

## **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  
BOARD OF LIBRARY TRUSTEES**

**March 10, 2015**

**SPECIAL PRESENTATIONS – 5:30 P.M.  
REGULAR MEETING – 6:00 P.M.**

### **City Council Study Sessions**

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

### **City Council Meetings**

Second & Fourth Tuesdays of each month – 6:00 p.m.

### **City Council Closed Sessions**

*Immediately following Regular City Council Meetings and  
Study Sessions, unless no Closed Session Items are Scheduled*

**City Hall Council Chamber - 14177 Frederick Street**

**Teleconference -24429 Groven Lane  
Moreno Valley, CA 92557**

*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 Mark Sambito, ADA Coordinator, at 951.413.3120 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.*

Dr. Yxstian A. Gutierrez, Mayor Pro Tem  
Jeffrey J. Giba, Council Member

Jesse L. Molina, Mayor

George E. Price, Council Member  
D. LaDonna Jempson, Council Member

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**CITY COUNCIL OF THE CITY OF MORENO VALLEY**  
**March 10, 2015**

**CALL TO ORDER – 5:30 PM**

SPECIAL PRESENTATIONS

Business Spotlight

a) AAMCO of Moreno Valley

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**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  
AND THE BOARD OF LIBRARY TRUSTEES**

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

**REGULAR MEETING - 6:00 PM  
MARCH 10, 2015**

**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 Steve Overton - Christian Chapel Foursquare Church

**ROLL CALL**

**INTRODUCTIONS**

**PUBLIC COMMENTS ON MATTERS ON THE AGENDA** WILL BE TAKEN UP AS THE ITEM IS CALLED FOR BUSINESS, BETWEEN STAFF'S REPORT AND CITY COUNCIL DELIBERATION (SPEAKER SLIPS MAY BE TURNED IN UNTIL THE ITEM IS CALLED FOR BUSINESS.)

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

Those wishing to speak should complete and submit a BLUE speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council.

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## **JOINT CONSENT CALENDARS (SECTIONS A-D)**

All items listed under the Consent Calendars, Sections A, B, C, and D 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**

**Recommendation:** Waive reading of all Ordinances and approve reading by title only.

#### **A.2 MINUTES - REGULAR MEETING OF FEBRUARY 24, 2015 (Report of: City Clerk's Department)**

**Recommendation:**

1. Approve as submitted.

#### **A.3 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk's Department)**

**Recommendation:**

1. Receive and file the Reports on Reimbursable Activities for the period of February 18 – March 3, 2015.

#### **A.4 RECEIPT OF QUARTERLY INVESTMENT REPORT – QUARTER ENDED DECEMBER 31, 2014 (Report of: Financial & Management Services Department)**

**Recommendation:**

1. Receive and file the Quarterly Investment Report for quarter ended December 31, 2014, in compliance with the City's Investment Policy.

#### **A.5 APPROVAL OF BOND FINANCING TEAM AND AUTHORIZATION TO TENDER CONTRACTS (Report of: Financial & Management Services Department)**

**Recommendation:**

1. Approve the bond financing team and authorize the City Manager to execute contracts and any necessary amendments with the selected firms.

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- A.6 AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY CFD/LLD/LMD FORMATIONS WITH WILLDAN FINANCIAL SERVICES FOR SPECIAL TAX AND ASSESSMENT ENGINEERING SERVICES (**See Item B4**) (Report of: Financial & Management Services Department)

**Recommendations**

1. Approve the Third Amendment to the Agreement for Professional Consultant Services Project No. Special Districts 2014-15 Levy CFD/LLD/LMD with Willdan Financial Services, 27368 Via Industria, Suite 110, Temecula, CA 92590-4856 to provide special tax and assessment engineering services for the conversion and/or formation of special financing districts and related special district reporting and professional services.
2. Authorize the City Manager to execute the Third Amendment with Willdan Financial Services.
3. Authorize the issuance of a change order in the amount of \$34,500 for Fiscal Year 2014/15 to Willdan Financial Services to increase the not-to-exceed (NTE) amount of the Agreement to \$111,495.00.

- A.7 APPROVE WHOLESALE DISTRIBUTION ACCESS TARIFF KITCHING STREET 115 KV LOAD PROJECT COMBINED SYSTEM IMPACT AND FACILITIES STUDY AGREEMENT BETWEEN THE CITY OF MORENO VALLEY AND SOUTHERN CALIFORNIA EDISON (SCE)  
(Report of: Public Works Department)

**Recommendations**

1. Approve the Wholesale Distribution Access Tariff Kitching Street 115 kV Load Project Combined System Impact and Facilities Study Agreement between the City of Moreno Valley and Southern California Edison Company (SCE).
2. Authorize the City Manager to sign the agreement on behalf of the City of Moreno Valley.

- A.8 LIST OF PERSONNEL CHANGES  
(Report of: Administrative Services Department)

**Recommendation:**

1. Ratify the list of personnel changes.

## **B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT**

### **B.1 ORDINANCES - READING BY TITLE ONLY**

**Recommendation:** Waive reading of all Ordinances and approve reading by title only.

### **B.2 MINUTES - REGULAR MEETING OF FEBRUARY 24, 2015 (Report of: City Clerk's Department)**

**Recommendation:**

1. Approve as submitted.

### **B.3 INITIATING PROCEEDINGS TO ANNEX RESIDENTIAL HOUSING TRACT 27251 (SOUTH OF FIR AVENUE, EAST OF MORRISON STREET, AND NORTH OF EUCALYPTUS AVENUE) AS ZONE 09 TO MORENO VALLEY COMMUNITY SERVICES DISTRICT LANDSCAPE MAINTENANCE DISTRICT 2014-02**

(Report of: Financial & Management Services Department)

**Recommendation:**

1. Adopt Resolution No. CSD 2015-04. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Initiating Proceedings to Annex Zone 09 to Moreno Valley Community Services District Landscape Maintenance District 2014-02.

### **B.4 AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY CFD/LLD/LMD FORMATIONS WITH WILLDAN FINANCIAL SERVICES FOR SPECIAL TAX AND ASSESSMENT ENGINEERING SERVICES (See Item A.6 (Report of: Financial & Management Services Department)**

**Recommendations**

1. Approve the Third Amendment to the Agreement for Professional Consultant Services Project No. Special Districts 2014-15 Levy CFD/LLD/LMD with Willdan Financial Services, 27368 Via Industria, Suite 110, Temecula, CA 92590-4856 to provide special tax and assessment engineering services for the conversion and/or formation of special financing districts and related special district reporting and professional services.
2. Authorize the City Manager to execute the Third Amendment with Willdan Financial Services.
3. Authorize the issuance of a change order in the amount of \$34,500

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for Fiscal Year 2014/15 to Willdan Financial Services to increase the not-to-exceed (NTE) amount of the Agreement to \$111,495.00.

### **C. CONSENT CALENDAR - HOUSING AUTHORITY**

#### **C.1 ORDINANCES - READING BY TITLE ONLY**

**Recommendation:** Waive reading of all Ordinances and approve reading by title only.

#### **C.2 MINUTES - REGULAR MEETING OF FEBRUARY 24, 2015 (Report of: City Clerk's Department)**

**Recommendation:**

1. Approve as submitted.

### **D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES**

#### **D.1 ORDINANCES - READING BY TITLE ONLY**

**Recommendation:** Waive reading of all Ordinances and approve reading by title only.

#### **D.2 MINUTES - REGULAR MEETING OF FEBRUARY 24, 2015 (Report of: City Clerk's Department)**

**Recommendation:**

1. Approve as submitted.

### **E. 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 Bailiff.

#### **E.1 A PUBLIC HEARING FOR AN APPEAL OF THE PLANNING COMMISSION ACTION OF DECEMBER 11, 2014, APPROVING CONDITIONAL USE PERMIT (PA14-0014), TENTATIVE TRACT MAP 36708 (PA14-0015) AND THE SUPPORTING MITIGATED NEGATIVE DECLARATION FOR A 122 UNIT PLANNED UNIT DEVELOPMENT (PUD) ON 15.92 ACRES AT THE SOUTHWEST CORNER OF PERRIS BOULEVARD AND CACTUS AVENUE (Continued from 2/10/2015) (Report of: Community & Economic Development Department)**

**Recommendations That the City Council:**

1. APPROVE Resolution No. 2015-03. A Resolution of the City Council of the City of Moreno Valley, California, Finding in Favor of the Appeal

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and Overruling the Decision of the Planning Commission to Approve Conditional Use Permit (PA14-0014), Tentative Tract Map 36708 (PA14-0015), and the Supporting Mitigated Negative Declaration for a 122 Unit Planned Unit Development (PUD) on 15.92 Acres at the Southwest Corner of Perris Boulevard and Cactus Avenue (Assessor Parcel Numbers 482-582-038, 039, 040 & 482-230-024).

2. ADOPT a Mitigated Negative Declaration for PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708). The projects, individually and cumulatively, will not result in a significant effect on the environment.
3. APPROVE Resolution No. 2015-13. A Resolution of the City Council of the City of Moreno Valley, California, Approving Conditional Use Permit (PA14-0014) for a 121 Unit Planned Unit Development (PUD) on 15.92 Acres at the Southwest Corner of Perris Boulevard and Cactus Avenue (Assessor Parcel Numbers 482-582-038, 039, 040 & 482-230-024).
4. APPROVE Resolution No. 2015-14. A Resolution of the City Council of the City of Moreno Valley, California, Approving Tentative Tract Map 36708 (PA14-0015) on 15.92 Acres at the Southwest Corner of Perris Boulevard and Cactus Avenue (Assessor Parcel Numbers 482-582-038, 039, 040 & 482-230-024).

## **F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION**

### **G. REPORTS**

- G.1 CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES (Informational Oral Presentation - not for Council action)
  - G.1.1 March Joint Powers Commission (JPC)
  - G.1.2 Riverside County Habitat Conservation Agency (RCHCA)
  - G.1.3 Riverside County Transportation Commission (RCTC)
  - G.1.4 Riverside Transit Agency (RTA)
  - G.1.5 Western Riverside Council of Governments (WRCOG)
  - G.1.6 Western Riverside County Regional Conservation Authority (RCA)
  - G.1.7 School District/City Joint Task Force

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G.2 PUBLIC MEETING REGARDING THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAIL BALLOT PROCEEDINGS TO APPROVE THE COMMERCIAL REGULATORY RATE FOR CSIP WR MORENO VALLEY (MULTI-BUILDING INDUSTRIAL PROJECT - SOUTHEAST CORNER OF IRIS AVENUE AND HEACOCK STREET) AND RB JOHNSON INVESTMENTS, LLC (OFFICE BUILDING PROJECT - WEST SIDE OF HEACOCK STREET AT WEBSTER AVENUE)

(Report of: Financial & Management Services Department)

**Recommendations That the City Council:**

1. Accept public comments regarding the mail ballot proceedings for CSIP WR Moreno Valley (Multi-Building Industrial Project - southeast corner of Iris Avenue and Heacock Street) and RB Johnson Investments, LLC (Office Building Project - west side of Heacock Street at Webster Avenue) for approval of the NPDES maximum commercial regulatory rate to be applied to the property tax bill.

G.3 AWARD OF CONTRACT TO ACCELA INC. FOR DEVELOPMENT SERVICES SOFTWARE, ANNUAL SUBSCRIPTION LICENSING AND PROFESSIONAL SERVICES

(Report of: Financial & Management Services Department)

**Recommendations That the City Council:**

1. Authorize the City Manager to execute a contract with Accela Inc. for annual subscription licensing and development services related software for an amount not to exceed \$1,399,184 over the next five years.
2. Approve reinstating the Senior Applications Analyst position to support development services related functions and software customizations.
3. Approve the Fiscal Year 2014/2015 budget adjustments as specified in the Fiscal Section of this report to fund expanded and enhanced development services.

G.4 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

G.5 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

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## H. LEGISLATIVE ACTIONS

### H.1 ORDINANCES - 1ST READING AND INTRODUCTION

- H.1.1 INTRODUCE AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING MORENO VALLEY MUNICIPAL CODE SECTION 2.18.050 REGARDING ALTERNATE MEMBERS OF THE PLANNING COMMISSION  
(Report of: City Attorney Department)

**Recommendations That the City Council:**

1. Introduce Ordinance No. 890. An Ordinance of the City Council of the City of Moreno Valley, California, Adopting Moreno Valley Municipal Code Section 2.18.050 Regarding Alternate Members of the Planning Commission.

- H.1.2 INTRODUCE AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING MUNICIPAL CODE SECTION 2.08.060(B) RELATING TO POWERS AND DUTIES OF THE CITY MANAGER  
(Report of: City Attorney Department)

**Recommendations That the City Council:**

1. Introduce Ordinance No. 891. An Ordinance of the City Council of the City of Moreno Valley, California, Amending Municipal Code Section 2.08.060(B) Relating to Powers and Duties of the City Manager.

### H.2 ORDINANCES - 2ND READING AND ADOPTION

- H.2.1 ADOPT ORDINANCE 887. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADDING CHAPTER 6.14 TO TITLE 6 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE ESTABLISHING THE REGISTRATION OF RESIDENTIAL PROPERTY IN FORECLOSURE PROGRAM (RECEIVED INTRODUCTION AND FIRST READING BY A 3-2 VOTE, JEMPSON AND GIBA OPPOSED) (Report of: Community & Economic Development Department)

**Recommendations That the City Council:**

1. Adopt Ordinance No. 887. An Ordinance of the City Council of the City of Moreno Valley, California, adding Chapter 6.14 to Title 6 of the City of Moreno Valley Municipal Code establishing the Registration of Residential Property in Foreclosure Program.

### H.3 ORDINANCES - URGENCY ORDINANCES - NONE

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H.4 RESOLUTIONS - NONE

**CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL,  
COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE  
COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY**

Materials related to an item on this Agenda submitted to the City Council/Community Services District/City as Successor Agency for the Community Redevelopment Agency/Housing Authority or Board of Library Trustees after distribution of the agenda packet are available for public inspection in the City Clerk's office at 14177 Frederick Street during normal business hours.

## CLOSED SESSION

A Closed Session of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency and Housing Authority will be held in City Manager's Conference Room, Second Floor, City Hall. The City Council will meet in Closed Session to confer with its legal counsel regarding the following matter(s) and any additional matter(s) publicly and orally announced by the City Attorney in the Council Chamber at the time of convening the Closed Session.

- PUBLIC COMMENTS ON MATTERS ON THE CLOSED SESSION AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

There is a three-minute time limit per person. Please complete and submit a BLUE speaker slip to the City Clerk. All remarks and questions shall be addressed to the presiding officer or to the City Council.

The Closed Session will be held pursuant to Government Code:

1 SECTION 54956.9(d)(1) - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

- a) Case: *Rodriguez V. City of Moreno Valley*  
Court: Riverside Superior Court  
Case No: RIC 1302162
- b) Case: *Socal Environmental Justice Alliance V. City of Moreno Valley, et al.*  
Court: Riverside Superior Court  
Case No: RIC 1502489
- c) Case: *Laborers International Union of North America, Local Union No. 1184 V. City of Moreno Valley, et al.*  
Court: Riverside Superior Court  
Case No: RIC 1502347
- d) Case: *Residents for a Livable Moreno Valley V. City of Moreno Valley, et al.*  
Court: Riverside Superior Court  
Case No: RIC 1502197

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2 SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (D) OF SECTION 54956.9

Number of Cases: 5

3 SECTION 54956.9(d)(4) - CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Number of Cases: 5

4 SECTION 54957.6 - LABOR NEGOTIATIONS

a) *Agency Representatives: Michelle Dawson, Tom DeSantis, Chris Paxton and Rick Teichert; Employee Organization: MVCEA*

b) *Agency Representatives: Michelle Dawson, Tom DeSantis, Chris Paxton and Rick Teichert; Employee Organization: MVMA*

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

**ADJOURNMENT**

**CERTIFICATION**

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, certify that the City Council Agenda was posted in the following 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: 3/5/2015

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**MINUTES**  
**CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY**  
**February 24, 2015**

**CALL TO ORDER**

**SPECIAL PRESENTATIONS**

1. Recognition of Recycle Art Calendar Contest Winners
2. Proclamation Recognizing Friends of the Moreno Valley Senior Center
3. Recognition of Prime Care of Moreno Valley's Contributions to the Moreno Valley Senior Community Center
4. Presentation Recognizing the Completion of the Moreno Valley Utility South Substation – postponed

**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  
BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING – 6:00 PM  
February 24, 2015**

The 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 and the Board of Library Trustees was called to order at 6:02 p.m. by Mayor Jesse L. Molina in the Council Chamber located at 14177 Frederick Street.

Mayor Jesse L. Molina announced that the City Council receives a separate stipend for CSD meetings.

**PLEDGE OF ALLEGIANCE**

Pledge of Allegiance was led by Mayor Jesse L. Molina.

**INVOCATION**

Pastor Diane Gardner - Beautiful Women of God - Diane Gardner Ministries

**ROLL CALL**

Council:

Jesse L. Molina	Mayor
Dr. Yxstian A. Gutierrez	Mayor Pro Tem
D. LaDonna Jempson	Council Member
George E. Price	Council Member
Jeffrey J. Giba	Council Member

Staff:

Michelle Dawson	City Manager
Suzanne Bryant	City Attorney
Jane Halstead	City Clerk
Tom DeSantis	Assistant City Manager
Ahmad Ansari	Public Works Director
Joel Ontiveros	Police Chief

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Chris Paxton  
Richard Teichert  
Betsy Adams  
Mike Lee  
Ewa Lopez

Administrative Services Director  
Chief Financial Officer/City Treasurer  
Parks & Community Services Director  
Community & Economic Development Director  
Deputy City Clerk

## **AGENDA ORDER**

Continuation of Item E.2 was discussed before public comments.

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

### Irma Flores

1. Condolences to Mayor Molina on his father's passing

### Scott Heveran

1. Ethics committee

### Vivian Moreno

1. Ethics committee

### Donovan Saadiq

1. Condolences to Mayor Molina
2. Living History that took place at Moreno Valley High School
3. Jobs/Warehouses

### Kimberly Trone (representing Riverside County Regional Medical Center)

1. Invitation to Health Innovations Fair

### Israel Gomez (representing Rising Stars)

1. Homeless youth project

### Alicia Berridge (representing Rising Stars)

1. Homeless youth shelter

### Benny Orduno (representing Rising Stars)

1. Homeless youth

### William Welch (representing Rising Stars)

1. Homeless youth

### Robert Harris

1. Jobs/Support of World Logistics

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Dora Capolino

1. World Logistics Center

Steve Healton

1. Distribution centers

Eduardo Gomez

1. Condolences to Mayor Molina
2. City is coming together

Alice Hayes

1. World Logistic Center

Frank Matus

1. World Logistic Center

Mathis Moore, Jr.

1. World Logistic Center

Kim Nguyen Shaw (representing ACA Healthcare, H&R Block)

1. Affordable Care Act (ACA) Healthcare/how it impacts income taxes

Rick Martinez

1. Jobs

Chris Baca

1. Condolences to Mayor Molina
2. Employment agencies for warehousing jobs
3. Charter committee
4. Closed session reporting and minutes
5. Minimum wage

Louise Palomarez

1. Jobs
2. Ethics committee

Curtis Gardner (representing Concerned Citizens of Moreno Valley Advocacy Group)

1. Condolences to Mayor Molina
2. Development fee for Highway 60 land use
3. Jobs

Craig R. Givens (representing Concerned Citizens of Moreno Valley Advocacy Group)

1. Economics/warehousing jobs

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Hema Franco

1. Jobs

Roy Bleckert

1. Utility tax

Pete Bleckert

1. Industrial vs. housing zoning

Luis Mojica

1. Invitation to the Youth Revival event

Ivan Martinez

1. World Logistic Center

## **JOINT CONSENT CALENDARS (SECTIONS A-D)**

Mayor Jesse L. Molina opened the agenda items for the Consent Calendars for public comments, which were received from Deanna Reeder (Items A.4, A.6, and A.7).

### **A. CONSENT CALENDAR-CITY COUNCIL**

#### **A.1 ORDINANCES - READING BY TITLE ONLY**

Recommendation: Waive reading of all Ordinances and approve reading by title only.

#### **A.2 MINUTES - REGULAR MEETING OF FEBRUARY 10, 2015 (Report of: City Clerk's Department)**

##### **Recommendation:**

Approve as submitted.

#### **A.3 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk's Department)**

##### **Recommendations**

Receive and file the Reports on Reimbursable Activities for the period of February 4-17, 2015.

#### **A.4 AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES TO KOA CORPORATION FOR THE PRELIMINARY ENGINEERING/ENVIRONMENTAL PHASE FOR THE AQUEDUCT MULTI-USE TRAIL SYSTEM FROM THE TOWNGATE AREA TO LAKE PERRIS STATE RECREATION AREA PROJECT NO. 801 0055**

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(Report of: Public Works Department)

**Recommendations**

1. Award Agreement for Professional Consultant Services to KOA Corporation (KOA), 3190 C. Shelby Street, Ontario, CA 91764, for the project preliminary engineering/environmental phase for the Aqueduct Multi-Use Trail System from the Towngate Area to Lake Perris State Recreation Area.
2. Authorize the City Manager to execute a contract with KOA, subject to the approval by the City Attorney.
3. Authorize the issuance of a Purchase Order to KOA, in the amount of \$375,455.18 when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related amendments to the Agreement for Professional Consultant Services with KOA, not to exceed the Purchase Order amount, subject to the approval by the City Attorney.

- A.5 TRACT MAP 31618 – APPROVAL OF MAINTENANCE AGREEMENT BY AND BETWEEN THE CITY OF MORENO VALLEY AND ESTANCIA MORENO VALLEY ASSOCIATION FOR THE TRACT LOCATED AT THE SOUTHWEST CORNER OF MORENO BEACH DRIVE AND BAY AVENUE - DEVELOPER – FRONTIER COMMUNITIES, LLC  
(Report of: Public Works Department)

**Recommendations**

1. Approve the Maintenance Agreement by and between The City of Moreno Valley and Estancia Moreno Valley Association.
2. Authorize the Mayor to execute the Maintenance Agreement with Estancia Moreno Valley Association.
3. Authorize the City Attorney to work with Estancia Moreno Valley Association to draft subsequent modifications or amendments to the Maintenance Agreement, as necessary, to clarify the intent and effectuate the provisions of said Agreement.
4. Authorize the City Manager to execute modifications or amendments to the Maintenance Agreement, subject to the approval of the City Attorney.
5. Authorize the City Clerk to transmit the executed Maintenance Agreement to the Riverside County Recorder's Office for recordation.

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- A.6 RATIFY GRANT APPLICATION SUBMISSION FOR THE 2014 HOUSING-RELATED PARKS PROGRAM AND ADOPT RESOLUTION NO. 2015-11 AUTHORIZING APPLICATION FOR THE HOUSING-RELATED PARKS GRANT  
(Report of: Parks & Community Services Department)

**Recommendations**

1. Ratify the grant application submitted to the California Department of Housing and Community Development for the 2014 Housing-Related Parks Program.
2. Adopt Resolution No. 2015-11. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing Application for Housing-Related Parks Grant.

- A.7 RESOLUTION OF THE CITY OF MORENO VALLEY SERVING AS THE SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2015 THROUGH DECEMBER 31, 2015 (ROPS 15-16 A)  
(Report of: Financial & Management Services Department)

**Recommendations**

1. Adopt Resolution No. SA 2015-01. A Resolution of the City Council of the City of Moreno Valley, California, Serving As Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving the Recognized Obligation Payment Schedule and Administrative Budget for the Period of July 1, 2015 through December 31, 2015 (ROPS 15-16 A), and Authorizing the Executive Director or their Designee to Make Modifications Thereto.
2. Authorize the Executive Director or their designee to make modifications to the Schedule.
3. Authorize the transmittal of the ROPS 15-16 A, for the period of July 1, 2015 through December 31, 2015, including Administrative Budget for the said period, ("Exhibit A") to the Oversight Board for review and approval.

- A.8 APPOINTMENT TO MARCH JOINT POWERS AUTHORITY (MJPA) SUCCESSOR AGENCY OVERSIGHT COMMITTEE (Report of: City Clerk Department)

**Recommendation:**

Approve Mayor Jesse L. Molina's recommendation to appoint Jeffrey J.

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Giba to serve as the City of Moreno Valley's representative on the March Joint Powers Authority (MJPA) Successor Agency Oversight Committee.

## **B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT**

### **B.1 ORDINANCES - READING BY TITLE ONLY**

Recommendation: Waive reading of all Ordinances and approve reading by title only.

### **B.2 MINUTES - REGULAR MEETING OF FEBRUARY 10, 2015 (Report of: City Clerk's Department)**

#### **Recommendation:**

Approve as submitted.

## **C. CONSENT CALENDAR - HOUSING AUTHORITY**

### **C.1 ORDINANCES - READING BY TITLE ONLY**

Recommendation: Waive reading of all Ordinances and approve reading by title only.

### **C.2 MINUTES - REGULAR MEETING OF FEBRUARY 10, 2015 (Report of: City Clerk's Department)**

#### **Recommendation:**

Approve as submitted.

## **D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES**

### **D.1 ORDINANCES - READING BY TITLE ONLY**

Recommendation: Waive reading of all Ordinances and approve reading by title only.

### **D.2 MINUTES - REGULAR MEETING OF FEBRUARY 10, 2015 (Report of: City Clerk's Department)**

#### **Recommendation:**

Approve as submitted.

**Motion to Approve Joint Consent Calendar Items A.1 through D.2 by m/Mayor Pro Tem Dr. Yxstian A. Gutierrez, s/Council Member Jeffrey J. Giba**

**Passed by a vote of 5-0.**

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## **E. PUBLIC HEARINGS**

E.1 PUBLIC HEARING REGARDING THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAIL BALLOT PROCEEDING TO APPROVE THE RESIDENTIAL REGULATORY RATE FOR MV24 31789 (RESIDENTIAL HOUSING TRACT 31789 - SOUTH SIDE OF IRONWOOD AVENUE, EAST OF LASSELLE STREET)  
(Report of: Financial & Management Services Department)

### **Recommendations That the City Council:**

1. Conduct the Public Hearing and accept public testimony regarding the mail ballot proceeding for properties owned by MV24 31789 for approval of the NPDES maximum regulatory residential rate to be applied to the property tax bills.
2. Direct the City Clerk to count the returned NPDES ballot.
3. Verify and accept the results of the mail ballot proceeding as identified on the Official Tally Sheet.
4. Receive and file the Official Tally Sheet with the City Clerk's office.
5. If approved, authorize and impose the NPDES maximum residential regulatory rate to all Assessor's Parcel Numbers associated with residential housing Tract 31789.

Mayor Jesse L. Molina opened the public testimony portion of the public hearing; there being none, public testimony was closed.

**Direct the City Clerk to count the returned NPDES ballot. by m/Council Member D. LaDonna Jempson, s/Council Member George E. Price**

**Passed by a vote of 5-0.**

The City Clerk announced the results:  
Assessor's Parcel Numbers 487-540-001 through 487-540-016 and 487-541-001 through 487-541-008: the vote was "Yes" (Passed)

**Verify and accept the results of the mail ballot proceeding as identified on the Official Tally Sheet.**

**Receive and file the Official Tally Sheet with the City Clerk's office.**

**If approved, authorize and impose the NPDES maximum residential regulatory rate to all Assessor's Parcel Numbers associated with**

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**residential housing Tract 31789. by m/Council Member D. LaDonna Jempson, s/Council Member Jeffrey J. Giba**

**Passed by a vote of 5-0.**

- E.2 APPEAL OF THE PLANNING COMMISSION ACTION OF JANUARY 8, 2015, ADOPTING A NEGATIVE DECLARATION, APPROVING TENTATIVE TRACT MAP 34544 (PA14-0032) AND CONDITIONAL USE PERMIT (PA14-0033) FOR A PLANNED UNIT DEVELOPMENT FOR A DETACHED UNIT CONDOMINIUM COMPLEX INCLUDING COMMON RECREATION AREAS WITH A MINIMUM OF 72 AND A MAXIMUM OF 76 UNITS IN THE RESIDENTIAL 10 (R10) ZONING DISTRICT. THE APPELLANTS ARE JUAN VILLA AND JERI ROBERTS ET AL.  
(Report of: Community & Economic Development Department)

**Recommendations That the City Council:**

Continue the Public Hearing to March 10, 2015 as requested by the project applicant as well as the appellant.

Mayor Molina announced that he has a request from the appellant to postpone Item E.2 to March 10, 2015.

**Motion to move item before the Consent Calendar. by m/Council Member Jeffrey J. Giba, s/Mayor Jesse L. Molina**

**Passed by a vote of 5-0.**

**Continued the Public Hearing to March 24, 2015 as requested by the project appellant. by m/Council Member Jeffrey J. Giba, s/Mayor Jesse L. Molina**

**Passed by a vote of 5-0.**

**F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION**

**G. REPORTS**

- G.1 CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES (Informational Oral Presentation - not for Council action)

G.1.1 March Joint Powers Commission (JPC)

Mayor Pro Tem Dr. Yxstian Gutierrez gave a brief update from the February 18, 2015 meeting, which he attended with Council Member Giba: stated that he was appointed to the Business Planning Committee,

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which is a hybrid of a planning commission, to review and approve plans of any new business development in the Meridian Center; Cardinal Muncy, Base Commander, provided update and information on the March Air Force Base; March JPA is redesigning the golf course and adding the residential development

#### G.1.2 Riverside County Habitat Conservation Agency (RCHCA)

Council Member George Price reported the following from the February 19 meeting: reached agreement to partially rescind and terminate the October 1992 Joint Financing Agreement between the Moreno Valley Unified School District and Riverside County Habitat Conservation Agency, that dealt with a project originally planned in the Cactus corridor; received RCHCA Financial Audit for Fiscal Year 2013-2014 and an annual report written in simple language without technical terms, excellent for schools. Environmental Education Collaborative will be held Thursday, February 26 in Jurupa Valley, in pursuit of environmental education for every child-please contact Council secretary for more information; JPA announced that walk (2.3 mile hike) with the chairman will be held on March 21 at March JPA: contact March JPA for more information

#### G.1.3 Riverside County Transportation Commission (RCTC)

Council Member Jeff Giba reported the following: authorization was given to move forward with the bike path down towards Orange County and Santa Ana River bottom in the Norco and Corona area

#### G.1.4 Riverside Transit Agency (RTA)

Mayor Jesse Molina has not attended RTA meeting yet; reported that according to an article in the newspaper RTA finished completing a comprehensive operating analysis and wants to close a Greyhound bus station in downtown Riverside

#### G.1.5 Western Riverside Council of Governments (WRCOG)

None - meeting is coming up

#### G.1.6 Western Riverside County Regional Conservation Authority (RCA)

Council Member D. LaDonna Jempson stated that her next meeting is March 2, and her last report was included in the Council minutes.

#### G.1.7 School District/City Joint Task Force

None - no meeting yet

G.2 ANNUAL REPORT OF THE LIBRARY COMMISSION (ORAL PRESENTATION)

Report was given by Library Commission Vice Chair David Namazi.

Mayor Jesse Molina opened the agenda item for public comments; there being none, public comments were closed.

G.3 RESOLUTION DIRECTING THE CITY MANAGER TO ROUTINELY AGENDIZE PERSONNEL CHANGES FOR CITY COUNCIL RATIFICATION

(Report of: City Manager Department)

**Recommendations That the City Council:**

Consider adopting Resolution No. 2015-12. A Resolution of the City Council of the City of Moreno Valley, California, Directing City Council Ratification of Personnel Changes Approved by the City Manager.

Mayor Jesse L. Molina opened the agenda item for public comments, which were received from Deanna Reeder, Chris Baca, Louise Palomarez, and Tom Jerele Sr. (on behalf of himself and Sundance Shopping Center).

**Approve Resolution No. 2015-12. A Resolution of the City Council of the City of Moreno Valley, California, Directing City Council Ratification of Personnel Changes Approved by the City Manager. by m/Mayor Pro Tem Dr. Yxstian A. Gutierrez, s/Council Member Jeffrey J. Giba**

**Passed by a vote of 3-2, Council Member D. LaDonna Jempson, Council Member George E. Price opposed.**

**Motion to approve the verbal motion as presented. Motion to refrain from the requirement to put temporary employees on a ratification list; to allow the City Manager to move forward during Council recess and bring back appointments for ratification after council recess; to modify the Municipal Code to reflect resolution so there is consistency by m/Council Member Jeffrey J. Giba, s/Mayor Jesse L. Molina**

**Passed by a vote of 4-1, Council Member George E. Price opposed.**

G.4 MAYOR'S REQUEST TO CREATE A CITY ETHICS COMMITTEE

(Report of: City Manager Department)

**Recommendation:**

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Per the Mayor's request, that the City Council direct the City Attorney to draft an Ordinance through which the City Council adopts the Code of Ethics process now in place in the City of Riverside.

**Item pulled for further clarification, and to be brought to Study Session. by m/Mayor Jesse L. Molina, s/Council Member George E. Price**

**Passed by a vote of 5-0.**

G.5 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

None

G.6 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

None

## **H. LEGISLATIVE ACTIONS**

H.1 ORDINANCES - 1ST READING AND INTRODUCTION

H.1.1 INTRODUCE ORDINANCE 887. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADDING CHAPTER 6.14 TO TITLE 6 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE ESTABLISHING THE REGISTRATION OF RESIDENTIAL PROPERTY IN FORECLOSURE PROGRAM  
(Report of: Community & Economic Development Department)

### **Recommendations That the City Council:**

Introduce Ordinance No. 887. An Ordinance of the City Council of the City of Moreno Valley, California, adding Chapter 6.14 to Title 6 of the City of Moreno Valley Municipal Code establishing the Registration of Residential Property in Foreclosure Program.

Mayor Jesse L. Molina opened the agenda item for public comments, which were received from Neftali Cortez (representing National Cost Recovery Services; supports), Deanna Reeder (opposes), Lisa LeQuire (opposes), Danny Schwier (opposes), and Tom Jerele Sr. (supports program).

**Introduce Ordinance No. 887. An Ordinance of the City Council of the City of Moreno Valley, California, adding Chapter 6.14 to Title 6 of the City of Moreno Valley Municipal Code establishing the Registration of**

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**Residential Property in Foreclosure Program.**  
**by m/Council Member George E. Price, s/Mayor Jesse L. Molina**

**Passed by a vote of 3-2, Council Member D. LaDonna Jempson,**  
**Council Member Jeffrey J. Giba opposed.**

H.2 ORDINANCES - 2ND READING AND ADOPTION - NONE

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

**CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL,  
COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE  
COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY**

Council Member Jeffrey Giba

1. Thanked several council candidates and residents for taking on some city projects and responsibilities, especially in District 2
2. Announced that Moreno Valley has representation on a JPC subcommittee
3. The League of Cities has appointed him to the Economic Development Committee (it was the presidential appointment)
4. Asked to have a spotlight on donkeys on the north side
5. Would like to dedicate this meeting to Mayor Molina's father
6. Attended, with the City Manager, unveiling of the nose art for Ronald Reagan at the March Air Force Base
7. Will work with Parks & Community Services Director regarding speaker Deanna Reeder's request regarding parks
8. Responded to speaker's comment - stated that jobs drive housing, and housing is an indicator of recovery

Mayor Pro Tem Dr. Yxstian Gutierrez

1. Congratulations to Council Member Giba for his presidential appointment
2. Emerging Leaders Council developed subcommittees, curriculum program, and job shadowing opportunities
3. Announced that three vacancies on Emerging Leaders Council are coming up in May, encouraged students aged 18-25 to apply

Council Member D. LaDonna Jempson

1. On February 11, with Council Member Price, chaired the Public Safety Committee; is appreciative of information received from Police Chief and Fire Chief
2. Met with the Postmaster last Friday to address great concerns about community mail boxes; it's the responsibility of the owner to fix the mail

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boxes once they are broken in; Postmaster will address mail boxes theft at zone policing meetings

3. Participated in Living History at Moreno Valley High School; students were very receptive to hearing about history; encouraged sharing family history with students

4. Has been meeting with several residents to address different issues, thanked staff for assistance; met with residents regardless of the district; as the Council represents the City in addition to the District

5. On February 17, attended with Council Member Giba, the League of Cities' training in Banning; we need to represent our city and see what we can bring back to the City

#### Council Member George Price

1. Condolences to Mayor and family; would like to adjourn this meeting in honor of his father

2. Attended, with Council Member Giba, Nason corridor meeting; another meeting will be held in April; encouraged to attend

3. Congratulated Basil Kimbrew and Gwendolyn Cross on receiving Unforgettable Heart Award, that recognizes community volunteers

4. Last Thursday, with Council Member Jempson, attended the Wind Symphony concert; next one is coming up in two months; highly recommended

5. Attended the Community Connect Mardi Gras, non-profit serving Western Riverside County; congratulated Council Member Jempson who was a candidate for a queen; she is a queen in Moreno Valley

6. Last Saturday, attended Artist Reception at the Vanguard Cultural Arts Museum Gallery, where exchanged artists from Nigeria displayed their arts

7. Asked the City Manager to introduce new Community and Economic Development Director Mike Lee and asked him for an update on the status of the World Logistic Center

8. Hopes that Mr. Cortez will work with local realtors to address their issues

9. Thanked staff for taking time for updates on projects

#### Mayor Jesse Molina

1. Thanked colleagues and staff for holding the fort during his absence

2. Reminded everyone about RCHS health fair on March 12, 12-4 p.m.

3. Directed staff to tackle the youth homeless issue, sent CRM to reach out to County Supervisors; City Manager stated that homeless issue has been scheduled for the April 7 study session

4. Bringing jobs to Moreno Valley

5. Reminded residents, who has health care pursuant to Affordable Health Care Act, to file 1095 form

6. Requested staff to find out if the temp agencies are utilized by businesses that are coming in; stated that temp agencies hire people for up to 90 days and lay them off to avoid paying benefits

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7. Asked to keep Closed Session minutes; we need to have record of what was said
8. Mayor's Cup Soccer Challenge - was challenged by Riverside Mayor Bailey; Parks Department is accepting applications for coaches through March 1
9. Requested to bring forward the lobbyist registration for transparency reasons

There being no further business to conduct, the meeting was adjourned at 9:45 p.m. to Closed Session by unanimous informal consent.

## **CLOSED SESSION**

A Closed Session of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency and Housing Authority was held in City Manager's Conference Room, Second Floor, City Hall. The City Council met in Closed Session to confer with its legal counsel regarding the following matter(s) and any additional matter(s) publicly and orally announced by the City Attorney in the Council Chamber at the time of convening the Closed Session.

City Attorney announced that item listed on the Closed Session agenda as Item No. 1 (Fitness 19 CA 155, LLC) will be discussed. The City Attorney does anticipate reportable action.

### **• PUBLIC COMMENTS ON MATTERS ON THE CLOSED SESSION AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL**

Mayor Jesse Molina opened the closed session agenda items for public comments, which were received from Chris Baca (Closed Session minutes; lawsuits)

The Closed Session was held pursuant to Government Code:

- 1 SECTION 54956.9(d)(4) - CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Fitness 19 CA 155, LLC

- 2 SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (D) OF SECTION 54956.9

Number of Cases: 5

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

The City Attorney Suzanne Bryant announced the following: tonight in

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Closed Session the Council discussed potential litigation against Fitness 19 CA 155 LLC. The CSD and Fitness 19 have reached a settlement instead of initiating litigation. The Lease between the CSD and Fitness 19 is terminated, and Fitness 19 shall pay to the CSD \$15,656. Furthermore, Fitness 19 will provide 2 treadmills to the Senior Center. The City manager was authorized to sign the Agreement, and, therefore, litigation will not be initiated. The Council voted 5-0 to approve this settlement and authorize the City Manager to sign.

## ADJOURNMENT

**Council Member Price made a motion to adjourn the meeting in memory of Mayor Molina's father, Frank Molina. Approved by 5-0 vote.**

There being no further business to conduct, the meeting was adjourned at 10:05 p.m. by unanimous informal consent.

Submitted by:

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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

Approved by:

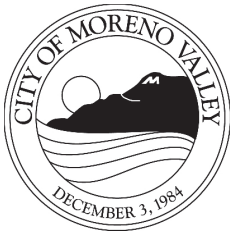
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Jesse L. Molina, Mayor  
President, Moreno Valley Community Services District  
Chairperson, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley  
Chairperson, Moreno Valley Housing Authority  
Chairperson, Board of Library Trustees

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## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Jane Halstead, City Clerk

**AGENDA DATE:** March 10, 2015

**TITLE:** CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES

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### RECOMMENDED ACTION

Recommendation:

1. Receive and file the Reports on Reimbursable Activities for the period of February 18 – March 3, 2015.

<i>Reports on Reimbursable Activities</i>			
February 18 – March 3, 2015			
Council Member	Date	Meeting	Cost
Jeffrey J. Giba	2/19/15	International Facility Management Association CALGreen Code	\$40.00
	2/26/15	Future of Cities 2015	\$35.00
	3/3/15	League of California Cities (LCC) Assembly Budget Committee #4 Hearing – RDA Dissolution Proposal	\$497.45
Yxstian A. Gutierrez		None	
D. LaDonna Jempson		None	
Jesse L. Molina	2/21/15	452d Air Mobility Wing Annual Awards Banquet	\$35.00
	2/26/15	Future of Cities 2015	\$35.00
George Price	3/3/15	Moreno Valley Hispanic Chamber of Commerce Adelante	\$10.00

Prepared By:  
Cindy Miller  
Executive Assistant to the Mayor/City Council

Department Head Approval:  
Jane Halstead  
City Clerk



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

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## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Richard Teichert, Chief Financial Officer

**AGENDA DATE:** March 10 , 2015

**TITLE:** RECEIPT OF QUARTERLY INVESTMENT REPORT – QUARTER ENDED DECEMBER 31, 2014

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### **RECOMMENDED ACTION**

Recommendation:

1. Receive and file the Quarterly Investment Report for quarter ended December 31, 2014, in compliance with the City's Investment Policy.

### **SUMMARY**

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended December 31, 2014. This report is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. The City has used Chandler Asset Management as its professional portfolio manager since 2010. In December, the City hired a second portfolio management firm, Cutwater Asset Management, and the portfolio was split between the two firms. Each management firm will employ a different portfolio strategy designed to maximize their expertise and to reduce the risk that the firms may invest in securities in the same maturity space. It is recommended that the City Council receive and file the attached Quarterly Investment Report.

The Finance SubCommittee reviewed this item on March 2, 2015 and recommends receive and file of the report.

## **DISCUSSION**

California Government Code Sections 53601 and 53646 establish the types of investments allowed, the governing restrictions on these investments, the third-party custodian arrangement for certain investments, and the reporting practices related to the portfolio for local agencies. The City's Investment Policy, adopted on June 10, 2014, is in full compliance with the requirements of both of the above-mentioned Code Sections.

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended December 31, 2014. This is the second quarterly report submitted for the 2014-15 fiscal year and is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. As stated in the attached report, there is more than adequate liquidity within the portfolio for the City to meet its budgeted expenditures over the next six months.

The City has used Chandler Asset Management as its professional portfolio manager since 2010. In December, the City hired a second portfolio management firm, Cutwater Asset Management, and the portfolio was split between the two firms. Each management firm will employ a different portfolio strategy designed to maximize their expertise and to reduce the risk that the firms may invest in securities in the same maturity space. Both of these firms use an active investment management approach in which securities are purchased but are not necessarily held to maturity but may be actively traded based on market conditions and the City's investment goals. The City's cash flow requirements are evaluated on an ongoing basis, with short-term needs accommodated through the City's pooled investment funds with the State Local Agency Investment Fund (LAIF). LAIF is a pool of public funds managed by the State Treasurer of California, providing 24-hour liquidity while yielding a rate of return approximately equivalent to a one-year treasury bill. With the combined use of a conservative approach to evaluating cash flow needs and LAIF liquidity, the City will not have to liquidate securities at current market rates that are intended to be held for longer-term investment. This is especially important considering that the average maturity of the general portfolio is 2.24 years.

The investments managed by Chandler Asset Management totaled \$80,691,698 at par and achieved a Yield to Maturity (YTM) for December 2014 of 1.46%. This compares to a YTM in September 2014 of 1.42% and a YTM in December 2013 of 1.37%. The investments managed by Cutwater Asset Management totaled \$53,692,099 at par and achieved a Yield to Maturity (YTM) for December 2014 of 1.36%. Since this is the first month of activity for Cutwater, there is no comparative data available. In addition, the City maintained \$9,263,901 in the State Local Agency Investment Fund Pool (LAIF) with a YTM of .27%.

In accordance with California Government Code Section 53646, the City is properly reporting investments of all bond proceeds and Deferred Compensation Plan funds. These funds are not managed by the City Treasurer as part of the pooled investment program and were not included in the City's investment reports prior to the current legislation. Bond proceeds are held and invested by a Trustee; Deferred Compensation Plan funds are held and invested by the respective plan administrators with the funds also placed in a trust separate from City funds.

### **FISCAL IMPACT**

Current market rates continue to hover near all-time lows. We had expected rates to begin showing signs of sustainable upward movement by now and while we have seen some movement in the two and five-year maturity ranges, overall growth in the yield curve is being offset by concerns related to recent geopolitical unrest and concerns regarding sluggish economic growth in Europe. As such, we do not expect to see a material change in yields during the current fiscal year. This interest rate environment directly impacts the ability of the portfolio to generate income. The budget for fiscal year 2014-15 projected General Fund investment earnings totaling \$2 million. Year to date through December 2014 these revenues are estimated to reach \$900,000, which is slightly behind the projections which were included in the FY 2014-15 budget.

### **CITY COUNCIL GOALS**

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

### **NOTIFICATION**

Publication of the agenda

### **ATTACHMENTS**

Attachment 1 - Treasurer's Cash and Investments Report – December 2014  
 Attachment 2 – Chandler Asset Management Bond Market Review – January 2015  
 Attachment 3 – Cutwater Weekly Economic Update – January 2, 2015

Prepared By:  
 Brooke McKinney  
 Treasury Operations Division Manager

Department Head Approval:  
 Richard Teichert  
 Chief Financial Officer

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CITY OF MORENO VALLEY

Treasurer's Cash and Investments Report

December 2014

General Portfolio	Cost Value	Market Value	Par Value	Average Maturity (in years)	Average Yield to Maturity	Average Duration (in years)
Bank Accounts	1,476,287	1,476,287	1,476,287			
State of California LAIF Pool	9,263,901	9,263,719	9,263,901	0.56	0.27%	2.47
Investments-Chandler	80,697,548	80,724,718	80,691,698	2.80	1.46%	2.10
Investments-Cutwater	54,053,308	53,722,365	53,692,099	2.18	1.36%	
<b>Total General Portfolio</b>	<b>145,491,044</b>	<b>145,187,089</b>	<b>145,123,985</b>			

**Bond Proceeds with Fiscal Agents**

	Market Value
Construction Funds	16,063,205
Principal & Interest Accounts	536,131
Debt Service Reserve Funds	2,222,899
Custody Accounts	1
Arbitrage Rebate Accounts	0
Other Accounts	14,293
<b>Total Bond Proceeds</b>	<b>18,836,529</b>

**Deferred Compensation Funds**

	Market Value as of Dec 31, 2014
Nationwide	12,548,128
ICMA	5,246,832
<b>Total Deferred Compensation Funds</b>	<b>17,794,960</b>

**Total Investment Portfolio**

**181,818,578**

1. I hereby certify that the investments are in compliance with the investment policy adopted by the City Council. There are no items of non-compliance for this period.
2. The market values for the specific investments in the General Portfolio are provided by the City's investment advisor, Chandler Asset Management.
3. The market value for LAIF is provided by the State Treasurer.
4. The market values for investments held by fiscal agents and the deferred compensation plans are provided by each respective trustee or fiscal agent.
5. The City has the ability to meet its budgeted expenditures for the next six months pending any future action by City Council or any unforeseen catastrophic event.



Richard Teichert  
City Treasurer

**PORTFOLIO PERFORMANCE - 36 MONTH TREND**

Period	Total General Portfolio (1)			Local Agency Investment Fund (LAIF)		Chandler			Cutwater				
	Asset Balance (par)	Avg YTM (2)	Yield	Balance	Yield	Asset Balance (par)	Avg YTM (2)	Rate of Return (3)		Asset Balance (par)	Avg YTM (2)	Rate of Return (3)	
								Investment Portfolio (4)	Benchmark 1-5 Gov(5)			Investment Portfolio (4)	Benchmark 1-3 Gov(5)
Jul-12	193,175,457	1.31%	0.363%	20,190,538	0.363%	167,816,690	1.47%	2.90%	2.52%				
Aug-12	185,345,577	1.34%	0.377%	26,440,538	0.377%	158,119,543	1.51%	2.87%	2.45%				
Sep-12	175,199,657	1.32%	0.348%	20,640,538	0.348%	153,005,758	1.47%	2.78%	2.36%				
Oct-12	166,024,161	1.37%	0.340%	11,543,940	0.340%	153,407,209	1.45%	2.67%	2.23%				
Nov-12	161,523,720	1.35%	0.324%	11,958,940	0.324%	148,761,876	1.44%	2.68%	2.25%				
Dec-12	158,187,131	1.31%	0.326%	6,808,940	0.326%	149,234,776	1.37%	2.57%	2.16%				
Jan-13	167,188,394	1.26%	0.300%	15,538,247	0.300%	149,506,732	1.37%	2.46%	2.04%				
Feb-13	169,656,543	1.24%	0.286%	14,038,247	0.286%	150,276,255	1.37%	2.47%	2.06%				
Mar-13	159,465,892	1.28%	0.285%	8,088,247	0.285%	150,735,510	1.34%	2.41%	2.02%				
Apr-13	154,956,060	1.27%	0.264%	7,722,451	0.264%	146,196,092	1.33%	2.43%	2.04%				
May-13	169,622,945	1.19%	0.245%	22,352,451	0.245%	146,524,031	1.34%	2.19%	1.81%				
Jun-13	160,642,643	1.25%	0.244%	11,652,451	0.244%	146,817,918	1.35%	1.97%	1.62%				
Jul-13	157,035,166	1.29%	0.267%	8,901,042	0.267%	147,301,329	1.35%	2.01%	1.66%				
Aug-13	158,668,278	1.21%	0.271%	14,860,042	0.271%	142,774,990	1.32%	1.89%	1.53%				
Sep-13	150,411,661	1.25%	0.257%	7,060,042	0.257%	141,116,654	1.32%	1.99%	1.64%				
Oct-13	149,690,495	1.25%	0.266%	11,790,903	0.266%	136,377,517	1.35%	2.04%	1.68%				
Nov-13	147,673,632	1.27%	0.263%	10,460,903	0.263%	136,646,743	1.35%	2.04%	1.67%				
Dec-13	145,466,714	1.31%	0.264%	5,860,903	0.264%	137,209,798	1.37%	1.88%	1.50%				
Jan-14	153,675,086	1.23%	0.244%	14,867,528	0.244%	137,482,068	1.36%	1.97%	1.59%				
Feb-14	151,951,962	1.25%	0.236%	13,817,528	0.236%	137,665,484	1.36%	1.98%	1.59%				
Mar-14	154,404,223	1.25%	0.236%	13,117,528	0.236%	138,016,774	1.37%	1.86%	1.47%				
Apr-14	149,658,747	1.28%	0.233%	8,825,043	0.233%	138,347,433	1.38%	1.89%	1.51%				
May-14	160,395,026	1.20%	0.228%	25,225,043	0.228%	133,887,981	1.39%	1.95%	1.57%				
Jun-14	163,989,443	1.17%	0.228%	28,875,043	0.228%	132,945,464	1.39%	1.90%	1.52%				
Jul-14	158,687,404	1.21%	0.244%	23,590,023	0.244%	133,130,769	1.39%	1.81%	1.43%				
Aug-14	160,506,483	1.20%	0.260%	25,565,023	0.260%	133,367,483	1.40%	1.84%	1.49%				
Sep-14	152,073,866	1.27%	0.246%	16,590,023	0.246%	133,855,708	1.42%	1.77%	1.42%				
Oct-14	152,298,081	1.29%	0.261%	16,278,901	0.261%	134,092,495	1.43%	1.84%	1.50%				
Nov-14	150,092,073	1.30%	0.261%	14,663,901	0.261%	134,235,952	1.43%	1.87%	1.55%				
Dec-14	145,143,985		0.267%	9,263,901	0.267%	80,691,698	1.46%	1.79%	1.45%	53,692,099	1.36%	1.36%	1.24%
Jan-15													
Feb-15													
Mar-15													
Apr-15													
May-15													
Jun-15													

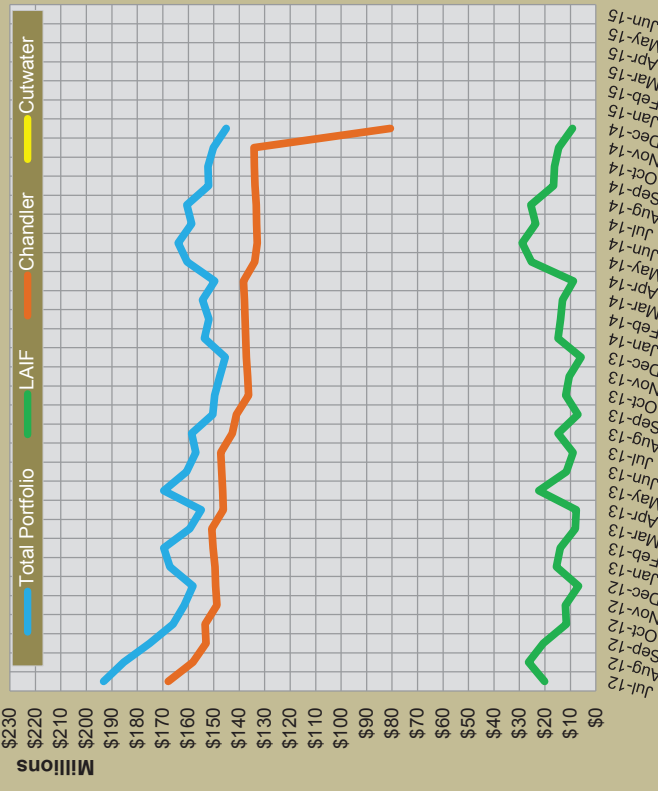
Notes:

- (1) Total General Portfolio includes all assets that comprise the City's Investment Portfolio which is LAIF as well as assets managed by Chandler and Cutwater.
- (2) Yield to Maturity (YTM): The rate of return on an investment or security if it were to be held until maturity. This yield does not reflect changes in the market value of a security
- (3) Rate of Return represents the gain or loss on an investment or portfolio of investments over a specified period, expressed as a percentage of increase over the initial investment cost. Gains on investments are considered to be any income received from the security or portfolio plus an realized capital gain. This measure of return recognizes the changes in market values of a security or portfolio of securities.
- (4) The Rate of Return for the investment portfolio reflects the performance of the portfolio since May 2010.
- (5) The portfolio benchmarks are: Chandler-Bank of America-Merrill Lynch 1 to 5 year Government Index and Cutwater Bank of America-Merrill Lynch 1 to 3 year Government Index

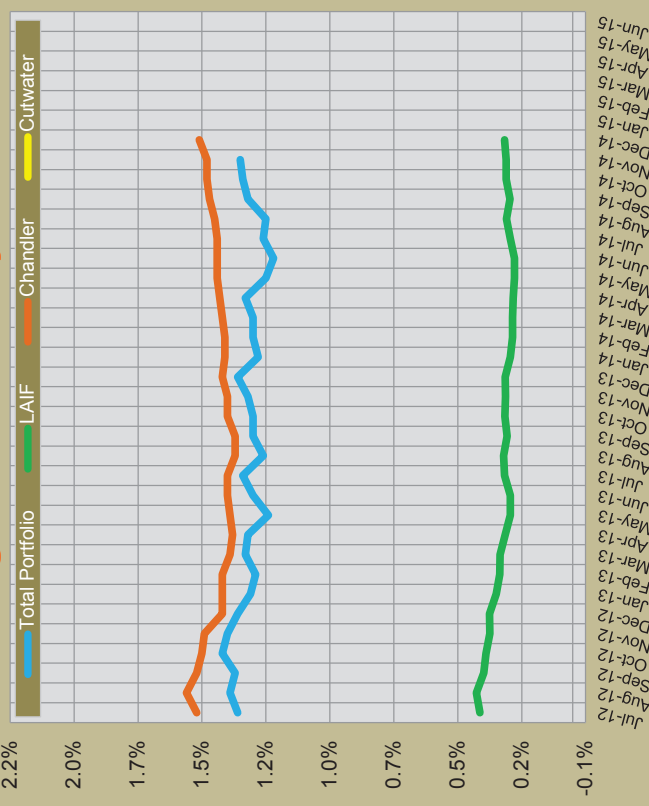


# PORTFOLIO PERFORMANCE - 36 MONTH TREND

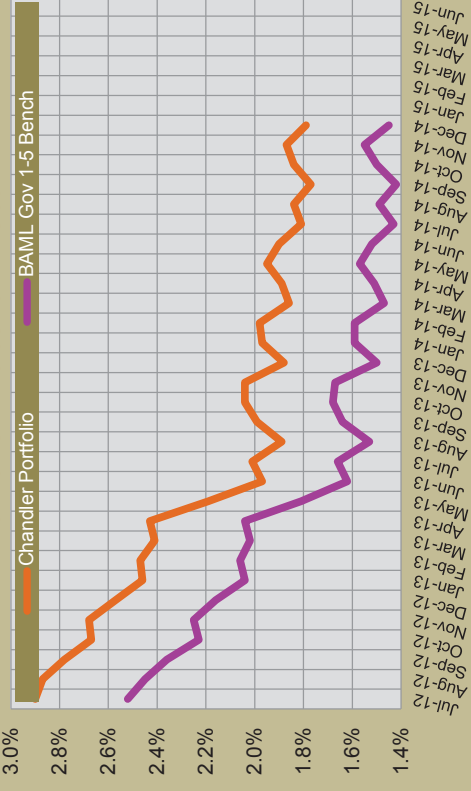
## Portfolio Balances Trend



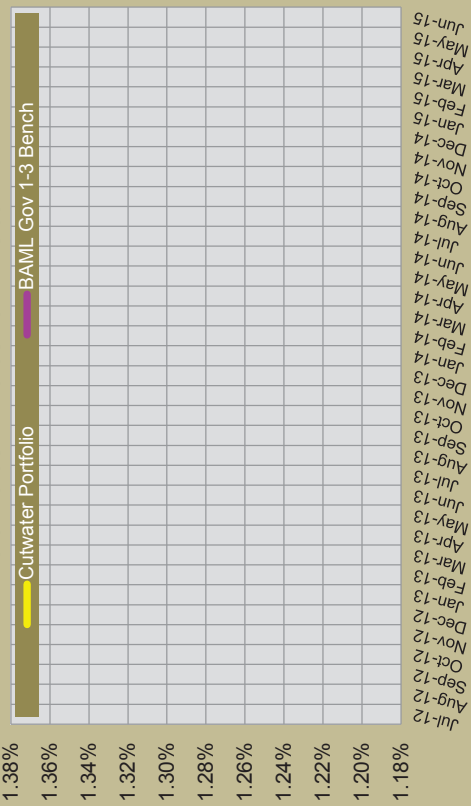
## Avg Yield to Maturity Trend



## Chandler Rate of Return



## Cutwater Rate of Return



### PORTFOLIO CHARACTERISTICS

The portfolio invested in LAIF represents the City's immediate cash liquidity needs and is managed by City staff in a manner to fund the day to day operations of the City.  
 The portfolio managed by Cutwater is comprised of idle cash balances related to funds that generally expect to expend cash within the next 36 months. (Example: Gen Fund, Zone A, Measure A, NSP etc.)  
 The portfolio managed by Chandler is comprised of idle cash balances related to funds that generally expect to expend cash with the next 24 to 60 months. (Example: Facility & Equip Replacement, Endowments etc.)

**BOND PROCEEDS WITH FISCAL AGENTS**

Account Name	Account Number	Investment	Issuer	Purchase Date	Maturity Date	Market Value	Stated Rate	Yield	Price	% of Portfolio
<b>Wells Fargo Community Facilities District 87-1 (A-J)</b>										
special tax funds	22631800	money market fund	WF Govt Fund	12/31/14	01/01/15	182,672	0.01%	0.01%	1.00000	0.970%
interest acct	22631801	money market fund	WF Govt Fund	12/31/14	01/01/15	44	0.01%	0.01%	1.00000	0.000%
reserve fund	22631802	money market fund	WF Govt Fund	12/31/14	01/01/15	2	0.01%	0.01%	1.00000	0.000%
reserve fund	22631804	money market fund	WF Govt Fund	12/31/14	01/01/15	1,028,690	0.01%	0.01%	1.00000	5.461%
admin exp acct	22631805	money market fund	WF Govt Fund	12/31/14	01/01/15	377	0.01%	0.01%	1.00000	0.002%
debt service acct	22631809	money market fund	WF Govt Fund	12/31/14	01/01/15	536,080	0.01%	0.01%	1.00000	2.846%
surplus acct	22631810	money market fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
special tax funds	22631900	money market fund	WF Govt Fund	12/31/14	01/01/15	100,065	0.01%	0.01%	1.00000	0.531%
interest acct	22631901	money market fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
principal fund	22631902	money market fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
reserve fund	22631904	money market fund	WF Govt Fund	12/31/14	01/01/15	365,379	0.01%	0.01%	1.00000	1.940%
admin exp acct	22631905	money market fund	WF Govt Fund	12/31/14	01/01/15	508	0.01%	0.01%	1.00000	0.003%
						2,213,817				
<b>Wells Fargo CFD #5</b>										
Series B Revenue	22333500	money mkt fund	WF Govt Fund	12/31/14	01/01/15	6,779	0.01%	0.01%	1.00000	0.036%
Series A Principal	22333501	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	2.71%	1.00000	0.000%
Series A reserve	22333502	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
Series B reserve	22333502	cash	cash	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
Series B reserve	22333503	money mkt fund	WF Govt Fund	12/31/14	01/01/15	546,091	0.01%	0.01%	1.00000	2.899%
Series B admin fund	22333504	money mkt fund	WF Govt Fund	12/31/14	01/01/15	127	0.01%	0.01%	1.00000	0.001%
						552,997				
<b>Wells Fargo 2007 Redevelopment Agency Tax Allocation Bonds Series A</b>										
debt service fund	22631700	money mkt fund	WF Govt Fund	12/31/14	01/01/15	1	0.01%	0.01%	1.00000	0.000%
interest fund	22631701	money mkt fund	WF Govt Fund	12/31/14	01/01/15	1	0.01%	0.01%	1.00000	0.000%
principal fund	22631702	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
						2				
<b>Wells Fargo 2005 Lease Revenue Bond</b>										
bond fund	18042800	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
interest account	18042801	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
principal account	18042802	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
reserve fund	18042804	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
						0				
<b>Wells Fargo 2007 Taxable Lease Revenue Bonds - Electric Utility</b>										
bond fund	22277600	money mkt fund	WF Govt Fund	12/31/14	01/01/15	3	0.01%	0.01%	1.00000	0.000%
interest fund	22277601	money mkt fund	WF Govt Fund	12/31/14	01/01/15	1	0.01%	0.01%	1.00000	0.000%
principal fund	22277602	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
reserve fund	22277603	money mkt fund	WF Govt Fund	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
construction fund	22277604	money mkt fund	WF Govt Fund	12/31/14	01/01/15	310,049	0.01%	0.01%	1.00000	1.646%
						310,053				
<b>Wells Fargo 2013 Total Road Improvement COEs</b>										
revenue fund	46612400	money mkt fund	WF Advantage	12/31/14	01/01/15	1	0.01%	0.01%	1.00000	0.000%
reserve fund	46612403	money mkt fund	WF Advantage	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
acquisition fund	46612407	money mkt fund	WF Advantage	12/31/14	01/01/15	15,753,156	0.01%	0.01%	1.00000	83.631%
cost of issuance	46612408	money mkt fund	WF Advantage	12/31/14	01/01/15	6,502	0.01%	0.01%	1.00000	0.035%
						15,759,659				83.665%
<b>Wells Fargo 2013 Partial Refunding of the 2005 Lease Revenue Bonds</b>										
revenue fund	48360700	money mkt fund	WF Advantage	12/31/14	01/01/15	1	0.01%	0.01%	1.00000	0.000%
interest fund	48360701	money mkt fund	WF Advantage	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
principal fund	48360702	money mkt fund	WF Advantage	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
cost of issuance	48360705	money mkt fund	WF Advantage	12/31/14	01/01/15	0	0.01%	0.01%	1.00000	0.000%
						1				
<b>Totals</b>										
						18,836,529				100.000%

Type	Summary of Bond Proceeds with Fiscal Agents
1	Construction Funds
2	Principal & Interest Accounts
3	Debt Service Reserve Funds
4	Custody Accounts
5	Arbitrage Rebate Accounts
6	Other Accounts
	Total Fiscal Agent Funds
	18,836,529

## DEFERRED COMPENSATION FUNDS

### Nationwide

Fund	Market Value as of Dec 31, 2014	Fund	Market Value as of Dec 31, 2014
Liquid Savings	\$1,273,835	Nationwide US Sm Cap Val Ins Svc	3,976
Nationwide Fixed (Part Time Employee)	469,885	American Century Balanced	43
Liquid Savings (Part Time Employees)	290,719	Am Century Growth	80,143
Certificates of Deposit 1 year	0	Am Century Select	152,069
Certificates of Deposit 3 years	6,254	JF Morgan Mid Cap Value A	1,130,053
Certificates of Deposit 5 years	89,786	Vanguard Index 500	134,152
Bond Fund of America	34,100	Vanguard Institutional Index	679,829
Growth Fund of America	114,264	Vanguard Wellington	22,653
Investment Co. of America	48,025	Vanguard Windsor II	53,908
Income Fund of America	144,017	Vanguard Total Bond Index	234,889
Brown Cap Mgmt Inc SM Co	58,028	Washington Mutual Inv	103,215
Fidelity Independence	2,750	DFA US Micro Cap Port	131,121
Fidelity Equity Income	67,118	EuroPacific Growth	332,709
Fidelity Magellan	322,602	Stable Fund C	2,677,534
Fidelity Puritan	124,951	N B Socially Responsive Fund	57,599
Fidelity Contrafund	305,903	Dtsch High Income Fund A	78,736
Janus Fund	56,598	Dtsch Eq Divd A	95,651
Janus Advisor Forty	69,238	Oppenheimer Global Fund A	427,909

### ICMA

Fund	Market Value as of Dec 31, 2014	Fund	Market Value as of Dec 31, 2014
Aggressive Oppor.	\$92,408	VT Vanguard Discovery	7,286
International	240,600	VT Gold Sach Mid Cap Value	3,498
All Equity Growth	214,478	VT Fidelity Contrafund	174,096
Growth and Income	324,177	VT Vanguard Overseas Equity Index Fund	150,049
Broad Market	46,740	VT Fidelity Diversified International	126,129
500 Stock Index	293,464	VT Allianz NFI Div Value	147,687
Equity Income	489,579	Vantage Growth Fund	290,924
MS Retirement Income		VT Fidelity Puritan	7,881
Core Bond	24,133	VT Vanguard Select Value	7,288
Cash Management	23,948	VT TR Price Growth Stock Adv	42,448
Plus Fund	908,831	VT Nuveen Real Estate Secs	135,574
Retirement Income Advantage	22,869	VT TR Price Small Cap Value	177,860
Conservative Growth	138,826	VT Vanguardpoint MS Ret Inc	30,125
Traditional Growth	194,678	VT Vanguardpoint Inflation Protected Securities	71,249
Long-Term Growth	456,094	VT Oppenheimer Main Street	11,191
Milestone 2010	10,350	VT Vanguardpoint Mid/Sm Index	55,154
Milestone 2015		VT PIMCO Total Return	60,533
Milestone 2020	50,244	VT PIMCO High Yield	66,614
Milestone 2025	36,603	VT Harbor Mid Cap Growth	9,713
Milestone 2030	353	VT Harbor International Admi	
Milestone 2035	22,110	VT TimesSquare Mid Cap Growth Admin	64,964
Milestone 2040	16,084	<b>Total ICMA</b>	<b>\$5,246,832</b>

### Summary by Plan

Deferred Compensation Plan	Market Value as of Dec 31, 2014
Total Nationwide	\$12,548,128
Total ICMA	5,246,832
<b>Total Deferred Compensation Plans</b>	<b>\$17,794,960</b>

### Summary by Investment Type

Investment Type	Market Value as of Dec 31, 2014
Savings Deposits and CDs	\$4,718,227
Mutual Funds	13,076,733
<b>Total Deferred Compensation Plans</b>	<b>\$17,794,960</b>



# Monthly Account Statement

## City of Moreno Valley

December 1, 2014 through December 31, 2014

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

Union Bank N.A.  
Tina Guzman  
+(619)-230-3547

*Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.*



**PORTFOLIO CHARACTERISTICS**

Average Duration	2.47
Average Coupon	1.47 %
Average Purchase YTM	1.46 %
Average Market YTM	1.15 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.80 yrs
Average Life	2.53 yrs

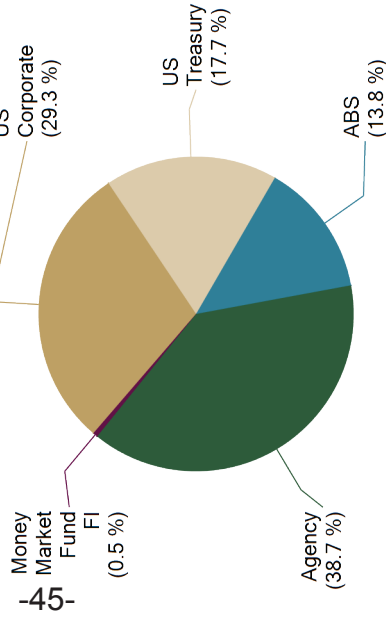
**ACCOUNT SUMMARY**

<b>Market Value</b>	<b>Beg. Values as of 11/30/14</b>	<b>End Values as of 12/31/14</b>
<b>Accrued Interest</b>	134,755,799	80,724,718
<b>Total Market Value</b>	500,103	326,860
	<b>135,255,902</b>	<b>81,051,578</b>
<b>Income Earned</b>	160,231	106,811
<b>Cont/W/D</b>		-53,979,212
<b>Par</b>	134,235,951	80,691,698
<b>Book Value</b>	133,945,280	80,436,297
<b>Cost Value</b>	134,660,945	80,697,548

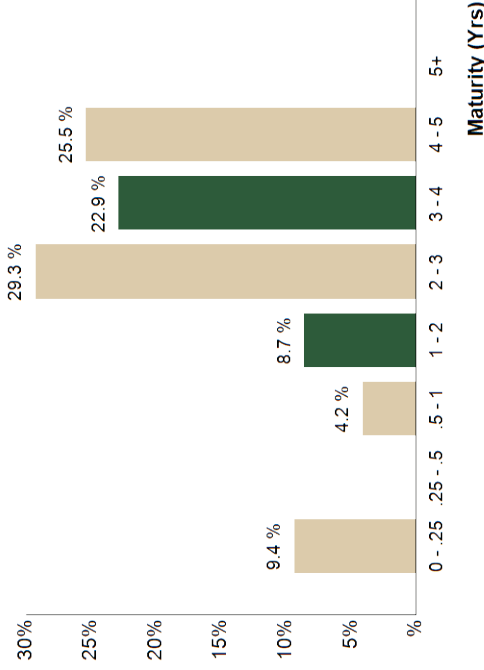
**TOP ISSUERS**

<b>Issuer</b>	<b>% Portfolio</b>
Government of United States	17.7 %
Federal National Mortgage Assoc	17.4 %
Federal Home Loan Mortgage Corp	13.5 %
Federal Home Loan Bank	5.3 %
Honda ABS	4.9 %
John Deere ABS	4.4 %
Federal Farm Credit Bank	2.5 %
Toyota ABS	2.3 %
	<b>68.1 %</b>

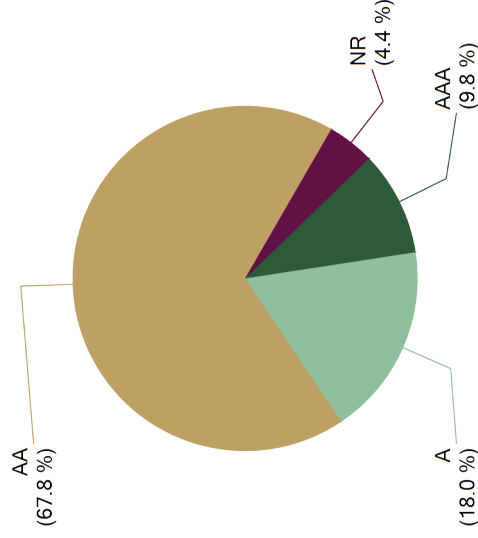
**SECTOR ALLOCATION**



**MATURITY DISTRIBUTION**



**CREDIT QUALITY (S&P)**



**PERFORMANCE REVIEW**

Rate of Return of Moreno Valley for Govt or better Corporate	Annualized				Since 5/31/2010
	Current Month	Latest 3 Months	Year To Date	10 Yrs	
of 12/31/2014	-0.20 %	0.53 %	1.46 %	N/A	1.79 %
of 5/31/2010	-0.32 %	0.48 %	1.24 %	N/A	1.45 %
of 5/31/2010	-0.32 %	0.48 %	1.42 %	N/A	1.81 %
of 5/31/2010					8.48 %
of 5/31/2010					6.81 %
of 5/31/2010					8.56 %



**COMPLIANCE WITH INVESTMENT POLICY**

Assets managed by Chandler Asset Management are in full compliance with State law and with the City's investment policy.

Category	Standard	Comment
Local Agency Bonds	No Limitation	Complies
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Banker's Acceptances	40% maximum; <180 days maturity	Complies
Commercial Paper	25% maximum; <270 days maturity; A-1/P-1/F-1 minimum ratings	Complies
Negotiable Certificates of Deposit	30% maximum; 5 years maximum maturity	Complies
Repurchase Agreements	No limitation; 1-year maximum maturity	Complies
Reverse Repurchase Agreements	20% maximum; <92 days maturity	Complies
Medium Term Notes	30% maximum; 5 years maximum maturity; A-rated or better	Complies
Money Market Mutual Funds	20% maximum; AAAf/Aaaf, minimum rating	Complies
Collateralized Certificates of Deposits	5 years maximum maturity	Complies
Time Deposits	5 years maximum maturity	Complies
Mortgage Pass-throughs, CMOs and Asset Backed Securities	20% maximum; AA-rated issue; A-rated issuer	Complies
Local Agency Investment Fund - L.A.I.F.	Maximum program limitation	Complies
Prohibited Securities	Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities	Complies
Maximum maturity	5 years	Complies
Weighted Average Maturity	3 years	Complies



BOOK VALUE RECONCILIATION		\$133,945,280.20
<b>Beginning Book Value</b>		
<b>Acquisition</b>		
+ Security Purchases	\$694,353.65	
+ Money Market Fund Purchases	\$941,436.05	
+ Money Market Contributions	\$291.67	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
<b>Total Acquisitions</b>		\$1,636,081.37
<b>Dispositions</b>		
- Security Sales	\$560,783.32	
- Money Market Fund Sales	\$694,353.65	
- MMF Withdrawals	\$470,291.67	
- Security Withdrawals	\$53,281,521.85	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$326,335.40	
<b>Total Dispositions</b>		\$55,333,285.89
<b>Amortization/Accretion</b>		
+/- Net Accretion	(\$1,952.93)	(\$1,952.93)
<b>Gain/Loss on Dispositions</b>		
+/- Realized Gain/Loss	\$190,174.33	\$190,174.33
<b>Ending Book Value</b>		<b>\$80,436,297.08</b>

CASH TRANSACTION SUMMARY		\$618,524.00
<b>BEGINNING BALANCE</b>		
<b>Acquisition</b>		
Contributions	\$291.67	
Security Sale Proceeds	\$560,783.32	
Accrued Interest Received	\$3,945.65	
Interest Received	\$50,369.52	
Dividend Received	\$2.16	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$326,335.40	
<b>Total Acquisitions</b>	<b>\$941,727.72</b>	
<b>Disposition</b>		
Withdrawals	\$470,291.67	
Security Purchase	\$694,353.65	
Accrued Interest Paid	\$0.00	
<b>Total Dispositions</b>	<b>\$1,164,645.32</b>	
<b>Ending Book Value</b>		<b>\$395,606.40</b>

P	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
7RAC4	John Deere Owner Trust 2012-B A3 0.53% Due 7/15/2016	687,976.03	08/28/2012 0.53 %	687,954.78 687,967.57	100.01 0.48 %	688,066.15 162.06	0.85 % 98.58	Aaa / NR AAA	1.54 0.27
02221NAC7	Toyota Auto Receivable 2012-B A3 0.46% Due 7/15/2016	711,669.30	09/18/2012 0.46 %	711,601.62 711,653.25	100.02 0.41 %	711,809.50 145.50	0.88 % 156.25	Aaa / AAA NR	1.54 0.37
43814CAC3	Honda Auto Receivables 2013-1 A3 0.48% Due 11/21/2016	1,765,846.40	01/16/2013 0.48 %	1,765,753.69 1,765,815.85	99.99 0.51 %	1,765,586.82 235.45	2.18 % (229.03)	NR / AAA AAA	1.89 0.43
161571FL3	Chase CHAIT Pool #2012-A5 0.59% Due 8/15/2017	1,680,000.00	03/19/2013 0.59 %	1,680,000.00 1,680,000.00	100.03 0.53 %	1,680,529.20 440.53	2.07 % 529.20	NR / AAA AAA	2.62 0.60
477879AC4	John Deere Owner Trust 2013-B A3 0.87% Due 8/15/2017	640,000.00	08/27/2013 0.88 %	639,912.77 639,942.07	100.21 0.61 %	641,335.04 247.47	0.79 % 1,392.97	Aaa / NR AAA	2.62 0.80
89231MAC9	Toyota Auto Receivables Owner 2014-A 0.67% Due 12/15/2017	1,180,000.00	03/11/2014 0.69 %	1,179,781.94 1,179,842.62	99.89 0.75 %	1,178,706.72 351.38	1.45 % (1,135.90)	Aaa / AAA NR	2.96 1.45
43814GAC4	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	1,145,000.00	05/13/2014 0.78 %	1,144,862.37 1,144,890.70	99.78 0.91 %	1,142,474.13 318.37	1.41 % (2,416.57)	Aaa / AAA NR	3.22 1.63
47787VAC5	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	1,635,000.00	04/02/2014 0.93 %	1,634,738.07 1,634,801.53	99.95 0.95 %	1,634,251.17 668.53	2.02 % (550.36)	Aaa / NR AAA	3.29 1.50
43814HAC2	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	1,085,000.00	08/12/2014 0.89 %	1,084,790.70 1,084,817.16	99.66 1.08 %	1,081,359.83 424.36	1.33 % (3,457.33)	Aaa / AAA AAA	3.46 1.73
877AD6	John Deere Owner Trust 2014-B A3 1.07% Due 11/15/2018	620,000.00	08/26/2014 1.08 %	619,864.59 619,878.49	99.61 1.27 %	617,569.60 294.84	0.76 % (2,308.89)	Aaa / NR AAA	3.88 1.95
<b>Total ABS</b>		<b>11,150,491.73</b>	<b>0.71 %</b>	<b>11,149,260.53</b> <b>11,149,609.24</b>	<b>0.74 %</b>	<b>11,141,688.16</b> <b>3,288.49</b>	<b>13.75 %</b> <b>(7,921.08)</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>2.72</b> <b>1.06</b>
<b>AGENCY</b>									
3133ECBJ2	FFCB Note 0.43% Due 11/16/2015	1,100,000.00	12/24/2012 0.45 %	1,099,373.00 1,099,810.23	100.13 0.28 %	1,101,467.40 591.25	1.36 % 1,657.17	Aaa / AA+ AAA	0.88 0.87
31331J6C2	FFCB Note 2.35% Due 12/22/2015	900,000.00	03/28/2011 2.27 %	903,258.00 900,668.94	101.97 0.32 %	917,772.30 528.75	1.13 % 17,103.36	Aaa / AA+ AAA	0.98 0.97
3136FPDC8	FNMA Callable Note 1X 3/8/2011 2% Due 3/8/2016	1,765,000.00	08/24/2011 1.22 %	1,825,645.40 1,780,810.99	101.88 0.41 %	1,798,095.52 11,080.28	2.23 % 17,284.53	Aaa / AA+ AAA	1.19 1.17
3133787M7	FHLB Note 1.05% Due 2/27/2017	1,195,000.00	02/27/2012 1.03 %	1,196,099.40 1,195,474.44	100.52 0.81 %	1,201,173.37 4,321.92	1.49 % 5,698.93	Aaa / AA+ AAA	2.16 2.12
313560UY7	FNMA Callable Note 1X 2/27/15 1% Due 2/27/2017	1,500,000.00	04/23/2013 0.48 %	1,514,250.00 1,501,205.12	100.00 0.99 %	1,500,015.00 5,166.67	1.86 % (1,190.12)	Aaa / AA+ AAA	2.16 0.88
3137EADC0	FHLMC Note 1% Due 3/8/2017	1,700,000.00	03/14/2012 1.29 %	1,676,285.00 1,689,609.21	100.29 0.87 %	1,704,926.60 5,336.11	2.11 % 15,317.39	Aaa / AA+ AAA	2.19 2.15
313378WF4	FHLB Note 1.125% Due 3/10/2017	1,800,000.00	04/24/2012 1.05 %	1,806,408.00 1,802,876.40	100.39 0.95 %	1,806,948.00 6,243.75	2.24 % 4,071.60	Aaa / AA+ AAA	2.19 2.15
3133782N0	FHLB Note 0.875% Due 3/10/2017	1,310,000.00	03/13/2013 0.70 %	1,318,894.90 1,314,881.20	99.94 0.90 %	1,309,187.80 3,534.27	1.62 % (5,693.40)	Aaa / AA+ AAA	2.19 2.16





CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3137EADF3	FHLMC Note 1.25% Due 5/12/2017	1,650,000.00	05/29/2012 1.06 %	1,665,300.45 1,657,294.79	100.74 0.93 %	1,662,228.15 2,807.29	2.05 % 4,933.36	Aaa / AA+ AAA	2.36 2.32
3137EADH9	FHLMC Note 1% Due 6/29/2017	1,650,000.00	Various 0.86 %	1,660,600.20 1,655,619.55	100.20 0.92 %	1,653,248.86 91.67	2.04 % (2,370.69)	Aaa / AA+ AAA	2.50 2.46
3135G0ZL0	FNMA Note 1% Due 9/27/2017	1,325,000.00	08/21/2014 1.12 %	1,320,269.75 1,320,810.23	99.80 1.07 %	1,322,331.45 3,459.72	1.64 % 1,521.22	Aaa / AA+ AAA	2.74 2.69
3137EADL0	FHLMC Note 1% Due 9/29/2017	1,050,000.00	10/25/2012 0.92 %	1,053,983.70 1,052,223.77	99.78 1.08 %	1,047,694.20 2,683.33	1.30 % (4,529.57)	Aaa / AA+ AAA	2.75 2.69
3135G0TG8	FNMA Note 0.875% Due 2/8/2018	1,450,000.00	Various 1.43 %	1,414,007.30 1,425,854.26	98.85 1.25 %	1,433,388.80 5,039.76	1.77 % 7,534.54	Aaa / AA+ AAA	3.11 3.04
3135G0WJ8	FNMA Note 0.875% Due 5/21/2018	1,800,000.00	07/29/2013 1.54 %	1,745,109.00 1,761,363.74	98.34 1.38 %	1,770,069.60 1,750.00	2.19 % 8,705.86	Aaa / AA+ AAA	3.39 3.32
3135G0YM9	FNMA Note 1.875% Due 9/18/2018	950,000.00	12/23/2013 1.71 %	956,915.05 955,432.68	101.63 1.42 %	965,463.15 5,096.35	1.20 % 10,030.47	Aaa / AA+ AAA	3.72 3.56
3135G0YT4	FNMA Note 1.625% Due 11/27/2018	1,750,000.00	12/13/2013 1.71 %	1,743,035.00 1,744,497.46	100.48 1.50 %	1,758,426.25 2,685.76	2.17 % 13,928.79	Aaa / AA+ AAA	3.91 3.77
3135G0ZA4	FNMA Note 1.875% Due 2/19/2019	1,775,000.00	Various 1.65 %	1,793,583.78 1,790,469.83	101.52 1.49 %	1,801,933.85 12,203.13	2.24 % 11,464.02	Aaa / AA+ AAA	4.14 3.94
7EADG1	FHLMC Note 1.75% Due 5/30/2019	2,125,000.00	Various 1.80 %	2,119,946.43 2,120,054.48	100.55 1.62 %	2,136,781.00 3,202.26	2.64 % 16,726.52	Aaa / AA+ AAA	4.41 4.23
3137EADK2	FHLMC Note 1.25% Due 8/1/2019	2,750,000.00	09/04/2014 1.83 %	2,674,980.00 2,679,805.11	98.15 1.67 %	2,699,224.00 14,322.92	3.35 % 19,418.89	Aaa / AA+ AAA	4.59 4.41
3135G0ZG1	FNMA Note 1.75% Due 9/12/2019	1,700,000.00	10/29/2014 1.70 %	1,703,859.00 1,703,722.26	100.25 1.69 %	1,704,212.60 9,007.64	2.11 % 490.34	Aaa / AA+ AAA	4.70 4.47
<b>Total Agency</b>		<b>31,245,000.00</b>	<b>1.32 %</b>	<b>31,191,803.36</b> <b>31,152,484.69</b>	<b>1.14 %</b>	<b>31,294,587.90</b> <b>99,152.83</b>	<b>38.73 %</b> <b>142,103.21</b>	<b>Aaa / AA+</b> <b>Aaa</b>	<b>2.98</b> <b>2.83</b>
<b>MONEY MARKET FUND FI</b>									
60934N104	Federated GOVT OBLIG MMF	395,606.40	Various 0.01 %	395,606.40 395,606.40	1.00 0.01 %	395,606.40 0.00	0.49 % 0.00	Aaa / AAA AAA	0.00 0.00
<b>Total Money Market Fund FI</b>		<b>395,606.40</b>	<b>0.01 %</b>	<b>395,606.40</b> <b>395,606.40</b>	<b>0.01 %</b>	<b>395,606.40</b> <b>0.00</b>	<b>0.49 %</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>0.00</b> <b>0.00</b>
<b>ORPORATE</b>									
48BM9	Pepsico Inc. Note 3.1% Due 1/15/2015	1,530,000.00	Various 1.83 %	1,610,340.25 1,530,715.60	100.08 1.02 %	1,531,227.06 21,870.51	1.92 % 511.46	A1 / A- A	0.04 0.04
5HHP8	JP Morgan Chase Note 3.7% Due 1/20/2015	1,550,000.00	Various 3.16 %	1,580,846.00 1,550,405.49	100.17 0.51 %	1,552,599.36 25,648.19	1.95 % 2,193.87	A3 / A A+	0.05 0.05
0VAA6	Wells Fargo Bank Note 4.75% Due 2/9/2015	1,475,000.00	Various 3.46 %	1,548,816.50 1,476,879.43	100.40 0.95 %	1,480,877.88 27,635.76	1.86 % 3,998.45	A1 / A+ A+	0.11 0.11



P	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>CORPORATE</b>									
70AV0	Berkshire Hathaway Note 3.2% Due 2/11/2015	1,485,000.00	06/09/2010 2.65 %	1,520,862.75 1,485,863.40	100.29 0.62 %	1,489,248.59 18,480.00	1.86 % 3,385.19	Aa2 / AA A+	0.12 0.11
101216AX8	Coca Cola Company Note 0.75% Due 3/13/2015	1,090,000.00	Various 0.82 %	1,087,765.55 1,089,854.73	100.10 0.24 %	1,091,099.82 2,452.50	1.35 % 1,245.09	Aa3 / AA A+	0.20 0.20
278642AB9	Ebay Inc Note 1.625% Due 10/15/2015	1,345,000.00	10/22/2010 1.66 %	1,342,646.25 1,344,627.40	100.77 0.64 %	1,355,357.85 4,614.10	1.68 % 10,730.45	A2 / A A-	0.79 0.78
24422ERL5	John Deere Capital Corp Note 2% Due 1/13/2017	1,215,000.00	09/11/2012 1.05 %	1,263,733.65 1,237,888.18	101.69 1.16 %	1,235,534.72 11,340.00	1.54 % (2,353.46)	A2 / A NR	2.04 1.97
674599CB9	Occidental Petroleum Note 1.75% Due 2/15/2017	1,575,000.00	03/08/2013 1.13 %	1,612,532.25 1,595,296.19	100.58 1.47 %	1,584,084.60 10,412.50	1.97 % (11,211.59)	A2 / A A	2.13 2.06
717081DJ9	Pfizer Inc. Note 1.1% Due 5/15/2017	565,000.00	05/12/2014 1.13 %	564,502.80 564,607.59	99.88 1.15 %	564,331.04 794.14	0.70 % (276.55)	A1 / AA A+	2.37 2.33
166764AA8	Chevron Corp. Callable Note Cont 11/5/17 1.104% Due 12/5/2017	1,500,000.00	Various 1.47 %	1,477,072.20 1,484,268.41	99.38 1.32 %	1,490,727.00 1,195.99	1.84 % 6,458.59	Aa1 / AA NR	2.93 2.79
02665WAQ4	American Honda Finance Note 1.55% Due 12/11/2017	695,000.00	12/08/2014 1.58 %	694,353.65 694,366.03	100.43 1.40 %	697,963.48 598.47	0.86 % 3,597.45	A1 / A+ NR	2.95 2.87
140AL4	Intel Corp Note 1.35% Due 12/15/2017	1,440,000.00	12/12/2012 1.29 %	1,444,175.55 1,442,470.08	99.85 1.40 %	1,437,891.84 864.00	1.78 % (4,578.24)	A1 / A+ A+	2.96 2.89
037833AJ9	Apple Inc Note 1% Due 5/3/2018	1,400,000.00	05/22/2013 1.25 %	1,383,186.00 1,388,628.84	98.52 1.46 %	1,379,224.00 2,255.56	1.70 % (9,404.84)	Aa1 / AA+ NR	3.34 3.26
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	545,000.00	12/10/2013 1.99 %	543,839.15 544,083.27	99.98 1.96 %	544,871.93 531.38	0.67 % 788.66	A2 / A NR	3.95 3.78
36962G7G3	General Electric Capital Corp Note 2.3% Due 1/14/2019	1,750,000.00	01/08/2014 2.32 %	1,748,286.80 1,748,617.06	101.60 1.89 %	1,777,926.50 18,671.52	2.22 % 29,309.44	A1 / AA+ NR	4.04 3.80
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	1,305,000.00	Various 2.07 %	1,308,459.75 1,307,889.83	100.47 2.01 %	1,311,140.03 9,243.76	1.63 % 3,250.20	A1 / AA- NR	4.17 3.94
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	1,365,000.00	Various 2.18 %	1,366,198.85 1,366,173.04	100.46 2.09 %	1,371,240.78 5,505.50	1.70 % 5,067.74	A1 / A+ AA-	4.32 4.01
06406HCW7	Bank of New York Callable Note Cont 8/1/2019 2.3% Due 9/11/2019	1,675,000.00	Various 2.29 %	1,675,650.55 1,675,609.73	100.50 2.19 %	1,683,291.25 11,771.53	2.09 % 7,681.52	A1 / A+ AA-	4.70 4.33
<b>Total US Corporate</b>		<b>23,505,000.00</b>	<b>1.92 %</b>	<b>23,773,268.50</b> <b>23,528,244.30</b>	<b>1.31 %</b>	<b>23,578,637.73</b> <b>173,885.41</b>	<b>29.31 %</b> <b>50,393.43</b>	<b>A1 / A+</b> <b>A+</b>	<b>2.24</b> <b>2.13</b>
<b>US TREASURY</b>									
912828PS3	US Treasury Note 2% Due 1/31/2016	2,005,000.00	05/16/2011 1.70 %	2,031,870.57 2,011,178.04	101.78 0.35 %	2,040,713.06 16,780.98	2.54 % 29,535.02	Aaa / AA+ AAA	1.08 1.07
912828UU2	US Treasury Note 0.75% Due 3/31/2018	1,835,000.00	Various 1.29 %	1,791,984.86 1,804,136.60	98.46 1.23 %	1,806,757.52 3,516.24	2.23 % 2,620.92	Aaa / AA+ AAA	3.25 3.19



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912828VE7	US Treasury Note 1% Due 5/31/2018	1,450,000.00	01/07/2014 1.46 %	1,421,684.55 1,428,004.33	99.03 1.29 %	1,435,952.40 1,274.73	1.77 % 7,948.07	Aaa / AA+ AAA	3.42 3.34
912828WD8	US Treasury Note 1.25% Due 10/31/2018	1,005,600.00	12/13/2013 1.50 %	993,661.87 996,206.61	99.35 1.42 %	999,079.69 2,152.87	1.24 % 2,873.08	Aaa / AA+ AAA	3.84 3.72
912828A34	US Treasury Note 1.25% Due 11/30/2018	2,000,000.00	Various 1.71 %	1,957,160.02 1,965,801.68	99.30 1.44 %	1,985,938.01 2,197.80	2.45 % 20,136.33	Aaa / AA+ AAA	3.92 3.80
912828SD3	US Treasury Note 1.25% Due 1/31/2019	2,100,000.00	06/17/2014 1.64 %	2,063,421.09 2,067,690.07	99.04 1.49 %	2,079,821.10 10,985.05	2.58 % 12,131.03	Aaa / AA+ AAA	4.09 3.94
912828SH4	US Treasury Note 1.375% Due 2/28/2019	2,000,000.00	03/31/2014 1.72 %	1,967,741.08 1,972,686.01	99.46 1.51 %	1,989,218.00 9,343.92	2.47 % 16,531.99	Aaa / AA+ AAA	4.16 4.01
912828ST8	US Treasury Note 1.25% Due 4/30/2019	2,000,000.00	06/10/2014 1.68 %	1,960,084.82 1,964,649.11	98.84 1.53 %	1,976,718.00 4,281.77	2.44 % 12,068.89	Aaa / AA+ AAA	4.33 4.19
<b>Total US Treasury</b>		<b>14,395,600.00</b>	<b>1.60 %</b>	<b>14,187,608.86</b> <b>14,210,352.45</b>	<b>1.27 %</b>	<b>14,314,197.78</b> <b>50,533.36</b>	<b>17.72 %</b> <b>103,845.33</b>	<b>Aaa / AA+</b> <b>Aaa</b>	<b>3.49</b> <b>3.38</b>
<b>TOTAL PORTFOLIO</b>		<b>80,691,698.13</b>	<b>1.46 %</b>	<b>80,697,547.65</b> <b>80,436,297.08</b>	<b>1.15 %</b>	<b>80,724,717.97</b> <b>326,860.09</b>	<b>100.00 %</b> <b>288,420.89</b>	<b>Aa1 / AA</b> <b>Aaa</b>	<b>2.80</b> <b>2.47</b>
<b>UNADJUSTED MARKET VALUE PLUS ACCRUED</b>						<b>81,051,578.06</b>			

# Item No. Holdings Report Glossary

**A SIP** (Committee on Uniform Securities Identification Procedures) – A unique identification number assigned to all securities.

