (4) that are located within the City. Sponsorship is a discretionary act of the City that confers no legal rights in the sponsorship proceeds or assistance prior to actual delivery by the City. No organization shall receive any City sponsorship proceeds or assistance unless and until it meets all of the criteria and satisfies all of the conditions contained within this policy and said sponsorship requester has submitted a completed application packet to the satisfaction of the City Manager. Upon approval of the Sponsorship Application packet, the sponsorship request will be forwarded to the City Council for review and consideration.

II. Organization Eligibility

Criteria for organization eligibility for City sponsorship is as follows:

- A. Applicant must be organized and existing pursuant to Internal Revenue Code Section 501(c)(3) or (4).
- B. Applicant must have as its primary purpose charity, youth development, cultural enrichment, or civic improvement.
- C. Applicant must be located within the City and providing services or benefits to the community.
- D. Applicant must complete and comply with the application process.
- E. Applicant must demonstrate a need for City sponsorship.
- F. Past events by the applicant must have complied with City requirements and have been free of significant problems.
- G. Applicant must have a valid City Business License.

III. Event Eligibility

Criteria for event eligibility are as follows:

- A. Fundraising shall not be the primary purpose of the event.
- B. Cultural or recreational events only.
- C. Past similar events by the applicant must have complied with City requirements and have been free of

Approved by: City Council

9/24/02

Revised: 11/25/08

CITY SPONSORSHIP

significant problems.

- D. Open to the general public without qualification and must be widely publicized.
- E. Located within the City including the City sphere of influence March Air Reserve Base, March Joint Powers Authority property, and Box Springs Park.

IV. Sponsorship Limitations

Sponsorship proceeds or assistance shall not result in any money being actually given to or paid in behalf of the event organizer. Sponsored events will only receive a “line of credit” with the City that will allow the group to receive credits of City costs up to the designated amount of the sponsorship for the event. Eligible City costs that can be offset by the sponsorship proceeds or assistance up to the maximum amount of the sponsorship are limited to the following:

- A. Mobile stage rental. (A monetary deposit by the applicant will be required.)
- B. Facility rental. (A monetary deposit by the applicant will be required.)
- C. Light or electric pole use in City parks.
- D. City Permits.
- E. Public Safety Services.
- F. City Staff.

V. Sponsorship Amounts

The amount of sponsorship proceeds or assistance shall be determined as follows:

- A. Depending on availability of resources, the City will budget \$5,000 per fiscal year to be used for sponsorship opportunities.
- B. The maximum sponsorship for any qualified organization and event shall not exceed \$2,500 per fiscal year.
- C. The maximum amount of sponsorship shall be directly proportional to the total attendance of the public at the sponsored event as follows:
 - 1. 250 - 500 in attendance = \$500 per event.
 - 2. 501 - 750 in attendance = \$750 per event.
 - 3. 751 - 1,000 in attendance = \$1,000 per event.
 - 4. Over 1,001 in attendance = \$2,500 per event.

In no case shall the sponsorship amount exceed fifty percent (50%) of the funds raised for the event.

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- D. Sponsorship amounts or assistance shall not be utilized to cover the cost of insurance.

VI. Application Process

- A. Submit a completed City application (Attachment A) for sponsorship at least 90 calendar days prior to the event date. Failure to comply with this requirement shall be automatic grounds for denying sponsorship. The application shall include a detailed description or listing of the estimated funds, in-kind donations and/or other assistance the organization will receive to support the organization and/or event.
- B. A completed application means completion of the City application for sponsorship, attachment of all required additional documentation, payment of all fees, if applicable, and submission of whatever other information and/or documentation that may be requested by the City to make an informed decision.
- C. Incomplete applications shall not be eligible for City sponsorship.
- D. Applicants shall receive a copy of this policy at the time an application is made to the City.

VII. Approval

- A. A determination shall be made by the City Manager or his/her designee, within 30 calendar days after submission of an application for sponsorship as to its completeness.
- B. The City Manager shall refer the request for sponsorship to the City Council for determination. Determinations on requests for sponsorship shall be made within 30 calendar days after submission of a completed application.
- C. All decisions of the City Council regarding sponsorship shall be final.

VIII. Other Requirements

- A. Applicant must agree in writing to defend and indemnify the City, the Moreno Valley Community Services District, the Community Redevelopment Agency of the City of Moreno Valley and their officers, employees and agents from and against any and all liability and claims of liability arising out of or otherwise arising from the event.
- B. Applicant shall submit to the City at least 10 calendar days prior to the event an event implementation plan, if requested by the City. The event implementation plan shall address in detail all issues requested by the City.
- C. Applicant shall agree to list the City of Moreno Valley as an official sponsor of the event in all promotion of the event. Failure to do so shall result in termination of the sponsorship and repayment to the City the monetary value of all sponsorship proceeds or assistance delivered to the applicant or for the event.
- D. Applicant shall coordinate and work directly with the City Manager or his/her designee for use of the City name and City logo.

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- E. Applicant must have adequate public liability and other necessary insurance for the event as required by and in accordance with City insurance requirements or as otherwise determined necessary by the City Risk Manager.
- F. All insurance must be issued by a company authorized and licensed to do business within the State of California and has a Best's Insurance Rating of A-, VII, or better to be acceptable to the City.
- G. City, the Moreno Valley Community Services District, the Moreno Valley Community Redevelopment Agency, and their officers, employees, and agents must be named as additional insured on all policies of insurance.
- H. Applicant must provide City with insurance certificates and valid additional insured endorsements or other appropriate insurance binder 15 calendar days prior to the date of the sponsored event.
- I. Applicant shall provide the City with a detailed accounting of all expenses and funds, in-kind donations, and/or other assistance collected for the organization and/or event within 90 days following the event. Failure to provide the required information would deem the organization and/or event ineligible for City sponsorship in the future.

IX. Sponsorship Not Subject To This Policy

This policy shall not apply to events or organizations that are specifically budgeted for in the City's Annual Budget.