**4.**

**Security Description** - The issuer name, coupon (periodic interest payment rate) and maturity.

**Par Value/Units** - The face value or number of units held in the portfolio.

**Purchase Date** - The settlement date on which the security was purchased.

**Book Yield** - The YTM that equates the current amortized value of the security to its periodic future cash flows.

**Cost Value** - The value at which the securities were purchased, excluding purchased interest.

**Book Value** - The value at which an asset is carried on a balance sheet. To calculate, take the cost of an asset +/- net creation/amortization.

**Mkt Price** - The current fair value market price.

**Mkt YTM** – The internal rate of return that equates the periodic future cash flows (interest payments and redemption value) to the market price, assuming that all cash flows are invested at the YTM rate.

**Market Value** - The current fair value of an investment as determined by transactions between willing buyers and sellers.

**Accrued Int.** - The interest that has accumulated on a bond since the last interest payment up to, but not including, the settlement date.

**% of Port.** - The % of the portfolio that the security represents based on market value, including accrued interest.

**Gain/Loss** – The unrealized gain or loss on the security, compared to either cost or amortized value, as of the date of the report.

**Moody** - The Moody's rating for the security.



## Holdings Report Glossary (continued)

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**S&P** - The Standard and Poor's rating for the security.

**Term (yrs)** - The time, in years, until maturity.

**Duration** - The weighted average time to maturity of a bond where the weights are the present values of future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates.

**Transaction Ledger**  
 11/30/14 Thru 12/31/14

Transaction	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
SALES										
Purchase	12/01/2014	60934N104	1,530.00	Federated GOVT OBLIG MMF	1.000	0.01 %	1,530.00	0.00	1,530.00	0.00
Purchase	12/01/2014	60934N104	2.16	Federated GOVT OBLIG MMF	1.000	0.01 %	2.16	0.00	2.16	0.00
Purchase	12/05/2014	60934N104	8,280.00	Federated GOVT OBLIG MMF	1.000	0.01 %	8,280.00	0.00	8,280.00	0.00
Purchase	12/10/2014	60934N104	564,728.97	Federated GOVT OBLIG MMF	1.000	0.01 %	564,728.97	0.00	564,728.97	0.00
Purchase	12/11/2014	02665WQA4	695,000.00	American Honda Finance Note 1.55% Due 12/11/2017	99.907	1.58 %	694,353.65	0.00	694,353.65	0.00
Purchase	12/13/2014	60934N104	5,313.75	Federated GOVT OBLIG MMF	1.000	0.01 %	5,313.75	0.00	5,313.75	0.00
Purchase	12/15/2014	60934N104	9,720.00	Federated GOVT OBLIG MMF	1.000	0.01 %	9,720.00	0.00	9,720.00	0.00
Purchase	12/15/2014	60934N104	826.00	Federated GOVT OBLIG MMF	1.000	0.01 %	826.00	0.00	826.00	0.00
Purchase	12/15/2014	60934N104	658.83	Federated GOVT OBLIG MMF	1.000	0.01 %	658.83	0.00	658.83	0.00
Purchase	12/16/2014	60934N104	86,136.79	Federated GOVT OBLIG MMF	1.000	0.01 %	86,136.79	0.00	86,136.79	0.00
Purchase	12/16/2014	60934N104	795.67	Federated GOVT OBLIG MMF	1.000	0.01 %	795.67	0.00	795.67	0.00
Purchase	12/16/2014	60934N104	75,363.92	Federated GOVT OBLIG MMF	1.000	0.01 %	75,363.92	0.00	75,363.92	0.00
Purchase	12/16/2014	60934N104	1,253.50	Federated GOVT OBLIG MMF	1.000	0.01 %	1,253.50	0.00	1,253.50	0.00
Purchase	12/16/2014	60934N104	552.83	Federated GOVT OBLIG MMF	1.000	0.01 %	552.83	0.00	552.83	0.00
Purchase	12/16/2014	60934N104	464.00	Federated GOVT OBLIG MMF	1.000	0.01 %	464.00	0.00	464.00	0.00
Purchase	12/18/2014	60934N104	734.71	Federated GOVT OBLIG MMF	1.000	0.01 %	734.71	0.00	734.71	0.00
Purchase	12/22/2014	60934N104	10,575.00	Federated GOVT OBLIG MMF	1.000	0.01 %	10,575.00	0.00	10,575.00	0.00
Purchase	12/22/2014	60934N104	166,249.92	Federated GOVT OBLIG MMF	1.000	0.01 %	166,249.92	0.00	166,249.92	0.00
Purchase	12/29/2014	60934N104	8,250.00	Federated GOVT OBLIG MMF	1.000	0.01 %	8,250.00	0.00	8,250.00	0.00
<b>Subtotal</b>			<b>1,636,436.05</b>				<b>1,635,789.70</b>	<b>0.00</b>	<b>1,635,789.70</b>	<b>0.00</b>
Security Contribution	12/09/2014	60934N104	291.67	Federated GOVT OBLIG MMF	1.000		291.67	0.00	291.67	0.00
<b>Subtotal</b>			<b>291.67</b>				<b>291.67</b>	<b>0.00</b>	<b>291.67</b>	<b>0.00</b>
Short Sale	12/11/2014	60934N104	-694,353.65	Federated GOVT OBLIG MMF	1.000		-694,353.65	0.00	-694,353.65	0.00
<b>Subtotal</b>			<b>-694,353.65</b>				<b>-694,353.65</b>	<b>0.00</b>	<b>-694,353.65</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>942,374.07</b>				<b>941,727.72</b>	<b>0.00</b>	<b>941,727.72</b>	<b>0.00</b>

## Transaction Ledger

11/30/14 Thru 12/31/14

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Closing Purchase	12/11/2014	60934N104	-694,353.65	Federated GOVT OBLIG MMF	1.000		-694,353.65	0.00	-694,353.65	0.00
<b>Subtotal</b>			<b>-694,353.65</b>				<b>-694,353.65</b>	<b>0.00</b>	<b>-694,353.65</b>	<b>0.00</b>
Sale	12/10/2014	912828PS3	550,000.00	US Treasury Note 2% Due 1/31/2016	101.961	0.28 %	560,783.32	3,945.65	564,728.97	8,994.21
Sale	12/11/2014	60934N104	694,353.65	Federated GOVT OBLIG MMF	1.000	0.01 %	694,353.65	0.00	694,353.65	0.00
<b>Subtotal</b>			<b>1,244,353.65</b>				<b>1,255,136.97</b>	<b>3,945.65</b>	<b>1,259,082.62</b>	<b>8,994.21</b>
Paydown	12/15/2014	161571FL3	0.00	Chase CHAIT Pool #2012-A5 0.59% Due 8/15/2017	100.000		0.00	826.00	826.00	0.00
Paydown	12/15/2014	89231MAC9	0.00	Toyota Auto Receivables Owner 2014-A 0.67% Due 12/15/2017	100.000		0.00	658.83	658.83	0.00
Paydown	12/16/2014	43814HAC2	0.00	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	100.000		0.00	795.67	795.67	0.00
Paydown	12/16/2014	47787AD6	0.00	John Deere Owner Trust 2014-B A3 1.07% Due 11/15/2018	100.000		0.00	552.83	552.83	0.00
Paydown	12/16/2014	477879AC4	0.00	John Deere Owner Trust 2013-B A3 0.87% Due 8/15/2017	100.000		0.00	464.00	464.00	0.00
Paydown	12/16/2014	47787RAC4	75,026.93	John Deere Owner Trust 2012-B A3 0.53% Due 7/15/2016	100.000		75,026.93	336.99	75,363.92	0.00
Paydown	12/16/2014	47787VAC5	0.00	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	100.000		0.00	1,253.50	1,253.50	0.00
Paydown	12/16/2014	89231NAC7	85,831.08	Toyota Auto Receivable 2012-B A3 0.46% Due 7/15/2016	100.000		85,831.08	305.71	86,136.79	0.00
Paydown	12/18/2014	43814GAC4	0.00	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	100.000		0.00	734.71	734.71	0.00
Paydown	12/21/2014	43814CAC3	165,477.39	Honda Auto Receivables 2013-1 A3 0.48% Due 11/21/2016	100.000		165,477.39	772.53	166,249.92	0.00
<b>Subtotal</b>			<b>326,335.40</b>				<b>326,335.40</b>	<b>6,700.77</b>	<b>333,036.17</b>	<b>0.00</b>
Paydown	12/03/2014	60934N104	470,000.00	Federated GOVT OBLIG MMF	1.000		470,000.00	0.00	470,000.00	0.00
Paydown	12/04/2014	037833AJ9	500,000.00	Apple Inc Note 1% Due 5/3/2018	98.799		491,865.00	444.44	492,309.44	-3,980.51
Paydown	12/04/2014	084670AV0	1,000,000.00	Berkshire Hathaway Note 3.2% Due 2/11/2015	102.415		1,004,230.00	10,132.83	1,014,362.83	3,251.52
Paydown	12/04/2014	09247XAD3	275,000.00	Blackrock Inc Note 3.5% Due 12/10/2014	102.228		275,030.25	4,678.82	279,709.07	7.92

Transaction	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
POSITIONS										
Security Withdrawal	12/04/2014	09247XAD3	255,000.00	Blackrock Inc Note 3.5% Due 12/10/2014	102.249		255,028.05	4,338.54	259,366.59	7.14
Security Withdrawal	12/04/2014	09247XAD3	510,000.00	Blackrock Inc Note 3.5% Due 12/10/2014	103.133		510,056.10	8,677.08	518,733.18	-2.21
Security Withdrawal	12/04/2014	09247XAD3	590,000.00	Blackrock Inc Note 3.5% Due 12/10/2014	102.895		590,064.90	10,038.19	600,103.09	2.41
Security Withdrawal	12/04/2014	17275RAR3	500,000.00	Cisco Systems Note 2.125% Due 3/1/2019	100.748		502,985.00	2,774.31	505,759.31	-190.82
Security Withdrawal	12/04/2014	191216AX8	1,000,000.00	Coca Cola Company Note 0.75% Due 3/13/2015	99.888		1,001,370.00	1,708.33	1,003,078.33	1,471.35
Security Withdrawal	12/04/2014	278642AB9	1,000,000.00	Ebay Inc Note 1.625% Due 10/15/2015	99.825		1,007,690.00	2,256.94	1,009,946.94	7,994.05
Security Withdrawal	12/04/2014	313372YS7	2,150,000.00	FHLB Note 2.45% Due 3/30/2016	102.634		2,205,534.50	9,510.76	2,215,045.26	39,728.97
Security Withdrawal	12/04/2014	313373SZ6	725,000.00	FHLB Note 2.125% Due 6/10/2016	101.752		743,676.00	7,489.15	751,165.15	14,738.17
Security Withdrawal	12/04/2014	313373SZ6	1,150,000.00	FHLB Note 2.125% Due 6/10/2016	104.049		1,179,624.00	11,879.34	1,191,503.34	14,849.56
Security Withdrawal	12/04/2014	313373SZ6	900,000.00	FHLB Note 2.125% Due 6/10/2016	104.160		923,184.00	9,296.88	932,480.88	10,704.00
Security Withdrawal	12/04/2014	313378WF4	1,000,000.00	FHLB Note 1.125% Due 3/10/2017	100.356		1,006,660.00	2,656.25	1,009,316.25	5,006.00
Security Withdrawal	12/04/2014	313379VE6	915,000.00	FHLB Note 1.01% Due 6/19/2017	100.914		918,339.75	4,261.36	922,601.11	-1,000.83
Security Withdrawal	12/04/2014	3133EADW5	1,200,000.00	FFCB Note 0.55% Due 8/17/2015	99.851		1,203,348.00	1,980.00	1,205,328.00	3,727.92
Security Withdrawal	12/04/2014	3133EAY28	1,645,000.00	FFCB Note 0.83% Due 9/21/2017	100.000		1,635,936.05	2,806.55	1,638,742.60	-9,063.95
Security Withdrawal	12/04/2014	3133ECBJ2	2,000,000.00	FFCB Note 0.43% Due 11/16/2015	99.943		2,004,580.00	453.89	2,005,033.89	4,955.31
Security Withdrawal	12/04/2014	3135G0RT2	1,850,000.00	FNMA Note 0.875% Due 12/20/2017	99.744		1,838,067.50	7,419.27	1,845,486.77	-8,938.51
Security Withdrawal	12/04/2014	3135G0TG8	1,500,000.00	FNMA Note 0.875% Due 2/8/2018	98.362		1,487,355.00	4,265.63	1,491,620.63	4,129.58
Security Withdrawal	12/04/2014	3135G0WJ8	1,000,000.00	FNMA Note 0.875% Due 5/21/2018	96.951		987,230.00	340.28	987,570.28	9,180.84
Security Withdrawal	12/04/2014	3135G0YT4	1,000,000.00	FNMA Note 1.625% Due 11/27/2018	99.602		1,007,970.00	361.11	1,008,331.11	11,176.05
Security Withdrawal	12/04/2014	3135G0ZA4	1,000,000.00	FNMA Note 1.875% Due 2/19/2019	101.059		1,013,680.00	5,520.83	1,019,200.83	4,701.27



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Security Withdrawal	12/04/2014	3135G0ZG1	1,000,000.00	FNMA Note 1.75% Due 9/12/2019	100.227		1,002,420.00	4,034.72	1,006,454.72	194.69
Security Withdrawal	12/04/2014	3137EADC0	1,000,000.00	FHLMC Note 1% Due 3/8/2017	98.605		1,005,720.00	2,416.67	1,008,136.67	12,046.97
Security Withdrawal	12/04/2014	3137EADF3	1,000,000.00	FHLMC Note 1.25% Due 5/12/2017	100.927		1,010,710.00	798.61	1,011,508.61	6,145.30
Security Withdrawal	12/04/2014	3137EADH9	1,500,000.00	FHLMC Note 1% Due 6/29/2017	100.725		1,506,240.00	6,500.00	1,512,740.00	557.13
Security Withdrawal	12/04/2014	3137EADN6	1,500,000.00	FHLMC Note 0.75% Due 1/12/2018	99.425		1,483,605.00	4,468.75	1,488,073.75	-10,655.43
Security Withdrawal	12/04/2014	3137EADN6	350,000.00	FHLMC Note 0.75% Due 1/12/2018	97.685		346,174.50	1,042.71	347,217.21	2,362.89
Security Withdrawal	12/04/2014	38259PAC6	895,000.00	Google Inc Note 2.125% Due 5/19/2016	104.730		914,394.65	845.28	915,239.93	1,744.63
Security Withdrawal	12/04/2014	38259PAC6	420,000.00	Google Inc Note 2.125% Due 5/19/2016	104.727		429,101.40	396.67	429,498.07	823.96
Security Withdrawal	12/04/2014	458140AL4	500,000.00	Intel Corp Note 1.35% Due 12/15/2017	100.323		499,695.00	3,187.50	502,882.50	-1,285.16
Security Withdrawal	12/04/2014	459200HB0	695,000.00	IBM Corp Note 0.55% Due 2/6/2015	99.511		695,291.90	1,263.55	696,555.45	490.36
Security Withdrawal	12/04/2014	46625HHP8	1,000,000.00	JP Morgan Chase Note 3.7% Due 1/20/2015	100.381		1,003,710.00	13,875.01	1,017,585.01	3,608.08
Security Withdrawal	12/04/2014	713448BM9	1,000,000.00	Pepsico Inc. Note 3.1% Due 1/15/2015	103.120		1,002,810.00	11,969.44	1,014,779.44	2,030.00
Security Withdrawal	12/04/2014	717081DA8	1,550,000.00	Pfizer Inc. Note 5.35% Due 3/15/2015	111.645		1,570,351.50	18,427.78	1,588,779.28	8,033.77
Security Withdrawal	12/04/2014	74005PAR5	675,000.00	Praxair Note 4.625% Due 3/30/2015	108.933		683,883.00	5,636.72	689,519.72	4,895.24
Security Withdrawal	12/04/2014	74005PAR5	65,000.00	Praxair Note 4.625% Due 3/30/2015	111.512		65,855.40	542.80	66,398.20	338.42
Security Withdrawal	12/04/2014	91159HHE3	215,000.00	US Bancorp Callable Note Cont 1.95% Due 11/15/2018	100.212		216,062.10	232.92	216,295.02	683.79
Security Withdrawal	12/04/2014	912828A34	725,000.00	US Treasury Note 1.25% Due 11/30/2018	97.832		722,506.00	124.48	722,630.48	10,262.14
Security Withdrawal	12/04/2014	912828PJ3	1,050,000.00	US Treasury Note 1.375% Due 11/30/2015	98.883		1,062,306.00	198.32	1,062,504.32	14,862.42
Security Withdrawal	12/04/2014	912828SC5	1,710,000.00	US Treasury Note 0.875% Due 1/31/2017	100.778		1,718,686.80	5,163.69	1,723,850.49	2,459.88
Security Withdrawal	12/04/2014	912828SH4	825,000.00	US Treasury Note 1.375% Due 2/28/2019	98.387		823,457.25	3,008.29	826,465.54	9,931.96

Transaction	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Security Withdrawal	12/04/2014	912828ST8	725,000.00	US Treasury Note 1.25% Due 4/30/2019	98.004		718,540.25	876.21	719,416.46	6,582.04
Security Withdrawal	12/04/2014	912828TG5	3,100,000.00	US Treasury Note 0.5% Due 7/31/2017	99.012		3,071,418.00	5,349.18	3,076,767.18	-10,198.62
Security Withdrawal	12/04/2014	912828TS9	1,700,000.00	US Treasury Note 0.625% Due 9/30/2017	99.594		1,685,788.00	1,926.51	1,687,714.51	-9,897.59
Security Withdrawal	12/04/2014	912828TS9	1,175,000.00	US Treasury Note 0.625% Due 9/30/2017	99.375		1,165,177.00	1,331.56	1,166,508.56	-5,048.65
Security Withdrawal	12/04/2014	912828UU2	1,000,000.00	US Treasury Note 0.75% Due 3/31/2018	97.602		988,200.00	1,359.89	989,559.89	5,260.98
Security Withdrawal	12/04/2014	912828WD8	1,800,000.00	US Treasury Note 1.25% Due 10/31/2018	98.813		1,795,356.00	2,175.41	1,797,531.41	12,506.46
Security Withdrawal	12/04/2014	913017BU2	170,000.00	United Tech Corp Note 1.8% Due 6/1/2017	99.914		172,772.70	34.00	172,806.70	2,845.56
Security Withdrawal	12/04/2014	931142DF7	1,130,000.00	Wal-Mart Stores Note 1.125% Due 4/1/2018	99.908		1,120,745.30	1,906.88	1,122,652.18	-8,557.84
Security Withdrawal	12/04/2014	94980VAA6	1,000,000.00	Wells Fargo Bank Note 4.75% Due 2/9/2015	103.550		1,007,040.00	15,305.56	1,022,345.56	5,701.51
Security Withdrawal	12/09/2014	60934N104	291.67	Federated GOVT OBLIG MMF	1.000		291.67	0.00	291.67	0.00
<b>Subtotal</b>			<b>53,610,291.67</b>				<b>53,751,813.52</b>	<b>227,689.89</b>	<b>53,979,503.41</b>	<b>181,180.12</b>
<b>TOTAL DISPOSITIONS</b>			<b>54,486,627.07</b>				<b>54,638,932.24</b>	<b>238,336.31</b>	<b>54,877,268.55</b>	<b>190,174.33</b>
<b>OTHER TRANSACTIONS</b>										
Interest	12/01/2014	913017BU2	170,000.00	United Tech Corp Note 1.8% Due 6/1/2017	0.000		1,530.00	0.00	1,530.00	0.00
Interest	12/05/2014	166764AA8	1,500,000.00	Chevron Corp. Callable Note Cont 11/5/17 1.104% Due 12/5/2017	0.000		8,280.00	0.00	8,280.00	0.00
Interest	12/13/2014	24422ESF7	545,000.00	John Deere Capital Corp Note 1.95% Due 12/13/2018	0.000		5,313.75	0.00	5,313.75	0.00
Interest	12/15/2014	458140AL4	1,440,000.00	Intel Corp Note 1.35% Due 12/15/2017	0.000		9,720.00	0.00	9,720.00	0.00
Interest	12/22/2014	31331J6C2	900,000.00	FFCB Note 2.35% Due 12/22/2015	0.000		10,575.00	0.00	10,575.00	0.00
Interest	12/29/2014	3137EADH9	1,650,000.00	FHLMC Note 1% Due 6/29/2017	0.000		8,250.00	0.00	8,250.00	0.00
<b>Subtotal</b>			<b>6,205,000.00</b>				<b>43,668.75</b>	<b>0.00</b>	<b>43,668.75</b>	<b>0.00</b>

### Transaction Ledger

11/30/14 Thru 12/31/14

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Dividend	12/01/2014	60934N104	569,960.25	Federated GOVT OBLIG MMF	0.000		2.16	0.00	2.16	0.00
			<b>569,960.25</b>				<b>2.16</b>	<b>0.00</b>	<b>2.16</b>	<b>0.00</b>
<b>TOTAL OTHER TRANSACTIONS</b>							<b>43,670.91</b>	<b>0.00</b>	<b>43,670.91</b>	<b>0.00</b>

**Cutwater Asset Management**  
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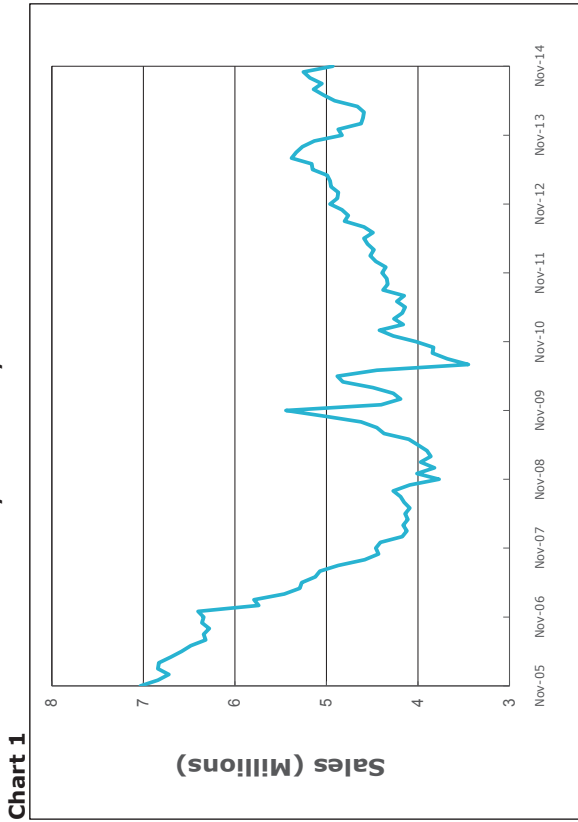
# CITY OF MORENO VALLEY

Report for the period December 1, 2014 - December 31, 2014

( This report was prepared on January 14, 2015 )

## Fixed Income Market Review December 31, 2014

**Existing Home Sales  
11/2005 – 11/2014**



**Economic Indicators & Monetary Policy** – For the second consecutive month, the third quarter Gross Domestic Product (GDP) was revised upward. The final estimate reached 5.0 percent, marking the fastest rate of GDP growth in more than 10 years. Increased consumer spending and strong employment figures helped support the economic expansion throughout the third quarter. The Institute for Supply Management (ISM) manufacturing index decreased slightly to 58.7 from 59.0, while the non-manufacturing index increased to 59.3 from 57.1.

New job growth surged in November, as non-farm payrolls increased by 321,000. Factory payrolls increased by the most in more than a year in November. The strong job growth, however, did not drive down the unemployment rate, as it stayed constant at 5.8 percent. The underemployment rate dropped to 11.4 percent from 11.5 percent and the participation rate remained at 62.8 percent.

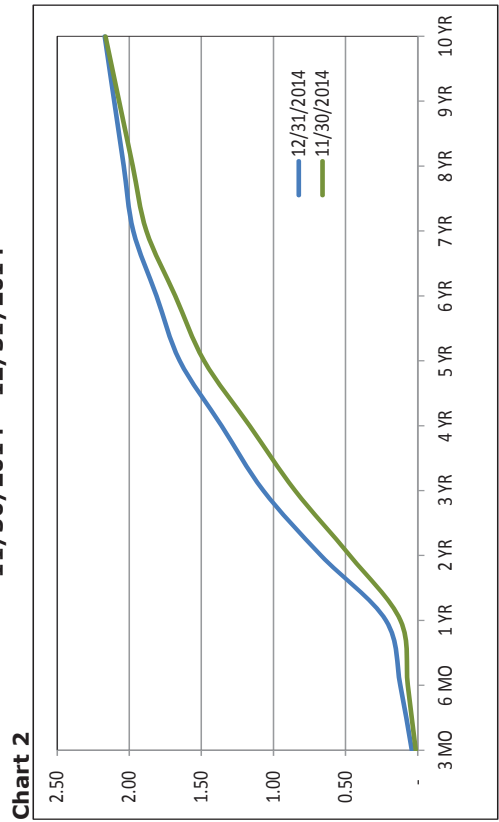
Inflation stalled in November as the decrease in oil prices weighed negatively on both the Producer Price Index (PPI) and the Consumer Price Index (CPI). Including food and energy, the PPI decreased 0.2 percent on a month-over-month basis, while the CPI decreased 0.3 percent on a month-over-month basis. The Personal Consumption Expenditures Index also decreased by 0.2 percent on a month-over-month basis. On a year-over-year basis, the PPI and CPI increased at 1.4 percent and 1.3 percent respectively.

Home sales weakened slightly in November. Existing home sales fell 6.1 percent to an annualized rate of 4.93 million (see chart 1), while new home sales decreased 1.6 percent to an annualized rate of 438,000.

In its first meeting since the conclusion of quantitative easing, the Federal Open Market Committee (FOMC) maintained the Fed funds target rate at zero to .25 percent. The FOMC mentioned the importance of patience when raising interest rates in order to normalize monetary policy. FOMC Chair Janet Yellen indicated that the committee will not raise the Fed funds target rate at either of the next two meetings.

**Yield Curve & Spreads** - At the end of December, the 3-month Treasury bill yielded 0.04 percent, the 6-month Treasury bill yielded 0.04 percent, the 2-year Treasury note yielded 0.66 percent, the 5-year Treasury note yielded 1.65 percent, and the 10-year Treasury note yielded 2.17 percent (See Chart 2).

**Treasury Yield Curves  
11/30/2014 – 12/31/2014**



**Additional Information  
December 31, 2014**

The opinions expressed above are those of Cutwater Asset Management and are subject to change without notice. All statistics represent month-end figures unless otherwise noted.

A current version of the investment adviser brochure for Cutwater Investor Services Corp., in the form of the Firm's ADV Part 2A, is available for your review. Please contact our Client Service Desk at 1-800-395-5505 or mail your request to:

Cutwater Investor Services Corp.  
Attention: Client Services  
113 King Street  
Armonk, NY 10504

A copy of the brochure will be sent to you either by mail or electronically at your option.

In addition, a copy of the most recent version of the Firm's complete Form ADV can be downloaded from the SEC website at [www.adviserinfo.sec.gov/](http://www.adviserinfo.sec.gov/).

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The information contained in this presentation comes from public sources which Cutwater Asset Management believes to be reliable. All opinions expressed in this document are solely those of Cutwater. A list of sources used for this document is available upon request.

**City of Moreno Valley**  
**Activity and Performance Summary**  
**for the period December 1, 2014 - December 31, 2014**

<u>Amortized Cost Basis Activity Summary</u>	
<b>Beginning Amortized Cost Value</b>	53,101,062.69
<b>Additions</b>	
Contributions	470,440.65
Interest Received	83,128.88
Accrued Interest Sold	0.00
Gain on Sales	0.00
<b>Total Additions</b>	<b>553,569.53</b>
<b>Deductions</b>	
Withdrawals	0.00
Fees Paid	1,970.65
Accrued Interest Purchased	0.00
Loss on Sales	0.00
<b>Total Deductions</b>	<b>(1,970.65)</b>
Accretion (Amortization) for the Period	24,536.13
<b>Ending Amortized Cost Value</b>	<b>53,677,197.70</b>
Ending Fair Value	53,722,365.11
Unrealized Gain (Loss)	45,167.41

<u>Detail of Amortized Cost Basis Return</u>				
	Interest Earned	Accretion (Amortization)	Realized Gain (Loss)	Total Income
<b>Current Holdings</b>				
Cash and Equivalents	3.91	0.00	0.00	3.91
U.S. Treasury	10,451.49	2,527.01	0.00	12,978.50
U.S. Instrumentality	25,771.63	(1,727.67)	0.00	24,043.96
Corporate	30,208.85	23,982.85	0.00	54,191.70
<b>Sales and Maturities</b>				
Corporate	1,426.24	(246.06)	0.00	1,180.18
<b>Total</b>	<b>67,862.12</b>	<b>24,536.13</b>	<b>0.00</b>	<b>92,398.25</b>

<u>Annualized Comparative Rates of Return</u>			
	Twelve Month Trailing	Six Month Trailing	One Month
Fed Funds	0.09 %	0.09 %	0.12 %
Overnight Repo	0.08 %	0.10 %	0.17 %
3 Month T-Bill	0.02 %	0.01 %	0.01 %
6 Month T-Bill	0.05 %	0.04 %	0.08 %
1 Year T-Note	0.12 %	0.13 %	0.21 %
2 Year T-Note	0.45 %	0.51 %	0.64 %
5 Year T-Note	1.62 %	1.60 %	1.64 %

<u>Summary of Amortized Cost Basis Return for the Period</u>			
	Total Portfolio	Excl. Cash Eq.	
Interest Earned	67,862.12	67,858.21	
Accretion (Amortization)	24,536.13	24,536.13	
Realized Gain (Loss) on Sales	<u>0.00</u>	<u>0.00</u>	
Total Income on Portfolio	92,398.25	92,394.34	
Average Daily Historical Cost	54,107,882.37	53,647,976.28	
Annualized Return	2.01%	2.03%	
Annualized Return Net of Fees	1.97%	1.98%	
Annualized Return Year to Date Net of Fees	1.97%	1.98%	
Weighted Average Effective Maturity in Days	782	785	

**City of Moreno Valley  
Activity and Performance Summary  
for the period December 1, 2014 - December 31, 2014**

<u>Fair Value Basis Activity Summary</u>	
<b>Beginning Fair Value</b>	53,351,839.67
<b>Additions</b>	
Contributions	470,440.65
Interest Received	83,128.88
Accrued Interest Sold	0.00
<b>Total Additions</b>	553,569.53
<b>Deductions</b>	
Withdrawals	0.00
Fees Paid	1,970.65
Accrued Interest Purchased	0.00
<b>Total Deductions</b>	(1,970.65)
Change in Fair Value for the Period	(181,073.44)
<b>Ending Fair Value</b>	53,722,365.11

<u>Detail of Fair Value Basis Return</u>			
	Interest Earned	Change in Fair Value	Total Income
<b>Current Holdings</b>			
Cash and Equivalents	3.91	0.00	3.91
U.S. Treasury	10,451.49	(66,002.98)	(55,551.49)
U.S. Instrumentality	25,771.63	(76,620.43)	(50,848.80)
Corporate	30,208.85	(37,392.16)	(7,183.31)
<b>Sales and Maturities</b>			
Corporate	1,426.24	(1,057.87)	368.37
<b>Total</b>	<b>67,862.12</b>	<b>(181,073.44)</b>	<b>(113,211.32)</b>

<u>Annualized Comparative Rates of Return</u>			
	Twelve Month Trailing	Six Month Trailing	One Month
Fed Funds	0.09 %	0.09 %	0.12 %
Overnight Repo	0.08 %	0.10 %	0.17 %
3 Month T-Bill	0.06 %	0.04 %	0.00 %
6 Month T-Bill	0.12 %	0.10 %	0.11 %
1 Year T-Note	0.24 %	0.16 %	-0.03 %
BAML 1-3 Yr Tsy Index	0.62 %	0.41 %	-2.87 %
BAML 1-5 Yr Tsy Index	1.24 %	0.86 %	-3.91 %

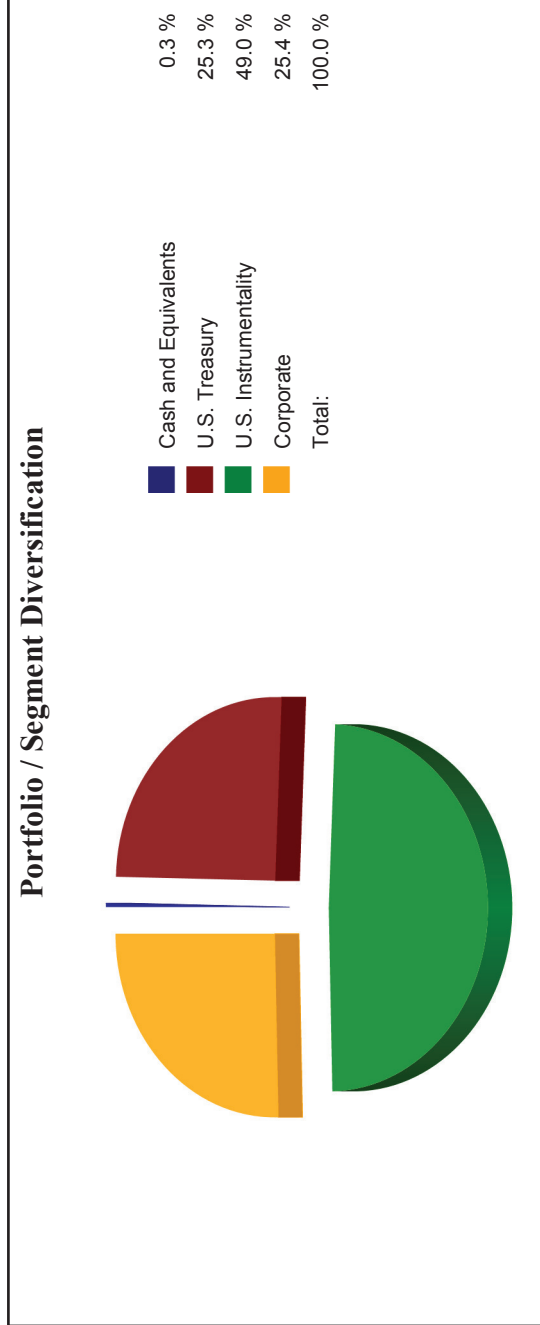
<u>Summary of Fair Value Basis Return for the Period</u>			
	Total Portfolio	Excl. Cash Eq.	
Interest Earned	67,862.12	67,858.21	
Change in Fair Value	<u>(181,073.44)</u>	<u>(181,073.44)</u>	
Total Income on Portfolio	(113,211.32)	(113,215.23)	
Average Daily Historical Cost	54,107,882.37	53,647,976.28	
Annualized Return	(2.46%)	(2.48%)	
Annualized Return Net of Fees	(2.51%)	(2.53%)	
Annualized Return Year to Date Net of Fees	(2.51%)	(2.53%)	
Weighted Average Effective Maturity in Days	782	785	



**City of Moreno Valley  
Recap of Securities Held  
December 31, 2014**

	Historical Cost	Amortized Cost	Fair Value	Unrealized Gain (Loss)	Weighted Average Final Maturity (Days)	Weighted Average Effective Maturity (Days)	% Portfolio/Segment	Weighted Average Yield *	Weighted Average Market Duration (Years)
Cash and Equivalents	182,098.88	182,098.88	182,098.88	0.00	1	1	0.34	0.01	0.00
U.S. Treasury	13,677,863.27	13,717,009.33	13,711,277.87	(5,731.46)	1,056	1,056	25.30	1.11	2.83
U.S. Instrumentality	26,485,385.65	26,393,450.60	26,462,204.88	68,754.28	858	858	49.00	1.13	2.30
Corporate	13,707,960.05	13,384,638.89	13,366,783.48	(17,855.41)	373	373	25.36	2.07	0.99
<b>Total</b>	<b>54,053,307.85</b>	<b>53,677,197.70</b>	<b>53,722,365.11</b>	<b>45,167.41</b>	<b>783</b>	<b>782</b>	<b>100.00</b>	<b>1.36</b>	<b>2.10</b>

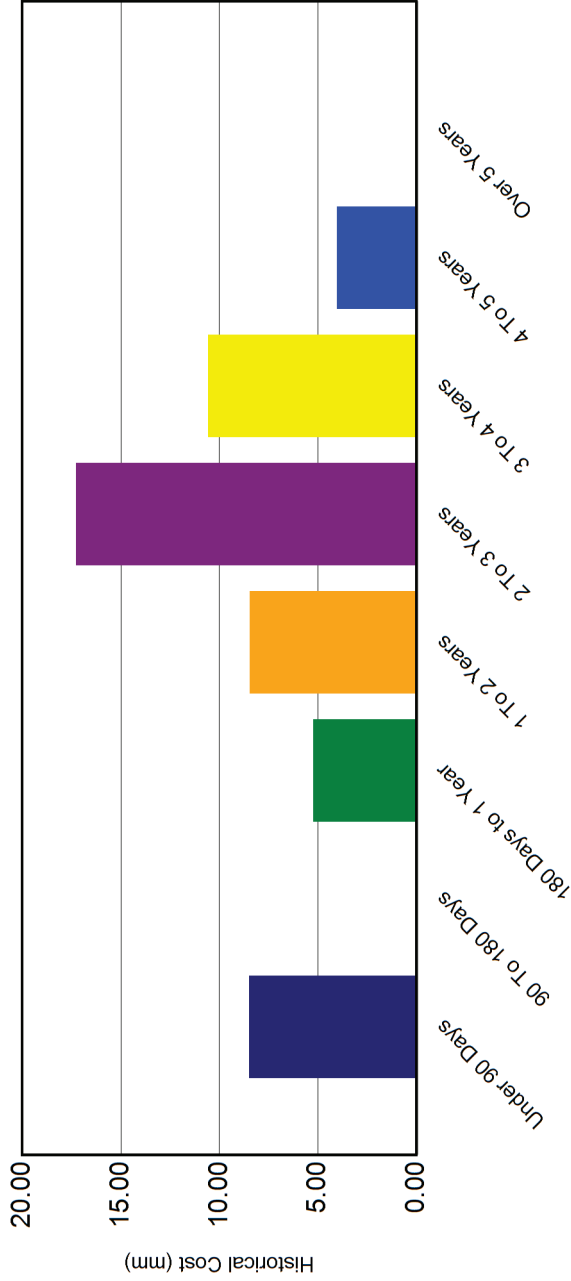
\* Weighted Average Yield is calculated on a "yield to worst" basis.



**City of Moreno Valley  
Maturity Distribution of Securities Held  
December 31, 2014**

Maturity	Historical Cost	Percent
Under 90 Days	8,501,317.03	15.73 %
90 To 180 Days	0.00	0.00 %
180 Days to 1 Year	5,233,596.25	9.68 %
1 To 2 Years	8,455,023.40	15.64 %
2 To 3 Years	17,247,970.52	31.91 %
3 To 4 Years	10,576,576.71	19.57 %
4 To 5 Years	4,038,823.94	7.47 %
Over 5 Years	0.00	0.00 %
	<b>54,053,307.85</b>	<b>100.00 %</b>

**Maturity Distribution**



**City of Moreno Valley  
Securities Held  
December 31, 2014**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
<b>Cash and Equivalents</b>													
Federated Govt Oblig	12/31/14	0.011V		182,098.88	182,098.88	182,098.88	182,098.88	0.00	0.00	3.91	3.91	0.34	0.01
					0.00	0.00	0.00						
<b>TOTAL (Cash and Equivalents)</b>													
				182,098.88	182,098.88	182,098.88	182,098.88	0.00	0.00	3.91	3.91	0.34	
<b>U.S. Treasury</b>													
912828PJ3	05/16/11	1.375	11/30/15	1,050,000.00	1,038,273.05	1,047,646.13	1,060,500.00	12,853.87	0.00	1,229.57	1,269.23	1.92	1.63
T-Note					0.00	223.79	(2,132.55)						
912828SC5	06/20/12	0.875	01/31/17	1,710,000.00	1,723,298.31	1,716,002.38	1,714,943.61	(1,058.77)	0.00	1,260.43	6,261.48	3.19	0.70
T-Note					0.00	(248.22)	(6,010.65)						
912828TG5	02/25/13	0.500	07/31/17	3,100,000.00	3,069,373.67	3,082,158.32	3,064,157.80	(18,000.52)	0.00	1,305.70	6,486.41	5.68	0.73
T-Note					0.00	598.55	(12,108.60)						
912828TS9	03/25/13	0.625	09/30/17	1,700,000.00	1,693,099.45	1,695,805.30	1,681,007.60	(14,797.70)	0.00	904.88	2,714.63	3.13	0.72
T-Note					0.00	132.27	(7,437.50)						
912828TS9	05/23/13	0.625	09/30/17	1,175,000.00	1,167,660.19	1,170,372.83	1,161,872.90	(8,499.93)	0.00	625.43	1,876.29	2.16	0.77
T-Note					0.00	161.07	(5,140.63)						
2828UU2	07/29/13	0.750	03/31/18	1,000,000.00	976,018.98	983,342.61	984,375.00	1,032.39	0.00	638.74	1,916.21	1.81	1.28
Note					0.00	445.79	(6,016.00)						
912828WD8	12/13/13	1.250	10/31/18	1,800,000.00	1,778,631.03	1,783,233.21	1,788,188.40	4,955.19	0.00	1,967.44	3,894.23	3.29	1.63
T-Note					0.00	419.73	(12,373.20)						
912828A34	12/27/13	1.250	11/30/18	725,000.00	709,284.65	712,516.82	719,562.50	7,045.68	0.00	771.80	796.70	1.31	1.71
T-Note					0.00	299.22	(4,814.73)						
912828SH4	03/31/14	1.375	02/28/19	825,000.00	811,693.19	813,739.25	820,166.33	6,427.08	0.00	971.43	3,854.37	1.50	1.72
T-Note					0.00	236.21	(5,607.52)						
912828ST8	06/10/14	1.250	04/30/19	725,000.00	710,530.75	712,192.48	716,503.73	4,311.25	0.00	776.07	1,552.14	1.31	1.68
T-Note					0.00	258.60	(4,361.60)						
<b>TOTAL (U.S. Treasury)</b>													
				13,810,000.00	13,677,863.27	13,717,009.33	13,711,277.87	(5,731.46)	0.00	10,451.49	30,621.69	25.30	
					0.00	2,527.01	(66,002.98)						
<b>U.S. Instrumentality</b>													
3133EADW5	04/27/12	0.550	08/17/15	1,200,000.00	1,198,213.20	1,199,662.48	1,202,203.20	2,540.72	0.00	550.00	2,456.67	2.22	0.60
FFCB					0.00	46.85	(1,219.20)						
3133EGBI2	12/24/12	0.430	11/16/15	2,000,000.00	1,998,860.00	1,999,655.95	2,002,756.00	3,100.05	0.00	716.67	1,075.00	3.70	0.45
B					0.00	34.50	(1,916.00)						
372YS7	07/07/11	2.450	03/30/16	2,150,000.00	2,206,631.00	2,164,878.75	2,200,127.25	35,248.50	0.00	4,389.58	13,315.07	4.08	1.87
B					0.00	(1,025.15)	(6,525.25)						

**Item No. A.4**

**City of Moreno Valley  
Securities Held  
December 31, 2014**

JSP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
373SZ6	07/19/11	2.125	06/10/16	725,000.00	737,702.00	728,736.72	741,393.70	12,656.98	7,703.13	1,283.86	898.70	1.36	1.75
B					0.00	(222.44)	(2,240.98)						
373SZ6	08/29/11	2.125	06/10/16	1,150,000.00	1,196,563.50	1,164,019.69	1,176,003.80	11,984.11	12,218.75	2,036.46	1,425.52	2.21	1.25
FHLB					0.00	(834.76)	(3,554.65)						
313373SZ6	11/21/11	2.125	06/10/16	900,000.00	937,440.00	911,842.12	920,350.80	8,508.68	9,562.50	1,593.75	1,115.63	1.73	1.18
FHLB					0.00	(705.46)	(2,781.90)						
3134G5QM0	Call	0.500V	12/12/16	2,000,000.00	1,999,500.00	1,999,513.68	1,991,170.00	(8,343.68)	0.00	527.78	527.78	3.70	0.76
FHLMC			03/12/15		0.00	13.68	(8,330.00)						
3137EADCO	03/14/12	1.000	03/08/17	1,000,000.00	986,050.00	993,891.13	1,003,188.00	9,296.87	0.00	833.34	3,138.89	1.82	1.29
FHLMC					0.00	241.10	(6,425.00)						
313378WF4	04/24/12	1.125	03/10/17	1,000,000.00	1,003,560.00	1,001,597.10	1,004,203.00	2,605.90	0.00	937.50	3,468.75	1.86	1.05
FHLB					0.00	(62.90)	(3,280.00)						
3137EADF3	05/29/12	1.250	05/12/17	1,000,000.00	1,009,273.00	1,004,418.64	1,007,671.00	3,252.36	0.00	1,041.67	1,701.39	1.87	1.06
FHLMC					0.00	(161.44)	(2,747.00)						
313379VE6	07/26/12	1.010	06/19/17	915,000.00	923,363.10	919,207.26	914,486.69	(4,720.57)	4,620.75	770.12	308.05	1.71	0.82
FHLB					0.00	(147.35)	(4,784.53)						
3137EADH9	07/27/12	1.000	06/29/17	1,500,000.00	1,510,875.00	1,505,504.03	1,503,301.50	(2,202.53)	7,500.00	1,250.00	83.33	2.80	0.85
FHLMC					0.00	(197.01)	(4,224.01)						
33EAY28	09/18/12	0.830	09/21/17	1,645,000.00	1,645,000.00	1,645,000.00	1,652,785.79	7,785.79	0.00	1,137.79	3,792.64	3.04	0.83
CB					0.00	0.00	13,345.89						
3135GORT2	02/22/13	0.875	12/20/17	1,850,000.00	1,845,264.00	1,847,086.37	1,829,670.35	(17,416.02)	8,093.75	1,348.96	494.62	3.41	0.93
FNMA					0.00	88.44	(13,190.50)						
3137EADN6	05/10/13	0.750	01/12/18	1,500,000.00	1,491,378.00	1,494,411.85	1,478,592.00	(15,819.85)	0.00	937.50	5,281.25	2.76	0.88
FHLMC					0.00	166.59	(7,092.00)						
3137EADN6	12/13/13	0.750	01/12/18	350,000.00	341,897.85	343,984.52	345,004.80	1,020.28	0.00	218.75	1,232.29	0.63	1.33
FHLMC					0.00	189.26	(1,654.80)						
3135GOTG8	06/11/13	0.875	02/08/18	1,500,000.00	1,475,430.00	1,483,639.24	1,482,939.00	(700.24)	0.00	1,093.75	5,213.54	2.73	1.24
FNMA					0.00	457.13	(6,931.50)						
3135GOWJ8	07/29/13	0.875	05/21/18	1,000,000.00	969,505.00	978,547.63	983,460.00	4,912.37	0.00	729.16	972.22	1.79	1.53
FNMA					0.00	550.57	(6,789.00)						
3135G0YT4	12/13/13	1.625	11/27/18	1,000,000.00	996,020.00	996,864.38	1,007,118.00	10,253.62	0.00	1,354.16	1,534.72	1.84	1.71
FNMA					0.00	77.05	(2,190.00)						
3135G0ZA4	02/28/14	1.875	02/19/19	1,000,000.00	1,010,590.00	1,008,800.72	1,015,174.00	6,373.28	0.00	1,562.50	6,875.00	1.87	1.65
FNMA					0.00	(195.53)	(575.00)						
3135G0ZG1	10/29/14	1.750	09/12/19	1,000,000.00	1,002,270.00	1,002,188.34	1,000,606.00	(1,582.34)	0.00	1,458.33	5,298.61	1.85	1.70
FNMA					0.00	(40.80)	(3,515.00)						
<b>TOTAL (U.S. Instrumentality)</b>				<b>26,385,000.00</b>	<b>26,485,385.65</b>	<b>26,393,450.60</b>	<b>26,462,204.88</b>	<b>68,754.28</b>	<b>49,698.88</b>	<b>25,771.63</b>	<b>60,209.67</b>	<b>49.00</b>	
					<b>0.00</b>	<b>(1,727.67)</b>	<b>(76,620.43)</b>						

**City of Moreno Valley  
Securities Held  
December 31, 2014**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
<b>Corporate</b>													
713448BM9	06/07/10	3.100	01/15/15	1,000,000.00	1,026,998.65	1,000,224.59	1,000,806.00	581.41	0.00	2,583.33	14,294.44	1.90	2.48
PEPSICO Inc					0.00	(611.12)	(2,339.00)						
46625HHP8	03/25/10	3.700	01/20/15	1,000,000.00	1,003,810.00	1,000,041.08	1,001,677.00	1,635.92	0.00	3,083.33	16,547.22	1.86	3.61
JP Morgan Chase					0.00	(67.35)	(3,025.00)						
459200HB0	02/01/12	0.550	02/06/15	695,000.00	691,601.45	694,888.88	695,154.99	266.11	0.00	318.54	1,539.62	1.28	0.85
IBM Corp					0.00	96.64	(307.88)						
94980VAA6	03/25/10	4.750	02/09/15	1,000,000.00	1,035,500.00	1,033,058.08	1,003,999.00	(29,059.08)	0.00	3,958.33	18,736.11	1.92	4.42
WELLS FARGO BANK					0.00	31,659.65	(4,019.00)						
084670AV0	06/09/10	3.200	02/11/15	1,000,000.00	1,024,150.00	1,000,579.71	1,002,876.00	2,296.29	0.00	2,666.66	12,444.44	1.89	2.65
Berkshire Hathaway					0.00	(441.31)	(2,702.00)						
191216AX8	03/09/12	0.750	03/13/15	1,000,000.00	998,880.00	999,927.64	1,001,039.00	1,111.36	0.00	625.00	2,250.00	1.85	0.94
Coca Cola					0.00	32.06	(451.00)						
717081DAS	02/18/11	5.350	03/15/15	1,550,000.00	1,750,497.50	1,558,866.97	1,564,097.25	5,230.28	0.00	6,910.42	24,416.81	3.20	2.34
Pfizer Inc					0.00	(3,816.64)	(6,593.70)						
74003PAR5	06/07/10	4.625	03/30/15	675,000.00	735,297.75	678,020.04	681,845.18	3,825.14	0.00	2,601.57	7,891.41	1.36	2.64
Praxair Inc					0.00	(1,070.86)	(2,531.92)						
005PAR5	08/19/10	4.625	03/30/15	65,000.00	72,482.80	65,391.03	65,659.17	268.14	0.00	250.52	759.91	0.13	2.00
axair Inc					0.00	(139.32)	(243.81)						
z/8642AB9	10/22/10	1.625	10/15/15	1,000,000.00	998,250.00	999,723.89	1,007,824.00	8,100.11	0.00	1,354.17	3,430.56	1.85	1.66
EBAY INC					0.00	30.84	(995.00)						
38259PAC6	11/15/12	2.125	05/19/16	1,315,000.00	1,377,186.90	1,339,466.98	1,343,553.91	4,086.93	0.00	2,328.64	3,260.10	2.55	0.76
Google					0.00	(1,606.68)	(3,234.90)						
913017BU2	05/24/12	1.800	06/01/17	170,000.00	169,853.80	169,929.69	172,233.29	2,303.60	1,530.00	255.00	255.00	0.31	2.02
United Technologies					0.00	2.79	(845.75)						
458140AL4	12/12/12	1.350	12/15/17	500,000.00	501,300.00	500,766.92	498,876.50	(1,890.42)	3,375.00	562.50	300.00	0.93	1.30
INTEL CORP					0.00	(141.29)	(719.00)						
931142DF7	04/04/13	1.125	04/11/18	1,130,000.00	1,128,960.40	1,129,321.68	1,117,041.16	(12,280.52)	0.00	1,059.37	2,825.00	2.09	1.27
Wal-Mart					0.00	20.25	(6,239.86)						
037833AJ9	05/22/13	1.000	05/03/18	500,000.00	493,995.00	495,952.36	492,094.50	(3,857.86)	0.00	416.67	805.56	0.91	1.25
Apple Inc					0.00	116.85	(811.50)						
91159HHE3	Call	1.950	11/15/18	215,000.00	215,455.80	215,369.50	215,654.03	284.53	0.00	349.38	535.71	0.40	1.90
US Bancorp			10/15/18		0.00	(9.62)	(1,175.84)						
17275KAR3	02/27/14	2.125	03/01/19	500,000.00	503,740.00	503,109.85	502,352.50	(757.35)	0.00	885.42	3,541.67	0.93	2.19
CO SYSTEMS INC					0.00	(72.04)	(1,157.00)						
TOTAL (Corporate)				13,315,000.00	13,707,960.05	13,384,638.89	13,366,783.48	(17,855.41)	4,905.00	30,208.85	113,833.56	25.36	
					0.00	23,982.85	(37,392.16)						

**City of Moreno Valley  
Securities Held  
December 31, 2014**

RAND TOTAL	54,053,307.85	53,677,197.70	53,722,365.11	45,167.41	54,603.88	66,435.88	204,668.83	100.00
	0.00	24,782.19	(180,015.57)					

= variable rate, current rate shown, average rate for Cash & Equivalents

**City of Moreno Valley  
Transaction Report  
for the period December 1, 2014 - December 31, 2014**

Date	CUSIP	Transaction	Sec Type	Description	Maturity	PAR Value/Shares	Principal	Interest	Transaction Total	Balance
12/01/2014	913017BU2	Interest	COR	United Technologies	06/01/2017	170,000.00	0.00	1,530.00	1,530.00	1,530.00
12/03/2014		Bought	CE	Federated Govt Oblig		470,000.00	470,000.00	0.00	(470,000.00)	(468,470.00)
12/10/2014		Bought	CE	Federated Govt Oblig		3,318,009.38	3,318,009.38	0.00	(3,318,009.38)	(3,786,479.38)
12/10/2014	09247XAD3	Maturity	COR	Blackrock Inc.	12/10/2014	1,630,000.00	1,630,000.00	0.00	1,630,000.00	(2,156,479.38)
12/10/2014	09247XAD3	Interest	COR	Blackrock Inc.	12/10/2014	1,630,000.00	0.00	28,525.00	28,525.00	(2,127,954.38)
12/10/2014	313373SZ6	Interest	INS	FHLB	06/10/2016	2,775,000.00	0.00	29,484.38	29,484.38	(2,098,470.00)
12/11/2014		Bought	CE	Federated Govt Oblig		1,630,000.00	1,630,000.00	0.00	(1,630,000.00)	(3,728,470.00)
12/11/2014		Sold	CE	Federated Govt Oblig		1,630,000.00	1,630,000.00	0.00	1,630,000.00	(2,098,470.00)
12/12/2014		Sold	CE	Federated Govt Oblig		3,629,500.00	3,629,500.00	0.00	3,629,500.00	1,531,030.00
12/12/2014	3134G5QM0	Bought	INS	FHLMC	12/12/2016	2,000,000.00	1,999,500.00	0.00	(1,999,500.00)	(468,470.00)
12/15/2014		Bought	CE	Federated Govt Oblig		3,375.00	3,375.00	0.00	(3,375.00)	(471,845.00)
12/15/2014	458140AL4	Interest	COR	INTEL CORP	12/15/2017	500,000.00	0.00	3,375.00	3,375.00	(468,470.00)
12/19/2014		Bought	CE	Federated Govt Oblig		4,620.75	4,620.75	0.00	(4,620.75)	(473,090.75)
12/19/2014	313379VE6	Interest	INS	FHLB	06/19/2017	915,000.00	0.00	4,620.75	4,620.75	(468,470.00)
12/20/2014	3135G0RT2	Interest	INS	FNMA	12/20/2017	1,850,000.00	0.00	8,093.75	8,093.75	(460,376.25)
12/22/2014		Bought	CE	Federated Govt Oblig		8,093.75	8,093.75	0.00	(8,093.75)	(468,470.00)
12/29/2014		Bought	CE	Federated Govt Oblig		7,500.00	7,500.00	0.00	(7,500.00)	(475,970.00)
12/29/2014	3137EADH9	Interest	INS	FHLMC	06/29/2017	1,500,000.00	0.00	7,500.00	7,500.00	(468,470.00)
<b>Portfolio Activity Total</b>										<b>(468,470.00)</b>

<b>Net Contributions:</b>	<b>470,440.65</b>
<b>Net Withdrawals:</b>	<b>0.00</b>
<b>Fees Charged:</b>	<b>1,970.65</b>
<b>Fees Paid:</b>	<b>1,970.65</b>

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# BOND MARKET REVIEW

A MONTHLY REVIEW OF  
FIXED INCOME MARKETS



## WHAT'S INSIDE

Market Summary . . . . . 1  
Yield Curve  
Current Yields

Economic Round-Up. . . . . 2  
Credit Spreads  
Economic Indicators

Connecting the Oil Dots. . . . 3

Since 1988, Chandler Asset Management has specialized in the management of fixed income portfolios. Chandler's mission is to provide fully customizable, client-centered portfolio management that preserves principal, manages risk and generates income in our clients' portfolios.

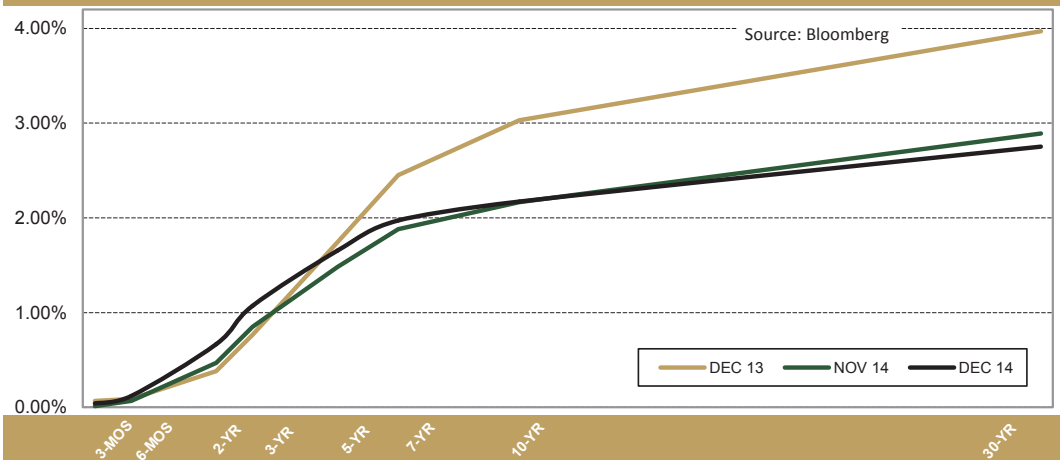
## Market Summary

We believe economic data over the past month has remained indicative of modest growth. Nonfarm payrolls rose by 252,000 in December, following strong gains of 353,000 and 261,000 in November and October, respectively. The unemployment rate also declined to 5.6% from 5.8%. However, wages declined 0.2% in December and the labor participation rate also fell to 62.7% from 62.9%. The manufacturing sector continues to expand and consumer confidence was strong heading into 2015. We believe low gas prices should provide an ongoing tailwind for consumer spending. Meanwhile, housing data remains volatile in spite of ongoing low mortgage rates.

The Federal Open Market Committee (FOMC) left policy rates unchanged at its final meeting of 2014. The FOMC indicated that it will take a "patient" approach toward normalizing monetary policy, and implied that the first rate hike is likely to be in (or around) mid-2015 based on the Fed's economic forecasts. Overall, the FOMC's guidance on policy action was consistent with its previous guidance, but the Committee is moving away from its "considerable time" language and emphasizing that policy changes will be data-dependent. During her post-meeting press conference, Fed Chair Yellen indicated that policy rates would likely remain unchanged for at least the next couple of FOMC meetings. This suggests that a rate hike is unlikely to happen any sooner than April, unless there is an unexpected change in economic data. The Committee also expects the fed funds rate to approach a more normalized level by the end of 2017, which suggests that any rate increases are likely to be gradual over the next few years. We expect FOMC members will continue to debate the appropriate timing of the first fed funds rate hike when they meet again on January 27-28, 2015.

The yield on the two-year Treasury note increased in December, following two months of declines. Domestic economic data continued to be fairly solid in December, but concerns about weak global economic growth (particularly in Europe) remained elevated.

### THE YIELD CURVE FLATTENED IN DECEMBER



Concerns about weak global economic growth kept downward pressure on longer US Treasury yields, even as the Fed signaled the possibility of a fed funds rate hike this year.

TREASURY YIELDS	12/31/2014	11/30/2014	CHANGE
3 Month	0.04	0.01	0.03
2 Year	0.67	0.47	0.20
3 Year	1.07	0.85	0.22
5 Year	1.65	1.48	0.17
7 Year	1.97	1.88	0.09
10 Year	2.17	2.17	0.00
30 Year	2.75	2.89	(0.14)

Source: Bloomberg

# Economic Roundup

## Consumer Prices

In November, overall Consumer Price Index (CPI) inflation declined to 1.3% on a year-over-year basis from 1.7% in October. The year-over-year Core CPI (CPI less food and energy) also declined to 1.7% in November from 1.8% in October.

## Retail Sales

In November, retail sales rose 5.1% on a year-over-year basis versus a gain of 4.5% in October. On a month-over-month basis, retail sales rose 0.7% in November after increasing 0.5% in October, exceeding expectations. Gasoline sales were a drag on retail sales in both months due to lower prices. Overall, consumer spending is showing positive momentum.

## Labor Market

Nonfarm payrolls rose by 252,000 in December (above the consensus forecast of 245,000), following gains of 353,000 and 261,000 in November and October, respectively. The net revisions in nonfarm payrolls for November and October were +50,000. The unemployment rate declined to 5.6% from 5.8%. Private payrolls rose by 240,000 in December, while government jobs rose by 12,000. Meanwhile, the labor participation rate declined to 62.7% from 62.9%. Wages also decreased 0.2%, versus expectations for a 0.2% increase.

## Housing Starts

Housing data remains volatile. Single-family housing starts fell 5.4% in November after increasing 8.0% in October.

## Credit Spreads Widened

CREDIT SPREADS	Spread to Treasuries (%)	One Month Ago (%)	Change
3-month top-rated commercial paper	0.13	0.13	0.00
2-year A corporate note	0.54	0.54	0.00
5-year A corporate note	0.61	0.65	(0.04)
5-year Agency note	0.03	0.09	(0.06)

Source: Bloomberg

Data as of 12/31/2014

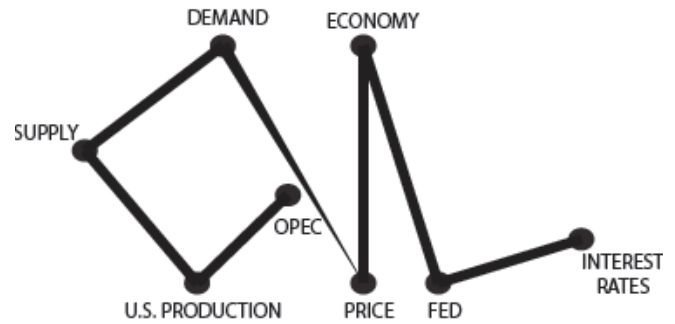
## Economic Data Remains Indicative of Modest Growth

ECONOMIC INDICATOR	Current Release	Prior Release	One Year Ago
Trade Balance	(39.0) \$Bln NOV 14	(42.2) \$Bln OCT 14	(36.0) \$Bln NOV 13
GDP	5.0% SEP 14	4.6% JUN 14	4.5% SEP 13
Unemployment Rate	5.6% DEC 14	5.8% NOV 14	6.7% DEC 13
Prime Rate	3.25% DEC 14	3.25% NOV 14	3.25% DEC 13
CRB Index	229.96 DEC 14	254.37 NOV 14	280.17 DEC 13
Oil (West Texas Int.)	\$53.27 DEC 14	\$66.15 NOV 14	\$98.42 DEC 13
Consumer Price Index (y/o/y)	1.3% NOV 14	1.7% OCT 14	1.2% NOV 13
Producer Price Index (y/o/y)	1.1% NOV 14	1.7% OCT 14	0.8% NOV 13
Dollar/EURO	1.21 DEC 14	1.25 NOV 14	1.37 DEC 13

Source: Bloomberg

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# Connecting the Oil Dots



Much has been written in recent weeks about the global collapse of oil prices. You have undoubtedly heard dozens of facts and figures by now, creating a multitude of data points or dots on the economic landscape for 2015 and beyond. But what do all of these “dots” (borrowing a term from the Fed’s economic “dot plot” of data) mean for the economy overall? More importantly, for fixed income investors, what does this mean for interest rates and their portfolios in 2015?

To attempt to answer this question, we must remind ourselves of some of the more significant events of 2014 – the bigger “dots” if you will. Global oil prices have declined approximately 55% since June and gas prices 30%. As of the writing of this article, Brent (the price oil producers receive internationally) is trading at about \$46/barrel, down from a high of \$115, and West Texas Intermediate (the US benchmark) is trading at approximately \$46/barrel, down from a high of \$107. The collapse in prices has been primarily caused by a glut in supply but also weak global demand.

First, let us address the supply problem, which comes from both unexpected and expected factors. The expected factor — for the first time in recent history, the US is contributing to the supply problem. In June, rumors began to circulate that the 40-year-old ban on US oil exports was lifted, and broad approval for exports is expected in the near- to intermediate-term. Fracking technology has advanced and taken off dramatically in recent years, causing shale production to ramp up in the US. Increased oil production has created a “boom” in some states, such as North Dakota, but oil-rich states, such as Texas, Alaska, Oklahoma, Louisiana as well as North Dakota, are now bracing for the negative consequences of the recent plunge in oil prices. In fact, oil is already below break-even costs for most shale and oil-sands producers in North America. More than half of US shale production breaks even at \$60, but because of hedging, do not expect to see big cutbacks in shale. The market consensus is that 75% of high-yield shale producers are hedged for 2015 and about 40-45% for 2016. Additionally, technology continues to evolve rapidly, enabling these producers to increase efficiency with the equivalent or fewer rigs.

The unexpected factor, another significant “dot” on the landscape, lies with OPEC’s contribution to the supply glut. Historically, OPEC has been the source for disruptions in oil pricing, albeit typically restricting supply and causing prices to spike, if you are “seasoned” enough, you will remember the 1970s energy crisis. However, this time around, OPEC decided not to limit supply in an attempt to retain global market share, regardless of profitability. Oil prices are also currently below

budget break-even prices for most OPEC countries. However, Saudi Arabia may be keeping the price down for geopolitical reasons, such as inducing Russia to back down in Ukraine and forcing Iran to capitulate on nuclear production.

We address another “dot” by turning to the demand side of the problem. Global demand for oil continues to weaken. The Eurozone is approaching a recession, with less than 1% year-over-year GDP growth in the third quarter, coupled with 11.5% unemployment, and inflation in the region falling to its lowest level in five years at 0.3%. Meanwhile, China and Japan continue to struggle as both countries wrestle with long-term demographic challenges. Gasoline demand is flat in the US as cars are becoming more fuel-efficient and use of public transportation is growing along with urban renewal. Overall, the US economy is the bright spot on the global landscape with moderate growth, but the rest of the world lacks the same momentum for meaningful demand acceleration.

So far, all of these interconnected economic “dots” have resulted in a very volatile market, which is likely to continue into 2015. The Dow Jones Industrial Average hit record highs in 2014, reaching 18,000 in late December, and showing resilience by rebounding from a 1,000 point decline the first half of the month, to end the year up 9.86%. Treasury yields have also had a wild ride, with the 10-year note currently trading at approximately 2.02%, up from a low of 1.94 % just two days ago, and down from 3.02% at the end of 2013.

**So what does all of this mean for the economy and interest rates in 2015?** Although the Fed views the recent plunge in oil prices as “transitory”, if prices remain at or below current levels for an extended period of time, it could potentially affect the liftoff date for raising target overnight rates. Currently, our view projects liftoff somewhere around the middle of 2015, but many factors can influence this timing. The Fed analyzes the overall health of the economy in an effort to realize their dual mandate of full employment and stable prices. The recent release of the Fed minutes had a few FOMC members predicting a “quite large” boost to domestic spending due to lower energy prices and most central bankers were not concerned about how plunging oil prices could actually hurt the global economy. US GDP grew at a rate of 5% in the third quarter, exceeding consensus expectations, with a rate of approximately 2.5%-3.0% projected for 2015. Consumer spending accounts for over two-thirds of the US economy. Lower oil prices translate into lower gas prices at the pump, and more dollars in the consumer’s pocket to be spent elsewhere. We are in line with the thinking of the central bankers that this is a net gain for the economy. From a global perspec-

## Connecting the Oil Dots (CONTINUED)

tive, countries that subsidize oil (both developed and emerging) will likely benefit. Additionally, energy dependent businesses, such as transportation and utilities, could benefit from lower costs. Possibly counteracting that positive impact is the contraction of the energy industry and associated capital expenditures. The industry accounts for 7.7% of US GDP and 9.2 million American jobs along with \$15 trillion in investment from banks and governments globally. This contraction could also spread to the financial industry as well as others. However, we believe lower oil prices translate into a net positive for the economy overall.

The Fed analyzes overall economic growth; however, the key aspects of the Committee's dual mandate are full employment and price stability, two more significant points in our "connect the dots" analogy. Unemployment in the US has dropped from 6.7% to 5.6% in 2014, and the December gain of 252,000 jobs marks the 11th straight month of job growth of at least 200,000. However, wage growth remains weak, and slack remains in the labor market with a historically low labor force participation rate at 62.7%. The Fed is projecting full employment at approximately 5.2% next year. The US appears to be well on track towards satisfying the employment aspect of the Fed's mandate, barring any unforeseen downturn in 2015. The Fed's other mandate of price stability, particularly inflation, remains tenuous. The PCE (Personal Consumption Expenditures) Index, the Fed's preferred measure of inflation, was up a meager 1.2% last quarter, and Core PCE (excluding food and energy) was up 1.4%, with no meaningful progress in the past year towards the Fed's 2% target. Needless to say, depressed oil prices may exacerbate the situation, and the strong US dollar, projected to strengthen even more this year, could also dampen demand for US products globally. The Fed has indicated a desire to normalize interest rates as economic conditions warrant, but as stated earlier and reflected in the most recent Fed minutes, the depressed level of oil prices and how long they remain low might not delay the timing of the beginning of the Fed's rate normalization process as many market participants expect.

In addition to the Fed's rate normalization strategy and timing, a broad flight to quality could cause more rate volatility in 2015 – yet another dot to connect. Geopolitical risks could drive global investors into the safe haven of US Treasuries, causing prices to rise and yields to fall. This has occurred numerous times in the last several years. The behavior of OPEC countries is unpredictable, and peace in the Middle East is fragile at best,

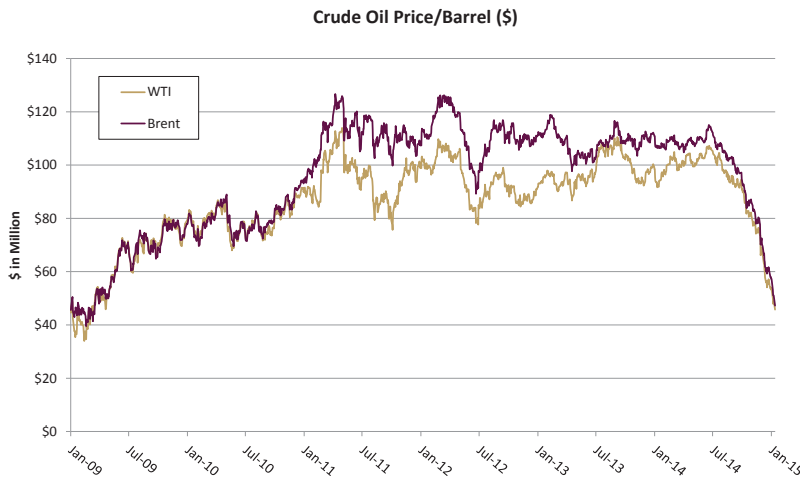
particularly between Israel and Iran. Russia's economy is faltering significantly with the drop in the price of oil. If any of these fragile "dots" become unbalanced or act unilaterally, we could see more volatility and investor flight to quality. Additionally, if deflation and recessionary conditions accelerate in the Eurozone or Asia, further capital flight to the US could result. Even in today's economy, relatively speaking, the 10-year US

Treasury at 2.02% is a much better risk-adjusted investment than the comparable German Bund at 0.51% (Bloomberg, 1/8/15).

So in conclusion, how do we connect the dots? We think lower oil prices will increase demand, so prices will gradually drift, rising in the intermediate-term, with significant volatility along the way. Over an intermediate time frame, shale production should decline only slightly, assuming the price of oil does not improve. A possible tipping point for the Saudis decreasing supply could be Iran curbing its nuclear program and Russia scaling back its involvement in Ukraine. We believe there is less room to the downside in oil prices at current levels, but would not be surprised by a range of \$40-\$70 per barrel of oil in 2015 with more room to the upside. The Energy Information Administration is forecasting Brent at \$58 per barrel and \$54 per barrel for WTI in 2015 on average. Even if oil prices remain at their current levels, we do not believe it will be enough impetus for the Fed to significantly delay rate normalization at a gradual pace, but it may make for a bumpy ride along the way.

- Julie Hughes  
VP, Portfolio Strategist

- Scott Prickett  
SVP, Portfolio Strategist



Graph Source: Bloomberg

### RISKS AND OTHER IMPORTANT CONSIDERATIONS

This report is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as an indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit, and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors to economic conditions, especially during periods of rising interest rates.

## JANUARY 2, 2015

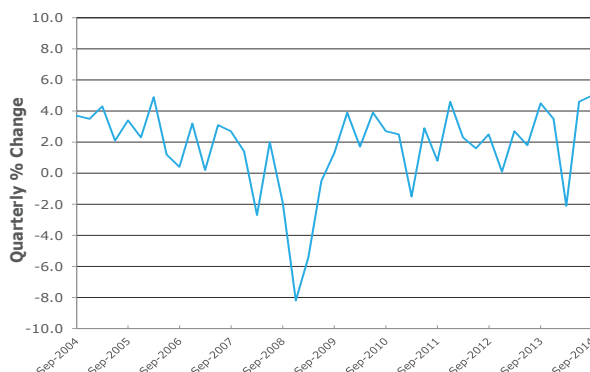
### GDP Revised to 5.0 Percent for the Third Quarter

Gross Domestic Product (GDP) was revised upward to 5.0 percent for the third quarter, marking the largest quarter-over-quarter growth rate in eleven years. Analysts had estimated a growth rate of only 3.9 percent. The growth in the U.S. economy was driven by consumer spending and fixed investment by businesses. Home sales slowed in November, as existing home sales dropped 6.1 percent, while new home sales dropped 1.6 percent. The Consumer Confidence Index increased to 92.6 in November and the October Index was revised upward from 88.7 to 91.0. The Institute for Supply Management Manufacturing Index decreased to 55.5 from 58.7 in December, indicating a slow-down in factory output.

Source: Bloomberg Finance LP.

### GROSS DOMESTIC PRODUCT

9/2004 - 9/2014



Source: Bureau of Economic Analysis

### SELECTED CURRENT ECONOMIC DATA

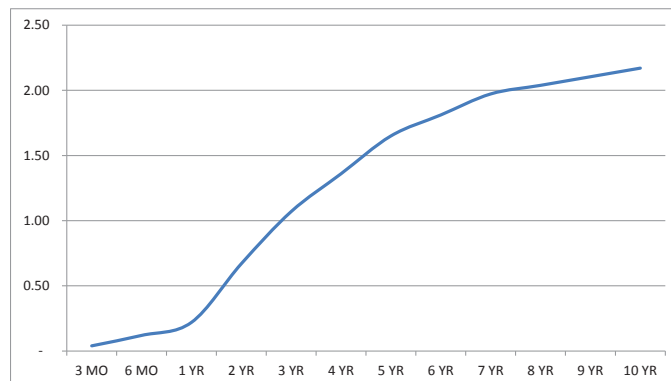
Data	Period	Value
GDP QoQ	Q3 '14	5.0%
GDP YoY	Q3 '14	2.7%
PPI YoY	Nov '14	1.4%
CPI YoY	Nov '14	1.3%
Jobless Rate	Nov '14	5.8%
Fed Funds Target	Dec '14	0 - 0.25%

Source: Bloomberg Finance LP.

### UPCOMING KEY ECONOMIC DATA

January 6: ISM Non-Manufacturing  
January 9: Employment Situation

### TREASURY YIELD CURVE 12/31/2014



Source: Bloomberg Finance LP.

### TREASURY YIELDS

Term	12/31/14	12/24/14	Change
3-Month	0.04%	0.01%	0.03%
6-Month	0.12%	0.10%	0.02%
1-Year	0.22%	0.24%	-0.02%
2-Year	0.67%	0.74%	-0.07%
5-Year	1.65%	1.76%	-0.11%
10-Year	2.17%	2.26%	-0.09%
30-Year	2.75%	2.83%	-0.08%

Source: Bloomberg Finance LP.

### AGENCY YIELDS

Term	12/31/14	12/24/14	Change
3-Month	0.17%	0.18%	-0.01%
6-Month	0.18%	0.20%	-0.02%
1-Year	0.26%	0.29%	-0.03%
2-Year	0.68%	0.79%	-0.11%
5-Year	1.71%	1.79%	-0.08%
10-Year	2.40%	2.59%	-0.19%

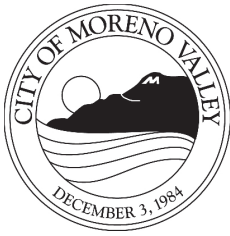
Source: Bloomberg Finance LP.

### COMMERCIAL PAPER YIELDS (A-1/P-1 DEALERS)

Term	12/31/14	12/24/14	Change
1-Month	0.20%	0.16%	0.04%
3-Month	0.23%	0.23%	0.00%
6-Month	0.31%	0.31%	0.00%
9-Month	0.35%	0.44%	-0.09%

Source: Bloomberg Finance LP.

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Richard Teichert, Chief Financial Officer/City Treasurer

**AGENDA DATE:** March 10, 2015

**TITLE:** APPROVAL OF BOND FINANCING TEAM AND AUTHORIZATION TO TENDER CONTRACTS

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### RECOMMENDED ACTION

Recommendation:

1. Approve the bond financing team and authorize the City Manager to execute contracts and any necessary amendments with the selected firms.

### SUMMARY

Periodically the City needs to finance the construction of public facilities and infrastructure through the issuance of bonds. In order to accomplish this, the City will form a team of professionals made up of Financial Advisors, Bond and Disclosure Counsel, Underwriters and Dissemination Agents to ensure that the financing is conducted within established laws and guidelines by both Federal and State agencies. Staff issued a Request for Proposal (RFP) to solicit bids to establish a standing list of firms to provide these services as financing projects or refunding opportunities are identified. Based on the RFP process, the following firms have been selected to form the bond financing team for the City until December 2019, unless the relationship is terminated at an earlier date.

- Fieldman, Rolapp & Associates – Financial Advisor
- Orrick, Herrington & Sutcliffe – Bond/Disclosure Counsel
- Stradling Yocca Carlson & Rauth – Bond/Disclosure Counsel
- Stifel – Underwriter
- Willdan Financial Services – Dissemination Agent & Arbitrage

The Finance SubCommittee reviewed and discussed this item on March 2, 2015.

## **DISCUSSION**

Periodically the City needs to construct public facilities or infrastructure that requires entering the financial markets, or bond market, in order to acquire the capital required to finance the construction projects. Due to the complexity of the legal and regulatory requirements related to the markets, the assistance of professional financial advisors, bond lawyers and investment bankers is necessary to have a successful financing that provides the City with the best borrowing rate, financing structure and market timing. In the past, the City has brought these professionals together only at the time that a financing need has been identified. This practice has resulted in gaps in coverage between issuances and an inconsistent approach to monitoring for potential refunding opportunities. By developing and retaining a bond financing team, staff anticipates having the professional firms identified ahead of time and as financing needs or refunding opportunities are identified, the City can move forward quickly and efficiently. Also by having a Financial Advisor retained the City will have a consistent approach to monitoring the markets.

Recent developments in the municipal securities market have resulted in increased levels of regulation by the Securities and Exchange Commission (SEC) and an increase in audits and enforcement actions by both the Internal Revenue Service (IRS) and the SEC. With a fixed bond financing team in place, the City can better address some of these new regulations and enforcement actions.

- Municipal Advisor Rule: One of these developments was the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“the Dodd-Frank Act”), which was a response to the 2008 financial crisis. As a part of this sweeping act, Congress sought to provide additional levels of protection for municipalities by regulating municipal advisors and stressing the fiduciary duty that these advisors have to the client municipality by adopting what has become known as the “Municipal Advisor Rule”. A municipal advisor is defined as “a person that provides advice to, or on behalf of, a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, including advice with respect to structure, timing, terms, and other similar matters concerning such financial products or issues”. Based on this definition, both the financial advisor and the underwriter roles on the City’s bond financing team could be subject to these regulations. An outcome of these new regulations is the requirement that the engagement of a municipal advisor be documented in a more formal manner by setting a defined scope of service and defined compensation levels typically through a document like a contract or a memorandum of understanding. Also, in order to establish the independence of the municipal advisor, the Act strongly encouraged that municipal advisors be selected as part of a competitive bid or RFP process. The City will be in compliance with the Municipal Advisor Rule through the following actions:



- Selection of municipal advisors through a competitive RFP process.
- Relationships with selected firms that meet the municipal advisor definition will be documented with specific scopes of service and established fees for service.
- The Municipalities Continuing Disclosure Cooperation Initiative (the “MCDC Initiative”):  
The MCDC Initiative was developed by the SEC to address potentially widespread violations of the federal securities laws by municipal issuers and underwriters in connection with certain representations about continuing disclosures in bond offering documents. The City has addressed the requirements of the MCDC Initiative in a couple of ways.
  - Amended the Debt Management Policy to include practices to address post issuance compliance for both continuing disclosure and the oversight of the use of bond proceeds.
  - Conducted an audit of all required continuing disclosure for all outstanding bonds and filed the appropriate disclosure for any that were missed.

As a part of the bond financing team, the City will designate a member to act as the Dissemination Agent who will assist City staff with continuing bond disclosures both on an annual basis and as events which have been defined as “material events” occur. During each bond financing project, the entire bond financing team will review City’s compliance with the Continuing Disclosure Agreements of outstanding debt issuances and the results will be documented in the Official Statement.

- Increased IRS Enforcement  
Since 2000, the IRS has increased the number of Tax Exempt Bond (TEB) Agents in the field which has resulted in a significant increase in the number of audits of municipal bonds. Municipal security issuers receive significant benefit by being able to participate in the market and offer tax-exempt securities to investors which results in lower borrowing costs for the issuer and provides the investor with tax advantages as well. This tax exemption, while a benefit to the issuer and investor, does have a cost to the federal government since they do not collect any tax on the resulting income. It was estimated that in 2006 this cost in lost tax revenue was approximately \$35 billion. Based on these numbers, it is easy to see the incentive that the IRS and SEC have to increase enforcement activities. To address this increased level of scrutiny, the City has adopted the following measures:
  - Amended the Debt Management Policy to include practices to address post issuance compliance for both continuing disclosure and the oversight of the use of bond proceeds.

- Procured the services of a third party to prepare and file the City's Arbitrage Calculation on a timely basis.

### Request for Proposal

In November, 2014, staff issued an RFP or Request for Proposal to solicit firms that would be interested in being a part of the City's bond financing team and provide the following role on the team:

- Financial Advisor  
The Financial Advisor (FA) is the leader of the team and is responsible to perform the following tasks:
  - Develop debt capacity schedules
  - Establish financing objectives
  - Manage financing team
  - Set financing schedule
  - Advise on sale method and structure
  - Coordinate rating process
  - Provide independent pricing evaluation
  - Perform specialized quantitative analysis as necessary
- Bond Counsel/Disclosure Counsel
  - Analyze the financing purposes, structures and goals in a legal context
  - Advise on proceedings for issuing debt
  - Draft legal documents (lease documents, continuing disclosure etc.)
  - Deliver legal opinions
  - Consult on post-closing matters
  - Develop Official Statement
- Underwriter
  - Work with financing team to analyze and develop financing structure
  - Work with financing team to develop and present financing alternatives and determine optimal financing structure
  - Update issuer on market conditions and optimal pricing timing
  - Coordinate due diligence efforts for underwriting syndicate and investors
  - Coordinate marketing effort for bonds
  - Monitor and ensure the integrity of the bond sale process
  - Prepare Post-Pricing book
- Dissemination Agent / Arbitrage Calculation
  - Coordinate, prepare and disseminate continuing disclosure documents
  - Prepare arbitrage calculations and filings
  - Audit annual reporting and continuing disclosure to ensure compliance with IRS and SEC regulations

The City received eleven responses to the RFP and during January and February 2015 an evaluation team reviewed and scored each response. The evaluation team consisted of the Chief Financial Officer, the Treasury Operations Division Manager, the Special Districts Division Manager and the Electric Utility Division Manager. Based on the recommendation of the evaluation team, the following firms were selected to fill the roles on the team:

- Financial Advisor – Fieldman Rolapp & Associates (FRA): A full service, independent financial advisor focused on California public finance. With their main office located in Irvine, FRA began business in 1966 and currently employs a staff of 18. The proposed project team will consist of James Fabian and Paul Pender.
- Bond Counsel – Orrick, Herrington & Sutcliffe: A full service law firm that offers expertise in public finance as well as a number of other related fields of law including real estate, tax, securities and governmental affairs just to name a few. Orrick was started 150 years ago and has offices throughout the world but will service this contract out of the Los Angeles office. The proposed project team will be led by Bill Bothwell.
- Disclosure Counsel – Stradling, Yocca, Carlson & Rauth (SYCR): Formed in 1975, SYCR has had a municipal finance practice since its inception. The firm is comprised of 110 attorneys with offices throughout California and in Reno, Nevada. The main office is located in Newport Beach and the proposed project team will consist of Mark Huebsch, Brian Forbath, Brad Neal and Carol Lew.
- Dissemination Agent – Willdan Financial Services: Willdan Group Inc. is a provider of professional, technical and consulting services which was opened in 1964. Willdan Financial Services is comprised of 60 staff members providing public financing consulting services to over 800 agencies in 42 states. Their primary focus is on the public sector with recent expansion to address the needs of private activity issuers. The project team will be located in the Temecula office and will consist of Anne Pelej, Dave Davies, Letty Marquez and Darcy McDonald.

All of these firms have more than ten years of experience with cities and special districts in the municipal financing field and have worked with the City on past financing projects.

While it is the intent of staff to execute contracts with these firms, there is generally no payment to the firms until the completion of a financing project; at which time their fees become a cost of issuance and included in the financing amount. The City Council will be asked to approve the estimated costs for these services when the financing project is presented for consideration and approval. The exception to this is the Dissemination Agent who must perform their tasks generally after bonds are issued over the term of the bonds and therefore require the appropriation of funds annually through the budget process. The Financial Advisor may perform some additional analytical procedures outside of the financing project, but these occasions are not routine in nature. The contracts that are being presented for consideration for Financial Advisor and Bond/Disclosure Counsel are intended to retain these firms for future projects and to establish and set the rate and fee table for these services when they are required.

## **ALTERNATIVES**

1. Approve the contracts for the firms selected to comprise the City's bond financing team and authorize the City Manager to execute and sign the contracts or any amendments to the contracts.
2. Do not approve the contracts for the firms selected to comprise the City's bond financing team and provide staff with additional direction. This will delay the ability to retain these firms and lock in the rates and fees the firms submitted during the RFP process. This action may also delay the start of any discussions related to potential future financings.

## **FISCAL IMPACT**

Due to the nature of how these contracts are paid, there is no financial impact to the budget based on the actions requested in this staff report. The fees related to the services provided by the Financial Advisor and Bond/Disclosure Counsel will be presented to the City Council for consideration and approval when future financing projects are identified. The costs for Dissemination Agent/Arbitrage services will be submitted for City Council approval as part of the annual budget process or as a mid-year adjustment. These services have already been included in the budget requests for existing debt service funds.

## **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.

## **NOTIFICATION**

Notification was provided through the posting of the City Council agenda.

## **ATTACHMENTS**

Attachment 1: Draft contract for Fieldman Rolapp & Associates

Attachment 2: Draft contract for Orrick, Herrington & Sutcliffe

Attachment 3: Draft contract for Stradling, Yocca, Carlson & Rauth

Attachment 4: Draft contract for Willdan Financial Services

Prepared By:  
Brooke McKinney  
Treasury Operations Division Manager

Department Head Approval:  
Richard Teichert  
Chief Financial Officer/City Treasurer

## City of Moreno Valley

**INDEPENDENT CONTRACTOR AGREEMENT**

This Agreement is made by and between the City of Moreno, California, a municipal corporation, with its principal place of business at 14177 Frederick Street, Moreno Valley, CA 92552, hereinafter referred to as the “City”, and **Fieldman, Rolapp & Associates**, a **CORPORATION**, with its principal place of business at **19900 MacArthur Blvd, Suite 1100, Irvine, CA 92612**, hereinafter referred to as the “Contractor,” based upon City policies and the following legal citations:

**RECITALS**

- A. Government Code Section 53060 authorizes the engagement of persons to perform special services as independent contractors;
- B. Contractor desires to perform and assume responsibility for the provision of professional **financial advisor** services required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing professional **financial advisor** services and is licensed in the State of California, if applicable;
- C. City desires to engage Contractor to render such services for continuing disclosure and arbitrage calculation as set forth in this Agreement;
- D. The public interest, convenience, necessity and general welfare will be served by this Agreement; and
- E. This Agreement is made and entered into effective the date the City signs this Agreement.

**TERMS****1. CONTRACTOR INFORMATION:**

Contractor’s Name: Fieldman, Rolapp & Associates  
 Address: 19900 MacArthur Blvd, Suite 1100  
 City: Irvine State: CA Zip: 92612  
 Business Phone: 949-660-7307 Fax No. 949-474-8773  
 Other Contact Number: 949-660-7319 (Paul Pender)  
 Business License Number: \_\_\_\_\_  
 Federal Tax I.D. Number: 95-2920834

**2. CONTRACTOR SERVICES, FEES, AND RELEVANT DATES:**

- A. The Contractor’s scope of service is described in Exhibit “A” attached hereto and incorporated herein by this reference.
- B. The City’s responsibilities, other than payment, are described in Exhibit “B” attached hereto and incorporated herein by this reference.

- C. Payment terms are provided in Exhibit “C” attached hereto and incorporated herein by this reference.
- D. The term of this Agreement shall be from February 1, 2015 to December 31, 2019 unless terminated earlier as provided herein. The City acknowledges that it will not unreasonably withhold approval of the Contractor’s requests for extensions of time in which to complete the work required. The Contractor shall not be responsible for performance delays caused by others or delays beyond the Contractor’s reasonable control (excluding delays caused by non-performance or unjustified delay by Contractor, his/her/its employees, or subcontractors), and such delays shall extend the time for performance of the work by the Contractor.

3. **STANDARD TERMS AND CONDITIONS:**

- A. Control of Work. Contractor is solely responsible for the content and sequence of the work, and will not be subject to control and direction as to the details and means for accomplishing the anticipated results of services. The City will not provide any training to Contractor or his/her/its employees.
- B. Intent of Parties. Contractor is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Contractor or any individual whose compensation for services is paid by the Contractor, an agent or employee of the City, or authorizing the Contractor to create or assume any obligation or liability for or on behalf of the City, or entitling the Contractor to any right, benefit, or privilege applicable to any officer or employee of the City.
- C. Subcontracting. Contractor may retain or subcontract for the services of other necessary contractors with the prior written approval of the City. Payment for such services shall be the responsibility of the Contractor. Any and all subcontractors shall be subject to the terms and conditions of this Agreement, with the exception that the City shall have no obligation to pay for any subcontractor services rendered. Contractor shall be responsible for paying prevailing wages where required by law [See California Labor Code Sections 1770 through 1777.7].
- D. Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.
- E. Substitution of Key Personnel. Contractor has represented to City that certain key personnel will perform and coordinate the services under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the project or a threat to the safety of persons or property, shall be promptly removed from the project by the

Contractor at the request of the City. The key personnel for performance of this Agreement are as follows: **James V. Fabian**.

- F. City's Representative. The City hereby designates the Chief Financial Officer, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.
- G. Contractor's Representative. Contractor hereby designates **James V. Fabian**, or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the services under this Agreement.
- H. Legal Considerations. The Contractor shall comply with applicable federal, state, and local laws in the performance of this Agreement. Contractor shall be liable for all violations of such laws and regulations in connection with services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.
- I. Standard of Care; Performance of Employees. Contractor shall perform all services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the profession necessary to perform the services. Contractor warrants that all employees and subcontractor shall have sufficient skill and experience to perform the services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the services and that such licenses and approvals shall be maintained throughout the term of this Agreement. Any employee of the Contractor or its subcontractors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the services in a manner acceptable to the City, shall be promptly removed from the project by the Contractor and shall not be re-employed to perform any of the services or to work on the project.
- J. Contractor Indemnification. Contractor 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 Contractor's performance of the work contemplated by this Agreement and this Agreement. Acceptance of this Agreement signifies that the Contractor is not covered under the City's general liability insurance, employee benefits, or worker's compensation. It further establishes that the Contractor shall be fully responsible for such coverage. Contractor's obligation to indemnify shall survive expiration or termination of this Agreement, 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.

- K. Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by Section "J" that may be brought or instituted against City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees. Contractor 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. Contractor 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. Contractor 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.
- L. Insurance Requirements. The Contractor will comply with the following insurance requirements at its sole expense. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

The Contractor shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Contractor and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Contractor in the course of carrying out the Agreement. This coverage may be waived if the Contractor is determined to be functioning as a sole proprietor and the city provided form "Exception to Worker's Compensation Coverage" is signed, notarized and attached to this Agreement



✓ General Liability Insurance—to protect against loss from liability imposed by law for damages on account of bodily injury, including death, and/or property damage suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Contractor, sub-Contractor, or any person acting for the Contractor or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage	\$500,000 per occurrence/ \$500,000 aggregate

✓ Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and aggregate.

✓ A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy

The terms of the insurance policy or policies issued to provide the above coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the insurance is canceled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in the amounts established.

- M. Intellectual Property. Any system or documents developed, produced or provided under this Agreement, including any intellectual property discovered or developed by Contractor 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 this Agreement. The Contractor may retain copies of any and all material, including drawings, documents, and specifications, produced by the Contractor in performance of this Agreement. The City and the Contractor 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.
- N. Entire Agreement. This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations of warranties, expressed or implied, not specified in this Agreement. This Agreement applies only to the current proposal as attached. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties. Assignment of this Agreement is prohibited without prior written consent.
- O. (a) The City may terminate the whole or any part of this Agreement at any time without cause by giving at least ten (10) days written notice to the Contractor. The written notice shall specify the date of termination. Upon receipt of such notice, the Contractor may continue work through the date of termination, provided that no work or service(s) shall be commenced or continued after receipt of the notice which is not intended to protect the interest of the City. The City shall pay the Contractor within thirty (30) days after receiving any invoice after the date of termination for all non-objected to services performed by the Contractor in accordance herewith through the date of termination.
- (b) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Contractor shall perform no further work or service(s) under the Agreement unless the notice of termination authorizes such further work.
- (c) If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished documents and data and other information of any kind prepared by Contractor in connection with the performance of services under this Agreement. Contractor shall be required to provide such documents and other information within fifteen (15) days of the request.
- (d) In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, similar to those terminated.
- P. Payment. Payments to the Contractor pursuant to this Agreement will be reported to Federal and State taxing authorities as required. The City will not withhold any sums from compensation payable to Contractor. Contractor is independently responsible for the payment of all applicable taxes. Where the payment terms provide for compensation on a time and materials basis, the Contractor shall maintain adequate records to permit inspection and audit of

the Contractor's time and materials charges under the Agreement. Such records shall be retained by the Contractor for three (3) years following completion of the services under the Agreement.

- Q. Restrictions on City Employees. The Contractor shall not employ any City employee or official in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in this Agreement in violation of federal, state, or local law.
- R. Choice of Law and Venue. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall govern the interpretation of this Agreement. Any legal proceeding arising from this Agreement shall be brought in the appropriate court located in Riverside County, State of California.
- S. Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Contractor:**

Fieldman, Rolapp & Associates  
19900 MacArthur Blvd, Suite 1100  
Irvine, CA 92612  
Attn: James V. Fabian

**City:**

City of Moreno Valley  
14177 Frederick Street  
P.O. Box 88005  
Moreno Valley, CA 92552  
Attn: Brooke McKinney, Treasury Operations

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

- T. Time of Essence. Time is of the essence for each and every provision of this Agreement.
- U. City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this project.
- V. Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.
- W. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No

waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

- X. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the parties.
- Y. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.
- Z. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- AA. Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

**SIGNATURE PAGE TO FOLLOW**

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

City of Moreno Valley

Fieldman, Rolapp & Associates

BY: \_\_\_\_\_  
City Manager

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(President or Vice President)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(Corporate Secretary)

\_\_\_\_\_  
Date

**INTERNAL USE ONLY**

ATTEST:

\_\_\_\_\_  
City Clerk  
*(only needed if Mayor signs)*

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

RECOMMENDED FOR APPROVAL:

\_\_\_\_\_  
Department Head  
*(if contract exceeds 15,000)*

\_\_\_\_\_  
Date



## D. SERVICES

### Answers to Questions for All Respondents:

#### A. Describe the service being proposed.

FRA is responding to the Financial Advisor (Municipal Advisor) position on the City's Bond Team. Based on the scope of services outlined on Page 6 and 7 of the City's RFP and based on our current understanding of the City's needs, we envision a potential scope of work to include three phases. When preparing our conceptual plan for services, we are guided by our primary goal as an *independent* financial advisor – to provide sound, unbiased, and creative consulting services to the City and to consistently deliver high quality, responsive services to the City which are compatible with the objectives of the City's policies and initiatives. We have outlined within each phase the potential tasks that might be associated with that particular phase.

#### Phase I – Review of City's Financial Status and Policies

We will undertake an extensive review of the City's overall financial status, outstanding debt, and available cash reserves by analyzing the FY 2013/2014 - FY2014/15 Adopted Operating Budget, FY 2014/15 Adopted Capital Improvement Plan and the June 30, 2014 Comprehensive Annual Financial Statement. Our analysis will include the review of the City's existing policies 3.07 and 3.28.

#### Phase II – Transaction Management

The second phase is the transaction management phase. We will assist the City in the design of a financing structure to fund new projects or refund existing Bonds consistent with the City's policies and objectives, and that reflects current conditions in the capital markets. We will recommend the best possible plan of finance after reviewing all options, and make a recommendation on the method of sale. Please refer to **APPENDIX E** for an example of a plan of finance for the City of Monterey. We will take the lead role in preparing a schedule and detailed description of the interconnected responsibilities of each team member and updating this schedule with refinements, as necessary, as the work progresses. As the financing activities progress, we will constantly monitor the progression to ensure that the City's policies and objectives are not compromised. If deviations take place, we will advise City Staff and provide a recommended course of action.

We will coordinate (and assist, where appropriate) the review of the legal and disclosure documents and will monitor the progress of all activities leading to the sale of Bonds. We will monitor document preparation for a consistent and accurate presentation of the recommended business terms and financing structure of each debt issue. We will attend all public meetings and workshops.

We recognize that the credit process is an important part of minimizing interest expense. In our opinion, the City is well positioned to maintain its existing A+ Standard & Poor's credit rating. We will take the lead in analyzing the City's credit from both quantitative aspects (for example, calculating credit metrics), and qualitative aspects (for example, recommending an appropriate additional bonds test). We will prepare the credit presentation, with the input from other finance team members, and prepare the presenters for the actual meeting(s) with the rating analysts. We will focus on presenting and highlighting key credit benchmarks and financial ratios, based on our experience and knowledge of what criteria the rating agencies typically assess.

#### Advisory Services for Competitive Issues

For a competitive sale, we will work with the City to structure the financing(s) to meet the City's needs while still making the offering attractive to bond buyers, thereby ensuring a timely sale. We will assist disclosure counsel in the preparation of the preliminary official statement and notice of sale, and provide information to

potential bidders, identify qualified underwriters, and call for bids. Once the best price has been received and approved, we can assist in the completion of the transaction. More specifically, we would propose accomplishing the City's objectives utilizing the following steps:

1. Provide structuring advice and provide recommendations on terms and conditions.
2. Provide regular commentary on current municipal market conditions, trends in the market and how these may favorably or unfavorably affect the City's proposed financing.
3. Make specific recommendations as to the optimal time to enter the market according to the best practices for competitive sales and whether or not the City should consider the purchase of bond insurance.
4. Establish an account with Parity® electronic bidding system and outreach to bidders.
5. Create and publish the Notice of Sale and electronically post the Preliminary Official Statement. Please refer to **APPENDIX F** for an example of Notice of Sale and final Parity bid results for the City of San Juan Capistrano.
6. Monitor pricing electronically during the bond sale and make live access available to the City to ensure transparency and the lowest interest rates available.
7. Verify winning bid and make recommendations to the City to award to the firm providing lowest True Interest Cost.

Based on our preliminary review of the City's outstanding underlying bond rating and current market conditions we are likely to recommend a negotiated sale of Bonds, but would like to revisit this recommendation in 2015.

### Advisory Services for Negotiated Issues

In the case of a negotiated sale of debt, we will perform a thorough evaluation of market conditions preceding the negotiation of the terms of the sale of debt and will assist the City with the negotiation of final issue structure, interest rates, interest cost, reoffering terms and gross underwriting spread to provide a recommendation on acceptance or rejection of the offer to purchase the debt. The assistance and evaluation will focus on the following areas as determinants of interest cost: size of financing, sources and uses of funds, terms and maturities of the debt issue, investment of debt issue proceeds, distribution mixes among institutional and retail purchasers, interest rate, reoffering terms and underwriting discount with comparable issues, and redemption provisions.

Some of the specific services we will provide in this phase may include:

1. Prepare, distribute and evaluate requests for proposals for underwriters and recommend an underwriter or an underwriting syndicate to the City.
2. Advise on the appropriate terms and conditions of the sale and work with the City and bond counsel to fine tune the structure including determining covenants, parity provisions, reserve requirements, redemption features, etc.
3. Work with bond counsel on document preparation, timing and structure.
4. Provide regular commentary on current municipal market conditions, trends in the market and how these may favorably or unfavorably affect the City's proposed financing.
5. Make specific recommendations as to the optimal time to enter the market according to the best practices for negotiated sales and convenience to the City and whether or not the City should consider the purchase of bond insurance.

6. Assist in publicizing the issue in advance and assist the City with its disclosure obligations.
7. Coordinate a marketing plan with the underwriter(s).
8. Negotiate syndicate rules and establish priority of orders if required.
9. Negotiate underwriter's compensation and redemption features on behalf of the City.
10. Facilitate calls before and at pricing of the bonds.
11. Prepare a list of contemporaneously sold transactions, similar in size, rating and structure and compare the coupons and yields of such issues with the proposed pricing offered by the underwriter. Please refer to **APPENDIX G** for an example of a pricing comparable worksheet prepared for the City of Rialto Tax Allocation Bonds and the City of Brea Water Bonds sold in 2014.
12. Review pricing, negotiate the pricing with the underwriter, and make recommendations to the City to accept, reject or modify proposed pricing.
13. Prepare final pricing memorandum summarizing the results of the negotiated sale. We have found this document is a good tool to share with the City Council to summarize the results of the bond sale.

### Phase III – Closing

We will assist in activities related to the closing of each financing. We will assist the City's bond counsel in assuming responsibility for such arrangements as they are required, including arranging for or monitoring the progress of bond printing, qualification of issues for book-entry status, signing and final delivery of the securities, recommendations of the investment of bond proceeds to maximize reinvestment earnings and settlement of the costs of issuance and will prepare a closing laminate to provide a quick reference guide for the completed transaction to assist City staff with the implementation of the bond issue over its term.

### Preliminary Analysis of Proposed Electric Utility Fund Financing

Our proposed scope of services would also include advising the City in the planning and structuring of anticipated debt issues for 2015. It is our understanding that the City is considering a debt issuance in 2015 to fund approximately \$25 million in improvements for its Electric Utility Fund operations, to enhance and expand its service capabilities. Due to the operational structure with a private operator (ENCO), we would expect this financing to require federally taxable bonds. Below we provide our initial thoughts and considerations for the City in structuring this financing.

**Determine Feasibility of Enterprise Fund-backed Debt.** In 2007, the City issued Lease Revenue Bonds to finance capital projects of the Utility, legally secured by the General Fund, due to the Utility's lack of operational history and credit strength to support a financing on its own. Ideally, as the system is now more mature with an operational history, the next round of financing contemplated for 2015 could be backed solely by a pledge of the Utility's net revenues. This would have two advantages for the City's General Fund: 1) protect against liability for any unforeseen shortfalls in Fund operations and 2) bolster the City's A+ General Fund rating by limiting additional debt levels. Further, it would put a framework in place for the 2007 Lease Revenue Bonds to be refinanced with the Utility Fund's revenue pledge (circa the 2017 bond call date), further reducing the liabilities and debt burden on the City's General Fund in the future.

The question will be whether the Utility Fund is strong enough to support such a financing structure at interest rates comparable to those the City's General Fund-backing would bring. This will require, in our view, the Utility Fund to secure at least an A- rating from S&P based on its net revenues. We have surveyed the market for similar such taxable transactions and developed a bond sizing estimate, assuming taxable interest rates and market conditions of November 26, 2014. Based on this estimate, we believe the City's debt



## **EXHIBIT B**

### **CITY RESPONSIBILITY**

The City will be responsible to provide the Contractor's with the following:

1. Financial and Operating Information, including but not limited to
  - a. Adopted Budget
  - b. Audited and Unaudited Financial Statements
  - c. Current Fund Balances
2. Communicate financing needs and goals in a timely manner
3. Provide responses to questions and review documents and worksheets in timely manner
4. Provide access as needed to key city staff
5. Other information as necessary

## EXHIBIT C

### TERMS OF PAYMENT

1. The Contractor's compensation will be determined separately for each financing and will be taken before the City Council for consideration at that time. Non bond financing related consulting services shall not exceed \$50,000 (\$10,000/year). All fees will be based on the fee schedule provided in RFP VAG 14/15-04. (Included in Exhibit C-1)

2. The Contractor will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: [http://www.moval.org/do\\_biz/biz-license.shtml](http://www.moval.org/do_biz/biz-license.shtml)

3. The Contractor will electronically submit an invoice to the City on a monthly basis for progress payments along with documentation evidencing services completed to date. The progress payment is based on actual time and materials expended in furnishing authorized professional services since the last invoice. At no time will the City pay for more services than have been satisfactorily completed and the City's determination of the amount due for any progress payment shall be final. The Contractor will submit all original invoices to Accounts Payable staff at [AccountsPayable@moval.org](mailto:AccountsPayable@moval.org)

Accounts Payable questions can be directed to (951) 413-3073.

Copies of invoices may be submitted to the Treasury Operations Division at [treasury@moval.org](mailto:treasury@moval.org) or calls directed to (951) 413-3077.

3. The Contractor agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization form will be completed prior to any payments by the City. Any invoice not paid because the completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at:

[http://www.moval.org/city\\_hall/forms.shtml#bf](http://www.moval.org/city_hall/forms.shtml#bf)

4. The minimum information required on all invoices is:

A. Vendor Name, Mailing Address, and Phone Number

- B. Invoice Date
  - C. Vendor Invoice Number
  - D. City-provided Reference Number (e.g. Project, Activity)
  - E. Detailed work hours by class title (e.g. Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount; single, lump amounts without detail are not acceptable.
6. The City shall pay the Contractor for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.
7. Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.
8. Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.



**E. Tools or processes that the firm will use to notify the City of the occurrence of events that would trigger continuing disclosure requirements.**

In response to the credit crisis of 2008, FRA thru its continuing disclosure subsidiary, Applied Best Practices (“ABP”) has developed a bond insurance score card used to monitor the credit ratings downgrades and upgrades. Refer to **APPENDIX 1** for the latest bond insurer scorecard. This tool has been very helpful to proactively provide information to our clients on the rating changes requiring material event notices to be filed. We have been very pro-active in assisting our clients meet the latest challenges created by the SEC MCDC initiative and developed a report format that has been widely used by many clients.

**E. FEES**

Financial Advisory Services performed will be billed for at the amounts set forth below:

<u>Transaction Size</u>		<u>Fees</u>
\$1	to \$10,000,000	\$36,500
\$10,000,001	to \$20,000,000	\$39,500
\$20,000,001	to \$30,000,000	\$43,500
\$30,000,001	and above	to be negotiated

Payment of fees earned by Consultant shall be contingent on, and payable at the closing of the debt issue(s) undertaken to finance the Project.

**Other Services**

Unless agreed to otherwise, financial advisory services performed for services not related to a transaction will be billed at the then current hourly rates.

The table below reflects the rates in effect as of the date of execution of this Proposal.

<u>Personnel</u>	<u>Hourly Rate</u>
Executive Officers .....	\$300.00
Principals .....	\$290.00
Senior Vice President .....	\$275.00
Vice Presidents .....	\$225.00
Assistant Vice President.....	\$195.00
Senior Associate .....	\$150.00
Associate.....	\$125.00
Analyst .....	\$85.00
Administrative Assistants .....	\$65.00
Clerical .....	\$35.00

**Verifiable Out of Pocket Expenses**

Expenses will be billed for separately from the fees for transactions listed above and will be capped at \$2,000 per transaction.

City of Moreno Valley

**INDEPENDENT CONTRACTOR AGREEMENT**

This Agreement is made by and between the City of Moreno, California, a municipal corporation, with its principal place of business at 14177 Frederick Street, Moreno Valley, CA 92552, hereinafter referred to as the “City”, and **Orrick, Herrington & Sutcliffe LLP**, a **Limited Liability Company**, with its principal place of business at **777 South Figueroa, Los Angeles, CA 90017** , hereinafter referred to as the “Contractor,” based upon City policies and the following legal citations:

**RECITALS**

- A. Government Code Section 53060 authorizes the engagement of persons to perform special services as independent contractors;
- B. Contractor desires to perform and assume responsibility for the provision of professional **bond counsel** services required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing professional **bond counsel** service and is licensed in the State of California, if applicable;
- C. City desires to engage Contractor to render such services for continuing disclosure and arbitrage calculation as set forth in this Agreement;
- D. The public interest, convenience, necessity and general welfare will be served by this Agreement; and
- E. This Agreement is made and entered into effective the date the City signs this Agreement.

**TERMS**

1. **CONTRACTOR INFORMATION:**

Contractor’s Name: Orrick, Herrington & Sutcliffe LLP  
Address: 777 South Figueroa  
City: Los Angeles State: CA Zip: 90017  
Business Phone: 213-612-2403 Fax No. \_\_\_\_\_  
Other Contact Number: \_\_\_\_\_  
Business License Number:  
Federal Tax I.D. Number: 94-2952627

2. **CONTRACTOR SERVICES, FEES, AND RELEVANT DATES:**

- A. The Contractor’s scope of service is described in Exhibit “A” attached hereto and incorporated herein by this reference.
- B. The City’s responsibilities, other than payment, are described in Exhibit “B” attached hereto and incorporated herein by this reference.
- C. Payment terms are provided in Exhibit “C” attached hereto and incorporated herein by this reference.

D. The term of this Agreement shall be from February 1, 2015 to December 31, 2019 unless terminated earlier as provided herein. The City acknowledges that it will not unreasonably withhold approval of the Contractor's requests for extensions of time in which to complete the work required. The Contractor shall not be responsible for performance delays caused by others or delays beyond the Contractor's reasonable control (excluding delays caused by non-performance or unjustified delay by Contractor, his/her/its employees, or subcontractors), and such delays shall extend the time for performance of the work by the Contractor.

3. **STANDARD TERMS AND CONDITIONS:**

- A. Control of Work. Contractor is solely responsible for the content and sequence of the work, and will not be subject to control and direction as to the details and means for accomplishing the anticipated results of services. The City will not provide any training to Contractor or his/her/its employees.
- B. Intent of Parties. Contractor is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Contractor or any individual whose compensation for services is paid by the Contractor, an agent or employee of the City, or authorizing the Contractor to create or assume any obligation or liability for or on behalf of the City, or entitling the Contractor to any right, benefit, or privilege applicable to any officer or employee of the City.
- C. Subcontracting. Contractor may retain or subcontract for the services of other necessary contractors with the prior written approval of the City. Payment for such services shall be the responsibility of the Contractor. Any and all subcontractors shall be subject to the terms and conditions of this Agreement, with the exception that the City shall have no obligation to pay for any subcontractor services rendered. Contractor shall be responsible for paying prevailing wages where required by law [See California Labor Code Sections 1770 through 1777.7].
- D. Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.
- E. Substitution of Key Personnel. Contractor has represented to City that certain key personnel will perform and coordinate the services under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the project or a threat to the safety of persons or property, shall be promptly removed from the project by the Contractor at the request of the City. The key personnel for performance of this Agreement are as follows: **Bill Bothwell.**

- F. City's Representative. The City hereby designates the Chief Financial Officer, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.
- G. Contractor's Representative. Contractor hereby **Bill Bothwell**, or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the services under this Agreement.
- H. Legal Considerations. The Contractor shall comply with applicable federal, state, and local laws in the performance of this Agreement. Contractor shall be liable for all violations of such laws and regulations in connection with services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.
- I. Standard of Care; Performance of Employees. Contractor shall perform all services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the profession necessary to perform the services. Contractor warrants that all employees and subcontractor shall have sufficient skill and experience to perform the services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the services and that such licenses and approvals shall be maintained throughout the term of this Agreement. Any employee of the Contractor or its subcontractors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the services in a manner acceptable to the City, shall be promptly removed from the project by the Contractor and shall not be re-employed to perform any of the services or to work on the project.
- J. Contractor Indemnification. Contractor 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 Contractor's performance of the work contemplated by this Agreement and this Agreement. Acceptance of this Agreement signifies that the Contractor is not covered under the City's general liability insurance, employee benefits, or worker's compensation. It further establishes that the Contractor shall be fully responsible for such coverage. Contractor's obligation to indemnify shall survive expiration or termination of this Agreement, 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.

- K. Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by Section "J" that may be brought or instituted against City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees. Contractor 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. Contractor 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. Contractor 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.
- L. Insurance Requirements. The Contractor will comply with the following insurance requirements at its sole expense. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

The Contractor shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Contractor and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Contractor in the course of carrying out the Agreement. This coverage may be waived if the Contractor is determined to be functioning as a sole proprietor and the city provided form "Exception to Worker's Compensation Coverage" is signed, notarized and attached to this Agreement



✓ General Liability Insurance—to protect against loss from liability imposed by law for damages on account of bodily injury, including death, and/or property damage suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Contractor, sub-Contractor, or any person acting for the Contractor or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage	\$500,000 per occurrence/ \$500,000 aggregate

✓ Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and aggregate.

✓ A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy

The terms of the insurance policy or policies issued to provide the above coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the insurance is canceled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in the amounts established.

M. Intellectual Property. Any system or documents developed, produced or provided under this Agreement, including any intellectual property discovered

or developed by Contractor 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 this Agreement. The Contractor may retain copies of any and all material, including drawings, documents, and specifications, produced by the Contractor in performance of this Agreement. The City and the Contractor 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.

- N. Entire Agreement. This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations of warranties, expressed or implied, not specified in this Agreement. This Agreement applies only to the current proposal as attached. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties. Assignment of this Agreement is prohibited without prior written consent.
- O. (a) The City may terminate the whole or any part of this Agreement at any time without cause by giving at least ten (10) days written notice to the Contractor. The written notice shall specify the date of termination. Upon receipt of such notice, the Contractor may continue work through the date of termination, provided that no work or service(s) shall be commenced or continued after receipt of the notice which is not intended to protect the interest of the City. The City shall pay the Contractor within thirty (30) days after receiving any invoice after the date of termination for all non-objected to services performed by the Contractor in accordance herewith through the date of termination.
- (b) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Contractor shall perform no further work or service(s) under the Agreement unless the notice of termination authorizes such further work.
- (c) If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished documents and data and other information of any kind prepared by Contractor in connection with the performance of services under this Agreement. Contractor shall be required to provide such documents and other information within fifteen (15) days of the request.
- (d) In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, similar to those terminated.
- P. Payment. Payments to the Contractor pursuant to this Agreement will be reported to Federal and State taxing authorities as required. The City will not withhold any sums from compensation payable to Contractor. Contractor is independently responsible for the payment of all applicable taxes. Where the payment terms provide for compensation on a time and materials basis, the Contractor shall maintain adequate records to permit inspection and audit of the Contractor's time and materials charges under the Agreement. Such

records shall be retained by the Contractor for three (3) years following completion of the services under the Agreement.

- Q. Restrictions on City Employees. The Contractor shall not employ any City employee or official in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in this Agreement in violation of federal, state, or local law.
- R. Choice of Law and Venue. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall govern the interpretation of this Agreement. Any legal proceeding arising from this Agreement shall be brought in the appropriate court located in Riverside County, State of California.
- S. Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Contractor:**

Orrick, Herrington & Sutcliffe LLP  
777 South Figueroa  
Los Angeles, CA 90017  
Attn: Bill Bothwell

**City:**

City of Moreno Valley  
14177 Frederick Street  
P.O. Box 88005  
Moreno Valley, CA 92552  
Attn: Brooke McKinney, Treasury Operations

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

- T. Time of Essence. Time is of the essence for each and every provision of this Agreement.
- U. City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this project.
- V. Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.
- W. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party

shall give the other party any contractual rights by custom, estoppel, or otherwise.

- X. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the parties.
- Y. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.
- Z. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- AA. Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

**SIGNATURE PAGE TO FOLLOW**

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

City of Moreno Valley

Orrick, Herrington & Sutcliffe LLP

BY: \_\_\_\_\_  
City Manager

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(President or Vice President)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

<b><u>INTERNAL USE ONLY</u></b>
ATTEST:
_____ City Clerk <i>(only needed if Mayor signs)</i>
APPROVED AS TO LEGAL FORM:
_____ City Attorney
_____ Date
RECOMMENDED FOR APPROVAL:
_____ Department Head <i>(if contract exceeds 15,000)</i>
_____ Date

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(Corporate Secretary)

\_\_\_\_\_  
Date

## EXHIBIT A

### SCOPE OF SERVICE

#### Bond Counsel

1. Analyze financing purposes, structure and goals in a legal context
2. Advise on proceedings for issuing debt
3. Draft legal documents and agreements
4. Deliver legal opinions
5. Consult on post-closing matters

## EXHIBIT B

### CITY RESPONSIBILITY

The City will be responsible to provide the Contractor's with the following:

1. Financial and Operating Information, including but not limited to
  - a. Adopted Budget
  - b. Audited and Unaudited Financial Statements
  - c. Current Fund Balances
2. Timely review of draft bond documents
3. Timely review and response to any other correspondence

## EXHIBIT C

### TERMS OF PAYMENT

1. The Contractor's compensation shall be determined when specific bond financing transactions are identified. The fees for each transaction or bond financing will be taken before the City Council at that time for approval. Fees will only be paid upon the successful completion of a financing project.
2. The Contractor will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: [http://www.moval.org/do\\_biz/biz-license.shtml](http://www.moval.org/do_biz/biz-license.shtml)



City of Moreno Valley

**INDEPENDENT CONTRACTOR AGREEMENT**

This Agreement is made by and between the City of Moreno, California, a municipal corporation, with its principal place of business at 14177 Frederick Street, Moreno Valley, CA 92552, hereinafter referred to as the “City”, and **Stradling Yocca Carlson & Rauth, a Professional Corporation**, with its principal place of business at **660 Newport Center Drive, Suite 1600, Newport Beach, CA 92660** , hereinafter referred to as the “Contractor,” based upon City policies and the following legal citations:

**RECITALS**

- A. Government Code Section 53060 authorizes the engagement of persons to perform special services as independent contractors;
- B. Contractor desires to perform and assume responsibility for the provision of professional **bond counsel** services required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing professional **bond counsel** service and is licensed in the State of California, if applicable;
- C. City desires to engage Contractor to render such services for continuing disclosure and arbitrage calculation as set forth in this Agreement;
- D. The public interest, convenience, necessity and general welfare will be served by this Agreement; and
- E. This Agreement is made and entered into effective the date the City signs this Agreement.

**TERMS**

**1. CONTRACTOR INFORMATION:**

Contractor’s Name: Stradling Yocca Carlson & Rauth  
 Address: 660 Newport Center Drive, Suite 1600  
 City: Newport Beach State: CA Zip: 92660  
 Business Phone: 213-612-2403 Fax No. \_\_\_\_\_  
 Other Contact Number: \_\_\_\_\_  
 Business License Number: \_\_\_\_\_  
 Federal Tax I.D. Number: \_\_\_\_\_

**2. CONTRACTOR SERVICES, FEES, AND RELEVANT DATES:**

- A. The Contractor’s scope of service is described in Exhibit “A” attached hereto and incorporated herein by this reference.
- B. The City’s responsibilities, other than payment, are described in Exhibit “B” attached hereto and incorporated herein by this reference.
- C. Payment terms are provided in Exhibit “C” attached hereto and incorporated herein by this reference.

D. The term of this Agreement shall be from February 1, 2015 to December 31, 2019 unless terminated earlier as provided herein. The City acknowledges that it will not unreasonably withhold approval of the Contractor's requests for extensions of time in which to complete the work required. The Contractor shall not be responsible for performance delays caused by others or delays beyond the Contractor's reasonable control (excluding delays caused by non-performance or unjustified delay by Contractor, his/her/its employees, or subcontractors), and such delays shall extend the time for performance of the work by the Contractor.

3. **STANDARD TERMS AND CONDITIONS:**

- A. Control of Work. Contractor is solely responsible for the content and sequence of the work, and will not be subject to control and direction as to the details and means for accomplishing the anticipated results of services. The City will not provide any training to Contractor or his/her/its employees.
- B. Intent of Parties. Contractor is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Contractor or any individual whose compensation for services is paid by the Contractor, an agent or employee of the City, or authorizing the Contractor to create or assume any obligation or liability for or on behalf of the City, or entitling the Contractor to any right, benefit, or privilege applicable to any officer or employee of the City.
- C. Subcontracting. Contractor may retain or subcontract for the services of other necessary contractors with the prior written approval of the City. Payment for such services shall be the responsibility of the Contractor. Any and all subcontractors shall be subject to the terms and conditions of this Agreement, with the exception that the City shall have no obligation to pay for any subcontractor services rendered. Contractor shall be responsible for paying prevailing wages where required by law [See California Labor Code Sections 1770 through 1777.7].
- D. Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.
- E. Substitution of Key Personnel. Contractor has represented to City that certain key personnel will perform and coordinate the services under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the project or a threat to the safety of persons or property, shall be promptly removed from the project by the Contractor at the request of the City. The key personnel for performance of this Agreement are as follows: **Mark J. Huebsch.**

- F. City's Representative. The City hereby designates the Chief Financial Officer, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.
- G. Contractor's Representative. Contractor hereby **Mark J. Huebsch**, or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the services under this Agreement.
- H. Legal Considerations. The Contractor shall comply with applicable federal, state, and local laws in the performance of this Agreement. Contractor shall be liable for all violations of such laws and regulations in connection with services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.
- I. Standard of Care; Performance of Employees. Contractor shall perform all services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the profession necessary to perform the services. Contractor warrants that all employees and subcontractor shall have sufficient skill and experience to perform the services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the services and that such licenses and approvals shall be maintained throughout the term of this Agreement. Any employee of the Contractor or its subcontractors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the services in a manner acceptable to the City, shall be promptly removed from the project by the Contractor and shall not be re-employed to perform any of the services or to work on the project.
- J. Contractor Indemnification. Contractor 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 Contractor's performance of the work contemplated by this Agreement and this Agreement. Acceptance of this Agreement signifies that the Contractor is not covered under the City's general liability insurance, employee benefits, or worker's compensation. It further establishes that the Contractor shall be fully responsible for such coverage. Contractor's obligation to indemnify shall survive expiration or termination of this Agreement, 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.

- K. Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by Section "J" that may be brought or instituted against City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees. Contractor 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. Contractor 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. Contractor 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.
- L. Insurance Requirements. The Contractor will comply with the following insurance requirements at its sole expense. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

The Contractor shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Contractor and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Contractor in the course of carrying out the Agreement. This coverage may be waived if the Contractor is determined to be functioning as a sole proprietor and the city provided form "Exception to Worker's Compensation Coverage" is signed, notarized and attached to this Agreement

✓ General Liability Insurance—to protect against loss from liability imposed by law for damages on account of bodily injury, including death, and/or property damage suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Contractor, sub-Contractor, or any person acting for the Contractor or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage	\$500,000 per occurrence/ \$500,000 aggregate

✓ Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and aggregate.

✓ A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy

The terms of the insurance policy or policies issued to provide the above coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the insurance is canceled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in the amounts established.

M. Intellectual Property. Any system or documents developed, produced or provided under this Agreement, including any intellectual property discovered

or developed by Contractor 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 this Agreement. The Contractor may retain copies of any and all material, including drawings, documents, and specifications, produced by the Contractor in performance of this Agreement. The City and the Contractor 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.

- N. Entire Agreement. This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations of warranties, expressed or implied, not specified in this Agreement. This Agreement applies only to the current proposal as attached. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties. Assignment of this Agreement is prohibited without prior written consent.
- O. (a) The City may terminate the whole or any part of this Agreement at any time without cause by giving at least ten (10) days written notice to the Contractor. The written notice shall specify the date of termination. Upon receipt of such notice, the Contractor may continue work through the date of termination, provided that no work or service(s) shall be commenced or continued after receipt of the notice which is not intended to protect the interest of the City. The City shall pay the Contractor within thirty (30) days after receiving any invoice after the date of termination for all non-objected to services performed by the Contractor in accordance herewith through the date of termination.
- (b) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Contractor shall perform no further work or service(s) under the Agreement unless the notice of termination authorizes such further work.
- (c) If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished documents and data and other information of any kind prepared by Contractor in connection with the performance of services under this Agreement. Contractor shall be required to provide such documents and other information within fifteen (15) days of the request.
- (d) In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, similar to those terminated.
- P. Payment. Payments to the Contractor pursuant to this Agreement will be reported to Federal and State taxing authorities as required. The City will not withhold any sums from compensation payable to Contractor. Contractor is independently responsible for the payment of all applicable taxes. Where the payment terms provide for compensation on a time and materials basis, the Contractor shall maintain adequate records to permit inspection and audit of the Contractor's time and materials charges under the Agreement. Such

records shall be retained by the Contractor for three (3) years following completion of the services under the Agreement.

- Q. Restrictions on City Employees. The Contractor shall not employ any City employee or official in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in this Agreement in violation of federal, state, or local law.
- R. Choice of Law and Venue. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall govern the interpretation of this Agreement. Any legal proceeding arising from this Agreement shall be brought in the appropriate court located in Riverside County, State of California.
- S. Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Contractor:**

Stradling Yocca Carlson & Rauth  
660 Newport Center Drive, Suite 1600  
Newport Beach, CA 92660  
Attn: Mark J. Huebsch

**City:**

City of Moreno Valley  
14177 Frederick Street  
P.O. Box 88005  
Moreno Valley, CA 92552  
Attn: Brooke McKinney, Treasury Operations

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

- T. Time of Essence. Time is of the essence for each and every provision of this Agreement.
- U. City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this project.
- V. Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.
- W. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party

shall give the other party any contractual rights by custom, estoppel, or otherwise.

- X. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the parties.
- Y. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.
- Z. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- AA. Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

**SIGNATURE PAGE TO FOLLOW**



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

City of Moreno Valley

Stradling Yocca Carlson & Rauth

BY: \_\_\_\_\_  
City Manager

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(President or Vice President)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**INTERNAL USE ONLY**

ATTEST:

\_\_\_\_\_  
City Clerk  
*(only needed if Mayor signs)*

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(Corporate Secretary)

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

RECOMMENDED FOR APPROVAL:

\_\_\_\_\_  
Department Head  
*(if contract exceeds 15,000)*

\_\_\_\_\_  
Date

## EXHIBIT A

### SCOPE OF SERVICE

#### Bond Counsel

1. Analyze financing purposes, structure and goals in a legal context
2. Advise on proceedings for issuing debt
3. Draft legal documents and agreements
4. Deliver legal opinions
5. Consult on post-closing

## **EXHIBIT B**

### **CITY RESPONSIBILITY**

The City will be responsible to provide the Contractor's with the following:

1. Financial and Operating Information, including but not limited to
  - a. Adopted Budget
  - b. Audited and Unaudited Financial Statements
  - c. Current Fund Balances
2. Timely review of draft bond documents
3. Timely review and response to any other correspondence

## EXHIBIT C

### TERMS OF PAYMENT

1. The Contractor's compensation shall be determined when specific bond financing transactions are identified. The fees for each transaction or bond financing will be taken before the City Council at that time for approval and will be based on the fee schedule provided in RFP VAG 14/15-04. (Included in Exhibit C-1). Fees will only be paid upon the successful completion of a financing project.
2. The Contractor will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: [http://www.moval.org/do\\_biz/biz-license.shtml](http://www.moval.org/do_biz/biz-license.shtml)

City of Moreno Valley

**INDEPENDENT CONTRACTOR AGREEMENT**

This Agreement is made by and between the City of Moreno, California, a municipal corporation, with its principal place of business at 14177 Frederick Street, Moreno Valley, CA 92552, hereinafter referred to as the “City”, and **Willdan Financial Services, a CORPORATION**, with its principal place of business at **27368 Via Industria, Suite 110, Temecula, CA 92590** , hereinafter referred to as the “Contractor,” based upon City policies and the following legal citations:

**RECITALS**

- A. Government Code Section 53060 authorizes the engagement of persons to perform special services as independent contractors;
- B. Contractor desires to perform and assume responsibility for the provision of **professional continuing disclosure and arbitrage calculation services** required by the City on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing **professional continuing disclosure and arbitrage calculation** service and is licensed in the State of California, if applicable;
- C. City desires to engage Contractor to render such services for continuing disclosure and arbitrage calculation as set forth in this Agreement;
- D. The public interest, convenience, necessity and general welfare will be served by this Agreement; and
- E. This Agreement is made and entered into effective the date the City signs this Agreement.

**TERMS**

**1. CONTRACTOR INFORMATION:**

Contractor’s Name: Willdan Financial Services  
 Address: 27368 Via Industria, Suite 110  
 City: Temecula State: CA Zip: 92590  
 Business Phone: 800-755-6864 Fax No. \_\_\_\_\_  
 Other Contact Number: \_\_\_\_\_  
 Business License Number: 19938  
 Federal Tax I.D. Number: 33-0302345

**2. CONTRACTOR SERVICES, FEES, AND RELEVANT DATES:**

- A. The Contractor’s scope of service is described in Exhibit “A” attached hereto and incorporated herein by this reference.
- B. The City’s responsibilities, other than payment, are described in Exhibit “B” attached hereto and incorporated herein by this reference.

- C. Payment terms are provided in Exhibit “C” attached hereto and incorporated herein by this reference.
- D. The term of this Agreement shall be from February 1, 2015 to December 31, 2019 unless terminated earlier as provided herein. The City acknowledges that it will not unreasonably withhold approval of the Contractor’s requests for extensions of time in which to complete the work required. The Contractor shall not be responsible for performance delays caused by others or delays beyond the Contractor’s reasonable control (excluding delays caused by non-performance or unjustified delay by Contractor, his/her/its employees, or subcontractors), and such delays shall extend the time for performance of the work by the Contractor.

3. **STANDARD TERMS AND CONDITIONS:**

- A. Control of Work. Contractor is solely responsible for the content and sequence of the work, and will not be subject to control and direction as to the details and means for accomplishing the anticipated results of services. The City will not provide any training to Contractor or his/her/its employees.
- B. Intent of Parties. Contractor is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Contractor or any individual whose compensation for services is paid by the Contractor, an agent or employee of the City, or authorizing the Contractor to create or assume any obligation or liability for or on behalf of the City, or entitling the Contractor to any right, benefit, or privilege applicable to any officer or employee of the City.
- C. Subcontracting. Contractor may retain or subcontract for the services of other necessary contractors with the prior written approval of the City. Payment for such services shall be the responsibility of the Contractor. Any and all subcontractors shall be subject to the terms and conditions of this Agreement, with the exception that the City shall have no obligation to pay for any subcontractor services rendered. Contractor shall be responsible for paying prevailing wages where required by law [See California Labor Code Sections 1770 through 1777.7].
- D. Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.
- E. Substitution of Key Personnel. Contractor has represented to City that certain key personnel will perform and coordinate the services under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the project or a threat to the safety of persons or property, shall be promptly removed from the project by the

Contractor at the request of the City. The key personnel for performance of this Agreement are as follows: **Ms. Anne Pelej**.

- F. City's Representative. The City hereby designates the Chief Financial Officer, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.
- G. Contractor's Representative. Contractor hereby designates Anne C. Pelej, or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the services under this Agreement.
- H. Legal Considerations. The Contractor shall comply with applicable federal, state, and local laws in the performance of this Agreement. Contractor shall be liable for all violations of such laws and regulations in connection with services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.
- I. Standard of Care; Performance of Employees. Contractor shall perform all services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the profession necessary to perform the services. Contractor warrants that all employees and subcontractor shall have sufficient skill and experience to perform the services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the services and that such licenses and approvals shall be maintained throughout the term of this Agreement. Any employee of the Contractor or its subcontractors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the services in a manner acceptable to the City, shall be promptly removed from the project by the Contractor and shall not be re-employed to perform any of the services or to work on the project.
- J. Contractor Indemnification. Contractor 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 Contractor's performance of the work contemplated by this Agreement and this Agreement. Acceptance of this Agreement signifies that the Contractor is not covered under the City's general liability insurance, employee benefits, or worker's compensation. It further establishes that the Contractor shall be fully responsible for such coverage. Contractor's obligation to indemnify shall survive expiration or termination of this Agreement, 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.

- K. Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by Section "J" that may be brought or instituted against City, the Moreno Valley Housing Authority, and the CSD, and their officers, agents and employees. Contractor 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. Contractor 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. Contractor 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.
- L. Insurance Requirements. The Contractor will comply with the following insurance requirements at its sole expense. Insurance companies shall be rated (A Minus: VII—Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct business in the State of California:

The Contractor shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for the Contractor and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Contractor in the course of carrying out the Agreement. This coverage may be waived if the Contractor is determined to be functioning as a sole proprietor and the city provided form "Exception to Worker's Compensation Coverage" is signed, notarized and attached to this Agreement



✓ General Liability Insurance—to protect against loss from liability imposed by law for damages on account of bodily injury, including death, and/or property damage suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Contractor, sub-Contractor, or any person acting for the Contractor or under its control or direction. Such insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum amounts provided below:

Bodily Injury	\$1,000,000 per occurrence/ \$2,000,000 aggregate
Property Damage	\$500,000 per occurrence/ \$500,000 aggregate

✓ Professional Errors and Omission Insurance—such coverage shall not be less than \$1,000,000 per claim and aggregate.

✓ A Certificate of Insurance and appropriate additional insured endorsement evidencing the above applicable insurance coverage shall be submitted to the City prior to the execution of this Agreement. The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy

The terms of the insurance policy or policies issued to provide the above coverage shall neither be amended to reduce the required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the insurance is canceled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in the amounts established.

- M. Intellectual Property. Any system or documents developed, produced or provided under this Agreement, including any intellectual property discovered or developed by Contractor 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 this Agreement. The Contractor may retain copies of any and all material, including drawings, documents, and specifications, produced by the Contractor in performance of this Agreement. The City and the Contractor 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.
- N. Entire Agreement. This Agreement constitutes the entire agreement between the parties. There are no understandings, agreements, or representations of warranties, expressed or implied, not specified in this Agreement. This Agreement applies only to the current proposal as attached. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties. Assignment of this Agreement is prohibited without prior written consent.
- O. (a) The City may terminate the whole or any part of this Agreement at any time without cause by giving at least ten (10) days written notice to the Contractor. The written notice shall specify the date of termination. Upon receipt of such notice, the Contractor may continue work through the date of termination, provided that no work or service(s) shall be commenced or continued after receipt of the notice which is not intended to protect the interest of the City. The City shall pay the Contractor within thirty (30) days after receiving any invoice after the date of termination for all non-objected to services performed by the Contractor in accordance herewith through the date of termination.
- (b) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Contractor shall perform no further work or service(s) under the Agreement unless the notice of termination authorizes such further work.
- (c) If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished documents and data and other information of any kind prepared by Contractor in connection with the performance of services under this Agreement. Contractor shall be required to provide such documents and other information within fifteen (15) days of the request.
- (d) In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, similar to those terminated.
- P. Payment. Payments to the Contractor pursuant to this Agreement will be reported to Federal and State taxing authorities as required. The City will not withhold any sums from compensation payable to Contractor. Contractor is independently responsible for the payment of all applicable taxes. Where the payment terms provide for compensation on a time and materials basis, the Contractor shall maintain adequate records to permit inspection and audit of

the Contractor's time and materials charges under the Agreement. Such records shall be retained by the Contractor for three (3) years following completion of the services under the Agreement.

- Q. Restrictions on City Employees. The Contractor shall not employ any City employee or official in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in this Agreement in violation of federal, state, or local law.
- R. Choice of Law and Venue. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall govern the interpretation of this Agreement. Any legal proceeding arising from this Agreement shall be brought in the appropriate court located in Riverside County, State of California.
- S. Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Contractor:**

Willdan Financial Services  
27368 Via Industria, Suite 110  
Temecula, CA 92590  
Attn: Anne Pelej

**City:**

City of Moreno Valley  
14177 Frederick Street  
P.O. Box 88005  
Moreno Valley, CA 92552  
Attn: Brooke McKinney, Treasury Operations

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

- T. Time of Essence. Time is of the essence for each and every provision of this Agreement.
- U. City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this project.
- V. Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.
- W. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No

waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

- X. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the parties.
- Y. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.
- Z. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- AA. Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

**SIGNATURE PAGE TO FOLLOW**

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

City of Moreno Valley

Willdan Financial Services

BY: \_\_\_\_\_  
City Manager

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(President or Vice President)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**INTERNAL USE ONLY**

ATTEST:

\_\_\_\_\_  
City Clerk  
*(only needed if Mayor signs)*

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(Corporate Secretary)

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

RECOMMENDED FOR APPROVAL:

\_\_\_\_\_  
Department Head  
*(if contract exceeds 15,000)*

\_\_\_\_\_  
Date

#### 4. Dissemination Agent and Disclosure Reporting Process

Willdan's work plan enhances the reporting process by addressing three (3) areas vital to the success of a bond: anticipation of regulatory change, effective communication, and timely reporting. Willdan recognizes the importance of meeting all three of these goals and we have built our systems and designed our processes around them.

Willdan has been involved with several SEC and IRS audits which have differed greatly in depth and breadth. We have helped our clients respond to everything from the MCDC Initiative to a targeted audit by the IRS involving advance refunding and conduit bonds. Most recently our involvement has been with investigations into written post issuance compliance procedures.

It has been our experience that audit investigations move forward more efficiently when the analyst preparing the computation is fully trained on all aspects of post issuance compliance. Rest assured, unlike some service providers, Willdan does not pass the responsibility of regulatory understanding on to others.

#### Scope of Services

During the term of our contract with the City of Moreno Valley, Willdan Financial Services has worked diligently to help the City maintain compliance with both the SEC and IRS regulations regarding municipal bonds. We will continue to maintain our high standard of service by following the Scope of Services for Continuing Disclosure and Arbitrage Rebate as detailed below:

#### Continuing Disclosure

##### **Task 1: Define Compliance Needs and Provide Implementation Schedule**

**Objective:** Collect bond documents relating to the debt issue, including but not limited, to the official statement, financial statements and Annual Continuing Disclosure Information Statement ("Disclosure Report").

**Description:** Willdan will review the bond documents and establish an annual reporting schedule.

**Deliverable:** Reporting schedule and instruction relating to online tracking systems.

##### **Task 2: Compile Data Necessary to Complete Disclosure Report**

**Objective:** Collect data and other third-party information required to be included in the Disclosure Report directly from client, trustees, fiscal agents, state and county agencies and others.

**Description:** Review the information for accuracy and appropriateness.

##### **Task 3: Report Preparation and Review**

**Objective:** Create a draft of the Disclosure Report for review.

**Description:** Willdan will discuss with client staff any relevant issues and provide suggestions regarding industry standards.

**Deliverable:** Disclosure Report.

##### **Task 4: Report Dissemination**

**Objective:** Provide timely Disclosure Report filings to the municipal market.

**Description:** Once authorization to disseminate has been received, Willdan will post the report on EMMA and provide confirmation of the date and time of the posting.

**Deliverable:** Upload completed and approved Disclosure Report to EMMA, or the currently recognized public repository, and post on the tracking system at [www.willdan.com](http://www.willdan.com).

**Task 5: Notices of Occurrence of Listed Events and Supplemental Reporting**

**Objective:** Provide timely Notice of Occurrence of Listed Events to the municipal market and supplement annual filings as necessary.

**Description:** Willdan will prepare Notices of Occurrence of Listed Events covering events enumerated in Rule 15c2-12(b). Willdan will also prepare Supplemental Disclosure Reports, as necessary.

**Deliverable:** Upload Notices of Occurrence of Listed Events and Supplemental Disclosure Reports to EMMA, or the currently recognized public repository, and post on the tracking system at [www.willdan.com](http://www.willdan.com). Provide confirmation of the date and time of the posting.

**Task 6: Investor Support**

**Objective:** Present a unified message to the municipal market.

**Description:** Willdan will respond to investor calls either directly or after consultation with your staff.

**Deliverable:** Investor Call Support.

**Task 7: Ongoing Regulatory Education**

**Objective:** Ensure communication with the secondary market meets current regulatory requirements and is mindful of enforcement actions and investor concerns.

**Description:** Willdan will monitor information releases from the SEC and the MSRB regarding enforcement actions and regulatory changes. If requested, Willdan will review draft disclosure documents for new issues.

**Deliverable:** On request.

**Client Responsibilities**

The City of Moreno Valley will submit to Willdan:

- Financial and Operating Information, including but not limited to: Adopted Budget, Audited and Unaudited Financial Statements (if audited financials are not available), and current fund balances.
- Timely review of draft Disclosure Report.
- Authorization to disseminate Disclosure Report.
- All information relating to any change to the credit ratings or the occurrence of Listed Events as identified in the Continuing Disclosure Agreement within 3 business days from the date of occurrence of such event.
- Authorization for Rating Agencies, Trustees, and any other third parties to send information directly to Willdan.

## Arbitrage Rebate

### **Task 1: Define Compliance Needs and Provide Implementation Schedule**

**Objective:** Obtain bond documents, prior reports, and transactional data necessary to prepare and document arbitrage rebate liabilities.

**Description:** Willdan will review the bond documents and prior reports, determine if any special elections were made at issue, and verify the exceptions to rebate have been properly applied.

**Duration:** Prior to computation date.

**Deliverable:** Implementation schedule and access to online Compliance Management System.

### **Task 2: Verify Bond Yield and Prepare Arbitrage Rebate and Yield Restriction Analysis**

**Objective:** Update the cumulative arbitrage rebate liability and/or yield reduction payment accrual for each bond.

**Description:** During the computation of arbitrage rebate and yield restriction positions for the bonds, Willdan will:

- Verify the bond yield;
- Identify gross proceeds, transferred proceeds, replacement proceeds, and all other funds considered part of the financing;
- Compute investment earnings, taking into account the proper allocation of commingled funds;
- Future value transactions to the computation date, inclusive of the computation date credit;
- Test for exceptions to rebate, including spending exceptions and penalty in-lieu requirements;
- Analyze unspent construction funds, overfunded reserves, and other events that may be in violation of Section 148 of the tax code;
- Analyze opportunities to recapture negative arbitrage or recover overpayments;
- Determine the yield reduction payment pursuant to Section 148(f) of the Internal Revenue Code; and
- Determine the cumulative arbitrage liability pursuant to Section 148(f) of the Internal Revenue Code.

**Duration:** One (1) to three (3) weeks, depending upon the complexity of the financing.

**Deliverable:** None.

### **Task 3: Review and Assess Analysis Outcome**

**Objective:** Multi-tiered review of each prepared report and internal discussion of assumptions and opportunities to reduce the rebate liability.

**Description:** Proper application of the arbitrage rebate regulations requires a detailed understanding of the original intent of financing as well as the historical use of proceeds.

Once the mathematical analysis is complete, two (2) senior-level rebate consultants will perform a comprehensive review of the report noting theoretical and technical issues to be evaluated. If appropriate, these issues will be communicated to you.

**Duration:** One (1) to two (2) weeks, depending upon the complexity of the financing.

**Deliverable:** Possible discussion with your staff.



**Task 4: Conclusions, Recommendations, and Action Plan**

**Objective:** Develop conclusions, recommendations, and produce reports, as necessary to maintain regulatory compliance for each financing.

**Description:** We will provide analytical reports with recommendations for actions necessary to close the gap between adequate rebate reporting and comprehensive bonded debt compliance management.

Our reports and recommendations will include, but will not be limited to:

- Actions that can be taken to increase monies available for the project;
- Actions that can be taken to decrease an arbitrage rebate liability or upcoming yield reduction payment;
- Actions that can be taken to correct situations that may receive an unfavorable audit determination;
- Areas where allocation and accounting methodology could be enhanced;
- Identification of technologies not currently in use that may be applicable and appropriate for future consideration;
- Identification of obstacles or challenges that could prevent timely or accurate compliance;
- Detailed arbitrage rebate report inclusive of summary analysis; and
- Instructions for filing IRS forms.

**Duration:** One (1) week.

**Deliverable:** Hardcopy and electronic reports inclusive of:

- Executive Summary detailing the assumptions and methodology used;
- Summary Analysis of all relevant dates;
- Sources and uses of funds;
- Arbitrage yield and yield restriction requirements;
- Rebate liability summarized and by fund;
- Arbitrage/Investment Yield Comparison Graph;
- Rebate Calculations by fund; and
- Outstanding Investments Summary.

**Task 5: Review Results with Your Staff**

**Objective:** Ensure your staff has adequate understanding of the rebate positions, opportunities, and possible areas of enforcement concern.

**Description:** The Willdan team will brief your staff on situations that offer opportunity for improved results or that may become a concern for regulatory auditors.

Key strategic, procedural, and investment issues will be discussed, as well as your strengths and challenges relating to long-term debt compliance.

**Duration:** One (1) week.

**Deliverable:** Discussion with your staff.

**Task 6: File IRS Payment and Refund Requests**

**Objective:** Supply completed IRS forms relating to arbitrage rebate payments and refund requests. Provide specific filing instructions and consultation regarding the possible consequences of the refund request.

**Description:** Prompt arbitrage rebate payment demonstrates a willingness to comply with the regulatory authority of the IRS. Being prepared for the questions that may follow filings demonstrates attention to the long-term duties associated with issuing tax-exempt debt.

**Duration:** As needed.

**Deliverable:** Completed IRS Payment and Refund Request Forms, with accompanying instructions.

**Task 7: Monitor Regulatory Enhancement and Enforcement Actions**

**Objective:** Willdan will help your staff stay abreast of regulatory interpretation and enforcement, ensuring the content of the rebate reports does not grow stale.

**Description:** Willdan requires analyst staff to participate in yearly continuing education events, and encourages discussion of current regulatory interpretation with clients. Depending upon the circumstances, Willdan can recommend procedural and documentation changes and help train staff.

**Duration:** Ongoing.

**Deliverable:** Audit assistance.

## **EXHIBIT B**

### **CITY RESPONSIBILITY**

The City will be responsible to provide the Contractor's with the following:

1. Financial and Operating Information, including but not limited to
  - a. Adopted Budget
  - b. Audited and Unaudited Financial Statements
  - c. Current Fund Balances
2. Timely Review of draft Disclosure Report
3. Authorization to disseminate Disclosure Report
4. All information relating to any change to the credit ratings or the occurrence of Listed Events as identified in the Continuing Disclosure Statement within 3 business days from the date of the occurrence of such event.
5. Authorization for Rating Agencies, Trustee and any other third parties to send information directly to the Contractor.

## EXHIBIT C

### TERMS OF PAYMENT

1. The Contractor's compensation shall not exceed \$100,000 (\$20,000/year) and will be based on the fee schedule provided in RFP VAG 14/15-04. (Included in Exhibit C-1)

2. The Contractor will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: [http://www.moval.org/do\\_biz/biz-license.shtml](http://www.moval.org/do_biz/biz-license.shtml)

3. The Contractor will electronically submit an invoice to the City on a monthly basis for progress payments along with documentation evidencing services completed to date. The progress payment is based on actual time and materials expended in furnishing authorized professional services since the last invoice. At no time will the City pay for more services than have been satisfactorily completed and the City's determination of the amount due for any progress payment shall be final. The Contractor will submit all original invoices to Accounts Payable staff at [AccountsPayable@moval.org](mailto:AccountsPayable@moval.org)

Accounts Payable questions can be directed to (951) 413-3073.

Copies of invoices may be submitted to the Treasury Operations Division at [treasury@moval.org](mailto:treasury@moval.org) or calls directed to (951) 413-3077.

3. The Contractor agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization form will be completed prior to any payments by the City. Any invoice not paid because the completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at:

[http://www.moval.org/city\\_hall/forms.shtml#bf](http://www.moval.org/city_hall/forms.shtml#bf)

4. The minimum information required on all invoices is:

A. Vendor Name, Mailing Address, and Phone Number

B. Invoice Date

- C. Vendor Invoice Number
  - D. City-provided Reference Number (e.g. Project, Activity)
  - E. Detailed work hours by class title (e.g. Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount; single, lump amounts without detail are not acceptable.
6. The City shall pay the Contractor for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.
7. Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.
8. Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

## F. Fees

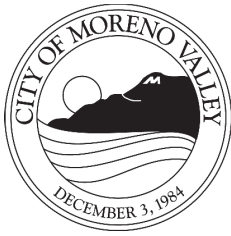
### Continuing Disclosure

Service	Fee
<b>Set Up Fee (One Time/New Issues Only)</b>	\$ 250
<b>Base Report Fee</b>	
• Special District Bonds (Report Review Only)	\$ 950
• Lease Revenue Bonds	\$ 950
• Tax Allocation Bonds	\$ 1,950
• General Obligation Bonds	\$ 950
• Certificates of Participation (inclusive of TRIP Financings)	\$ 950
Incremental Fee per Parity Issue	\$ 250
Supplemental/Amended Reports	\$ 250
Notice of Occurrence of Listed Events	\$250 per Notice
Annual Third Party Expenses	At Cost
Continuing Disclosure Compliance Review	\$200 per bond/year

### Arbitrage Rebate

The nature and complexity of each bond issue, the frequency of computation, and the transparency of the transactional data, determines the extent to which the following services will apply:

Arbitrage Services	Fee
Set Up Fee (One Time/New Issues Only)	\$ 250
Base Fee	\$ 1,250
Data Analysis in Excess of 12 months / per year	\$ 250
Commingled Funds Analysis / per fund	\$ 250
Transferred Proceeds Analysis (Advance Refunding Issues Only)	\$ 250
IRS Audit Assistance	\$150 per hour
Online Compliance Management System	No Charge



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

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## Report to City Council

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**TO:** Mayor and City Council and Mayor and City Council, acting in its capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)

**FROM:** Richard Teichert, Chief Financial Officer

**AGENDA DATE:** March 10, 2015

**TITLE:** AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY CFD/LLD/LMD FORMATIONS WITH WILLDAN FINANCIAL SERVICES FOR SPECIAL TAX AND ASSESSMENT ENGINEERING SERVICES

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### RECOMMENDED ACTION

Recommendations:

1. Approve the Third Amendment to the Agreement for Professional Consultant Services Project No. Special Districts 2014-15 Levy CFD/LLD/LMD with Willdan Financial Services, 27368 Via Industria, Suite 110, Temecula, CA 92590-4856 to provide special tax and assessment engineering services for the conversion and/or formation of special financing districts and related special district reporting and professional services.
2. Authorize the City Manager to execute the Third Amendment with Willdan Financial Services.
3. Authorize the issuance of a change order in the amount of \$34,500 for Fiscal Year 2014/15 to Willdan Financial Services to increase the not-to-exceed (NTE) amount of the Agreement to \$111,495.00.

## **SUMMARY**

This report recommends approving a Third Amendment to the Agreement with Willdan Financial Services for special tax and assessment engineering services. These professional services will assist the City and Community Services District (CSD) with: 1) preparation of the Assessment Engineer's Report to annex residential housing Tract 27251 into LMD 2014-02; 2) preparation of the FY 2015/16 annual engineer's reports for the Landscaping Maintenance and Lighting Maintenance Districts; and, 3) professional services including preparing boundary maps for special financing districts and consultation on special district engineering services.

## **DISCUSSION**

Willdan Financial Services (the Consultant) provides special tax and assessment engineering services (i.e. special financing districts). They were selected through a competitive Request for Quote (RFQ) process which concluded in December 2012. After a Best Management Practices study session for special financing districts in August 2013, a Scope of Services was determined for fiscal year 2013/14 and ultimately, the City entered into an Agreement in February 2014.

The original Scope of Services included the formation of a maintenance Community Facilities District(s) (CFD) for new development, and converting the Community Services District (CSD) Zone B residential street lighting district and certain Zone E landscape maintenance districts to a Lighting or Landscape Maintenance District (LMD) in accordance with the Landscaping and Lighting District Act of 1972 (Streets & Highways Code Section 22500 *et seq.*). These services were completed in May 2014.

The Agreement was first amended on July 23, 2014 to amend the Rate and Method of Apportionment of Special Tax (RMA) for the newly created Community Facilities District No. 2014-01. The amendment to the RMA separated the public landscaping maintenance and operation of the street lighting program tax rate areas allowing flexibility for use of the maintenance CFD. These services were completed in October 2014.

On November 19, 2014, the Agreement was amended a second time to further amend the RMA and to allow for the preparation of its future annexation area boundary map. This amendment to the RMA added additional tax rate areas for public landscape maintenance and operation of street lighting for commercial, industrial and multi-family development and expanded the public landscape maintenance tax rate areas for residential development. These services were completed in January 2015. A summary of the Agreement and its amendments is included in the table below:



Date	Type	Scope of Services	Costs
Feb. 10, 2014	Agreement	Establish a maintenance CFD for new development	\$19,500
		Establish a CFD for a specific development's channel maintenance	\$14,500
		Convert CSD Zone B (residential street lighting) to a Lighting Maint. District	\$15,000
		Convert certain CSD Zone Es (landscape maint.) to a Landscape Maint. District	\$24,000
		<b>Agreement Total</b>	<b>\$73,000</b>
July 24, 2014	First Amendment	Delete channel maintenance CFD	\$(12,205)
		RMA Amendment No. 1 for CFD 2014-01	\$8,000
		<b>Agreement Total with First Amendment</b>	<b>\$68,795</b>
Nov. 19, 2014	Second Amendment	RMA Amendment No. 2 for CFD 2014-01 and future annexation area boundary map	\$8,200
		<b>Agreement Total with Second Amendment</b>	<b>\$76,995</b>

The City wishes to further expand the Scope of Services to allow for the continued efforts to transition its existing CSD zones to Best Management Practices and for annual assessment engineering services to include:

1) Preparation of the fiscal year 2015/16 annual Engineer's Reports for Lighting Maintenance District 2014-01 and Landscape Maintenance District 2014-02 (LMD 2014-02);

2) Preparation of the Assessment Engineer's Report to annex residential housing Tract 27251 into LMD 2014-02; and

3) Professional services to prepare boundary maps for special financing districts and consultation on special district engineering services (e.g. proposed district formation for the Storm Water Program or funding for a new fire station).

The cost for the third amendment's Scope of Services is \$34,500. This will adjust the not-to-exceed amount of the Agreement from \$76,995 to \$111,495, requiring Mayor and City Council approval.

	Proposed Scope of Services	Costs
Proposed Third Amendment	LMD 2014-01 & 02 Annual Report Preparation for FY 2015/16	\$13,000
	LMD 2014-02, Zone 09 Annexation for Tract 27251	\$8,500
	Professional services (consultation and map preparation)	\$13,000
	<b>Proposed Third Amendment Costs</b>	<b>\$34,500</b>
	<b>Agreement as Amended</b>	<b>\$76,995</b>
	<b>Total Cost</b>	<b>\$111,495</b>

## ALTERNATIVES

1. Approve and execute the Third Amendment to the Agreement for Professional Consultant Services Project No. Special Districts 2014-15 Levy CFD/LLD/LMD Formation for consultant services with Willdan Financial Services, in the form

attached hereto to expand the Scope of Services for special tax and assessment engineering services and authorize issuance of the \$34,500 change order, increasing the not-to-exceed (NTE) amount of the Agreement to \$111,495. *This alternative will provide for professional special tax and assessment engineering services, which is a specialized professional service not currently available among City staff. These services are essential to assist with the conversion and formation of special financing districts and necessary for the preparation of the legally required LMD annual engineer's reports for FY 2015/16.*

- Do not approve nor execute the Third Amendment to the Agreement for Professional Consultant Services Project No. Special Districts 2014-15 Levy CFD/LLD/LMD Formation for consultant services with Willdan Financial Services, in the form attached hereto to expand the Scope of Services for special tax and assessment engineering services, nor authorize issuance of a \$34,500 change order. *Selection of this alternative will inhibit the use of professional special tax and assessment engineering services, which is a specialized professional service not currently available among City staff. This will delay conversion and formation of special financing districts and the necessary preparation of the LMD annual engineer's reports.*

### **FISCAL IMPACT**

Administration costs for special financing districts are funded through property owner approved assessments, which are levied and collected on the annual property tax bills. Funds collected for these services are restricted for use to support the service it is designated to fund. Funds are available within each of the special financing districts to support these costs. Funding for the services to be provided in Fiscal Year (FY) 2014/15 is included within the adopted budget.

Description	Fund	GL Account No.	Cost	Current Budget FY 2014/15	Proposed Adjustments FY 2014/15	Amended Budget FY 2014/15
LMD 2014- 01 Annual Report Preparation for FY 2015/16	LMD 2014-01	5012-30-79-25703-620299	\$6,500	\$1,727,780	\$0.00	N/A
LMD 2014-02 Annual Report Preparation for FY 2015/16	LMD 2014-02	5014-30-79-25721-620299	\$6,500	\$2,404,405	\$0.00	N/A
LMD 2014-02 Zone 09 (Annexation for Tract 27251)	Special Districts Admin.	2006-30-79-25701-620299	\$8,500	\$848,128	\$0.00	N/A
On-call services (including consultation and boundary map preparation @ \$450 per map and \$250 per add'l page)	Special Districts Admin.	2006-30-79-25701-620299	\$13,000	\$848,128	\$0.00	N/A
<b>Total Third Amendment</b>			<b>\$34,500</b>			
<b>Total</b>			<b>\$111,495</b>			

**CITY COUNCIL GOALS**

**Community Image, Neighborhood Pride, and Cleanliness**

Special financing districts provide a continued revenue source necessary to maintain the appearance of developed areas within the City.

**Revenue Diversification and Preservation**

The professional services to be provided will preserve the revenues collected by ensuring compliance with legislation and recent case law.

**ATTACHMENTS**

Attachment 1: Third Amendment to the Agreement

Attachment 2: Second Amendment to the Agreement

Attachment 3: First Amendment to the Agreement

Attachment 4: Agreement

Prepared By:  
Sharon Sharp,  
Senior Management Analyst

Department Head Approval:  
Richard Teichert,  
Chief Financial Officer

Concurred By:  
Candace E. Cassel,  
Special Districts Division Manager

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**THIRD AMENDMENT TO AGREEMENT  
FOR  
PROFESSIONAL CONSULTANT SERVICES  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY  
CFD/LLD/LMD FORMATIONS**

The Third Amendment to the Agreement is by and between the CITY OF MORENO VALLEY, a municipal corporation, hereinafter referred to as "City," and Willdan Financial Services, (a California corporation), hereinafter referred to as "Consultant." This Third Amendment to the Agreement as made and entered into becomes effective upon the date the City signs this Amendment.

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY CFD/LLD/LMD FORMATIONS," hereinafter referred to as "Agreement," dated February 10, 2014; and

Whereas, the Consultant is providing Assessment Engineering and Special Tax Consulting Services; and

Whereas, the Agreement was first amended on July 24, 2014 to modify the Scope of Services to: 1) amend the Rate and Method of Apportionment (RMA) for the Community Facilities District (CFD) 2014-01 (Maintenance Services) which separated the public landscaping maintenance and operation of the street lighting program tax rate areas and 2) removed services for the formation of channel maintenance CFD for Tract 32515; and

Whereas the Agreement was subsequently amended on November 19, 2014 to further modify the Scope of Services to amend the RMA for CFD 2014-01 (Maintenance Services) to include tax rate areas for public landscape maintenance and operation of street lighting for commercial, industrial and multi-family developments and expanded the public landscape

maintenance tax rate areas for residential developments, as well as preparation of its future annexation area boundary map; and

Whereas, it is desirable to amend the Agreement to expand the Scope of Services to be performed by the Consultant as is more particularly described in Section 1 of this Third Amendment and in the Consultant’s Proposals attached hereto as “Exhibit A” and incorporated herein by this reference;and

Whereas, it is desirable to amend the terms of payment of the Agreement to provide additional compensation for the expanded Scope of Services as more described in Exhibit A.

**SECTION 1 AMENDMENT TO ORIGINAL AGREEMENT:**

1.1 **Scope of Services:** Amend the Agreement to expand the Scope of Services to include preparation of the: Assessment Engineer’s Report for LMD 2014-01 and 2014-02 for the fiscal year 2015/16 property tax levy; Assessment Engineer’s Report to annex Tract 27251 into LMD 2014-02 as Zone 09; and boundary maps for special financing districts and for consultation on special district engineering services.

1.2 **Terms of Payment:** Amend the terms of payment to increase the not exceed compensation by an additional \$34,500, increasing the total Agreement amount from \$76,995 to \$111,495, as summarized below:

<b>3<sup>rd</sup> Amendment Scope of Services</b>	<b>Cost</b>
LMD 2014-01 & 02 Annual Report Preparation for FY 2015/16	\$13,000
LMD 2014-02, Zone 09 Annexation for Tract 27251	\$8,500
Professional services (consultation and map preparation)	\$13,000
<b>Proposed 3<sup>rd</sup> Amendment Costs</b>	<b>\$34,500</b>
<b>Agreement as Amended</b>	<b>\$76,995</b>
<b>Total Cost</b>	<b>\$111,495</b>

**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**

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

City of Moreno Valley

Willdan Financial Services

By: \_\_\_\_\_

By: \_\_\_\_\_

City Manager

Mark J. Risco

Title: President and CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

INTERNAL USE ONLY

APPROVED AS TO FORM:

By: \_\_\_\_\_

\_\_\_\_\_  
City Attorney

Title: \_\_\_\_\_

(Corporate Secretary)

\_\_\_\_\_  
Date

Date: \_\_\_\_\_

RECOMMENDED FOR APPROVAL:


\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Date

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**SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTANT SERVICES  
CFD/LLD/LMD FORMATIONS  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY**

This Second Amendment to the Agreement by and between the City of Moreno Valley, a municipal corporation, hereinafter referred to as "City," and Willdan Financial Services, Inc., a California corporation, hereinafter referred to as "Consultant" is made and entered into effective on the date signed by the City. *ml*  


RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR CFD/LLD/LMD FORMATIONS," hereinafter referred to as "Agreement," dated February 10, 2014 for the purposes of providing Assessment Engineering and Special Tax Consulting Services.

Whereas, a First Amendment to the Agreement was executed on July 24, 2014, to establish future annexation boundaries and amend the Rate and Method of Apportionment for Community Facilities District No. 2014-01 (Maintenance Services).

Whereas, it is desirable to amend the Agreement to expand the Scope of the Work to amend the RMA to include adding additional tax rate areas (for arterial street lights and extensive landscape maintenance), and as an option if directed by the City, preparation of the annexation map, and update to the boundary map, as more fully described in Consultant's Proposal, attached hereto as Exhibit "A".

Whereas, it is desirable to increase the not to exceed compensation amount by \$8,200, which includes \$5,500 to amend the RMA to add a tax rate area, \$2,000 for an additional tax rate area, and at the option and direction of the City, \$450 for preparation of the first page of the annexation map and \$250 for the boundary map.

SECTION 1

1.1 Scope of Work. Amend the Scope of Work to include an amendment to the Rate and Method of Apportionment for CFD No. 2014-01 (Maintenance Services) as more fully described in Exhibit "A".

1.2 Terms of Payment. Amend the Terms of Payment to increase the not to exceed compensation from \$68,795 to \$76,995, an increase of \$8,200.

SECTION 2

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

**SIGNATURE PAGE TO FOLLOW**

SECOND AMENDMENT TO THE AGREEMENT  
ASSESSMENT ENGINEERING AND SPECIAL TAX CONSULTING  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY

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

City of Moreno Valley

By: \_\_\_\_\_


  
City Manager

Date: \_\_\_\_\_

11.19.14

Willdan Financial Services

By: \_\_\_\_\_

  
Mark J. Risco

Title: President and CEO

Date: \_\_\_\_\_

November 5, 2014

INTERNAL USE ONLY

APPROVED AS TO FORM:

  
City Attorney

11-18-14

Date

By: \_\_\_\_\_

  
Kate Nguyen

Title: Secretary

(Corporate Secretary)

Date: \_\_\_\_\_

November 5, 2014

RECOMMENDED FOR APPROVAL:

  
Department Head

11/18/14

Date

**EXHIBIT "A"**

**Willdan's Proposal, dated October 27, 2014**

October 27, 2014

Ms. Candace Cassel  
Special Districts Division Manager  
City of Moreno Valley  
14325 Frederick Street, Suite 9  
Moreno Valley, California 92552

Via Email:  
[candacec@moval.org](mailto:candacec@moval.org)

**RE: Letter Proposal to the City of Moreno Valley to Perform RMA Amendment and CFD Annexation Services for CFD 2014-01**

Dear Ms. Cassel:

Willdan Financial Services ("Willdan") is pleased to present this letter proposal to amend the Rate and Method of Apportionment (RMA) and provide Community Facilities District (CFD) annexation services for CFD 2014-01. The following contains Willdan's proposed scope of services and budget.

## Scope of Services

Outlined below are the steps necessary to amend the RMA for the CFD and to annex property into the CFD. Willdan understands that the City's legal counsel will create the applicable legal documents associated with this amendment. We further understand that the City will request the RMA to be amended from time to time, as needed. These documents include resolutions, public hearing notice and election materials.

## Scope of Work for Developing an Amended RMA for Existing Services

From time to time, the proposed annexation of new territory and developments to the CFD may warrant an amendment to the RMA to properly address the Special Tax Rate and/or method of apportionment for existing services that will be provided for new developments. As necessary, based on the existing improvement areas, funded services and maintenance, and proposed development(s), Willdan will perform the following tasks related to amending the RMA for existing services within CFD 2014-01 resulting from new or anticipated development and annexations.

### a. Research

- 1) Gather and research development specific information that may facilitate an amended RMA for the existing CFD services and improvements being funded (including the type of developed property, its proposed uses, services and improvement to be provided, and the boundaries of the affected parcels).
- 2) Work with City staff to develop and identify the anticipated full cost recovery budget and revenues that will be needed to fund the improvement and services being addressed by the amended RMA.
- 3) Create a database of parcels within the boundaries of the affected parcels, with appropriate land use and property ownership fields.

- 4) Develop a modified CFD special tax methodology and rate (RMA model) that addresses the specific improvements, property types and revenue needs associated with the proposed developments (annexation territory) that is not covered or adequately addressed in the current CFD structure and RMA.

**b. Prepare an Amended Rate and Method of Apportionment of Special Tax**

Willdan will prepare an amended RMA of Special Tax for the Resolution of Consideration.

Based on the preceding research, the affected parcel(s), improvement areas and services to be funded, and funding needs (revenues to be generated), Willdan will prepare the amended RMA of Special Tax for the Resolution of Consideration. To ensure that all considerations have been addressed, the proposed amended RMA will be discussed with the City.

**c. Intent Meeting/Public Hearing/Meeting Attendance**

Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

## **Scope of Work for Developing an Amended RMA for New Services**

If the proposed annexation of new territory and developments to the CFD warrant an amendment to the RMA to address new improvement types and/or services, or the City desires to expand the type of improvements and services currently addressed by the CFD Special Tax and method of apportionment, Willdan will perform the following tasks related to amending the RMA to incorporate those new improvements and/or services into CFD 2014-01.

**a. Research**

- 1) Gather and research development and improvement specific information that will be needed to prepare and facilitate an amended RMA for the new CFD services and improvements to be funded (including the type of developed property, its proposed uses, services and improvement to be provided, and the boundaries of the affected parcels).
- 2) Work with City staff to develop and identify the anticipated full cost recovery budget and revenues that will be needed to fund the improvement and services being addressed by the amended RMA.
- 3) Create a database of parcels within the boundaries of the affected parcels, with appropriate land use and property ownership fields.
- 4) Develop a modified CFD special tax methodology and rate (RMA model) that addresses the specific improvements, property types and revenue needs associated with the proposed developments (annexation territory) that will trigger the CFD structure and RMA modification.

**b. Prepare an Amended Rate and Method of Apportionment of Special Tax**

Willdan will prepare an amended RMA of Special Tax for the Resolution of Consideration.

Based on the preceding research, the affected parcel(s), the proposed improvements and services to be funded, and the anticipated funding needs (revenues to be generated), Willdan will prepare the amended



RMA of Special Tax for the Resolution of Consideration. To ensure that all considerations have been addressed, the proposed amended RMA will be discussed with the City.

**c. Intent Meeting/Public Hearing/Meeting Attendance**

Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

**Scope of Work for Annexation Services Utilizing Existing RMA**

Willdan will perform the following tasks to annex parcels into the City's CFD using the existing RMA.

**a. Project Kick Off to Resolution of Intention**

1) Project Kick-off

Following receipt of the City's authorization to proceed, we will discuss the annexation process and timeline with City staff, and identify any additional documents or information that may be needed. At the City's discretion, this discussion may include the developer/landowner and/or their representatives. As needed throughout the project, we will coordinate with City staff and as needed, with the developer(s), their consultant(s) and other outside agencies that may be directly involved in the project, to gather required information for the annexation proceedings.

- 2) Prepare boundary map of the proposed annexation area that meets the requirements of the Community Facilities Act. An electronic copy of the final boundary map will be provided in PDF for the City's review.
- 3) Review the resolution approving the boundary map and resolution of intention.
- 4) Once the map has been approved by City Council, Willdan will provide the amended CFD boundary map for recordation at the County.
- 5) Willdan will provide the City with an updated CFD boundary map showing the entire annexation for the City's records.

**b. Review of Annexation Documents**

- 1) Review Consent and Waiver forms, property owner ballots, and Public Hearing resolutions.

The required noticed publication of Public Hearing in the local newspaper is the responsibility of the City Clerk.

- 2) Review Notice of Special Tax Lien.

**c. Intent Meeting/Public Hearing/Meeting Attendance**

- 1) Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

**Client Responsibilities**

Willdan will rely on being able to obtain the following information from the City or the developer(s):

- Contact information for the developer/property owner, and specific contact person who will execute the petition, consent & waiver, and ballot documents.
- A listing of the properties to be included in the annexation area.

- Information regarding current zoning, existing land uses, and proposed property development, as required.
- Timing of anticipated building permit issuance and home sales.
- Either electronically or in hard copy, various maps or diagrams of the new development, improvements, or surrounding properties as needed.
- As needed, assist with obtaining pertinent development information from the developer.
- Review and approve the draft reports and resolutions before the final documents are prepared for the Council packets. This review is typically performed by the City Attorney. Requested changes shall be submitted to Willdan in writing.

The City acknowledges that Willdan shall be relying upon the accuracy of the information provided by the City, the County and developers and agrees that Willdan shall not be liable for any inaccuracies contained in such information.

## Budget

Based on our proposed Scope of Services, we propose the following fee schedule. These fees and rates are subject to an annual increase, which will not exceed the most recent change in the annual Consumer Price Index (CPI) for the "All Urban Consumers" Los Angeles – Anaheim – Riverside – San Bernardino region, as calculated by the United States Bureau of Labor Statistics.

Scope of Services Fee Schedule	
RMA Amendment for Existing Services (Tasks a, b, and c)	\$5,500 plus \$2,000 per RMA amendment scenario
RMA Amendment for New Services (Tasks a, b, and c)	\$9,500 plus \$2,000 per RMA amendment scenario
Annexation Utilizing Existing RMA (Tasks a and b)	\$7,500
Annexation with RMA Amendment	\$9,500 plus \$2,000 per RMA amendment scenario
Additional Meetings (Board, Staff, Committee, etc.)	\$200 per hour, \$600 minimum
Preparation of Annexation Map and Update of Boundary Map	\$450 for first page, \$250 per additional page

Please note:

- Our fee will not be contingent upon the outcome of the annexation process.
- The City will be billed monthly on a percentage of project completion basis.
- Our fees include all direct expenses associated with this service.





## Additional Services

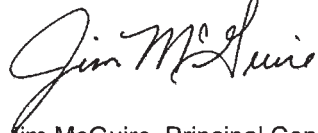
Additional services may be authorized by the City and will be billed at our then current hourly consulting rates. Our current hourly rates are:

Willdan Financial Services Hourly Rate Schedule	
Position	Hourly Rate
Group Manager	\$210
Principal Consultant	\$200
Senior Project Manager	\$165
Project Manager	\$145
Senior Project Analyst	\$130
Senior Analyst	\$120
Analyst	\$100
Analyst Assistant	\$75

We appreciate this opportunity to assist the City of Moreno Valley, and look forward to hearing from you. If you have any questions regarding our proposal, please contact me at (951) 587-3536 or via email at [jmcguire@willdan.com](mailto:jmcguire@willdan.com).

Very truly yours,

WILLDAN FINANCIAL SERVICES



Jim McGuire, Principal Consultant  
District Administration Services

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**FIRST AMENDMENT TO AGREEMENT  
FOR  
CONSULTANT SERVICES  
CFD/LLD/LMD FORMATIONS  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY**

The First Amendment to Agreement is by and between the CITY OF MORENO VALLEY, a municipal corporation, hereinafter referred to as "City," and Willdan Financial Services, Inc., (a California corporation), hereinafter referred to as "Consultant." This First Amendment to Agreement as made and entered into becomes effective upon the date signed by the City.

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR CFD/LLD/LMD FORMATIONS," hereinafter referred to as "Agreement," dated February 10, 2014.

Whereas, the Consultant is providing Assessment Engineering and Special Tax Consulting Services.

Whereas, it is desirable to amend the Agreement to expand the scope of the work to be performed by the Consultant as is more particularly described in Section 1 of this First Amendment.

Whereas, the Consultant has submitted a Proposal dated April 16, 2014 for expansion of the scope of work to be performed. A copy of said Proposal is attached as "Exhibit A-First Amendment" and is incorporated herein by this reference.

SECTION 1 AMENDMENT TO ORIGINAL AGREEMENT:

1.1 Exhibit "A" to the Agreement is hereby amended to cease completion of CFD formation for tract 32515 due to termination of formation of district. Actual fees incurred and

payable to Consultant for services performed prior to termination equal \$2,295, reducing the "Not-to-Exceed" fee by \$12,205.

1.2 Exhibit "A" to the Agreement is further amended to include Exhibit A to this First Amendment, which identifies the work plan, objectives, deliverables and timeline Consultant will be responsible to adhering to in the course of establishing CFD 2014-01, Annexation No.1 and includes Consultant's revised reduced fee amount of \$8,000.

1.3 Exhibit "C" to the Agreement is hereby amended by adding to the "TERMS OF PAYMENT" the fixed fee cost of \$8,000 as proposed by Consultant to perform services and provide deliverables associated with CFD 2014-01, Annexation No. 1 as described in Exhibit A to this First Amendment.

1.5 The total "Not-to-Exceed" fee for this Agreement is \$68,795 for the First Amendment to Agreement, representing \$73,000 for the original Agreement, less \$12,205 for termination of formation of CFD for tract 32515, plus an increase of \$8,000 for Annexation No. 1 to CFD 2014-01.


## 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**


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

City of Moreno Valley

By:   
City Manager

Date: 7.23.14

Willdan Financial Services

By:   
Mark J. Risco

Title: President and CEO

Date: July 16, 2014

INTERNAL USE ONLY

APPROVED AS TO FORM:

  
City Attorney

July 22, 2014  
Date

By:   
\_\_\_\_\_

Title: Secretary  
Kate Nguyen  
(Corporate Secretary)

Date: July 17, 2014

RECOMMENDED FOR APPROVAL:

  
Department Head

7/22/14  
Date

Attachments: Exhibit A



April 16, 2014

Ms. Candace Cassel  
Special Districts Division Manager  
City of Moreno Valley  
14325 Frederick Street, Suite 9  
Moreno Valley, California 92552

**Re: Scope of Services and Fee for CFD 2014-1, Annexation No. 1**

Dear Ms. Cassel;

The following outlines Willdan Financial Services (Willdan) scope of services and fee to assist with the CFD 2014-1, Annexation No. 1.

Willdan Financial Services appreciates this opportunity to continue to serve the City of Moreno Valley. If you have any questions regarding this proposal, please contact me directly at (951) 587-3546 or via email to [SMedina@willdan.com](mailto:SMedina@willdan.com).

Sincerely,

WILLDAN FINANCIAL SERVICES

A handwritten signature in black ink, appearing to read 'Susana Medina', is written over a light blue horizontal line.

Susana Medina, Project Manager  
District Administration Services

**EMAILED**

## Scope of Work

Below, Willdan has prepared a detailed work plan that addresses objectives and deliverables. Willdan will coordinate with City staff and City's legal counsel for each required task.

### Kick Off to Resolution of Intention

Following receipt of the City's authorization to proceed, we will discuss the annexation process with City staff, and identify additional documents or information that may be needed. At the City's discretion, this discussion may include the developer/landowner and/or their representatives. As needed throughout the project, we will coordinate with City staff and directly with developers, their consultants and other outside agencies involved in the project, to gather required information for the annexation proceedings.

Willdan will prepare or review the necessary resolution.

Willdan will prepare the annexation boundary maps of the proposed Annexation No. 1 and future annexation area that meets the requirements of the Community Facilities Act. An electronic copy of the final boundary map will be provided in PDF, as well as the required hardcopies for recordation at the County.

### Resolution of Intention to Public Hearing

Willdan will prepare the following documents: consent and waiver forms; notices, ballots, and prepare or review the resolution for the Public Hearing.

**The required noticed publication of Public Hearing in the local newspaper is the responsibility of the City Clerk.**

Willdan will prepare or review the Notice of Special Tax Lien.

Willdan will coordinate the recordation of the Notice of Special Tax Lien after successful annexation to the CFD. The list of parcels included in the annexation area will be provided to the City in the appropriate format.

### RMA Amendment

Willdan will amend the Rate and Method of Apportionment of Special Tax (RMA) as necessary to account for any needed additions to cover Annexation No. 1 requirements.

### Public Hearing/Meeting attendance

Willdan will attend the Intent Meeting and Public Hearing, as well as up to two additional meetings. Conference calls are unlimited.

### Client Responsibilities

Willdan will rely on being able to obtain the following information from the City or the developer(s):

- Information regarding current zoning, existing land uses, and proposed property development, as required.
- As necessary, a copy of the City's Goals and Policies with regard to the formation of CFDs.
- Either electronically or in hard copy, various maps or diagrams of the new development, improvements, or surrounding properties as needed. These maps and diagrams may include development boundary maps, general plan maps, improvement plans, zoning maps, assessor parcel maps, subdivision maps, or related development diagrams.
- As needed, assist with obtaining pertinent development information from the property owner/developer.



- Review and approve the draft reports and resolutions before the final documents are prepared for the Council packets. This review is typically performed by the City Attorney. Requested changes shall be submitted to Willdan in writing.
- The City acknowledges that Willdan shall be relying upon the accuracy of the information provided by the City, the County and developers and agrees that Willdan shall not be liable for any inaccuracies contained in such information.

### **Legal Opinions**

In preparing the resolutions, petitions, consent and waiver documents and the notices and ballots, Willdan will provide our professional expertise. Since we do not practice law, we ask that your City Counsel review and approve the documents. We will assist your attorney in identifying any pertinent legal issues.



## Fees for Services

Based on our work plan, we propose a **fixed fee of \$10,000**.

**Please note:**

- Our fee will not be contingent upon the outcome of the annexation process.
- The City will be billed on a *monthly* percentage-completion basis.
- Our fees include all direct expenses associated with this service.

### Additional Services

Additional services may be authorized by the City and will be billed at our then-current hourly overhead consulting rates. Our current hourly rates are:

Willdan Financial Services Hour Rate Schedule	
Position	Hourly Rate
Group Manager	\$210
Principal Consultant	\$200
Senior Project Manager	\$165
Project Manager	\$145
Senior Project Analyst	\$130
Senior Analyst	\$120
Analyst	\$100
Assistant Analyst	\$75



## Candace Cassel

---

**From:** Susana Medina <medins@willdan.com>  
**Sent:** Thursday, April 17, 2014 11:24 AM  
**To:** Jennifer Terry  
**Cc:** Jim McGuire; Candace Cassel  
**Subject:** RE: Moreno Valley CFD Annexation No. 1

Hi Terry:

We can reduce the fee to \$8,000 if we are not preparing those documents. Would you like us to review them or just go with what is provided?

-Susana Medina

---

**From:** Jennifer Terry [<mailto:jennifert@moval.org>]  
**Sent:** Wednesday, April 16, 2014 5:32 PM  
**To:** Susana Medina  
**Cc:** Jim McGuire; Candace Cassel  
**Subject:** RE: Moreno Valley CFD Annexation No. 1

How would the cost you provided vary if certain documents (resolutions, consent and waiver, notice, ballot, and notice of special tax lien) were prepared by others?

**Jennifer A. Terry**  
Management Analyst | City of Moreno Valley

p: 951.413.3505 | e: [jennifert@moval.org](mailto:jennifert@moval.org) | w: [www.moval.org](http://www.moval.org)

14331 Frederick Street, Suite 2, Moreno Valley CA 92553

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**From:** Susana Medina [<mailto:medins@willdan.com>]  
**Sent:** Wednesday, April 16, 2014 1:27 PM  
**To:** Candace Cassel; Jennifer Terry  
**Cc:** Jim McGuire  
**Subject:** Moreno Valley CFD Annexation No. 1

Hello Candace and Jennifer:

Attached please find the proposal for Annexation No. 1 into CFD 2014-1 and the revised timeline, which can be modified to your preference.

Please let me know when you'll like to schedule a kickoff for this project.

Thank you,

Susana Medina  
Project Manager

**Willdan Financial Services**  
*Celebrating 50 years of service*

27368 Via Industria, Suite 110

Temecula, California 92590  
T. 951.587.3546 800.755.6864  
F. 951.587.3510 888.326.6864

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**AGREEMENT FOR PROFESSIONAL  
CONSULTANT SERVICES  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY  
CFD/LLD/LMD FORMATIONS**

This Agreement is by and between the City of Moreno Valley, California, a municipal corporation, hereinafter described as "City," and Willdan Financial Services, Inc., a (California corporation) hereinafter described as "Consultant." This Agreement is made and entered into effective on the date the City signs this Agreement.

**RECITALS**

WHEREAS, the City has determined it is in the public interest to proceed with Assessment Engineering and Special Tax Consulting services for the purpose of forming certain Community Facility Districts (CFDs), Local Lighting Districts (LLDs) and Landscape Maintenance Districts (LMDs) hereinafter described as "Project"; and

WHEREAS, the City has determined the Project involves the performance of professional and technical services of a temporary nature as more specifically described in Exhibit "A" (Consultant's Proposal) attached hereto; and

WHEREAS, the City does not have available employees to perform the services for the Project; and

WHEREAS, the City has requested the Consultant to perform such services for the Project; and

WHEREAS, the Consultant is professionally qualified in California to perform the professional and technical services required for the Project.

THEREFORE, the City and the Consultant, for the consideration hereinafter described, mutually agree as follows:

**DESCRIPTION OF PROJECT**

1. The Project is described as Assessment Engineering and Special Tax Consulting Services.

**SCOPE OF SERVICES**

2. The Consultant's scope of service is described on Exhibit "A" attached hereto and incorporated herein by this reference.

3. The City's responsibility is described on Exhibit "B" attached hereto and incorporated herein by this reference.

4. The Consultant shall provide Assessment Engineering and Special Tax Consulting Services in accordance with the agreed upon timelines for all work necessary to form each of the Districts as described within Consultant's scope of services. The formation of the CFD for Tract 32515, as described in Exhibit A, is contingent upon the City's receipt of developer funds to finance CFD district formation.

**PAYMENT TERMS**

5. The City agrees to pay the Consultant and the Consultant agrees to receive a "Not-to-Exceed" fee of \$73,000 plus mailing costs in accordance with the payment terms provided on Exhibit "C" attached hereto and incorporated herein by this reference.

**TIME FOR PERFORMANCE**

6. The Consultant shall commence services upon receipt of written direction to proceed from the City.

7. The Consultant will perform the work as described on and in accordance with the schedule set forth on Exhibit "A" attached hereto providing however, that the timeline for the maintenance CFD relating to Tract 32515 will be dependent upon the developer's deposit of funds

with City to cover formation costs. The City will provide Consultant written authorization to proceed once funding is available, and the proposed timeline will be adjusted accordingly.

8. The Consultant and the City agree that the schedule in Paragraph 7 above represents their best estimates with respect to completion dates, and both the Consultant and the City acknowledge that it will not unreasonably withhold approval of the Consultant's requests for extensions of time in which to complete the work required of the Consultant hereunder.

9. The Consultant shall not be responsible for performance delays caused by others or delays beyond the Consultant's reasonable control, and such delays shall extend the time for performance of the work by the Consultant. Delays caused by non-performance or unjustified delay in performance by a subconsultant of the Consultant are not considered to be beyond the Consultant's reasonable control.

10. (a) The Consultant agrees that the personnel, including the principal Project Manager, and all subconsultants assigned to the Project by the Consultant, shall be subject to the prior approval of the City.

(b) No change in subconsultants or key personnel shall be made by the Consultant without written prior approval of the City.

#### **SPECIAL PROVISIONS**

11. It is understood and agreed that the Consultant is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Consultant or any individual whose compensation for services is paid by the Consultant, an agent or employee of the City, or authorizing the Consultant to create or assume any obligation or liability for or on behalf of the City.

12. The Consultant may also retain or subcontract for the services of other necessary

consultants with the prior written approval of the City. Payment for such services shall be the responsibility of the Consultant. Any and all subconsultants employed by the Consultant shall be subject to the terms and conditions of this Agreement, except that the City shall have no obligation to pay any subconsultant for services rendered on the Project.

13. The Consultant and the City agree to use reasonable care and diligence to perform their respective services under this Agreement. Unless hereinafter specified, neither party shall be responsible for the services of the other or any subcontractor or sub-consultant employed by the other party.

14. The Consultant shall comply with applicable federal, state, and local laws in the performance of work under this Agreement.

15. (a) The Consultant agrees to indemnify, defend, and save 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 liability, claims, demands, damages, or injuries to any person, including injury to the Consultant's employees and all claims which arise from or are connected with the negligent performance of or failure to perform the work or other obligations of the Consultant under this Agreement, or are caused or claim to be caused by the negligent acts of the Consultant, its officers, agents or employees, or its subconsultant(s) or any person acting for the Consultant or under its control or direction; provided, however, that this indemnification and hold harmless shall not include claims arising from the sole negligence or willful misconduct of the City, the Housing Authority, and CSD, their officers, agents or employees.

(b) The City agrees to indemnify, defend and save the Consultant and their officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to the City's, Housing Authority's and CSD's employees and all claims



which arise from or are connected with the negligent performance or failure to perform the services or other obligations of the City under this Agreement, or are caused or claim to be caused by the negligent acts of the City, the Housing Authority and CSD, their officers, agents or employees, or its subcontractor(s) or any person acting for the City or under its control or direction; provided, however, that this indemnification and hold harmless shall not include any claims arising from the negligence or willful misconduct of the Consultant, its officers, agents, or employees.

16. (a) The Consultant shall procure and maintain, at its sole expense, throughout the term of this Agreement and any extension thereof, Professional Errors and Omissions Insurance coverage in the form and substance and with carriers acceptable to the City. Such coverage limits shall not be less than \$1,000,000 per claim and aggregate.

(b) During the entire term of this Agreement, the Consultant agrees to procure and maintain General Liability Insurance in form and substance and with carriers acceptable to the City at its sole expense to protect against loss from liability imposed by law for damages on account of bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Consultant its sub-consultant or any person acting for the Consultant or under its control or direction, and also to protect against loss from liability imposed by law for damages to any property of any persons caused directly or indirectly by or from acts or activities of the Consultant or its subconsultants, or any person acting for the Consultant or under its control or direction.

(c) Such General Liability Insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum limits provided below:

	<u>General Liability</u>
Bodily Injury	\$1,000,000 per occurrence
Property Damage	\$ 500,000 per occurrence

A combined single limit policy with aggregate limits in the amount of \$2,000,000 will be considered equivalent to the above minimum limits.

(d) If the operation under this Agreement results in an increased or decreased risk in the opinion of the City Manager, then the Consultant agrees that the minimum limits hereinabove designated shall be changed accordingly upon request by the City Manager.

(e) The Consultant shall procure and maintain, at its sole expense, and throughout the term of this Agreement and any extension thereof, Public Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

(f) The Consultant shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Consultant and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Consultant in the course of carrying out the Agreement.

(g) The City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents shall be named as additional insured on all policies of insurance except errors and omissions and worker's compensation.

(h) A Certificate of Insurance and appropriate additional insured endorsement

evidencing the above insurance coverage shall be submitted to the City Clerk prior to the execution of this Agreement on behalf of the City.

(i) The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

"Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this general liability policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy."

(j) Insurance companies providing insurance hereunder shall be rated (A minus: VII - Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

(k) The terms of the insurance policy or policies issued to provide the above insurance coverage shall not be amended to reduce the above required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the said insurance is canceled, the Consultant shall, prior to the cancellation date, submit to the City Clerk new evidence of insurance in the amounts established.

17. During the performance of this Agreement, the Consultant will not unlawfully discriminate against any employee or applicant for employment because of race, religion, creed, color, national origin, sex, or age. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, religion, creed, color, national origin, sex, or age.

18. Consultant and subconsultants shall pay prevailing wage rates when required by the Labor Laws of the State of California.

19. (a) The Consultant shall deliver to the Chief Financial Officer of the City or their designated representative, fully completed and detailed project-related documents which shall become the property of the City. The Consultant may retain, for its files, copies of any and all material, including drawings, documents, and specifications, produced by the Consultant in performance of this Agreement.

(b) The Consultant shall be entitled to copies of all furnished materials for his files and his subconsultants, if any.

(c) The City agrees to hold the Consultant free and harmless from any claim arising from any unauthorized use of computations, maps, and other documents prepared or provided by the Consultant under this Agreement, if used by the City on other work without the permission of the Consultant. Consultant acknowledges that Consultant work product produced under this agreement may be public record under State law.

20. (a) The City may terminate this Agreement without fault on the part of the Consultant by giving at least ten (10) days written notice to the Consultant. The written notice shall specify the date of termination. Upon receipt of such notice, the Consultant may continue services on the project through the date of termination, provided that no service(s) shall be

commenced or continued after receipt of the notice, which is not intended to protect the interest of the City. The City shall pay the Consultant within thirty (30) days after the date of termination for all non-objected to services performed by the Consultant in accordance herewith through the date of termination. Such termination may be effective immediately.

(b) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Consultant shall perform no further service(s) under the Agreement unless the notice of termination authorizes such further work.

21. This Agreement is binding upon the City and the Consultant and their successors and assigns. Except as otherwise provided herein, neither the City nor the Consultant shall assign, sublet, or transfer its interest in this Agreement or any part thereof without the prior written consent of the other.

22. A City representative shall be designated by the City and a Consultant representative shall be designated by the Consultant. The City representative and the Consultant representative shall be the primary contact person for each party regarding performance of this Agreement. The City representative shall cooperate with the Consultant, and the Consultant's representative shall cooperate with the City in all matters regarding this Agreement and in such a manner as will result in the performance of the services in a timely and expeditious fashion.

23. This Agreement represents the entire and integrated Agreement between the City and the Consultant, and supersedes all prior negotiations, representations or Agreements, either written or oral. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties.

24. Where the payment terms provide for compensation on a time and materials basis, the Consultant shall maintain adequate records to permit inspection and audit of the Consultant's

time and materials charges under this Agreement. The Consultant shall make such records available to the City at the Consultant's office during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records. Except as may be otherwise required by law, such records will be available only to the City. Such records shall be maintained by the Consultant for three (3) years following completion of the services under this Agreement.

25. The City and the Consultant 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.

26. The Consultant shall employ no City official or employee in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in this Agreement in violation of federal, state, or local law.

27. All plans, drawings, Specifications, reports, logs, and other documents prepared by the Consultant in its performance under this Agreement shall, upon completion of the project, be delivered to and be the property of the City, provided that the Consultant shall be entitled, at its own expense, to make copies thereof for its own use.

28. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall also govern the interpretation of this Agreement. Venue shall be vested in the Superior Court of the State of California, County of Riverside.

**SIGNATURE PAGE FOLLOWS**

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

City of Moreno Valley

BY:

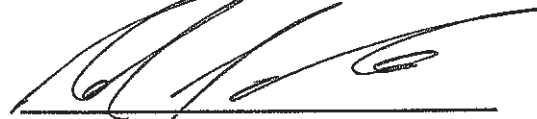
  
\_\_\_\_\_  
City Manager

2.10.14

\_\_\_\_\_  
Date

Willdan Financial Services

BY:


  
\_\_\_\_\_  
Mark J. Risco

TITLE: President and CEO

January 3, 2014

\_\_\_\_\_  
Date

BY:

  
\_\_\_\_\_  
Kate Nguyen

TITLE: Secretary

1/16/14

\_\_\_\_\_  
Date

**INTERNAL USE ONLY**

APPROVED AS TO LEGAL FORM:

  
\_\_\_\_\_  
City Attorney

2.6.14

\_\_\_\_\_  
Date

RECOMMENDED FOR APPROVAL:

  
\_\_\_\_\_  
Department Head

2/6/14

\_\_\_\_\_  
Date

**EXHIBIT A**

**SCOPE OF SERVICES**



November 4, 2013

Ms. Candace Cassel  
Special Districts Division Manager  
City of Moreno Valley  
14325 Frederick Street, Suite 9  
Moreno Valley, California 92552

**Re: Scope and Fee to Provide Assessment Engineering and Special Tax Consulting Services to the City of Moreno Valley**

Dear Ms. Cassel:

Per our prior discussion, the following outlines Willdan Financial Services' (Willdan) scope of services and fee to provide Assessment Engineering and Special Tax Consulting Services to the City of Moreno Valley.

We appreciate this opportunity to continue to serve the City and look forward to hearing from you. Please feel free to contact Mr. Jim McGuire, Senior Project Manager, directly at (951) 587-3536 or via email at [jmcguire@willdan.com](mailto:jmcguire@willdan.com) if you have any questions regarding our proposal.

Sincerely,

Willdan Financial Services



Gladys Medina  
Vice President – Group Manager

Enclosure

# Scope of Services

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The following is Willdan Financial Services ("Willdan") scope of services to provide Assessment Engineering and Special Tax Consulting Services to the City of Moreno Valley ("City").

We want to ensure that our scope is responsive to the City's needs and specific circumstances. Willdan will work with the City to revise the tasks based on input prior to receipt of a notice to proceed, and as needed during the course of the project.

## Engineering Services for New Assessment Districts

### Task A.1: Prepare Updated Property and Ownership Information

Using base electronic parcel information, assessment data and the current CSD Zone structure, Willdan will update the parcel database with the County Assessor's Office secured roll data currently available to identify any parcel discrepancies and to incorporate updated property changes, as well as ownership and mailing information. This information will be enhanced through parcel research and specific information provided by the City. This data will then be incorporated into our model to update and fully develop the appropriate method of apportionment and assessments for each parcel. When finalized, this parcel specific data will be used to generate the assessment roll for the Engineer's Report. We will provide the City with a copy of this database.

### Task A.2: Develop the District Budget

Willdan will work with City staff to identify and incorporate an accurate full cost recovery estimate for the improvements (including annual maintenance costs and utilities; foreseeable capital projects; and long-term replacement and rehabilitation costs). Recognizing that there is inherently some general benefit associated with landscaping and lighting, we will work with the City to clearly identify and separate those improvements and/or costs that are considered general benefit and those costs that may be assessed as special benefit.

Furthermore, since the assessment amount will mirror that currently assessed by the Zone being converted, we will identify the funded and unfunded costs associated with the improvements provided. These amounts will be documented in the Engineer's Report.

### Task A.3: Developing the Assessments

Based on the findings and discussions of the previous tasks, Willdan will review the assessment amounts currently levied within the applicable Zone to be converted, as well as the cost allocation of the budgeted improvements, and the method of apportionment to be applied based on proportional special benefits.

As a working tool for the City once we have completed the assessment scenarios, Willdan will prepare and distribute a Summary Memorandum of the proposed assessments. This document will outline and summarize the proposed assessment rates and assessment revenues by land use classification and zone based on an estimate for the full cost recovery budget. This memorandum will serve as a tool in formulating the initial public outreach efforts. Ultimately, the district structure, the budget, the method of apportionment, and assessments that are finalized with City staff will be incorporated into the Engineer's Report.

#### **Task A.4: Prepare Engineer's Report**

In accordance with the Landscaping and Lighting Act of 1972 and Article XIID of the California Constitution (Proposition 218), Willdan will prepare the Engineer's Report for the assessments and modifications (if applicable) that will be presented to City Council, including the following items:

- Plans and specifications that describe the ongoing maintenance and operation of the landscaping/lighting to be maintained.
- Method of apportionment that outlines the special benefit conferred on properties within the proposed district from the maintenance and the calculations used to establish each parcel's proportional special benefit assessment. As well as a description of the assessment range formula, if applicable, establishing the maximum assessment rate in subsequent fiscal years.
- The budget that outlines the costs and expenses to provide maintenance, including incidental expenses authorized by the 1972 Act.
- Assessment diagram that identifies the boundaries of the proposed district.
- The assessment roll which contains each Assessor Parcel Number and their proportional maximum assessment.
- An affidavit stating the report has been prepared by a professional engineer.

Prior to the scheduled Intent Meeting, Willdan will provide the City with an electronic copy of the Engineer's Report for City staff review and comment. When finalized with City staff, a final electronic version and two hardcopies of the report will be provided to the City that the City Clerk may incorporate into the Council agenda package. The proposed assessment roll that is typically incorporated into the Engineer's Report may be provided to the City as a separate document or electronic file.

#### **Task A.5: Prepare Resolutions**

Willdan anticipates drafting the following resolutions for City review and implementation:

- **Intent Meeting Resolutions:**
  - Resolution Initiating Proceedings, which calls for the preparation of the Engineer's Report (this resolution could be adopted at an earlier Council Meeting if desired); and
  - Resolution of Intention, which preliminarily approves the Engineer's Report; confirms the proposed assessments outlined in the Report; and sets the Public Hearing date.

▪ **Public Hearing Resolutions:**

- Resolution approving the Engineer's Report; and
- Resolution confirming the assessment diagram and assessments as approved, and orders the levy and collection of assessments for the upcoming fiscal year.

Willdan will provide the draft resolutions to City staff prior to the City Council agenda deadline for review and comment. All draft resolutions should be reviewed by the City Attorney for form and content prior to finalizing these documents for City Council action.

**Task A.6: Meetings and Support**

The following are support services Willdan will provide to the City with respect to the assessment process:

- Attend the City Council Intent Meeting and be available to answer questions regarding the Engineer's Report and Proposition 218.
- At the City's request, Willdan will review and comment on the staff reports prepared by the City in connection with the proposed assessment proceedings (Intent Meeting and Public Hearing staff reports).
- After the initial presentation to the City Council (Intent Meeting), if necessary, update the Engineer's Report to reflect changes ordered by the City Council prior to the Public Hearing.

In total, Willdan will attend up to three meetings for each formation in performance of the outlined scope of work. It is anticipated that meeting attendance will include two City Council meetings (the Intent Meeting and Public Hearing) and one Finance Subcommittee meeting, if requested.

**Task A.7: Mailing of Notices**

It is anticipated that initially new assessment districts will be formed to replace the current CSD Zone B and Zone E charges without increasing assessments. While such a change will not trigger a Proposition 218 ballot proceeding, we anticipate that the City will opt to mail notices of the public hearings to the affected property owners, although the law does not specifically address this type of noticing.

Willdan will prepare a draft of the Notice to be mailed to each property owner. A draft copy will be sent to the City for review and comment by City staff and/or the City Attorney. Based on written comments and edits received, a final sample of the document will be prepared and provided to the City, prior to the actual printing of the documents. At the City's request, Willdan will print and mail the approved notices. The cost associated with this task will be in addition to the quoted fees for services.

It is anticipated that the text of the Notice will be the same for each affected parcel and will not contain parcel specific information. The Notice will also likely include general zone information.

**City Responsibilities**

We will rely on being able to obtain the following information from the City of Moreno Valley, in order to perform the Assessment Engineering Services identified above.

- Provide GIS shape files identifying the location of the applicable lighting and landscaping.
- As needed, provide pertinent documentation associated with the maintenance, improvements, and budget information including, but not limited to, estimated cost variances between City owned versus Edison owned lights (if applicable), capital expenditures to be funded by the assessments, City overhead, available funding from other sources that may be used to offset costs, as well as any legal opinions or comments associated with this project.
- Prepare internal memorandums, staff reports and other supporting documents necessary for City Council agendas.
- Arrange for any required publications notice of Council meetings or Public Hearings in the local newspaper.
- Review the draft reports and resolutions before the final documents are prepared for the Council packets. This review will most certainly include City staff but should be closely reviewed by the City's legal counsel. Requested changes shall be submitted to Willdan in writing.
- Provide copies of current contracts associated with landscaping and lighting, in order to utilize actual numbers for budgeting purposes.

The City of Moreno Valley acknowledges that Willdan shall rely upon the accuracy of the information provided by the City and the County and agrees that Willdan shall not be liable for any inaccuracies contained in such information.

**Legal Opinions.** In preparing the Engineer's Report and resolutions, Willdan will provide our professional expertise. Since we do not practice law, we ask that your City attorney, or other designated counsel, review the documents. We will assist your attorney in identifying any pertinent legal issues.

## **Special Tax Consulting for New Maintenance CFDs**

If determined that the formation of a Community Facilities District (CFD) is a more viable option than the formation of an assessment district outlined below are the associated tasks.

### **Task B.1: Review the City's Goals and Policies**

Willdan will review the City's existing CFD Goals and Policies, and identify possible modifications or areas for discussion with the City and finance team.

Willdan will consult with City staff to identify policy objectives for the CFD formation. We will provide the City the benefit of our experience throughout the state with CFD formations, and discuss with staff any possible enhancements to the existing Goals and Policies to ensure the feasibility of the CFD.

### **Task B.2 Preliminary Tax Spread Analysis and Development of Tax Methodology**

A preliminary pro forma of the CFD's revenues and estimated expenses (based upon preliminary estimates, as available) will be presented for evaluation and discussion. We will construct a special tax analysis that will be designed to identify the special tax revenue that can be generated from various types of property proposed for the district. The analysis will incorporate proposed uses and we will utilize pricing and market data to determine proposed tax burdens. Also, with the City's guidance, we will assure that

the tax burden associated with this proposed CFD does not exceed the overall effective tax rate indicated in the City's Goals and Policies. The analysis will be based upon available product mix data, market research, discussions with property owners and developers, as well as with the City. Once we complete the special tax revenue projection, we will use this to create the special tax methodology that will be included in the Rate and Method of Apportionment (RMA). The maximum proposed special taxes will be designed to generate sufficient revenue to meet CFD objectives and fairly tax expected properties consistent with established development requirements and policies.

Based on gathered information, Willdan will begin to prepare a preliminary special tax evaluation. As appropriate, an overlapping tax analysis and maximum special tax coverage computations may be included. If required, the analysis will incorporate multiple improvement areas. As necessary, we will prepare calculations from our database, including:

- Special tax runs identifying maximum expected special tax coverage; and comparing maximum special tax rates, to the necessary estimated amount to pay operating and maintenance costs for improvements, including scenarios identifying the impact of an escalating special tax (if appropriate).
- Development-to-special tax computations for each parcel or development area, and (if necessary) differentiating between developed and undeveloped properties.
- Effective tax rate schedules denoting projected parcel tax rate resulting from the new special tax.

If requested, Willdan will prepare multiple spreads that are based upon different maintenance/improvement assumptions. If there is not sufficient revenue to cover each of the proposed services/improvements, we will suggest alternative approaches. Willdan will also develop special tax categories for property types within the CFD.

The tax rates will also be set in conjunction with an evaluation of what is supportable and acceptable for the development project, and within the area as a whole.

Develop the special tax structure for the RMA based on the boundaries of the CFD, improvements and maintenance to be funded, proposed development, and effective tax rate limitations. An analysis will be required to determine an equitable spread of the overall burden, taking into account the nature of the improvements and the area that they will serve.

### **Task B.3: Rate and Method of Apportionment of Special Tax**

An RMA of Special Tax will be prepared and, if necessary, will include improvement areas and/or tax zones. By this means, maintenance costs for properties within the CFD will be equitably apportioned. The RMA will clearly describe the special tax methodology developed in the preceding step, the associated definitions, priority and method by which properties in the CFD will be taxed, the special tax rates for each property type, and contain all other information (as required) by the Mello-Roos Community Facilities Act of 1982.

Willdan will prepare the boundary map that will eventually be recorded along with the Notice of Special Tax, as well as prepare necessary documents for the City Council meeting to adopt the Resolution of Intention, including the petition, RMA, and map. We can also provide draft or sample Resolution of Intention documents for review by the City Attorney or designated legal counsel.

#### **Task B.4: Community Facilities District Report**

Willdan will prepare a preliminary CFD Report that includes a description of the improvements and maintenance to be funded, related cost estimates, incidental expenses, the RMA, and other information necessary to meet the requirements of the Mello-Roos Community Facilities Act. Willdan will present the CFD Report to the City Council and field questions received at the Public Hearing. The CFD Report will include the following components:

- A description of the proposed services to be funded;
- Cost estimates for maintenance and improvements; and
- A projection and explanation of the annual special tax rates by special tax classification for each year that services are funded.

#### **Task B.5: Document Review and Preparation**

For the City's review and comment, Willdan will prepare drafts of the required resolutions, petitions, Consent and Waiver documents, and notices/ballots. As we do not practice law, we ask that your attorney, or other designated counsel, review the documents. We will, however, assist your attorney in identifying pertinent legal issues and modifications necessary before the documents are implemented. If the City is unable to garner 100 percent consent waiver from the affected property owners and a regular special tax election is required, the City attorney will be responsible for preparing and coordinating the required impartial analysis and ballot arguments.

After successful formation of the CFD, Willdan will then coordinate the recordation of the "Notice of Special Tax Lien."

In total, Willdan will attend up to three meetings per formation: two City Council meetings to present the Resolution of Intention, Resolution of Formation, and the Public Hearing; and one Finance Subcommittee meeting, if requested.

#### **City Responsibilities**

- Willdan shall rely on obtaining from the City the following information:
- Copy of the City's current CFD Goals & Policies.
- Information regarding property to be included in the CFD formation and potential future annexation areas.
- Information regarding tax rates to be imposed on development in accordance with negotiated agreements between the City and various developers.
- Detailed development or property information for proposed CFD boundaries, including GIS maps of proposed project area (if applicable).
- Information regarding services to be provided and their related cost estimates.
- Property owner information (as needed).

# Fee for Services

We will provide Assessment Engineering and Special Tax Consulting Services for the price ranges presented below. These fee ranges are based upon a typical special district formation project.

City of Moreno Valley Fee for Services	
Facilities Community Facilities District	\$18,500 – \$35,000
Maintenance or Service Community Facilities District	\$14,500 – \$26,500
Assessment Maintenance District	\$13,500 – \$27,500

A not-to-exceed fee will be provided when a specific formation project has been identified. In order to accurately quote the project, the following elements will need to be provided:

- Estimated project timeline;
- Development type (i.e. residential, commercial, retail, etc.);
- The location, extent and nature of the improvements (or services) to be funded;
- Availability of cost information related to the improvements to be funded, or the extent to which Willdan will assist in developing these estimates;
- Mix and pricing of products within each type of development;
- Number of meetings anticipated, and level of effort for stakeholder outreach and communication; and
- Information regarding potential phasing of bond issuances for larger bond amounts.

Please note the following:

- Our not-to-exceed fees are based on an hourly basis.
- ***Our fee will not be contingent on the outcome of the formation of the special district.***
- Our fees above do not include mailing costs (printing, processing and postage) for any notices and/or ballots. These costs are estimated at \$1.00 per parcel for each mailing. Any outreach or educational materials would be separate mailings.
- We will invoice the City monthly based on agreed upon deliverables and percentage of project completion.



## FY 2013/2014 Projects for Levy in FY 2014/15

Listed below are the projects that are anticipated to be completed prior to the levy of assessments, taxes and charges for fiscal year 2014/2015 as well as the associated fee for each. Willdan proposes a **not-to-exceed fee of \$73,000 for the work identified below.**

**Formation of CFD No. 2014-01:** CFD for Citywide Landscape Maintenance (incorporating Tract No. 31618 initially)  
**Fee: \$14,500 – \$19,500**

**Formation of CFD No. 2014-02:** CFD for Channel Maintenance (incorporating Tract No. 32515 only)  
**Fee: \$14,500**

**Formation of Landscape Maintenance District No. 01:** Conversion of CSD Zone E to a 1972 Act Landscaping and Lighting District (no balloting for first fiscal year, incorporating those parcels currently in CSD Zone E that can be converted without triggering the balloting process and/or possessing other benefit-related issues that need to be addressed)  
**Fee: \$24,000**

**Formation of Local Lighting District No. 01:** Conversion of CSD Zone B to a 1972 Act Landscaping and Lighting District (no balloting for first fiscal year, incorporating those parcels currently in CSD Zone B that can be converted without triggering the balloting process and/or possessing other benefit-related issues that need to be addressed)  
**Fee: \$15,000**

### Willdan Hourly Rates

Additional services to be provided by Willdan that are authorized by the City of Moreno Valley will be billed at our current hourly billing rates.

Willdan Financial Services Hourly Rate Schedule	
Position	Hourly Rate
Group Manager	\$210
Principal Consultant	\$200
Senior Project Manager	\$165
Project Manager	\$145
Senior Project Analyst	\$130
Senior Analyst	\$120
Analyst	\$100
Analyst Assistant	\$75
Property Owner Services Representative	\$55
Support Staff	\$50

# Project Timelines

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Detailed on the pages that follow are tables that present general project timelines for each district.

**COMMUNITY FACILITIES DISTRICT 2014-01 FORMATION TIMELINE**

DISTRICT	DATES	ACTION OR TASK TO PERFORM	RESPONSIBLE PARTY	Note
CFD 2014-01	1/6/2014	<b>Review and Provide Recommendations</b> • Proposed Modifications to Goals & Policies	Willdan Financial Services	
CFD 2014-01	01/06/2014	<b>Deliver Draft Documents for Intent Meeting</b> • Draft RMA for review and edits • Draft Boundary Map & future annexation map for review & edits • Draft Intent Resolution for review & edits	Willdan Financial Services	
CFD 2014-01	01/07/2014	<b>Registrar of Voter Confirmation</b> • Send letter to County to confirm that there are less than 12 registered voters	Willdan Financial Services	
CFD 2014-01	01/07/2014	<b>Prepare Documents to Modify CFD Goals &amp; Policies (as needed)</b>	City Attorney	
CFD 2014-01	01/09/2014	<b>Entire Project Team</b> • Conference call: Review and Discuss RMA and Special Tax Pro Forma • Other Discussions	All	
CFD 2014-01	01/13/2014	<b>Submits Agenda Title for Intent Meeting</b>	City	29 days before Intent Meeting
CFD 2014-01	01/14/2014	<b>Deliver Final Documents Needed for Intent Meeting</b> • Final RMA • Final Boundary Map • Resolution of Intention to Establish CFD • Registrar of Voter Confirmation of Voters • Resolution Modifying Goals & Policies	Willdan Financial Services  City Attorney	
CFD 2014-01	01/20/2014	<b>Submit Staff Report and Agenda Package for Intent Meeting</b>	Willdan Financial Services	22 days Before Intent Meeting
CFD 2014-01	01/21/2014	<b>Send Consent and Waiver Form to City for review</b>	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-01	01/28/2014	<b>Mail Consent and Waiver Form to Property Owners</b> (to be returned prior to Intent Meeting)	Willdan Financial Services	
CFD 2014-01	02/04/2014	<b>Draft Notice and Ballot and send to City for review</b>	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-01	02/11/2014	<b>INTENT MEETING</b> • Adopt Goals and Policies • Adopt Resolution of Intention to Establish CFD • Set time and place of Public Hearing	City	
CFD 2014-01	02/13/2014	<b>Provide Boundary Map Documents to City for recordation</b>	Willdan Financial Services	
CFD 2014-01	02/13/2014	<b>City provides Final Edits to Notice and Ballot</b>	City	
CFD 2014-01	02/18/2014	<b>Deliver Draft Documents for Public Hearing</b> • Draft Resolutions for review & edits • Draft CFD Report for review & edits	Willdan Financial Services	
CFD 2014-01	02/19/2014	<b>Prepare Ordinance Authorizing the Levy of Special Taxes</b>	City Attorney	
CFD 2014-01	02/24/2014	<b>Submits Agenda Title for Public Hearing</b>	City	29 Days Before Public Hearing
CFD 2014-01	02/25/2014 last day	<b>Record Boundary Map</b>	City Clerk	Within 15 Days of Intent Meeting
CFD 2014-01	02/25/2014	<b>Notice and Ballot Mailed to Property Owner</b>	Willdan Financial Services	
CFD 2014-01	02/25/2014	<b>Deliver Final Documents Needed for Public Hearing</b> • Final CFD Report • Resolution of Formation • Resolution calling for Special Tax Election • Resolution Declaring Special Tax Election Results • Ordinance Authorizing the Levy of Special Taxes	Willdan Financial Services  City Attorney	
CFD 2014-01	03/03/2014	<b>Submit Staff Report and Agenda Package for Public Hearing</b>	City	22 Days Before Public Hearing
CFD 2014-01	3/18/14 (last day)	<b>City publishes Notice of Public Hearing</b>	City	At Least 7 Days Prior to Public Hearing
CFD 2014-01	03/25/2014	<b>PUBLIC HEARING and ELECTION COUNCIL MEETING</b> • City adopts Resolution of Formation • City adopts Resolution calling for Special Tax Election • Election is held • City adopt Resolution Declaring Special Tax Election Results • First reading of Ordinance Authorizing the Levy of Special Taxes	City	30-60 Days after Intent Meeting
CFD 2014-01	04/01/2014	<b>City Clerk executes and records Notice of Special Tax Lien with County</b>	City Clerk	7 Days After Public Hearing
CFD 2014-01	04/08/2014	<b>Second Reading of Ordinance Authorizing the Levy of Special Taxes</b>	City	Subsequent Council Meeting
CFD 2014-01	04/29/2014 (last day)	<b>City Clerk executes and records Notice of Special Tax Lien with County</b>	City Clerk	7 Days After Public Hearing

All regular City Council meetings are held on the 2nd and 4th Tuesdays of each month.

## COMMUNITY FACILITIES DISTRICT 2014-02 FORMATION TIMELINE\*\*

\*\* Timeline Contingent Upon Receipt of Funds from Developer and City's Issuance of Notice to Proceed to Willdan

DISTRICT	DATES	ACTION OR TASK TO PERFORM	RESPONSIBLE PARTY	Note
CFD 2014-02	02/03/2014	<b>Review and Provide Recommendations</b> • Proposed Modifications to Goals & Policies	Willdan Financial Services	
CFD 2014-02	02/03/2014	<b>Deliver Draft Documents for Intent Meeting</b> • Draft RMA for review and edits • Draft Boundary Map for review & edits • Draft Intent Resolution for review & edits	Willdan Financial Services	
CFD 2014-02	02/04/2014	<b>Registrar of Voter Confirmation</b> • Send letter to County to confirm that there are less than 12 registered voters	Willdan Financial Services	
CFD 2014-02	02/04/2014	<b>Prepare Documents to Modify CFD Goals &amp; Policies (as needed)</b>	City Attorney	
CFD 2014-02	02/06/2014	<b>Entire Project Team</b> • Conference call: Review and Discuss RMA and Special Tax Pro Forma • Other Discussions	All	
CFD 2014-02	02/10/2014	<b>Submits Agenda Title for Intent Meeting</b>	City	29 days before Intent Meeting
CFD 2014-02	02/11/2014	<b>Deliver Final Documents Needed for Intent Meeting</b> • Final RMA • Final Boundary Map • Resolution of Intention to Establish CFD • Registrar of Voter Confirmation of Voters • Resolution Modifying Goals & Policies	Willdan Financial Services City Attorney	
CFD 2014-02	02/17/2014	<b>Submit Staff Report and Agenda Package for Intent Meeting</b>	Willdan Financial Services	22 days Before Intent Meeting
CFD 2014-02	02/18/2014	<b>Send Consent and Waiver Form to City for review</b>	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-02	02/25/2014	<b>Mail Consent and Waiver Form to Property Owners</b> (to be returned prior to Intent Meeting)	Willdan Financial Services	
CFD 2014-02	03/04/2014	<b>Draft Notice and Ballot and send to City for review</b>	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-02	03/11/2014	<b>INTENT MEETING</b> • Adopt Goals and Policies • Adopt Resolution of Intention to Establish CFD • Set time and place of Public Hearing	City	
CFD 2014-02	03/13/2014	<b>Provide Boundary Map to City for recordation</b>	Willdan Financial Services	
CFD 2014-02	03/13/2014	<b>City provides Final Edits to Notice and Ballot</b>	City	
CFD 2014-02	03/18/2014	<b>Deliver Draft Documents for Public Hearing</b> • Draft Resolutions for review & edits • Draft CFD Report for review & edits	City	
CFD 2014-02	03/19/2014	<b>Prepare Ordinance Authorizing the Levy of Special Taxes</b>	City Attorney	
CFD 2014-02	03/24/2014	<b>Submits Agenda Title for Public Hearing</b>	City	29 Days Before Public Hearing
CFD 2014-02	03/25/2014 (last day)	<b>Record Boundary Map</b>	City Clerk	Within 15 Days of Intent Meeting
CFD 2014-02	03/25/2014	<b>Notice and Ballot Mailed to Property Owner</b>	Willdan Financial Services	
CFD 2014-02	03/25/2014	<b>Deliver Final Documents Needed for Public Hearing</b> • Final CFD Report • Resolution of Formation • Resolution calling for Special Tax Election • Resolution Declaring Special Tax Election Results • Ordinance Authorizing the Levy of Special Taxes	Willdan Financial Services City Attorney	
CFD 2014-02	03/31/2014	<b>Submit Staff Report and Agenda Package for Public Hearing</b>	City	22 Days Before Public Hearing
CFD 2014-02	04/15/2014 (last day)	<b>City publishes Notice of Public Hearing</b>	City	At Least 7 Days Prior to Public Hearing
CFD 2014-02	04/22/2014	<b>PUBLIC HEARING and ELECTION COUNCIL MEETING</b> • City adopts Resolution of Formation • City adopts Resolution calling for Special Tax Election • Election is held • City adopt Resolution Declaring Special Tax Election Results • First reading of Ordinance Authorizing the Levy of Special Taxes	City	30-60 Days after Intent Meeting
CFD 2014-02	04/29/2014 (last day)	<b>City Clerk executes and records Notice of Special Tax Lien with County</b>	City Clerk	7 Days After Public Hearing
CFD 2014-02	05/13/2014	<b>Second Reading of Ordinance Authorizing the Levy of Special Taxes</b>	City	Subsequent Council Meeting
CFD 2014-02	05/27/2014 (last day)	<b>City Clerk executes and records Notice of Special Tax Lien with County</b>	City Clerk	7 Days After Public Hearing

All regular City Council meetings are held on the 2nd and 4th Tuesdays of each month.

## LANDSCAPE LIGHTING AND LOCAL LIGHTING DISTRICT NO. 1 FORMATION TIMELINE

DISTRICT	DATES	ACTION OR TASK TO PERFORM	RESPONSIBLE PARTY	Note
LLMD 1	02/03/2014	Willdan completes Preliminary Assessment Evaluation and provides the City with an assessment summary identifying any assessment or budget issues that were not anticipated or require clarification.	Willdan Financial Services	
LLMD 1	02/06/2014	City staff and Willdan discuss the budgets, proposed assessments, and revenue alternatives based on Preliminary Assessment Evaluation.	All	
LLMD 1	02/11/2014	Willdan completes final modifications to the Engineer's Report methodology based on City's input of the proposed assessments and budgets.	Willdan Financial Services	
LLMD 1	02/17/2014	City provides Willdan with final revisions to the budget based on previous discussions.	City	
LLMD 1	02/24/2014	Willdan creates all of the resolutions to be presented to the City Council and begins drafting the property owner ballots and/or notices.	Willdan Financial Services	
LLMD 1	03/03/2014	<b>Deliver Draft Documents for Intent Meeting</b> <ul style="list-style-type: none"> <li>• Draft Engineer's Report for review &amp; edits</li> <li>• Draft Resolutions for review &amp; edits</li> <li>• Draft Notice of Public Hearing for review &amp; edits</li> </ul>	Willdan Financial Services	
LLMD 1	03/06/2014	<b>Entire Project Team</b> <ul style="list-style-type: none"> <li>• Conference call: Review and Discuss Engineer's Report and Resolutions</li> <li>• Other Discussions</li> </ul>	All	
LLMD 1	03/10/2014	<b>Submits Agenda Title for Intent Meeting</b>	City	29 days before Intent Meeting
LLMD 1	03/11/2014	<b>Deliver Final Documents Needed for Intent Meeting</b> <ul style="list-style-type: none"> <li>• Preliminary Engineer's Report</li> <li>• Resolutions for Intent Meeting</li> </ul>	Willdan Financial Services	
LLMD 1	03/17/2014	<b>Submit Staff Report and Agenda Package for Intent Meeting</b>	City	22 days Before Intent Meeting
LLMD 1	03/27/2014	Drafts (samples) of the Notice of Public Hearing are Finalized	All	Reviewed by city and confirmed by e-mail
LLMD 1	04/01/2014	Willdan begins Printing Notices of Public Hearing	Willdan Financial Services	
LLMD 1	04/08/2014	<b>INTENT MEETING</b> <ul style="list-style-type: none"> <li>• Adopt Resolution Initiating Proceedings</li> <li>• Adopt Resolution of Intention (Preliminarily Approves Engineer's Report) (Set time and place of Public Hearing)</li> </ul>	City	
LLMD 1	04/11/2014	<b>Property Owner Notices Mailed: Willdan mails Notice of Public Hearing all property owners subject to proposed assessments</b>	Willdan Financial Services	At least 45 days prior to Public Hearing
LLMD 1	04/28/2014	<b>Submits Agenda Title for Public Hearing</b>	City	29 Days Before Public Hearing
LLMD 1	04/29/2014	<b>Deliver Final Documents Needed for Public Hearing</b> <ul style="list-style-type: none"> <li>• Final Engineer's Report (if Modifications were necessary)</li> <li>• Resolution Approving the Engineer's Report</li> <li>• Resolution Confirming Assessment Diagram and Orders the Levy and Collection of Assessments</li> </ul>	Willdan Financial Services	
LLMD 1	05/05/2014	<b>Submit Staff Report and Agenda Package for Public Hearing</b>	City	22 Days Before Public Hearing
LLMD 1	05/17/2014 (last day)	<b>City publishes Notice of Public Hearing</b> Pursuant to sections 22626, 22552 and 22553 of the 1972 Act and 6061 of the Government Code, the City Clerk shall publish the resolution of intention one time at least 10 days prior to the Public Hearing.	City	At Least 10 Days Prior to Public Hearing
LLMD 1	05/27/2014	<b>PUBLIC HEARING</b> <ul style="list-style-type: none"> <li>• City Council Conducts Public Hearing</li> <li>• City Adopts Resolution Approving the Engineer's Report</li> <li>• City Council Adopts Resolution Confirming Assessment Diagram and Orders the Levy and Collection of Assessments</li> </ul>	City	At least 45 Days after Mailed Notice

All regular City Council meetings are held on the 2nd and 4th Tuesdays of each month.

**MASTER TIMELINE FY 2013/14\*\* (2014-15 Levy)**

\*\*CFD 2014-02 Timeline Contingent Upon Receipt of Funds from Developer and City's Issuance of Notice to Proceed to Willdan

DISTRICT	DATES	ACTION/TASK/TO PERFORM	RESPONSIBLE PARTY	Notes
CFD 2014-01	01/06/2014	Review and Provide Recommendations • Proposed Modifications to Goals & Policies	Willdan Financial Services	
CFD 2014-01	01/06/2014	Deliver Draft Documents for Intent Meeting • Draft RMA for review and edits • Draft Boundary Map & future annexation map for review & edits • Draft Intent Resolution for review & edits	Willdan Financial Services	
CFD 2014-01	01/07/2014	Registrar of Voter Confirmation • Send letter to County to confirm that there are less than 12 registered voters	Willdan Financial Services	
CFD 2014-01	01/07/2014	Prepare Documents to Modify CFD Goals & Policies (as needed)	City Attorney	
CFD 2014-01	01/09/2014	Entire Project Team • Conference call: Review and Discuss RMA and Special Tax Pro Forma • Other Discussions	All	
CFD 2014-01	01/13/2014	Submits Agenda Title for Intent Meeting	City	29 days before Intent Meeting
CFD 2014-01	01/14/2014	Deliver Final Documents Needed for Intent Meeting • Final RMA • Final Boundary Map • Resolution of Intention to Establish CFD • Registrar of Voter Confirmation of Voters • Resolution Modifying Goals & Policies	Willdan Financial Services  City Attorney	
CFD 2014-01	01/20/2014	Submit Staff Report and Agenda Package for Intent Meeting	Willdan Financial Services	22 days Before Intent Meeting
CFD 2014-01	01/21/2014	Send Consent and Waiver Form to City for review	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-01	01/28/2014	Mail Consent and Waiver Form to Property Owners (to be returned prior to Intent Meeting)	Willdan Financial Services	
CFD 2014-02	02/03/2014	Review and Provide Recommendations • Proposed Modifications to Goals & Policies	Willdan Financial Services	
CFD 2014-02	02/03/2014	Deliver Draft Documents for Intent Meeting • Draft RMA for review and edits • Draft Boundary Map for review & edits • Draft Intent Resolution for review & edits	Willdan Financial Services	
LLMD 1	02/03/2014	Willdan completes Preliminary Assessment Evaluation and provides the City with an assessment summary identifying any assessment or budget issues that were not anticipated or require clarification.	Willdan Financial Services	
CFD 2014-01	02/04/2014	Draft Notice and Ballot and send to City for review	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-02	02/04/2014	Registrar of Voter Confirmation • Send letter to County to confirm that there are less than 12 registered voters	Willdan Financial Services	
CFD 2014-02	02/04/2014	Prepare Documents to Modify CFD Goals & Policies (as needed)	City Attorney	
CFD 2014-02	02/06/2014	Entire Project Team • Conference call: Review and Discuss RMA and Special Tax Pro Forma • Other Discussions	All	
LLMD 1	02/06/2014	City staff and Willdan discuss the budgets, proposed assessments, and revenue alternatives based on Preliminary Assessment Evaluation.	All	
CFD 2014-02	02/10/2014	Submits Agenda Title for Intent Meeting	City	29 days before Intent Meeting
CFD 2014-01	02/11/2014	INTENT MEETING • Adopt Goals and Policies • Adopt Resolution of Intention to Establish CFD • Set time and place of Public Hearing	City	
CFD 2014-02	02/11/2014	Deliver Final Documents Needed for Intent Meeting • Final RMA • Final Boundary Map • Resolution of Intention to Establish CFD • Registrar of Voter Confirmation of Voters • Resolution Modifying goals & Policies	Willdan Financial Services  City Attorney	
LLMD 1	02/11/2014	Willdan completes final modifications to the Engineer's Report methodology based on City's input of the proposed assessments and budgets.	Willdan Financial Services	
CFD 2014-01	02/13/2014	Provide Boundary Map Documents to City for recordation	Willdan Financial Services	
CFD 2014-01	02/13/2014	City provides Final Edits to Notice and Ballot	City	
CFD 2014-02	02/17/2014	Submit Staff Report and Agenda Package for Intent Meeting	Willdan Financial Services	22 days Before Intent Meeting
LLMD 1	02/17/2014	City provides Willdan with final revisions to the budget based on previous discussions.	City	
CFD 2014-01	02/18/2014	Deliver Draft Documents for Public Hearing • Draft Resolutions for review & edits • Draft CFD Report for review & edits	Willdan Financial Services	
CFD 2014-02	02/18/2014	Send Consent and Waiver Form to City for review	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-01	02/19/2014	Prepare Ordinance Authorizing the Levy of Special Taxes	City Attorney	
CFD 2014-01	02/24/2014	Submits Agenda Title for Public Hearing	City	29 Days Before Public Hearing
LLMD 1	02/24/2014	Willdan creates all of the resolutions to be presented to the City Council and begins drafting the property owner ballots and/or notices.	Willdan Financial Services	
CFD 2014-01	02/25/2014	Notice and Ballot Mailed to Property Owner	Willdan Financial Services	
CFD 2014-01	02/25/2014	Deliver Final Documents Needed for Public Hearing • Final CFD Report • Resolution of Formation • Resolution calling for Special Tax Election • Resolution Declaring Special Tax Election Results • Ordinance Authorizing the Levy of Special Taxes	Willdan Financial Services  City Attorney	
CFD 2014-02	02/25/2014	Mail Consent and Waiver Form to Property Owners (to be returned prior to Intent Meeting)	Willdan Financial Services	
CFD 2014-01	02/25/2014 last day	Record Boundary Map	City Clerk	Within 15 Days of Intent Meeting
CFD 2014-01	03/03/2014	Submit Staff Report and Agenda Package for Public Hearing	City	22 Days Before Public Hearing
LLMD 1	03/03/2014	Deliver Draft Documents for Intent Meeting • Draft Engineer's Report for review & edits • Draft Resolutions for review & edits • Draft Notice of Public Hearing for review & edits	Willdan Financial Services	

CFD 2014-02	03/04/2014	Draft Notice and Ballot and send to City for review	Willdan Financial Services	To be reviewed by City Attorney
LLMD 1	03/06/2014	Entire Project Team • Conference call: Review and Discuss Engineer's Report and Resolutions • Other Discussions	All	
LLMD 1	03/10/2014	Submits Agenda Title for Intent Meeting	City	29 days before Intent Meeting
CFD 2014-02	03/11/2014	<b>INTENT MEETING</b> • Adopt Goals and Policies • Adopt Resolution of Intention to Establish CFD • Set time and place of Public Hearing	City	
LLMD 1	03/11/2014	Deliver Final Documents Needed for Intent Meeting • Preliminary Engineer's Report • Resolutions for Intent Meeting	Willdan Financial Services	
CFD 2014-02	03/13/2014	Provide boundary map to City for recordation	Willdan Financial Services	
CFD 2014-02	03/13/2014	City provides Final Edits to Notice and Ballot	City	
LLMD 1	03/17/2014	Submit Staff Report and Agenda Package for Intent Meeting	City	22 days Before Intent Meeting
CFD 2014-01	3/18/14 (last day)	City publishes Notice of Public Hearing	City	At Least 7 Days Prior to Public Hearing
CFD 2014-02	03/18/2014	Deliver Draft Documents for Public Hearing • Draft Resolutions for review & edits • Draft CFD Report for review & edits	City	
CFD 2014-02	03/19/2014	Prepare Ordinance Authorizing the Levy of Special Taxes	City Attorney	
CFD 2014-02	03/24/2014	Submits Agenda Title for Public Hearing	City	29 Days Before Public Hearing
CFD 2014-01	03/25/2014	<b>PUBLIC HEARING and ELECTION COUNCIL MEETING</b> • City adopts Resolution of Formation • City adopts Resolution calling for Special Tax Election • Election is held • City adopt Resolution Declaring Special Tax Election Results • First reading of Ordinance Authorizing the Levy of Special Taxes	City	30-60 Days after Intent Meeting
CFD 2014-02	03/25/2014 (last day)	Record Boundary Map	City Clerk	Within 15 Days of Intent Meeting
CFD 2014-02	03/25/2014	Notice and Ballot Mailed to Property Owner	Willdan Financial Services	
CFD 2014-02	03/25/2014	Deliver Final Documents Needed for Public Hearing • Final CFD Report • Resolution of Formation • Resolution calling for Special Tax Election • Resolution Declaring Special Tax Election Results • Ordinance Authorizing the Levy of Special Taxes	Willdan Financial Services City Attorney	
LLMD 1	03/27/2014	Drafts (samples) of the Notice of Public Hearing are Finalized	All	Reviewed by city and confirmed by e-mail
CFD 2014-02	03/31/2014	Submit Staff Report and Agenda Package for Public Hearing	City	22 Days Before Public Hearing
CFD 2014-01	04/01/2014	City Clerk executes and records Notice of Special Tax Lien with County	City Clerk	7 Days After Public Hearing
LLMD 1	04/01/2014	Willdan begins Printing Notices of Public Hearing	Willdan Financial Services	
CFD 2014-01	04/08/2014	Second Reading of Ordinance Authorizing the Levy of Special Taxes	City	Subsequent Council Meeting
LLMD 1	04/08/2014	<b>INTENT MEETING</b> • Adopt Resolution Initiating Proceedings • Adopt Resolution of Intention (Preliminarily Approves Engineer's Report) (Set time and place of Public Hearing)	City	
LLMD 1	04/11/2014	Property Owner Notices Mailed: Willdan mails Notice of Public Hearing all property owners subject to proposed assessment	Willdan Financial Services	At least 45 days prior to Public Hearing
CFD 2014-02	04/15/2014 (last day)	City publishes Notice of Public Hearing	City	At Least 7 Days Prior to Public Hearing
CFD 2014-02	04/22/2014	<b>PUBLIC HEARING and ELECTION COUNCIL MEETING</b> • City adopts Resolution of Formation • City adopts Resolution calling for Special Tax Election • Election is held • City adopt Resolution Declaring Special Tax Election Results • First reading of Ordinance Authorizing the Levy of Special Taxes	City	30-60 Days after Intent Meeting
LLMD 1	04/28/2014	Submits Agenda Title for Public Hearing	City	29 Days Before Public Hearing
CFD 2014-02	04/29/2014 (last day)	City Clerk executes and records Notice of Special Tax Lien with County	City Clerk	7 Days After Public Hearing
LLMD 1	04/29/2014	Deliver Final Documents Needed for Public Hearing • Final Engineer's Report (if Modifications were necessary) • Resolution Approving the Engineer's Report • Resolution Confirming Assessment Diagram and Orders the Levy and Collection of Assessments	Willdan Financial Services	
LLMD 1	05/05/2014	Submit Staff Report and Agenda Package for Public Hearing	City	22 Days Before Public Hearing
CFD 2014-02	05/13/2014	Second Reading of Ordinance Authorizing the Levy of Special Taxes	City	Subsequent Council Meeting
LLMD 1	05/17/2014 (last day)	City publishes Notice of Public Hearing Pursuant to sections 22526, 22552 and 22553 of the 1972 Act and 6061 of the Government Code, the City Clerk shall publish the resolution of intention one time at least 10 days prior to the Public Hearing.	City	At Least 10 Days Prior to Public Hearing
LLMD 1	05/27/2014 (last day)	<b>PUBLIC HEARING</b> • City Council Conducts Public Hearing • City Adopts Resolution Approving the Engineer's Report • City Council Adopts Resolution Confirming Assessment Diagram and Orders the Levy and Collection of Assessments	City	At least 45 Days after Mailed Notice

**EXHIBIT B**

**CITY - SERVICES TO BE PROVIDED  
TO CONSULTANT**

1. Furnish the Consultant all in-house data which is pertinent to services to be performed by the Consultant and which is within the custody or control of the City, including, but not limited to, copies of record and off-record maps and other record and off-record property data, right-of-way maps and other right-of-way data, pending or proposed subject property land division and development application data, all newly developed and pertinent design and project specification data, and such other pertinent data which may become available to the City.
2. Provide timely review, processing, and reasonably expeditious approval of all submittals by the Consultant.
3. Provide timely City staff liaison with the Consultant when requested and when reasonably needed.



## EXHIBIT C

### TERMS OF PAYMENT

1. The Consultant's compensation shall not exceed \$73,000.00 plus mailing costs.
2. CFD formation and payment of formation costs for Tract No. 32515, as identified in Exhibit A, is contingent upon receipt of developer funds. If developer funding is not provided, formation of the CFD will not occur and the not to exceed amount of this Agreement will be reduced from \$73,000.00 to \$58,500.00.
3. The Consultant will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: [http://www.moval.org/do\\_biz/biz-license.shtml](http://www.moval.org/do_biz/biz-license.shtml)
3. The Consultant will electronically submit an invoice to the City once a month for progress payments along with documentation evidencing services completed to date. The progress payment is based on actual time and materials expended in furnishing authorized professional services during the preceding calendar month. At no time will the City pay for more services than have been satisfactorily completed and the City Engineer's determination of the amount due for any progress payment shall be final. The consultant will submit all original invoices to Accounts Payable staff at [AccountsPayable@moval.org](mailto:AccountsPayable@moval.org). Accounts Payable

questions can be directed to 951.413.3073. Copies of invoices may be submitted to the Special Districts Division of the Financial and Management Services Department at [specialdistricts@moval.org](mailto:specialdistricts@moval.org) or to the City's point of contact for this project. Calls can be directed to 951.413.3480.

4. The Consultant agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization form will be completed prior to any payments by the City. Any invoice not paid because the completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at:

[http://www.moval.org/city\\_hall/forms.shtml#bf](http://www.moval.org/city_hall/forms.shtml#bf)

5. The minimum information required on all invoices is:
  - A. Vendor Name, Mailing Address, and Phone Number
  - B. Invoice Date
  - C. Vendor Invoice Number
  - D. City-provided Reference Number (e.g. Project, Activity)
  - E. Detailed work hours by class title (e.g. Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount; single, lump amounts without detail are not acceptable.
6. The City shall pay the Consultant for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

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## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Ahmad R. Ansari, P.E., Public Works Director/City Engineer

**AGENDA DATE:** March 10, 2015

**TITLE:** APPROVE WHOLESAL E DISTRIBUTION ACCESS TARIFF KITCHING STREET 115 KV LOAD PROJECT COMBINED SYSTEM IMPACT AND FACILITIES STUDY AGREEMENT BETWEEN THE CITY OF MORENO VALLEY AND SOUTHERN CALIFORNIA EDISON (SCE)

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### **RECOMMENDED ACTION**

Recommendations:

1. Approve the Wholesale Distribution Access Tariff Kitching Street 115 kV Load Project Combined System Impact and Facilities Study Agreement between the City of Moreno Valley and Southern California Edison Company (SCE).
2. Authorize the City Manager to sign the agreement on behalf of the City of Moreno Valley.

### **SUMMARY**

This report recommends approval of an agreement with SCE to conduct studies required to support construction of a new Moreno Valley Utility 115kV substation to meet projected needs for electrical service in the City's south industrial area.

The Distribution System Plan for the planning period of 2015 through 2019 identified the need for a 115 kV substation to accommodate the development of more than 8 million square feet of industrial space in the south industrial area. The tenants of many of these buildings utilize sophisticated automation and critical climate control systems that require a higher than average demand per square foot. The recently completed South Substation is already nearing capacity; customer load in the south industrial area is forecasted to be at 115% of capacity by 2016.

An application for a 115 kV interconnect was submitted to SCE on December 9, 2014. As part of the interconnection application process, SCE will conduct a Combined System Impact and Facilities Study to determine the impact of the proposed substation's load on SCE's electric system. SCE estimates that the cost to perform the study is \$100,000.

## **DISCUSSION**

The Combined System Impact and Facilities Study Agreement describes the terms and conditions for SCE to perform the study. The study will determine the impact of the proposed substation to SCE's distribution system and identify any upgrades that will be required on their distribution system to accommodate the project. The Study will include a list of the major equipment required for interconnection to SCE's system with a cost estimate.

Highlights from the Terms and Conditions of the Agreement are as follows:

- The City will deed over title of the portion of the substation property that hosts the SCE 115 kV switching station, referred to as SCE 115 kV substation. This switching station will serve as the point of interconnection between the City's electric system and SCE's system, and is separate from the 115 kV substation that the City will build, own, and maintain.
- The City will be lead agency for permitting and environmental studies.
- The City will perform all necessary grading and land preparation for SCE's 115 kV switching station.
- SCE will use due diligence to complete the study in 120 days following execution of the Agreement.
- The City will advance to SCE \$100,000 for the cost of the study. If SCE determines that the study is expected to cost more than \$100,000, the City can request to terminate the study or agree to pay the additional cost to SCE.

It is anticipated that the substation will be operational by April 1, 2017, in advance of the summer peak. The projected load for the substation is expected to increase from 5 MW in 2017 to 28 MW by the year 2021.

## **ALTERNATIVES**

1. Approve the Wholesale Distribution Access Tariff Kitching Street 115 kV Load Project Combined System Impact and Facilities Study Agreement between the City of Moreno Valley and SCE. Staff recommends this alternative because it will allow Moreno Valley Utility to meet the projected electrical demand in the south industrial area.

2. Do not approve the Wholesale Distribution Access Tariff Kitching Street 115 kV Load Project Combined System Impact and Facilities Study Agreement between the City of Moreno Valley and SCE. Staff does not recommend this alternative because it will impair the utility's ability to meet projected electrical demand in the south industrial area.

### **FISCAL IMPACT**

The cost of the study will be paid from MVU's Other Contractual Services account number 6010-70-80-45510-625099. This cost is related to constructing a new substation that will be funded with municipal bonds in 2015. This cost will be reimbursed by bond proceeds. There will be no impact to the General Fund.

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 14/15 Budget	Proposed Adjustments	FY 13/14 Amended Budget
Other Contract Svcs	Electric	6010-70-80-45510-625099	Exp	\$5,814	\$100,000	\$105,814
Rate Stabilization	Electric	6010-70-80-45510-710130	Exp	\$440,631	\$(100,000)	\$340,631

### **CITY COUNCIL GOALS**

The 115 kV substation will improve the reliability and operational flexibility of the electric distribution system in the south industrial area of the City. This will help to create a positive environment for economic development and future job creation within the community.

### **NOTIFICATION**

Posting of the Agenda.

### **ATTACHMENTS**

Attachment 1: Wholesale Distribution Access Tariff Kitching Street 115 kV Load Project Combined System Impact and Facilities Study Agreement

Prepared By:  
Jeannette Olko  
Electric Utility Division Manager

Department Head Approval:  
Ahmad R. Ansari, P.E.  
Public Works Director/City Engineer

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**THE CITY OF MORENO VALLEY, MORENO VALLEY UTILITY  
SOUTHERN CALIFORNIA EDISON COMPANY  
WHOLESALE DISTRIBUTION ACCESS TARIFF  
KITCHING STREET 115 KV LOAD PROJECT  
COMBINED SYSTEM IMPACT AND FACILITIES STUDY AGREEMENT**

1. **Summary:** The City of Moreno Valley, Moreno Valley Utility (“Moreno Valley”) applied to Southern California Edison Company (“SCE”) for Distribution Service under the terms of SCE’s Wholesale Distribution Access Tariff (“WDAT”). Moreno Valley proposes to construct distribution facilities located, on the west side of Kitching Street, north of Edwin Road in Moreno Valley, California, to serve 28,000 kW of Wholesale Distribution Load (the “Project”). Moreno Valley has requested SCE to provide interconnection and Distribution Service pursuant to the WDAT from the ISO Grid to a proposed new SCE-Moreno Valley 115 kV interconnection in the vicinity of the Project. Upon review of the Completed Application, SCE has concluded that a System Impact Study is required to determine the adequacy of SCE’s electrical system, including, but not limited to, that portion of SCE’s electrical system that is part of the ISO Grid, required to provide Distribution Service to the Project. In addition, a Facilities Study will be required to determine required Direct Assignment Facilities, any Distribution System Upgrades and any other required modifications or additions needed to accommodate the Project. Accordingly, SCE and Moreno Valley desire to enter into this Combined System Impact and Facilities Study Agreement (“Agreement”) providing the terms and conditions for SCE to perform a Combined System Impact and Facilities Study (“Study”).
2. **Definitions:** All terms with initial capitalization not otherwise defined herein shall have the meanings assigned to them in SCE’s WDAT.
3. **Scope:** The Study will include the following:
  - a. A determination of whether modifications are needed to SCE’s Distribution System and/or that portion of SCE’s electrical system that is part of the ISO Grid such that (1) the Project can be interconnected to SCE’s Distribution System, in accordance with the schedule listed below, and (2) Distribution Service for the

delivery of energy from the ISO Grid through SCE’s Distribution System to the Project can commence on April 1, 2017.

Load Schedule

<u>Year</u>	<u>Maximum Demand, kW</u>
2017	5,000
2018	10,000
2019	15,000
2020	20,000
2021	28,000

- b. Study conditions and assumptions.
  - c. Load flow analysis.
  - d. A general description of Direct Assignment Facilities, Distribution System Upgrades, and any other additions, modifications or other facilities on SCE’s Distribution System, including that portion of SCE’s electrical system which is part of the ISO Grid, which are required to provide the requested service.
  - e. An estimate of (i) the cost of Direct Assignment Facilities to be charged to Moreno Valley, (ii) Moreno Valley’s appropriate share of the cost of any required system upgrades, and (iii) the time required to complete construction of such Direct Assignment Facilities and system upgrades and initiate the requested service. The Study will include a list of major equipment required for the requested service. The cost estimate will include an estimate of additional facilities cost (capital cost of the facilities) and one-time costs (expenses not capitalized) which are required to be paid in advance by Moreno Valley.
4. **Basis for Study:** In its determination of the adequacy of SCE’s Distribution System to accommodate Moreno Valley’s request, SCE will exclude from capacity proposed to be made available to Moreno Valley, capacity to meet (i) its existing contractual obligations, (ii) previous obligations under the terms of the WDAT, (iii) previously pending WDAT applications, if any, and (iv) any other pending interconnection applications.
5. **Assumptions:** The Study will be based on the following assumptions:
- a. Moreno Valley is or will be an Eligible Customer under the WDAT with respect to the Project.



- b. Moreno Valley will or has purchased sufficient property to enable SCE's construction of the proposed SCE 115 KV Substation.
- c. Moreno Valley will deed over title of the land associated with the proposed 115 KV Substation to SCE.
- d. Moreno Valley will be the lead agency with regards to permitting and environmental studies and the study will also assume as a worst case scenario that SCE will be the lead organization regarding licensing.
- e. Moreno Valley will include in its permits and environmental studies an accurate description of the SCE facilities.
- f. Moreno Valley will perform all necessary ground grading and land preparation for the proposed SCE 115 KV Substation.
- g. Moreno Valley will connect a maximum of 28,000 KW of Wholesale Distribution Load to SCE's Distribution System at a nominal voltage of 115 KV, unless determined otherwise by SCE, at the proposed new SCE 115 KV Substation, which will loop the Valley-Alessandro-Cajalco 115 KV Distribution Line, in Moreno Valley, California.
- h. The maximum amount of Distribution Service requested by Moreno Valley is as listed in the Load Schedule in Section 3(a), above.
- i. A Moreno Valley requested in-service date of April 1, 2017; however, such assumption shall be subject to change after Study results, permitting requirements, design, land issues and material lead times become available, so that a more accurate determination can be made.
- j. Distribution Service will be provided from the ISO Grid through SCE's Distribution System to the new 115 KV SCE Substation, to the Wholesale Distribution Load point of interconnection, on the west side of Kitching Street, north of Edwin Road in Moreno Valley, California.
- k. The technical data supplied by Moreno Valley for this Project are accurate and complete.
- l. Projects with interconnection applications preceding Moreno Valley are assumed in-service; however, potential system enhancements or modifications resulting from such projects, if any, are not assumed.

6. **Time Required for Completion:** SCE will use due diligence to complete the Study within one hundred twenty (120) calendar days following receipt of a fully executed copy of this Agreement and payment pursuant to Sections 12 and 16 of this Agreement.
7. **Additional Time For Completion:** At any time that SCE determines that the Study cannot be completed within one hundred twenty (120) calendar days in accordance with Section 6 of this Agreement, SCE shall notify Moreno Valley and provide an estimated completion date, along with an explanation of the reasons why additional time is required to complete the Study.
8. **Exchange of Information:** SCE and Moreno Valley shall confer with one another as necessary to exchange information that will provide for the most accurate analysis possible with the information available at the time the Study is performed.
9. **Third Party Review:** The Study results will not reflect any review or analysis by any third party. If Moreno Valley elects to proceed with the application process, in order to determine the potential impact to any third party's electrical system, SCE will provide a copy of the Study results and related work papers to the ISO and SCE may provide a copy of the Study results to the Western Electricity Coordinating Council ("WECC"), and any transmission owner potentially impacted by the requested service. Requests for review and input from other potentially impacted transmission owners may arrive at any time prior to interconnection.
10. **Results Based on Information Available at Time of Study:** Substantial portions of technical data and assumptions used to perform the Study, including by way of example and without limitation, system conditions, existing and planned generation, and unit modeling, may change after SCE provides the Study results to Moreno Valley. Study results will reflect available data at the time SCE provides the Study to Moreno Valley. Additionally, Study results will reflect the ISO Tariff, rules and protocols in effect at the time SCE provides the Study to Moreno Valley. Such Tariff, rules and protocols are subject to change. SCE shall not be responsible for any additional costs (including, without limitation, costs of new or additional facilities, system upgrades, or schedule changes) that may be incurred by Moreno Valley as a

result of changes in such data, assumptions, or the ISO Tariff, rules and protocols which occur following provision of this Study.

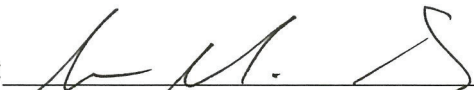
11. **New Study at Moreno Valley's Costs:** In the event that a new study or revised Study is required to reflect changes which occur following provision of this Study, and Moreno Valley wishes to proceed with the application for interconnection, then Moreno Valley shall either enter into a separate agreement providing that it shall reimburse SCE for the costs of such new study or revised Study, or withdraw its application.
12. **Payment:** Moreno Valley shall pay the full cost for SCE to perform the Study as follows:
  - a. Moreno Valley shall reimburse SCE for SCE's cost of performing the Study; provided, however, that Moreno Valley shall not be required to reimburse SCE for amounts in excess of \$100,000, except as provided in Section 13 of this Agreement.
  - b. Moreno Valley shall advance to SCE \$100,000 for the Study upon execution of this Agreement.
  - c. SCE shall refund to Moreno Valley, without interest, any amounts received by SCE which exceed the cost of the Study, even if terminated pursuant to Section 13 or Section 15 herein.
13. **Increased Costs:** If at any time SCE determines that the Study is expected to cost more than \$100,000, SCE shall notify Moreno Valley and provide an estimate of any additional costs. Upon receipt of such notice, Moreno Valley shall either: (i) request that SCE terminate the Study; or (ii) provide a written request to SCE that SCE continue the Study and agree to pay any additional costs to SCE. SCE shall be under no obligation to incur costs in excess of \$100,000, unless and until it receives notice pursuant to this Section 13 and agreement from Moreno Valley to pay costs in excess of ~~\$60,000~~. \$100,000.
14. **Records and Accounts:** SCE shall maintain records and accounts of all costs incurred in performing the Study in sufficient detail to allow verification of all costs incurred, including, but not limited to, labor and associated labor burden costs, materials and supplies, outside services, and administrative and general expenses.

Moreno Valley shall have the right, upon reasonable notice, within a reasonable time at SCE's offices and at its own expense, to audit SCE's records as necessary and as appropriate in order to verify costs incurred by SCE. Any audit requested by Moreno Valley shall be completed, and written notice of any audit dispute provided to SCE's representative, within one hundred eighty (180) calendar days following receipt by Moreno Valley of SCE's notification of the final Study costs.

15. **Termination Upon Demand:** Moreno Valley may demand that SCE terminate the Study at any time. Immediately following receipt of such written request of termination from Moreno Valley, SCE shall terminate the Study as requested. In such case, Moreno Valley shall reimburse SCE only for costs actually incurred or irrevocably committed to be incurred for the performance of the terminated Study. If Moreno Valley so requests in its notice of termination, SCE will submit to Moreno Valley the results of the incomplete Study in a report including assumptions, load flows and calculations available at the time SCE receives Moreno Valley's termination notice.

16. **Signature Clause:** This Agreement shall become effective on the date the fully executed Agreement and payment pursuant to Section 12 are received by SCE. If SCE does not receive the fully executed Agreement and payment within fifteen (15) calendar days of Moreno Valley's receipt, then the offer reflected in this Agreement will expire and this Agreement will be of no effect.

SOUTHERN CALIFORNIA EDISON COMPANY

By: 

Name: *Edguy Costano*

Title: *Manager of Grid Interconnections*

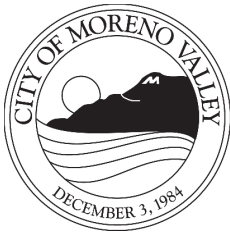
THE CITY OF MORENO VALLEY, MORENO VALLEY UTILITY

By: \_\_\_\_\_

Name:

Title:

ACCEPTED AND AGREED to this \_\_\_\_\_ day of \_\_\_\_\_, 2015



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

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## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Chris Paxton, Administrative Services Director

**AGENDA DATE:** March 10, 2015

**TITLE:** LIST OF PERSONNEL CHANGES

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### **RECOMMENDED ACTION**

Recommendation:

1. Ratify the attached list of personnel changes.

### **DISCUSSION**

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

### **FISCAL IMPACT**

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

### **ATTACHMENTS**

1. List of Personnel Changes

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**City of Moreno Valley**  
**Personnel Changes 2/25/15 through 3/10/15**

**New Hires**

Brett Murray, Park Ranger, Parks and Community Services

**Promotions**

Lilyanna Diaz , Child Care Instructor I, Parks and Community Services

To: Child Care Site Supervisor, Parks and Community Services

Archie Ammons, Tree Trimmer, Public Works

To: Lead Maintenance Worker, Public Works

Ernest Precie, Maintenance Worker II, Public Works

To: Lead Maintenance Worker, Public Works

**Separations**

Sylvia Rodriguez, Executive Assistant I, City Attorney

Meleisa Mendonca, Senior Graphics Designer, City Manager/Media

Larry Truitt, Park Ranger, Parks and Community Services

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**MINUTES – REGULAR MEETING OF  
FEBRUARY 24, 2015  
(Report of: City Clerk Department)**

**Recommendation: Approve as submitted.**

**SEE AGENDA ITEM A.2**

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

## Report to City Council

**TO:** Mayor and City Council Acting in its Capacity as the President and Members of the Board of Directors of the Moreno Valley Community Services District

**FROM:** Richard Teichert, Chief Financial Officer

**AGENDA DATE:** March 10, 2015

**TITLE:** INITIATING PROCEEDINGS TO ANNEX RESIDENTIAL HOUSING TRACT 27251 (SOUTH OF FIR AVENUE, EAST OF MORRISON STREET, AND NORTH OF EUCALYPTUS AVENUE) AS ZONE 09 TO MORENO VALLEY COMMUNITY SERVICES DISTRICT LANDSCAPE MAINTENANCE DISTRICT 2014-02

### RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. CSD 2015-04. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Initiating Proceedings to Annex Zone 09 to Moreno Valley Community Services District Landscape Maintenance District 2014-02.

### SUMMARY

This report recommends adoption of the proposed resolution to initiate proceedings to annex residential housing Tract 27251 and Tract 27251-1 (collectively, "Tract 27251") to Landscape Maintenance District 2014-02 ("LMD" or "LMD 2014-02") and calls for the preparation of an Assessment Engineer's Report. Tract 27251 is located south of Fir Avenue, east of Morrison Street and north of Eucalyptus Avenue.

This action represents the first step in the annexation process. ***A complete list of actions necessary for the annexation process are included in the table on page 4.*** The action at this step in the process does not increase the parcel charge on any property; it is the City's notification to initiate proceedings to annex Tract 27251 into the LMD, required under the Landscaping and Lighting Act of 1972. In the near future, the

City intends to conduct a property owner mail ballot proceeding as part of the annexation process. As part of the annexation process, the approval of an increase in the landscape maintenance charge through a mail ballot proceeding will occur. The increased fee will ensure adequate funds are collected to maintain the proposed landscaping at the standard service level, which is the highest landscape maintenance service level the City provides. The Community Services District Zone D landscape maintenance charge was originally approved in 2006 by the previous developer for the proposed landscaping which has not been installed. Now the landscaping will be installed; however, landscape maintenance costs have increased since that time. All property owners in Tract 27251 will have an opportunity to participate in the future mail ballot proceeding.

There are 150 residential lots within Tract 27251. Currently, 52 homeowners reside within the unfinished residential development. RSI Moreno Valley acquired the remaining 98 undeveloped residential lots and is in the process of completing the project and installing the remaining improvements. Two of the outstanding conditions include installation of the parkway landscaping and establishing an ongoing funding source for the maintenance of the parkway landscaping.

### **DISCUSSION**

Tract 27251 and Tract 27251-1 (collectively, "Tract 27251") is a 150 lot single family residential development located south of Fir Avenue, east of Morrison Street, and north of Eucalyptus Avenue (Attachment 2). As a condition of development, the developer of Tract 27251 is required to install approximately 69,000 square feet of parkway landscaping which will be located around the perimeter of the housing tract, between the tract wall and the sidewalk. The project is also conditioned to provide for the ongoing maintenance of the parkway landscaping through a homeowners association or by participating in a landscape financing district administered by the City. In order to participate in a City landscape district, the affected property owners need to authorize a parcel charge to be placed on the annual property tax bills for the parcels in Tract 27251 to fund the cost of the ongoing landscape maintenance.

In 2006, the previous developer elected to participate in the City's landscape district program. At that time, the City was using its Community Services District ("CSD") Zone programs to finance the ongoing maintenance costs of its landscape districts. The developer participated in a mail ballot proceeding and authorized the annual parcel charge to be collected on the annual property tax bill upon installation of the parkway landscape improvements. Prior to the economic downturn, 52 homes were constructed and sold in Tract 27251. Installation of the parkway landscape improvements has not been completed. The improvements are conditioned to be installed prior to the issuance of the building permit of the 116<sup>th</sup> residential lot. The Zone D parcel charge is not being levied on the property tax bills for any of the parcels in the tract.

In August 2013, the Mayor and Council discussed the use of Best Management Practices for its special financing districts to ensure compliance with current legislation

and case law. In 2014, the City began transitioning its existing CSD landscape districts to landscape maintenance districts under the Landscaping and Lighting Act of 1972 (“the 1972 Act”) (Streets & Highways Code Section 22500 *et seq.*). On May 27, 2014, the City Council established Landscape Maintenance District 2014-02 (“LMD” or “LMD 2014-02”) and transitioned certain CSD Zone E landscape districts into the LMD.

RSI Moreno Valley acquired the remaining 98 undeveloped residential lots within Tract 27251 and is in the process of satisfying the conditions of approval for the project. Although the Zone D parcel charge was approved in 2006, landscape maintenance costs have continued to increase and the current charge is not sufficient to fund maintenance services at the standard service level (monthly trimming and weed removal with weekly litter pick up). Prior to the City assuming the ongoing maintenance of the parkway landscape, the property owners of Tract 27251 must approve an increase to the parcel charge (Proposition 218 property owner mail ballot) to cover the increase in maintenance costs. Should the landscape maintenance remain at the currently approved funding level, frequency of landscape maintenance will be less than the City’s standard service level, which may cause the appearance of the landscaping to deteriorate and leave little funding for the replacement of plant materials.

To ensure compliance with legislation and recent case law, the property owner mail ballot will include annexation into LMD 2014-02. The annexation will include the establishment of Zone 09 within the LMD to ensure funds received for the benefit of this zone will be restricted for use within this zone. Transitioning from the CSD Zone D program to the LMD 2014-02 will also account for the legally required “general benefit” component of the annual landscape maintenance costs.

*Actions for the Mail Ballot Proceeding for Tract 27251*

Adoption of the attached resolution is the first step to transition residential housing Tract 27251 from a CSD Zone D financing structure to an LMD financing structure. It initiates the proceedings and directs Willdan Financial Services (the City’s consultant) to prepare an Assessment Engineer’s Report (“Report”).

The Report is a requirement of an assessment district and will be prepared in accordance with the 1972 Act (Section 22565 *et seq.*). The Report will provide a detailed evaluation of the proposed landscape improvements, annual maintenance and administration budget, and a benefit analysis. The benefit analysis will show the “special benefit” of the improvements to the adjacent parcels and the parcels that are subject to the annual assessment. In addition, the Report will identify a General Benefit Cost component of the annual cost for operation and maintenance services. In theory, the “general benefit” is the minimum amount the City would fund had the improvements not been installed by the development. General Benefit Costs are typically estimated at the amount it would cost to provide weed abatement and erosion control twice per year.

Should the attached resolution be adopted, the following calendar lists the remaining actions necessary to annex Tract 27251 into LMD 2014-02 and conduct the property owner mail ballot proceeding:

March 12, 2015	Public outreach to the existing 52 property owners advising them of the annexation and upcoming mail ballot proceeding. <b><i>Methods of outreach will include neighborhood meetings as well a letter explaining the reason for the upcoming mail ballot proceeding.</i></b>
March 24, 2015	Resolution of Intention to annex into LMD 2014-02: set date of the Public Hearing for the mail ballot proceeding and approve the Report.
March 26, 2015	All property owners (existing homeowners and developer) will be mailed a notice (required by Proposition 218) explaining the purpose of the proposed assessment, a map showing the landscaped area to be maintained by the assessment, the date of the public hearing, when the ballot is due to be returned by, how the assessment will be determined annually, a ballot for casting their vote, and a postage paid envelope for the return of their completed ballot.
May 12, 2015	Public Hearing (45-days after the mailing of the ballots) to receive public comments. After the close of the Public Hearing, the returned ballots can be counted and results announced.

### **ALTERNATIVES**

1. **Recommend approval of the proposed resolution to initiate proceedings to annex Tract 27251 to LMD 2014-02.** Transition of Tract 27251 from the CSD Zone D program to LMD 2014-02 is consistent with Best Management Practices.
2. **Do not recommend approval of the proposed resolution to initiate proceedings to annex Tract 27251 to LMD 2014-02.** This alternative may delay the mail ballot proceeding, which may result in the delay of the development of residential housing Tract 27251.
3. **Do not recommend approval of the proposed resolution to initiate proceedings to annex Tract 27251 to LMD 2014-02, but rather continue the item to a future Council meeting.** This alternative may delay the mail ballot proceeding process, which may result in the delay of the development of residential housing Tract 27251.

### **FISCAL IMPACT**

Third party costs associated with adding Tract 27251 to LMD 2014-02 are projected to not exceed \$13,500. Third party services include an assessment engineer consultant, special legal counsel, legal noticing advertising, and other related expenses. The developer for Tract 27251 was not charged for all services related to this conversion process; however, they did pay the \$3,375 Mail Ballot/Special Election Processing fee (per the City's User Fee Schedule) to cover costs related to the mail ballot proceeding process. The difference of \$10,125 will be absorbed within the Special Districts Administrative Fund 2006-30-79-25701.

**CITY COUNCIL GOALS**

**Community Image, Neighborhood Pride, and Cleanliness**

The conversion of Tract 27251 to LMD 2014-02 will provide a continued revenue source necessary to maintain the appearance of developed areas within the City.

**Revenue Diversification and Preservation**

The LMD assessment will provide funding for program costs which include maintenance and administration.

**NOTIFICATION**

Timing of the property owner mail ballot proceeding process has been conveyed to the developer. If the proposed resolution is approved, outreach to the existing property owners will commence immediately and continue through the public hearing.

**ATTACHMENTS**

1. Proposed Resolution of the Community Services District of the City of Moreno Valley, California, Initiating Proceedings to Annex Zone 09 to Moreno Valley Community Services District Landscape Maintenance District 2014-02
2. Map of Tract 27251

Prepared by:  
Jennifer Terry,  
Management Analyst

Department Head Approval:  
Richard Teichert,  
Chief Financial Officer

Concurred by:  
Candace E. Cassel,  
Special Districts Division Manager

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RESOLUTION NO. CSD 2015-04

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, INITIATING PROCEEDINGS TO ANNEX ZONE 09 TO MORENO VALLEY COMMUNITY SERVICES DISTRICT LANDSCAPE MAINTENANCE DISTRICT 2014-02

WHEREAS, in connection with its Zone D program, the Moreno Valley Community Services District (the "CSD") is authorized to levy a landscape maintenance charge against real property in Tract 27251 and Tract 27251-1 (collectively, the "Tract"); and

WHEREAS, the authorized amount of this charge is insufficient to fund the costs of landscape maintenance associated with the Tract's public landscaping; and

WHEREAS, pursuant to Government Code Section 61122(e), the CSD is authorized to levy benefit assessments pursuant to the Landscaping and Lighting Assessment Act of 1972 (Streets & Highways Code Section 22500 *et seq.*) (the "Act"); and

WHEREAS, on May 27, 2014, by its Resolution No. CSD 2014-09, the Board of Directors of the CSD formed Moreno Valley Community Services District Landscape Maintenance District 2014-02 (the "Assessment District"); and

WHEREAS, the Board of Directors desires to initiate proceedings to annex the Tract to the Assessment District; and

WHEREAS, if the annexation is completed, landscape maintenance associated with the Tract will be funded by an assessment levied in connection with the Assessment District, and parcels in the Tract will no longer be subject to a Zone D charge to fund those landscape maintenance services.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. Recitals. The above recitals are all true and correct.
2. Initiation of Proceedings. The Board of Directors hereby proposes to annex territory to the Assessment District pursuant to the Act.
3. Name of Assessment District. The Assessment District is designated "Moreno Valley Community Services District Landscape Maintenance District 2014-02." The annexed territory is proposed to be designated as a new Zone 09 of the Assessment District (the "Zone").

1  
Resolution No. CSD 2015-04  
Date Adopted: March 10, 2015

4. Annexation Boundaries. The territory to be annexed includes all territory within Tract 27251 and Tract 27251-1.

5. Description of Improvements. The Zone is proposed to fund the maintenance of approximately 69,000 square feet of landscape improvements associated with Tract 27251.

6. Engineer's Report. Willdan Financial Services, as assessment engineer, is hereby directed to prepare and file a report pursuant to Section 22565 *et seq.* of the Act with respect to the proposed annexation. Such report should be sufficient to meet the requirements of Article XIII D, Section 4 of the California Constitution for a detailed engineer's report.

7. Effective Date. This Resolution shall be effective immediately upon adoption.

8. Certification. The City Clerk shall certify to the adoption of this Resolution, and shall maintain on file as a public record this Resolution.

APPROVED AND ADOPTED this 10<sup>th</sup> day of March, 2015.

\_\_\_\_\_  
Mayor of the City of Moreno Valley,  
Acting in the capacity of President of the  
Moreno Valley Community Services District

ATTEST:

\_\_\_\_\_  
City Clerk, acting in the capacity of  
Secretary of the Moreno Valley  
Community Services District

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney, acting in the capacity  
of General Counsel of the Moreno  
Valley Community Services District

2  
Resolution No. CSD 2015-04  
Date Adopted: March 10, 2015

**RESOLUTION JURAT**

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE    ) ss.  
CITY OF MORENO VALLEY )

I, Jane Halstead, Secretary of the Moreno Valley Community Services District, Moreno Valley, California do hereby certify that Resolution No. CSD 2015-04 was duly and regularly adopted by the Board of Directors of the Moreno Valley Community Services District at a regular meeting held on the 10<sup>th</sup> day of March, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Boardmembers, Vice-President and President)









\_\_\_\_\_  
SECRETARY

(SEAL)

Resolution No. CSD 2015-04<sup>3</sup>  
Date Adopted: March 10, 2015

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# Tract 27251

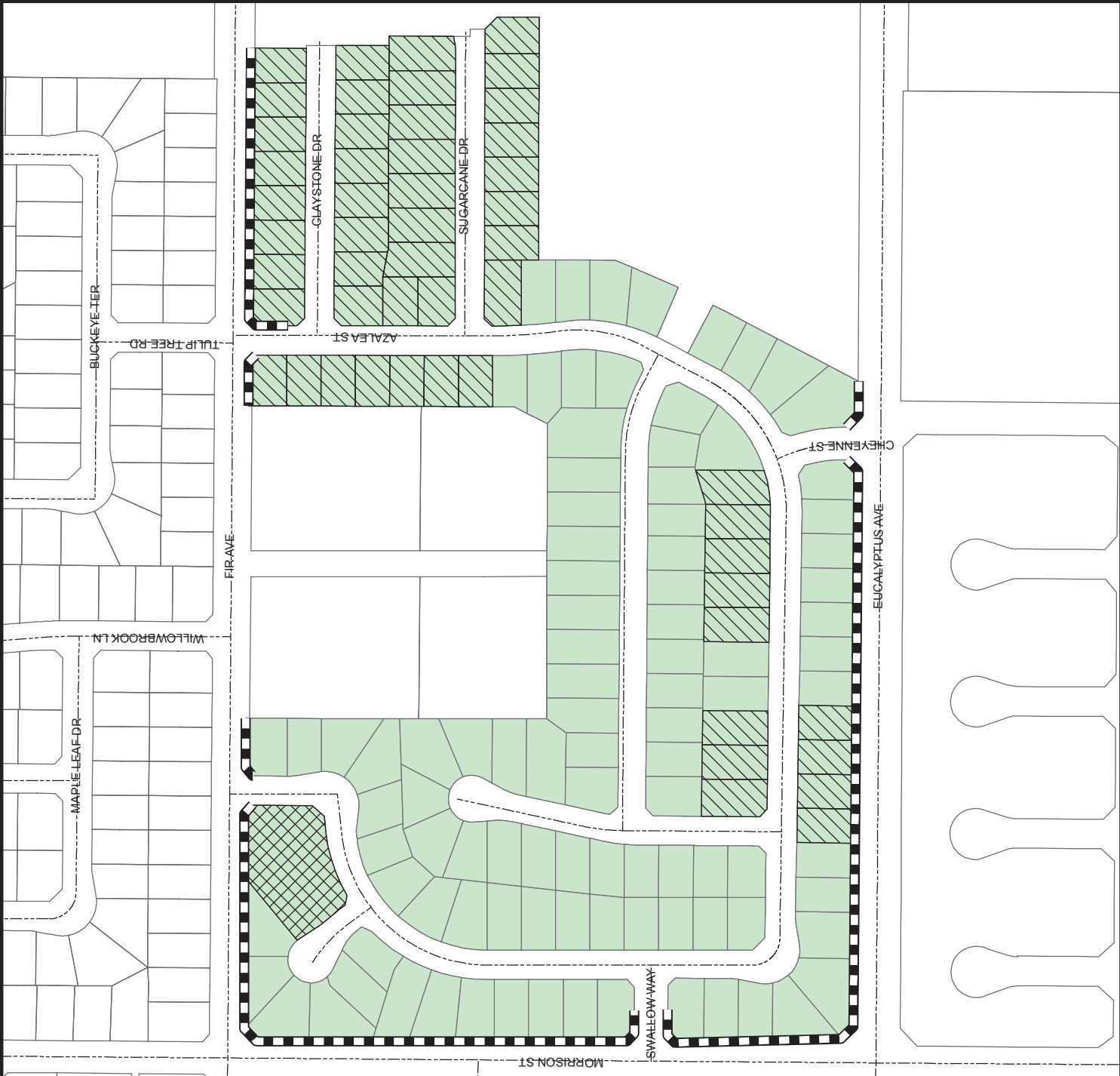
-  Median
-  Landscaped Areas
-  Developed Parcels
-  Non-Taxable Parcel
-  Tract 27251
-  Roads
-  Parcels
-  City Boundary

Map reflects all changes indicated on Riverside County Assessor Maps as of January 9, 2015.

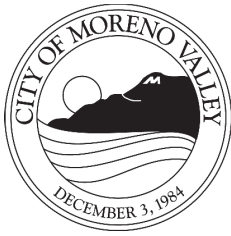


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The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Data and information on this map is subject to update and modification. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map. This map is not to be recycled or resold.



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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

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## Report to City Council

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**TO:** Mayor and City Council and Mayor and City Council, acting in its capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)

**FROM:** Richard Teichert, Chief Financial Officer

**AGENDA DATE:** March 10, 2015

**TITLE:** AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY CFD/LLD/LMD FORMATIONS WITH WILLDAN FINANCIAL SERVICES FOR SPECIAL TAX AND ASSESSMENT ENGINEERING SERVICES

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### RECOMMENDED ACTION

Recommendations:

1. Approve the Third Amendment to the Agreement for Professional Consultant Services Project No. Special Districts 2014-15 Levy CFD/LLD/LMD with Willdan Financial Services, 27368 Via Industria, Suite 110, Temecula, CA 92590-4856 to provide special tax and assessment engineering services for the conversion and/or formation of special financing districts and related special district reporting and professional services.
2. Authorize the City Manager to execute the Third Amendment with Willdan Financial Services.
3. Authorize the issuance of a change order in the amount of \$34,500 for Fiscal Year 2014/15 to Willdan Financial Services to increase the not-to-exceed (NTE) amount of the Agreement to \$111,495.00.

## **SUMMARY**

This report recommends approving a Third Amendment to the Agreement with Willdan Financial Services for special tax and assessment engineering services. These professional services will assist the City and Community Services District (CSD) with: 1) preparation of the Assessment Engineer's Report to annex residential housing Tract 27251 into LMD 2014-02; 2) preparation of the FY 2015/16 annual engineer's reports for the Landscaping Maintenance and Lighting Maintenance Districts; and, 3) professional services including preparing boundary maps for special financing districts and consultation on special district engineering services.

## **DISCUSSION**

Willdan Financial Services (the Consultant) provides special tax and assessment engineering services (i.e. special financing districts). They were selected through a competitive Request for Quote (RFQ) process which concluded in December 2012. After a Best Management Practices study session for special financing districts in August 2013, a Scope of Services was determined for fiscal year 2013/14 and ultimately, the City entered into an Agreement in February 2014.

The original Scope of Services included the formation of a maintenance Community Facilities District(s) (CFD) for new development, and converting the Community Services District (CSD) Zone B residential street lighting district and certain Zone E landscape maintenance districts to a Lighting or Landscape Maintenance District (LMD) in accordance with the Landscaping and Lighting District Act of 1972 (Streets & Highways Code Section 22500 *et seq.*). These services were completed in May 2014.

The Agreement was first amended on July 23, 2014 to amend the Rate and Method of Apportionment of Special Tax (RMA) for the newly created Community Facilities District No. 2014-01. The amendment to the RMA separated the public landscaping maintenance and operation of the street lighting program tax rate areas allowing flexibility for use of the maintenance CFD. These services were completed in October 2014.

On November 19, 2014, the Agreement was amended a second time to further amend the RMA and to allow for the preparation of its future annexation area boundary map. This amendment to the RMA added additional tax rate areas for public landscape maintenance and operation of street lighting for commercial, industrial and multi-family development and expanded the public landscape maintenance tax rate areas for residential development. These services were completed in January 2015. A summary of the Agreement and its amendments is included in the table below:



Date	Type	Scope of Services	Costs
Feb. 10, 2014	Agreement	Establish a maintenance CFD for new development	\$19,500
		Establish a CFD for a specific development's channel maintenance	\$14,500
		Convert CSD Zone B (residential street lighting) to a Lighting Maint. District	\$15,000
		Convert certain CSD Zone Es (landscape maint.) to a Landscape Maint. District	\$24,000
<b>Agreement Total</b>			<b>\$73,000</b>
July 24, 2014	First Amendment	Delete channel maintenance CFD	\$(12,205)
		RMA Amendment No. 1 for CFD 2014-01	\$8,000
		<b>Agreement Total with First Amendment</b>	
Nov. 19, 2014	Second Amendment	RMA Amendment No. 2 for CFD 2014-01 and future annexation area boundary map	\$8,200
		<b>Agreement Total with Second Amendment</b>	

The City wishes to further expand the Scope of Services to allow for the continued efforts to transition its existing CSD zones to Best Management Practices and for annual assessment engineering services to include:

1) Preparation of the fiscal year 2015/16 annual Engineer's Reports for Lighting Maintenance District 2014-01 and Landscape Maintenance District 2014-02 (LMD 2014-02);

2) Preparation of the Assessment Engineer's Report to annex residential housing Tract 27251 into LMD 2014-02; and

3) Professional services to prepare boundary maps for special financing districts and consultation on special district engineering services (e.g. proposed district formation for the Storm Water Program or funding for a new fire station).

The cost for the third amendment's Scope of Services is \$34,500. This will adjust the not-to-exceed amount of the Agreement from \$76,995 to \$111,495, requiring Mayor and City Council approval.

	Proposed Scope of Services	Costs	
Proposed Third Amendment	LMD 2014-01 & 02 Annual Report Preparation for FY 2015/16	\$13,000	
	LMD 2014-02, Zone 09 Annexation for Tract 27251	\$8,500	
	Professional services (consultation and map preparation)	\$13,000	
	<b>Proposed Third Amendment Costs</b>		<b>\$34,500</b>
	<b>Agreement as Amended</b>		<b>\$76,995</b>
	<b>Total Cost</b>		<b>\$111,495</b>

## **ALTERNATIVES**

1. Approve and execute the Third Amendment to the Agreement for Professional Consultant Services Project No. Special Districts 2014-15 Levy CFD/LLD/LMD Formation for consultant services with Willdan Financial Services, in the form

attached hereto to expand the Scope of Services for special tax and assessment engineering services and authorize issuance of the \$34,500 change order, increasing the not-to-exceed (NTE) amount of the Agreement to \$111,495. *This alternative will provide for professional special tax and assessment engineering services, which is a specialized professional service not currently available among City staff. These services are essential to assist with the conversion and formation of special financing districts and necessary for the preparation of the legally required LMD annual engineer's reports for FY 2015/16.*

2. Do not approve nor execute the Third Amendment to the Agreement for Professional Consultant Services Project No. Special Districts 2014-15 Levy CFD/LLD/LMD Formation for consultant services with Willdan Financial Services, in the form attached hereto to expand the Scope of Services for special tax and assessment engineering services, nor authorize issuance of a \$34,500 change order. *Selection of this alternative will inhibit the use of professional special tax and assessment engineering services, which is a specialized professional service not currently available among City staff. This will delay conversion and formation of special financing districts and the necessary preparation of the LMD annual engineer's reports.*

### **FISCAL IMPACT**

Administration costs for special financing districts are funded through property owner approved assessments, which are levied and collected on the annual property tax bills. Funds collected for these services are restricted for use to support the service it is designated to fund. Funds are available within each of the special financing districts to support these costs. Funding for the services to be provided in Fiscal Year (FY) 2014/15 is included within the adopted budget.

Description	Fund	GL Account No.	Cost	Current Budget FY 2014/15	Proposed Adjustments FY 2014/15	Amended Budget FY 2014/15
LMD 2014- 01 Annual Report Preparation for FY 2015/16	LMD 2014-01	5012-30-79-25703-620299	\$6,500	\$1,727,780	\$0.00	N/A
LMD 2014-02 Annual Report Preparation for FY 2015/16	LMD 2014-02	5014-30-79-25721-620299	\$6,500	\$2,404,405	\$0.00	N/A
LMD 2014-02 Zone 09 (Annexation for Tract 27251)	Special Districts Admin.	2006-30-79-25701-620299	\$8,500	\$848,128	\$0.00	N/A
On-call services (including consultation and boundary map preparation @ \$450 per map and \$250 per add'l page)	Special Districts Admin.	2006-30-79-25701-620299	\$13,000	\$848,128	\$0.00	N/A
<b>Total Third Amendment</b>			<b>\$34,500</b>			
<b>Total</b>			<b>\$111,495</b>			

## **CITY COUNCIL GOALS**

### **Community Image, Neighborhood Pride, and Cleanliness**

Special financing districts provide a continued revenue source necessary to maintain the appearance of developed areas within the City.

### **Revenue Diversification and Preservation**

The professional services to be provided will preserve the revenues collected by ensuring compliance with legislation and recent case law.

## **ATTACHMENTS**

Attachment 1: Third Amendment to the Agreement

Attachment 2: Second Amendment to the Agreement

Attachment 3: First Amendment to the Agreement

Attachment 4: Agreement

Prepared By:  
Sharon Sharp,  
Senior Management Analyst

Department Head Approval:  
Richard Teichert,  
Chief Financial Officer

Concurred By:  
Candace E. Cassel,  
Special Districts Division Manager

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**THIRD AMENDMENT TO AGREEMENT  
FOR  
PROFESSIONAL CONSULTANT SERVICES  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY  
CFD/LLD/LMD FORMATIONS**

The Third Amendment to the Agreement is by and between the CITY OF MORENO VALLEY, a municipal corporation, hereinafter referred to as "City," and Willdan Financial Services, (a California corporation), hereinafter referred to as "Consultant." This Third Amendment to the Agreement as made and entered into becomes effective upon the date the City signs this Amendment.

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY CFD/LLD/LMD FORMATIONS," hereinafter referred to as "Agreement," dated February 10, 2014; and

Whereas, the Consultant is providing Assessment Engineering and Special Tax Consulting Services; and

Whereas, the Agreement was first amended on July 24, 2014 to modify the Scope of Services to: 1) amend the Rate and Method of Apportionment (RMA) for the Community Facilities District (CFD) 2014-01 (Maintenance Services) which separated the public landscaping maintenance and operation of the street lighting program tax rate areas and 2) removed services for the formation of channel maintenance CFD for Tract 32515; and

Whereas the Agreement was subsequently amended on November 19, 2014 to further modify the Scope of Services to amend the RMA for CFD 2014-01 (Maintenance Services) to include tax rate areas for public landscape maintenance and operation of street lighting for commercial, industrial and multi-family developments and expanded the public landscape

maintenance tax rate areas for residential developments, as well as preparation of its future annexation area boundary map; and

Whereas, it is desirable to amend the Agreement to expand the Scope of Services to be performed by the Consultant as is more particularly described in Section 1 of this Third Amendment and in the Consultant's Proposals attached hereto as "Exhibit A" and incorporated herein by this reference;and

Whereas, it is desirable to amend the terms of payment of the Agreement to provide additional compensation for the expanded Scope of Services as more described in Exhibit A.

**SECTION 1 AMENDMENT TO ORIGINAL AGREEMENT:**

1.1 **Scope of Services:** Amend the Agreement to expand the Scope of Services to include preparation of the: Assessment Engineer's Report for LMD 2014-01 and 2014-02 for the fiscal year 2015/16 property tax levy; Assessment Engineer's Report to annex Tract 27251 into LMD 2014-02 as Zone 09; and boundary maps for special financing districts and for consultation on special district engineering services.

1.2 **Terms of Payment:** Amend the terms of payment to increase the not exceed compensation by an additional \$34,500, increasing the total Agreement amount from \$76,995 to \$111,495, as summarized below:

<b>3<sup>rd</sup> Amendment Scope of Services</b>	<b>Cost</b>
LMD 2014-01 & 02 Annual Report Preparation for FY 2015/16	\$13,000
LMD 2014-02, Zone 09 Annexation for Tract 27251	\$8,500
Professional services (consultation and map preparation)	\$13,000
<b>Proposed 3<sup>rd</sup> Amendment Costs</b>	<b>\$34,500</b>
<b>Agreement as Amended</b>	<b>\$76,995</b>
<b>Total Cost</b>	<b>\$111,495</b>

**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**

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

City of Moreno Valley

Willdan Financial Services

By: \_\_\_\_\_

By: \_\_\_\_\_

City Manager

Mark J. Risco

Title: President and CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

INTERNAL USE ONLY

APPROVED AS TO FORM:

By: \_\_\_\_\_

\_\_\_\_\_  
City Attorney

Title: \_\_\_\_\_

(Corporate Secretary)

\_\_\_\_\_  
Date

Date: \_\_\_\_\_

RECOMMENDED FOR APPROVAL:


\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Date

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**SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTANT SERVICES  
CFD/LLD/LMD FORMATIONS  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY**

This Second Amendment to the Agreement by and between the City of Moreno Valley, a municipal corporation, hereinafter referred to as "City," and Willdan Financial Services, Inc., a California corporation, hereinafter referred to as "Consultant" is made and entered into effective on the date signed by the City. 

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR CFD/LLD/LMD FORMATIONS," hereinafter referred to as "Agreement," dated February 10, 2014 for the purposes of providing Assessment Engineering and Special Tax Consulting Services.

Whereas, a First Amendment to the Agreement was executed on July 24, 2014, to establish future annexation boundaries and amend the Rate and Method of Apportionment for Community Facilities District No. 2014-01 (Maintenance Services).

Whereas, it is desirable to amend the Agreement to expand the Scope of the Work to amend the RMA to include adding additional tax rate areas (for arterial street lights and extensive landscape maintenance), and as an option if directed by the City, preparation of the annexation map, and update to the boundary map, as more fully described in Consultant's Proposal, attached hereto as Exhibit "A".

Whereas, it is desirable to increase the not to exceed compensation amount by \$8,200, which includes \$5,500 to amend the RMA to add a tax rate area, \$2,000 for an additional tax rate area, and at the option and direction of the City, \$450 for preparation of the first page of the annexation map and \$250 for the boundary map.

SECTION 1

1.1 Scope of Work. Amend the Scope of Work to include an amendment to the Rate and Method of Apportionment for CFD No. 2014-01 (Maintenance Services) as more fully described in Exhibit "A".

1.2 Terms of Payment. Amend the Terms of Payment to increase the not to exceed compensation from \$68,795 to \$76,995, an increase of \$8,200.

SECTION 2

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

**SIGNATURE PAGE TO FOLLOW**

SECOND AMENDMENT TO THE AGREEMENT  
ASSESSMENT ENGINEERING AND SPECIAL TAX CONSULTING  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY

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

City of Moreno Valley

By: \_\_\_\_\_

  
City Manager

Date: \_\_\_\_\_

11.19.14

Willdan Financial Services

By: \_\_\_\_\_

  
Mark J. Risco

Title: President and CEO

Date: \_\_\_\_\_

November 5, 2014

INTERNAL USE ONLY

APPROVED AS TO FORM:

  
City Attorney

11-18-14

Date

By: \_\_\_\_\_

  
Kate Nguyen

Title: Secretary

(Corporate Secretary)

Date: \_\_\_\_\_

November 5, 2014

RECOMMENDED FOR APPROVAL:

  
Department Head

11/18/14

Date

**EXHIBIT "A"**

**Willdan's Proposal, dated October 27, 2014**

October 27, 2014

Ms. Candace Cassel  
Special Districts Division Manager  
City of Moreno Valley  
14325 Frederick Street, Suite 9  
Moreno Valley, California 92552

Via Email:  
[candacec@moval.org](mailto:candacec@moval.org)

**RE: Letter Proposal to the City of Moreno Valley to Perform RMA Amendment and CFD Annexation Services for CFD 2014-01**

Dear Ms. Cassel:

Willdan Financial Services ("Willdan") is pleased to present this letter proposal to amend the Rate and Method of Apportionment (RMA) and provide Community Facilities District (CFD) annexation services for CFD 2014-01. The following contains Willdan's proposed scope of services and budget.

## Scope of Services

Outlined below are the steps necessary to amend the RMA for the CFD and to annex property into the CFD. Willdan understands that the City's legal counsel will create the applicable legal documents associated with this amendment. We further understand that the City will request the RMA to be amended from time to time, as needed. These documents include resolutions, public hearing notice and election materials.

## Scope of Work for Developing an Amended RMA for Existing Services

From time to time, the proposed annexation of new territory and developments to the CFD may warrant an amendment to the RMA to properly address the Special Tax Rate and/or method of apportionment for existing services that will be provided for new developments. As necessary, based on the existing improvement areas, funded services and maintenance, and proposed development(s), Willdan will perform the following tasks related to amending the RMA for existing services within CFD 2014-01 resulting from new or anticipated development and annexations.

### a. Research

- 1) Gather and research development specific information that may facilitate an amended RMA for the existing CFD services and improvements being funded (including the type of developed property, its proposed uses, services and improvement to be provided, and the boundaries of the affected parcels).
- 2) Work with City staff to develop and identify the anticipated full cost recovery budget and revenues that will be needed to fund the improvement and services being addressed by the amended RMA.
- 3) Create a database of parcels within the boundaries of the affected parcels, with appropriate land use and property ownership fields.

- 4) Develop a modified CFD special tax methodology and rate (RMA model) that addresses the specific improvements, property types and revenue needs associated with the proposed developments (annexation territory) that is not covered or adequately addressed in the current CFD structure and RMA.

**b. Prepare an Amended Rate and Method of Apportionment of Special Tax**

Willdan will prepare an amended RMA of Special Tax for the Resolution of Consideration.

Based on the preceding research, the affected parcel(s), improvement areas and services to be funded, and funding needs (revenues to be generated), Willdan will prepare the amended RMA of Special Tax for the Resolution of Consideration. To ensure that all considerations have been addressed, the proposed amended RMA will be discussed with the City.

**c. Intent Meeting/Public Hearing/Meeting Attendance**

Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

## **Scope of Work for Developing an Amended RMA for New Services**

If the proposed annexation of new territory and developments to the CFD warrant an amendment to the RMA to address new improvement types and/or services, or the City desires to expand the type of improvements and services currently addressed by the CFD Special Tax and method of apportionment, Willdan will perform the following tasks related to amending the RMA to incorporate those new improvements and/or services into CFD 2014-01.

**a. Research**

- 1) Gather and research development and improvement specific information that will be needed to prepare and facilitate an amended RMA for the new CFD services and improvements to be funded (including the type of developed property, its proposed uses, services and improvement to be provided, and the boundaries of the affected parcels).
- 2) Work with City staff to develop and identify the anticipated full cost recovery budget and revenues that will be needed to fund the improvement and services being addressed by the amended RMA.
- 3) Create a database of parcels within the boundaries of the affected parcels, with appropriate land use and property ownership fields.
- 4) Develop a modified CFD special tax methodology and rate (RMA model) that addresses the specific improvements, property types and revenue needs associated with the proposed developments (annexation territory) that will trigger the CFD structure and RMA modification.

**b. Prepare an Amended Rate and Method of Apportionment of Special Tax**

Willdan will prepare an amended RMA of Special Tax for the Resolution of Consideration.

Based on the preceding research, the affected parcel(s), the proposed improvements and services to be funded, and the anticipated funding needs (revenues to be generated), Willdan will prepare the amended



RMA of Special Tax for the Resolution of Consideration. To ensure that all considerations have been addressed, the proposed amended RMA will be discussed with the City.

**c. Intent Meeting/Public Hearing/Meeting Attendance**

Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

**Scope of Work for Annexation Services Utilizing Existing RMA**

Willdan will perform the following tasks to annex parcels into the City's CFD using the existing RMA.

**a. Project Kick Off to Resolution of Intention**

1) Project Kick-off

Following receipt of the City's authorization to proceed, we will discuss the annexation process and timeline with City staff, and identify any additional documents or information that may be needed. At the City's discretion, this discussion may include the developer/landowner and/or their representatives. As needed throughout the project, we will coordinate with City staff and as needed, with the developer(s), their consultant(s) and other outside agencies that may be directly involved in the project, to gather required information for the annexation proceedings.

- 2) Prepare boundary map of the proposed annexation area that meets the requirements of the Community Facilities Act. An electronic copy of the final boundary map will be provided in PDF for the City's review.
- 3) Review the resolution approving the boundary map and resolution of intention.
- 4) Once the map has been approved by City Council, Willdan will provide the amended CFD boundary map for recordation at the County.
- 5) Willdan will provide the City with an updated CFD boundary map showing the entire annexation for the City's records.

**b. Review of Annexation Documents**

- 1) Review Consent and Waiver forms, property owner ballots, and Public Hearing resolutions.

The required noticed publication of Public Hearing in the local newspaper is the responsibility of the City Clerk.

- 2) Review Notice of Special Tax Lien.

**c. Intent Meeting/Public Hearing/Meeting Attendance**

- 1) Willdan will attend the Intent Meeting and Public Hearing, in order to be available to answer questions associated with the annexation process. We will also attend up to one additional meeting.

**Client Responsibilities**

Willdan will rely on being able to obtain the following information from the City or the developer(s):

- Contact information for the developer/property owner, and specific contact person who will execute the petition, consent & waiver, and ballot documents.
- A listing of the properties to be included in the annexation area.

- Information regarding current zoning, existing land uses, and proposed property development, as required.
- Timing of anticipated building permit issuance and home sales.
- Either electronically or in hard copy, various maps or diagrams of the new development, improvements, or surrounding properties as needed.
- As needed, assist with obtaining pertinent development information from the developer.
- Review and approve the draft reports and resolutions before the final documents are prepared for the Council packets. This review is typically performed by the City Attorney. Requested changes shall be submitted to Willdan in writing.

The City acknowledges that Willdan shall be relying upon the accuracy of the information provided by the City, the County and developers and agrees that Willdan shall not be liable for any inaccuracies contained in such information.

## Budget

Based on our proposed Scope of Services, we propose the following fee schedule. These fees and rates are subject to an annual increase, which will not exceed the most recent change in the annual Consumer Price Index (CPI) for the "All Urban Consumers" Los Angeles – Anaheim – Riverside – San Bernardino region, as calculated by the United States Bureau of Labor Statistics.

Scope of Services Fee Schedule	
RMA Amendment for Existing Services (Tasks a, b, and c)	\$5,500 plus \$2,000 per RMA amendment scenario
RMA Amendment for New Services (Tasks a, b, and c)	\$9,500 plus \$2,000 per RMA amendment scenario
Annexation Utilizing Existing RMA (Tasks a and b)	\$7,500
Annexation with RMA Amendment	\$9,500 plus \$2,000 per RMA amendment scenario
Additional Meetings (Board, Staff, Committee, etc.)	\$200 per hour, \$600 minimum
Preparation of Annexation Map and Update of Boundary Map	\$450 for first page, \$250 per additional page

Please note:

- Our fee will not be contingent upon the outcome of the annexation process.
- The City will be billed monthly on a percentage of project completion basis.
- Our fees include all direct expenses associated with this service.





## Additional Services

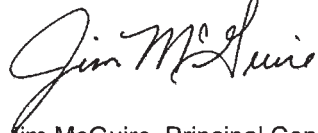
Additional services may be authorized by the City and will be billed at our then current hourly consulting rates. Our current hourly rates are:

Willdan Financial Services Hourly Rate Schedule	
Position	Hourly Rate
Group Manager	\$210
Principal Consultant	\$200
Senior Project Manager	\$165
Project Manager	\$145
Senior Project Analyst	\$130
Senior Analyst	\$120
Analyst	\$100
Analyst Assistant	\$75

We appreciate this opportunity to assist the City of Moreno Valley, and look forward to hearing from you. If you have any questions regarding our proposal, please contact me at (951) 587-3536 or via email at [jmcguire@willdan.com](mailto:jmcguire@willdan.com).

Very truly yours,

WILLDAN FINANCIAL SERVICES



Jim McGuire, Principal Consultant  
District Administration Services

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**FIRST AMENDMENT TO AGREEMENT  
FOR  
CONSULTANT SERVICES  
CFD/LLD/LMD FORMATIONS  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY**

The First Amendment to Agreement is by and between the CITY OF MORENO VALLEY, a municipal corporation, hereinafter referred to as "City," and Willdan Financial Services, Inc., (a California corporation), hereinafter referred to as "Consultant." This First Amendment to Agreement as made and entered into becomes effective upon the date signed by the City.

RECITALS:

Whereas, the City and Consultant entered into an Agreement entitled "AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR CFD/LLD/LMD FORMATIONS," hereinafter referred to as "Agreement," dated February 10, 2014.

Whereas, the Consultant is providing Assessment Engineering and Special Tax Consulting Services.

Whereas, it is desirable to amend the Agreement to expand the scope of the work to be performed by the Consultant as is more particularly described in Section 1 of this First Amendment.

Whereas, the Consultant has submitted a Proposal dated April 16, 2014 for expansion of the scope of work to be performed. A copy of said Proposal is attached as "Exhibit A-First Amendment" and is incorporated herein by this reference.

SECTION 1 AMENDMENT TO ORIGINAL AGREEMENT:

1.1 Exhibit "A" to the Agreement is hereby amended to cease completion of CFD formation for tract 32515 due to termination of formation of district. Actual fees incurred and

payable to Consultant for services performed prior to termination equal \$2,295, reducing the "Not-to-Exceed" fee by \$12,205.

1.2 Exhibit "A" to the Agreement is further amended to include Exhibit A to this First Amendment, which identifies the work plan, objectives, deliverables and timeline Consultant will be responsible to adhering to in the course of establishing CFD 2014-01, Annexation No.1 and includes Consultant's revised reduced fee amount of \$8,000.

1.3 Exhibit "C" to the Agreement is hereby amended by adding to the "TERMS OF PAYMENT" the fixed fee cost of \$8,000 as proposed by Consultant to perform services and provide deliverables associated with CFD 2014-01, Annexation No. 1 as described in Exhibit A to this First Amendment.

1.5 The total "Not-to-Exceed" fee for this Agreement is \$68,795 for the First Amendment to Agreement, representing \$73,000 for the original Agreement, less \$12,205 for termination of formation of CFD for tract 32515, plus an increase of \$8,000 for Annexation No. 1 to CFD 2014-01.


## 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**


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

City of Moreno Valley

By:   
City Manager

Date: 7.23.14

Willdan Financial Services

By:   
Mark J. Risco

Title: President and CEO

Date: July 16, 2014

INTERNAL USE ONLY

APPROVED AS TO FORM:

  
City Attorney

July 22, 2014  
Date

By:   
\_\_\_\_\_

Title: Secretary  
Kate Nguyen  
(Corporate Secretary)

Date: July 17, 2014

RECOMMENDED FOR APPROVAL:

  
Department Head

7/22/14  
Date

Attachments: Exhibit A



April 16, 2014

Ms. Candace Cassel  
Special Districts Division Manager  
City of Moreno Valley  
14325 Frederick Street, Suite 9  
Moreno Valley, California 92552

**Re: Scope of Services and Fee for CFD 2014-1, Annexation No. 1**

Dear Ms. Cassel;

The following outlines Willdan Financial Services (Willdan) scope of services and fee to assist with the CFD 2014-1, Annexation No. 1.

Willdan Financial Services appreciates this opportunity to continue to serve the City of Moreno Valley. If you have any questions regarding this proposal, please contact me directly at (951) 587-3546 or via email to [SMedina@willdan.com](mailto:SMedina@willdan.com).

Sincerely,

WILLDAN FINANCIAL SERVICES

A handwritten signature in black ink, appearing to read 'Susana Medina', is written over the typed name.

Susana Medina, Project Manager  
District Administration Services

**EMAILED**

## Scope of Work

Below, Willdan has prepared a detailed work plan that addresses objectives and deliverables. Willdan will coordinate with City staff and City's legal counsel for each required task.

### Kick Off to Resolution of Intention

Following receipt of the City's authorization to proceed, we will discuss the annexation process with City staff, and identify additional documents or information that may be needed. At the City's discretion, this discussion may include the developer/landowner and/or their representatives. As needed throughout the project, we will coordinate with City staff and directly with developers, their consultants and other outside agencies involved in the project, to gather required information for the annexation proceedings.

Willdan will prepare or review the necessary resolution.

Willdan will prepare the annexation boundary maps of the proposed Annexation No. 1 and future annexation area that meets the requirements of the Community Facilities Act. An electronic copy of the final boundary map will be provided in PDF, as well as the required hardcopies for recordation at the County.

### Resolution of Intention to Public Hearing

Willdan will prepare the following documents: consent and waiver forms; notices, ballots, and prepare or review the resolution for the Public Hearing.

**The required noticed publication of Public Hearing in the local newspaper is the responsibility of the City Clerk.**

Willdan will prepare or review the Notice of Special Tax Lien.

Willdan will coordinate the recordation of the Notice of Special Tax Lien after successful annexation to the CFD. The list of parcels included in the annexation area will be provided to the City in the appropriate format.

### RMA Amendment

Willdan will amend the Rate and Method of Apportionment of Special Tax (RMA) as necessary to account for any needed additions to cover Annexation No. 1 requirements.

### Public Hearing/Meeting attendance

Willdan will attend the Intent Meeting and Public Hearing, as well as up to two additional meetings. Conference calls are unlimited.

### Client Responsibilities

Willdan will rely on being able to obtain the following information from the City or the developer(s):

- Information regarding current zoning, existing land uses, and proposed property development, as required.
- As necessary, a copy of the City's Goals and Policies with regard to the formation of CFDs.
- Either electronically or in hard copy, various maps or diagrams of the new development, improvements, or surrounding properties as needed. These maps and diagrams may include development boundary maps, general plan maps, improvement plans, zoning maps, assessor parcel maps, subdivision maps, or related development diagrams.
- As needed, assist with obtaining pertinent development information from the property owner/developer.



- Review and approve the draft reports and resolutions before the final documents are prepared for the Council packets. This review is typically performed by the City Attorney. Requested changes shall be submitted to Willdan in writing.
- The City acknowledges that Willdan shall be relying upon the accuracy of the information provided by the City, the County and developers and agrees that Willdan shall not be liable for any inaccuracies contained in such information.

### **Legal Opinions**

In preparing the resolutions, petitions, consent and waiver documents and the notices and ballots, Willdan will provide our professional expertise. Since we do not practice law, we ask that your City Counsel review and approve the documents. We will assist your attorney in identifying any pertinent legal issues.



## Fees for Services

Based on our work plan, we propose a **fixed fee of \$10,000**.

**Please note:**

- Our fee will not be contingent upon the outcome of the annexation process.
- The City will be billed on a *monthly* percentage-completion basis.
- Our fees include all direct expenses associated with this service.

### Additional Services

Additional services may be authorized by the City and will be billed at our then-current hourly overhead consulting rates. Our current hourly rates are:

Willdan Financial Services Hour Rate Schedule	
Position	Hourly Rate
Group Manager	\$210
Principal Consultant	\$200
Senior Project Manager	\$165
Project Manager	\$145
Senior Project Analyst	\$130
Senior Analyst	\$120
Analyst	\$100
Assistant Analyst	\$75



## Candace Cassel

---

**From:** Susana Medina <medins@willdan.com>  
**Sent:** Thursday, April 17, 2014 11:24 AM  
**To:** Jennifer Terry  
**Cc:** Jim McGuire; Candace Cassel  
**Subject:** RE: Moreno Valley CFD Annexation No. 1

Hi Terry:

We can reduce the fee to \$8,000 if we are not preparing those documents. Would you like us to review them or just go with what is provided?

-Susana Medina

---

**From:** Jennifer Terry [<mailto:jennifert@moval.org>]  
**Sent:** Wednesday, April 16, 2014 5:32 PM  
**To:** Susana Medina  
**Cc:** Jim McGuire; Candace Cassel  
**Subject:** RE: Moreno Valley CFD Annexation No. 1

How would the cost you provided vary if certain documents (resolutions, consent and waiver, notice, ballot, and notice of special tax lien) were prepared by others?

**Jennifer A. Terry**  
Management Analyst | City of Moreno Valley

p: 951.413.3505 | e: [jennifert@moval.org](mailto:jennifert@moval.org) | w: [www.moval.org](http://www.moval.org)

14331 Frederick Street, Suite 2, Moreno Valley CA 92553

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**From:** Susana Medina [<mailto:medins@willdan.com>]  
**Sent:** Wednesday, April 16, 2014 1:27 PM  
**To:** Candace Cassel; Jennifer Terry  
**Cc:** Jim McGuire  
**Subject:** Moreno Valley CFD Annexation No. 1

Hello Candace and Jennifer:

Attached please find the proposal for Annexation No. 1 into CFD 2014-1 and the revised timeline, which can be modified to your preference.

Please let me know when you'll like to schedule a kickoff for this project.

Thank you,

Susana Medina  
Project Manager

**Willdan Financial Services**  
*Celebrating 50 years of service*

27368 Via Industria, Suite 110

Temecula, California 92590  
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**AGREEMENT FOR PROFESSIONAL  
CONSULTANT SERVICES  
PROJECT NO. SPECIAL DISTRICTS 2014-15 LEVY  
CFD/LLD/LMD FORMATIONS**

This Agreement is by and between the City of Moreno Valley, California, a municipal corporation, hereinafter described as "City," and Willdan Financial Services, Inc., a (California corporation) hereinafter described as "Consultant." This Agreement is made and entered into effective on the date the City signs this Agreement.

**RECITALS**

WHEREAS, the City has determined it is in the public interest to proceed with Assessment Engineering and Special Tax Consulting services for the purpose of forming certain Community Facility Districts (CFDs), Local Lighting Districts (LLDs) and Landscape Maintenance Districts (LMDs) hereinafter described as "Project"; and

WHEREAS, the City has determined the Project involves the performance of professional and technical services of a temporary nature as more specifically described in Exhibit "A" (Consultant's Proposal) attached hereto; and

WHEREAS, the City does not have available employees to perform the services for the Project; and

WHEREAS, the City has requested the Consultant to perform such services for the Project; and

WHEREAS, the Consultant is professionally qualified in California to perform the professional and technical services required for the Project.

THEREFORE, the City and the Consultant, for the consideration hereinafter described, mutually agree as follows:

**DESCRIPTION OF PROJECT**

1. The Project is described as Assessment Engineering and Special Tax Consulting Services.

**SCOPE OF SERVICES**

2. The Consultant's scope of service is described on Exhibit "A" attached hereto and incorporated herein by this reference.

3. The City's responsibility is described on Exhibit "B" attached hereto and incorporated herein by this reference.

4. The Consultant shall provide Assessment Engineering and Special Tax Consulting Services in accordance with the agreed upon timelines for all work necessary to form each of the Districts as described within Consultant's scope of services. The formation of the CFD for Tract 32515, as described in Exhibit A, is contingent upon the City's receipt of developer funds to finance CFD district formation.

**PAYMENT TERMS**

5. The City agrees to pay the Consultant and the Consultant agrees to receive a "Not-to-Exceed" fee of \$73,000 plus mailing costs in accordance with the payment terms provided on Exhibit "C" attached hereto and incorporated herein by this reference.

**TIME FOR PERFORMANCE**

6. The Consultant shall commence services upon receipt of written direction to proceed from the City.

7. The Consultant will perform the work as described on and in accordance with the schedule set forth on Exhibit "A" attached hereto providing however, that the timeline for the maintenance CFD relating to Tract 32515 will be dependent upon the developer's deposit of funds

with City to cover formation costs. The City will provide Consultant written authorization to proceed once funding is available, and the proposed timeline will be adjusted accordingly.

8. The Consultant and the City agree that the schedule in Paragraph 7 above represents their best estimates with respect to completion dates, and both the Consultant and the City acknowledge that it will not unreasonably withhold approval of the Consultant's requests for extensions of time in which to complete the work required of the Consultant hereunder.

9. The Consultant shall not be responsible for performance delays caused by others or delays beyond the Consultant's reasonable control, and such delays shall extend the time for performance of the work by the Consultant. Delays caused by non-performance or unjustified delay in performance by a subconsultant of the Consultant are not considered to be beyond the Consultant's reasonable control.

10. (a) The Consultant agrees that the personnel, including the principal Project Manager, and all subconsultants assigned to the Project by the Consultant, shall be subject to the prior approval of the City.

(b) No change in subconsultants or key personnel shall be made by the Consultant without written prior approval of the City.

#### **SPECIAL PROVISIONS**

11. It is understood and agreed that the Consultant is, and at all times shall be, an independent contractor and nothing contained herein shall be construed as making the Consultant or any individual whose compensation for services is paid by the Consultant, an agent or employee of the City, or authorizing the Consultant to create or assume any obligation or liability for or on behalf of the City.

12. The Consultant may also retain or subcontract for the services of other necessary

consultants with the prior written approval of the City. Payment for such services shall be the responsibility of the Consultant. Any and all subconsultants employed by the Consultant shall be subject to the terms and conditions of this Agreement, except that the City shall have no obligation to pay any subconsultant for services rendered on the Project.

13. The Consultant and the City agree to use reasonable care and diligence to perform their respective services under this Agreement. Unless hereinafter specified, neither party shall be responsible for the services of the other or any subcontractor or sub-consultant employed by the other party.

14. The Consultant shall comply with applicable federal, state, and local laws in the performance of work under this Agreement.

15. (a) The Consultant agrees to indemnify, defend, and save 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 liability, claims, demands, damages, or injuries to any person, including injury to the Consultant's employees and all claims which arise from or are connected with the negligent performance of or failure to perform the work or other obligations of the Consultant under this Agreement, or are caused or claim to be caused by the negligent acts of the Consultant, its officers, agents or employees, or its subconsultant(s) or any person acting for the Consultant or under its control or direction; provided, however, that this indemnification and hold harmless shall not include claims arising from the sole negligence or willful misconduct of the City, the Housing Authority, and CSD, their officers, agents or employees.

(b) The City agrees to indemnify, defend and save the Consultant and their officers, agents and employees harmless from any and all liability, claims, damages or injuries to any person, including injury to the City's, Housing Authority's and CSD's employees and all claims



which arise from or are connected with the negligent performance or failure to perform the services or other obligations of the City under this Agreement, or are caused or claim to be caused by the negligent acts of the City, the Housing Authority and CSD, their officers, agents or employees, or its subcontractor(s) or any person acting for the City or under its control or direction; provided, however, that this indemnification and hold harmless shall not include any claims arising from the negligence or willful misconduct of the Consultant, its officers, agents, or employees.

16. (a) The Consultant shall procure and maintain, at its sole expense, throughout the term of this Agreement and any extension thereof, Professional Errors and Omissions Insurance coverage in the form and substance and with carriers acceptable to the City. Such coverage limits shall not be less than \$1,000,000 per claim and aggregate.

(b) During the entire term of this Agreement, the Consultant agrees to procure and maintain General Liability Insurance in form and substance and with carriers acceptable to the City at its sole expense to protect against loss from liability imposed by law for damages on account of bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomever, resulting directly or indirectly from any act or activities of the Consultant its sub-consultant or any person acting for the Consultant or under its control or direction, and also to protect against loss from liability imposed by law for damages to any property of any persons caused directly or indirectly by or from acts or activities of the Consultant or its subconsultants, or any person acting for the Consultant or under its control or direction.

(c) Such General Liability Insurance shall be maintained in full force and effect throughout the terms of the Agreement and any extension thereof in the minimum limits provided below:

	<u>General Liability</u>
Bodily Injury	\$1,000,000 per occurrence
Property Damage	\$ 500,000 per occurrence

A combined single limit policy with aggregate limits in the amount of \$2,000,000 will be considered equivalent to the above minimum limits.

(d) If the operation under this Agreement results in an increased or decreased risk in the opinion of the City Manager, then the Consultant agrees that the minimum limits hereinabove designated shall be changed accordingly upon request by the City Manager.

(e) The Consultant shall procure and maintain, at its sole expense, and throughout the term of this Agreement and any extension thereof, Public Liability and Property Damage Insurance coverage for owned and non-owned automotive equipment operated on City premises. Such coverage limits shall not be less than \$1,000,000 combined single limit.

(f) The Consultant shall procure and maintain, at its sole expense, Workers' Compensation Insurance in such amounts as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the Consultant and the City, the Housing Authority and CSD against any loss, claim, or damage arising from any injuries or occupational diseases happening to any worker employed by the Consultant in the course of carrying out the Agreement.

(g) The City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents shall be named as additional insured on all policies of insurance except errors and omissions and worker's compensation.

(h) A Certificate of Insurance and appropriate additional insured endorsement

evidencing the above insurance coverage shall be submitted to the City Clerk prior to the execution of this Agreement on behalf of the City.

(i) The Certificate of Insurance or an appropriate binder shall bear an endorsement containing the following provisions:

"Solely as respect to services done by or on behalf of the named insured for the City of Moreno Valley, it is agreed that the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, their officers, employees and agents are included as additional insured under this general liability policy and the coverage(s) provided shall be primary insurance and not contributing with any other insurance available to the City of Moreno Valley, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, its officers, employees and agents, under any third party liability policy."

(j) Insurance companies providing insurance hereunder shall be rated (A minus: VII - Admitted) or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

(k) The terms of the insurance policy or policies issued to provide the above insurance coverage shall not be amended to reduce the above required insurance limits and coverages nor shall such policies be canceled by the carrier without thirty (30) days prior written notice by certified or registered mail of amendment or cancellation to the City, except that cancellation for non-payment of premium shall require ten (10) days prior written notice by certified or registered mail. In the event the said insurance is canceled, the Consultant shall, prior to the cancellation date, submit to the City Clerk new evidence of insurance in the amounts established.

17. During the performance of this Agreement, the Consultant will not unlawfully discriminate against any employee or applicant for employment because of race, religion, creed, color, national origin, sex, or age. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, religion, creed, color, national origin, sex, or age.

18. Consultant and subconsultants shall pay prevailing wage rates when required by the Labor Laws of the State of California.

19. (a) The Consultant shall deliver to the Chief Financial Officer of the City or their designated representative, fully completed and detailed project-related documents which shall become the property of the City. The Consultant may retain, for its files, copies of any and all material, including drawings, documents, and specifications, produced by the Consultant in performance of this Agreement.

(b) The Consultant shall be entitled to copies of all furnished materials for his files and his subconsultants, if any.

(c) The City agrees to hold the Consultant free and harmless from any claim arising from any unauthorized use of computations, maps, and other documents prepared or provided by the Consultant under this Agreement, if used by the City on other work without the permission of the Consultant. Consultant acknowledges that Consultant work product produced under this agreement may be public record under State law.

20. (a) The City may terminate this Agreement without fault on the part of the Consultant by giving at least ten (10) days written notice to the Consultant. The written notice shall specify the date of termination. Upon receipt of such notice, the Consultant may continue services on the project through the date of termination, provided that no service(s) shall be

commenced or continued after receipt of the notice, which is not intended to protect the interest of the City. The City shall pay the Consultant within thirty (30) days after the date of termination for all non-objected to services performed by the Consultant in accordance herewith through the date of termination. Such termination may be effective immediately.

(b) Either party may terminate this Agreement for cause. In the event the City terminates this Agreement for cause, the Consultant shall perform no further service(s) under the Agreement unless the notice of termination authorizes such further work.

21. This Agreement is binding upon the City and the Consultant and their successors and assigns. Except as otherwise provided herein, neither the City nor the Consultant shall assign, sublet, or transfer its interest in this Agreement or any part thereof without the prior written consent of the other.

22. A City representative shall be designated by the City and a Consultant representative shall be designated by the Consultant. The City representative and the Consultant representative shall be the primary contact person for each party regarding performance of this Agreement. The City representative shall cooperate with the Consultant, and the Consultant's representative shall cooperate with the City in all matters regarding this Agreement and in such a manner as will result in the performance of the services in a timely and expeditious fashion.

23. This Agreement represents the entire and integrated Agreement between the City and the Consultant, and supersedes all prior negotiations, representations or Agreements, either written or oral. This Agreement may be modified or amended only by a subsequent written Agreement signed by both parties.

24. Where the payment terms provide for compensation on a time and materials basis, the Consultant shall maintain adequate records to permit inspection and audit of the Consultant's

time and materials charges under this Agreement. The Consultant shall make such records available to the City at the Consultant's office during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records. Except as may be otherwise required by law, such records will be available only to the City. Such records shall be maintained by the Consultant for three (3) years following completion of the services under this Agreement.

25. The City and the Consultant 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.

26. The Consultant shall employ no City official or employee in the work performed pursuant to this Agreement. No officer or employee of the City shall have any financial interest in this Agreement in violation of federal, state, or local law.

27. All plans, drawings, Specifications, reports, logs, and other documents prepared by the Consultant in its performance under this Agreement shall, upon completion of the project, be delivered to and be the property of the City, provided that the Consultant shall be entitled, at its own expense, to make copies thereof for its own use.

28. The laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement, and shall also govern the interpretation of this Agreement. Venue shall be vested in the Superior Court of the State of California, County of Riverside.

**SIGNATURE PAGE FOLLOWS**

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

City of Moreno Valley

BY:

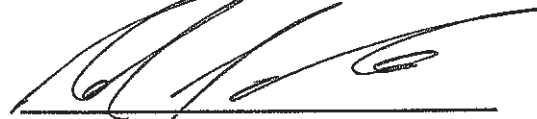
  
\_\_\_\_\_  
City Manager

2.10.14

\_\_\_\_\_  
Date

Willdan Financial Services

BY:


  
\_\_\_\_\_  
Mark J. Risco

TITLE: President and CEO

January 3, 2014

\_\_\_\_\_  
Date

BY:

  
\_\_\_\_\_  
Kate Nguyen

TITLE: Secretary

1/16/14

\_\_\_\_\_  
Date

**INTERNAL USE ONLY**

APPROVED AS TO LEGAL FORM:

  
\_\_\_\_\_  
City Attorney

2.6.14

\_\_\_\_\_  
Date

RECOMMENDED FOR APPROVAL:

  
\_\_\_\_\_  
Department Head

2/6/14

\_\_\_\_\_  
Date

**EXHIBIT A**

**SCOPE OF SERVICES**



November 4, 2013

Ms. Candace Cassel  
Special Districts Division Manager  
City of Moreno Valley  
14325 Frederick Street, Suite 9  
Moreno Valley, California 92552

**Re: Scope and Fee to Provide Assessment Engineering and Special Tax Consulting Services to the City of Moreno Valley**

Dear Ms. Cassel:

Per our prior discussion, the following outlines Willdan Financial Services' (Willdan) scope of services and fee to provide Assessment Engineering and Special Tax Consulting Services to the City of Moreno Valley.

We appreciate this opportunity to continue to serve the City and look forward to hearing from you. Please feel free to contact Mr. Jim McGuire, Senior Project Manager, directly at (951) 587-3536 or via email at [jmcguire@willdan.com](mailto:jmcguire@willdan.com) if you have any questions regarding our proposal.

Sincerely,

Willdan Financial Services



Gladys Medina  
Vice President – Group Manager

Enclosure

# Scope of Services

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The following is Willdan Financial Services ("Willdan") scope of services to provide Assessment Engineering and Special Tax Consulting Services to the City of Moreno Valley ("City").

We want to ensure that our scope is responsive to the City's needs and specific circumstances. Willdan will work with the City to revise the tasks based on input prior to receipt of a notice to proceed, and as needed during the course of the project.

## Engineering Services for New Assessment Districts

### Task A.1: Prepare Updated Property and Ownership Information

Using base electronic parcel information, assessment data and the current CSD Zone structure, Willdan will update the parcel database with the County Assessor's Office secured roll data currently available to identify any parcel discrepancies and to incorporate updated property changes, as well as ownership and mailing information. This information will be enhanced through parcel research and specific information provided by the City. This data will then be incorporated into our model to update and fully develop the appropriate method of apportionment and assessments for each parcel. When finalized, this parcel specific data will be used to generate the assessment roll for the Engineer's Report. We will provide the City with a copy of this database.

### Task A.2: Develop the District Budget

Willdan will work with City staff to identify and incorporate an accurate full cost recovery estimate for the improvements (including annual maintenance costs and utilities; foreseeable capital projects; and long-term replacement and rehabilitation costs). Recognizing that there is inherently some general benefit associated with landscaping and lighting, we will work with the City to clearly identify and separate those improvements and/or costs that are considered general benefit and those costs that may be assessed as special benefit.

Furthermore, since the assessment amount will mirror that currently assessed by the Zone being converted, we will identify the funded and unfunded costs associated with the improvements provided. These amounts will be documented in the Engineer's Report.

### Task A.3: Developing the Assessments

Based on the findings and discussions of the previous tasks, Willdan will review the assessment amounts currently levied within the applicable Zone to be converted, as well as the cost allocation of the budgeted improvements, and the method of apportionment to be applied based on proportional special benefits.

As a working tool for the City once we have completed the assessment scenarios, Willdan will prepare and distribute a Summary Memorandum of the proposed assessments. This document will outline and summarize the proposed assessment rates and assessment revenues by land use classification and zone based on an estimate for the full cost recovery budget. This memorandum will serve as a tool in formulating the initial public outreach efforts. Ultimately, the district structure, the budget, the method of apportionment, and assessments that are finalized with City staff will be incorporated into the Engineer's Report.

#### **Task A.4: Prepare Engineer's Report**

In accordance with the Landscaping and Lighting Act of 1972 and Article XIID of the California Constitution (Proposition 218), Willdan will prepare the Engineer's Report for the assessments and modifications (if applicable) that will be presented to City Council, including the following items:

- Plans and specifications that describe the ongoing maintenance and operation of the landscaping/lighting to be maintained.
- Method of apportionment that outlines the special benefit conferred on properties within the proposed district from the maintenance and the calculations used to establish each parcel's proportional special benefit assessment. As well as a description of the assessment range formula, if applicable, establishing the maximum assessment rate in subsequent fiscal years.
- The budget that outlines the costs and expenses to provide maintenance, including incidental expenses authorized by the 1972 Act.
- Assessment diagram that identifies the boundaries of the proposed district.
- The assessment roll which contains each Assessor Parcel Number and their proportional maximum assessment.
- An affidavit stating the report has been prepared by a professional engineer.

Prior to the scheduled Intent Meeting, Willdan will provide the City with an electronic copy of the Engineer's Report for City staff review and comment. When finalized with City staff, a final electronic version and two hardcopies of the report will be provided to the City that the City Clerk may incorporate into the Council agenda package. The proposed assessment roll that is typically incorporated into the Engineer's Report may be provided to the City as a separate document or electronic file.

#### **Task A.5: Prepare Resolutions**

Willdan anticipates drafting the following resolutions for City review and implementation:

- **Intent Meeting Resolutions:**
  - Resolution Initiating Proceedings, which calls for the preparation of the Engineer's Report (this resolution could be adopted at an earlier Council Meeting if desired); and
  - Resolution of Intention, which preliminarily approves the Engineer's Report; confirms the proposed assessments outlined in the Report; and sets the Public Hearing date.

▪ **Public Hearing Resolutions:**

- Resolution approving the Engineer's Report; and
- Resolution confirming the assessment diagram and assessments as approved, and orders the levy and collection of assessments for the upcoming fiscal year.

Willdan will provide the draft resolutions to City staff prior to the City Council agenda deadline for review and comment. All draft resolutions should be reviewed by the City Attorney for form and content prior to finalizing these documents for City Council action.

**Task A.6: Meetings and Support**

The following are support services Willdan will provide to the City with respect to the assessment process:

- Attend the City Council Intent Meeting and be available to answer questions regarding the Engineer's Report and Proposition 218.
- At the City's request, Willdan will review and comment on the staff reports prepared by the City in connection with the proposed assessment proceedings (Intent Meeting and Public Hearing staff reports).
- After the initial presentation to the City Council (Intent Meeting), if necessary, update the Engineer's Report to reflect changes ordered by the City Council prior to the Public Hearing.

In total, Willdan will attend up to three meetings for each formation in performance of the outlined scope of work. It is anticipated that meeting attendance will include two City Council meetings (the Intent Meeting and Public Hearing) and one Finance Subcommittee meeting, if requested.

**Task A.7: Mailing of Notices**

It is anticipated that initially new assessment districts will be formed to replace the current CSD Zone B and Zone E charges without increasing assessments. While such a change will not trigger a Proposition 218 ballot proceeding, we anticipate that the City will opt to mail notices of the public hearings to the affected property owners, although the law does not specifically address this type of noticing.

Willdan will prepare a draft of the Notice to be mailed to each property owner. A draft copy will be sent to the City for review and comment by City staff and/or the City Attorney. Based on written comments and edits received, a final sample of the document will be prepared and provided to the City, prior to the actual printing of the documents. At the City's request, Willdan will print and mail the approved notices. The cost associated with this task will be in addition to the quoted fees for services.

It is anticipated that the text of the Notice will be the same for each affected parcel and will not contain parcel specific information. The Notice will also likely include general zone information.

**City Responsibilities**

We will rely on being able to obtain the following information from the City of Moreno Valley, in order to perform the Assessment Engineering Services identified above.

- Provide GIS shape files identifying the location of the applicable lighting and landscaping.
- As needed, provide pertinent documentation associated with the maintenance, improvements, and budget information including, but not limited to, estimated cost variances between City owned versus Edison owned lights (if applicable), capital expenditures to be funded by the assessments, City overhead, available funding from other sources that may be used to offset costs, as well as any legal opinions or comments associated with this project.
- Prepare internal memorandums, staff reports and other supporting documents necessary for City Council agendas.
- Arrange for any required publications notice of Council meetings or Public Hearings in the local newspaper.
- Review the draft reports and resolutions before the final documents are prepared for the Council packets. This review will most certainly include City staff but should be closely reviewed by the City's legal counsel. Requested changes shall be submitted to Willdan in writing.
- Provide copies of current contracts associated with landscaping and lighting, in order to utilize actual numbers for budgeting purposes.

The City of Moreno Valley acknowledges that Willdan shall rely upon the accuracy of the information provided by the City and the County and agrees that Willdan shall not be liable for any inaccuracies contained in such information.

**Legal Opinions.** In preparing the Engineer's Report and resolutions, Willdan will provide our professional expertise. Since we do not practice law, we ask that your City attorney, or other designated counsel, review the documents. We will assist your attorney in identifying any pertinent legal issues.

## **Special Tax Consulting for New Maintenance CFDs**

If determined that the formation of a Community Facilities District (CFD) is a more viable option than the formation of an assessment district outlined below are the associated tasks.

### **Task B.1: Review the City's Goals and Policies**

Willdan will review the City's existing CFD Goals and Policies, and identify possible modifications or areas for discussion with the City and finance team.

Willdan will consult with City staff to identify policy objectives for the CFD formation. We will provide the City the benefit of our experience throughout the state with CFD formations, and discuss with staff any possible enhancements to the existing Goals and Policies to ensure the feasibility of the CFD.

### **Task B.2 Preliminary Tax Spread Analysis and Development of Tax Methodology**

A preliminary pro forma of the CFD's revenues and estimated expenses (based upon preliminary estimates, as available) will be presented for evaluation and discussion. We will construct a special tax analysis that will be designed to identify the special tax revenue that can be generated from various types of property proposed for the district. The analysis will incorporate proposed uses and we will utilize pricing and market data to determine proposed tax burdens. Also, with the City's guidance, we will assure that

the tax burden associated with this proposed CFD does not exceed the overall effective tax rate indicated in the City's Goals and Policies. The analysis will be based upon available product mix data, market research, discussions with property owners and developers, as well as with the City. Once we complete the special tax revenue projection, we will use this to create the special tax methodology that will be included in the Rate and Method of Apportionment (RMA). The maximum proposed special taxes will be designed to generate sufficient revenue to meet CFD objectives and fairly tax expected properties consistent with established development requirements and policies.

Based on gathered information, Willdan will begin to prepare a preliminary special tax evaluation. As appropriate, an overlapping tax analysis and maximum special tax coverage computations may be included. If required, the analysis will incorporate multiple improvement areas. As necessary, we will prepare calculations from our database, including:

- Special tax runs identifying maximum expected special tax coverage; and comparing maximum special tax rates, to the necessary estimated amount to pay operating and maintenance costs for improvements, including scenarios identifying the impact of an escalating special tax (if appropriate).
- Development-to-special tax computations for each parcel or development area, and (if necessary) differentiating between developed and undeveloped properties.
- Effective tax rate schedules denoting projected parcel tax rate resulting from the new special tax.

If requested, Willdan will prepare multiple spreads that are based upon different maintenance/improvement assumptions. If there is not sufficient revenue to cover each of the proposed services/improvements, we will suggest alternative approaches. Willdan will also develop special tax categories for property types within the CFD.

The tax rates will also be set in conjunction with an evaluation of what is supportable and acceptable for the development project, and within the area as a whole.

Develop the special tax structure for the RMA based on the boundaries of the CFD, improvements and maintenance to be funded, proposed development, and effective tax rate limitations. An analysis will be required to determine an equitable spread of the overall burden, taking into account the nature of the improvements and the area that they will serve.

### **Task B.3: Rate and Method of Apportionment of Special Tax**

An RMA of Special Tax will be prepared and, if necessary, will include improvement areas and/or tax zones. By this means, maintenance costs for properties within the CFD will be equitably apportioned. The RMA will clearly describe the special tax methodology developed in the preceding step, the associated definitions, priority and method by which properties in the CFD will be taxed, the special tax rates for each property type, and contain all other information (as required) by the Mello-Roos Community Facilities Act of 1982.

Willdan will prepare the boundary map that will eventually be recorded along with the Notice of Special Tax, as well as prepare necessary documents for the City Council meeting to adopt the Resolution of Intention, including the petition, RMA, and map. We can also provide draft or sample Resolution of Intention documents for review by the City Attorney or designated legal counsel.

#### **Task B.4: Community Facilities District Report**

Willdan will prepare a preliminary CFD Report that includes a description of the improvements and maintenance to be funded, related cost estimates, incidental expenses, the RMA, and other information necessary to meet the requirements of the Mello-Roos Community Facilities Act. Willdan will present the CFD Report to the City Council and field questions received at the Public Hearing. The CFD Report will include the following components:

- A description of the proposed services to be funded;
- Cost estimates for maintenance and improvements; and
- A projection and explanation of the annual special tax rates by special tax classification for each year that services are funded.

#### **Task B.5: Document Review and Preparation**

For the City's review and comment, Willdan will prepare drafts of the required resolutions, petitions, Consent and Waiver documents, and notices/ballots. As we do not practice law, we ask that your attorney, or other designated counsel, review the documents. We will, however, assist your attorney in identifying pertinent legal issues and modifications necessary before the documents are implemented. If the City is unable to garner 100 percent consent waiver from the affected property owners and a regular special tax election is required, the City attorney will be responsible for preparing and coordinating the required impartial analysis and ballot arguments.

After successful formation of the CFD, Willdan will then coordinate the recordation of the "Notice of Special Tax Lien."

In total, Willdan will attend up to three meetings per formation: two City Council meetings to present the Resolution of Intention, Resolution of Formation, and the Public Hearing; and one Finance Subcommittee meeting, if requested.

#### **City Responsibilities**

- Willdan shall rely on obtaining from the City the following information:
- Copy of the City's current CFD Goals & Policies.
- Information regarding property to be included in the CFD formation and potential future annexation areas.
- Information regarding tax rates to be imposed on development in accordance with negotiated agreements between the City and various developers.
- Detailed development or property information for proposed CFD boundaries, including GIS maps of proposed project area (if applicable).
- Information regarding services to be provided and their related cost estimates.
- Property owner information (as needed).

# Fee for Services

We will provide Assessment Engineering and Special Tax Consulting Services for the price ranges presented below. These fee ranges are based upon a typical special district formation project.

City of Moreno Valley Fee for Services	
Facilities Community Facilities District	\$18,500 – \$35,000
Maintenance or Service Community Facilities District	\$14,500 – \$26,500
Assessment Maintenance District	\$13,500 – \$27,500

A not-to-exceed fee will be provided when a specific formation project has been identified. In order to accurately quote the project, the following elements will need to be provided:

- Estimated project timeline;
- Development type (i.e. residential, commercial, retail, etc.);
- The location, extent and nature of the improvements (or services) to be funded;
- Availability of cost information related to the improvements to be funded, or the extent to which Willdan will assist in developing these estimates;
- Mix and pricing of products within each type of development;
- Number of meetings anticipated, and level of effort for stakeholder outreach and communication; and
- Information regarding potential phasing of bond issuances for larger bond amounts.

Please note the following:

- Our not-to-exceed fees are based on an hourly basis.
- ***Our fee will not be contingent on the outcome of the formation of the special district.***
- Our fees above do not include mailing costs (printing, processing and postage) for any notices and/or ballots. These costs are estimated at \$1.00 per parcel for each mailing. Any outreach or educational materials would be separate mailings.
- We will invoice the City monthly based on agreed upon deliverables and percentage of project completion.



## FY 2013/2014 Projects for Levy in FY 2014/15

Listed below are the projects that are anticipated to be completed prior to the levy of assessments, taxes and charges for fiscal year 2014/2015 as well as the associated fee for each. Willdan proposes a **not-to-exceed fee of \$73,000 for the work identified below.**

**Formation of CFD No. 2014-01:** CFD for Citywide Landscape Maintenance (incorporating Tract No. 31618 initially)  
**Fee: \$14,500 – \$19,500**

**Formation of CFD No. 2014-02:** CFD for Channel Maintenance (incorporating Tract No. 32515 only)  
**Fee: \$14,500**

**Formation of Landscape Maintenance District No. 01:** Conversion of CSD Zone E to a 1972 Act Landscaping and Lighting District (no balloting for first fiscal year, incorporating those parcels currently in CSD Zone E that can be converted without triggering the balloting process and/or possessing other benefit-related issues that need to be addressed)  
**Fee: \$24,000**

**Formation of Local Lighting District No. 01:** Conversion of CSD Zone B to a 1972 Act Landscaping and Lighting District (no balloting for first fiscal year, incorporating those parcels currently in CSD Zone B that can be converted without triggering the balloting process and/or possessing other benefit-related issues that need to be addressed)  
**Fee: \$15,000**

### Willdan Hourly Rates

Additional services to be provided by Willdan that are authorized by the City of Moreno Valley will be billed at our current hourly billing rates.

Willdan Financial Services Hourly Rate Schedule	
Position	Hourly Rate
Group Manager	\$210
Principal Consultant	\$200
Senior Project Manager	\$165
Project Manager	\$145
Senior Project Analyst	\$130
Senior Analyst	\$120
Analyst	\$100
Analyst Assistant	\$75
Property Owner Services Representative	\$55
Support Staff	\$50

# Project Timelines

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Detailed on the pages that follow are tables that present general project timelines for each district.

**COMMUNITY FACILITIES DISTRICT 2014-01 FORMATION TIMELINE**

DISTRICT	DATES	ACTION OR TASK TO PERFORM	RESPONSIBLE PARTY	Note
CFD 2014-01	1/6/2014	<b>Review and Provide Recommendations</b> • Proposed Modifications to Goals & Policies	Willdan Financial Services	
CFD 2014-01	01/06/2014	<b>Deliver Draft Documents for Intent Meeting</b> • Draft RMA for review and edits • Draft Boundary Map & future annexation map for review & edits • Draft Intent Resolution for review & edits	Willdan Financial Services	
CFD 2014-01	01/07/2014	<b>Registrar of Voter Confirmation</b> • Send letter to County to confirm that there are less than 12 registered voters	Willdan Financial Services	
CFD 2014-01	01/07/2014	<b>Prepare Documents to Modify CFD Goals &amp; Policies (as needed)</b>	City Attorney	
CFD 2014-01	01/09/2014	<b>Entire Project Team</b> • Conference call: Review and Discuss RMA and Special Tax Pro Forma • Other Discussions	All	
CFD 2014-01	01/13/2014	<b>Submits Agenda Title for Intent Meeting</b>	City	29 days before Intent Meeting
CFD 2014-01	01/14/2014	<b>Deliver Final Documents Needed for Intent Meeting</b> • Final RMA • Final Boundary Map • Resolution of Intention to Establish CFD • Registrar of Voter Confirmation of Voters • Resolution Modifying Goals & Policies	Willdan Financial Services  City Attorney	
CFD 2014-01	01/20/2014	<b>Submit Staff Report and Agenda Package for Intent Meeting</b>	Willdan Financial Services	22 days Before Intent Meeting
CFD 2014-01	01/21/2014	<b>Send Consent and Waiver Form to City for review</b>	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-01	01/28/2014	<b>Mail Consent and Waiver Form to Property Owners</b> (to be returned prior to Intent Meeting)	Willdan Financial Services	
CFD 2014-01	02/04/2014	<b>Draft Notice and Ballot and send to City for review</b>	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-01	02/11/2014	<b>INTENT MEETING</b> • Adopt Goals and Policies • Adopt Resolution of Intention to Establish CFD • Set time and place of Public Hearing	City	
CFD 2014-01	02/13/2014	<b>Provide Boundary Map Documents to City for recordation</b>	Willdan Financial Services	
CFD 2014-01	02/13/2014	<b>City provides Final Edits to Notice and Ballot</b>	City	
CFD 2014-01	02/18/2014	<b>Deliver Draft Documents for Public Hearing</b> • Draft Resolutions for review & edits • Draft CFD Report for review & edits	Willdan Financial Services	
CFD 2014-01	02/19/2014	<b>Prepare Ordinance Authorizing the Levy of Special Taxes</b>	City Attorney	
CFD 2014-01	02/24/2014	<b>Submits Agenda Title for Public Hearing</b>	City	29 Days Before Public Hearing
CFD 2014-01	02/25/2014 last day	<b>Record Boundary Map</b>	City Clerk	Within 15 Days of Intent Meeting
CFD 2014-01	02/25/2014	<b>Notice and Ballot Mailed to Property Owner</b>	Willdan Financial Services	
CFD 2014-01	02/25/2014	<b>Deliver Final Documents Needed for Public Hearing</b> • Final CFD Report • Resolution of Formation • Resolution calling for Special Tax Election • Resolution Declaring Special Tax Election Results • Ordinance Authorizing the Levy of Special Taxes	Willdan Financial Services  City Attorney	
CFD 2014-01	03/03/2014	<b>Submit Staff Report and Agenda Package for Public Hearing</b>	City	22 Days Before Public Hearing
CFD 2014-01	3/18/14 (last day)	<b>City publishes Notice of Public Hearing</b>	City	At Least 7 Days Prior to Public Hearing
CFD 2014-01	03/25/2014	<b>PUBLIC HEARING and ELECTION COUNCIL MEETING</b> • City adopts Resolution of Formation • City adopts Resolution calling for Special Tax Election • Election is held • City adopt Resolution Declaring Special Tax Election Results • First reading of Ordinance Authorizing the Levy of Special Taxes	City	30-60 Days after Intent Meeting
CFD 2014-01	04/01/2014	<b>City Clerk executes and records Notice of Special Tax Lien with County</b>	City Clerk	7 Days After Public Hearing
CFD 2014-01	04/08/2014	<b>Second Reading of Ordinance Authorizing the Levy of Special Taxes</b>	City	Subsequent Council Meeting
CFD 2014-01	04/29/2014 (last day)	<b>City Clerk executes and records Notice of Special Tax Lien with County</b>	City Clerk	7 Days After Public Hearing

All regular City Council meetings are held on the 2nd and 4th Tuesdays of each month.

## COMMUNITY FACILITIES DISTRICT 2014-02 FORMATION TIMELINE\*\*

\*\* Timeline Contingent Upon Receipt of Funds from Developer and City's Issuance of Notice to Proceed to Willdan

DISTRICT	DATES	ACTION OR TASK TO PERFORM	RESPONSIBLE PARTY	Note
CFD 2014-02	02/03/2014	<b>Review and Provide Recommendations</b> • Proposed Modifications to Goals & Policies	Willdan Financial Services	
CFD 2014-02	02/03/2014	<b>Deliver Draft Documents for Intent Meeting</b> • Draft RMA for review and edits • Draft Boundary Map for review & edits • Draft Intent Resolution for review & edits	Willdan Financial Services	
CFD 2014-02	02/04/2014	<b>Registrar of Voter Confirmation</b> • Send letter to County to confirm that there are less than 12 registered voters	Willdan Financial Services	
CFD 2014-02	02/04/2014	<b>Prepare Documents to Modify CFD Goals &amp; Policies (as needed)</b>	City Attorney	
CFD 2014-02	02/06/2014	<b>Entire Project Team</b> • Conference call: Review and Discuss RMA and Special Tax Pro Forma • Other Discussions	All	
CFD 2014-02	02/10/2014	<b>Submits Agenda Title for Intent Meeting</b>	City	29 days before Intent Meeting
CFD 2014-02	02/11/2014	<b>Deliver Final Documents Needed for Intent Meeting</b> • Final RMA • Final Boundary Map • Resolution of Intention to Establish CFD • Registrar of Voter Confirmation of Voters • Resolution Modifying Goals & Policies	Willdan Financial Services City Attorney	
CFD 2014-02	02/17/2014	<b>Submit Staff Report and Agenda Package for Intent Meeting</b>	Willdan Financial Services	22 days Before Intent Meeting
CFD 2014-02	02/18/2014	<b>Send Consent and Waiver Form to City for review</b>	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-02	02/25/2014	<b>Mail Consent and Waiver Form to Property Owners</b> (to be returned prior to Intent Meeting)	Willdan Financial Services	
CFD 2014-02	03/04/2014	<b>Draft Notice and Ballot and send to City for review</b>	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-02	03/11/2014	<b>INTENT MEETING</b> • Adopt Goals and Policies • Adopt Resolution of Intention to Establish CFD • Set time and place of Public Hearing	City	
CFD 2014-02	03/13/2014	<b>Provide Boundary Map to City for recordation</b>	Willdan Financial Services	
CFD 2014-02	03/13/2014	<b>City provides Final Edits to Notice and Ballot</b>	City	
CFD 2014-02	03/18/2014	<b>Deliver Draft Documents for Public Hearing</b> • Draft Resolutions for review & edits • Draft CFD Report for review & edits	City	
CFD 2014-02	03/19/2014	<b>Prepare Ordinance Authorizing the Levy of Special Taxes</b>	City Attorney	
CFD 2014-02	03/24/2014	<b>Submits Agenda Title for Public Hearing</b>	City	29 Days Before Public Hearing
CFD 2014-02	03/25/2014 (last day)	<b>Record Boundary Map</b>	City Clerk	Within 15 Days of Intent Meeting
CFD 2014-02	03/25/2014	<b>Notice and Ballot Mailed to Property Owner</b>	Willdan Financial Services	
CFD 2014-02	03/25/2014	<b>Deliver Final Documents Needed for Public Hearing</b> • Final CFD Report • Resolution of Formation • Resolution calling for Special Tax Election • Resolution Declaring Special Tax Election Results • Ordinance Authorizing the Levy of Special Taxes	Willdan Financial Services City Attorney	
CFD 2014-02	03/31/2014	<b>Submit Staff Report and Agenda Package for Public Hearing</b>	City	22 Days Before Public Hearing
CFD 2014-02	04/15/2014 (last day)	<b>City publishes Notice of Public Hearing</b>	City	At Least 7 Days Prior to Public Hearing
CFD 2014-02	04/22/2014	<b>PUBLIC HEARING and ELECTION COUNCIL MEETING</b> • City adopts Resolution of Formation • City adopts Resolution calling for Special Tax Election • Election is held • City adopt Resolution Declaring Special Tax Election Results • First reading of Ordinance Authorizing the Levy of Special Taxes	City	30-60 Days after Intent Meeting
CFD 2014-02	04/29/2014 (last day)	<b>City Clerk executes and records Notice of Special Tax Lien with County</b>	City Clerk	7 Days After Public Hearing
CFD 2014-02	05/13/2014	<b>Second Reading of Ordinance Authorizing the Levy of Special Taxes</b>	City	Subsequent Council Meeting
CFD 2014-02	05/27/2014 (last day)	<b>City Clerk executes and records Notice of Special Tax Lien with County</b>	City Clerk	7 Days After Public Hearing

All regular City Council meetings are held on the 2nd and 4th Tuesdays of each month.

## LANDSCAPE LIGHTING AND LOCAL LIGHTING DISTRICT NO. 1 FORMATION TIMELINE

DISTRICT	DATES	ACTION OR TASK TO PERFORM	RESPONSIBLE PARTY	Note
LLMD 1	02/03/2014	Willdan completes Preliminary Assessment Evaluation and provides the City with an assessment summary identifying any assessment or budget issues that were not anticipated or require clarification.	Willdan Financial Services	
LLMD 1	02/06/2014	City staff and Willdan discuss the budgets, proposed assessments, and revenue alternatives based on Preliminary Assessment Evaluation.	All	
LLMD 1	02/11/2014	Willdan completes final modifications to the Engineer's Report methodology based on City's input of the proposed assessments and budgets.	Willdan Financial Services	
LLMD 1	02/17/2014	City provides Willdan with final revisions to the budget based on previous discussions.	City	
LLMD 1	02/24/2014	Willdan creates all of the resolutions to be presented to the City Council and begins drafting the property owner ballots and/or notices.	Willdan Financial Services	
LLMD 1	03/03/2014	<b>Deliver Draft Documents for Intent Meeting</b> <ul style="list-style-type: none"> <li>• Draft Engineer's Report for review &amp; edits</li> <li>• Draft Resolutions for review &amp; edits</li> <li>• Draft Notice of Public Hearing for review &amp; edits</li> </ul>	Willdan Financial Services	
LLMD 1	03/06/2014	<b>Entire Project Team</b> <ul style="list-style-type: none"> <li>• Conference call: Review and Discuss Engineer's Report and Resolutions</li> <li>• Other Discussions</li> </ul>	All	
LLMD 1	03/10/2014	<b>Submits Agenda Title for Intent Meeting</b>	City	29 days before Intent Meeting
LLMD 1	03/11/2014	<b>Deliver Final Documents Needed for Intent Meeting</b> <ul style="list-style-type: none"> <li>• Preliminary Engineer's Report</li> <li>• Resolutions for Intent Meeting</li> </ul>	Willdan Financial Services	
LLMD 1	03/17/2014	<b>Submit Staff Report and Agenda Package for Intent Meeting</b>	City	22 days Before Intent Meeting
LLMD 1	03/27/2014	Drafts (samples) of the Notice of Public Hearing are Finalized	All	Reviewed by city and confirmed by e-mail
LLMD 1	04/01/2014	Willdan begins Printing Notices of Public Hearing	Willdan Financial Services	
LLMD 1	04/08/2014	<b>INTENT MEETING</b> <ul style="list-style-type: none"> <li>• Adopt Resolution Initiating Proceedings</li> <li>• Adopt Resolution of Intention (Preliminarily Approves Engineer's Report) (Set time and place of Public Hearing)</li> </ul>	City	
LLMD 1	04/11/2014	<b>Property Owner Notices Mailed: Willdan mails Notice of Public Hearing all property owners subject to proposed assessments</b>	Willdan Financial Services	At least 45 days prior to Public Hearing
LLMD 1	04/28/2014	<b>Submits Agenda Title for Public Hearing</b>	City	29 Days Before Public Hearing
LLMD 1	04/29/2014	<b>Deliver Final Documents Needed for Public Hearing</b> <ul style="list-style-type: none"> <li>• Final Engineer's Report (if Modifications were necessary)</li> <li>• Resolution Approving the Engineer's Report</li> <li>• Resolution Confirming Assessment Diagram and Orders the Levy and Collection of Assessments</li> </ul>	Willdan Financial Services	
LLMD 1	05/05/2014	<b>Submit Staff Report and Agenda Package for Public Hearing</b>	City	22 Days Before Public Hearing
LLMD 1	05/17/2014 (last day)	<b>City publishes Notice of Public Hearing</b> Pursuant to sections 22626, 22552 and 22553 of the 1972 Act and 6061 of the Government Code, the City Clerk shall publish the resolution of intention one time at least 10 days prior to the Public Hearing.	City	At Least 10 Days Prior to Public Hearing
LLMD 1	05/27/2014	<b>PUBLIC HEARING</b> <ul style="list-style-type: none"> <li>• City Council Conducts Public Hearing</li> <li>• City Adopts Resolution Approving the Engineer's Report</li> <li>• City Council Adopts Resolution Confirming Assessment Diagram and Orders the Levy and Collection of Assessments</li> </ul>	City	At least 45 Days after Mailed Notice

All regular City Council meetings are held on the 2nd and 4th Tuesdays of each month.

**MASTER TIMELINE FY 2013/14\*\* (2014-15 Levy)**

\*\*CFD 2014-02 Timeline Contingent Upon Receipt of Funds from Developer and City's Issuance of Notice to Proceed to Willdan

DISTRICT	DATES	ACTION/TASK/TO PERFORM	RESPONSIBLE PARTY	Notes
CFD 2014-01	01/06/2014	Review and Provide Recommendations • Proposed Modifications to Goals & Policies	Willdan Financial Services	
CFD 2014-01	01/06/2014	Deliver Draft Documents for Intent Meeting • Draft RMA for review and edits • Draft Boundary Map & future annexation map for review & edits • Draft Intent Resolution for review & edits	Willdan Financial Services	
CFD 2014-01	01/07/2014	Registrar of Voter Confirmation • Send letter to County to confirm that there are less than 12 registered voters	Willdan Financial Services	
CFD 2014-01	01/07/2014	Prepare Documents to Modify CFD Goals & Policies (as needed)	City Attorney	
CFD 2014-01	01/09/2014	Entire Project Team • Conference call: Review and Discuss RMA and Special Tax Pro Forma • Other Discussions	All	
CFD 2014-01	01/13/2014	Submits Agenda Title for Intent Meeting	City	29 days before Intent Meeting
CFD 2014-01	01/14/2014	Deliver Final Documents Needed for Intent Meeting • Final RMA • Final Boundary Map • Resolution of Intention to Establish CFD • Registrar of Voter Confirmation of Voters • Resolution Modifying Goals & Policies	Willdan Financial Services  City Attorney	
CFD 2014-01	01/20/2014	Submit Staff Report and Agenda Package for Intent Meeting	Willdan Financial Services	22 days Before Intent Meeting
CFD 2014-01	01/21/2014	Send Consent and Waiver Form to City for review	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-01	01/28/2014	Mail Consent and Waiver Form to Property Owners (to be returned prior to Intent Meeting)	Willdan Financial Services	
CFD 2014-02	02/03/2014	Review and Provide Recommendations • Proposed Modifications to Goals & Policies	Willdan Financial Services	
CFD 2014-02	02/03/2014	Deliver Draft Documents for Intent Meeting • Draft RMA for review and edits • Draft Boundary Map for review & edits • Draft Intent Resolution for review & edits	Willdan Financial Services	
LLMD 1	02/03/2014	Willdan completes Preliminary Assessment Evaluation and provides the City with an assessment summary identifying any assessment or budget issues that were not anticipated or require clarification.	Willdan Financial Services	
CFD 2014-01	02/04/2014	Draft Notice and Ballot and send to City for review	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-02	02/04/2014	Registrar of Voter Confirmation • Send letter to County to confirm that there are less than 12 registered voters	Willdan Financial Services	
CFD 2014-02	02/04/2014	Prepare Documents to Modify CFD Goals & Policies (as needed)	City Attorney	
CFD 2014-02	02/06/2014	Entire Project Team • Conference call: Review and Discuss RMA and Special Tax Pro Forma • Other Discussions	All	
LLMD 1	02/06/2014	City staff and Willdan discuss the budgets, proposed assessments, and revenue alternatives based on Preliminary Assessment Evaluation.	All	
CFD 2014-02	02/10/2014	Submits Agenda Title for Intent Meeting	City	29 days before Intent Meeting
CFD 2014-01	02/11/2014	INTENT MEETING • Adopt Goals and Policies • Adopt Resolution of Intention to Establish CFD • Set time and place of Public Hearing	City	
CFD 2014-02	02/11/2014	Deliver Final Documents Needed for Intent Meeting • Final RMA • Final Boundary Map • Resolution of Intention to Establish CFD • Registrar of Voter Confirmation of Voters • Resolution Modifying goals & Policies	Willdan Financial Services  City Attorney	
LLMD 1	02/11/2014	Willdan completes final modifications to the Engineer's Report methodology based on City's input of the proposed assessments and budgets.	Willdan Financial Services	
CFD 2014-01	02/13/2014	Provide Boundary Map Documents to City for recordation	Willdan Financial Services	
CFD 2014-01	02/13/2014	City provides Final Edits to Notice and Ballot	City	
CFD 2014-02	02/17/2014	Submit Staff Report and Agenda Package for Intent Meeting	Willdan Financial Services	22 days Before Intent Meeting
LLMD 1	02/17/2014	City provides Willdan with final revisions to the budget based on previous discussions.	City	
CFD 2014-01	02/18/2014	Deliver Draft Documents for Public Hearing • Draft Resolutions for review & edits • Draft CFD Report for review & edits	Willdan Financial Services	
CFD 2014-02	02/18/2014	Send Consent and Waiver Form to City for review	Willdan Financial Services	To be reviewed by City Attorney
CFD 2014-01	02/19/2014	Prepare Ordinance Authorizing the Levy of Special Taxes	City Attorney	
CFD 2014-01	02/24/2014	Submits Agenda Title for Public Hearing	City	29 Days Before Public Hearing
LLMD 1	02/24/2014	Willdan creates all of the resolutions to be presented to the City Council and begins drafting the property owner ballots and/or notices.	Willdan Financial Services	
CFD 2014-01	02/25/2014	Notice and Ballot Mailed to Property Owner	Willdan Financial Services	
CFD 2014-01	02/25/2014	Deliver Final Documents Needed for Public Hearing • Final CFD Report • Resolution of Formation • Resolution calling for Special Tax Election • Resolution Declaring Special Tax Election Results • Ordinance Authorizing the Levy of Special Taxes	Willdan Financial Services  City Attorney	
CFD 2014-02	02/25/2014	Mail Consent and Waiver Form to Property Owners (to be returned prior to Intent Meeting)	Willdan Financial Services	
CFD 2014-01	02/25/2014 last day	Record Boundary Map	City Clerk	Within 15 Days of Intent Meeting
CFD 2014-01	03/03/2014	Submit Staff Report and Agenda Package for Public Hearing	City	22 Days Before Public Hearing
LLMD 1	03/03/2014	Deliver Draft Documents for Intent Meeting • Draft Engineer's Report for review & edits • Draft Resolutions for review & edits • Draft Notice of Public Hearing for review & edits	Willdan Financial Services	

CFD 2014-02	03/04/2014	Draft Notice and Ballot and send to City for review	Willdan Financial Services	To be reviewed by City Attorney
LLMD 1	03/06/2014	Entire Project Team • Conference call: Review and Discuss Engineer's Report and Resolutions • Other Discussions	All	
LLMD 1	03/10/2014	Submits Agenda Title for Intent Meeting	City	29 days before Intent Meeting
CFD 2014-02	03/11/2014	INTENT MEETING • Adopt Goals and Policies • Adopt Resolution of Intention to Establish CFD • Set time and place of Public Hearing	City	
LLMD 1	03/11/2014	Deliver Final Documents Needed for Intent Meeting • Preliminary Engineer's Report • Resolutions for Intent Meeting	Willdan Financial Services	
CFD 2014-02	03/13/2014	Provide boundary map to City for recordation	Willdan Financial Services	
CFD 2014-02	03/13/2014	City provides Final Edits to Notice and Ballot	City	
LLMD 1	03/17/2014	Submit Staff Report and Agenda Package for Intent Meeting	City	22 days Before Intent Meeting
CFD 2014-01	3/18/14 (last day)	City publishes Notice of Public Hearing	City	At Least 7 Days Prior to Public Hearing
CFD 2014-02	03/18/2014	Deliver Draft Documents for Public Hearing • Draft Resolutions for review & edits • Draft CFD Report for review & edits	City	
CFD 2014-02	03/19/2014	Prepare Ordinance Authorizing the Levy of Special Taxes	City Attorney	
CFD 2014-02	03/24/2014	Submits Agenda Title for Public Hearing	City	29 Days Before Public Hearing
CFD 2014-01	03/25/2014	PUBLIC HEARING and ELECTION COUNCIL MEETING • City adopts Resolution of Formation • City adopts Resolution calling for Special Tax Election • Election is held • City adopt Resolution Declaring Special Tax Election Results • First reading of Ordinance Authorizing the Levy of Special Taxes	City	30-60 Days after Intent Meeting
CFD 2014-02	03/25/2014 (last day)	Record Boundary Map	City Clerk	Within 15 Days of Intent Meeting
CFD 2014-02	03/25/2014	Notice and Ballot Mailed to Property Owner	Willdan Financial Services	
CFD 2014-02	03/25/2014	Deliver Final Documents Needed for Public Hearing • Final CFD Report • Resolution of Formation • Resolution calling for Special Tax Election • Resolution Declaring Special Tax Election Results • Ordinance Authorizing the Levy of Special Taxes	Willdan Financial Services City Attorney	
LLMD 1	03/27/2014	Drafts (samples) of the Notice of Public Hearing are Finalized	All	Reviewed by city and confirmed by e-mail
CFD 2014-02	03/31/2014	Submit Staff Report and Agenda Package for Public Hearing	City	22 Days Before Public Hearing
CFD 2014-01	04/01/2014	City Clerk executes and records Notice of Special Tax Lien with County	City Clerk	7 Days After Public Hearing
LLMD 1	04/01/2014	Willdan begins Printing Notices of Public Hearing	Willdan Financial Services	
CFD 2014-01	04/08/2014	Second Reading of Ordinance Authorizing the Levy of Special Taxes	City	Subsequent Council Meeting
LLMD 1	04/08/2014	INTENT MEETING • Adopt Resolution Initiating Proceedings • Adopt Resolution of Intention (Preliminarily Approves Engineer's Report) (Set time and place of Public Hearing)	City	
LLMD 1	04/11/2014	Property Owner Notices Mailed: Willdan mails Notice of Public Hearing all property owners subject to proposed assessment	Willdan Financial Services	At least 45 days prior to Public Hearing
CFD 2014-02	04/15/2014 (last day)	City publishes Notice of Public Hearing	City	At Least 7 Days Prior to Public Hearing
CFD 2014-02	04/22/2014	PUBLIC HEARING and ELECTION COUNCIL MEETING • City adopts Resolution of Formation • City adopts Resolution calling for Special Tax Election • Election is held • City adopt Resolution Declaring Special Tax Election Results • First reading of Ordinance Authorizing the Levy of Special Taxes	City	30-60 Days after Intent Meeting
LLMD 1	04/28/2014	Submits Agenda Title for Public Hearing	City	29 Days Before Public Hearing
CFD 2014-02	04/29/2014 (last day)	City Clerk executes and records Notice of Special Tax Lien with County	City Clerk	7 Days After Public Hearing
LLMD 1	04/29/2014	Deliver Final Documents Needed for Public Hearing • Final Engineer's Report (if Modifications were necessary) • Resolution Approving the Engineer's Report • Resolution Confirming Assessment Diagram and Orders the Levy and Collection of Assessments	Willdan Financial Services	
LLMD 1	05/05/2014	Submit Staff Report and Agenda Package for Public Hearing	City	22 Days Before Public Hearing
CFD 2014-02	05/13/2014	Second Reading of Ordinance Authorizing the Levy of Special Taxes	City	Subsequent Council Meeting
LLMD 1	05/17/2014 (last day)	City publishes Notice of Public Hearing Pursuant to sections 22526, 22552 and 22553 of the 1972 Act and 6061 of the Government Code, the City Clerk shall publish the resolution of intention one time at least 10 days prior to the Public Hearing.	City	At Least 10 Days Prior to Public Hearing
LLMD 1	05/27/2014 (last day)	PUBLIC HEARING • City Council Conducts Public Hearing • City Adopts Resolution Approving the Engineer's Report • City Council Adopts Resolution Confirming Assessment Diagram and Orders the Levy and Collection of Assessments	City	At least 45 Days after Mailed Notice

**EXHIBIT B**

**CITY - SERVICES TO BE PROVIDED  
TO CONSULTANT**

1. Furnish the Consultant all in-house data which is pertinent to services to be performed by the Consultant and which is within the custody or control of the City, including, but not limited to, copies of record and off-record maps and other record and off-record property data, right-of-way maps and other right-of-way data, pending or proposed subject property land division and development application data, all newly developed and pertinent design and project specification data, and such other pertinent data which may become available to the City.
2. Provide timely review, processing, and reasonably expeditious approval of all submittals by the Consultant.
3. Provide timely City staff liaison with the Consultant when requested and when reasonably needed.



## EXHIBIT C

### TERMS OF PAYMENT

1. The Consultant's compensation shall not exceed \$73,000.00 plus mailing costs.
2. CFD formation and payment of formation costs for Tract No. 32515, as identified in Exhibit A, is contingent upon receipt of developer funds. If developer funding is not provided, formation of the CFD will not occur and the not to exceed amount of this Agreement will be reduced from \$73,000.00 to \$58,500.00.
3. The Consultant will obtain, and keep current during the term of this Agreement, the required City of Moreno Valley business license. Proof of a current City of Moreno Valley business license will be required prior to any payments by the City. Any invoice not paid because the proof of a current City of Moreno Valley business license has not been provided will not incur any fees, late charges, or other penalties. Complete instructions for obtaining a City of Moreno Valley business license are located at: [http://www.moval.org/do\\_biz/biz-license.shtml](http://www.moval.org/do_biz/biz-license.shtml)
3. The Consultant will electronically submit an invoice to the City once a month for progress payments along with documentation evidencing services completed to date. The progress payment is based on actual time and materials expended in furnishing authorized professional services during the preceding calendar month. At no time will the City pay for more services than have been satisfactorily completed and the City Engineer's determination of the amount due for any progress payment shall be final. The consultant will submit all original invoices to Accounts Payable staff at [AccountsPayable@moval.org](mailto:AccountsPayable@moval.org). Accounts Payable

questions can be directed to 951.413.3073. Copies of invoices may be submitted to the Special Districts Division of the Financial and Management Services Department at [specialdistricts@moval.org](mailto:specialdistricts@moval.org) or to the City's point of contact for this project. Calls can be directed to 951.413.3480.

4. The Consultant agrees that City payments will be received via Automated Clearing House (ACH) Direct Deposit and that the required ACH Authorization form will be completed prior to any payments by the City. Any invoice not paid because the completed ACH Authorization Form has not been provided will not incur any fees, late charges, or other penalties. The ACH Authorization Form is located at:

[http://www.moval.org/city\\_hall/forms.shtml#bf](http://www.moval.org/city_hall/forms.shtml#bf)

5. The minimum information required on all invoices is:
  - A. Vendor Name, Mailing Address, and Phone Number
  - B. Invoice Date
  - C. Vendor Invoice Number
  - D. City-provided Reference Number (e.g. Project, Activity)
  - E. Detailed work hours by class title (e.g. Manager, Technician, or Specialist), services performed and rates, explicit portion of a contract amount, or detailed billing information that is sufficient to justify the invoice amount; single, lump amounts without detail are not acceptable.
6. The City shall pay the Consultant for all invoiced, authorized professional services within thirty (30) days of receipt of the invoice for same.

**MINUTES – REGULAR MEETING OF  
FEBRUARY 24, 2015  
(Report of: City Clerk Department)**

**Recommendation: Approve as submitted.**

**SEE AGENDA ITEM A.2**

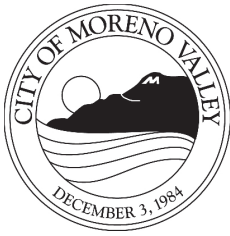
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**MINUTES – REGULAR MEETING OF  
FEBRUARY 24, 2015  
(Report of: City Clerk Department)**

**Recommendation: Approve as submitted.**

**SEE AGENDA ITEM A.2**

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>d</i>

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## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Mike Lee, Community & Economic Development Director

**AGENDA DATE:** March 10, 2015 (Continued from February 10, 2015)

**TITLE:** A PUBLIC HEARING FOR AN APPEAL OF THE PLANNING COMMISSION ACTION OF DECEMBER 11, 2014, APPROVING CONDITIONAL USE PERMIT (PA14-0014), TENTATIVE TRACT MAP 36708 (PA14-0015) AND THE SUPPORTING MITIGATED NEGATIVE DECLARATION FOR A 122 UNIT PLANNED UNIT DEVELOPMENT (PUD) ON 15.92 ACRES AT THE SOUTHWEST CORNER OF PERRIS BOULEVARD AND CACTUS AVENUE

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### RECOMMENDED ACTION

Recommendations: That the City Council:

1. **APPROVE** Resolution No. 2015-03. A Resolution of the City Council of the City of Moreno Valley, California, Finding in Favor of the Appeal and Overruling the Decision of the Planning Commission to Approve Conditional Use Permit (PA14-0014), Tentative Tract Map 36708 (PA14-0015), and the Supporting Mitigated Negative Declaration for a 122 Unit Planned Unit Development (PUD) on 15.92 Acres at the Southwest Corner of Perris Boulevard and Cactus Avenue (Assessor Parcel Numbers 482-582-038, 039, 040 & 482-230-024).
2. **ADOPT** a Mitigated Negative Declaration for PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708). The projects, individually and cumulatively, will not result in a significant effect on the environment.
3. **APPROVE** Resolution No. 2015-13. A Resolution of the City Council of the City of Moreno Valley, California, Approving Conditional Use Permit (PA14-0014) for a 121 Unit Planned Unit Development (PUD) on 15.92 Acres at the Southwest Corner of Perris Boulevard and Cactus Avenue (Assessor Parcel Numbers 482-582-038, 039, 040 & 482-230-024).

4. **APPROVE** Resolution No. 2015-14. A Resolution of the City Council of the City of Moreno Valley, California, Approving Tentative Tract Map 36708 (PA14-0015) on 15.92 Acres at the Southwest Corner of Perris Boulevard and Cactus Avenue (Assessor Parcel Numbers 482-582-038, 039, 040 & 482-230-024).

### **SUMMARY**

The City Council has been requested to conduct a Public Hearing on an Appeal filed December 22, 2014 against the Planning Commission actions of December 11, 2014 approving a conditional use permit, tentative tract map and the supporting mitigated negative declaration for a new 122 unit residential development planned for the southwest corner of Cactus Avenue and Perris Boulevard by Nova Homes, Inc. As set forth in the City's Municipal Code, upon filing of an appeal the matter shall be set for a public hearing by the City Council and shall be given appropriate public noticing as required by law. Upon consideration, the City Council may sustain, modify, reject or overrule any actions or rulings of the Planning Commission.

### **DISCUSSION**

#### **ADVISORY BOARD/COMMISSION RECOMMENDATION**

The Planning Commission at its December 11, 2014 meeting approved Planning Commission Resolution 2014-29 by a 6-0 vote, with one Commissioner seat vacant, adopting a Mitigated Negative Declaration in accordance with the California Environmental Quality Act (CEQA) Guidelines and approving Conditional Use Permit (PA14-0014) and Tentative Tract Map 36708 (PA14-0015) for a new 122 unit Planned Unit Development at the southwest corner of Cactus Avenue and Perris Boulevard.

In accordance with procedures set forth in Title 9 of the City's Municipal Code (Sec 9.02.240) any affected person may appeal a decision of the Planning Commission to the City Council. An appeal of the Planning Commission action to the City Council was received by the City from Lori and Randy Nickel on December 22, 2014. A copy of the Appeal letter is included as Attachment 6 to this report.

### **Background**

The project consists of two applications. Tentative Tract Map 36708 (PA14-0015) merges approximately 15.92 acres of land (APNs: 482-582-038, 039, 040 & 482-230-024) into one parcel with 122 residential units and 20 lettered lots for private streets and landscape purposes. The second application is a Conditional Use Permit (PA14-0014) for a Planned Unit Development (PUD) that provides design standards for the condominium complex and also provides private/common recreational opportunities.



The project site consists of vacant parcels that were previously disked for weed abatement. There are two sets of duplexes (total of four residences) near the northwest corner of the project along Cactus Avenue and three single-family residences near the southeast corner of the project (along Perris Boulevard and Delphinium Avenue), which are also zoned Residential 10 (R10) and will remain. Directly west of the site, along Delphinium Avenue, are the Chaparral Hills Elementary School and Badger Springs Middle School (zoned Public – P).

Much of the area is characterized by residential development, with established single-family tracts to the east, west north and south (Residential 5 (R5) and Residential Single-Family 10 (RS10)). Directly across Perris Boulevard are two vacant parcels zoned Residential 15 (R15) and two developed parcels zoned Office (O) with a child daycare center and building contractor yard with a residence. There is a multiple-family apartment complex at the southeast corner of Delphinium Avenue and Perris Boulevard zoned Residential 20 (R20).

At the December 11, 2014 Planning Commission meeting, the commissioners received a detailed written staff report (Attachment 7), a verbal staff presentation including supporting exhibits, and verbal input from the applicant with regard to the proposed project, processing overview and the recommended actions. During the course of the deliberation the Commission had questions and requested clarification on elements of the project including the perimeter walls, water quality features, setbacks, development regulations for patio covers and decks, and landscaping requirements. The clarifying information for each question was provided by staff and the project applicant. During public comments portion of the public hearing, two speakers, including the appellant, spoke against the project. The appellant, who resides immediately adjacent to the project site raised questions with regard to traffic, location of the project's main entrance off of Cactus Avenue, the design and size of the proposed homes, loss of view and alleged improper early removal of mature trees from the project site. A letter was also submitted to the Planning Commission from this speaker (Attachment 8). The second speaker raised concern with the location of the proposed project perimeter wall along the western property line. It was specifically noted that the current perimeter fencing of the existing adjacent tract of homes is located at the top of those homes' rear slope, not at their actual property line, which occurs several feet outside of the fence line near the toe of the slope and towards the proposed project site. The speaker was concerned that the proposed new development's perimeter wall would effectively create an alley condition between their perimeter fence and project's perimeter fencing, creating an undesirable condition where students of the adjacent schools could cut through. After additional discussion with staff and the applicant regarding the project and the issues raised, the Planning Commission took actions to approve the project.

On December 22, 2014 an appeal of the Planning Commission action was submitted to the City. As set forth in the City's Municipal Code, upon filing of an appeal the matter shall be set for a public hearing by the City Council and shall be given appropriate public noticing as required by law. The matter was scheduled and noticed for a public hearing by the City Council for January 27, 2015.

On January 27, 2015, the City Council continued the public hearing to February 10, 2015, at the request of both the applicant and appellants.

On February 3, 2015, in advance of the February 10<sup>th</sup> public hearing both the applicant and appellants submitted a second written request to further postpone the public hearing date to allow additional time to work through issues and to revise plans. On February 10, 2015, the City Council continued the public hearing to March 10, 2015.

In response to issues raised by the Appellant (Attachment 6 - Appeal Letter from the Appellant dated December 22, 2014), the applicant has agreed to redesign elements of the project. The circulation of the site has been redesigned to move the main entrance of the project from Cactus Avenue to Delphinium Avenue. The locations of the clubhouse and pool on the north have been flipped with the recreational/playground area on the south. As a result of these site modifications, the number of condominium units has been reduced from 122 to 121. The revised project plans have been reviewed by the City and they have been found to be acceptable and within applicable regulations and development standards of the City. Where applicable because of project modifications, revisions have been made to Conditions of Approval previously considered by the Planning Commission and are contained in the recommended Resolutions for the project.

With the proposed PUD revision, Lots 15-24 along the northwestern edge of the site now will be developed with single story units. This reduction in mass and scaling of the proposed homes addresses concerns of obstructed viewshed, privacy and compatibility with the existing established neighborhood to the west. To avoid a concentration of clustering of single story units in only one area of the PUD, seven (7) additional single story units have also been sprinkled into the PUD on Lots 2, 25-27, 70, 71, and 120.

The submitted PUD home plans were reviewed through an appropriate plan check process prior to consideration by the Planning Commission and found to be consistent with the City's Design Guidelines. The two (2) additional single story home floor plans and elevations have been added to the PUD Guidelines previously considered by the Planning Commission. Upon review the additional plans have been found to be consistent with the City's Design Guidelines. The project will now include seven (7) footprints with three (3) optional elevations for each. This modification provides for additional variety above and beyond the City Code requirement. The range of home sizes will be between 1,462 square feet for single-story units and 2,696 square feet for two-story units. The proposed mix of homes coupled with the open space and recreational amenities provide for excellent community design to establish an attractive neighborhood that is considerate and compatible with adjoining properties.

In an effort to resolve concern raised with rear yard fencing, and potential "no-mans" land between the new project and the established neighborhood to the west, the developer has agreed to ensure three properties along Chippendale Street (24868, 24871 and 24855) and four properties along Cape Cod Street (24848, 24866, 24867

and 24849) will have their current rear yard fencing replaced with the development. In addition, to replacement of the fencing the improvements will include regrading of the yards to ensure proper drainage to the front is achieved, thereby could eliminate much of the previously proposed drainage ditch along the western project edge. Conditions have been included in the recommended resolutions (Attachment 3 and Attachment 4) and Attachment 18 is provided for clarification of this edge condition.

### **Revised Project Overview**

The modified project consists of two applications. Tentative Tract Map 36708 (PA14-0015) merges approximately 15.92 net acres of land from four separate lots (APNs: 482-582-038, 039, 040 & 482-230-024) into one parcel for condominium purposes for development of 121 residential units, recreation center and landscaped lots. The second application is a Conditional Use Permit (PA14-0014) for a Planned Unit Development (PUD) that establishes the design guidelines for the condominium complex and the development guidelines for the private and common open space recreational opportunities.

### **ENVIRONMENTAL**

An Initial Study and resulting mitigated negative declaration was prepared by Crable & Associates, Environmental Consultants in November 2014 for the project proposal that was reviewed and approved by the Planning Commission. In consideration of the proposed revisions to the project a revised Initial Study was prepared in February 2015 to address the proposed changes and to determine if any additional impacts would result. No new impacts were identified, the revised Initial Study supports the prior recommended environmental finding that a mitigated negative declaration (Attachment 4) is appropriate for this project as presented to the Planning Commission, and per Section 15073.5 of the CEQA Guidelines recirculation of the environmental document was not required. With the adoption of the Mitigated Negative Declaration (MND) and identified mitigation measures, as recommended to the City Council, all potential impacts of the project can be reduced to a less than significant level.

A Mitigation Monitoring Program has been prepared for the project to clarify the specific mitigations, timing, and responsible party for implementation and monitoring of each measure (Attachment 10).

### **ALTERNATIVES**

1. Approve the proposed Resolution finding in favor of the appeal and overruling the decision of the Planning Commission to approve PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708) for the development of a 122 unit Condominium Complex on 15.92 acres proposed at the southwest corner of Perris Boulevard and Cactus Avenue **and** adopt a Mitigated Negative Declaration for PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708) in compliance with the California Environmental Quality Act **and** approve the proposed Resolution approving PA14-0014 (CUP) for the development of a 121 unit Condominium Complex on 15.92

acres proposed at the southwest corner of Perris Boulevard and Cactus Avenue **and** approve the proposed Resolution approving PA14-0015 (Tentative Tract Map 36708) on 15.92 acres proposed at the southwest corner of Perris Boulevard and Cactus Avenue. Staff recommends this alternative.

2. Deny the appeal and sustain the decision of the Planning Commission to approve PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708) and the supporting Mitigated Negative Declaration for the development of a 122 unit Condominium Complex on 15.92 acres proposed at the southwest corner of Perris Boulevard and Cactus Avenue, **and** adopt a Mitigated Negative Declaration for PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708) in compliance with the California Environmental Quality Act. Staff does not recommend this alternative.
3. Approve the appeal and deny the project, thereby overruling the decision of the Planning Commission to approve PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708) and the supporting Mitigated Negative Declaration for the development of a 122 unit Condominium Complex on 15.92 acres proposed at the southwest corner of Perris Boulevard and Cactus Avenue. Staff does not recommend this alternative.

#### **FISCAL IMPACT**

Not applicable.

#### **CITY COUNCIL GOALS**

Not applicable.

#### **NOTIFICATION**

A notice of the City Council public hearing of January 27, 2015 appeared in the Press Enterprise newspaper on January 7, 2015, was posted on the affected property January 17, 2015 and was mailed to all surrounding property owners of record within 300 feet of the affected property on January 14, 2015 (Attachment 1). As the City Council took action to continue the hearings of January 27, 2015 and February 10, 2015 to dates certain no further public noticing has been required. As of the date of preparation of this staff report, there have been no responses received.

#### **ATTACHMENTS**

1. Public Hearing Notice
2. Proposed Resolution
3. Proposed Resolution
4. Proposed Resolution
5. City Council Staff Report dated January 27, 2015
6. Appeal Letter from the Appellant dated December 22, 2014

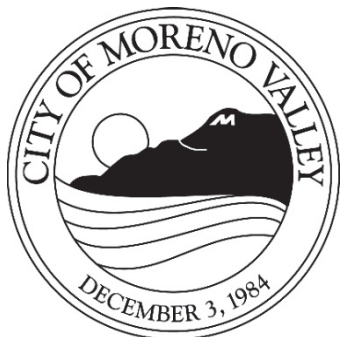
7. Planning Commission Staff Report dated December 11, 2014
8. Letter from Lori Nickel to Planning Commission dated December 11, 2014
9. Initial Study
10. Mitigated Negative Declaration with Mitigation Monitoring and Reporting Program
11. Draft Planning Commission Minutes of December 11, 2014
12. Reduced Site Plan
13. Reduced Copy of Tentative Tract Map No. 36708
14. Reduced Elevations
15. Aerial Photograph
16. Continuation Request from Nova Homes dated January 8, 2015
17. Continuation Request from Lori Nickel dated January 12, 2015
18. Typical Detail of Rear Wall and Fence Extensions

Prepared By:  
Claudia Manrique  
Associate Planner

Department Head Approval:  
Mike Lee  
Community & Economic Development Director

Concurred By:  
Richard J. Sandzimier  
Planning Official

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# Notice of PUBLIC HEARING

This may affect your property. Please read.  
Notice is hereby given that a Public Hearing will be held by the City Council of the City of Moreno Valley on the following item(s):

**Project(s):** Appeal of Planning Commission Approval of PA14-0014 (CUP) and PA14-0015 (TTM 36708)

**Applicant:** Nova Homes  
**Owner:** Perris-Cactus Development LLC  
**Representative:** Nova Homes  
**APN(s):** 482-582-038, 039, 040 & 482-230-024  
**Location:** Southwest corner of Perris Boulevard & Cactus Avenue

**Proposal:** Appeal of the Planning Commission actions of December 11, 2014, approving Conditional Use Permit (PA14-0014) and Tentative Tract Map 36708 (PA14-0015) for a 122 Unit Planned Unit Development (PUD) on 15.92 acres including a club house and pool.

**Council District:** 4  
**Case Planner:** Claudia Manrique

The City of Moreno Valley, in accordance with the California Environmental Quality Act, prepared an initial study for the project and based on the initial study determined the project would not have any significant effect on the environment that could not be avoided or reduced to less than significant. The Planning Commission adopted a Mitigated Negative Declaration, and approved the Conditional Use Permit and Tentative Tract Map 36708 for the project on December 11, 2014.

Any person interested in the project may enter verbal comments in support or in opposition to the project at the City Council hearing or provide written comments or testimony at or prior to the hearing. The written appeal, as well as the project application and environmental documents are available for public review at the Community & Economic Development Department at 14177 Frederick Street, Moreno Valley, California during normal business hours (7:30 a.m. to 5:30 p.m., Monday through Thursday and 7:30 a.m. to 4:30 p.m., Friday), or you may telephone (951) 413-3206 for further information.

If you challenge this project in court, you may be limited to raising only those items you or someone else raised at the Public Hearing described in this notice, or in written

correspondence delivered to the City Council at, or prior to, the Public Hearing.



**LOCATION** N Ø

## CITY COUNCIL HEARING

City Council Chamber, City Hall  
14177 Frederick Street  
Moreno Valley, Calif. 92553

**DATE AND TIME:** January 27, 2015 at 6 PM

**CONTACT PLANNER:** Claudia Manrique  
**PHONE:** (951) 413-3225

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RESOLUTION NO. 2015-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE APPEAL AND OVERRULING THE DECISION OF THE PLANNING COMMISSION TO APPROVE CONDITIONAL USE PERMIT (PA14-0014), TENTATIVE TRACT MAP 36708 (PA14-0015), AND THE SUPPORTING MITIGATED NEGATIVE DECLARATION FOR A 122 UNIT PLANNED UNIT DEVELOPMENT (PUD) ON 15.92 ACRES AT THE SOUTHWEST CORNER OF PERRIS BOULEVARD AND CACTUS AVENUE (ASSESSOR PARCEL NUMBERS 482-582-038, 039, 040 & 482-230-024).

WHEREAS, the applicant, Nova Homes Inc., filed a Conditional Use Permit (PA14-0014,) and Tentative Tract Map 36708 (PA14-0015) for a 122 unit Planned Unit Development (PUD) at the southwest corner of Perris Boulevard and Cactus Avenue as described in the title of this Resolution; and

WHEREAS, on December 11, 2014, a public hearing was conducted by the Planning Commission in accordance with applicable law; and

WHEREAS, an environmental assessment, including an Initial Study, has been prepared to address the environmental impacts associated with Conditional Use Permit (PA14-0014,) and Tentative Tract Map 36708 (PA14-0015) and a Mitigated Negative Declaration has been recommended pursuant to the California Environmental Quality Act (CEQA), as there is no evidence that the proposed development application, as designed and conditioned, will have a significant effect on public health or be materially injurious to surrounding properties or the environment as a whole; and

WHEREAS, at said public hearing, the Planning Commission carefully reviewed and considered all the evidence presented in connection with the hearing on the project, including but not limited to the staff report, all written and oral testimony presented, and voted 6-0, with one Commissioner seat vacant, to approve the subject project; and

WHEREAS, on December 22, 2014, Mrs. Lori Nickel and Mr. Randy Nickel (“Appellant”) filed an appeal with the Community & Economic Development Department, pursuant to Chapters 9.02.240 and 9.14.050 of the Municipal Code, of the Planning Commission’s decision to approve the proposed project at the southwest corner of Perris Boulevard and Cactus Avenue; and

WHEREAS, on January 27, 2015 a public hearing on the appeal was held by the City Council in accordance with applicable law; and

1  
Resolution No. 2015-03  
Date Adopted: March 10, 2015

WHEREAS, on January 27, 2015, the City Council continued the public hearing for this project to the February 10, 2015 City Council agenda; and

WHEREAS, on February 10, 2015, the City Council continued the public hearing for this project to the March 10, 2015 City Council agenda at the request of the applicant; and

WHEREAS, on March 10, 2015, the City Council conducted a public hearing to consider the revised project application and all of the environmental documentation prepared for the project; and

WHEREAS, the City Council of the City of Moreno Valley has carefully reviewed and considered all of the evidence presented in connection with the appeal hearing on the project, including, but not limited to the staff report and all written and oral testimony presented; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and

WHEREAS, all of the facts set forth in this Resolution are true and correct.

BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, HEREBY APPROVES Resolution No. 2015-03 approving the appeal and overruling the decision of the Planning Commission to approve PA14-0014 (CUP), PA14-0015 (TTM 36708), and the supporting mitigated negative declaration for the development of a 122 unit Condominium Complex on 15.92 acres located on the southwest corner of Perris Boulevard and Cactus Avenue, HEREBY DENYING the project.

APPROVED AND ADOPTED this 10<sup>th</sup> day of March 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

2  
Resolution No. 2015-03  
Date Adopted: March 10, 2015

**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. 2015-03 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 10th day of March, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

\_\_\_\_\_  
CITY CLERK

(SEAL)

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RESOLUTION NO. 2015-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (PA14-0014) FOR A 121 UNIT PLANNED UNIT DEVELOPMENT (PUD) ON 15.92 ACRES AT THE SOUTHWEST CORNER OF PERRIS BOULEVARD AND CACTUS AVENUE (ASSESSOR PARCEL NUMBERS: 482-582-038, 039, 040 & 482-230-024).

WHEREAS, the applicant, Nova Homes, has filed an application for approval of Conditional Use Permit (PA14-0014), a proposed 121 unit Planned Unit Development (PUD). The project site is located southwest of Perris Boulevard and Cactus Avenue. A Tentative Parcel Map 36708 (PA14-0015) is being processed concurrently; and

WHEREAS, an environmental assessment, including an Initial Study, has been prepared to address the environmental impacts associated with application PA14-0014 as described above and a Mitigated Negative Declaration has been recommended pursuant to the California Environmental Quality Act (CEQA), as there is no evidence that the proposed development application, as designed and conditioned, will have a significant effect on public health or be materially injurious to surrounding properties or the environment as a whole; and

WHEREAS, on December 11, 2014, a public hearing was conducted by the Planning Commission in accordance with applicable law; and

WHEREAS, on December 22, 2014, Mrs. Lori Nickel and Mr. Randy Nickel (“Appellant”) filed an appeal with the Community & Economic Development Department, pursuant to Chapters 9.02.240 and 9.14.050 of the Municipal Code, of the Planning Commission’s decision to approve the proposed project at the southwest corner of Perris Boulevard and Cactus Avenue; and

WHEREAS, a public hearing on the appeal was agendized and appropriately public noticed for January 27, 2015, for consideration by the City Council in accordance with applicable law; and

WHEREAS, on January 27, 2015, the City Council continued the public hearing for this project to the February 10, 2015 City Council agenda; and

WHEREAS, on February 10, 2015, the City Council continued the public hearing for this project to the March 10, 2015 City Council agenda; and

WHEREAS, on March 10, 2015, the City Council conducted a public hearing to consider the revised project application and all of the environmental documentation prepared for the project; and

1  
Resolution No. 2015-13  
Date Adopted: March 10, 2015

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and

WHEREAS, there is hereby imposed on the subject development project certain fees, dedications, reservations and other exactions pursuant to state law and City ordinances; and

WHEREAS, pursuant to Government Code Section 66020(d)(1), NOTICE IS HEREBY GIVEN that this project is subject to certain fees, dedications, reservations and other exactions as provided herein.

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

A. that all of the facts set forth above in this Resolution are true and correct.

B. Based upon substantial evidence presented to this City Council during the above-referenced meetings on January 27, 2015, February 10, 2015, and March 10, 2015, including written and oral staff reports, and the record from the public hearing, this City Council hereby finds:

1. **Conformance with General Plan Policies** – The proposed CUP is consistent with the General Plan, and its goals, objectives, policies and programs.

**FACT:** The General Plan encourages a mix of residential uses to provide a wide range of residential opportunities and dwelling types to meet the demands of present and future residents of all socioeconomic groups (Goal 2.2). The proposed project is within the Residential 10 (R10) zoning designation, which primary purpose is to provide for a variety of residential products and to encourage innovation in housing types. Developments within Residential 10 areas are typically expected to provide amenities not generally found in suburban subdivisions, such as common open space and recreational areas (Goal 2.2.8).

The proposed project is a 121 unit Planned Unit Development (PUD). Planned Unit Developments (PUD) are encouraged in the General Plan in order to provide housing that is varied by type, design, form of ownership, and size (Goal 2.2.12). The project as designed and conditioned would achieve the objectives of the City of Moreno Valley's General Plan. The proposed project is consistent with the General Plan and does not conflict with the goals, objectives, policies, and programs established within the Plan.

To allow for variation in the residential design of the proposed condominium development, the applicant is proposing a conditional use permit (CUP) for a Planned Unit Development (PUD). The PUD section of the Municipal Code (Section 9.03.060) outlines specific goals and objectives for the project that encourage:

Greater innovation in housing development and diversity of housing choices than would otherwise be possible according to the strict application of the site development regulations contained in this title.

The proposed project meets the criteria established above, and includes a total number of home sites at the required R10 density and with the common area amenities desired with a multiple-family development. The PUD will include two story homes between 2,054 to 2,696 square feet in size. The applicant is providing on-site recreation facilities such as private/common open space, a clubhouse with a gym, a pool and tot lot/playground.

The residential development project will result in a walkable community with pedestrian access to existing commercial land uses approximately one half mile south of the project at Perris Boulevard and John F. Kennedy Drive. Pedestrian access will be provided to the nearby Chaparral Hills Elementary School and Badger Springs Middle School, which are located west of the site on Delphinium Avenue. The proposed project will offer opportunities of owning a home on a small lot, which can be particularly well suited for the first time home buyers.

The following stated purposes for developments approved under a planned unit development concept, per Section 9.03.060 of the Municipal Code. A synopsis of how the proposed development concurs within the established language is also provided:

Permitted Uses and Density. Only those uses permitted within the applicable zoning district shall be allowed within any planned unit development. The average density of any planned unit development shall not exceed the number of dwelling units per acre allowed under the applicable zoning district regulations.

The project will include detached townhouse style residential homes, a permitted use in an R10 land use district. The proposed project will meet housing needs provided within the City's Housing Element of the General Plan by expanding the range of housing

options in the community. Moreover, the project design and proposed density at approximately 8 units per acre is consistent with the number of dwelling units per acre desired under the R10 land use district.

Deviations from Site Development Standards. Planned unit developments may deviate from the site development standards set forth in the applicable zoning district regarding lot area, lot dimensions, lot coverage, setbacks and building height. Any such deviation(s) shall be to the minimum degree necessary to achieve one or more of the purposes listed in the section.

Street side setbacks in the R10 zone are twenty (20) feet. Along Perris Boulevard (Six Lane Divided Arterial) and Cactus Avenue (Minor Arterial) the PUD meets the twenty (20) foot requirement. Along Delphinium Avenue, which is classified as a collector street, the project will have a reduced side yard setback of ten (10) feet. The reduction to ten (10) feet is consistent with other residential developments in the City and is consistent with the standard for Residential Single-Family (RS10) and allows the project to meet the minimum required density of 8 units per acre.

2. **Conformance with the Zoning Regulations** – The proposed CUP is consistent with the purposes and intent of Title 9 of the City of Moreno Valley Municipal Code.

**FACT:** The proposed project is within the Residential 10 (R10) zoning designation, which primary purpose is to provide for a variety of residential products and to encourage innovation in housing types. Developments within Residential 10 areas are typically expected to provide amenities not generally found in suburban subdivisions, such as common open space and recreational areas (Goal 2.2.8).

The proposed project meets the criteria established in the PUD section of the Municipal Code (Section 9.03.060), as it will include a mix of home sites, which includes townhome style residences at the required R10 density and with the amenities of a multiple-family development.

To allow for variation in the residential design of the proposed condominium development, the applicant is proposing a conditional use permit (CUP) for a Planned Unit Development (PUD). The PUD section of the Municipal Code (Section 9.03.060) outlines specific goals and objectives for the project that encourage:



Greater innovation in housing development and diversity of housing choices than would otherwise be possible according to the strict application of the site development regulations contained in this title.

The proposed project meets the criteria established above, and includes a total number of home sites at the required R10 density and with the common area amenities desired with a multiple-family development. The PUD will include two story homes between 2,054 to 2,696 square feet in size. The applicant is providing on-site recreation facilities such as private/common open space, a clubhouse with a gym, a pool and tot lot/playground.

The residential development project will result in a walkable community with pedestrian access to existing commercial land uses approximately one half mile south of the project at Perris Boulevard and John F. Kennedy Drive. Pedestrian access will be provided to the nearby Chaparral Hills Elementary School and Badger Springs Middle School, which are located west of the site on Delphinium Avenue. The proposed project will offer opportunities of owning a home on a small lot, which can be particularly well suited for the first time home buyers.

The following stated purposes for developments approved under a planned unit development concept, per Section 9.03.060 of the Municipal Code. A synopsis of how the proposed development concurs within the established language is also provided:

Permitted Uses and Density. Only those uses permitted within the applicable zoning district shall be allowed within any planned unit development. The average density of any planned unit development shall not exceed the number of dwelling units per acre allowed under the applicable zoning district regulations.

The project will include detached townhouse style residential homes, a permitted use in an R10 land use district. The proposed project will meet housing needs provided within the City's Housing Element of the General Plan by expanding the range of housing options in the community. Moreover, the project design and proposed density at approximately 8 units per acre is consistent with the number of dwelling units per acre desired under the R10 land use district.

Deviations from Site Development Standards. Planned unit developments may deviate from the site development

standards set forth in the applicable zoning district regarding lot area, lot dimensions, lot coverage, setbacks and building height. Any such deviation(s) shall be to the minimum degree necessary to achieve one or more of the purposes listed in the section.

Street side setbacks in the R10 zone are twenty (20) feet. Along Perris Boulevard (Six Lane Divided Arterial) and Cactus Avenue (Minor Arterial) the PUD meets the twenty (20) foot requirement. Along Delphinium Avenue, which is classified as a collector street, the project will have a reduced side yard setback of ten (10) feet. The reduction to ten (10) feet is consistent with other residential developments in the City and is consistent with the standard for Residential Single-Family (RS10) and allows the project to meet the minimum required density of 8 units per acre.

3. **Health, Safety and Welfare** – The proposed use will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity.

**FACT:** The proposed 121 unit Planned Unit Development (PUD), as designed and conditioned will not adversely affect the public health, safety or general welfare. An Initial Study has been prepared in accordance with the provisions of the California Environmental Quality Act (CEQA). Based on the Initial Study, it was determined that the potential impacts of the project can be mitigated to less than significant with the incorporation of mitigation measures. A Mitigated Negative Declaration is recommended.

4. **Location, Design and Operation** – The location, design and operation of the proposed project will be compatible with existing and planned land uses in the vicinity.

**FACT:** The proposed project is located in an area of Moreno Valley that is characterized by residential development, with established single-family tracts to the east, west north and south (Residential 5 (R5) and Residential Single-Family 10 (RS10)). Directly across Perris Boulevard are two vacant parcels zoned Residential 15 (R15) and two developed parcels zoned Office (O) with a child daycare center and building contractor yard with a residence. There is a multiple-family apartment complex at the southeast corner of Delphinium Avenue and Perris Boulevard zoned Residential 20 (R20).

Overall, as designed, the proposed Planned Unit Development (PUD) is compatible with the Residential 10 (R10) zone, and the

City's General Plan land use classification of Residential/Office (R/O). As designed and conditioned, this PUD is compatible with existing and proposed land uses in the vicinity.

BE IT FURTHER RESOLVED that the City Council of the City of Moreno Valley HEREBY APPROVES Resolution No. 2015-13 approving PA14-0014; subject to the attached conditions of approval included as Exhibit A.

APPROVED AND ADOPTED this 10<sup>th</sup> day of March 2015.

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Mayor

ATTEST:

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City Clerk

APPROVED AS TO FORM:

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City Attorney

**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. 2015-13 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 10th day of March, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

\_\_\_\_\_  
CITY CLERK

(SEAL)

**CITY OF MORENO VALLEY  
 CONDITIONS OF APPROVAL  
 PA14-0014 CONDITIONAL USE PERMIT (CUP)  
 FOR A PLANNED UNIT DEVELOPMENT (PUD)  
 APN(s): 482-582-038, 039, 040 & 482-230-024**

**APPROVAL DATE: March 10, 2015**  
**EXPIRATION DATE: March 10, 2018**

- Planning (P), including School District (S), Post Office (PO), Building (B)
- Fire Prevention Bureau (F)
- Public Works, Land Development (LD)
- Financial & Management Services, Special Districts (SD)
- Public Works – Transportation Engineering (TE)
- Police (PD)
- Moreno Valley Utilities

**COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT**

**Planning Division**

For questions regarding any Planning condition of approval, please contact the Planning Division at (951) 413-3206.

- P1. Conditional Use Permit (PA14-0014) is an approval for a Planned Unit Development (PUD) for a 121 unit condominium complex with a community clubhouse, playground and pool at the southwest corner of Cactus Avenue and Perris Boulevard (APNs: 482-582-038, 039, 040 & 482-230-024). Approval of the PUD includes architectural elevations (five (5) two-story and two (2) single-story designs). Lot Numbers 2, 15-27, 70, 71, and 120 require a single-story elevation.
- P2. The approval for PA14-0014 (CUP) shall expire three years after the approval date of these projects unless used or extended as provided for by the City of Moreno Valley Municipal Code; otherwise it shall become null and void and of no effect whatsoever. Use means the beginning of substantial construction

**Timing Mechanisms for Conditions (see abbreviation at beginning of affected condition):**

R - Map Recordation	GP - Grading Permits	CO - Certificate of Occupancy or building final
WP - Water Improvement Plans	BP - Building Permits	P - Any permit

**Governing Document (see abbreviation at the end of the affected condition):**

GP - General Plan	MC - Municipal Code	CEQA - California Environmental Quality Act
Ord - Ordinance	DG - Design Guidelines	Ldscp - Landscape Development Guidelines and Specs
Res - Resolution	UFC - Uniform Fire Code	UBC - Uniform Building Code
SBM - Subdivision Map Act		

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 Resolution No. 2015-13  
 Date Adopted: March 10, 2015

contemplated by this approval within the three-year period, which is thereafter pursued to completion, or the beginning of substantial utilization contemplated by this approval. (MC 9.02.230)

- P3. The site shall be developed in accordance with the approved plans on file in the Community & Economic Development Department - Planning Division, the Municipal Code regulations, General Plan, and the conditions contained herein. Prior to any use of the project site or business activity being commenced thereon, all Conditions of Approval shall be completed to the satisfaction of the Planning Official. (MC 9.14.020)
- P4. A mitigation monitoring fee, as provided by City ordinance, shall be paid by the applicant within 30 days of project approval. No City permit or approval shall be issued until such fee is paid. (CEQA)
- P5. The developer, or the developer's successor-in-interest, shall be responsible for maintaining any undeveloped portion of the site in a manner that provides for the control of weeds, erosion and dust. (MC 9.02.030)
- P6. All landscaped areas shall be maintained in a healthy and thriving condition, free from weeds, trash and debris by the Homeowners Association (HOA).(MC 9.02.030)
- P7. Any signs indicated on the submitted plans are not included with this approval. Any signs, whether permanent (e.g. wall, monument) or temporary (e.g. banner, flag), proposed for this development shall be designed in conformance with the sign provisions of the Development Code or approved sign program, if applicable, and shall require separate application and approval by the Planning Division. No signs are permitted in the public right of way. (MC 9.12)
- P8. All site plans, grading plans, landscape and irrigation plans, fence/wall plans, lighting plans and street improvement plans shall be coordinated for consistency with this approval.

Prior to Issuance of Grading Permits

- P9. (GP) Prior to issuance of grading permits, the developer shall pay the applicable Stephens' Kangaroo Rat (SKR) Habitat Conservation Plan mitigation fee. (Ord)
- P10. (GP) Prior to approval of any grading permits, plans for any security gate system shall be submitted to the Planning Division for review and approval.
- P11. (GP) Within thirty (30) days prior to any grading or other land disturbance, a pre-construction survey for Burrowing Owls shall be conducted pursuant to the

established guidelines of Multiple Species Habitat Conservation Plan.

- P12. The owner or owner's representative shall establish and maintain a relationship with the City of Moreno Valley and cooperate with the Problem Oriented Policing (POP) program, or its successors.
- P13. (GP) Decorative pedestrian pathways across circulation aisles/paths shall be provided throughout the development to connect dwellings with open spaces and/or recreational uses with open space and parking and the public right-of-way. The pathways shall be shown on the precise grading plan. (GP Objective 46.8, DG)
- P14. (GP) Prior to the issuance of grading permits, the site plan shall show decorative concrete pavers for all driveway ingress/egress locations of the project.
- P15. (GP) Prior to the issuance of grading permits, the developer and owners of adjoining properties (24868, 24871 and 24855 Chippendale Street and 24848, 24866, 24867 and 24849 Cape Cod Street) shall enter into a written agreement that states their current rear yard fencing will be replaced with a decorative block wall along the rear of their properties and the existing side yard fencing will be extended to the new rear property line wall, matching the material of the current side yard fencing (i.e. wood, chain-link or block). The agreement will also state that the rear properties (24868, 24871 and 24855 Chippendale Street and 24848, 24866, 24867 and 24849 Cape Cod Street) will be properly graded to ensure proper drainage to the front of those respective lots.
- P16. (GP) Prior to issuance of grading permits, the developer shall submit wall/fence plans to the Planning Division for review and approval as follows:
- A. A maximum 6 foot high solid decorative block perimeter wall with pilasters and a cap shall be required adjacent to all residential zoned areas (along western boundary and existing residential structures on Cactus Avenue, Perris Boulevard and Delphinium Avenue) on as well as along street frontage (Cactus Avenue, Perris Boulevard and Delphinium Avenue) and the detention basin.
  - B. A maximum 6 foot high solid decorative block wall is required on all corner lots within the PUD.
  - C. Internal fencing between units will be a poly-vinyl fencing material or decorative block.
  - D. Any proposed retaining walls shall be decorative in nature; the combination of retaining and other walls/fencing on top shall not exceed the maximum height requirement as specified in Chapter 9.08.070 of the Municipal Code.

**PRIOR TO BUILDING PERMITS**

- P17. (BP) Prior to issuance of building permits, the Planning Division shall review and approve the location and method of enclosure or screening of transformer cabinets, commercial gas meters and back flow preventers as shown on the final working drawings. Location and screening shall comply with the following criteria: transformer cabinets and commercial gas meters shall not be located within required setbacks and shall be screened from public view either by architectural treatment or landscaping; multiple electrical meters shall be fully enclosed and incorporated into the overall architectural design of the building(s); back-flow preventers shall be screened by landscaping. (GP Objective 43.30, DG)
- P18. (BP) Prior to issuance of building permits, two copies of a detailed, on-site, computer generated, point-by-point comparison lighting plan, including exterior building lighting, shall be submitted to the Planning Division for review and approval. The lighting plan shall be generated on the plot plan and shall be integrated with the final landscape plan. The plan shall indicate the manufacturer's specifications for light fixtures used and shall include style, illumination, location, height and method of shielding. The lighting shall be designed in such a manner so that it does not exceed one-quarter foot-candle minimum maintained lighting measured from within five feet of any property line.
- P19. (BP) Prior to issuance of building permits, the developer or developer's successor-in-interest shall pay all applicable impact fees, including but not limited to Transportation Uniform Mitigation fees (TUMF), Multiple Species Habitat Conservation Plan (MSHCP) mitigation fees, and the City's adopted Development Impact Fees. (Ord)
- P20. (BP) Prior to issuance of building permits, for projects that will be phased, a phasing plan submitted to the Planning Division will be required if occupancy is proposed to be phased.
- P21. (BP) Prior to issuance of any building permits, final landscaping and irrigation plans shall be submitted for review and approval by the Planning Division. After the third plan check review for landscape plans, an additional plan check fee shall apply. The plans shall be prepared in accordance with the City's Landscape Standards and shall include:
- A. Drought tolerant landscape shall be used. Sod shall be limited to gathering areas.
  - B. Street trees shall be provided every 40 feet on center in the right of way.
  - C. Additional required trees include the following for 1) Interior Lots: Street trees shall be planted approximately forty (40) feet on-center within the property line, with a minimum of one tree per lot, 2) Corner Lots: Street



trees shall be planted approximately forty (40) feet on center, with a minimum of one tree per short frontage, two trees per long frontage and 3) A minimum of one additional tree shall be planted in the front yard, in addition to the required street tree, to provide shading of the residence to facilitate for energy savings.

- D. Enhanced landscaping shall be provided at all driveway entries and street corner locations.
  - E. The review of all utility boxes, transformers etc. shall be coordinated to provide adequate screening from public view.
  - F. All site perimeter, detention basin and open space landscaping and irrigation shall be installed prior to the release of certificate of any occupancy permits for the PUD.
- P22. Prior to the issuance of building permits, landscape and irrigation plans for areas maintained by the Homeowner's Association shall be submitted to the Planning Division. All landscape plans shall be approved prior to the release of any building permits for the site. The plans shall be prepared in accordance with the City's Landscape Development Guidelines. Landscaping is required for the sides and or slopes of all water quality basin and drainage areas. All detention basins shall include trees, shrubs and groundcover up to the concreted portion of the basin. A solid decorative wall with pilasters or other fence or wall approved by the Planning Official is required to secure all water quality and detention basins.

PRIOR TO RECORDATION OF FINAL MAP

- P23. (R) Prior to recordation of the final subdivision map, the developer shall submit for review and approval the following documents to the Planning Division which shall demonstrate that the project will be developed and maintained in accordance with the intent and purpose of the approval:
- a. The document to convey title
  - b. Deed restrictions, easements, or Covenants, Conditions and Restrictions to be recorded

The approved documents shall be recorded at the same time that the subdivision map is recorded. The documents shall contain provisions for general maintenance of the site, open space use restrictions, conservation easements, water quality basins, lighting, landscaping and common area use items such as exercise stations, public seating areas and other recreation facilities. The approved documents shall also contain a provision, which provides that they may not be terminated and/or substantially amended without the consent of the City and the developer's successor-in-interest. (MC 9.14.090)

In addition, the following deed restrictions and disclosures shall be included within the document and grant deed of the properties:

- The developer and the Isla Verde Planned Unit Development Guidelines and homeowners association shall promote the use of native plants and trees and drought tolerant species to the extent feasible.
- All lots designated for open space and, or basins, shall be dedicated to and maintained by a Homeowners Association (HOA). The HOA shall contract with a private maintenance entity or establish a funding mechanism approved by the City in a maintenance agreement for City maintenance. Language to this effect shall be included and reviewed within the required Covenant Conditions and Restrictions (CC&Rs) prior to the approval of the final map.
- All reverse frontage property and public right-of-way landscape areas, shall be maintained by a Homeowners Association (HOA) or through a property owner funded landscaping district maintained by the City. Language to this effect shall be included and reviewed within the required Covenant Conditions and Restrictions (CC&Rs) prior to the approval of the final map.
- Maintenance of any and all common facilities, including the clubhouse, pool and playground area.
- A conservation easement for lettered lots shall be recorded on the deed of the property and shown on the final map. Said easement shall include access restrictions prohibiting motorized vehicles from these areas except on the maintenance road and access driveways for the water quality basins.

**PRIOR TO CERTIFICATE OF OCCUPANCY**

- P24. (CO) Prior to issuance of Certificates of Occupancy or building final, the required landscaping and irrigation shall be installed. (DC 9.03.040)
- P25. (CO) Prior to the issuance of Certificates of Occupancy or building final, all required and proposed fences and walls shall be constructed according to the approved plans on file in the Planning Division. (MC 9.080.070).
- P26. (BP/CO) Prior to issuance of Certificate of Occupancy or building final, installed landscaping and irrigation shall be inspected by the Planning Division. All on-site and common area landscaping shall be installed in accordance with the City's Landscape Standards and the approved project landscape plans and all site clean-up shall be completed.

P27. The owner or owner's representative shall establish and maintain a relationship with the City of Moreno Valley and cooperate with the Problem Oriented Policing (POP) program, or its successors.

MITIGATION MEASURES

- P28. AQ-1: Daily heavy equipment use during site preparation activities shall be limited to an aggregate of no more than 56 hours per day and haul trips shall be limited to no more than 137 deliveries. This same allocation shall be used if the removal and replacement of soil is to be given a "dedicated" phase.
- P29. AQ-2: Daily heavy equipment use during site grading activities shall be limited to an aggregate of no more than 64 hours per day and haul trips shall be limited to no more than 66 deliveries.
- P30. AQ-3: Records for equipment hours and truck hauls shall be maintained for City inspection at the construction site during all earthwork activities.
- P31. AQ-4: (a) Painting and surface coating shall be limited to an aggregate area of no more than 25,000 square feet per day during any phase of construction, **Or** (b) Paints and surface coatings shall be limited to a VOC content of no more than 35 milligrams per liter of VOC content. During site preparations, the contractor shall specify that all dozers use a minimum of Level 2 diesel particulate filters.
- P32. AQ-5: Any hearth, stove, or fireplace designed to burn wood shall be omitted or replaced with a unit designed to burn only natural gas.
- P33. AQ-6: During site preparations, the contractor shall water the construction site a minimum of three times per day, rather than twice per day as required under Rule 403 (SCAQMD - to prevent, reduce or mitigate fugitive dust emissions).
- P34. BIO-1: A burrowing owl pre-construction survey shall be conducted by a qualified biologist within 30 days prior to ground disturbance to avoid impacts to the species. Should burrowing owls and/or occupied nests be detected on the property, the nests will be avoided and protective measures as recommended by the qualified biologist will be implemented.
- P35. BIO-2: Within 30 days prior to ground disturbance, a pre-construction survey of any shrubs on-site shall be conducted by a qualified biologist to determine if any migratory bird nests exist and are occupied. Should occupied nests be detected on the property, the nests will be avoided and protective measures as recommended by the qualified biologist will be implemented.

- P36. CULT-1: In the event that prehistoric or historic archaeological resources (e.g., bottles, foundations, refuse dumps, Native American artifacts, etc.) are unearthed during ground-disturbing activities, the Applicant shall halt or redirect ground-disturbing activities away from the vicinity of the find so that the find can be evaluated by a qualified archaeologist. Work shall be allowed to continue outside of the vicinity of the find. All archaeological resources unearthed by Project construction activities shall be evaluated by an archaeologist. The Applicant shall coordinate with the archaeologist and the City to develop an appropriate treatment plan for the resources if they are determined to be potentially eligible for the California Register or potentially qualify as unique archaeological resources pursuant to CEQA. Treatment may include implementation of archaeological data recovery excavations to remove the resource or preservation in place or avoidance. The archaeologist shall prepare a report regarding the find and its treatment effort that shall be submitted by the Applicant to the City, the South Central Coastal Information Center, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the project and the required mitigation measures. The report shall include a description of resources unearthed, if any, treatment of the resources, and evaluation of the resources with respect to the California Register. The Applicant, in consultation with the archaeologist and the City shall designate repositories meeting State standards in the event that archaeological material is recovered. Project material shall be curated in accordance with the State Historical Resources Commission's Guidelines for Curation of Archaeological Collections.
- P37. CULT-2: If construction excavations would encounter the fossiliferous Pleistocene alluvial sediments that are located at an unknown depth within the Project site, a qualified paleontologist shall be retained by the Applicant. A qualified paleontologist is defined as a paleontologist meeting the criteria established by the Society for Vertebrate Paleontology. The qualified Paleontologist shall supervise a paleontological monitor who shall be present during construction excavations into Pleistocene alluvial sediments. Monitoring shall consist of visually inspecting fresh exposures of rock for larger fossil remains and, where appropriate, collecting wet or dry screened sediment samples of promising horizons for smaller fossil remains. The frequency of monitoring inspections shall be determined by the Paleontologist and shall be based on the rate of excavation and grading activities, the materials being excavated, and the depth of excavation, and if found, the abundance and type of fossils encountered.
- P38. CULT-3: If a potential fossil is found, the Paleontological Monitor shall be allowed to temporarily divert or redirect grading and excavation activities in the area of the exposed fossil to facilitate evaluation and, if necessary, salvage. At the Paleontologist's discretion and to reduce any construction delay, the grading and excavation contractor shall assist in removing rock samples for initial processing.

- P39. CULT-4: Any fossils encountered and recovered shall be prepared to the point of identification and catalogued before they are donated to their final repository. Any fossils collected shall be donated to a public, non-profit institution with a research interest in the materials, such as the San Bernardino County Museum or the Western Science Center. Accompanying notes, maps, and photographs shall also be filed at the repository.
- P40. CULT-5: Following the completion of the above measures, the Paleontologist shall prepare a report summarizing the results of the monitoring and salvaging efforts, the methodology used in these efforts, as well as a description of the fossils collected and their significance. The report shall be submitted by the Project Applicant to the lead agency, the Natural History Museum of Los Angeles County, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the Project and required mitigation measures.
- P41. CULT-6: If human remains are encountered unexpectedly during implementation of the proposed project, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to PRC Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission (NAHC). The NAHC shall then identify the person(s) thought to be the Most Likely Descendent (MLD). The MLD may, with the permission of the land owner, or his or her authorized representative, inspect the site of the discovery of the Native American remains and may recommend to the owner or the person responsible for the excavation work means for treating or disposing, with appropriate dignity, the human remains and any associated grave goods. The MLD shall complete their inspection and make their recommendation within 48 hours of being granted access by the land owner to inspect the discovery. The recommendation may include the scientific removal and nondestructive analysis of human remains and items associated with Native American burials. Upon the discovery of the Native American remains, the landowner shall ensure that the immediate vicinity, according to generally accepted cultural or archaeological standards or practices, where the Native American human remains are located, is not damaged or disturbed by further development activity until the landowner has discussed and conferred, as prescribed in this mitigation measure, with the MLD regarding their recommendations, if applicable, taking into account the possibility of multiple human remains. The landowner shall discuss and confer with the descendants all reasonable options regarding the descendants' preferences for treatment. Whenever the NAHC is unable to identify a MLD, or the MLD identified fails to make a recommendation, or the landowner or his or her authorized representative rejects the recommendation of the descendants and the mediation

provided for in Subdivision (k) of Section 5097.94, if invoked, fails to provide measures acceptable to the landowner, the landowner or his or her authorized representative shall inter the human remains and items associated with Native American human remains with appropriate dignity on the property in a location not subject to further and future subsurface disturbance.

- P42. N-1: At a minimum the structures that back along Perris Boulevard and Cactus Avenue shall be constructed with batten insulation in the exterior walls. Alternatively, these structures could be of masonry construction negating this requirement.
- P43. N-2: All exterior fittings that enter these structures (e.g., electrical conduits, HVAC ducts) are to be sealed with caulk such that the fittings are rendered as air-tight. Any metal duct-work that is exposed to the exterior environment shall be enclosed and insulated to avoid noise transference through the ducting.
- P44. N-3: The Applicant shall provide these structures with forced air ventilation designed and installed in accordance with the California Uniform Building Code.
- P45. N-4: The Applicant shall specify a minimum STC rating of 32 and 33 for all first and second story, respectively, window and/or door assemblies, that have a view toward Perris Boulevard (east facing) These windows and/or doors are to be well fitting with vinyl (or equivalent) gaskets that form an air tight fitting.
- P46. N-5: The Applicant shall specify a minimum STC rating of 28 and 32 for all first and second story, respectively, window and/or door assemblies that have a view toward Cactus Avenue (north facing) These windows and/or doors are to be well fitting with vinyl (or equivalent) gaskets that form an air tight fitting.
- P47. N-6: The Applicant shall abide by any other measures set forth by the City of Moreno Valley Planning Department for noise mitigation.

**Building and Safety Division**

- B1. New buildings/structures shall comply with the current California Building Standards Code (CBC, CEC, CMC, CPC and Green Building Standards) as well as City ordinances. Plans shall be submitted to the Building and Safety Division as a separate submittal and shall include a soils report at time of first submittal. Beginning on January 1, 2014, the 2013 CBC will become effective for all new building permit applications.
- B2. Prior to the issuance of a building permit, the applicant shall submit a properly completed "Waste Management Plan" (WMP), as required, as a portion of the building or demolition permit process.
- B3. Building plans and instruments of service submitted with a building permit application shall be signed and sealed by a California licensed design professional as required by the State Business and Professions Code.
- B4. The proposed new development may be subject to the payment of development fees as required by the City's Fee Ordinance at the time an application is submitted or prior to the issuance of permits as determined by the City.

**SCHOOL DISTRICT**

- S1. (BP) Prior to issuance of building permits, the developer shall provide to the Community Development Director a written certification by the affected school district that either: (1) the project has complied with the fee or other exaction levied on the project by the governing board of the district, pursuant to Government Code Section 65996; or (2) the fee or other requirement does not apply to the project.

**UNITED STATES POSTAL SERVICE**

- PO1. (BP) Prior to the issuance of building permits, the developer shall contact the U.S. Postal Service to determine the appropriate type and location of mailboxes.

**FIRE PREVENTION BUREAU**

With respect to the conditions of approval, the following fire protection measures shall be provided in accordance with Moreno Valley City Ordinances and/or recognized fire protection standards:

- F1. Final fire and life safety conditions will be addressed when the Fire Prevention Bureau reviews building plans. These conditions will be based on occupancy, use, California Building Code (CBC), California Fire Code (CFC), and related codes, which are in force at the time of building plan submittal.
- F2. The Fire Prevention Bureau is required to set a minimum fire flow for the remodel or construction of all commercial buildings per CFC Appendix B and Table B105.1. The applicant/developer shall provide documentation to show there exists a water system capable of delivering 1500 GPM for 2 hour(s) duration at 20-PSI residual operating pressure. The required fire flow may be adjusted during the approval process to reflect changes in design, construction type, or automatic fire protection measures as approved by the Fire Prevention Bureau. Specific requirements for the project will be determined at time of submittal. (CFC 507.3, Appendix B). Fire sprinklers shall be installed throughout this project. The 50% reduction in fire flow was granted for the use of fire sprinklers throughout the facility. The reduction shall only apply to fire flow, hydrant spacing shall be per the fire flow requirements listed in CFC Appendix B and C.
- F3. Industrial, Commercial, Multi-family, Apartment, Condominium, Townhouse or Mobile Home Parks. A combination of on-site and off-site super fire hydrants (6" x 4" x 2 1/2" x 2 1/2" ) and super enhanced fire hydrants (6" x 4" x 4" x 2 1/2" ) shall not be closer than 40 feet and more than 150 feet from any portion of the building as measured along approved emergency vehicular travel ways. The required fire flow shall be available from any adjacent fire hydrant(s) in the system. Where new water mains are extended along streets where hydrants are not needed for protection of structures or similar fire problems, super or enhanced fire hydrants as determined by the fire code official shall be provided at spacing not to exceed 500 feet of frontage for transportation hazards. (CFC 507.5.7 & MVMC 8.36.060 Section K, L)
- F4. Prior to issuance of Certificate of Occupancy or Building Final, "Blue Reflective Markers" shall be installed to identify fire hydrant locations in accordance with City specifications. (CFC 509.1 and MV City Standard Engineering Plan 422 a, b, c)



**CONDITIONS OF APPROVAL**  
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- F5. During phased construction, dead end roadways and streets which have not been completed shall have a turn-around capable of accommodating fire apparatus. (CFC 503.1 and 503.2.5)
- F6. Each phase shall provide an approved emergency vehicular access way for fire protection prior to any building construction. (CFC 501.4)
- F7. Maximum cul-de-sac or dead end road length shall not exceed 660 feet. The Fire Chief, based on City street standards, shall determine minimum turning radius for fire apparatus based upon fire apparatus manufacture specifications. (CFC 503.2, MVMC 9.15.030)
- F8. Prior to issuance of Building Permits, the applicant/developer shall provide the Fire Prevention Bureau with an approved site plan for Fire Lanes and signage. (CFC 501.3)
- F9. Prior to construction and issuance of building permits, all locations where structures are to be built shall have an approved Fire Department emergency vehicular access road (all weather surface) capable of sustaining an imposed load of 80,000 lbs. GVW, based on street standards approved by the Public Works Director and the Fire Prevention Bureau. (CFC 501.4 and MV City Standard Engineering Plan 108d)
- F10. Prior to construction and issuance of Building Permits, fire lanes and fire apparatus access roads shall have an unobstructed width of not less than twenty-four (24) feet as approved by the Fire Prevention Bureau and an unobstructed vertical clearance of not less the thirteen (13) feet six (6) inches. (CFC 503.2.1 and MVMC 8.36.060[E])
- F11. Prior to construction, all roads, driveways and private roads shall not exceed 12 percent grade. (CFC 503.2.7 and MVMC 8.36.060[G])
- F12. Prior to construction, all locations where structures are to be built shall have an approved Fire Department access based on street standards approved by the Public Works Director and the Fire Prevention Bureau. (CFC 501.4)
- F13. Prior to building construction, dead end roadways and streets which have not been completed shall have a turnaround capable of accommodating fire apparatus. (CFC 503.2.5)
- F14. The angle of approach and departure for any means of Fire Department access shall not exceed 1 ft drop in 20 ft (0.3 m drop in 6 m), and the design limitations

of the fire apparatus of the Fire Department shall be subject to approval by the AHJ. (CFC 503 and MVMC 8.36.060)

- F15. Prior to issuance of the building permit for development, independent paved access to the nearest paved road, maintained by the City shall be designed and constructed by the developer within the public right of way in accordance with City Standards. (MVMC 8.36.060, CFC 501.4)
- F16. Prior to construction, “private” driveways over 150 feet in length, dead end roadways, and streets which have not been completed shall have a turn-around as determined by the Fire Prevention Bureau capable of accommodating fire apparatus. Driveway grades shall not exceed 12 percent. (CFC 503, and MVMC 8.36.060, CFC 501.4)
- F17. Prior to issuance of Certificate of Occupancy, all residential dwellings shall display street numbers in a prominent location on the street side of the residence in such a position that the numbers are easily visible to approaching emergency vehicles. The numbers shall be located consistently on each dwelling throughout the development. The numerals shall be no less than four (4) inches in height and shall be low voltage lighted fixtures. (CFC 505.1, MVMC 8.36.060[I])
- F18. Prior to issuance of a Certificate of Occupancy or Building Final, a “Knox Box Rapid Entry System” shall be provided. The Knox-Box shall be installed in an accessible location approved by the Fire Chief. All exterior security emergency access gates shall be electronically operated and be provided with Knox key switches for access by emergency personnel. (CFC 506.1)
- F19. Prior to issuance of Building Permits, the applicant/developer shall participate in the Fire Impact Mitigation Program. (Fee Resolution as adopted by City Council)
- F20. Prior to issuance of Certificate of Occupancy or Building Final, the applicant/developer shall install a fire sprinkler system based on square footage and type of construction, occupancy or use. Fire sprinkler plans shall be submitted to the Fire Prevention Bureau for approval prior to installation. (CFC Chapter 9, MVMC 8.36.100[D])
- F21. Prior to issuance of Building Permits, the applicant/developer shall furnish one copy of the water system plans to the Fire Prevention Bureau for review. Plans shall:
- a) Be signed by a registered civil engineer or a certified fire protection engineer;
  - b) Contain a Fire Prevention Bureau approval signature block; and

- c) Conform to hydrant type, location, spacing of new and existing hydrants and minimum fire flow required as determined by the Fire Prevention Bureau.

After the local water company signs the plans, the originals shall be presented to the Fire Prevention Bureau for signatures. The required water system, including fire hydrants, shall be installed, made serviceable, and be accepted by the Moreno Valley Fire Department prior to beginning construction. They shall be maintained accessible.

Existing fire hydrants on public streets are allowed to be considered available. Existing fire hydrants on adjacent properties shall not be considered available unless fire apparatus access roads extend between properties and easements are established to prevent obstruction of such roads. (CFC 507, 501.3)

- F22. Complete plans and specifications for fire alarm systems, fire-extinguishing systems (including automatic sprinklers or standpipe systems), clean agent systems (or other special types of automatic fire-extinguishing systems), as well as other fire-protection systems and appurtenances thereto shall be submitted to the Moreno Valley Fire Prevention Bureau for review and approval prior to system installation. Submittals shall be in accordance with CFC Chapter 9 and associated accepted national standards.
- F23. Emergency and Fire Protection Plans shall be provided when required by the Fire Prevention Bureau. (CFC Section 105, MVMC 8.36.100[A])
- F24. Prior to issuance of Certificate of Occupancy or Building Final, the applicant/developer must submit a simple plot plan, a simple floor plan, and other plans as requested, to the Fire Prevention Bureau.
- F25. Approval of the safety precautions required for buildings being constructed, altered or demolished shall be required by the Fire Chief in addition to other approvals required for specific operations or processes associated with such construction, alteration or demolition. (CFC Chapter 33 & CBC Chapter 33)
- F26. Construction or work for which the Fire Prevention Bureau's approval is required shall be subject to inspection by the Fire Chief and such construction or work shall remain accessible and exposed for inspection purposes until approved. (CFC Section 105)
- F27. The Fire Prevention Bureau shall maintain the authority to inspect, as often as necessary, buildings and premises, including such other hazards or appliances designated by the Fire Chief for the purpose of ascertaining and causing to be corrected any conditions which would reasonably tend to cause fire or contribute

to its spread, or any violation of the purpose or provisions of this code and of any other law or standard affecting fire safety. (CFC Section 105)

- F28. Permit requirements issued, which designate specific occupancy requirements for a particular dwelling, occupancy, or use, shall remain in effect until such time as amended by the Fire Chief. (CFC Section 105)
- F29. In accordance with the California Fire Code Appendix Chapter 1, where no applicable standards or requirements are set forth in this code, or contained within other laws, codes, regulations, ordinances or bylaws adopted by the jurisdiction, compliance with applicable standards of the National Fire Protection Association or other nationally recognized fire safety standards as are approved shall be deemed as prima facie evidence of compliance with the intent of this code as approved by the Fire Chief. (CFC Section 102.8)
- F30. Any alterations, demolitions, or change in design, occupancy and use of buildings or site will require plan submittal to the Fire Prevention Bureau with review and approval prior to installation. (CFC 102.3)
- F31. Prior to Certificate of Occupancy all locations where medians are constructed and prohibit vehicular ingress/egress into or away from the site, provisions must be made to construct a median-crossover at all locations determined by the Fire Marshal and the City Engineer. Prior to the construction, design plans will be submitted for review and approval by the City Engineer and all applicable inspections conducted by Land Development Division.
- F32. Prior to construction, all traffic calming designs/devices must be approved by the Fire Marshal and City Engineer.
- F33. All fire lanes shall be a minimum of 24 feet wide with no street parking allowed, if street parking is preferred, then the streets shall be made wider to accommodate it.

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

**Note:** All Special Conditions are in **Bold** lettering and follow the standard conditions.

**PUBLIC WORKS DEPARTMENT – LAND DEVELOPMENT DIVISION**

The following are the Public Works Department – Land Development Division Conditions of Approval for this project and shall be completed at no cost to any government agency. All questions regarding the intent of the following conditions shall be referred to the Public Works Department – Land Development Division.

General Conditions

- LD1. (G) The developer shall comply with all applicable City ordinances and resolutions including the City's Municipal Code (MC) and if subdividing land, the Government Code (GC) of the State of California, specifically Sections 66410 through 66499.58, said sections also referred to as the Subdivision Map Act (SMA). (MC 9.14.010)
- LD2. (G) If the project involves the subdivision of land, maps may be developed in phases with the approval of the City Engineer. Financial security shall be provided for all improvements associated with each phase of the map. The boundaries of any multiple map increment shall be subject to the approval of the City Engineer. The City Engineer may require the dedication and construction of necessary utilities, streets or other improvements outside the area of any particular map, if the improvements are needed for circulation, parking, access, or for the welfare or safety of the public. (MC 9.14.080, GC 66412 and 66462.5) If the project does not involve the subdivision of land and it is necessary to dedicate right-of-way/easements, the developer shall make the appropriate offer of dedication by separate instrument. The City Engineer may require the construction of necessary utilities, streets or other improvements beyond the project boundary, if the improvements are needed for circulation, parking, access, or for the welfare or safety of the public.
- LD3. (G) It is understood that the tentative map correctly shows all existing easements, traveled ways, and drainage courses, and that their omission may require the map or plans associated with this application to be resubmitted for further consideration. (MC 9.14.040)
- LD4. (G) In the event right-of-way or offsite easements are required to construct offsite improvements necessary for the orderly development of the surrounding area to meet the public health and safety needs, the developer shall make a good faith effort to acquire the needed right-of-way in accordance with the Land

Development Division's administrative policy. In the event that the developer is unsuccessful, he shall enter into an agreement with the City to acquire the necessary right-of-way or offsite easements and complete the improvements at such time the City acquires the right-of-way or offsite easements which will permit the improvements to be made. The developer shall be responsible for all costs associated with the right-of-way or easement acquisition. (GC 66462.5)

- LD5. (G) If improvements associated with this project are not initiated within two years of the date of approval of the Public Improvement Agreement, the City Engineer may require that the improvement cost estimate associated with the project be modified to reflect current City construction costs in effect at the time of request for an extension of time for the Public Improvement Agreement or issuance of a permit.
- LD6. (G) The developer shall monitor, supervise and control all construction and construction supportive activities, so as to prevent these activities from causing a public nuisance, including but not limited to, insuring strict adherence to the following:
- (a) Removal of dirt, debris, or other construction material deposited on any public street no later than the end of each working day.
  - (b) Observance of working hours as stipulated on permits issued by the Public Works Department.
  - (c) The construction site shall accommodate the parking of all motor vehicles used by persons working at or providing deliveries to the site.
  - (d) All dust control measures per South Coast Air Quality Management District (SCAQMD) requirements shall be adhered to during the grading operations.

Violation of any condition or restriction or prohibition set forth in these conditions shall subject the owner, applicant, developer or contractor(s) to remedies as noted in the City Municipal Code 8.14.090. In addition, the City Engineer or Building Official may suspend all construction related activities for violation of any condition, restriction or prohibition set forth in these conditions until such time as it has been determined that all operations and activities are in conformance with these conditions.

- LD7. (G) The developer shall protect downstream properties from damage caused by alteration of drainage patterns, i.e., concentration or diversion of flow. Protection shall be provided by constructing adequate drainage facilities, including, but not

limited to, modifying existing facilities or by securing a drainage easement. (MC 9.14.110)

- LD8. (G) Public drainage easements, when required, shall be a minimum of 25 feet wide and shall be shown on the map and plan, and noted as follows: "Drainage Easement – no structures, obstructions, or encroachments by land fills are allowed." In addition, the grade within the easement area shall not exceed a 3:1 (H:V) slope, unless approved by the City Engineer.
- LD9. (G) For single family residential subdivisions, all lots shall drain toward the street unless otherwise approved by the City Engineer. Residential lot drainage to the street shall be by side yard swales and include yard drain pipes and inlet grates (or stubbed and capped if area is not yet landscaped) that convey flows to the street in accordance to City Standard No. 303 independent of adjacent lots. No over the sidewalk drainage shall be allowed, all drainage shall be directed to a driveway or drainage devices located outside the right-of-way. (MC 9.14.110)
- LD10. (G) A detailed drainage study shall be submitted to the City Engineer for review and approval at the time of any improvement or grading plan submittal. The study shall be prepared by a registered civil engineer and shall include existing and proposed hydrologic conditions. Hydraulic calculations are required for all drainage control devices and storm drain lines. (MC 9.14.110). Prior to approval of the related improvement or grading plans, the developer shall submit the approved drainage study, on compact disk, in (.pdf) digital format to the Land Development Division of the Public Works Department.
- LD11. (G) Water quality basins designed to meet Water Quality Management Plan (WQMP) requirements for single-family residential development may not be used as a construction best management practice. The water quality basin shall be maintained for the entire duration of project construction and be used to treat runoff from those developed portions of the project. The water quality basin shall be protected from upstream construction related runoff by having proper best management practices in place and maintained. The water quality basin shall be graded per the approved design drawings and once landscaping and irrigation has been installed, it and its maintenance shall be turned over to an established Homeowner's Association.
- LD12. (G) The final conditions of approval issued by the Planning Division subsequent to Planning Commission approval shall be photographically or electronically placed on mylar sheets and included in the Grading and Street Improvement plan sets on twenty-four (24) inch by thirty-six (36) inch mylar and submitted with the plans for plan check. These conditions of approval shall become part of these plan sets and the approved plans shall be available in the field during grading and construction.

LD13. (G) Upon approval of the tentative tract map by the Planning Commission, the Developer shall submit the approved tentative tract map or plot plan on compact disk in (.dxf) digital format to the Land Development Division of the Public Works Department.

Prior to Grading Plan Approval or Grading Permit

LD14. (GPA) Prior to approval of the grading plans, plans shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by a registered civil engineer and other registered/licensed professional as required.

LD15. (GPA) Prior to approval of grading plans, the developer shall ensure compliance with the City Grading ordinance, these Conditions of Approval and the following criteria:

- a. The project street and lot grading shall be designed in a manner that perpetuates the existing natural drainage patterns with respect to tributary drainage area and outlet points. Unless otherwise approved by the City Engineer, lot lines shall be located at the top of slopes.
- b. Any grading that creates cut or fill slopes adjacent to the street shall provide erosion control, sight distance control, and slope easements as approved by the City Engineer.
- c. A grading permit shall be obtained from the Public Works Department Land Development Division prior to commencement of any grading outside of the City maintained road right-of-way.
- d. All improvement plans are substantially complete and appropriate clearance and at-risk letters are provided to the City. (MC 9.14.030)
- e. The developer shall submit a soils and geologic report to the Public Works Department – Land Development Division. The report shall address the soil's stability and geological conditions of the site.

LD16. (GPA) Prior to grading plan approval, the developer shall select and implement treatment control best management practices (BMPs) that are medium to highly effective for treating Pollutants of Concern (POC) for the project. Projects where National Pollution Discharge Elimination System (NPDES) mandates water quality treatment control best management practices (BMPs) shall be designed per the City of Moreno Valley guidelines or as approved by the City Engineer.

LD17. (GPA) Prior to approval of the grading plans for projects that will result in discharges of storm water associated with construction with a soil disturbance of



one or more acres of land, the developer shall submit a Notice of Intent (NOI) and obtain a Waste Discharger's Identification number (WDID#) from the State Water Quality Control Board (SWQCB). The WDID# shall be noted on the grading plans prior to issuance of the first grading permit.

LD18. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall submit two (2) copies of the final project-specific Water Quality Management Plan (WQMP) for review by the City Engineer that :

- a. Addresses Site Design Best Management Practices (BMPs) such as minimizing impervious areas, maximizing permeability, minimizes directly connected impervious areas to the City's street and storm drain systems, and conserves natural areas;
- b. Incorporates Source Control BMPs and provides a detailed description of their implementation;
- c. Incorporates Treatment Control BMPs and provides information regarding design considerations;
- d. Describes the long-term operation and maintenance requirements for BMPs requiring maintenance; and
- e. Describes the mechanism for funding the long-term operation and maintenance of the BMPs.

A copy of the final WQMP template can be obtained on the City's Website or by contacting the Land Development Division of the Public Works Department.

LD19. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall record a "Stormwater Treatment Device and Control Measure Access and Maintenance Covenant," to provide public notice of the requirement to implement the approved final project-specific WQMP and the maintenance requirements associated with the WQMP.

A boilerplate copy of the "Stormwater Treatment Device and Control Measure Access and Maintenance Covenant," can be obtained by contacting the Land Development Division of the Public Works Department.

LD20. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall secure approval of the final project-specific WQMP from the City Engineer. The final project-specific WQMP shall be submitted at the same time of grading plan submittal. The approved final WQMP shall be submitted to the Storm Water Program Manager on compact disk(s) in Microsoft Word format prior to grading plan approval.

- LD21. (GPA) Prior to the grading plan approval, or issuance of a building permit as determined by the City Engineer, the approved final project-specific WQMP shall be incorporated by reference or attached to the project's Storm Water Pollution Prevention Plan as the Post-Construction Management Plan.
- LD22. (GPA) Prior to grading plan approval, the developer shall prepare a Storm Water Pollution Prevention Plan (SWPPP) in conformance with the state's Construction Activities Storm Water General Permit. A copy of the current SWPPP shall be kept at the project site and be available for review upon request. The SWPPP shall be submitted to the Storm Water Program Manager on compact disk(s) in Microsoft Word format.
- LD23. (GPA) Prior to the approval of the grading plans, the developer shall pay applicable remaining grading plan check fees.
- LD24. (GPA/MA) Prior to the later of either grading plan or final map approval, resolution of all drainage issues shall be as approved by the City Engineer.
- LD25. (GP) Prior to issuance of a grading permit, or building permit when a grading permit is not required, for projects that require a project-specific Water Quality Management Plan (WQMP), a project-specific final WQMP (F-WQMP) shall be approved. Upon approval, a WQMP Identification Number is issued by the Storm Water Management Section and shall be noted on the rough grading plans as confirmation that a project-specific F-WQMP approval has been obtained.
- LD26. (GP) Prior to the issuance of a grading permit the developer shall submit recorded slope easements from adjacent landowners in all areas where grading resulting in slopes is proposed to take place outside of the project boundaries. For all other offsite grading, written permission from adjacent property owners shall be submitted.
- LD27. (GP) Prior to issuance of a grading permit, if the project does not involve the subdivision of land and if the developer chooses to construct the project in construction phases, a Construction Phasing Plan for the construction of on-site public and private improvements shall be reviewed and approved by the City Engineer.
- LD28. (GP) Prior to issuance of a grading permit, if the fee has not already been paid prior to map approval or prior to issuance of a building permit if a grading permit is not required, the developer shall pay Area Drainage Plan (ADP) fees. The developer shall provide a receipt to the City showing that ADP fees have been paid to Riverside County Flood Control and Water Conservation District. (MC 9.14.100)

- LD29. (GP) Prior to issuance of a grading permit, security, in the form of a cash deposit (preferable), letter of credit, or performance bond shall be required to be submitted as a guarantee of the completion of the grading required as a condition of approval of the project. (MC 8.21.070)
- LD30. (GP) Prior to issuance of a grading permit, security, in the form of a cash deposit (preferable), letter of credit, or performance bond shall be required to be submitted as a guarantee of the implementation and maintenance of erosion control measures required as a condition of approval of the project. At least twenty-five (25) percent of the required security shall be in cash and shall be deposited with the City. (MC 8.21.160)
- LD31. (GP) Prior to issuance of a grading permit, the developer shall pay the applicable grading inspection fees.

Prior to Map Approval or Recordation

- LD32. (MA) Prior to approval of the map, the developer shall submit a copy of the Covenants, Conditions and Restrictions (CC&Rs) to the Land Development Division for review and approval. The CC&Rs shall include, but not be limited to, access easements, reciprocal access, private and/or public utility easements as may be relevant to the project. In addition, for single-family residential development, the developer shall submit bylaws and articles of incorporation for review and approval as part of the maintenance agreement for any water quality basin.
- LD33. (MA) Prior to approval of the map, all street dedications shall be irrevocably offered to the public and shall continue in force until the City accepts or abandons such offers, unless otherwise approved by the City Engineer. All dedications shall be free of all encumbrances as approved by the City Engineer.
- LD34. (MA) Prior to approval of the map, security shall be required to be submitted as a guarantee of the completion of the improvements required as a condition of approval of the project. A public improvement agreement will be required to be executed.
- LD35. (MR) Prior to recordation of the map, if the developer chooses to construct the project in construction phases, a Construction Phasing Plan for the construction of on-site public and private improvements shall be reviewed and approved by the City Engineer. This approval must be obtained prior to the Developer submitting a Phasing Plan to the California State Department of Real Estate.

LD36. (MR) Prior to recordation of the map, if applicable, the developer shall have all street names approved by the City Engineer. (MC 9.14.090)

LD37. (MR) Prior to recordation of the final map, this project is subject to requirements under the current permit for storm water activities required as part of the National Pollutant Discharge Elimination System (**NPDES**) as mandated by the Federal Clean Water Act. Following are the requirements:

- a. Establish a Home Owners Association (HOA) to finance the maintenance of the "Water Quality Ponds/Bio-swales". Any lots which are identified as "Water Quality Ponds/Bio-Swales" shall be owned in fee by the HOA.
- b. Dedicate a maintenance access easement to the City of Moreno Valley for water quality inspections.
- c. Execute a Stormwater Treatment Device and Control Measure Access and Maintenance Covenant between the City of Moreno Valley and the HOA. The maintenance agreement must be approved by City Council.
- d. Establish a trust fund per the terms of the maintenance agreement.
- e. Provide a certificate of insurance per the terms of the maintenance agreement.
- f. Select one of the following options to meet the financial responsibility to provide storm water utilities services for the required continuous operation and maintenance monitoring evaluations, all in accordance with Resolution No. 2002-46.
  - i. Participate in the mail ballot proceeding in compliance with Proposition 218, for the Residential NPDES Regulatory Rate Schedule and pay all associated costs with the ballot process, or
  - ii. Establish an endowment to cover future maintenance costs for the Residential NPDES Regulatory Rate Schedule.
- g. Notify the Special Districts Division of the intent to record the final map 90 days prior to City Council action authorizing recordation of the final map and the financial option selected. The final option selected shall be in place prior to the issuance of certificate of occupancy. (California Government Code & Municipal Code)

LD38. (MR) Prior to recordation of the Final Map, the Grading Plan (s) and Landscape and Irrigation Plan (s) prepared for the "Water Quality Ponds and/or Bio-Swales" shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by a registered civil engineer or other registered/licensed professional as required. The developer, or the developer's successors or assignees shall secure the initials of the Engineering Division Manager or his designee on the mylars prior to the plans being approved by the City Engineer. (MC 9.14.100.C.2)

LD39. (MR) Prior to recordation of the map, the developer shall submit the map, on compact disks, in (.dxf) digital format to the Land Development Division of the Public Works Department.

Prior to Improvement Plan Approval or Construction Permit

LD40. (IPA) Prior to approval of the improvement plans, the improvement plans shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by a registered civil engineer and other registered/licensed professional as required.

LD41. (IPA) Prior to approval of the improvement plans, the developer shall submit clearances from all applicable agencies, and pay all outstanding plan check fees. (MC 9.14.210)

LD42. (IPA) All public improvement plans prepared and signed by a registered civil engineer in accordance with City standards, policies and requirements shall be approved by the City Engineer in order for the Public Improvement Agreement and accompanying security to be executed.

LD43. (IPA) Prior to approval of the improvement plans, securities and a public improvement agreement shall be required to be submitted and executed as a guarantee of the completion of the improvements required as a condition of approval of the project.

LD44. (IPA) The street improvement plans shall comply with all applicable City standards and the following design standards throughout this project:

- a. Corner cutbacks in conformance with City Standard MVS1-165-0 shall be shown on the final map or, if no map is to be recorded, offered for dedication by separate instrument.
- b. Lot access to major thoroughfares shall be restricted except at intersections and approved entrances and shall be so noted on the final map. (MC 9.14.100)
- c. The minimum centerline and flow line grades shall be one percent unless otherwise approved by the City Engineer. (MC 9.14.020)
- d. All street intersections shall be at ninety (90) degrees plus or minus five (5) degrees per City Standard No. MSVI-160A-0, or as approved by the City Engineer. (MC 9.14.020)
- e. All reverse curves shall include a minimum tangent of one hundred (100) feet in length.

- LD45. (IPA) Prior to approval of the improvement plans, the plans shall be based upon a centerline profile, extending beyond the project boundaries a minimum distance of 300 feet at a grade and alignment approved by the City Engineer. Design plan and profile information shall include the minimum 300 feet beyond the project boundaries.
- LD46. (IPA) Prior to approval of the improvement plans, the plans shall indicate any restrictions on trench repair pavement cuts to reflect the City's moratorium on disturbing newly-constructed pavement less than three years old and recently slurry sealed streets less than one year old. Pavement cuts for trench repairs may be allowed for emergency repairs or as specifically approved in writing by the City Engineer.
- LD47. (IPA) Prior to approval of the improvement plans, the developer shall pothole to determine the exact location of existing underground utilities. The improvement plans shall be designed based on the pothole field investigation results. The developer shall coordinate with all affected utility companies and bear all costs of utility relocations.
- LD48. (IPA) Prior to approval of the improvement plans, all dry and wet utility crossings shall be potholed to determine actual elevations. Any conflicting utilities shall be identified and addressed on the plans. The pothole survey data shall be submitted with the street improvement plans for reference purposes.
- LD49. (IPA) Prior to approval of the improvement plans, the developer is required to bring any existing access ramps adjacent to and fronting the project to current ADA (Americans with Disabilities Act) requirements. However, when work is required in an intersection that involves or impacts existing access ramps, those access ramps in that intersection shall be retrofitted to comply with current ADA requirements, unless approved otherwise by the City Engineer.
- LD50. (IPA) Prior to approval of the improvement plans, drainage facilities with sump conditions shall be designed to convey the tributary 100-year storm flows. Secondary emergency escape shall also be provided. (MC 9.14.110)
- LD51. (IPA) Prior to the approval of the improvement plans, the hydrology study shall show that the 10-year storm flow will be contained within the curb and the 100-year storm flow shall be contained within the street right-of-way. In addition, one lane in each direction shall not be used to carry surface flows during any storm event for street sections equal to or larger than a minor arterial. When any of these criteria is exceeded, additional drainage facilities shall be installed. (MC 9.14.110 A.2)

- LD52. (IPA) The project shall be designed to accept and properly convey all off-site drainage flowing onto or through the site. All storm drain design and improvements shall be subject to review and approval of the City Engineer. In the event that the City Engineer permits the use of streets for drainage purposes, the provisions of the Development Code will apply. Should the quantities exceed the street capacity or the use of streets be prohibited for drainage purposes, as in the case where one travel lane in each direction shall not be used for drainage conveyance for emergency vehicle access on streets classified as minor arterials and greater, the developer shall provide adequate facilities as approved by the Public Works Department – Land Development Division. (MC 9.14.110)
- LD53. (CP) All work performed within the City right-of-way requires a construction permit. As determined by the City Engineer, security may be required for work within the right-of-way. Security shall be in the form of a cash deposit or other approved means. The City Engineer may require the execution of a public improvement agreement as a condition of the issuance of the construction permit. All inspection fees shall be paid prior to issuance of construction permit. (MC 9.14.100)
- LD54. (CP) Prior to issuance of a construction permit, all public improvement plans prepared and signed by a registered civil engineer in accordance with City standards, policies and requirements shall be approved by the City Engineer.
- LD55. (CP) Prior to issuance of construction permits, the developer shall submit all improvement plans on compact disks, in (.dxf) digital format to the Land Development Division of the Public Works Department.
- LD56. (CP) Prior to issuance of construction permits, the developer shall pay all applicable inspection fees.

Prior to Building Permit

- LD57. (BP) Prior to issuance of a building permit, if the project involves a residential subdivision, the map shall be recorded (excluding model homes). (MC 9.14.090)
- LD58. (BP) Prior to issuance of a building permit for non-subdivision projects, all street dedications shall be irrevocably offered to the public and shall continue in force until the City accepts or abandons such offers, unless otherwise approved by the City Engineer. All dedications shall be free of all encumbrances as approved by the City Engineer.
- LD59. (BP) Prior to issuance of a building permit for non-subdivisions, security shall be required to be submitted as a guarantee of the completion of the improvements

required as a condition of approval of the project. A public improvement agreement will be required to be executed.

LD60. (BP) Prior to issuance of a building permit for a non-subdivision project, the developer shall comply with the requirements of the City Engineer based on recommendations of the Riverside County Flood Control District regarding the construction of County Master Plan Facilities. (MC 9.14.110)

LD61. (BP) Prior to issuance of a building permit for this project, the developer shall obtain a permit from the Riverside County Flood Control and Water Conservation District establishing the terms and conditions covering the inspection of the project's storm drain line connection to the Master Drainage Plan facilities.

LD62. (BP) Prior to issuance of a building permit (excluding model homes), an approval by the City Engineer is required of the water quality control basin(s). The developer shall provide certification to the line, grade, flow test and system invert elevations.

LD63. (BP) Prior to issuance of a building permit, this project is subject to requirements under the current permit for storm water activities required as part of the National Pollutant Discharge Elimination System (**NPDES**) as mandated by the Federal Clean Water Act. Following are the requirements:

- a. Establish a Home Owners Association (HOA) to finance the maintenance of the "Water Quality Ponds/Bio-swales". Any lots which are identified as "Water Quality Ponds/Bio-Swales" shall be owned in fee by the HOA.
- b. Dedicate a maintenance easement to the City of Moreno Valley.
- c. Execute a Stormwater Treatment Device and Control Measure Access and Maintenance Covenant between the City of Moreno Valley and the HOA. The maintenance Covenant must be approved by City Council.
- d. Establish a trust fund per the terms of the maintenance agreement.
- e. Provide a certificate of insurance per the terms of the maintenance agreement.
- f. Select one of the following options to meet the financial responsibility to provide storm water utilities services for the required continuous operation, maintenance, monitoring system evaluations and enhancements, remediation and/or replacement, all in accordance with Resolution No. 2002-46.
  - i. Participate in the mail ballot proceeding in compliance with Proposition 218, for the Residential NPDES Regulatory Rate Schedule and pay all associated costs with the ballot process, or
  - ii. Establish an endowment to cover future maintenance costs for the Residential NPDES Regulatory Rate Schedule.



- g. Notify the Special Districts Division of the intent to obtain a building permit 90 days prior to the City's issuance of a building permit and the financial option selected. (California Government Code & Municipal Code)
- LD64. (BP) Prior to issuance of a building permit, all pads shall meet pad elevations per approved plans as noted by the setting of "Blue-top" markers installed by a registered land surveyor or licensed engineer.
- LD65. (BP) Prior to issuance of a building permit, the developer shall submit for review and approval, a Waste Management Plan (WMP) that shows data of waste tonnage, supported by original or certified photocopies of receipts and weight tags or other records of measurement from recycling companies and/or landfill and disposal companies. The Waste Management Plan shall contain the following:
- a. The estimated volume or weight of project waste to be generated by material type. Project waste or debris may consist of vegetative materials including trees, tree parts, shrubs, stumps, logs, brush, or any other type of plants that are cleared from a site. Project waste may also include roadwork removal, rocks, soils, concrete and other material that normally results from land clearing.
  - b. The maximum volume or weight of such materials that can be feasibly diverted via reuse and recycling.
  - c. The vendor(s) that the applicant proposes to use to haul the materials.
  - d. Facility(s) the materials will be hauled to, and their expected diversion rates.
  - e. Estimated volume or weight of clearing, grubbing, and grading debris that will be landfilled.

Approval of the WMP requires that at least fifty (50) percent of all clearing, grubbing, and grading debris generated by the project shall be diverted, unless the developer is granted an exemption. Exemptions for diversions of less than fifty (50) percent will be reviewed on a case by case basis. (AB939, MC 8.80)

- LD66. (BP) Prior to issuance of a building permit, the developer shall record with the County-Clerk Recorder a "Covenant and Agreement" that informs future property owners of the requirement to maintain (Lot EE, that portion of Lot EE as shown on the Grading Plans on file at the City of Moreno Valley Public Works Department) as a retention/detention basin until such time drainage improvements are made to connect to the City's storm drain system. Until such time adequate drainage improvements are constructed, the owner of (Lot EE, that portion of Lot EE described above) will not be allowed to build over, grade, or otherwise modify the retention/detention basin. The "Covenant and

Agreement” shall be in a form acceptable to the City of Moreno Valley. Proof of recordation must be provided to the City prior to issuance of a building permit.

Prior to Certificate of Occupancy

LD67. (CO) Prior to issuance of a certificate of occupancy, if the project involves a non-residential subdivision, the map shall be recorded.

LD68. (CO) Prior to issuance of the last certificate of occupancy or building final, the developer shall pay all outstanding fees.

LD69. (CO) The City of Moreno Valley has an adopted Development Impact Fee (DIF) nexus study. All projects unless otherwise exempted shall be subject to the payment of the DIF prior to issuance of occupancy. The fees are subject to the provisions of the enabling ordinance and the fee schedule in effect at the time of occupancy.

LD70. (CO) The City of Moreno Valley has an adopted area wide Transportation Uniform Mitigation Fee (TUMF). All projects unless otherwise exempted shall be subject to the payment of the TUMF prior to issuance of occupancy. The fees are subject to the provisions of the enabling ordinance and the fee schedule in effect at the time of occupancy.

LD71. (CO) Prior to issuance of a certificate of occupancy or building final, the developer shall construct all public improvements in conformance with applicable City standards, except as noted in the Special Conditions, including but not limited to the following applicable improvements:

- a. Street improvements including, but not limited to: pavement, base, curb and/or gutter, cross gutters, spandrel, sidewalks, drive approaches, pedestrian ramps, street lights, signing, striping, under sidewalk drains, landscaping and irrigation, medians, redwood header boards, pavement tapers/transitions and traffic control devices as appropriate.
- b. Storm drain facilities including, but not limited to: storm drain pipe, storm drain laterals, open channels, catch basins and local depressions.
- c. City-owned utilities.
- d. Sewer and water systems including, but not limited to: sanitary sewer, potable water and recycled water.
- e. Under grounding of existing and proposed utility lines less than 115,000 volts.

- f. Relocation of overhead electrical utility lines including, but not limited to: electrical, cable and telephone.
- LD72. (CO) Prior to issuance of a certificate of occupancy or building final, all existing and new utilities adjacent to and on-site shall be placed underground in accordance with City of Moreno Valley ordinances. (MC 9.14.130)
- LD73. (CO) Prior to issuance of a certificate of occupancy or building final for residential projects, the last 20% or last 5 units (whichever is greater, unless as otherwise determined by the City Engineer) of any Map Phase, punch list work for improvements and capping of streets in that phase must be completed and approved for acceptance by the City.
- LD74. (CO) Prior to issuance of a certificate of occupancy or building final, in order to treat for water quality the sub-area tributary to the basin, the Developer must comply with the following:
- a. The water quality basin and all associated treatment control BMPs and all hardware per the approved civil drawing must be constructed, certified and approved by the City Engineer including, but not limited to, piping, forebay, aftbay, trash rack, etc.) Landscape and irrigation plans are not approved for installation at this time.
  - b. Provide the City with an Engineer's Line and Grade Certification.
  - c. Perform and pass a flow test per City test procedures.
- LD75. (CO) Prior to issuance of a certificate of occupancy or building final for the last 20% of the permitted structures or the last five (5) permitted units (whichever is greater) for any Phase of the development , the Developer shall:
- a. Notify City Staff (Land Development Division) prior to construction and installation of all structural BMPs so that an inspection(s) can be performed.
  - b. Demonstrate that all structural BMPs described in the approved final project-specific WQMP have been constructed and installed in conformance with the approved plans and specifications;
  - c. Demonstrate that Developer is prepared to implement all non-structural BMPs described in the approved final project-specific WQMP; and
  - d. Demonstrate that an adequate number of copies of the approved final project-specific WQMP are available for future owners/occupants.
  - e. Clean and repair the water quality basin, including regrading to approved civil drawing if necessary.
  - f. Provide City with updated Engineer's Line and Grade Certification.
  - g. Obtain approval from City to install irrigation and landscaping.

- h. Complete installation of irrigation and landscaping.
- LD76. (CO) Prior to issuance of a certificate of occupancy or building final for any Commercial/Industrial facility, whichever occurs first, the owner may have to secure coverage under the State's General Industrial Activities Storm Water Permit as issued by the State Water Resources Control Board.
- LD77. (CO) Prior to issuance of a certificate of occupancy or building final, the applicant shall ensure the following, pursuant to Section XII. I. of the 2010 NPDES Permit:
- a. Field verification that structural Site Design, Source Control and Treatment Control BMPs are designed, constructed and functional in accordance with the approved Final Water Quality Management Plan (WQMP)
  - b. Certification of best management practices (BMPs) from a state licensed civil engineer. An original WQMP BMP Certification shall be submitted to the City for review and approval.

Prior to Acceptance of Streets into the City Maintained Road System

- LD78. (AOS) Aggregate slurry, as defined in Section 203-5 of Standard Specifications for Public Works Construction, may be required just prior to the end of the one-year warranty period of the public streets at the discretion of the City Engineer. If slurry is required, the developer/contractor must provide a slurry mix design submittal for City Engineer approval. The latex additive shall be Ultra Pave 70 (for anionic – per project geotechnical report) or Ultra Pave 65 K (for cationic – per project geotechnical report) or an approved equal. The latex shall be added at the emulsion plant after weighing the asphalt and before the addition of mixing water. The latex shall be added at a rate of two to two-and-one-half (2 to 2½) parts to one-hundred (100) parts of emulsion by volume. Any existing striping shall be removed prior to slurry application and replaced per City standards.

SPECIAL CONDITIONS

- LD79. **Prior to tract map and/or any grading plan approval, the plans shall clearly show the extents of all existing easements on the property. All building structures shall be constructed outside of existing easements.**
- LD80. **Prior to tract map and/or any grading plan approval, written permission must be obtained from off-site property owner(s) for all off-site grading and easements. All on-site and off-site easements shall be shown on the final map. The grading plans shall show the westerly off-site properties (24868, 24871, and 24855 Chippendale Street and 24848, 24866, 24867 and 24849 Cape Cod Street) slopes extended easterly where the top of the down slopes are approximately 2' easterly of the developer's property line, and**

where a decorative block wall (as approved by Planning) will be constructed, and the existing off-site side yard fences/walls are extended in kind to the new property line block wall. The off-site slope infill areas shall drain towards the front of each of the off-site properties into the street. The developer shall submit agreements signed by the off-site property owners allowing said work to be completed. Where off-site grading for the westerly adjacent slope extension is not feasible the developer shall show approved alternatives on the Grading Plans.

**LD81.** Prior to approval of the tract map, the map shall show the following:  
(Prior to grading plan approval the following shall be submitted to the City for review and approval:)

- a. A 7-foot street right-of-way vacation on the north side of Delphinium Avenue along project south frontage for a Collector street, City Standard Plan MSVI-106B-0.
- b. A 3-foot pedestrian easement right-of-way dedication on the north side of Delphinium Street along project south frontage.
- c. Corner cutbacks right-of-way dedication per City Standard MVSI-165-0 at the private street intersections with the public streets.

**LD82.** Prior to any grading plan approval, the plans shall clearly show that any slope near the public right-of-way has a minimum set-back area at 2% maximum of 2 feet before the start of the top or toe of slope. If the vertical height of the slope exceeds 10 feet, this set-back area shall be 3 feet minimum. For areas with curb-separated sidewalk with back of walk (BOW) outside of the R/W, the 2-foot flat area shall be measured from BOW.

**LD83.** Prior to any grading plan approval, the developer shall incorporate into the plan the recommendations made in a Soil/Geotechnical Report for the project grading and adjacent streets recommendations and requirement.

**LD84.** Prior to any grading plan approval, the grading plans shall clearly demonstrate that drainage is properly collected and conveyed. The plans shall show all necessary on-site and off-site drainage improvements to properly collect and convey drainage entering, within and leaving the project. This may include, but not be limited to on-site and perimeter drainage improvements to properly convey drainage within and along the project site, and downstream off-site improvements. The developer will be required to obtain the necessary permission for offsite construction including easements. Drainage improvements may include connection to the existing storm drain line in Delphinium Avenue.

- LD85.** Prior to approval of any grading plan, the plans and the submitted drainage study shall clearly demonstrate this project's increased runoff mitigation. This project shall not discharge runoff at a rate greater in the post developed condition than that in the pre-developed condition, for any given storm event. The storms to be studied include the 1-hour, 3-hour, 6-hour and 24-hour duration events for the 2-year, 5-year, 10-year and 100-year return frequencies.
- LD86.** Prior to any grading plan approval, as this entire site resides in FEMA flood zone designation Zone X shaded which, by definition, could include 100 year flooding up to 1 foot. The plans shall clearly demonstrate that any building finished floor elevations shall be 1 foot minimum above the 100-year base flood elevation.
- LD87.** Prior to any grading plan approval, the plans shall clearly demonstrate that any sump catch basins, including but not limited to those on Street 'C', as shown on the tentative map, are designed such that there is an emergency escape for drainage overflow in the event that the basin inlets become clogged. This might include, but not be limited to, over sizing the catch basin inlets, providing an approved emergency overflow path, or other method as approved by the City Engineer during the design/plan check stage.
- LD88.** Prior to final map approval, the Developer shall guarantee the construction of the following improvements by entering into a public improvement agreement and posting security. The improvements shall be completed prior to occupancy of the first building or as otherwise determined by the City Engineer.
- a. Perris Blvd, Six Lane Arterial, City Standard MSVI-103C-0 (100-foot RW / 76-foot CC) shall construct to half-width plus an additional 18 feet east of the centerline, along the entire project's east frontage. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, removal/relocation and/or undergrounding of any power poles with overhead utility lines less than 115,000 volts, and dry and wet utilities. This project will be required to construct a raised, landscape median on Perris Boulevard along project frontage.

- b. **Cactus Avenue, Minor Arterial, City Standard MVS1-105A-0 (88-foot RW / 64-foot CC) street improvements have been constructed. The developer shall replace any existing damage improvements along the project frontage and pavement replacement to half-width plus an additional 12 feet north of the centerline, along the entire project's north frontage. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, including making a good faith effort to obtain that portion of right-of-way from the adjacent property owner of APN 482-582-033 required to complete construction of the westerly curb return at the Cactus Avenue project entrance, and undergrounding of any power poles with overhead utility lines less than 115,000 volts, and dry and wet utilities.**
  
- c. **Delphinium Avenue, Collector, City Standard MVS1-106B-0 (78-foot RW / 56-foot CC) shall be constructed to half-width plus an additional 14 feet south of the centerline, along the entire project's south frontage any missing improvements. A 7-foot right-of-way vacation on the north side of the street, along the project's south property line, shall be shown on the tract map. A 3' pedestrian easement shall be dedicated along the south property frontage and shall be shown on the tract map. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, dry and wet utilities,. This project will be required to construct any missing pavement, curb, gutter, and sidewalk along APN 482-230-015 and 482-230-016 and northwest corner intersection improvements, including handicap access ramp at Delphinium Avenue and Perris Boulevard.**
  
- d. **All ramps and traveled ways shall comply with current ADA standards.**
  
- e. **Pavement core samples of existing pavement may be taken and findings submitted to the City for review and consideration of pavement improvements. The City will determine the adequacy of the existing pavement structural section. If the existing pavement structural section is found to be adequate, the developer may still be**

required to perform a one-tenth inch grind and overlay or slurry seal depending on the severity of existing pavement cracking, as required by the City Engineer. If the existing pavement section is found to be inadequate, the Developer shall replace the pavement to meet or exceed the City's pavement structural section standard.

- f. The developer shall install all necessary on-site and off-site drainage improvements to properly collect and convey drainage entering, within and leaving the project. This may include, but not be limited to on-site and perimeter drainage improvements to properly convey drainage within and along the project site, and downstream off-site improvements of master plan storm drain lines.
- LD89. Prior to any grading plans approval, the plans shall show an approved concrete drainage ditch along the north and west property boundary retaining walls where slopes and walls meet. The concrete drainage ditch shall convey slope runoff to proposed private drain inlets.
- LD90. Prior to issuance of occupancy permits, all overhead utility lines less than 115,000 volts fronting or within the entire project site boundary shall be placed underground per Section 9.14.130C of the City Municipal Code.
- LD91. Prior to final map approval or building permit issuance, the applicant shall schedule a walk through with a Public Works Inspector to inspect existing improvements within public right-of-way along project frontage. The applicant will be required to install, replace and/or repair any missing, damaged or substandard improvements including handicap access ramps that do not meet current City standards. The applicant shall post security to cover the cost of the repairs and complete the repairs within the time allowed in the public improvement agreement used to secure the improvements.
- LD92. Prior to final map approval, the limits of private and public streets shall be clearly delineated on the map. The developer shall dedicate those streets intended for public use to the City and construct them per City standards. The developer shall sign a public improvement agreement and post security for public improvements.
- LD93. It may be necessary for the developer to remove/relocate/reconstruct driveways, fences, gates, landscaping and other items, as required, for the full width curb-to-curb construction. It may be necessary for the developer to grade or construct on private property in which case the developer will be required to obtain right-of-entry.



**LD94.** Prior to rough grading plan approval, the plans shall show proposed mechanisms to treat onsite runoff before it enters into the public storm drain system. The plans shall show locations of proposed structural best management practices. The developer shall submit to the City for review and approval, those structural best management practices proposed onsite to control predictable pollutant runoff. The developer shall select those structural best management practices identified in Supplement A and Supplement A Attachment to the Riverside County Drainage Area Management Plans. [www.floodcontrol.co.riverside.ca.us](http://www.floodcontrol.co.riverside.ca.us) The developer shall first maximize the use of site design and source control best management practices before selecting treatment control best management practices.

**LD95.** The Applicant shall prepare and submit for approval a project-specific final water quality management plan (F-WQMP) for PA14-0014/0015 – Perris-Cactus Development – Tract 36708. The F-WQMP shall be consistent with the approved P-WQMP and in full conformance with the document; “Riverside County Water Quality Management Plan for Urban Runoff” latest edition. The F-WQMP shall be submitted and approved prior to application for and issuance of any grading permits or building permits. At a minimum, the F-WQMP shall include the following: Site design BMPs; Source control BMPs; Treatment control BMPs; Operation and Maintenance requirements for BMPs; and sources of funding for BMP implementation. Incorporate the use of bio-retention facilities as design and provided in a F-WQMP Report for BMP’s and installed the facilities as outlined for effective areas within the project site.

**LD96.** The following project engineering design plans (24”x36” sheet size) shall be submitted for review and approval as well as additional plans deemed necessary by the City during the plan review process:

- a. Rough Grading Plan
- b. Precise Grading Plan
- c. Street Improvement Plan
- d. Signing and Striping Plan
- e. Traffic Control Plan
- f. Final Drainage Study
- g. Final WQMP
- h. Lot Line Adjustment
- g. As-Built Plans of all “plans” listed above.

## **FINANCIAL & MANAGEMENT SERVICES DEPARTMENT**

### **Special Districts Division**

**Note: All Special Conditions, Modified Conditions, or Clarification of Conditions are in bold lettering.** All other conditions are standard to all or most development projects.

### **Acknowledgement of Conditions**

The following items are Special Districts' Conditions of Approval for project **PA14-0014 and PA14-0015**; this project shall be completed at no cost to any Government Agency. All questions regarding Special Districts' Conditions including but not limited to, intent, requests for change/modification, variance and/or request for extension of time shall be sought from the Special Districts Division of the Financial & Management Services Department 951.413.3480 or by emailing [specialdistricts@moval.org](mailto:specialdistricts@moval.org).

### **General Conditions**

- SD-1 The parcel(s) associated with this project have been incorporated into the Moreno Valley Community Services Districts Zones A (Parks & Community Services) and C (Arterial Street Lighting). All assessable parcels therein shall be subject to annual parcel taxes for Zone A and Zone C for operations and capital improvements.
- SD-2 Plans for parkway, median, slope, and/or open space landscape areas designated on the tentative map or in these Conditions of Approval for incorporation into a City coordinated landscape maintenance program, shall be prepared and submitted in accordance with the *City of Moreno Valley Public Works Department Landscape Design Guidelines*. To obtain a copy of these guidelines, please contact the Special Districts Division at 951-413-3480 or visit the Special Districts webpage at [www.moval.org/sd](http://www.moval.org/sd).
- SD-3 The Developer, or the Developer's successors or assignees shall be responsible for all parkway and/ or median landscape maintenance for a period of one (1) year as per the *City of Moreno Valley Public Works Department Landscape Design Guidelines*, or until such time as the District accepts maintenance responsibilities.
- SD-4 Any damage to existing landscape areas maintained by the City of Moreno Valley due to project construction shall be immediately repaired/replaced by the Developer, or Developer's successors in interest, at no cost to the City of Moreno Valley.

- SD-5 The ongoing maintenance of any landscaping required to be installed behind the curb on **Delphinium Avenue, Cactus Avenue and Perris Boulevard** shall be the responsibility of the property owner.
- SD-6 Plan check fees for review of parkway/median landscape plans for improvements that shall be maintained by the City of Moreno Valley are due upon the first plan submittal. (MC 3.32.040)
- SD-7 Inspection fees for the monitoring of landscape installation associated with the City of Moreno Valley maintained parkways/medians are due prior to the required pre-construction meeting. (MC 3.32.040)
- SD-8 Street light Authorization forms, for all street lights that are conditioned to be installed as part of this project, must be submitted to the Special Districts Division for approval, **prior to** street light installation. The Street light Authorization form can be obtained from the utility company providing electric service to the project, Southern California Edison.

#### Prior to Recordation of Final Map

- SD-9 (R) This project has been conditioned to provide a funding source for the continued maintenance, enhancement, and or retrofit of parks, open spaces, linear parks, and/or trail systems. In order for the Developer to meet the financial responsibilities to fund the defined maintenance, one of the options as outlined below shall be selected.
- a. Participate in a special election for annexation into **Community Facilities District No. 1** and pay all associated costs of the special election process and formation costs if any; or
  - b. Establish an endowment to cover future maintenance costs for new neighborhood parks.

The Developer must notify Special Districts of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Articles 13C of the California Constitution.

**Annexation to CFD No. 1 shall be completed or proof of payment to establish the endowment shall be provided prior to the issuance of the first building permit for this project.**

- SD-10 (R) This project has been identified to be included in the formation of a Community Facilities District for **Public Safety** services, including but not

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limited to Police, Fire Protection, Paramedic Services, Park Rangers, and Animal Control services. The property owner(s) shall not protest the formation; however, they retain the right to object to the rate and method of maximum special tax. In compliance with Proposition 218, the Developer shall agree to approve the mail ballot proceeding (special election) for either formation of the CFD or annexation into an existing district that may already be established. The Developer must notify Special Districts of its intent to record the final map 90 days prior to City Council action authorizing recordation of the map to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution. (California Government Code Section 53313 et. seq.)

SD-11 (R) This project is conditioned to provide a funding source for capital improvements, energy charges, and maintenance for residential street lighting along publically maintained roadways. The Developer shall satisfy this condition with one of the options below.

- a. Participate in a ballot proceeding for street lighting and pay all associated costs of the ballot process and formation costs, if any. Financing may be structured through a Community Services District zone, Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the City; or
- b. Establish an endowment fund to cover future operation and maintenance costs for the street lights.
- c. Projects with privately maintained streets, establish a property Owner Association (POA) or Home Owner's Association (HOA) which will be responsible for any and all operation and maintenance costs associated with the street lights installed on private roadways. This does not apply to publicly accepted roadways.

The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution.

The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

SD-12 (R) This project is conditioned to provide a funding source for the capital improvements and/or maintenance for the **Perris Boulevard** median

landscape. In order for the Developer to meet the financial responsibility to maintain the defined service, one of the options as outlined below shall be selected.

- a. Participate in a special election (mail ballot proceeding) for **improved median maintenance** and pay all associated costs with the ballot process and formation costs, if any. Financing may be structured through a Community Services District zone, Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the city; or
- b. Establish an endowment to cover the future maintenance costs of the landscaped area.

The Developer must notify Special Districts of intent to record final map 90 days prior to City Council action authorizing recordation of the map and the financial option selected to fund the continued maintenance.

The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

SD-13 (R) This project is conditioned to provide a funding source for the capital improvements and/or maintenance of public improvements and/or services associated with new development in that territory if the District for these services has been or is in the process of being formed. The Developer shall satisfy this condition with one of the options below:

- a. Participate in a special election for **maintenance/services** and pay all associated costs of the election process and formation costs, if any. Financing may be structured through a Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the City; or
- b. Establish an endowment fund to cover the future maintenance and/or service costs.

The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution.

The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

- SD-14 *Residential* (R) If Land Development, a Division of the Public Works Department, requires this project to supply a funding source necessary to provide for, but is not limited to, stormwater utilities services for the required continuous operation, maintenance, monitoring, system evaluations and enhancements, remediation and/or replacement of. The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13D of the California Constitution. (California Health and Safety Code Sections 5473 through 5473.8 (Ord. 708 Section 3.1, 2006) & City of Moreno Valley Municipal Code Title 3, Section 3.50.050.)

#### **Prior to Building Permit Issuance**

- SD-15 (BP) Prior to the issuance of the first building permit for this project, the Developer shall pay Advanced Energy fees for all applicable Residential and Arterial Street Lights required for this development. Payment shall be made to the City of Moreno Valley and collected by the Land Development Division. Fees are based upon the Advanced Energy fee rate in place at the time of payment, as set forth in the current Listing of City Fees, Charges, and Rates adopted by City Council. The Developer shall provide a copy of the receipt to the Special Districts Division ([specialdistricts@moval.org](mailto:specialdistricts@moval.org)). Any change in the project which may increase the number of street lights to be installed will require payment of additional Advanced Energy fees at the then current fee.
- SD-16 (BP) Final median, parkway, slope, and/or open space landscape/irrigation plans for those areas designated on the tentative map or in these Conditions of Approval to be maintained by the City shall be reviewed and approved by the Community and Economic Development Department–Planning Division, the Financial & Management Services Department–Special Districts Division, and the Public Works Department–Transportation Division prior to the issuance of the first Building Permit.
- SD-17 (BP) Parkway and/or median landscaping specified in the tentative map or in these Conditions of Approval shall be constructed prior to the issuance of 25% (or the 30<sup>th</sup> building permit) of the dwelling permits for this tract or 12 months from the issuance of the first dwelling permit, whichever comes first. In cases where a phasing plan is submitted, the actual percentage of

dwelling permits issued prior to the completion of the landscaping shall be subject to the review of the construction phasing plan.

**Prior to Certificate of Occupancy**

- SD-18 (CO) Landscape and irrigation plans for parkway, median, slope, and/or open space landscape areas designated to be maintained by the City shall be placed on compact disk (CD) in pdf format. The CD shall include "As Built" plans, revisions, and changes. The CD will become the property of the City of Moreno Valley and the Moreno Valley Community Services District.

**Transportation Engineering Division – Conditions of Approval**

Based on the information contained in our standard review process we recommend the following conditions of approval be placed on this project:

**GENERAL CONDITIONS**

- TE1. Cactus Avenue is classified as a Minor Arterial (88’RW/64’CC) per City Standard Plan No. MVSI-105A-0. Any improvements to the roadway shall be per City standards or as approved by the City Engineer.
- TE2. Perris Boulevard is classified as a 6-Lane Divided Arterial (110’RW/86’CC) per City Standard Plan No. MVSI-103C-0. Raised median along Perris Boulevard shall be constructed as a part of the project. Traffic Signal Interconnect per City Standard Plan No. MVSI-186-0 shall be installed along project frontage. Any improvements undertaken by this project shall be consistent with the City’s standards for this facility or as approved by the City Engineer.
- TE3. Delphinium Avenue is classified as a Collector (66’RW/44’CC) per City Standard Plan No. MVSI-106B-0. Any improvements undertaken by this project shall be consistent with the City’s standards for this facility or as approved by the City Engineer.
- TE4. Driveways shall conform to Section 9.11.080, and Table 9.11.080-14 of the City’s Development Code – Design Guidelines and shall be designed and constructed as intersections with Pedestrian Access Ramps per City of Moreno Valley Standard No. MVSI-114A-0. Driveway access shall be the following, with signing as necessary:
- Cactus Avenue driveway: Emergency vehicle access only.
  - Perris Boulevard: Access restricted to emergency vehicle and exit only.
  - Delphinium Avenue: Full access.
- TE5. The Delphinium Avenue gated entrance shall be provided with the following:
- a) A storage lane with 60’ provided for queuing.
  - b) A second storage lane for visitors to stop in prior to the gate to utilize a call box (or other device) to receive permission to enter the site.
  - c) Signing and striping for a and b.
  - d) A turnaround outside the gates.
  - e) No Parking signs shall be posted in the turnaround areas.
  - f) A separate pedestrian entry.
  - g) Presence loop detectors (or another device) within 1 to 2 feet of the gates that ensures that the gates remain open while any vehicle is in the queue.



All of these features must be kept in working order.

TE6. Conditions of approval may be modified or added if a phasing plan is submitted for this development.

**PRIOR TO IMPROVEMENT PLAN APPROVAL OR CONSTRUCTION PERMIT**

TE7. Prior to the final approval of the street improvement plans, the project applicant shall design a bus bay per City Standard Plan No. MVSI-161-0 in the southbound Perris Boulevard direction, south of Cactus Avenue.

TE8. Prior to the final approval of the street improvement plans, a signing and striping plan shall be prepared per City of Moreno Valley Standard Plans - Section 4.

TE9. Prior to issuance of a construction permit, construction traffic control plans prepared by a qualified, registered Civil or Traffic engineer may be required for plan approval or as required by the City Traffic Engineer.

TE10. Prior to final approval of the street improvement plans, the project plans shall demonstrate that sight distance at proposed streets and driveways conforms to City Standard Plan No. MVSI-164A, B, C-0.

**PRIOR TO CERTIFICATE OF OCCUPANCY OR BUILDING FINAL**

TE11. (CO) Prior to issuance of a Certificate of Occupancy, all approved street improvements shall be installed to the satisfaction of the City Engineer.

TE12. (CO) Prior to issuance of a Certificate of Occupancy, all approved signing and striping shall be installed per current City Standards

**PRIOR TO ACCEPTANCE OF STREETS INTO THE CITY-MAINTAINED ROAD SYSTEM**

TE13. Prior to acceptance of streets into the City-maintained road system, all approved signing and striping shall be installed per current City Standards and the approved plans.

**POLICE DEPARTMENT**

- PD1. Prior to the start of any construction, temporary security fencing shall be erected. The fencing shall be a minimum of six (6) feet high with locking, gated access and shall remain through the duration of construction. Security fencing is required if there is: construction, unsecured structures, unenclosed storage of materials and/or equipment, and/or the condition of the site constitutes a public hazard as determined by the Public Works Department. If security fencing is required, it shall remain in place until the project is completed or the above conditions no longer exist. (DC 9.08.080)
- PD2. (GP) Prior to the issuance of grading permits, a temporary project identification sign shall be erected on the site in a secure and visible manner. The sign shall be conspicuously posted at the site and remain in place until occupancy of the project. The sign shall include the following:
- a. The name (if applicable) and address of the development.
  - b. The developer's name, address, and a 24-hour emergency telephone number. (DC 9.08.080)
- PD3. (CO) Prior to the issuance of a Certificate of Occupancy, an Emergency Contact information Form for the project shall be completed at the permit counter of the Community and Economic Development Department - Building Division for routing to the Police Department. (DC 9.08.080)
- PD4. Addresses need to be in plain view visible from the street and visible at night. It needs to have a backlight, so the address will reflect at night or a lighted address will be sufficient.

**PUBLIC WORKS DEPARTMENT**

**Moreno Valley Utility**

**Acknowledgement of Conditions**

The following items are Moreno Valley Utility's Conditions of Approval for project(s) PA14-0014, and PA14-0015; this project shall be completed at no cost to any Government Agency. All questions regarding Moreno Valley Utility's Conditions including but not limited to, intent, requests for change/modification, variance and/or request for extension of time shall be sought from Moreno Valley Utility (the Electric Utility Division) of the Public Works Department 951.413.3500. The applicant is fully responsible for communicating with Moreno Valley Utility staff regarding their conditions.

**PRIOR TO ENERGIZING MVU ELECTRIC UTILITY SYSTEM AND CERTIFICATE OF OCCUPANCY**

MVU-1 (CO) For single family subdivisions, a three foot easement along each side yard property line shall be shown on the final map and offered for dedication to the City of Moreno Valley for public utility purposes, unless otherwise approved by the City Engineer. If the project is a multi-family development, townhome, condominium, or apartment, and it requires the installation of electric distribution facilities within common areas, a perpetual non-exclusive easement shall be provided to Moreno Valley Utility to include all such common areas. All easements shall include the rights of ingress and egress for the purpose of operation, maintenance, facility repair, and meter reading.

For a commercial or industrial project a non-exclusive blanket easement shall be provided to Moreno Valley Utility. In the event a non-exclusive blanket easement cannot be provided, a perpetual non-exclusive specific easement shall be provided to Moreno Valley Utility. All easements shall include the rights of ingress and egress for the purpose of operation, maintenance, facility repair, and meter reading.

MVU-2 (CO) City of Moreno Valley Municipal Utility Service – Electrical Distribution: Prior to constructing the MVU Electric Utility System, the developer shall submit a detailed engineering plan showing design, location and schematics for the utility system to be approved by the City Engineer. In accordance with Government Code Section 66462, the Developer shall execute an agreement with the City providing for the installation, construction, improvement and dedication of the utility system following recordation of final map and concurrent with trenching operations and other subdivision improvements so long as said agreement incorporates the approved engineering plan and

provides financial security to guarantee completion and dedication of the utility system.

The Developer shall coordinate and receive approval from the City Engineer to install, construct, improve, and dedicate to the City, or the City's designee, all utility infrastructure (including but not limited to conduit, equipment, vaults, ducts, wires, switches, conductors, transformers, and "bring-up" facilities including electrical capacity to serve the identified development and other adjoining/abutting/ or benefiting projects as determined by Moreno Valley Utility) – collectively referred to as "utility system" (to and through the development), along with any appurtenant real property easements, as determined by the City Engineer to be necessary for the distribution and /or delivery of any and all "utility services" to each lot and unit within the Tentative Map. For purposes of this condition, "utility services" shall mean electric, cable television, telecommunication (including video, voice, and data) and other similar services designated by the City Engineer. "Utility services" shall not include sewer, water, and natural gas services, which are addressed by other conditions of approval.

The City, or the City's designee, shall utilize dedicated utility facilities to ensure safe, reliable, sustainable and cost effective delivery of utility services and maintain the integrity of streets and other public infrastructure. Developer shall, at developer's sole expense, install or cause the installation of such interconnection facilities as may be necessary to connect the electrical distribution infrastructure within the project to the Moreno Valley Utility owned and controlled electric distribution system.

MVU-3 This project may be subject to a Reimbursement Agreement. The project may be responsible for a proportionate share of costs associated with electrical distribution infrastructure previously installed that directly benefits the project. Payment shall be required prior to issuance of building permits.

MVU-4 For all new projects, existing Moreno Valley Utility electrical infrastructure shall be preserved in place. The developer will be responsible, at developer expense, for any and all costs associated with the relocation of any of Moreno Valley Utility's underground electrical distribution facilities, as determined by Moreno Valley Utility, which may be in conflict with any developer planned construction on the project site.

RESOLUTION NO. 2015-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING TENTATIVE TRACT MAP 36708 (PA14-0015) ON 15.92 ACRES AT THE SOUTHWEST CORNER OF PERRIS BOULEVARD AND CACTUS AVENUE (ASSESSOR PARCEL NUMBERS: 482-582-038, 039, 040 & 482-230-024).

WHEREAS, the applicant, Nova Homes, filed PA14-0015, Tentative Tract Map (PA14-0015), as described in the title of this Resolution. The Tentative Tract Map is being processed concurrently with a Conditional Use Permit (CUP) (PA14-0014); and

WHEREAS, an environmental assessment, including an Initial Study, has been prepared to address the environmental impacts associated with application PA14-0014 as described above and a Mitigated Negative Declaration has been recommended pursuant to the California Environmental Quality Act (CEQA), as there is no evidence that the proposed development application, as designed and conditioned, will have a significant effect on public health or be materially injurious to surrounding properties or the environment as a whole; and

WHEREAS, on December 11, 2014, a public hearing was conducted by the Planning Commission in accordance with applicable law; and

WHEREAS, on December 22, 2014, Mrs. Lori Nickel and Mr. Randy Nickel (“Appellant”) filed an appeal with the Community & Economic Development Department, pursuant to Chapters 9.02.240 and 9.14.050 of the Municipal Code, of the Planning Commission’s decision to approve the proposed project at the southwest corner of Perris Boulevard and Cactus Avenue; and

WHEREAS, a public hearing on the appeal was agendized and appropriately public noticed for January 27, 2015, for consideration by the City Council in accordance with applicable law; and

WHEREAS, on January 27, 2015, the City Council continued the public hearing for this project to the February 10, 2015 City Council agenda; and

WHEREAS, on February 10, 2015, the City Council continued the public hearing for this project to the March 10, 2015 City Council agenda; and

WHEREAS, on March 10, 2015, the City Council conducted a public hearing to consider the revised project application and all of the environmental documentation prepared for the project; and

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WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and

WHEREAS, there is hereby imposed on the subject development project certain fees, dedications, reservations and other exactions pursuant to state law and City ordinances; and

WHEREAS, pursuant to Government Code Section 66020(d)(1), NOTICE IS HEREBY GIVEN that this project is subject to certain fees, dedications, reservations and other exactions as provided herein.

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

A. that all of the facts set forth above in this Resolution are true and correct.

B. Based upon substantial evidence presented to this City Council during the above-referenced meetings on January 27, 2015, February 10, 2015, and March 10, 2015, including written and oral staff reports, and the record from the public hearing, this City Council hereby finds:

1. The proposed land division is consistent with applicable general and specific plans.

**FACT:** Tentative Tract Map 36708 (PA14-0015) merges approximately 15.92 acres of land (APNs: 482-582-038, 039, 040 & 482-230-024) into one parcel with 121 units and 20 lettered lots for private streets and landscape purposes. The proposed tentative tract map is consistent with the General Plan designation of Residential/Office (R/O).

The primary purpose of areas designated R/O is to provide areas for the establishment of office-based working environments or residential developments of up to 15 dwelling units per acre. The zoning regulations identify the particular uses and type of residential development permitted on each parcel of land. The zoning classification for the project's parcels is Residential 10 (R10).

2. The site of the proposed land division is physically suitable for the type of development.

**FACT:** Tentative Tract Map 36708 would create one parcel from the existing four parcels. The proposed project is consistent with the General Plan designation of Residential/Office (R/O). The

proposal would be consistent with the Residential 10 (R10) zoning as the larger parcel size would allow for Planned Unit Development of 121 residential lot areas and 20 lettered lots for private streets and landscape purposes. The tract map, as designed, is consistent with “Residential 10 (R10)” zoning requirements.

3. The design of the proposed land division or the proposed improvements are not likely to cause substantial environmental damage or substantially and unavoidably injure fish or wildlife or their habitat.

**FACT:** Staff has evaluated the design and potential environmental impacts of the proposed project, and an environmental initial study was prepared by Crable & Associates, Environmental Consultants. As conditioned, mitigated and designed, the proposed tentative tract map would not cause significant environmental impacts. Based on the Initial Study, it was determined that the potential impacts of the Tentative Tract Map, can be mitigated to less than significant with the incorporation of mitigation measures. A Mitigated Negative Declaration is recommended.

4. The design of the proposed land division or the type of improvements is unlikely to cause serious public health problems.

**FACT:** As conditioned, the proposed land division would not cause serious public health problems. There are no known hazardous conditions associated with the property, the design of the land division or the type of improvements. Based on the Initial Study, it was determined that any potential impacts of the Tentative Tract Map, can be mitigated to less than significant with the incorporation of mitigation measures. A Mitigated Negative Declaration is recommended. The proposed tentative tract map will not adversely affect the public health, safety or general welfare.

5. The design of the land division or the type of improvements will not conflict with easements acquired by the public at large for access through or use of property within the proposed subdivision.

**FACT:** There are no conflicts with easements on the subject site. The City Engineer has appropriately placed conditions of approval for Tentative Tract Map No. 36708 regarding various project improvements.

6. That the design of the land division provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision.

**FACT:** The size, configuration and orientation of the parcel would allow solar access for passive heating.

The size, configuration and orientation of the lots in this land division allow solar access for passive heating and opportunities for placement of shade trees and other vegetation for cooling.

7. That the effect of the proposed land division on the housing needs of the region were considered and balanced against the public service needs of the residents of Moreno Valley and available fiscal and environmental resources.

**FACT:** The proposed project does not exceed the planned density, the associated public service demand, or the demand for environmental resources envisioned by the Moreno Valley General Plan. The project will supplement the City's fiscal resources by paying impact fees for public facilities. Additionally, future residents will pay Community Services District fees, property tax, sales tax and other taxes and fees that will be used to provide landscape maintenance as well as police, fire and other public services.

BE IT FURTHER RESOLVED that the City Council of the City of Moreno Valley HEREBY APPROVES Resolution No. 2015-14 approving PA14-0015; subject to the attached conditions of approval included as Exhibit A.

APPROVED AND ADOPTED this 10<sup>th</sup> day of March 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

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APPROVED AS TO FORM:

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City Attorney

**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. 2015-14 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 10th day of March, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

\_\_\_\_\_  
CITY CLERK

(SEAL)

**CITY OF MORENO VALLEY  
 CONDITIONS OF APPROVAL  
 PA14-0015 TENTATIVE TRACT MAP 36708  
 APN(s): 482-582-038, 039, 040 & 482-230-024**

**APPROVAL DATE: March 10, 2015**  
**EXPIRATION DATE: March 10, 2018**

- X Planning (P), including School District (S), Post Office (PO), Building (B)
- X Fire Prevention Bureau (F)
- X Public Works, Land Development (LD)
- X Financial & Management Services, Special Districts (SD)
- X Public Works – Transportation Engineering (TE)
- X Police (PD)
- X Moreno Valley Utilities

**COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT**

**Planning Division**

For questions regarding any Planning condition of approval, please contact the Planning Division at (951) 413-3206.

- P1. Tentative Tract Map 36708 (PA14-0015) for a one parcel map with 121 residential units as well as HOA maintained areas, water quality features and common open space areas per the approved plans. Development of the Planned Unit Development (PUD) is subject to approval of Tentative Tract Map 36708 (PA14-0015) and the subsequent recordation of this map.
- P2. The approval for PA14-0015 (TTM 36708) shall expire three years after the approval date of these projects unless used or extended as provided for by the City of Moreno Valley Municipal Code; otherwise it shall become null and void and of no effect whatsoever. Use means the beginning of substantial construction contemplated by this approval within the three-year period, which is thereafter pursued to completion, or the beginning of substantial utilization

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**Timing Mechanisms for Conditions (see abbreviation at beginning of affected condition):**

R - Map Recordation	GP - Grading Permits	CO - Certificate of Occupancy or building final
WP - Water Improvement Plans	BP - Building Permits	P - Any permit

**Governing Document (see abbreviation at the end of the affected condition):**

GP - General Plan	MC - Municipal Code	CEQA - California Environmental Quality Act
Ord - Ordinance	DG - Design Guidelines	Ldscp - Landscape Development Guidelines and Specs
Res - Resolution	UFC - Uniform Fire Code	UBC - Uniform Building Code
SBM - Subdivision Map Act		

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contemplated by this approval. (MC 9.02.230)

- P3. The site shall be developed in accordance with the approved tentative map on file in the Community & Economic Development Department -Planning Division, the Municipal Code regulations, General Plan, and the conditions contained herein. (MC 9.14.020)
- P4. A mitigation monitoring fee, as provided by City ordinance, shall be paid by the applicant within 30 days of project approval. No City permit or approval shall be issued until such fee is paid. (CEQA)
- P5. The developer, or the developer's successor-in-interest, shall be responsible for maintaining any undeveloped portion of the site in a manner that provides for the control of weeds, erosion and dust. (MC 9.02.030)
- P6. All landscaped areas shall be maintained in a healthy and thriving condition, free from weeds, trash and debris by the Homeowners Association (HOA).(MC 9.02.030)
- P7. Any signs indicated on the submitted plans are not included with this approval. Any signs, whether permanent (e.g. wall, monument) or temporary (e.g. banner, flag), proposed for this development shall be designed in conformance with the sign provisions of the Development Code or approved sign program, if applicable, and shall require separate application and approval by the Planning Division. No signs are permitted in the public right of way. (MC 9.12)
- P8. All site plans, grading plans, landscape and irrigation plans, fence/wall plans, lighting plans and street improvement plans shall be coordinated for consistency with this approval.

**PRIOR TO GRADING**

- P9. (GP) Prior to the issuance of grading permits, the developer and owners of adjoining properties (24868, 24871 and 24855 Chippendale Street and 24848, 24866, 24867 and 24849 Cape Cod Street) shall enter into a written agreement that states their current rear yard fencing will be replaced with a decorative block wall along the rear of their properties and the existing side yard fencing will be extended to the new rear property line wall, matching the material of the current side yard fencing (i.e. wood, chain-link or block). The agreement will also state that the rear properties (24868, 24871 and 24855 Chippendale Street and 24848, 24866, 24867 and 24849 Cape Cod Street) will be properly graded to ensure proper drainage to the front of those respective lots.

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- P10. (GP) Prior to the issuance of grading permits, final erosion control landscape and irrigation plans for all cut or fill slopes over 3 feet in height shall be submitted to the Planning Division for review and approval for the phase in process. The plans shall be designed in accordance with the slope erosion plan as required by the City Engineer for that phase. Man-made slopes greater than 10 feet in height shall be "land formed" to conform to the natural terrain and shall be landscaped and stabilized to minimize visual scarring. (GP Objective 1.5, MC 9.08.080, DG)
- P11. (GP) Prior to approval of precise grading plan, final front and street side yard landscape and irrigation plans shall be submitted to the Planning Division for review. The plans shall be prepared in accordance with the City's Municipal Code and landscape specifications, and include required street trees.
- P12. (GP) Prior to issuance of grading permits, the developer shall pay the applicable Stephens' Kangaroo Rat (SKR) Habitat Conservation Plan mitigation fee. (Ord)
- P13. (GP) Prior to approval of any grading permits, plans for any security gate system shall be submitted to the Planning Division for review and approval.
- P14. (GP) Within thirty (30) days prior to any grading or other land disturbance, a pre-construction survey for Burrowing Owls shall be conducted pursuant to the established guidelines of Multiple Species Habitat Conservation Plan.
- P15. The owner or owner's representative shall establish and maintain a relationship with the City of Moreno Valley and cooperate with the Problem Oriented Policing (POP) program, or its successors.
- P16. (GP) Decorative pedestrian pathways across circulation aisles/paths shall be provided throughout the development to connect dwellings with open spaces and/or recreational uses with open space and parking and the public right-of-way. The pathways shall be shown on the precise grading plan. (GP Objective 46.8, DG)
- P17. (GP) Prior to the issuance of grading permits, the site plan shall show decorative concrete pavers for all driveway ingress/egress locations of the project.
- P18. (GP) Prior to issuance of grading permits, the developer shall submit wall/fence plans to the Planning Division for review and approval as follows:
- A. A maximum 6 foot high solid decorative block perimeter wall with pilasters and a cap shall be required adjacent to all residential zoned areas (along western boundary and existing residential structures on Cactus Avenue, Perris Boulevard and Delphinium Avenue) on as well as along street frontage (Cactus Avenue, Perris Boulevard and

**CONDITIONS OF APPROVAL**

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- Delphinium Avenue) and the detention basin.
- B. A maximum 6 foot high solid decorative block wall is required on all corner lots within the PUD.
  - C. Internal fencing between units will be a poly-vinyl fencing material or decorative block.
  - D. Any proposed retaining walls shall be decorative in nature; the combination of retaining and other walls/fencing on top shall not exceed the maximum height requirement as specified in Chapter 9.08.070 of the Municipal Code.

PRIOR TO RECORDATION OF FINAL MAP

- P18. (R) Prior to recordation of the final subdivision map, the developer shall submit for review and approval the following documents to the Planning Division which shall demonstrate that the project will be developed and maintained in accordance with the intent and purpose of the approval:
- a. The document to convey title
  - b. Deed restrictions, easements, or Covenants, Conditions and Restrictions to be recorded

The approved documents shall be recorded at the same time that the subdivision map is recorded. The documents shall contain provisions for general maintenance of the site, open space use restrictions, conservation easements, water quality basins, lighting, landscaping and common area use items such as exercise stations, public seating areas and other recreation facilities. The approved documents shall also contain a provision, which provides that they may not be terminated and/or substantially amended without the consent of the City and the developer's successor-in-interest. (MC 9.14.090)

In addition, the following deed restrictions and disclosures shall be included within the document and grant deed of the properties:

- The developer and the Isla Verde Planned Unit Development Guidelines and homeowners association shall promote the use of native plants and trees and drought tolerant species to the extent feasible.
- All lots designated for open space and, or basins, shall be dedicated to and maintained by a Homeowners Association (HOA). The HOA shall contract with a private maintenance entity or establish a funding mechanism approved by the City in a maintenance agreement for City maintenance. Language to this effect shall be included and reviewed within the required Covenant Conditions and Restrictions (CC&Rs) prior to

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the approval of the final map.

- All reverse frontage property and public right-of-way landscape areas, shall be maintained by a Homeowners Association (HOA) or through a property owner funded landscaping district maintained by the City. Language to this effect shall be included and reviewed within the required Covenant Conditions and Restrictions (CC&Rs) prior to the approval of the final map.
- Maintenance of any and all common facilities, including the clubhouse, pool and playground area.
- A conservation easement for lettered lots shall be recorded on the deed of the property and shown on the final map. Said easement shall include access restrictions prohibiting motorized vehicles from these areas except on the maintenance road and access driveways for the water quality basins.

P19. (R) Prior to final map recordation, subdivision phasing (including any proposed common open space or improvement phasing, if applicable), shall be subject to the Planning Division approval. Any proposed phasing shall provide for adequate vehicular access to all lots in each phase as determined by the City Transportation Engineer or designee and shall substantially conform to all intent and purpose of the subdivision approval. (MC 9.14.080)

P20. (R) Prior to recordation of the final map, final median enhancement/landscape/irrigation plans shall be reviewed and approved by the Planning Division, and Public Works Department - Special Districts Administration for review and approval by each division. (GP - Circulation Master Plan)

**PRIOR TO BUILDING PERMIT**

P21. (BP) Prior to issuance of building permits, the developer or developer's successor-in-interest shall pay all applicable impact fees, including but not limited to Transportation Uniform Mitigation fees (TUMF), Multi-species Habitat Conservation Plan (MSHCP) mitigation fees, and the City's adopted Development Impact Fees. (Ord)

P22. (BP) Prior to issuance of building permits, final front and street side yard landscape and irrigation plans, and slope landscape plans and basin landscape plans, shall be approved.

**CONDITIONS OF APPROVAL**

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P23. (BP) Prior to issuance of building permits, landscape plans (trees, shrubs and groundcover) for basins maintained by an HOA, or other private entity, shall be approved for the sides and or slopes of all water quality basins and drainage areas. A solid decorative wall with pilasters, tubular steel fence with pilasters or other fence or wall approved by the Community & Economic Development Director is required to secure all water quality and detention basins more than 18 inches in depth.

PRIOR TO CERTIFICATE OF OCCUPANCY

P24. (CO) Prior to issuance of Certificates of Occupancy or building final, the required landscaping and irrigation shall be installed. (DC 9.03.040)

P25. (CO) Prior to the issuance of Certificates of Occupancy or building final, all required and proposed fences and walls shall be constructed according to the approved plans on file in the Planning Division. (MC 9.080.070).

P26. (BP/CO) Prior to issuance of Certificate of Occupancy or building final, installed landscaping and irrigation shall be inspected by the Planning Division. All on-site and common area landscaping shall be installed in accordance with the City's Landscape Standards and the approved project landscape plans and all site clean-up shall be completed.

P27. The owner or owner's representative shall establish and maintain a relationship with the City of Moreno Valley and cooperate with the Problem Oriented Policing (POP) program, or its successors.

P28. (CO) Prior to the issuance of Certificates of Occupancy or building final, slope landscape and irrigation shall be installed. Landscaping on lots not yet having dwelling units shall be maintained by the developer weed and disease free. (MC 9.03.040)

P29. (CO) For a basin maintained by an HOA or other private entity, landscape (trees, shrubs and groundcover) and irrigation shall be installed, and maintained by the HOA or other private entity.

MITIGATION MEASURES

P30. AQ-1: Daily heavy equipment use during site preparation activities shall be limited to an aggregate of no more than 56 hours per day and haul trips shall be limited to no more than 137 deliveries. This same allocation shall be used if the removal and replacement of soil is to be given a "dedicated" phase.



**CONDITIONS OF APPROVAL**

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- P31. AQ-2: Daily heavy equipment use during site grading activities shall be limited to an aggregate of no more than 64 hours per day and haul trips shall be limited to no more than 66 deliveries.
- P32. AQ-3: Records for equipment hours and truck hauls shall be maintained for City inspection at the construction site during all earthwork activities.
- P33. AQ-4: (a) Painting and surface coating shall be limited to an aggregate area of no more than 25,000 square feet per day during any phase of construction, **Or** (b) Paints and surface coatings shall be limited to a VOC content of no more than 35 milligrams per liter of VOC content. During site preparations, the contractor shall specify that all dozers use a minimum of Level 2 diesel particulate filters.
- P34. AQ-5: Any hearth, stove, or fireplace designed to burn wood shall be omitted or replaced with a unit designed to burn only natural gas.
- P35. AQ-6: During site preparations, the contractor shall water the construction site a minimum of three times per day, rather than twice per day as required under Rule 403 (SCAQMD - to prevent, reduce or mitigate fugitive dust emissions).
- P36. BIO-1: A burrowing owl pre-construction survey shall be conducted by a qualified biologist within 30 days prior to ground disturbance to avoid impacts to the species. Should burrowing owls and/or occupied nests be detected on the property, the nests will be avoided and protective measures as recommended by the qualified biologist will be implemented.
- P37. BIO-2: Within 30 days prior to ground disturbance, a pre-construction survey of any shrubs on-site shall be conducted by a qualified biologist to determine if any migratory bird nests exist and are occupied. Should occupied nests be detected on the property, the nests will be avoided and protective measures as recommended by the qualified biologist will be implemented.
- P38. CULT-1: In the event that prehistoric or historic archaeological resources (e.g., bottles, foundations, refuse dumps, Native American artifacts, etc.) are unearthed during ground-disturbing activities, the Applicant shall halt or redirect ground-disturbing activities away from the vicinity of the find so that the find can be evaluated by a qualified archaeologist. Work shall be allowed to continue outside of the vicinity of the find. All archaeological resources unearthed by Project construction activities shall be evaluated by an archaeologist. The Applicant shall coordinate with the archaeologist and the City to develop an appropriate treatment plan for the resources if they are determined to be potentially eligible for the California Register or potentially qualify as unique archaeological resources pursuant to CEQA. Treatment may include implementation of archaeological data recovery excavations to remove the resource or preservation

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in place or avoidance. The archaeologist shall prepare a report regarding the find and its treatment effort that shall be submitted by the Applicant to the City, the South Central Coastal Information Center, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the project and the required mitigation measures. The report shall include a description of resources unearthed, if any, treatment of the resources, and evaluation of the resources with respect to the California Register. The Applicant, in consultation with the archaeologist and the City shall designate repositories meeting State standards in the event that archaeological material is recovered. Project material shall be curated in accordance with the State Historical Resources Commission's Guidelines for Curation of Archaeological Collections.

- P39. CULT-2: If construction excavations would encounter the fossiliferous Pleistocene alluvial sediments that are located at an unknown depth within the Project site, a qualified paleontologist shall be retained by the Applicant. A qualified paleontologist is defined as a paleontologist meeting the criteria established by the Society for Vertebrate Paleontology. The qualified Paleontologist shall supervise a paleontological monitor who shall be present during construction excavations into Pleistocene alluvial sediments. Monitoring shall consist of visually inspecting fresh exposures of rock for larger fossil remains and, where appropriate, collecting wet or dry screened sediment samples of promising horizons for smaller fossil remains. The frequency of monitoring inspections shall be determined by the Paleontologist and shall be based on the rate of excavation and grading activities, the materials being excavated, and the depth of excavation, and if found, the abundance and type of fossils encountered.
- P40. CULT-3: If a potential fossil is found, the Paleontological Monitor shall be allowed to temporarily divert or redirect grading and excavation activities in the area of the exposed fossil to facilitate evaluation and, if necessary, salvage. At the Paleontologist's discretion and to reduce any construction delay, the grading and excavation contractor shall assist in removing rock samples for initial processing.
- P41. CULT-4: Any fossils encountered and recovered shall be prepared to the point of identification and catalogued before they are donated to their final repository. Any fossils collected shall be donated to a public, non-profit institution with a research interest in the materials, such as the San Bernardino County Museum or the Western Science Center. Accompanying notes, maps, and photographs shall also be filed at the repository.
- P42. CULT-5: Following the completion of the above measures, the Paleontologist shall prepare a report summarizing the results of the monitoring and salvaging efforts, the methodology used in these efforts, as well as a description of the fossils collected and their significance. The report shall be submitted by the

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Project Applicant to the lead agency, the Natural History Museum of Los Angeles County, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the Project and required mitigation measures.

- P43. CULT-6: If human remains are encountered unexpectedly during implementation of the proposed project, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to PRC Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission (NAHC). The NAHC shall then identify the person(s) thought to be the Most Likely Descendent (MLD). The MLD may, with the permission of the land owner, or his or her authorized representative, inspect the site of the discovery of the Native American remains and may recommend to the owner or the person responsible for the excavation work means for treating or disposing, with appropriate dignity, the human remains and any associated grave goods. The MLD shall complete their inspection and make their recommendation within 48 hours of being granted access by the land owner to inspect the discovery. The recommendation may include the scientific removal and nondestructive analysis of human remains and items associated with Native American burials. Upon the discovery of the Native American remains, the landowner shall ensure that the immediate vicinity, according to generally accepted cultural or archaeological standards or practices, where the Native American human remains are located, is not damaged or disturbed by further development activity until the landowner has discussed and conferred, as prescribed in this mitigation measure, with the MLD regarding their recommendations, if applicable, taking into account the possibility of multiple human remains. The landowner shall discuss and confer with the descendants all reasonable options regarding the descendants' preferences for treatment. Whenever the NAHC is unable to identify a MLD, or the MLD identified fails to make a recommendation, or the landowner or his or her authorized representative rejects the recommendation of the descendants and the mediation provided for in Subdivision (k) of Section 5097.94, if invoked, fails to provide measures acceptable to the landowner, the landowner or his or her authorized representative shall inter the human remains and items associated with Native American human remains with appropriate dignity on the property in a location not subject to further and future subsurface disturbance.
- P44. N-1: At a minimum the structures that back along Perris Boulevard and Cactus Avenue shall be constructed with batten insulation in the exterior walls. Alternatively, these structures could be of masonry construction negating this requirement.

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- P45. N-2: All exterior fittings that enter these structures (e.g., electrical conduits, HVAC ducts) are to be sealed with caulk such that the fittings are rendered as air-tight. Any metal duct-work that is exposed to the exterior environment shall be enclosed and insulated to avoid noise transference through the ducting.
- P46. N-3: The Applicant shall provide these structures with forced air ventilation designed and installed in accordance with the California Uniform Building Code.
- P47. N-4: The Applicant shall specify a minimum STC rating of 32 and 33 for all first and second story, respectively, window and/or door assemblies, that have a view toward Perris Boulevard (east facing) These windows and/or doors are to be well fitting with vinyl (or equivalent) gaskets that form an air tight fitting.
- P48. N-5: The Applicant shall specify a minimum STC rating of 28 and 32 for all first and second story, respectively, window and/or door assemblies that have a view toward Cactus Avenue (north facing) These windows and/or doors are to be well fitting with vinyl (or equivalent) gaskets that form an air tight fitting.
- P49. N-6: The Applicant shall abide by any other measures set forth by the City of Moreno Valley Planning Department for noise mitigation.

**Building and Safety Division**

- B1. New buildings/structures shall comply with the current California Building Standards Code (CBC, CEC, CMC, CPC and Green Building Standards) as well as City ordinances. Plans shall be submitted to the Building and Safety Division as a separate submittal and shall include a soils report at time of first submittal. Beginning on January 1, 2014, the 2013 CBC will become effective for all new building permit applications.
- B2. Prior to the issuance of a building permit, the applicant shall submit a properly completed "Waste Management Plan" (WMP), as required, as a portion of the building or demolition permit process.
- B3. Building plans and instruments of service submitted with a building permit application shall be signed and sealed by a California licensed design professional as required by the State Business and Professions Code.
- B4. The proposed new development may be subject to the payment of development fees as required by the City's Fee Ordinance at the time an application is submitted or prior to the issuance of permits as determined by the City.

**SCHOOL DISTRICT**

- S1. (BP) Prior to issuance of building permits, the developer shall provide to the Community Development Director a written certification by the affected school district that either: (1) the project has complied with the fee or other exaction levied on the project by the governing board of the district, pursuant to Government Code Section 65996; or (2) the fee or other requirement does not apply to the project.

**UNITED STATES POSTAL SERVICE**

- PO1. (BP) Prior to the issuance of building permits, the developer shall contact the U.S. Postal Service to determine the appropriate type and location of mailboxes.

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**FIRE PREVENTION BUREAU**

With respect to the conditions of approval, the following fire protection measures shall be provided in accordance with Moreno Valley City Ordinances and/or recognized fire protection standards:

- F1. Final fire and life safety conditions will be addressed when the Fire Prevention Bureau reviews building plans. These conditions will be based on occupancy, use, California Building Code (CBC), California Fire Code (CFC), and related codes, which are in force at the time of building plan submittal.
- F2. The Fire Prevention Bureau is required to set a minimum fire flow for the remodel or construction of all commercial buildings per CFC Appendix B and Table B105.1. The applicant/developer shall provide documentation to show there exists a water system capable of delivering 1500 GPM for 2 hour(s) duration at 20-PSI residual operating pressure. The required fire flow may be adjusted during the approval process to reflect changes in design, construction type, or automatic fire protection measures as approved by the Fire Prevention Bureau. Specific requirements for the project will be determined at time of submittal. (CFC 507.3, Appendix B). Fire sprinklers shall be installed throughout this project. The 50% reduction in fire flow was granted for the use of fire sprinklers throughout the facility. The reduction shall only apply to fire flow, hydrant spacing shall be per the fire flow requirements listed in CFC Appendix B and C.
- F3. Industrial, Commercial, Multi-family, Apartment, Condominium, Townhouse or Mobile Home Parks. A combination of on-site and off-site super fire hydrants (6" x 4" x 2 1/2" x 2 1/2" ) and super enhanced fire hydrants (6" x 4" x 4" x 2 1/2" ) shall not be closer than 40 feet and more than 150 feet from any portion of the building as measured along approved emergency vehicular travel ways. The required fire flow shall be available from any adjacent fire hydrant(s) in the system. Where new water mains are extended along streets where hydrants are not needed for protection of structures or similar fire problems, super or enhanced fire hydrants as determined by the fire code official shall be provided at spacing not to exceed 500 feet of frontage for transportation hazards. (CFC 507.5.7 & MVMC 8.36.060 Section K, L)
- F4. Prior to issuance of Certificate of Occupancy or Building Final, "Blue Reflective Markers" shall be installed to identify fire hydrant locations in accordance with City specifications. (CFC 509.1 and MV City Standard Engineering Plan 422 a, b, c)

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- F5. During phased construction, dead end roadways and streets which have not been completed shall have a turn-around capable of accommodating fire apparatus. (CFC 503.1 and 503.2.5)
- F6. Each phase shall provide an approved emergency vehicular access way for fire protection prior to any building construction. (CFC 501.4)
- F7. Maximum cul-de-sac or dead end road length shall not exceed 660 feet. The Fire Chief, based on City street standards, shall determine minimum turning radius for fire apparatus based upon fire apparatus manufacture specifications. (CFC 503.2, MVMC 9.15.030)
- F8. Prior to issuance of Building Permits, the applicant/developer shall provide the Fire Prevention Bureau with an approved site plan for Fire Lanes and signage. (CFC 501.3)
- F9. Prior to construction and issuance of building permits, all locations where structures are to be built shall have an approved Fire Department emergency vehicular access road (all weather surface) capable of sustaining an imposed load of 80,000 lbs. GVW, based on street standards approved by the Public Works Director and the Fire Prevention Bureau. (CFC 501.4 and MV City Standard Engineering Plan 108d)
- F10. Prior to construction and issuance of Building Permits, fire lanes and fire apparatus access roads shall have an unobstructed width of not less than twenty-four (24) feet as approved by the Fire Prevention Bureau and an unobstructed vertical clearance of not less the thirteen (13) feet six (6) inches. (CFC 503.2.1 and MVMC 8.36.060[E])
- F11. Prior to construction, all roads, driveways and private roads shall not exceed 12 percent grade. (CFC 503.2.7 and MVMC 8.36.060[G])
- F12. Prior to construction, all locations where structures are to be built shall have an approved Fire Department access based on street standards approved by the Public Works Director and the Fire Prevention Bureau. (CFC 501.4)
- F13. Prior to building construction, dead end roadways and streets which have not been completed shall have a turnaround capable of accommodating fire apparatus. (CFC 503.2.5)
- F14. The angle of approach and departure for any means of Fire Department access shall not exceed 1 ft drop in 20 ft (0.3 m drop in 6 m), and the design limitations of the fire apparatus of the Fire Department shall be subject to approval by the AHJ. (CFC 503 and MVMC 8.36.060)

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- F15. Prior to issuance of the building permit for development, independent paved access to the nearest paved road, maintained by the City shall be designed and constructed by the developer within the public right of way in accordance with City Standards. (MVMC 8.36.060, CFC 501.4)
- F16. Prior to construction, “private” driveways over 150 feet in length, dead end roadways, and streets which have not been completed shall have a turn-around as determined by the Fire Prevention Bureau capable of accommodating fire apparatus. Driveway grades shall not exceed 12 percent. (CFC 503, and MVMC 8.36.060, CFC 501.4)
- F17. Prior to issuance of Certificate of Occupancy, all residential dwellings shall display street numbers in a prominent location on the street side of the residence in such a position that the numbers are easily visible to approaching emergency vehicles. The numbers shall be located consistently on each dwelling throughout the development. The numerals shall be no less than four (4) inches in height and shall be low voltage lighted fixtures. (CFC 505.1, MVMC 8.36.060[I])
- F18. Prior to issuance of a Certificate of Occupancy or Building Final, a “Knox Box Rapid Entry System” shall be provided. The Knox-Box shall be installed in an accessible location approved by the Fire Chief. All exterior security emergency access gates shall be electronically operated and be provided with Knox key switches for access by emergency personnel. (CFC 506.1)
- F19. Prior to issuance of Building Permits, the applicant/developer shall participate in the Fire Impact Mitigation Program. (Fee Resolution as adopted by City Council)
- F20. Prior to issuance of Certificate of Occupancy or Building Final, the applicant/developer shall install a fire sprinkler system based on square footage and type of construction, occupancy or use. Fire sprinkler plans shall be submitted to the Fire Prevention Bureau for approval prior to installation. (CFC Chapter 9, MVMC 8.36.100[D])
- F21. Prior to issuance of Building Permits, the applicant/developer shall furnish one copy of the water system plans to the Fire Prevention Bureau for review. Plans shall:
- a) Be signed by a registered civil engineer or a certified fire protection engineer;
  - b) Contain a Fire Prevention Bureau approval signature block; and
  - c) Conform to hydrant type, location, spacing of new and existing hydrants and minimum fire flow required as determined by the Fire Prevention Bureau.

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After the local water company signs the plans, the originals shall be presented to the Fire Prevention Bureau for signatures. The required water system, including fire hydrants, shall be installed, made serviceable, and be accepted by the Moreno Valley Fire Department prior to beginning construction. They shall be maintained accessible.

Existing fire hydrants on public streets are allowed to be considered available. Existing fire hydrants on adjacent properties shall not be considered available unless fire apparatus access roads extend between properties and easements are established to prevent obstruction of such roads. (CFC 507, 501.3)

- F22. Complete plans and specifications for fire alarm systems, fire-extinguishing systems (including automatic sprinklers or standpipe systems), clean agent systems (or other special types of automatic fire-extinguishing systems), as well as other fire-protection systems and appurtenances thereto shall be submitted to the Moreno Valley Fire Prevention Bureau for review and approval prior to system installation. Submittals shall be in accordance with CFC Chapter 9 and associated accepted national standards.
- F23. Emergency and Fire Protection Plans shall be provided when required by the Fire Prevention Bureau. (CFC Section 105, MVMC 8.36.100[A])
- F24. Prior to issuance of Certificate of Occupancy or Building Final, the applicant/developer must submit a simple plot plan, a simple floor plan, and other plans as requested, to the Fire Prevention Bureau.
- F25. Approval of the safety precautions required for buildings being constructed, altered or demolished shall be required by the Fire Chief in addition to other approvals required for specific operations or processes associated with such construction, alteration or demolition. (CFC Chapter 33 & CBC Chapter 33)
- F26. Construction or work for which the Fire Prevention Bureau's approval is required shall be subject to inspection by the Fire Chief and such construction or work shall remain accessible and exposed for inspection purposes until approved. (CFC Section 105)
- F27. The Fire Prevention Bureau shall maintain the authority to inspect, as often as necessary, buildings and premises, including such other hazards or appliances designated by the Fire Chief for the purpose of ascertaining and causing to be corrected any conditions which would reasonably tend to cause fire or contribute to its spread, or any violation of the purpose or provisions of this code and of any other law or standard affecting fire safety. (CFC Section 105)

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- F28. Permit requirements issued, which designate specific occupancy requirements for a particular dwelling, occupancy, or use, shall remain in effect until such time as amended by the Fire Chief. (CFC Section 105)
- F29. In accordance with the California Fire Code Appendix Chapter 1, where no applicable standards or requirements are set forth in this code, or contained within other laws, codes, regulations, ordinances or bylaws adopted by the jurisdiction, compliance with applicable standards of the National Fire Protection Association or other nationally recognized fire safety standards as are approved shall be deemed as prima facie evidence of compliance with the intent of this code as approved by the Fire Chief. (CFC Section 102.8)
- F30. Any alterations, demolitions, or change in design, occupancy and use of buildings or site will require plan submittal to the Fire Prevention Bureau with review and approval prior to installation. (CFC 102.3)
- F31. Prior to Certificate of Occupancy all locations where medians are constructed and prohibit vehicular ingress/egress into or away from the site, provisions must be made to construct a median-crossover at all locations determined by the Fire Marshal and the City Engineer. Prior to the construction, design plans will be submitted for review and approval by the City Engineer and all applicable inspections conducted by Land Development Division.
- F32. Prior to construction, all traffic calming designs/devices must be approved by the Fire Marshal and City Engineer.
- F33. All fire lanes shall be a minimum of 24 feet wide with no street parking allowed, if street parking is preferred, then the streets shall be made wider to accommodate it.

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

**Note:** All Special Conditions are in **Bold** lettering and follow the standard conditions.

**PUBLIC WORKS DEPARTMENT – LAND DEVELOPMENT DIVISION**

The following are the Public Works Department – Land Development Division Conditions of Approval for this project and shall be completed at no cost to any government agency. All questions regarding the intent of the following conditions shall be referred to the Public Works Department – Land Development Division.

General Conditions

- LD1. (G) The developer shall comply with all applicable City ordinances and resolutions including the City's Municipal Code (MC) and if subdividing land, the Government Code (GC) of the State of California, specifically Sections 66410 through 66499.58, said sections also referred to as the Subdivision Map Act (SMA). (MC 9.14.010)
- LD2. (G) If the project involves the subdivision of land, maps may be developed in phases with the approval of the City Engineer. Financial security shall be provided for all improvements associated with each phase of the map. The boundaries of any multiple map increment shall be subject to the approval of the City Engineer. The City Engineer may require the dedication and construction of necessary utilities, streets or other improvements outside the area of any particular map, if the improvements are needed for circulation, parking, access, or for the welfare or safety of the public. (MC 9.14.080, GC 66412 and 66462.5) If the project does not involve the subdivision of land and it is necessary to dedicate right-of-way/easements, the developer shall make the appropriate offer of dedication by separate instrument. The City Engineer may require the construction of necessary utilities, streets or other improvements beyond the project boundary, if the improvements are needed for circulation, parking, access, or for the welfare or safety of the public.
- LD3. (G) It is understood that the tentative map correctly shows all existing easements, traveled ways, and drainage courses, and that their omission may require the map or plans associated with this application to be resubmitted for further consideration. (MC 9.14.040)
- LD4. (G) In the event right-of-way or offsite easements are required to construct offsite improvements necessary for the orderly development of the surrounding area to meet the public health and safety needs, the developer shall make a good faith effort to acquire the needed right-of-way in accordance with the Land

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Development Division's administrative policy. In the event that the developer is unsuccessful, he shall enter into an agreement with the City to acquire the necessary right-of-way or offsite easements and complete the improvements at such time the City acquires the right-of-way or offsite easements which will permit the improvements to be made. The developer shall be responsible for all costs associated with the right-of-way or easement acquisition. (GC 66462.5)

LD5. (G) If improvements associated with this project are not initiated within two years of the date of approval of the Public Improvement Agreement, the City Engineer may require that the improvement cost estimate associated with the project be modified to reflect current City construction costs in effect at the time of request for an extension of time for the Public Improvement Agreement or issuance of a permit.

LD6. (G) The developer shall monitor, supervise and control all construction and construction supportive activities, so as to prevent these activities from causing a public nuisance, including but not limited to, insuring strict adherence to the following:

- (a) Removal of dirt, debris, or other construction material deposited on any public street no later than the end of each working day.
- (b) Observance of working hours as stipulated on permits issued by the Public Works Department.
- (c) The construction site shall accommodate the parking of all motor vehicles used by persons working at or providing deliveries to the site.
- (d) All dust control measures per South Coast Air Quality Management District (SCAQMD) requirements shall be adhered to during the grading operations.

Violation of any condition or restriction or prohibition set forth in these conditions shall subject the owner, applicant, developer or contractor(s) to remedies as noted in the City Municipal Code 8.14.090. In addition, the City Engineer or Building Official may suspend all construction related activities for violation of any condition, restriction or prohibition set forth in these conditions until such time as it has been determined that all operations and activities are in conformance with these conditions.

LD7. (G) The developer shall protect downstream properties from damage caused by alteration of drainage patterns, i.e., concentration or diversion of flow. Protection shall be provided by constructing adequate drainage facilities, including, but not

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limited to, modifying existing facilities or by securing a drainage easement. (MC 9.14.110)

- LD8. (G) Public drainage easements, when required, shall be a minimum of 25 feet wide and shall be shown on the map and plan, and noted as follows: "Drainage Easement – no structures, obstructions, or encroachments by land fills are allowed." In addition, the grade within the easement area shall not exceed a 3:1 (H:V) slope, unless approved by the City Engineer.
- LD9. (G) For single family residential subdivisions, all lots shall drain toward the street unless otherwise approved by the City Engineer. Residential lot drainage to the street shall be by side yard swales and include yard drain pipes and inlet grates (or stubbed and capped if area is not yet landscaped) that convey flows to the street in accordance to City Standard No. 303 independent of adjacent lots. No over the sidewalk drainage shall be allowed, all drainage shall be directed to a driveway or drainage devices located outside the right-of-way. (MC 9.14.110)
- LD10. (G) A detailed drainage study shall be submitted to the City Engineer for review and approval at the time of any improvement or grading plan submittal. The study shall be prepared by a registered civil engineer and shall include existing and proposed hydrologic conditions. Hydraulic calculations are required for all drainage control devices and storm drain lines. (MC 9.14.110). Prior to approval of the related improvement or grading plans, the developer shall submit the approved drainage study, on compact disk, in (.pdf) digital format to the Land Development Division of the Public Works Department.
- LD11. (G) Water quality basins designed to meet Water Quality Management Plan (WQMP) requirements for single-family residential development may not be used as a construction best management practice. The water quality basin shall be maintained for the entire duration of project construction and be used to treat runoff from those developed portions of the project. The water quality basin shall be protected from upstream construction related runoff by having proper best management practices in place and maintained. The water quality basin shall be graded per the approved design drawings and once landscaping and irrigation has been installed, it and its maintenance shall be turned over to an established Homeowner's Association.
- LD12. (G) The final conditions of approval issued by the Planning Division subsequent to Planning Commission approval shall be photographically or electronically placed on mylar sheets and included in the Grading and Street Improvement plan sets on twenty-four (24) inch by thirty-six (36) inch mylar and submitted with the plans for plan check. These conditions of approval shall become part of these plan sets and the approved plans shall be available in the field during grading and construction.

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LD13. (G) Upon approval of the tentative tract map by the Planning Commission, the Developer shall submit the approved tentative tract map or plot plan on compact disk in (.dxf) digital format to the Land Development Division of the Public Works Department.

Prior to Grading Plan Approval or Grading Permit

LD14. (GPA) Prior to approval of the grading plans, plans shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by a registered civil engineer and other registered/licensed professional as required.

LD15. (GPA) Prior to approval of grading plans, the developer shall ensure compliance with the City Grading ordinance, these Conditions of Approval and the following criteria:

- a. The project street and lot grading shall be designed in a manner that perpetuates the existing natural drainage patterns with respect to tributary drainage area and outlet points. Unless otherwise approved by the City Engineer, lot lines shall be located at the top of slopes.
- b. Any grading that creates cut or fill slopes adjacent to the street shall provide erosion control, sight distance control, and slope easements as approved by the City Engineer.
- c. A grading permit shall be obtained from the Public Works Department Land Development Division prior to commencement of any grading outside of the City maintained road right-of-way.
- d. All improvement plans are substantially complete and appropriate clearance and at-risk letters are provided to the City. (MC 9.14.030)
- e. The developer shall submit a soils and geologic report to the Public Works Department – Land Development Division. The report shall address the soil's stability and geological conditions of the site.

LD16. (GPA) Prior to grading plan approval, the developer shall select and implement treatment control best management practices (BMPs) that are medium to highly effective for treating Pollutants of Concern (POC) for the project. Projects where National Pollution Discharge Elimination System (NPDES) mandates water quality treatment control best management practices (BMPs) shall be designed per the City of Moreno Valley guidelines or as approved by the City Engineer.

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LD17. (GPA) Prior to approval of the grading plans for projects that will result in discharges of storm water associated with construction with a soil disturbance of one or more acres of land, the developer shall submit a Notice of Intent (NOI) and obtain a Waste Discharger's Identification number (WDID#) from the State Water Quality Control Board (SWQCB). The WDID# shall be noted on the grading plans prior to issuance of the first grading permit.

LD18. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall submit two (2) copies of the final project-specific Water Quality Management Plan (WQMP) for review by the City Engineer that :

- a. Addresses Site Design Best Management Practices (BMPs) such as minimizing impervious areas, maximizing permeability, minimizes directly connected impervious areas to the City's street and storm drain systems, and conserves natural areas;
- b. Incorporates Source Control BMPs and provides a detailed description of their implementation;
- c. Incorporates Treatment Control BMPs and provides information regarding design considerations;
- d. Describes the long-term operation and maintenance requirements for BMPs requiring maintenance; and
- e. Describes the mechanism for funding the long-term operation and maintenance of the BMPs.

A copy of the final WQMP template can be obtained on the City's Website or by contacting the Land Development Division of the Public Works Department.

LD19. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall record a "Stormwater Treatment Device and Control Measure Access and Maintenance Covenant," to provide public notice of the requirement to implement the approved final project-specific WQMP and the maintenance requirements associated with the WQMP.

A boilerplate copy of the "Stormwater Treatment Device and Control Measure Access and Maintenance Covenant," can be obtained by contacting the Land Development Division of the Public Works Department.

LD20. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall secure approval of the final project-specific WQMP from the City Engineer. The final project-specific WQMP shall be submitted at the same time of grading plan submittal. The approved

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final WQMP shall be submitted to the Storm Water Program Manager on compact disk(s) in Microsoft Word format prior to grading plan approval.

LD21. (GPA) Prior to the grading plan approval, or issuance of a building permit as determined by the City Engineer, the approved final project-specific WQMP shall be incorporated by reference or attached to the project's Storm Water Pollution Prevention Plan as the Post-Construction Management Plan.

LD22. (GPA) Prior to grading plan approval, the developer shall prepare a Storm Water Pollution Prevention Plan (SWPPP) in conformance with the state's Construction Activities Storm Water General Permit. A copy of the current SWPPP shall be kept at the project site and be available for review upon request. The SWPPP shall be submitted to the Storm Water Program Manager on compact disk(s) in Microsoft Word format.

LD23. (GPA) Prior to the approval of the grading plans, the developer shall pay applicable remaining grading plan check fees.

LD24. (GPA/MA) Prior to the later of either grading plan or final map approval, resolution of all drainage issues shall be as approved by the City Engineer.

LD25. (GP) Prior to issuance of a grading permit, or building permit when a grading permit is not required, for projects that require a project-specific Water Quality Management Plan (WQMP), a project-specific final WQMP (F-WQMP) shall be approved. Upon approval, a WQMP Identification Number is issued by the Storm Water Management Section and shall be noted on the rough grading plans as confirmation that a project-specific F-WQMP approval has been obtained.

LD26. (GP) Prior to the issuance of a grading permit the developer shall submit recorded slope easements from adjacent landowners in all areas where grading resulting in slopes is proposed to take place outside of the project boundaries. For all other offsite grading, written permission from adjacent property owners shall be submitted.

LD27. (GP) Prior to issuance of a grading permit, if the project does not involve the subdivision of land and if the developer chooses to construct the project in construction phases, a Construction Phasing Plan for the construction of on-site public and private improvements shall be reviewed and approved by the City Engineer.

LD28. (GP) Prior to issuance of a grading permit, if the fee has not already been paid prior to map approval or prior to issuance of a building permit if a grading permit is not required, the developer shall pay Area Drainage Plan (ADP) fees. The developer shall provide a receipt to the City showing that ADP fees have been

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paid to Riverside County Flood Control and Water Conservation District. (MC 9.14.100)

LD29. (GP) Prior to issuance of a grading permit, security, in the form of a cash deposit (preferable), letter of credit, or performance bond shall be required to be submitted as a guarantee of the completion of the grading required as a condition of approval of the project. (MC 8.21.070)

LD30. (GP) Prior to issuance of a grading permit, security, in the form of a cash deposit (preferable), letter of credit, or performance bond shall be required to be submitted as a guarantee of the implementation and maintenance of erosion control measures required as a condition of approval of the project. At least twenty-five (25) percent of the required security shall be in cash and shall be deposited with the City. (MC 8.21.160)

LD31. (GP) Prior to issuance of a grading permit, the developer shall pay the applicable grading inspection fees.

Prior to Map Approval or Recordation

LD32. (MA) Prior to approval of the map, the developer shall submit a copy of the Covenants, Conditions and Restrictions (CC&Rs) to the Land Development Division for review and approval. The CC&Rs shall include, but not be limited to, access easements, reciprocal access, private and/or public utility easements as may be relevant to the project. In addition, for single-family residential development, the developer shall submit bylaws and articles of incorporation for review and approval as part of the maintenance agreement for any water quality basin.

LD33. (MA) Prior to approval of the map, all street dedications shall be irrevocably offered to the public and shall continue in force until the City accepts or abandons such offers, unless otherwise approved by the City Engineer. All dedications shall be free of all encumbrances as approved by the City Engineer.

LD34. (MA) Prior to approval of the map, security shall be required to be submitted as a guarantee of the completion of the improvements required as a condition of approval of the project. A public improvement agreement will be required to be executed.

LD35. (MR) Prior to recordation of the map, if the developer chooses to construct the project in construction phases, a Construction Phasing Plan for the construction of on-site public and private improvements shall be reviewed and approved by the City Engineer. This approval must be obtained prior to the Developer submitting a Phasing Plan to the California State Department of Real Estate.

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LD36. (MR) Prior to recordation of the map, if applicable, the developer shall have all street names approved by the City Engineer. (MC 9.14.090)

LD37. (MR) Prior to recordation of the final map, this project is subject to requirements under the current permit for storm water activities required as part of the National Pollutant Discharge Elimination System (**NPDES**) as mandated by the Federal Clean Water Act. Following are the requirements:

- a. Establish a Home Owners Association (HOA) to finance the maintenance of the "Water Quality Ponds/Bio-swales". Any lots which are identified as "Water Quality Ponds/Bio-Swales" shall be owned in fee by the HOA.
- b. Dedicate a maintenance access easement to the City of Moreno Valley for water quality inspections.
- c. Execute a Stormwater Treatment Device and Control Measure Access and Maintenance Covenant between the City of Moreno Valley and the HOA. The maintenance agreement must be approved by City Council.
- d. Establish a trust fund per the terms of the maintenance agreement.
- e. Provide a certificate of insurance per the terms of the maintenance agreement.
- f. Select one of the following options to meet the financial responsibility to provide storm water utilities services for the required continuous operation and maintenance monitoring evaluations, all in accordance with Resolution No. 2002-46.
  - i. Participate in the mail ballot proceeding in compliance with Proposition 218, for the Residential NPDES Regulatory Rate Schedule and pay all associated costs with the ballot process, or
  - ii. Establish an endowment to cover future maintenance costs for the Residential NPDES Regulatory Rate Schedule.
- g. Notify the Special Districts Division of the intent to record the final map 90 days prior to City Council action authorizing recordation of the final map and the financial option selected. The final option selected shall be in place prior to the issuance of certificate of occupancy. (California Government Code & Municipal Code)

LD38. (MR) Prior to recordation of the Final Map, the Grading Plan (s) and Landscape and Irrigation Plan (s) prepared for the "Water Quality Ponds and/or Bio-Swales" shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by a registered civil engineer or other registered/licensed professional as required. The developer, or the developer's successors or assignees shall secure the initials of the Engineering Division Manager or his designee on the mylars prior to the plans being approved by the City Engineer. (MC 9.14.100.C.2)

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LD39. (MR) Prior to recordation of the map, the developer shall submit the map, on compact disks, in (.dxf) digital format to the Land Development Division of the Public Works Department.

Prior to Improvement Plan Approval or Construction Permit

LD40. (IPA) Prior to approval of the improvement plans, the improvement plans shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by a registered civil engineer and other registered/licensed professional as required.

LD41. (IPA) Prior to approval of the improvement plans, the developer shall submit clearances from all applicable agencies, and pay all outstanding plan check fees. (MC 9.14.210)

LD42. (IPA) All public improvement plans prepared and signed by a registered civil engineer in accordance with City standards, policies and requirements shall be approved by the City Engineer in order for the Public Improvement Agreement and accompanying security to be executed.

LD43. (IPA) Prior to approval of the improvement plans, securities and a public improvement agreement shall be required to be submitted and executed as a guarantee of the completion of the improvements required as a condition of approval of the project.

LD44. (IPA) The street improvement plans shall comply with all applicable City standards and the following design standards throughout this project:

- a. Corner cutbacks in conformance with City Standard MVS1-165-0 shall be shown on the final map or, if no map is to be recorded, offered for dedication by separate instrument.
- b. Lot access to major thoroughfares shall be restricted except at intersections and approved entrances and shall be so noted on the final map. (MC 9.14.100)
- c. The minimum centerline and flow line grades shall be one percent unless otherwise approved by the City Engineer. (MC 9.14.020)
- d. All street intersections shall be at ninety (90) degrees plus or minus five (5) degrees per City Standard No. MSVI-160A-0, or as approved by the City Engineer. (MC 9.14.020)
- e. All reverse curves shall include a minimum tangent of one hundred (100) feet in length.

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- LD45. (IPA) Prior to approval of the improvement plans, the plans shall be based upon a centerline profile, extending beyond the project boundaries a minimum distance of 300 feet at a grade and alignment approved by the City Engineer. Design plan and profile information shall include the minimum 300 feet beyond the project boundaries.
- LD46. (IPA) Prior to approval of the improvement plans, the plans shall indicate any restrictions on trench repair pavement cuts to reflect the City's moratorium on disturbing newly-constructed pavement less than three years old and recently slurry sealed streets less than one year old. Pavement cuts for trench repairs may be allowed for emergency repairs or as specifically approved in writing by the City Engineer.
- LD47. (IPA) Prior to approval of the improvement plans, the developer shall pothole to determine the exact location of existing underground utilities. The improvement plans shall be designed based on the pothole field investigation results. The developer shall coordinate with all affected utility companies and bear all costs of utility relocations.
- LD48. (IPA) Prior to approval of the improvement plans, all dry and wet utility crossings shall be potholed to determine actual elevations. Any conflicting utilities shall be identified and addressed on the plans. The pothole survey data shall be submitted with the street improvement plans for reference purposes.
- LD49. (IPA) Prior to approval of the improvement plans, the developer is required to bring any existing access ramps adjacent to and fronting the project to current ADA (Americans with Disabilities Act) requirements. However, when work is required in an intersection that involves or impacts existing access ramps, those access ramps in that intersection shall be retrofitted to comply with current ADA requirements, unless approved otherwise by the City Engineer.
- LD50. (IPA) Prior to approval of the improvement plans, drainage facilities with sump conditions shall be designed to convey the tributary 100-year storm flows. Secondary emergency escape shall also be provided. (MC 9.14.110)
- LD51. (IPA) Prior to the approval of the improvement plans, the hydrology study shall show that the 10-year storm flow will be contained within the curb and the 100-year storm flow shall be contained within the street right-of-way. In addition, one lane in each direction shall not be used to carry surface flows during any storm event for street sections equal to or larger than a minor arterial. When any of these criteria is exceeded, additional drainage facilities shall be installed. (MC 9.14.110 A.2)

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- LD52. (IPA) The project shall be designed to accept and properly convey all off-site drainage flowing onto or through the site. All storm drain design and improvements shall be subject to review and approval of the City Engineer. In the event that the City Engineer permits the use of streets for drainage purposes, the provisions of the Development Code will apply. Should the quantities exceed the street capacity or the use of streets be prohibited for drainage purposes, as in the case where one travel lane in each direction shall not be used for drainage conveyance for emergency vehicle access on streets classified as minor arterials and greater, the developer shall provide adequate facilities as approved by the Public Works Department – Land Development Division. (MC 9.14.110)
- LD53. (CP) All work performed within the City right-of-way requires a construction permit. As determined by the City Engineer, security may be required for work within the right-of-way. Security shall be in the form of a cash deposit or other approved means. The City Engineer may require the execution of a public improvement agreement as a condition of the issuance of the construction permit. All inspection fees shall be paid prior to issuance of construction permit. (MC 9.14.100)
- LD54. (CP) Prior to issuance of a construction permit, all public improvement plans prepared and signed by a registered civil engineer in accordance with City standards, policies and requirements shall be approved by the City Engineer.
- LD55. (CP) Prior to issuance of construction permits, the developer shall submit all improvement plans on compact disks, in (.dxf) digital format to the Land Development Division of the Public Works Department.
- LD56. (CP) Prior to issuance of construction permits, the developer shall pay all applicable inspection fees.

Prior to Building Permit

- LD57. (BP) Prior to issuance of a building permit, if the project involves a residential subdivision, the map shall be recorded (excluding model homes). (MC 9.14.090)
- LD58. (BP) Prior to issuance of a building permit for non-subdivision projects, all street dedications shall be irrevocably offered to the public and shall continue in force until the City accepts or abandons such offers, unless otherwise approved by the City Engineer. All dedications shall be free of all encumbrances as approved by the City Engineer.
- LD59. (BP) Prior to issuance of a building permit for non-subdivisions, security shall be required to be submitted as a guarantee of the completion of the improvements

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required as a condition of approval of the project. A public improvement agreement will be required to be executed.

LD60. (BP) Prior to issuance of a building permit for a non-subdivision project, the developer shall comply with the requirements of the City Engineer based on recommendations of the Riverside County Flood Control District regarding the construction of County Master Plan Facilities. (MC 9.14.110)

LD61. (BP) Prior to issuance of a building permit for this project, the developer shall obtain a permit from the Riverside County Flood Control and Water Conservation District establishing the terms and conditions covering the inspection of the project's storm drain line connection to the Master Drainage Plan facilities.

LD62. (BP) Prior to issuance of a building permit (excluding model homes), an approval by the City Engineer is required of the water quality control basin(s). The developer shall provide certification to the line, grade, flow test and system invert elevations.

LD63. (BP) Prior to issuance of a building permit, this project is subject to requirements under the current permit for storm water activities required as part of the National Pollutant Discharge Elimination System (**NPDES**) as mandated by the Federal Clean Water Act. Following are the requirements:

- a. Establish a Home Owners Association (HOA) to finance the maintenance of the "Water Quality Ponds/Bio-swales". Any lots which are identified as "Water Quality Ponds/Bio-Swales" shall be owned in fee by the HOA.
- b. Dedicate a maintenance easement to the City of Moreno Valley.
- c. Execute a Stormwater Treatment Device and Control Measure Access and Maintenance Covenant between the City of Moreno Valley and the HOA. The maintenance Covenant must be approved by City Council.
- d. Establish a trust fund per the terms of the maintenance agreement.
- e. Provide a certificate of insurance per the terms of the maintenance agreement.
- f. Select one of the following options to meet the financial responsibility to provide storm water utilities services for the required continuous operation, maintenance, monitoring system evaluations and enhancements, remediation and/or replacement, all in accordance with Resolution No. 2002-46.
  - i. Participate in the mail ballot proceeding in compliance with Proposition 218, for the Residential NPDES Regulatory Rate Schedule and pay all associated costs with the ballot process, or
  - ii. Establish an endowment to cover future maintenance costs for the Residential NPDES Regulatory Rate Schedule.

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- g. Notify the Special Districts Division of the intent to obtain a building permit 90 days prior to the City's issuance of a building permit and the financial option selected. (California Government Code & Municipal Code)

LD64. (BP) Prior to issuance of a building permit, all pads shall meet pad elevations per approved plans as noted by the setting of "Blue-top" markers installed by a registered land surveyor or licensed engineer.

LD65. (BP) Prior to issuance of a building permit, the developer shall submit for review and approval, a Waste Management Plan (WMP) that shows data of waste tonnage, supported by original or certified photocopies of receipts and weight tags or other records of measurement from recycling companies and/or landfill and disposal companies. The Waste Management Plan shall contain the following:

- a. The estimated volume or weight of project waste to be generated by material type. Project waste or debris may consist of vegetative materials including trees, tree parts, shrubs, stumps, logs, brush, or any other type of plants that are cleared from a site. Project waste may also include roadwork removal, rocks, soils, concrete and other material that normally results from land clearing.
- b. The maximum volume or weight of such materials that can be feasibly diverted via reuse and recycling.
- c. The vendor(s) that the applicant proposes to use to haul the materials.
- d. Facility(s) the materials will be hauled to, and their expected diversion rates.
- e. Estimated volume or weight of clearing, grubbing, and grading debris that will be landfilled .

Approval of the WMP requires that at least fifty (50) percent of all clearing, grubbing, and grading debris generated by the project shall be diverted, unless the developer is granted an exemption. Exemptions for diversions of less than fifty (50) percent will be reviewed on a case by case basis. (AB939, MC 8.80)

LD66. (BP) Prior to issuance of a building permit, the developer shall record with the County-Clerk Recorder a "Covenant and Agreement" that informs future property owners of the requirement to maintain (Lot EE, that portion of Lot EE as shown on the Grading Plans on file at the City of Moreno Valley Public Works Department) as a retention/detention basin until such time drainage improvements are made to connect to the City's storm drain system. Until such time adequate drainage improvements are constructed, the owner of (Lot EE, that portion of Lot EE described above) will not be allowed to build over, grade, or otherwise modify the retention/detention basin. The "Covenant and

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Agreement” shall be in a form acceptable to the City of Moreno Valley. Proof of recordation must be provided to the City prior to issuance of a building permit.

Prior to Certificate of Occupancy

LD67. (CO) Prior to issuance of a certificate of occupancy, if the project involves a non-residential subdivision, the map shall be recorded.

LD68. (CO) Prior to issuance of the last certificate of occupancy or building final, the developer shall pay all outstanding fees.

LD69. (CO) The City of Moreno Valley has an adopted Development Impact Fee (DIF) nexus study. All projects unless otherwise exempted shall be subject to the payment of the DIF prior to issuance of occupancy. The fees are subject to the provisions of the enabling ordinance and the fee schedule in effect at the time of occupancy.

LD70. (CO) The City of Moreno Valley has an adopted area wide Transportation Uniform Mitigation Fee (TUMF). All projects unless otherwise exempted shall be subject to the payment of the TUMF prior to issuance of occupancy. The fees are subject to the provisions of the enabling ordinance and the fee schedule in effect at the time of occupancy.

LD71. (CO) Prior to issuance of a certificate of occupancy or building final, the developer shall construct all public improvements in conformance with applicable City standards, except as noted in the Special Conditions, including but not limited to the following applicable improvements:

- a. Street improvements including, but not limited to: pavement, base, curb and/or gutter, cross gutters, spandrel, sidewalks, drive approaches, pedestrian ramps, street lights, signing, striping, under sidewalk drains, landscaping and irrigation, medians, redwood header boards, pavement tapers/transitions and traffic control devices as appropriate.
- b. Storm drain facilities including, but not limited to: storm drain pipe, storm drain laterals, open channels, catch basins and local depressions.
- c. City-owned utilities.
- d. Sewer and water systems including, but not limited to: sanitary sewer, potable water and recycled water.
- e. Under grounding of existing and proposed utility lines less than 115,000 volts.



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- f. Relocation of overhead electrical utility lines including, but not limited to: electrical, cable and telephone.

LD72. (CO) Prior to issuance of a certificate of occupancy or building final, all existing and new utilities adjacent to and on-site shall be placed underground in accordance with City of Moreno Valley ordinances. (MC 9.14.130)

LD73. (CO) Prior to issuance of a certificate of occupancy or building final for residential projects, the last 20% or last 5 units (whichever is greater, unless as otherwise determined by the City Engineer) of any Map Phase, punch list work for improvements and capping of streets in that phase must be completed and approved for acceptance by the City.

LD74. (CO) Prior to issuance of a certificate of occupancy or building final, in order to treat for water quality the sub-area tributary to the basin, the Developer must comply with the following:

- a. The water quality basin and all associated treatment control BMPs and all hardware per the approved civil drawing must be constructed, certified and approved by the City Engineer including, but not limited to, piping, forebay, aftbay, trash rack, etc.) Landscape and irrigation plans are not approved for installation at this time.
- b. Provide the City with an Engineer's Line and Grade Certification.
- c. Perform and pass a flow test per City test procedures.

LD75. (CO) Prior to issuance of a certificate of occupancy or building final for the last 20% of the permitted structures or the last five (5) permitted units (whichever is greater) for any Phase of the development , the Developer shall:

- a. Notify City Staff (Land Development Division) prior to construction and installation of all structural BMPs so that an inspection(s) can be performed.
- b. Demonstrate that all structural BMPs described in the approved final project-specific WQMP have been constructed and installed in conformance with the approved plans and specifications;
- c. Demonstrate that Developer is prepared to implement all non-structural BMPs described in the approved final project-specific WQMP; and
- d. Demonstrate that an adequate number of copies of the approved final project-specific WQMP are available for future owners/occupants.
- e. Clean and repair the water quality basin, including regrading to approved civil drawing if necessary.
- f. Provide City with updated Engineer's Line and Grade Certification.
- g. Obtain approval from City to install irrigation and landscaping.
- h. Complete installation of irrigation and landscaping.

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LD76. (CO) Prior to issuance of a certificate of occupancy or building final for any Commercial/Industrial facility, whichever occurs first, the owner may have to secure coverage under the State's General Industrial Activities Storm Water Permit as issued by the State Water Resources Control Board.

LD77. (CO) Prior to issuance of a certificate of occupancy or building final, the applicant shall ensure the following, pursuant to Section XII. I. of the 2010 NPDES Permit:

- a. Field verification that structural Site Design, Source Control and Treatment Control BMPs are designed, constructed and functional in accordance with the approved Final Water Quality Management Plan (WQMP)
- b. Certification of best management practices (BMPs) from a state licensed civil engineer. An original WQMP BMP Certification shall be submitted to the City for review and approval.

### Prior to Acceptance of Streets into the City Maintained Road System

LD78. (AOS) Aggregate slurry, as defined in Section 203-5 of Standard Specifications for Public Works Construction, may be required just prior to the end of the one-year warranty period of the public streets at the discretion of the City Engineer. If slurry is required, the developer/contractor must provide a slurry mix design submittal for City Engineer approval. The latex additive shall be Ultra Pave 70 (for anionic – per project geotechnical report) or Ultra Pave 65 K (for cationic – per project geotechnical report) or an approved equal. The latex shall be added at the emulsion plant after weighing the asphalt and before the addition of mixing water. The latex shall be added at a rate of two to two-and-one-half (2 to 2½) parts to one-hundred (100) parts of emulsion by volume. Any existing striping shall be removed prior to slurry application and replaced per City standards.

### SPECIAL CONDITIONS

**LD79. Prior to tract map and/or any grading plan approval, the plans shall clearly show the extents of all existing easements on the property. All building structures shall be constructed outside of existing easements.**

**LD80. Prior to tract map and/or any grading plan approval, written permission must be obtained from off-site property owner(s) for all off-site grading and easements. All on-site and off-site easements shall be shown on the final map. The grading plans shall show the westerly off-site properties (24868, 24871, and 24855 Chippendale Street and 24848, 24866, 24867 and 24849 Cape Cod Street) slopes extended easterly where the top of the down slopes are approximately 2' easterly of the developer's property line, and where a decorative block wall (as approved by Planning) will be**

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constructed, and the existing off-site side yard fences/walls are extended in kind to the new property line block wall. The off-site slope infill areas shall drain towards the front of each of the off-site properties into the street. The developer shall submit agreements signed by the off-site property owners allowing said work to be completed. Where off-site grading for the westerly adjacent slope extension is not feasible the developer shall show approved alternatives on the Grading Plans.

**LD81.** Prior to approval of the tract map, the map shall show the following:  
(Prior to grading plan approval the following shall be submitted to the City for review and approval:)

- a. A 7-foot street right-of-way vacation on the north side of Delphinium Avenue along project south frontage for a Collector street, City Standard Plan MSVI-106B-0.
- b. A 3-foot pedestrian easement right-of-way dedication on the north side of Delphinium Street along project south frontage.
- c. Corner cutbacks right-of-way dedication per City Standard MVS1-165-0 at the private street intersections with the public streets.

**LD82.** Prior to any grading plan approval, the plans shall clearly show that any slope near the public right-of-way has a minimum set-back area at 2% maximum of 2 feet before the start of the top or toe of slope. If the vertical height of the slope exceeds 10 feet, this set-back area shall be 3 feet minimum. For areas with curb-separated sidewalk with back of walk (BOW) outside of the R/W, the 2-foot flat area shall be measured from BOW.

**LD83.** Prior to any grading plan approval, the developer shall incorporate into the plan the recommendations made in a Soil/Geotechnical Report for the project grading and adjacent streets recommendations and requirement.

**LD84.** Prior to any grading plan approval, the grading plans shall clearly demonstrate that drainage is properly collected and conveyed. The plans shall show all necessary on-site and off-site drainage improvements to properly collect and convey drainage entering, within and leaving the project. This may include, but not be limited to on-site and perimeter drainage improvements to properly convey drainage within and along the project site, and downstream off-site improvements. The developer will be required to obtain the necessary permission for offsite construction including easements. Drainage improvements may include connection to the existing storm drain line in Delphinium Avenue.

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- LD85.** Prior to approval of any grading plan, the plans and the submitted drainage study shall clearly demonstrate this project's increased runoff mitigation. This project shall not discharge runoff at a rate greater in the post developed condition than that in the pre-developed condition, for any given storm event. The storms to be studied include the 1-hour, 3-hour, 6-hour and 24-hour duration events for the 2-year, 5-year, 10-year and 100-year return frequencies.
- LD86.** Prior to any grading plan approval, as this entire site resides in FEMA flood zone designation Zone X shaded which, by definition, could include 100 year flooding up to 1 foot. The plans shall clearly demonstrate that any building finished floor elevations shall be 1 foot minimum above the 100-year base flood elevation.
- LD87.** Prior to any grading plan approval, the plans shall clearly demonstrate that any sump catch basins, including but not limited to those on Street 'C', as shown on the tentative map, are designed such that there is an emergency escape for drainage overflow in the event that the basin inlets become clogged. This might include, but not be limited to, over sizing the catch basin inlets, providing an approved emergency overflow path, or other method as approved by the City Engineer during the design/plan check stage.
- LD88.** Prior to final map approval, the Developer shall guarantee the construction of the following improvements by entering into a public improvement agreement and posting security. The improvements shall be completed prior to occupancy of the first building or as otherwise determined by the City Engineer.
- a. Perris Blvd, Six Lane Arterial, City Standard MSVI-103C-0 (100-foot RW / 76-foot CC) shall construct to half-width plus an additional 18 feet east of the centerline, along the entire project's east frontage. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, removal/relocation and/or undergrounding of any power poles with overhead utility lines less than 115,000 volts, and dry and wet utilities. This project will be required to construct a raised, landscape median on Perris Boulevard along project frontage.
  - b. Cactus Avenue, Minor Arterial, City Standard MVSI-105A-0 (88-foot RW / 64-foot CC) street improvements have been constructed. The

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developer shall replace any existing damage improvements along the project frontage and pavement replacement to half-width plus an additional 12 feet north of the centerline, along the entire project's north frontage. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, including making a good faith effort to obtain that portion of right-of-way from the adjacent property owner of APN 482-582-033 required to complete construction of the westerly curb return at the Cactus Avenue project entrance, and undergrounding of any power poles with overhead utility lines less than 115,000 volts, and dry and wet utilities.

- c. Delphinium Avenue, Collector, City Standard MVS1-106B-0 (78-foot RW / 56-foot CC) shall be constructed to half-width plus an additional 14 feet south of the centerline, along the entire project's south frontage any missing improvements. A 7-foot right-of-way vacation on the north side of the street, along the project's south property line, shall be shown on the tract map. A 3' pedestrian easement shall be dedicated along the south property frontage and shall be shown on the tract map. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, dry and wet utilities,. This project will be required to construct any missing pavement, curb, gutter, and sidewalk along APN 482-230-015 and 482-230-016 and northwest corner intersection improvements, including handicap access ramp at Delphinium Avenue and Perris Boulevard.
- d. All ramps and traveled ways shall comply with current ADA standards.
- e. Pavement core samples of existing pavement may be taken and findings submitted to the City for review and consideration of pavement improvements. The City will determine the adequacy of the existing pavement structural section. If the existing pavement structural section is found to be adequate, the developer may still be required to perform a one-tenth inch grind and overlay or slurry seal depending on the severity of existing pavement cracking, as required by the City Engineer. If the existing pavement section is found to be

inadequate, the Developer shall replace the pavement to meet or exceed the City's pavement structural section standard.

- f. The developer shall install all necessary on-site and off-site drainage improvements to properly collect and convey drainage entering, within and leaving the project. This may include, but not be limited to on-site and perimeter drainage improvements to properly convey drainage within and along the project site, and downstream off-site improvements of master plan storm drain lines.
- LD89. Prior to any grading plans approval, the plans shall show an approved concrete drainage ditch along the north and west property boundary retaining walls where slopes and walls meet. The concrete drainage ditch shall convey slope runoff to proposed private drain inlets.
- LD90. Prior to issuance of occupancy permits, all overhead utility lines less than 115,000 volts fronting or within the entire project site boundary shall be placed underground per Section 9.14.130C of the City Municipal Code.
- LD91. Prior to final map approval or building permit issuance, the applicant shall schedule a walk through with a Public Works Inspector to inspect existing improvements within public right-of-way along project frontage. The applicant will be required to install, replace and/or repair any missing, damaged or substandard improvements including handicap access ramps that do not meet current City standards. The applicant shall post security to cover the cost of the repairs and complete the repairs within the time allowed in the public improvement agreement used to secure the improvements.
- LD92. Prior to final map approval, the limits of private and public streets shall be clearly delineated on the map. The developer shall dedicate those streets intended for public use to the City and construct them per City standards. The developer shall sign a public improvement agreement and post security for public improvements.
- LD93. It may be necessary for the developer to remove/relocate/reconstruct driveways, fences, gates, landscaping and other items, as required, for the full width curb-to-curb construction. It may be necessary for the developer to grade or construct on private property in which case the developer will be required to obtain right-of-entry.
- LD94. Prior to rough grading plan approval, the plans shall show proposed mechanisms to treat onsite runoff before it enters into the public storm

drain system. The plans shall show locations of proposed structural best management practices. The developer shall submit to the City for review and approval, those structural best management practices proposed onsite to control predictable pollutant runoff. The developer shall select those structural best management practices identified in Supplement A and Supplement A Attachment to the Riverside County Drainage Area Management Plans. [www.floodcontrol.co.riverside.ca.us](http://www.floodcontrol.co.riverside.ca.us) The developer shall first maximize the use of site design and source control best management practices before selecting treatment control best management practices.

**LD95.** The Applicant shall prepare and submit for approval a project-specific final water quality management plan (F-WQMP) for PA14-0014/0015 – Perris-Cactus Development – Tract 36708. The F-WQMP shall be consistent with the approved P-WQMP and in full conformance with the document; “Riverside County Water Quality Management Plan for Urban Runoff” latest edition. The F-WQMP shall be submitted and approved prior to application for and issuance of any grading permits or building permits. At a minimum, the F-WQMP shall include the following: Site design BMPs; Source control BMPs; Treatment control BMPs; Operation and Maintenance requirements for BMPs; and sources of funding for BMP implementation. Incorporate the use of bio-retention facilities as design and provided in a F-WQMP Report for BMP’s and installed the facilities as outlined for effective areas within the project site.

**LD96.** The following project engineering design plans (24”x36” sheet size) shall be submitted for review and approval as well as additional plans deemed necessary by the City during the plan review process:

- a. Rough Grading Plan
- b. Precise Grading Plan
- c. Street Improvement Plan
- d. Signing and Striping Plan
- e. Traffic Control Plan
- f. Final Drainage Study
- g. Final WQMP
- h. Lot Line Adjustment
- g. As-Built Plans of all “plans” listed above.

## **FINANCIAL & MANAGEMENT SERVICES DEPARTMENT**

### **Special Districts Division**

**Note: All Special Conditions, Modified Conditions, or Clarification of Conditions are in bold lettering.** All other conditions are standard to all or most development projects.

### **Acknowledgement of Conditions**

The following items are Special Districts' Conditions of Approval for project **PA14-0014 and PA14-0015**; this project shall be completed at no cost to any Government Agency. All questions regarding Special Districts' Conditions including but not limited to, intent, requests for change/modification, variance and/or request for extension of time shall be sought from the Special Districts Division of the Financial & Management Services Department 951.413.3480 or by emailing [specialdistricts@moval.org](mailto:specialdistricts@moval.org).

### **General Conditions**

- SD-1 The parcel(s) associated with this project have been incorporated into the Moreno Valley Community Services Districts Zones A (Parks & Community Services) and C (Arterial Street Lighting). All assessable parcels therein shall be subject to annual parcel taxes for Zone A and Zone C for operations and capital improvements.
- SD-2 Plans for parkway, median, slope, and/or open space landscape areas designated on the tentative map or in these Conditions of Approval for incorporation into a City coordinated landscape maintenance program, shall be prepared and submitted in accordance with the *City of Moreno Valley Public Works Department Landscape Design Guidelines*. To obtain a copy of these guidelines, please contact the Special Districts Division at 951-413-3480 or visit the Special Districts webpage at [www.moval.org/sd](http://www.moval.org/sd).
- SD-3 The Developer, or the Developer's successors or assignees shall be responsible for all parkway and/ or median landscape maintenance for a period of one (1) year as per the *City of Moreno Valley Public Works Department Landscape Design Guidelines*, or until such time as the District accepts maintenance responsibilities.
- SD-4 Any damage to existing landscape areas maintained by the City of Moreno Valley due to project construction shall be immediately repaired/replaced by the Developer, or Developer's successors in interest, at no cost to the City of Moreno Valley.



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- SD-5 The ongoing maintenance of any landscaping required to be installed behind the curb on **Delphinium Avenue, Cactus Avenue and Perris Boulevard** shall be the responsibility of the property owner.
- SD-6 Plan check fees for review of parkway/median landscape plans for improvements that shall be maintained by the City of Moreno Valley are due upon the first plan submittal. (MC 3.32.040)
- SD-7 Inspection fees for the monitoring of landscape installation associated with the City of Moreno Valley maintained parkways/medians are due prior to the required pre-construction meeting. (MC 3.32.040)
- SD-8 Street light Authorization forms, for all street lights that are conditioned to be installed as part of this project, must be submitted to the Special Districts Division for approval, **prior to** street light installation. The Street light Authorization form can be obtained from the utility company providing electric service to the project, Southern California Edison.

**Prior to Recordation of Final Map**

- SD-9 (R) This project has been conditioned to provide a funding source for the continued maintenance, enhancement, and or retrofit of parks, open spaces, linear parks, and/or trail systems. In order for the Developer to meet the financial responsibilities to fund the defined maintenance, one of the options as outlined below shall be selected.
  - a. Participate in a special election for annexation into **Community Facilities District No. 1** and pay all associated costs of the special election process and formation costs if any; or
  - b. Establish an endowment to cover future maintenance costs for new neighborhood parks.

The Developer must notify Special Districts of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Articles 13C of the California Constitution.

**Annexation to CFD No. 1 shall be completed or proof of payment to establish the endowment shall be provided prior to the issuance of the first building permit for this project.**

- SD-10 (R) This project has been identified to be included in the formation of a Community Facilities District for **Public Safety** services, including but not

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limited to Police, Fire Protection, Paramedic Services, Park Rangers, and Animal Control services. The property owner(s) shall not protest the formation; however, they retain the right to object to the rate and method of maximum special tax. In compliance with Proposition 218, the Developer shall agree to approve the mail ballot proceeding (special election) for either formation of the CFD or annexation into an existing district that may already be established. The Developer must notify Special Districts of its intent to record the final map 90 days prior to City Council action authorizing recordation of the map to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution. (California Government Code Section 53313 et. seq.)

SD-11 (R) This project is conditioned to provide a funding source for capital improvements, energy charges, and maintenance for residential street lighting along publically maintained roadways. The Developer shall satisfy this condition with one of the options below.

- a. Participate in a ballot proceeding for street lighting and pay all associated costs of the ballot process and formation costs, if any. Financing may be structured through a Community Services District zone, Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the City; or
- b. Establish an endowment fund to cover future operation and maintenance costs for the street lights.
- c. Projects with privately maintained streets, establish a property Owner Association (POA) or Home Owner's Association (HOA) which will be responsible for any and all operation and maintenance costs associated with the street lights installed on private roadways. This does not apply to publicly accepted roadways.

The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution.

The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

SD-12 (R) This project is conditioned to provide a funding source for the capital improvements and/or maintenance for the **Perris Boulevard** median

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landscape. In order for the Developer to meet the financial responsibility to maintain the defined service, one of the options as outlined below shall be selected.

- a. Participate in a special election (mail ballot proceeding) for **improved median maintenance** and pay all associated costs with the ballot process and formation costs, if any. Financing may be structured through a Community Services District zone, Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the city; or
- b. Establish an endowment to cover the future maintenance costs of the landscaped area.

The Developer must notify Special Districts of intent to record final map 90 days prior to City Council action authorizing recordation of the map and the financial option selected to fund the continued maintenance.

The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

SD-13 (R) This project is conditioned to provide a funding source for the capital improvements and/or maintenance of public improvements and/or services associated with new development in that territory if the District for these services has been or is in the process of being formed. The Developer shall satisfy this condition with one of the options below:

- a. Participate in a special election for **maintenance/services** and pay all associated costs of the election process and formation costs, if any. Financing may be structured through a Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the City; or
- b. Establish an endowment fund to cover the future maintenance and/or service costs.

The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution.

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The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

- SD-14 *Residential* (R) If Land Development, a Division of the Public Works Department, requires this project to supply a funding source necessary to provide for, but is not limited to, stormwater utilities services for the required continuous operation, maintenance, monitoring, system evaluations and enhancements, remediation and/or replacement of. The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13D of the California Constitution. (California Health and Safety Code Sections 5473 through 5473.8 (Ord. 708 Section 3.1, 2006) & City of Moreno Valley Municipal Code Title 3, Section 3.50.050.)

**Prior to Building Permit Issuance**

- SD-15 (BP) Prior to the issuance of the first building permit for this project, the Developer shall pay Advanced Energy fees for all applicable Residential and Arterial Street Lights required for this development. Payment shall be made to the City of Moreno Valley and collected by the Land Development Division. Fees are based upon the Advanced Energy fee rate in place at the time of payment, as set forth in the current Listing of City Fees, Charges, and Rates adopted by City Council. The Developer shall provide a copy of the receipt to the Special Districts Division (*specialdistricts@moval.org*). Any change in the project which may increase the number of street lights to be installed will require payment of additional Advanced Energy fees at the then current fee.
- SD-16 (BP) Final median, parkway, slope, and/or open space landscape/irrigation plans for those areas designated on the tentative map or in these Conditions of Approval to be maintained by the City shall be reviewed and approved by the Community and Economic Development Department–Planning Division, the Financial & Management Services Department–Special Districts Division, and the Public Works Department–Transportation Division prior to the issuance of the first Building Permit.
- SD-17 (BP) Parkway and/or median landscaping specified in the tentative map or in these Conditions of Approval shall be constructed prior to the issuance of 25% (or the 30<sup>th</sup> building permit) of the dwelling permits for this tract or 12 months from the issuance of the first dwelling permit, whichever comes first. In cases where a phasing plan is submitted, the actual percentage of

dwelling permits issued prior to the completion of the landscaping shall be subject to the review of the construction phasing plan.

**Prior to Certificate of Occupancy**

- SD-18 (CO) Landscape and irrigation plans for parkway, median, slope, and/or open space landscape areas designated to be maintained by the City shall be placed on compact disk (CD) in pdf format. The CD shall include "As Built" plans, revisions, and changes. The CD will become the property of the City of Moreno Valley and the Moreno Valley Community Services District.

**PUBLIC WORKS DEPARTMENT**

**Transportation Engineering Division – Conditions of Approval**

Based on the information contained in our standard review process we recommend the following conditions of approval be placed on this project:

**GENERAL CONDITIONS**

- TE1. Cactus Avenue is classified as a Minor Arterial (88’RW/64’CC) per City Standard Plan No. MVSI-105A-0. Any improvements to the roadway shall be per City standards or as approved by the City Engineer.
- TE2. Perris Boulevard is classified as a 6-Lane Divided Arterial (110’RW/86’CC) per City Standard Plan No. MVSI-103C-0. Raised median along Perris Boulevard shall be constructed as a part of the project. Traffic Signal Interconnect per City Standard Plan No. MVSI-186-0 shall be installed along project frontage. Any improvements undertaken by this project shall be consistent with the City’s standards for this facility or as approved by the City Engineer.
- TE3. Delphinium Avenue is classified as a Collector (66’RW/44’CC) per City Standard Plan No. MVSI-106B-0. Any improvements undertaken by this project shall be consistent with the City’s standards for this facility or as approved by the City Engineer.
- TE4. Driveways shall conform to Section 9.11.080, and Table 9.11.080-14 of the City’s Development Code – Design Guidelines and shall be designed and constructed as intersections with Pedestrian Access Ramps per City of Moreno Valley Standard No. MVSI-114A-0. Driveway access shall be the following, with signing as necessary:
- Cactus Avenue driveway: Emergency vehicle access only.
  - Perris Boulevard: Access restricted to emergency vehicle and exit only.
  - Delphinium Avenue: Full access.
- TE5. The Delphinium Avenue gated entrance shall be provided with the following:
- a) A storage lane with 60’ provided for queuing.
  - b) A second storage lane for visitors to stop in prior to the gate to utilize a call box (or other device) to receive permission to enter the site.
  - c) Signing and striping for a and b.
  - d) A turnaround outside the gates.
  - e) No Parking signs shall be posted in the turnaround areas.
  - f) A separate pedestrian entry.

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- g) Presence loop detectors (or another device) within 1 to 2 feet of the gates that ensures that the gates remain open while any vehicle is in the queue.

All of these features must be kept in working order.

- TE6. Conditions of approval may be modified or added if a phasing plan is submitted for this development.

**PRIOR TO IMPROVEMENT PLAN APPROVAL OR CONSTRUCTION PERMIT**

- TE7. Prior to the final approval of the street improvement plans, the project applicant shall design a bus bay per City Standard Plan No. MVSI-161-0 in the southbound Perris Boulevard direction, south of Cactus Avenue.

- TE8. Prior to the final approval of the street improvement plans, a signing and striping plan shall be prepared per City of Moreno Valley Standard Plans - Section 4.

- TE9. Prior to issuance of a construction permit, construction traffic control plans prepared by a qualified, registered Civil or Traffic engineer may be required for plan approval or as required by the City Traffic Engineer.

- TE10. Prior to final approval of the street improvement plans, the project plans shall demonstrate that sight distance at proposed streets and driveways conforms to City Standard Plan No. MVSI-164A, B, C-0.

**PRIOR TO CERTIFICATE OF OCCUPANCY OR BUILDING FINAL**

- TE11. (CO) Prior to issuance of a Certificate of Occupancy, all approved street improvements shall be installed to the satisfaction of the City Engineer.

- TE12. (CO) Prior to issuance of a Certificate of Occupancy, all approved signing and striping shall be installed per current City Standards

**PRIOR TO ACCEPTANCE OF STREETS INTO THE CITY-MAINTAINED ROAD SYSTEM**

- TE13. Prior to acceptance of streets into the City-maintained road system, all approved signing and striping shall be installed per current City Standards and the approved plans.

**POLICE DEPARTMENT**

- PD1. Prior to the start of any construction, temporary security fencing shall be erected. The fencing shall be a minimum of six (6) feet high with locking, gated access and shall remain through the duration of construction. Security fencing is required if there is: construction, unsecured structures, unenclosed storage of materials and/or equipment, and/or the condition of the site constitutes a public hazard as determined by the Public Works Department. If security fencing is required, it shall remain in place until the project is completed or the above conditions no longer exist. (DC 9.08.080)
- PD2. (GP) Prior to the issuance of grading permits, a temporary project identification sign shall be erected on the site in a secure and visible manner. The sign shall be conspicuously posted at the site and remain in place until occupancy of the project. The sign shall include the following:
- a. The name (if applicable) and address of the development.
  - b. The developer's name, address, and a 24-hour emergency telephone number. (DC 9.08.080)
- PD3. (CO) Prior to the issuance of a Certificate of Occupancy, an Emergency Contact information Form for the project shall be completed at the permit counter of the Community and Economic Development Department - Building Division for routing to the Police Department. (DC 9.08.080)
- PD4. Addresses need to be in plain view visible from the street and visible at night. It needs to have a backlight, so the address will reflect at night or a lighted address will be sufficient.



**PUBLIC WORKS DEPARTMENT**

**Moreno Valley Utility**

**Acknowledgement of Conditions**

The following items are Moreno Valley Utility's Conditions of Approval for project(s) PA14-0014, and PA14-0015; this project shall be completed at no cost to any Government Agency. All questions regarding Moreno Valley Utility's Conditions including but not limited to, intent, requests for change/modification, variance and/or request for extension of time shall be sought from Moreno Valley Utility (the Electric Utility Division) of the Public Works Department 951.413.3500. The applicant is fully responsible for communicating with Moreno Valley Utility staff regarding their conditions.

**PRIOR TO ENERGIZING MVU ELECTRIC UTILITY SYSTEM AND CERTIFICATE OF OCCUPANCY**

MVU-1 (CO) For single family subdivisions, a three foot easement along each side yard property line shall be shown on the final map and offered for dedication to the City of Moreno Valley for public utility purposes, unless otherwise approved by the City Engineer. If the project is a multi-family development, townhome, condominium, or apartment, and it requires the installation of electric distribution facilities within common areas, a perpetual non-exclusive easement shall be provided to Moreno Valley Utility to include all such common areas. All easements shall include the rights of ingress and egress for the purpose of operation, maintenance, facility repair, and meter reading.

For a commercial or industrial project a non-exclusive blanket easement shall be provided to Moreno Valley Utility. In the event a non-exclusive blanket easement cannot be provided, a perpetual non-exclusive specific easement shall be provided to Moreno Valley Utility. All easements shall include the rights of ingress and egress for the purpose of operation, maintenance, facility repair, and meter reading.

MVU-2 (CO) City of Moreno Valley Municipal Utility Service – Electrical Distribution: Prior to constructing the MVU Electric Utility System, the developer shall submit a detailed engineering plan showing design, location and schematics for the utility system to be approved by the City Engineer. In accordance with Government Code Section 66462, the Developer shall execute an agreement with the City providing for the installation, construction, improvement and dedication of the utility system following recordation of final map and concurrent with trenching operations and other subdivision improvements so long as said agreement incorporates the approved engineering plan and

**CONDITIONS OF APPROVAL**

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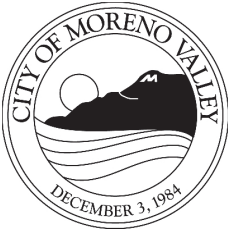
provides financial security to guarantee completion and dedication of the utility system.

The Developer shall coordinate and receive approval from the City Engineer to install, construct, improve, and dedicate to the City, or the City's designee, all utility infrastructure (including but not limited to conduit, equipment, vaults, ducts, wires, switches, conductors, transformers, and "bring-up" facilities including electrical capacity to serve the identified development and other adjoining/abutting/ or benefiting projects as determined by Moreno Valley Utility) – collectively referred to as "utility system" (to and through the development), along with any appurtenant real property easements, as determined by the City Engineer to be necessary for the distribution and /or delivery of any and all "utility services" to each lot and unit within the Tentative Map. For purposes of this condition, "utility services" shall mean electric, cable television, telecommunication (including video, voice, and data) and other similar services designated by the City Engineer. "Utility services" shall not include sewer, water, and natural gas services, which are addressed by other conditions of approval.

The City, or the City's designee, shall utilize dedicated utility facilities to ensure safe, reliable, sustainable and cost effective delivery of utility services and maintain the integrity of streets and other public infrastructure. Developer shall, at developer's sole expense, install or cause the installation of such interconnection facilities as may be necessary to connect the electrical distribution infrastructure within the project to the Moreno Valley Utility owned and controlled electric distribution system.

MVU-3 This project may be subject to a Reimbursement Agreement. The project may be responsible for a proportionate share of costs associated with electrical distribution infrastructure previously installed that directly benefits the project. Payment shall be required prior to issuance of building permits.

MVU-4 For all new projects, existing Moreno Valley Utility electrical infrastructure shall be preserved in place. The developer will be responsible, at developer expense, for any and all costs associated with the relocation of any of Moreno Valley Utility's underground electrical distribution facilities, as determined by Moreno Valley Utility, which may be in conflict with any developer planned construction on the project site.



APPROVALS	
BUDGET OFFICER	<i>AS</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>D</i>

## **Report to City Council**

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**TO:** Mayor and City Council

**FROM:** Allen Brock, Interim Community & Economic Development Director

**AGENDA DATE:** January 27, 2015

**TITLE:** A PUBLIC HEARING FOR AN APPEAL OF THE PLANNING COMMISSION ACTION OF DECEMBER 11, 2014, APPROVING CONDITIONAL USE PERMIT (PA14-0014), TENTATIVE TRACT MAP 36708 (PA14-0015) AND THE SUPPORTING MITIGATED NEGATIVE DECLARATION FOR A 122 UNIT PLANNED UNIT DEVELOPMENT (PUD) ON 15.92 ACRES AT THE SOUTHWEST CORNER OF PERRIS BOULEVARD AND CACTUS AVENUE.

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### **RECOMMENDED ACTION**

Recommendations: That the City Council:

1. Approve Resolution No. 2015-02. A Resolution of the City Council of the City of Moreno Valley, California, Denying the Appeal and Sustaining the Decision of the Planning Commission to Approve Conditional Use Permit (PA14-0014), Tentative Tract Map 36708 (PA14-0015), and the Supporting Mitigated Negative Declaration for a 122 Unit Planned Unit Development (PUD) on 15.92 Acres at the Southwest Corner of Perris Boulevard and Cactus Avenue (Assessor Parcel Numbers 482-582-038, 039, 040 & 482-230-024).

**OR**

2. Approve Resolution No. 2015-03. A Resolution of the City Council of the City of Moreno Valley, California, Approving the Appeal and Overruling the Decision of the Planning Commission to Approve Conditional Use Permit (PA14-0014), Tentative Tract Map 36708 (PA14-0015), and the Supporting Mitigated Negative Declaration for a 122 Unit Planned Unit Development (PUD) on 15.92 Acres at the Southwest Corner of Perris Boulevard and Cactus Avenue (Assessor Parcel Numbers 482-582-038, 039, 040 & 482-230-024).

## **SUMMARY**

The City Council has been requested to conduct a Public Hearing on an Appeal filed December 22, 2014 against the Planning Commission actions of December 11, 2014 approving a conditional use permit, tentative tract map and the supporting mitigated negative declaration for a new 122 unit residential development planned for the southwest corner of Cactus Avenue and Perris Boulevard by Nova Homes, Inc. As set forth in the City's Municipal Code, upon filing of an appeal the matter shall be set for a public hearing by the City Council and shall be given appropriate public noticing as required by law. Upon consideration, the City Council may sustain, modify, reject or overrule any actions or rulings of the Planning Commission.

## **DISCUSSION**

### **ADVISORY BOARD/COMMISSION RECOMMENDATION**

The Planning Commission at its December 11, 2014 meeting approved Planning Commission Resolution 2014-29 by a 6-0 vote, with one Commissioner seat vacant, adopting a Mitigated Negative Declaration pursuant to the California Environmental Quality Act (CEQA) Guidelines and approving Conditional Use Permit (PA14-0014) and Tentative Tract Map 36708 (PA14-0015) for a new 122 unit Planned Unit Development at the southwest corner of Cactus Avenue and Perris Boulevard.

In accordance with procedures set forth in Title 9 of the City's Municipal Code (Sec 9.02.240) any affected person may appeal a decision of the Planning Commission to the City Council. An appeal of the Planning Commission action to the City Council was received by the City from Lori and Randy Nickel on December 22, 2014. A copy of the Appeal letter is included as Attachment 1 to this report.

## **Background**

At the December 11, 2014 Planning Commission meeting, the commissioners received a detailed written staff report (Attachment 5), a verbal staff presentation including supporting exhibits, and verbal input from the applicant with regard to the proposed project, processing overview and the recommended actions. During the course of the deliberation the Commission had questions and requested clarification on elements of the project including the perimeter walls, water quality features, setbacks, development regulations for patio covers and decks, and landscaping requirements. The clarifying information for each question was provided by staff and the project applicant.

During public comments portion of the public hearing, two speakers, including the appellant, spoke against the project. The appellant, who resides immediately adjacent to the project site raised questions with regard to traffic, location of the project's main entrance off of Cactus Avenue, the design and size of the proposed homes, loss of view and alleged improper early removal of mature trees from the project site. A letter was

also submitted to the Planning Commission from this speaker (Attachment 6). The second speaker raised concern with the location of the proposed project perimeter wall along the western property line. It was specifically noted that the current perimeter fencing of the existing adjacent tract of homes is located at the top of those homes' rear slope, not at their actual property line, which occurs several feet outside of the fence line near the toe of the slope and towards the proposed project site. The speaker was concerned that the proposed new development's perimeter wall would effectively create an alley condition between their perimeter fence and project's perimeter fencing, creating an undesirable condition where students of the adjacent schools could cut through. After additional discussion with staff and the applicant regarding the project and the issues raised, the Planning Commission took actions to approve the project.

### **Project Overview**

The project consists of two applications. Tentative Tract Map 36708 (PA14-0015) merges approximately 15.92 acres of land from four separate lots (APNs: 482-582-038, 039, 040 & 482-230-024) into one parcel for condominium purposes for 122 residential units. The second application is a Conditional Use Permit (PA14-0014) for a Planned Unit Development (PUD) that establishes design standards for the condominium complex and the development regulations for the private and common open space recreational opportunities. The project details are provided in the attached Planning Commission staff report (Attachment 5).

### **Appeal Overview**

The following is a summary of the issues raised by the Appellant and staff's evaluation of each:

#### **1. Concern with a traffic study waiver and traffic conditions at the project's main entrance due to proximity to the corner of Cactus Avenue and Perris Boulevard.**

Requirements for traffic studies are provided in the Public Works – Transportation Engineering guidelines. A traffic study was not required for the project as at 122 units it does not generate sufficient vehicular trips to trigger the threshold for a traffic study listed in the guidelines.

On and off-site traffic operational conditions were considered at the interface of the project with each of the adjacent arterials. As demonstrated on the map and PUD plans, the main entrance to the site is laid out to meet Public Works – Transportation Engineering guidelines including sufficient queuing area off of Cactus Avenue to be provided (40 feet). Conditions of approval TE1, TE2, TE3, TE4, and TE5 are included in the approving Resolution to ensure the project will be constructed in accordance with city interests.

**2. Concerns with the design and size of the proposed homes. Also concerns with the loss of view as the proposed homes are all two story.**

The submitted PUD home plans were reviewed through an appropriate plan check process and found to be consistent with the City's Design Guidelines. The project will include five (5) footprints and three (3) optional elevations for each. The footprints and elevations do demonstrate that each unit is expected to be a two story home and will range between 2,054 and 2,696 square feet in size. The proposed home plans provide design elements that would establish an attractive neighborhood, and were found to be considerate and compatible with adjoining and nearby properties.

**3. The early removal of mature olive trees from the project site.**

It is true that an unknown number of existing mature olive trees were removed from the site prior to submittal of the project application to the City. With regard to project sites with mature trees, Municipal Code Chapter 9.17.030 (Landscape and irrigation design standards) outlines strategies to preserve trees to the greatest extent possible including preservation in-place and transplantation on the site. If trees must be removed the Code requires that any removal of existing trees with four-inch or greater trunk diameters (calipers) to be replaced at a three to one ratio, with minimum twenty-four (24) inch box size trees of the same species, or a minimum thirty-six (36) inch box for a one to one replacement. Unfortunately, as the trees were removed early, there was no opportunity to apply any of the various strategies outlined in the Code. However, it is noted that the project has been conditioned (P21, P22) to provide landscaping plans to ensure the project is developed and maintained in accordance with City Landscape standards. The City standards require a tree calculation sheet, which will ensure adequate tree planting throughout the project.

**4. The project was approved with no clear understanding of the adjacent school (Chaparral Hills Elementary School) and extensive drainage culvert along its north edge, running east then south to Delphinium Avenue, which is the western boundary of the project.**

Upon submittal of the project applications the plans were routed for review by all typically interested parties including various outside agencies, and specifically distribution to Moreno Valley Unified School District. No comments were received from the District during the project review period. In addition, the public noticing for the project included notification to the District, and again no comments, questions or other form of correspondence was received back from the District. The proposed project does not extend into any school property or into the adjacent drainage culvert referenced in the appeal. The project does not warrant or require any off-site improvements to these facilities.

**5. The Initial Study appears to omit on-road emissions associated with hauling of imported fill. The noise analysis appears to indicate that assumptions for truck**

**volumes were reduced from observed conditions based on generalized Riverside County data.**

Crable & Associates, Environmental Consultants used the CalEEMod, a statewide land use emissions computer model designed to provide a uniform platform to quantify potential criteria pollutant and greenhouse gas (GHG) emissions associated with both construction and operations from land use projects, for its Air Quality Analysis in early 2014. Some changes to the project site plan and preliminary grading plan were made after the study was completed. The consultant reran the modeling the results still demonstrated no significant impact to the air quality.

The consultant has verified that the Initial Study and related Noise Study performed were based on observed field data, which showed fewer trucks than the generalized Riverside County data.

**6. Concerned that the project is located in a flood hazard zone and would require pad elevations to be raised higher than neighboring homes.**

Staff verified that the project is located in FEMA Zone X, which is defined as “areas determined to be outside of the 0.2% annual chance floodplain.”

**7. Issues with the proposed drainage ditch along the western property line that will create a “no-man’s land” between the existing fences and the new perimeter block wall, especially in regards to maintenance of this area.**

The property, “no-man’s land,” that could result from the project is acknowledged, however, it is noted that it is not the projects perimeter wall that creates this condition but rather the existing placement of fences on the adjacent properties, which has resulted in portions of those properties to extend on the outside of their fenced yards. It has been brought to staff’s attention by the appellant that they and the developer are exploring opportunities to address this issue.

## **ENVIRONMENTAL**

An Initial Study was prepared by Crable & Associates, Environmental Consultants in February 2014 and supports the recommended environmental finding that a mitigated negative declaration is appropriate for this project (Attachment 4). With the adoption of the Mitigated Negative Declaration (MND) and identified mitigation measures, all potential impacts can be reduced to a less than significant level.

A Mitigation Monitoring Program has been prepared for the project to clarify the specific mitigations, timing, and responsible party for implementation and monitoring of each measure (Attachment 8).

**ALTERNATIVES**

1. Approve proposed Resolution denying the appeal and sustaining the decision of the Planning Commission to approve PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708) and the supporting Mitigated Negative Declaration for the development of a 122 unit Condominium Complex on 15.92 acres proposed at the southwest corner of Perris Boulevard and Cactus Avenue. Staff recommends this alternative.
2. Approve proposed Resolution finding in favor of the appeal and overruling the decision of the Planning Commission to approve PA14-0014 (CUP) and PA14-0015 (Tentative Tract Map 36708) for the development of a 122 unit Condominium Complex on 15.92 acres proposed at the southwest corner of Perris Boulevard and Cactus Avenue. Staff does not recommend this alternative.

**FISCAL IMPACT**

Not applicable.

**CITY COUNCIL GOALS**

Not applicable.

**NOTIFICATION**

A notice of the City Council public hearing appeared in the Press Enterprise newspaper on January 7, 2015, was posted on the affected property January 17, 2015 and was mailed to all surrounding property owners of record within 300 feet of the affected property on January 14, 2015 (Attachment 1). As of the date of preparation of this staff report, there have been no responses received.

**ATTACHMENTS**

1. Public Hearing Notice
2. Proposed Resolution
3. Proposed Resolution
4. Appeal Letter from the Appellant dated December 22, 2014
5. Planning Commission Staff Report dated December 11, 2014
6. Letter from Lori Nickel to Planning Commission dated December 11, 2014
7. Initial Study
8. Mitigated Negative Declaration with Mitigation Monitoring and Reporting Program
9. Draft Planning Commission Minutes of December 11, 2014
10. Reduced Site Plan
11. Reduced Copy of Tentative Tract Map No. 36708
12. Reduced Copy of Conceptual Landscaping
13. Reduced Elevations
14. Aerial Photograph



- 15. Continuation Request from Nova Homes dated January 8, 2015
- 16. Continuation Request from Lori Nickel dated January 12, 2015

Prepared By:  
Claudia Manrique  
Associate Planner

Department Head Approval:  
Allen Brock  
Interim Community & Economic Development Director

Concurred By:  
Richard J. Sandzimier  
Planning Official

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December 22, 2014

ATTN: City of Moreno Valley  
Community and Economic Development  
Planning Department  
Richard Sandzimier

FROM: Lori Nickel / Randy Nickel  
24848 Cape Cod St.  
Moreno Valley, CA 92553  
(951) 485-2951  
(951) 318-3775 (cell)

Re: Tentative Tract Map 36708 - 122 unit/condo detached houses on one lot.

As residents within the 300 feet affected target zone and directly impacted by this project with a SHARED property line respectfully file for an appeal of the tract map approved at the December. The staff report (or initial study) indicates a traffic study was waived because the project is consistent with the traffic analysis done in the General Plan EIR. The General Plan EIR considered the prior Residential Office land use designation for this site. While the Residential Office designation allowed residential uses up to 15 units per acre, the only way to know what was considered at this location (office or some residential up to 15 units) is to look at the Traffic Analysis Zone (TAZ) assumptions from the General Plan EIR traffic study. You should ask the staff to produce this substantial evidence.

The location of the entrance to this project on Cactus is in close proximity to the corner of Perris Blvd. (southwest). Due to the nature of a gated entry and well as the deceleration to access this entrance in essence will be reducing eastbound Cactus to a single lane in close approximation to the corner and leading to a weaving in and out in the number two lane. It is well known that Cactus' speed limit is posted higher than Perris Blvd, in fact the traffic is so aggressive traveling faster than the posted speed a crosswalk and crossing guard without benefit of signalization was put in place August 2013 for the current school year at the intersection of Philo and Cactus to the west of this project. Further complicating this access is the duplexes situated adjacent to this property and from what I see the entrance to this project is right on top of them. The presence of these duplexes currently impacts the flow of traffic on Cactus.

Cactus continues to be a truck route if I'm not mistaken and is on the master plan bikeway.

The staff report (or initial study) indicates a traffic study was waived because the project is consistent with the traffic analysis done in the General Plan EIR. The General Plan EIR considered the prior Residential Office land use designation for this site. While the Residential Office designation allowed residential uses up to 15 units per acre, the only way to know what was considered at this location (office or some residential up to 15 units) is to look at the Traffic

Analysis Zone (TAZ) assumptions from the General Plan EIR traffic study. You should ask the staff to produce this substantial evidence.

Even if a traffic study is appropriately waived because the General Plan assessed a consistent type and intensity of development, you are fully aware that there are unique circumstances at this location that warrant evaluation of traffic operations, both from an intersection operation perspective and from a safety perspective. The proposed driveways on Cactus and Delphinium should be assessed in relation to their proximity to the existing signalized intersections on Perris and the numerous driveways serving the existing homes fronting Cactus, Perris and Delphinium. The analysis should consider the need for turn restrictions and/or modifications to the proposed driveway locations. There should also be consideration of the location of the Perris Boulevard drive with respect to both existing driveways and likely future access needs for properties on the east side Perris.

Additional points of contention are the overall monstrosity of the residences to all the single story residences sharing the property lines. The tract map shows the homes to be well over 2000 square (2500 plus), 4-6 bedrooms. The impact to the neighborhood to the west and sharing a property line with a combined total of eight homes, places about 3 of these monstrosities in line site.

It was hard to believe that such an inconsiderate plan went before the planning commission without any outreach by the developer to the adjacent neighbors. My husband and I and contact with the developer in October of 2013 after their workers came in on a Saturday trespassing on property not theirs felling historic olive trees and grading property not theirs, including decimating trees in the city right of way. MVPD stopped the activity at my property when they were called and told of unauthorized access to our land.

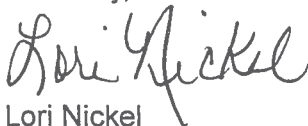
When this occurred, the Developer asked to meet us they were in our home and looked from our property to theirs. The developer gave us their initial tentative tract map and at this time my husband told them if you are planning two story we have a problem. The tract map that went before the commission showed a blatant disregard for our wishes as they only increased the density to our side of the project. There was never any attempt to contact with us until an hour prior to the Planning Commission meeting, this shows a willful disregard to the quality of life their project imparts on the adjacent properties.

The Commission approved a project with no clear understanding of the school property adjacent to the west along Delphinium. There is an extensive drainage culvert put in by the state as it is on school property. The beginning of this channel begins not of the school site at Philo St heading east, then turns south along the school site, ending at Delphinium.

I felt as a whole the Planning Commission, failed to address or get a definitive redress by the applicant to my multitude of land use objections which went way beyond our shared property lines.

Thank you to Mr. Richard Sandzimier, for your time and patience. But we feel we have no other choice but appeal to protect our rights as well as advocate for the best possible outcome for the residents and future residents of Moreno Valley. The developer will build, sell and be gone leaving old and new homeowners at odds with one another because of their flawed design.

Sincerely,



Lori Nickel

Claudia,

Thank you for taking time to meet today regarding the appeal of the development on the west side of Perris Boulevard between Cactus and Delphinium Avenues (PA14-0014 and 0015, TTM 36708)

There are several outstanding issues that require your assistance in order that we, the neighbors, can pursue reasonable resolution with the applicant, Nova Homes, and the City Council. These are:

1. The description of activities and emission summaries presented in the initial study and the air quality technical appendix appear to omit any on-road emissions associated with hauling of imported fill (the preliminary grading plan identifies at least 11,000 cubic yards of import is required, which equates to between 690 and 1,100 truck loads). In addition, since we talked, it has become apparent that the soils study recommends 3.5 feet of overexcavation and recompaction over the entire site. The output data for the CalEEMod model runs, or supplemental information from the air quality consultant is required to understand whether, and how, these aspects of the construction phase have been addressed.
2. The conditions of approval refer to a general flood hazard affecting the site and an obligation to ensure all residential pad elevations are 1 foot above the flood elevation. There is no indication in the project record as to the applicable flood elevation, or whether compliance would require pad elevations exceeding those reflected in the preliminary grading plan. If higher pad elevations are required, this may be an additional consideration in the compatibility issues of concern to the neighbors. Please provide the applicable flood elevation.
3. The noise study provided today with the disc copy of the initial study appears to indicate that assumptions for truck volumes were reduced from observed conditions based upon generalized Riverside County data (the report pages are not numbered, see text under heading "Modeling of Traffic Volumes"). If this understanding is correct, it is not reflective of the increasing truck volumes on Cactus Avenue and Perris Boulevard that are very evident to local residents. If the observed truck volumes were indeed reduced for the modeling, the model should be rerun based upon the observed truck volumes and noise mitigation adjusted as necessary.
4. The current and proposed conditions along the Cactus Avenue frontage warrant focused analysis of traffic impacts and roadway operations. This should be readily apparent to anyone with the most cursory field review, investigation of traffic safety records, and observation of footage from the recently-installed camera system. Considerations include: (1) the existing left turn pocket from eastbound Cactus Avenue to northbound Perris Boulevard (restricts both inbound and outbound left turns), (2) increasing truck traffic on Cactus Avenue, (3) restrictions on southbound and eastbound movements from eastbound Cactus Avenue with pedestrian activity across Perris Boulevard, (4) lack of left turn pocket, or ability to provide such, for traffic turning into the project from westbound Cactus Avenue, (5) traffic safety issues with existing multiple driveways for duplexes on Cactus, (6) traffic safety issues with reduced visibility due to sun glare in early morning and late afternoon, (7) bike lane designation on Cactus Avenue, and (8) likelihood of use of Philo Street as U-turn location by westbound traffic. Please advise what consideration was given to these obvious conditions during project review and if there is any avenue for City staff to ensure consideration of traffic operations on Cactus Avenue and at the Perris/Cactus intersection as part of the pending Council appeal hearing.

5. It is understood that the Planning Commission conditioned the project to modify the Delphinium Avenue access point to both ingress and egress. Inasmuch as the December 11<sup>th</sup> meeting video is not available, please provide written verification of this added/modified condition.
6. Please provide clarification of the CEQA process if the Council grants the appeal and makes a modified approval. It is understood that an NOD based upon the Planning Commission approval was filed December 22<sup>nd</sup> and, therefore, the statute of limitations for CEQA challenges would expire January 22<sup>nd</sup>, prior to the scheduled appeal hearing. There are apparent errors and omissions in the current CEQA record (including air quality impacts, noise impacts, traffic impacts, incomplete inclusion of recommended mitigation measures in the conditions of approval, and failure to adopt a mitigation monitoring and reporting program). The neighbors need to understand how the City intends to address CEQA with the Council appeal in considering options to exercise rights to challenge the CEQA process.
7. Please provide a summary of the process and schedule leading up to the January 27<sup>th</sup> Council meeting.
  - a. Will the appellant/neighbors be allowed to provide supplemental information for inclusion with the Council staff report?
  - b. Will the staff report include a transcript or minutes of the Planning Commission meeting?
  - c. Will the appellant/neighbors be allowed to review staff report materials ahead of the standard agenda posting?

Other observations based upon our discussion and review of materials provided today:

- A. The Perris Boulevard access point as currently designed sets up a condition that would require any car that inadvertently turns in to back out onto Perris Boulevard. It appears that a fairly simple alteration to the project design could provide a turnaround to address this. Is this something that staff can address as part of the appeal?
- B. The proposed design along the west and north site boundaries adjacent to the existing homes and duplexes is disappointing. There are no provisions for long-term maintenance of the drainage ditch which is indicated on the neighbor's side of the perimeter wall and no effort to address the no-man's land that will remain between our existing fences and the new perimeter wall. This is a primary focus of our intended discussions with Nova Homes. What role will City staff play in coordinating a solution that makes sense for long-term public safety and maintenance?
- C. The project architectural design and layout is disappointing in the lack of consideration for existing adjoining development. The mass and scaling of the proposed homes is in no way compatible with the more modest, single-story nature of the existing adjacent development. The neighbors are hopeful that the developer will be amenable to incorporation of single-story components and layout changes to create a more compatible interface with our existing neighborhood. It is disappointing; however, that the proponent and City staff did not consider the existing residents and did not initiate outreach early in the project review process.

- D. The project layout is disappointing in the lack of consideration for long-term development scenarios for the Cactus Avenue frontage and the Perris/Delphinium intersection. The project analysis should include some discussion of logical long-term development options for the remnant properties at these locations.
- E. The project plans, staff report and initial study are inconsistent in their characterization of the project in terms of the subdivision/PUD aspect. The use of the term “lot” and the nature of the individual ownerships should be clarified in the staff report to the City Council.
- F. A few corrections to the conditions of approval that should be pointed out in the Council Report:
  - 1. Condition P1 incorrectly identifies the project location as the southeast (should be southwest) corner of Perris and Cactus
  - 2. Condition P2 incorrectly identifies the development as 122 “lots” (is single lot for 122 residential units)
  - 3. Condition LD 88a incorrectly requires improvement of Perris Boulevard to  $\frac{1}{2}$  width plus 18 feet west (should be east) of centerline

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**PLANNING COMMISSION  
STAFF REPORT**

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**Project(s):** PA14-0014 (Conditional Use Permit)  
PA14-0015 (Tentative Tract Map No. 36708)

**Date:** December 11, 2014

**Applicant:** Nova Homes

**Representative:** Nova Homes

**Location:** Southwest corner of Perris Boulevard &  
Cactus Avenue (south to Delphinium Ave)

**Proposal:** A Conditional Use Permit (Planned Unit  
Development) for a 122 unit condominium  
complex with a community clubhouse,  
playground and pool.

**Council District:** 4

**Recommendation:** Approval

**SUMMARY**

The applicant, Nova Homes, has submitted two applications: Tentative Tract Map 36708 (PA14-0015) and Conditional Use Permit (PA14-0014) for a Planned Unit Development (PUD) located at the southwest corner of Perris Boulevard and Cactus Avenue. The applications provide design parameters and layout for the condominium complex and private/common recreational open space. The project is consistent with municipal code development standards for the underlying Residential 10 (R10) zoning classification, and has been found compatible with surrounding land uses to the site.

## PROJECT

### Overview

The project consists of two applications. Tentative Tract Map 36708 (PA14-0015) merges approximately 15.92 acres of land (APNs: 482-582-038, 039, 040 & 482-230-024) into one parcel with 122 residential units and 20 lettered lots for private streets and landscape purposes. The second application is a Conditional Use Permit (PA14-0014) for a Planned Unit Development (PUD) that provides design standards for the condominium complex and also provides private/common recreational opportunities.

The project site lies within the Residential 10 (R10) land use district. Individual residential lot areas within the PUD range in size from 3,404 square feet to 6,668 square feet. The average lot size of 3,754 square feet. There are no specific minimum lot sizes imposed for condominium projects with detached townhome style residences, which are allowed in multiple-family districts as long as the minimum density is met. Eighty (80%) percent of allowable density must be achieved by all developments within multiple-family zoning. The minimum density required in the R10 land use district is eight (8). The 122 units results in a density of approximately eight (8) units per acre.

### Planned Unit Development

To allow for variation in the residential design of the proposed condominium development, the applicant is proposing a conditional use permit (CUP) for a Planned Unit Development (PUD). The PUD section of the Municipal Code (Section 9.03.060) outlines specific goals and objectives for the project that encourage:

- **Greater innovation in housing development and diversity of housing choices than would otherwise be possible according to the strict application of the site development regulations contained in this title.**

The proposed project meets the criteria established above, and includes a total number of home sites at the required R10 density and with the common area amenities desired with a multiple-family development. The PUD will include two story homes between 2,054 to 2,696 square feet in size. The applicant is providing on-site recreation facilities such as private/common open space, a clubhouse with a gym, a pool and tot lot/playground.

The residential development project will result in a walkable community with pedestrian access to existing commercial land uses approximately one half mile south of the project at Perris Boulevard and John F. Kennedy Drive. Pedestrian access will be provided to the nearby Chaparral Hills Elementary School and Badger Springs Middle School, which are located west of the site on Delphinium Avenue. The proposed project will offer opportunities of owning a home on a small lot, which can be particularly well suited for the first time home buyers.

The following stated purposes for developments approved under a planned unit development concept, per Section 9.03.060 of the Municipal Code. A synopsis of how the proposed development concurs within the established language is also provided:

- **Permitted Uses and Density. Only those uses permitted within the applicable zoning district shall be allowed within any planned unit development. The average density of any planned unit development shall not exceed the number of dwelling units per acre allowed under the applicable zoning district regulations.**

The project will include detached townhouse style residential homes, a permitted use in an R10 land use district. The proposed project will meet housing needs provided within the City's Housing Element of the General Plan by expanding the range of housing options in the community. Moreover, the project design and proposed density at approximately 8 units per acre is consistent with the number of dwelling units per acre desired under the R10 land use district.

- **Deviations from Site Development Standards. Planned unit developments may deviate from the site development standards set forth in the applicable zoning district regarding lot area, lot dimensions, lot coverage, setbacks and building height. Any such deviation(s) shall be to the minimum degree necessary to achieve one or more of the purposes listed in the section.**

Street side setbacks in the R10 zone are twenty (20) feet. Along Perris Boulevard (Six Lane Divided Arterial) and Cactus Avenue (Minor Arterial) the PUD meets the twenty (20) foot requirement. Along Delphinium Avenue, which is classified as a collector street, the project will have a reduced side yard setback of ten (10) feet. The reduction to ten (10) feet is consistent with other residential developments in the City and is consistent with the standard for Residential Single-Family (RS10) and allows the project to meet the minimum required density of 8 units per acre.

#### **Other Design Considerations**

As part of the PUD, Nova Homes has provided elevation design plans of the proposed townhouses and clubhouse building. The submitted PUD home plans have been reviewed and found to be consistent with the City's Design Guidelines for single-family homes. The project includes five (5) footprints and three (3) elevations two story homes between 2,054 to 2,696 square feet in size. The plans include incorporation of four authentic architectural styles (California Spanish Traditional, Santa Barbara, Tuscan, and French Cottage). The elevations provide a variety in mass, scale, color, interesting roof lines and finishing of homes that will be visually appealing from the street. The layout and site planning for the project results in the provision of usable outdoor living areas. The proposed home plans provide all required design elements that would establish an attractive neighborhood, and would be compatible with other buildings on adjoining and nearby properties.

### **Site/Surrounding Area**

The project site consists of vacant parcels that were previously disked for weed abatement. There are two sets of duplexes (total of four residences) near the northwest corner of the project along Cactus Avenue and three single-family residences near the southeast corner of the project (along Perris Boulevard and Delphinium Avenue), which are also zoned Residential 10 (R10) and will remain. Directly west of the site, along Delphinium Avenue, are the Chaparral Hills Elementary School and Badger Springs Middle School (zoned Public – P).

Much of the area is characterized by residential development, with established single-family tracts to the east, west north and south (Residential 5 (R5) and Residential Single-Family 10 (RS10)). Directly across Perris Boulevard are two vacant parcels zoned Residential 15 (R15) and two developed parcels zoned Office (O) with a child daycare center and building contractor yard with a residence. There is a multiple-family apartment complex at the southeast corner of Delphinium Avenue and Perris Boulevard zoned Residential 20 (R20).

### **Access/Parking**

Three (3) points of access have been provided for the PUD from Cactus Avenue, Perris Boulevard and Delphinium Avenue. All proposed interior streets, drive aisles and recreation areas would be private and gated, and will be maintained by a homeowners association.

Parking requirements for the project call for 2.5 spaces per unit for a total of 305 spaces, which is met. The housing products include the required minimum enclosed 20x20 two (2) car garages (244 parking spaces). Street parking will be available on various internal streets with provided "parking pockets" (parallel parking). The project has approximately 1,934 feet of street parking for approximately seventy (70) cars. Ten (10) guest parking stalls are provided near the recreation areas. The total project includes 324 spaces.

### **Design/Landscaping**

The project meets development standards as outlined under Section 9.03.060 (Planned Unit Developments) of the Municipal Code. All walls and fences are conditioned to be consistent with the provisions for community walls and fences within the Municipal Code. The plans include six (6) foot high solid decorative block wall with pilasters along the entire project perimeter. Decorative block walls are required on corner lots within the PUD. Internal fencing between units will include a poly-vinyl fencing material. Conditions P16 and P26 are provided to address the fence and wall design requirements.

All landscaping along Cactus Avenue, Perris Boulevard and Delphinium Avenue as well as common open space and front yard landscaping in the tract will be maintained by a homeowners association. Conditions P8, P21, P24 and P27 are provided to address landscaping design requirements.

A water quality detention basin, for water quality and flood control, will be constructed in the southeast corner of the PUD. Landscape, including trees, shrubs and groundcover, as well as irrigation shall be installed and maintained by the HOA for the detention basin. Conditions P21, P22, P24 and P27 are provided to address landscaping design requirements for the detention basin and other water quality features.

### **REVIEW PROCESS**

The proposed project has undergone some design changes since the submittal of the initial application on to the Planning Division on April 7, 2014. The Project Review Staff Committee (PRSC) reviewed the project application on May 28, 2014. After various redesigns, corrections were provided by the applicant. Revisions to the site plan as well as enhancements to the elevations of the townhouses addressed comments raised through PRSC. All issues have been adequately addressed.

### **ENVIRONMENTAL**

Following a preliminary review of the proposed project, the City of Moreno Valley has determined that it is subject to the guidelines and regulations of the California Environmental Quality Act (CEQA). An Initial Study was prepared by Crable & Associates, Environmental Consultants in February 2014 and supports the recommended environmental finding that a mitigated negative declaration is appropriate for this project. In reviewing the environmental aspects of the proposed condominium project, it was determined that the following studies were required: an Air Quality/Greenhouse Gas (GHG) Analysis, Cultural Resources Assessment, Noise Impacts Analysis and a Burrowing Owl Habitat Assessment. Based on the City's independent review of all supporting environmental documentation, including the Initial Study and technical studies, planning staff recommends the adoption of a Mitigated Negative Declaration (MND). With the adoption of mitigation measures identified with the MND, potential impacts will be reduced to a less than significant level.

### **NOTIFICATION**

Public notice was sent to all property owners of record within 300' of the project on December 1, 2014. The public hearing notice for this project was also posted on the project site on December 1, 2014 and published in the Press Enterprise newspaper on November 21, 2014.

**STAFF RECOMMENDATION**

Recommend the Planning Commission **APPROVE** Resolution No. 2014-29

1. **ADOPT** a Mitigated Negative Declaration for PA14-0014 (CUP) and PA14-0015 (TTM 36708) pursuant to the California Environmental Quality Act (CEQA) Guidelines; and,
2. **APPROVE** PA14-0014 (CUP) and PA14-0015 (TTM 36708) based on the findings contained in the resolution and subject to the conditions of approval included as Exhibit A of the resolution.

Prepared by:

Approved by:

Claudia Manrique  
Associate Planner

Richard J. Sandzimier  
Planning Official

**ATTACHMENTS:**

1. Public Hearing Notice
2. Planning Commission Resolution No. 2014-29 with Conditions of Approval (Exhibit A)
3. Mitigated Negative Declaration
4. Initial Study
5. Land Use
6. Aerial Photo
7. Tentative Tract Map 36708
8. Site Plan
9. Elevations
10. Conceptual Landscaping
11. *Isla Verde – A Planned Community* document



# Notice of PUBLIC HEARING

**This may affect your property. Please read.**

Notice is hereby given that a Public Hearing will be held by the Planning Commission of the City of Moreno Valley on the following item(s):

**Project(s):** PA14-0014 (CUP)  
PA14-0015 (TTM 36708)  
**Applicant:** Nova Homes  
**Owner:** Perris-Cactus Development LLC  
**Representative:** Nova Homes  
**APN(s):** 482-582-038, 039, 040 & 482-230-024  
**Location:** Southwest corner of Perris Boulevard & Cactus Avenue (south to Delphinium Avenue).  
**Proposal:** A Conditional Use Permit (CUP) and Tentative Tract Map for a 122 Unit Planned Unit Development (PUD) (Single-Family Townhouse product) on 15.92 acres including a club house and pool.  
**Council District:** 4  
**Case Planner:** Claudia Manrique

If you challenge this project in court, you may be limited to raising only those items you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the Public Hearing.

The City of Moreno Valley, in accordance with the California Environmental Quality Act, has prepared an initial study for the project and based on the initial study has determined that the project will not have any significant effect on the environment that cannot be avoided or reduced to less than significant; therefore, approval of a Mitigated Negative Declaration by the Planning Commission is recommended.

Any person interested in the project may enter verbal comments in support or in opposition to the project at the Planning Commission hearing or provide written comments or testimony at or prior to the hearing. The application file and environmental documents are available for public review and may be inspected at the Community & Economic Development Department at 14177 Frederick Street, Moreno Valley, California during normal business hours (7:30 a.m. to 5:30 p.m., Monday through Thursday and 7:30 a.m. to 4:30 p.m., Friday), or you may telephone (951) 413-3206 for further information.

In the case of Public Hearing items, any interested person may appear and be heard in support or opposition to the project and/or recommended environmental determination at the time of the Hearing.

The Planning Commission, upon consideration of materials and information presented at the Hearing, could consider modifications or alternatives to the project.



**LOCATION N Ø**

## PLANNING COMMISSION HEARING

City Council Chamber, City Hall  
14177 Frederick Street  
Moreno Valley, Calif. 92553

**DATE AND TIME:** December 11, 2014 at 7 PM

**CONTACT PLANNER:** Claudia Manrique

**PHONE:** (951) 413-3225

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PLANNING COMMISSION RESOLUTION NO. 2014-29

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORENO VALLEY APPROVING PA14-0014 CONDITIONAL USE PERMIT (CUP) AND PA14-0015 TENTATIVE TRACT MAP 36708 (TTM) FOR A 122 UNIT PLANNED UNIT DEVELOPMENT (PUD) ON ASSESSOR PARCEL NUMBERS 482-582-038, 039, 040 & 482-230-024).

Section 1: Conditional Use Permit

**WHEREAS**, the applicant, Nova Homes, filed PA14-0014, Conditional Use Permit (CUP), for a 122 unit Planned Unit Development (PUD) as described in the title of this Resolution. The CUP is being processed concurrently with a Tentative Tract Map (PA14-0015); and

**WHEREAS**, on December 11, 2014, the Planning Commission of the City of Moreno Valley held a public hearing to consider the subject applications and all environmental documentation prepared for the project; and

**WHEREAS**, all legal prerequisites to the adoption of this Resolution have occurred; and

**WHEREAS**, the Planning Commission considered the Initial Study that was prepared for the project in compliance with the California Environmental Quality Act (CEQA). Based on the Initial Study, it was determined that the potential impacts of the project can be mitigated to less than significant with the incorporation of mitigation measures. A Mitigated Negative Declaration is recommended.

**WHEREAS**, the subject development project is subject to certain fees, dedications, reservations and other exactions pursuant to state law and City ordinances;

**WHEREAS**, pursuant to Government Code Section 66020(d)(1), **NOTICE IS HEREBY GIVEN** that certain fees, dedications, reservations and other exactions are set forth herein.

**NOW, THEREFORE, BE IT RESOLVED**, it is hereby found, determined and resolved by the Planning Commission of the City of Moreno Valley as follows:

- A. This Planning Commission hereby specifically finds that all of the facts set forth above in this Resolution are true and correct.

Attachment 2

B. Based upon substantial evidence presented to this Planning Commission during the above-referenced meeting on December 11, 2014, including written and oral staff reports, and the record from the public hearing, this Planning Commission hereby specifically finds as follows:

1. **Conformance with General Plan Policies** – The proposed use is consistent with the General Plan, and its goals, objectives, policies and programs.

**FACT:** The General Plan encourages a mix of residential uses to provide a wide range of residential opportunities and dwelling types to meet the demands of present and future residents of all socioeconomic groups (Goal 2.2). The proposed project is within the Residential 10 (R10) zoning designation, which primary purpose is to provide for a variety of residential products and to encourage innovation in housing types. Developments within Residential 10 areas are typically expected to provide amenities not generally found in suburban subdivisions, such as common open space and recreational areas (Goal 2.2.8).

The proposed project is a 122 unit Planned Unit Development (PUD). Planned Unit Developments (PUD) are encouraged in the General Plan in order to provide housing that is varied by type, design, form of ownership, and size (Goal 2.2.12). The project as designed and conditioned would achieve the objectives of the City of Moreno Valley's General Plan. The proposed project is consistent with the General Plan and does not conflict with the goals, objectives, policies, and programs established within the Plan.

2. **Conformance with Zoning Regulations** – The proposed use complies with all applicable zoning and other regulations.

**FACT:** The proposed project is within the Residential 10 (R10) zoning designation, which primary purpose is to provide for a variety of residential products and to encourage innovation in housing types. Developments within Residential 10 areas are typically expected to provide amenities not generally found in suburban subdivisions, such as common open space and recreational areas (Goal 2.2.8).

The proposed project meets the criteria established in the PUD section of the Municipal Code (Section 9.03.060), as it will include a mix of home sites, which includes townhome style residences at the required R10 density and with the amenities of a multiple-family development.

3. **Health, Safety and Welfare** – The proposed use will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity.

**FACT:** The proposed 122 unit Planned Unit Development (PUD), as designed and conditioned will not adversely affect the public health, safety or general welfare. An Initial Study has been prepared in accordance with the provisions of the California Environmental Quality Act (CEQA). Based on the Initial Study, it was determined that the potential impacts of the project can be mitigated to less than significant with the incorporation of mitigation measures. A Mitigated Negative Declaration is recommended.

4. **Location, Design and Operation** – The location, design and operation of the proposed project will be compatible with existing and planned land uses in the vicinity.

**FACT:** The proposed project is located in an area of Moreno Valley that is characterized by residential development, with established single-family tracts to the east, west north and south (Residential 5 (R5) and Residential Single-Family 10 (RS10)). Directly across Perris Boulevard are two vacant parcels zoned Residential 15 (R15) and two developed parcels zoned Office (O) with a child daycare center and building contractor yard with a residence. There is a multiple-family apartment complex at the southeast corner of Delphinium Avenue and Perris Boulevard zoned Residential 20 (R20).

Overall, as designed, the proposed Planned Unit Development (PUD) is compatible with the Residential 10 (R10) zone, and the City's General Plan land use classification of Residential/Office (R/O). As designed and conditioned, this PUD is compatible with existing and proposed land uses in the vicinity.

## Section 2: Tentative Tract Map

**WHEREAS**, the applicant, Nova Homes, filed PA14-0015, Tentative Tract Map (PA14-0015), as described in the title of this Resolution. The Tentative Tract Map is being processed concurrently with a Conditional Use Permit (CUP) (PA14-0014); and

**WHEREAS**, on December 11, 2014, the Planning Commission of the City of Moreno Valley held a public hearing to consider the subject applications and all environmental documentation prepared for the project; and

**WHEREAS**, all legal prerequisites to the adoption of this Resolution have occurred; and

**WHEREAS**, the Planning Commission considered the Initial Study prepared for the project for the purpose of compliance with the California Environmental Quality Act (CEQA). Based on the Initial Study, it was determined that the potential impacts of the project can be mitigated to less than significant with the incorporation of mitigation measures. A Mitigated Negative Declaration is recommended.

**WHEREAS**, the subject development project is subject to certain fees, dedications, reservations and other exactions pursuant to state law and City ordinances;

**WHEREAS**, pursuant to Government Code Section 66020(d)(1), **NOTICE IS HEREBY GIVEN** that certain fees, dedications, reservations and other exactions are set forth herein.

1. The proposed land division is consistent with applicable general and specific plans.

**FACT:** Tentative Tract Map 36708 (PA14-0015) merges approximately 15.92 acres of land (APNs: 482-582-038, 039, 040 & 482-230-024) into one parcel with 122 units and 20 lettered lots for private streets and landscape purposes. The proposed tentative tract map is consistent with the General Plan designation of Residential/Office (R/O).

The primary purpose of areas designated R/O is to provide areas for the establishment of office-based working environments or residential developments of up to 15 dwelling units per acre. The zoning regulations identify the particular uses and type of residential development permitted on each parcel of land. The zoning classification for the project's parcels is Residential 10 (R10).

2. The site of the proposed land division is physically suitable for the type of development.

**FACT:** Tentative Tract Map 36708 would create one parcel from the existing four parcels. The proposed project is consistent with the General Plan designation of Residential/Office (R/O). The proposal would be consistent with the Residential 10 (R10) zoning as the larger parcel size would allow for Planned Unit Development of 122 residential lot areas and 20 lettered lots for private streets and landscape purposes. The tract map, as designed, is consistent with "Residential 10 (R10)" zoning requirements.

3. The design of the proposed land division or the proposed improvements are not likely to cause substantial environmental damage or substantially and unavoidably injure fish or wildlife or their habitat.

**FACT:** Staff has evaluated the design and potential environmental impacts of the proposed project, and an environmental initial study was prepared by Crable & Associates, Environmental Consultants. As conditioned, mitigated and designed, the proposed tentative tract map would not cause significant environmental impacts. Based on the Initial Study, it was determined that the potential impacts of the Tentative Tract Map, can be mitigated to less than significant with the incorporation of mitigation measures. A Mitigated Negative Declaration is recommended.

4. The designs of the proposed land divisions or the type of improvements are unlikely to cause serious public health problems.

**FACT:** As conditioned, the proposed land division would not cause serious public health problems. There are no known hazardous conditions associated with the property, the design of the land division or the type of improvements. Based on the Initial Study, it was determined that any potential impacts of the Tentative Tract Map, can be mitigated to less than significant with the incorporation of mitigation measures. A Mitigated Negative Declaration is recommended. The proposed tentative tract map will not adversely affect the public health, safety or general welfare.

5. The design of the land division or the type of improvements will not conflict with easements acquired by the public at large for access through or use of property within the proposed subdivision.

**FACT:** There are no conflicts with easements on the subject site. The City Engineer has appropriately placed conditions of approval for Tentative Tract Map No. 36708 regarding various project improvements.

6. That the design of the land division provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision.

**FACT:** The size, configuration and orientation of the parcel would allow solar access for passive heating.

The size, configuration and orientation of the lots in this land division allow solar access for passive heating and opportunities for placement of shade trees and other vegetation for cooling.

7. That the effect of the proposed land division on the housing needs of the region were considered and balanced against the public service needs of the residents of Moreno Valley and available fiscal and environmental resources.

**FACT:** The proposed project does not exceed the planned density, the associated public service demand, or the demand for environmental resources envisioned by the Moreno Valley General Plan. The project will supplement the City's fiscal resources by paying impact fees for public facilities. Additionally, future residents will pay Community Services District fees, property tax, sales tax and other taxes and fees that will be used to provide landscape maintenance as well as police, fire and other public services.

## **C. FEES, DEDICATIONS, RESERVATIONS, AND OTHER EXACTIONS**

### **1. FEES**

Impact, mitigation and other fees are due and payable under currently applicable ordinances and resolutions. These fees may include but are not limited to: Development Impact Fee, Transportation Uniform Mitigation Fee (TUMF), Multi-species Habitat Conservation Plan (MSHCP) Mitigation Fee, Stephens Kangaroo Habitat Conservation fee, Underground Utilities in lieu Fee, Area Drainage Plan fee, Bridge and Thoroughfare Mitigation fee (Future) and Traffic Signal Mitigation fee. The final amount of fees payable is dependent upon information provided by the applicant and will be determined at the time the fees become due and payable.

Unless otherwise provided for by this resolution, all impact fees shall be calculated and collected at the time and in the manner provided in Chapter 3.32 of the City of Moreno Valley Municipal Code or as so provided in the applicable ordinances and resolutions. The City expressly reserves the right to amend the fees and the fee calculations consistent with applicable law.

**2. DEDICATIONS, RESERVATIONS, AND OTHER EXACTIONS**

The adopted Conditions of Approval for PA14-0014 and PA14-0015, incorporated herein by reference, may include dedications, reservations, and exactions pursuant to Government Code Section 66020 (d) (1).

**3. CITY RIGHT TO MODIFY/ADJUST; PROTEST LIMITATIONS**

The City expressly reserves the right to establish, modify or adjust any fee, dedication, reservation or other exaction to the extent permitted and as authorized by law.

Pursuant to Government Code Section 66020(d)(1), NOTICE IS FURTHER GIVEN that the 90 day period to protest the imposition of any impact fee, dedication, reservation, or other exaction described in this resolution begins on the effective date of this resolution and any such protest must be in a manner that complies with Section 66020(a) and failure to timely follow this procedure will bar any subsequent legal action to attack, review, set aside, void or annul imposition.

The right to protest the fees, dedications, reservations, or other exactions does not apply to planning, zoning, grading, or other similar application processing fees or service fees in connection with this project and it does not apply to any fees, dedication, reservations, or other exactions of which a notice has been given similar to this, nor does it revive challenges to any fees for which the Statute of Limitations has previously expired.

**BE IT FURTHER RESOLVED** that the Planning Commission **HEREBY APPROVES** Resolution No. 2014-29 and thereby recommends that the City Council:

1. **ADOPT** a Mitigated Negative Declaration for PA14-0014 (CUP) and PA14-0015 (TTM 36708) pursuant to the California Environmental Quality Act (CEQA) Guidelines; and,
2. **APPROVE** PA14-0014 (CUP) and PA14-0015 (TTM 36708) based on the findings contained in the resolution and subject to the conditions of approval included as Exhibit A of the resolution.

APPROVED this 11<sup>th</sup> day of December, 2014.

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Jeff Giba  
Chair, Planning Commission

ATTEST:

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Richard J. Sandzimier, Planning Official  
Secretary to the Planning Commission

APPROVED AS TO FORM:

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City Attorney

Attachments



**CITY OF MORENO VALLEY  
CONDITIONS OF APPROVAL  
PA14-0014 CONDITIONAL USE PERMIT (CUP)  
FOR A PLANNED UNIT DEVELOPMENT (PUD) AND  
PA14-0015 TENTATIVE TRACT MAP 36708  
APN(s): 482-582-038, 039, 040 & 482-230-024**

**APPROVAL DATE:  
EXPIRATION DATE:**

**December 11, 2014  
December 11, 2017**

- Planning (P), including School District (S), Post Office (PO), Building (B)
- Fire Prevention Bureau (F)
- Public Works, Land Development (LD)
- Public Works, Special Districts (SD)
- Public Works – Transportation Engineering (TE)
- Police (PD)
- Moreno Valley Utilities

**COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT**

**Planning Division**

For questions regarding any Planning condition of approval, please contact the Planning Division at (951) 413-3206.

- P1. Conditional Use Permit (PA14-0014) is an approval for a Planned Unit Development (PUD) for a 122 unit condominium complex with a community clubhouse, playground and pool at the southeast corner of Cactus Avenue and Perris Boulevard (APNs: 482-582-038, 039, 040 & 482-230-024). A change or modification shall require separate approval.
  
- P2. Tentative Tract Map 36708 (PA14-0015) for a one parcel map with 122 residential lot areas as well as HOA maintained lots, water quality features and common open space areas per the approved plans. A change or modification shall require separate approval. Development of the Planned Unit Development (PUD) is subject to approval of Tentative Tract Map 36708 (PA14-0015) and the subsequent recordation of this map.
  
- P3. The approval for PA14-0014 (CUP) and PA14-0015 (TTM 36708) shall expire three years after the approval date of these projects unless used or extended as provided for by the City of Moreno Valley Municipal Code; otherwise it shall

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**Timing Mechanisms for Conditions (see abbreviation at beginning of affected condition):**

R - Map Recordation	GP - Grading Permits	CO - Certificate of Occupancy or building final
WP - Water Improvement Plans	BP - Building Permits	P - Any permit

**Governing Document (see abbreviation at the end of the affected condition):**

GP - General Plan	MC - Municipal Code	CEQA - California Environmental Quality Act
Ord - Ordinance	DG - Design Guidelines	Ldscp - Landscape Development Guidelines and Specs
Res - Resolution	IIFC - Uniform Fire Code	IBC - Uniform Building Code

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become null and void and of no effect whatsoever. Use means the beginning of substantial construction contemplated by this approval within the three-year period, which is thereafter pursued to completion, or the beginning of substantial utilization contemplated by this approval. (MC 9.02.230)

- P4. The site shall be developed in accordance with the approved plans on file in the Community & Economic Development Department - Planning Division, the Municipal Code regulations, General Plan, and the conditions contained herein. Prior to any use of the project site or business activity being commenced thereon, all Conditions of Approval shall be completed to the satisfaction of the Planning Official. (MC 9.14.020)
- P5. The developer, or the developer's successor-in-interest, shall be responsible for maintaining any undeveloped portion of the site in a manner that provides for the control of weeds, erosion and dust. (MC 9.02.030)
- P6. All landscaped areas shall be maintained in a healthy and thriving condition, free from weeds, trash and debris. (MC 9.02.030)
- P7. Any signs indicated on the submitted plans are not included with this approval. Any signs, whether permanent (e.g. wall, monument) or temporary (e.g. banner, flag), proposed for this development shall be designed in conformance with the sign provisions of the Development Code or approved sign program, if applicable, and shall require separate application and approval by the Planning Division. No signs are permitted in the public right of way. (MC 9.12)
- P8. (GP) All site plans, grading plans, landscape and irrigation plans, fence/wall plans, lighting plans and street improvement plans shall be coordinated for consistency with this approval.

Prior to Issuance of Grading Permits

- P9. (GP) Prior to issuance of grading permits, the developer shall pay the applicable Stephens' Kangaroo Rat (SKR) Habitat Conservation Plan mitigation fee. (Ord)
- P10. A mitigation monitoring fee, as provided by City ordinance, shall be paid by the applicant within 30 days of project approval. No City permit or approval shall be issued until such fee is paid. (CEQA)
- P11. (GP) Prior to approval of any grading permits, plans for any security gate system shall be submitted to the Planning Division for review and approval.

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- P12. (GP) Within thirty (30) days prior to any grading or other land disturbance, a pre-construction survey for Burrowing Owls shall be conducted pursuant to the established guidelines of Multiple Species Habitat Conservation Plan.
- P13. The owner or owner's representative shall establish and maintain a relationship with the City of Moreno Valley and cooperate with the Problem Oriented Policing (POP) program, or its successors.
- P14. (GP) Decorative pedestrian pathways across circulation aisles/paths shall be provided throughout the development to connect dwellings with open spaces and/or recreational uses with open space and parking and the public right-of-way. The pathways shall be shown on the precise grading plan. (GP Objective 46.8, DG)
- P15. (GP) Prior to the issuance of building permits, the site plan shall show decorative concrete pavers for all driveway ingress/egress locations of the project.
- P16. (GP) Prior to issuance of grading permits, the developer shall submit wall/fence plans to the Planning Division for review and approval as follows:
- A. A maximum 6 foot high solid decorative block perimeter wall with pilasters and a cap shall be required adjacent to all residential zoned areas as well as along street frontage (Cactus Avenue, Perris Boulevard and Delphinium Avenue) and the detention basin.
  - B. A maximum 6 foot high solid decorative block wall is required on all corner lots within the PUD.
  - C. Internal fencing between units will be a poly-vinyl fencing material.
  - D. Any proposed retaining walls shall also be decorative in nature, while the combination of retaining and other walls on top shall not exceed the height requirement.

**PRIOR TO BUILDING PERMITS**

- P17. (BP) Prior to issuance of building permits, the Planning Division shall review and approve the location and method of enclosure or screening of transformer cabinets, commercial gas meters and back flow preventers as shown on the final working drawings. Location and screening shall comply with the following criteria: transformer cabinets and commercial gas meters shall not be located within required setbacks and shall be screened from public view either by architectural treatment or landscaping; multiple electrical meters shall be fully enclosed and incorporated into the overall architectural design of the building(s); back-flow preventers shall be screened by landscaping. (GP Objective 43.30, DG)

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- P18. (BP) Prior to issuance of building permits, two copies of a detailed, on-site, computer generated, point-by-point comparison lighting plan, including exterior building lighting, shall be submitted to the Planning Division for review and approval. The lighting plan shall be generated on the plot plan and shall be integrated with the final landscape plan. The plan shall indicate the manufacturer's specifications for light fixtures used and shall include style, illumination, location, height and method of shielding. The lighting shall be designed in such a manner so that it does not exceed one-quarter foot-candle minimum maintained lighting measured from within five feet of any property line.
- P19. (BP) Prior to issuance of building permits, the developer or developer's successor-in-interest shall pay all applicable impact fees, including but not limited to Transportation Uniform Mitigation fees (TUMF), Multiple Species Habitat Conservation Plan (MSHCP) mitigation fees, and the City's adopted Development Impact Fees. (Ord)
- P20. (BP) Prior to issuance of building permits, for multiple-family projects that will be phased, a phasing plan submitted to the Planning Division will be required if occupancy is proposed to be phased.
- P21. (BP) Prior to issuance of any building permits, final landscaping and irrigation plans shall be submitted for review and approved by the Planning Division. After the third plan check review for landscape plans, an additional plan check fee shall apply. The plans shall be prepared in accordance with the City's Landscape Standards and shall include:
- A. Drought tolerant landscape shall be used. Sod shall be limited to gathering areas.
  - B. Street trees shall be provided every 40 feet on center in the right of way.
  - C. Enhanced landscaping shall be provided at all driveway entries and street corner locations
  - D. The review of all utility boxes, transformers etc. shall be coordinated to provide adequate screening from public view.
  - E. All site perimeter, detention basin and open space landscaping and irrigation shall be installed prior to the release of certificate of any occupancy permits for the PUD.
- P22. Prior to the issuance of building permits, landscape and irrigation plans for areas maintained by the Homeowner's Association shall be submitted to the Planning Division. All landscape plans shall be approved prior to the release of any building permits for the site. The plans shall be prepared in accordance with the City's Landscape Development Guidelines. Landscaping is required for the sides and or slopes of all water quality basin and drainage areas. All detention

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basins shall include trees, shrubs and groundcover up to the concreted portion of the basin. A solid decorative wall with pilasters or other fence or wall approved by the Planning Official is required to secure all water quality and detention basins.

**PRIOR TO RECORDATION OF FINAL MAP**

- P23. (R) Prior to recordation, the developer shall grant a conservation easement(s) to the City for the preservation of the areas designated as open space.
- P24. (R) Prior to recordation of the final subdivision map, the developer shall submit for review and approval the following documents to the Planning Division which shall demonstrate that the project will be developed and maintained in accordance with the intent and purpose of the approval:
- a. The document to convey title
  - b. Deed restrictions, easements, or Covenants, Conditions and Restrictions to be recorded

The approved documents shall be recorded at the same time that the subdivision map is recorded. The documents shall contain provisions for general maintenance of the site, open space use restrictions, conservation easements, water quality basins, lighting, landscaping and common area use items such as exercise stations, public seating areas and other recreation facilities. The approved documents shall also contain a provision, which provides that they may not be terminated and/or substantially amended without the consent of the City and the developer's successor-in-interest. (MC 9.14.090)

In addition, the following deed restrictions and disclosures shall be included within the document and grant deed of the properties:

- The developer and the Isla Verde Planned Unit Development Guidelines and/or homeowners association shall promote the use of native plants and trees and drought tolerant species to the extent feasible.
- (R) All lots designated for open space and, or basins, shall be dedicated to and maintained by a Homeowners Association (HOA). The HOA shall contract with a private maintenance entity or establish a funding mechanism approved by the City in a maintenance agreement for City maintenance. Language to this effect shall be included and reviewed within the required Covenant Conditions and Restrictions (CC&Rs) prior to the approval of the final map.

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- All reverse frontage property and public right-of-way landscape areas, shall be maintained by a Homeowners Association (HOA) or through a property owner funded landscaping district as maintained by the City. Language to this effect shall be included and reviewed within the required Covenant Conditions and Restrictions (CC&Rs) prior to the approval of the final map.
- Maintenance of any and all common facilities.
- A conservation easement for lettered lots shall be recorded on the deed of the property and shown on the final map. Said easement shall include access restrictions prohibiting motorized vehicles from these areas except on the maintenance road and access driveways for the water quality basins.

**PRIOR TO CERTIFICATE OF OCCUPANCY**

- P25. (CO) Prior to issuance of Certificates of Occupancy or building final, the required landscaping and irrigation shall be installed. (DC 9.03.040)
- P26. (CO) Prior to the issuance of Certificates of Occupancy or building final, all required and proposed fences and walls shall be constructed according to the approved plans on file in the Planning Division. (MC 9.080.070).
- P27. (BP/CO) Prior to issuance of Certificate of Occupancy or building final, installed landscaping and irrigation shall be inspected by the Planning Division. All on-site and common area landscaping shall be installed in accordance with the City's Landscape Standards and the approved project landscape plans and all site clean-up shall be completed.

**MITIGATION MEASURES**

- P28. AQ-1: Painting and surface coating shall be limited to an aggregate area of no more than 25,000 square feet per day during any phase of construction; or Paints and surface coatings shall be limited to a VOC content of no more than 30 milligrams per liter of VOC content.
- P29. AQ-2: Any hearth, stove, or fireplace designed to burn wood shall be omitted or replaced with a unit designed to burn only natural gas.

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- P30. AQ-3: During site preparations, the contractor shall water the construction site a minimum of three times per day, rather than twice per day as required under Rule 403 (SCAQMD - to prevent, reduce or mitigate fugitive dust emissions).
- P31. AQ4: During site preparations, the contractor shall specify that all dozers use a minimum of Level 2 diesel particulate filters.
- P32. CULT-1: In the event that prehistoric or historic archaeological resources (e.g., bottles, foundations, refuse dumps, Native American artifacts, etc.) are unearthed during ground-disturbing activities, the Applicant shall halt or redirect ground-disturbing activities away from the vicinity of the find so that the find can be evaluated by a qualified archaeologist. Work shall be allowed to continue outside of the vicinity of the find. All archaeological resources unearthed by Project construction activities shall be evaluated by an archaeologist. The Applicant shall coordinate with the archaeologist and the City to develop an appropriate treatment plan for the resources if they are determined to be potentially eligible for the California Register or potentially qualify as unique archaeological resources pursuant to CEQA. Treatment may include implementation of archaeological data recovery excavations to remove the resource or preservation in place or avoidance. The archaeologist shall prepare a report regarding the find and its treatment effort that shall be submitted by the Applicant to the City, the South Central Coastal Information Center, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the project and the required mitigation measures. The report shall include a description of resources unearthed, if any, treatment of the resources, and evaluation of the resources with respect to the California Register. The Applicant, in consultation with the archaeologist and the City shall designate repositories meeting State standards in the event that archaeological material is recovered. Project material shall be curated in accordance with the State Historical Resources Commission's Guidelines for Curation of Archaeological Collections.
- P33. CULT-2: If construction excavations would encounter the fossiliferous Pleistocene alluvial sediments that are located at an unknown depth within the Project site, a qualified shall be retained by the Applicant. A qualified paleontologist is defined as a paleontologist meeting the criteria established by the Society for Vertebrate Paleontology. The qualified Paleontologist shall supervise a paleontological monitor who shall be present during construction excavations into Pleistocene alluvial sediments. Monitoring shall consist of visually inspecting fresh exposures of rock for larger fossil remains and, where appropriate, collecting wet or dry screened sediment samples of promising horizons for smaller fossil remains. The frequency of monitoring inspections shall be determined by the Paleontologist and shall be based on the rate of excavation

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and grading activities, the materials being excavated, and the depth of excavation, and if found, the abundance and type of fossils encountered.

- P34. CULT-3: If a potential fossil is found, the Paleontological Monitor shall be allowed to temporarily divert or redirect grading and excavation activities in the area of the exposed fossil to facilitate evaluation and, if necessary, salvage. At the Paleontologist's discretion and to reduce any construction delay, the grading and excavation contractor shall assist in removing rock samples for initial processing.
- P35. CULT-4: Any fossils encountered and recovered shall be prepared to the point of identification and catalogued before they are donated to their final repository. Any fossils collected shall be donated to a public, non-profit institution with a research interest in the materials, such as the San Bernardino County Museum or the Western Science Center. Accompanying notes, maps, and photographs shall also be filed at the repository.
- P36. CULT-5: Following the completion of the above measures, the Paleontologist shall prepare a report summarizing the results of the monitoring and salvaging efforts, the methodology used in these efforts, as well as a description of the fossils collected and their significance. The report shall be submitted by the Project Applicant to the lead agency, the Natural History Museum of Los Angeles County, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the Project and required mitigation measures.
- P37. CULT-6: If human remains are encountered unexpectedly during implementation of the proposed project, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to PRC Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission (NAHC). The NAHC shall then identify the person(s) thought to be the Most Likely Descendent (MLD). The MLD may, with the permission of the land owner, or his or her authorized representative, inspect the site of the discovery of the Native American remains and may recommend to the owner or the person responsible for the excavation work means for treating or disposing, with appropriate dignity, the human remains and any associated grave goods. The MLD shall complete their inspection and make their recommendation within 48 hours of being granted access by the land owner to inspect the discovery. The recommendation may include the scientific removal and nondestructive analysis of human remains and items associated with Native American burials. Upon the discovery of the Native American remains, the landowner shall ensure that the immediate vicinity, according to generally accepted cultural or archaeological standards or practices,



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where the Native American human remains are located, is not damaged or disturbed by further development activity until the landowner has discussed and conferred, as prescribed in this mitigation measure, with the MLD regarding their recommendations, if applicable, taking into account the possibility of multiple human remains. The landowner shall discuss and confer with the descendants all reasonable options regarding the descendants' preferences for treatment. Whenever the NAHC is unable to identify a MLD, or the MLD identified fails to make a recommendation, or the landowner or his or her authorized representative rejects the recommendation of the descendants and the mediation provided for in Subdivision (k) of Section 5097.94, if invoked, fails to provide measures acceptable to the landowner, the landowner or his or her authorized representative shall inter the human remains and items associated with Native American human remains with appropriate dignity on the property in a location not subject to further and future subsurface disturbance.

- P38. N-1: At a minimum the structures that back along Perris Boulevard and Cactus Avenue shall be constructed with batten insulation in the exterior walls. Alternatively, these structures could be of masonry construction negating this requirement.
- P39. N-2: All exterior fittings that enter these structures (e.g., electrical conduits, HVAC ducts) are to be sealed with caulk such that the fittings are rendered as air-tight. Any metal duct-work that is exposed to the exterior environment shall be enclosed and insulated to avoid noise transference through the ducting.
- P40. N-3: The Applicant shall provide these structures with forced air ventilation designed and installed in accordance with the California Uniform Building Code.
- P41. N-4: The Applicant shall specify a minimum STC rating of 32 and 33 for all first and second story, respectively, window and/or door assemblies, that have a view toward Perris Boulevard (east facing) These windows and/or doors are to be well fitting with vinyl (or equivalent) gaskets that form an air tight fitting.
- P42. N-5: The Applicant shall specify a minimum STC rating of 28 and 32 for all first and second story, respectively, window and/or door assemblies that have a view toward Cactus Avenue (north facing) These windows and/or doors are to be well fitting with vinyl (or equivalent) gaskets that form an air tight fitting.
- P43. N-6: The Applicant shall abide by any other measures set forth by the City of Moreno Valley Planning Department for noise mitigation.

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**Building and Safety Division**

- B1. New buildings/structures shall comply with the current California Building Standards Code (CBC, CEC, CMC, CPC and Green Building Standards) as well as City ordinances. Plans shall be submitted to the Building and Safety Division as a separate submittal and shall include a soils report at time of first submittal. Beginning on January 1, 2014, the 2013 CBC will become effective for all new building permit applications.
- B2. Prior to the issuance of a building permit, the applicant shall submit a properly completed "Waste Management Plan" (WMP), as required, as a portion of the building or demolition permit process.
- B3. Building plans and instruments of service submitted with a building permit application shall be signed and sealed by a California licensed design professional as required by the State Business and Professions Code.
- B4. The proposed new development may be subject to the payment of development fees as required by the City's Fee Ordinance at the time an application is submitted or prior to the issuance of permits as determined by the City.

**SCHOOL DISTRICT**

- S1. (BP) Prior to issuance of building permits, the developer shall provide to the Community Development Director a written certification by the affected school district that either: (1) the project has complied with the fee or other exaction levied on the project by the governing board of the district, pursuant to Government Code Section 65996; or (2) the fee or other requirement does not apply to the project.

**UNITED STATES POSTAL SERVICE**

- PO1. (BP) Prior to the issuance of building permits, the developer shall contact the U.S. Postal Service to determine the appropriate type and location of mailboxes.

**FIRE PREVENTION BUREAU**

With respect to the conditions of approval, the following fire protection measures shall be provided in accordance with Moreno Valley City Ordinances and/or recognized fire protection standards:

- F1. Final fire and life safety conditions will be addressed when the Fire Prevention Bureau reviews building plans. These conditions will be based on occupancy, use, California Building Code (CBC), California Fire Code (CFC), and related codes, which are in force at the time of building plan submittal.
- F2. The Fire Prevention Bureau is required to set a minimum fire flow for the remodel or construction of all commercial buildings per CFC Appendix B and Table B105.1. The applicant/developer shall provide documentation to show there exists a water system capable of delivering 1500 GPM for 2 hour(s) duration at 20-PSI residual operating pressure. The required fire flow may be adjusted during the approval process to reflect changes in design, construction type, or automatic fire protection measures as approved by the Fire Prevention Bureau. Specific requirements for the project will be determined at time of submittal. (CFC 507.3, Appendix B). Fire sprinklers shall be installed throughout this project. The 50% reduction in fire flow was granted for the use of fire sprinklers throughout the facility. The reduction shall only apply to fire flow, hydrant spacing shall be per the fire flow requirements listed in CFC Appendix B and C.
- F3. Industrial, Commercial, Multi-family, Apartment, Condominium, Townhouse or Mobile Home Parks. A combination of on-site and off-site super fire hydrants (6" x 4" x 2 1/2" x 2 1/2" ) and super enhanced fire hydrants (6" x 4" x 4" x 2 1/2" ) shall not be closer than 40 feet and more than 150 feet from any portion of the building as measured along approved emergency vehicular travel ways. The required fire flow shall be available from any adjacent fire hydrant(s) in the system. Where new water mains are extended along streets where hydrants are not needed for protection of structures or similar fire problems, super or enhanced fire hydrants as determined by the fire code official shall be provided at spacing not to exceed 500 feet of frontage for transportation hazards. (CFC 507.5.7 & MVMC 8.36.060 Section K, L)
- F4. Prior to issuance of Certificate of Occupancy or Building Final, "Blue Reflective Markers" shall be installed to identify fire hydrant locations in accordance with City specifications. (CFC 509.1 and MV City Standard Engineering Plan 422 a, b, c)

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- F5. During phased construction, dead end roadways and streets which have not been completed shall have a turn-around capable of accommodating fire apparatus. (CFC 503.1 and 503.2.5)
- F6. Each phase shall provide an approved emergency vehicular access way for fire protection prior to any building construction. (CFC 501.4)
- F7. Maximum cul-de-sac or dead end road length shall not exceed 660 feet. The Fire Chief, based on City street standards, shall determine minimum turning radius for fire apparatus based upon fire apparatus manufacture specifications. (CFC 503.2, MVMC 9.15.030)
- F8. Prior to issuance of Building Permits, the applicant/developer shall provide the Fire Prevention Bureau with an approved site plan for Fire Lanes and signage. (CFC 501.3)
- F9. Prior to construction and issuance of building permits, all locations where structures are to be built shall have an approved Fire Department emergency vehicular access road (all weather surface) capable of sustaining an imposed load of 80,000 lbs. GVW, based on street standards approved by the Public Works Director and the Fire Prevention Bureau. (CFC 501.4 and MV City Standard Engineering Plan 108d)
- F10. Prior to construction and issuance of Building Permits, fire lanes and fire apparatus access roads shall have an unobstructed width of not less than twenty-four (24) feet as approved by the Fire Prevention Bureau and an unobstructed vertical clearance of not less the thirteen (13) feet six (6) inches. (CFC 503.2.1 and MVMC 8.36.060[E])
- F11. Prior to construction, all roads, driveways and private roads shall not exceed 12 percent grade. (CFC 503.2.7 and MVMC 8.36.060[G])
- F12. Prior to construction, all locations where structures are to be built shall have an approved Fire Department access based on street standards approved by the Public Works Director and the Fire Prevention Bureau. (CFC 501.4)
- F13. Prior to building construction, dead end roadways and streets which have not been completed shall have a turnaround capable of accommodating fire apparatus. (CFC 503.2.5)

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- F14. The angle of approach and departure for any means of Fire Department access shall not exceed 1 ft drop in 20 ft (0.3 m drop in 6 m), and the design limitations of the fire apparatus of the Fire Department shall be subject to approval by the AHJ. (CFC 503 and MVMC 8.36.060)
- F15. Prior to issuance of the building permit for development, independent paved access to the nearest paved road, maintained by the City shall be designed and constructed by the developer within the public right of way in accordance with City Standards. (MVMC 8.36.060, CFC 501.4)
- F16. Prior to construction, "private" driveways over 150 feet in length, dead end roadways, and streets which have not been completed shall have a turn-around as determined by the Fire Prevention Bureau capable of accommodating fire apparatus. Driveway grades shall not exceed 12 percent. (CFC 503, and MVMC 8.36.060, CFC 501.4)
- F17. Prior to issuance of Certificate of Occupancy, all residential dwellings shall display street numbers in a prominent location on the street side of the residence in such a position that the numbers are easily visible to approaching emergency vehicles. The numbers shall be located consistently on each dwelling throughout the development. The numerals shall be no less than four (4) inches in height and shall be low voltage lighted fixtures. (CFC 505.1, MVMC 8.36.060[I])
- F18. Prior to issuance of a Certificate of Occupancy or Building Final, a "Knox Box Rapid Entry System" shall be provided. The Knox-Box shall be installed in an accessible location approved by the Fire Chief. All exterior security emergency access gates shall be electronically operated and be provided with Knox key switches for access by emergency personnel. (CFC 506.1)
- F19. Prior to issuance of Building Permits, the applicant/developer shall participate in the Fire Impact Mitigation Program. (Fee Resolution as adopted by City Council)
- F20. Prior to issuance of Certificate of Occupancy or Building Final, the applicant/developer shall install a fire sprinkler system based on square footage and type of construction, occupancy or use. Fire sprinkler plans shall be submitted to the Fire Prevention Bureau for approval prior to installation. (CFC Chapter 9, MVMC 8.36.100[D])
- F21. Prior to issuance of Building Permits, the applicant/developer shall furnish one copy of the water system plans to the Fire Prevention Bureau for review. Plans shall:

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- a) Be signed by a registered civil engineer or a certified fire protection engineer;
- b) Contain a Fire Prevention Bureau approval signature block; and
- c) Conform to hydrant type, location, spacing of new and existing hydrants and minimum fire flow required as determined by the Fire Prevention Bureau.

After the local water company signs the plans, the originals shall be presented to the Fire Prevention Bureau for signatures. The required water system, including fire hydrants, shall be installed, made serviceable, and be accepted by the Moreno Valley Fire Department prior to beginning construction. They shall be maintained accessible.

Existing fire hydrants on public streets are allowed to be considered available. Existing fire hydrants on adjacent properties shall not be considered available unless fire apparatus access roads extend between properties and easements are established to prevent obstruction of such roads. (CFC 507, 501.3)

- F22. Complete plans and specifications for fire alarm systems, fire-extinguishing systems (including automatic sprinklers or standpipe systems), clean agent systems (or other special types of automatic fire-extinguishing systems), as well as other fire-protection systems and appurtenances thereto shall be submitted to the Moreno Valley Fire Prevention Bureau for review and approval prior to system installation. Submittals shall be in accordance with CFC Chapter 9 and associated accepted national standards.
- F23. Emergency and Fire Protection Plans shall be provided when required by the Fire Prevention Bureau. (CFC Section 105, MVMC 8.36.100[A])
- F24. Prior to issuance of Certificate of Occupancy or Building Final, the applicant/developer must submit a simple plot plan, a simple floor plan, and other plans as requested, to the Fire Prevention Bureau.
- F25. Approval of the safety precautions required for buildings being constructed, altered or demolished shall be required by the Fire Chief in addition to other approvals required for specific operations or processes associated with such construction, alteration or demolition. (CFC Chapter 33 & CBC Chapter 33)
- F26. Construction or work for which the Fire Prevention Bureau's approval is required shall be subject to inspection by the Fire Chief and such construction or work shall remain accessible and exposed for inspection purposes until approved. (CFC Section 105)

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- F27. The Fire Prevention Bureau shall maintain the authority to inspect, as often as necessary, buildings and premises, including such other hazards or appliances designated by the Fire Chief for the purpose of ascertaining and causing to be corrected any conditions which would reasonably tend to cause fire or contribute to its spread, or any violation of the purpose or provisions of this code and of any other law or standard affecting fire safety. (CFC Section 105)
- F28. Permit requirements issued, which designate specific occupancy requirements for a particular dwelling, occupancy, or use, shall remain in effect until such time as amended by the Fire Chief. (CFC Section 105)
- F29. In accordance with the California Fire Code Appendix Chapter 1, where no applicable standards or requirements are set forth in this code, or contained within other laws, codes, regulations, ordinances or bylaws adopted by the jurisdiction, compliance with applicable standards of the National Fire Protection Association or other nationally recognized fire safety standards as are approved shall be deemed as prima facie evidence of compliance with the intent of this code as approved by the Fire Chief. (CFC Section 102.8)
- F30. Any alterations, demolitions, or change in design, occupancy and use of buildings or site will require plan submittal to the Fire Prevention Bureau with review and approval prior to installation. (CFC 102.3)
- F31. Prior to Certificate of Occupancy all locations where medians are constructed and prohibit vehicular ingress/egress into or away from the site, provisions must be made to construct a median-crossover at all locations determined by the Fire Marshal and the City Engineer. Prior to the construction, design plans will be submitted for review and approval by the City Engineer and all applicable inspections conducted by Land Development Division.
- F32. Prior to construction, all traffic calming designs/devices must be approved by the Fire Marshal and City Engineer.
- F33. All fire lanes shall be a minimum of 24 feet wide with no street parking allowed, if street parking is preferred, then the streets shall be made wider to accommodate it.

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

**Note:** All Special Conditions are in **Bold** lettering and follow the standard conditions.

**PUBLIC WORKS DEPARTMENT – LAND DEVELOPMENT DIVISION**

The following are the Public Works Department – Land Development Division Conditions of Approval for this project and shall be completed at no cost to any government agency. All questions regarding the intent of the following conditions shall be referred to the Public Works Department – Land Development Division.

**General Conditions**

- LD1. (G) The developer shall comply with all applicable City ordinances and resolutions including the City's Municipal Code (MC) and if subdividing land, the Government Code (GC) of the State of California, specifically Sections 66410 through 66499.58, said sections also referred to as the Subdivision Map Act (SMA). (MC 9.14.010)
- LD2. (G) If the project involves the subdivision of land, maps may be developed in phases with the approval of the City Engineer. Financial security shall be provided for all improvements associated with each phase of the map. The boundaries of any multiple map increment shall be subject to the approval of the City Engineer. The City Engineer may require the dedication and construction of necessary utilities, streets or other improvements outside the area of any particular map, if the improvements are needed for circulation, parking, access, or for the welfare or safety of the public. (MC 9.14.080, GC 66412 and 66462.5) If the project does not involve the subdivision of land and it is necessary to dedicate right-of-way/easements, the developer shall make the appropriate offer of dedication by separate instrument. The City Engineer may require the construction of necessary utilities, streets or other improvements beyond the project boundary, if the improvements are needed for circulation, parking, access, or for the welfare or safety of the public.
- LD3. (G) It is understood that the tentative map correctly shows all existing easements, traveled ways, and drainage courses, and that their omission may require the map or plans associated with this application to be resubmitted for further consideration. (MC 9.14.040)



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- LD4. (G) In the event right-of-way or offsite easements are required to construct offsite improvements necessary for the orderly development of the surrounding area to meet the public health and safety needs, the developer shall make a good faith effort to acquire the needed right-of-way in accordance with the Land Development Division's administrative policy. In the event that the developer is unsuccessful, he shall enter into an agreement with the City to acquire the necessary right-of-way or offsite easements and complete the improvements at such time the City acquires the right-of-way or offsite easements which will permit the improvements to be made. The developer shall be responsible for all costs associated with the right-of-way or easement acquisition. (GC 66462.5)
- LD5. (G) If improvements associated with this project are not initiated within two years of the date of approval of the Public Improvement Agreement, the City Engineer may require that the improvement cost estimate associated with the project be modified to reflect current City construction costs in effect at the time of request for an extension of time for the Public Improvement Agreement or issuance of a permit.
- LD6. (G) The developer shall monitor, supervise and control all construction and construction supportive activities, so as to prevent these activities from causing a public nuisance, including but not limited to, insuring strict adherence to the following:
- (a) Removal of dirt, debris, or other construction material deposited on any public street no later than the end of each working day.
  - (b) Observance of working hours as stipulated on permits issued by the Public Works Department.
  - (c) The construction site shall accommodate the parking of all motor vehicles used by persons working at or providing deliveries to the site.
  - (d) All dust control measures per South Coast Air Quality Management District (SCAQMD) requirements shall be adhered to during the grading operations.

Violation of any condition or restriction or prohibition set forth in these conditions shall subject the owner, applicant, developer or contractor(s) to remedies as noted in the City Municipal Code 8.14.090. In addition, the City Engineer or Building Official may suspend all construction related activities for violation of any condition, restriction or prohibition set forth in these conditions until such time as it has been determined that all operations and activities are in conformance with these conditions.

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- LD7. (G) The developer shall protect downstream properties from damage caused by alteration of drainage patterns, i.e., concentration or diversion of flow. Protection shall be provided by constructing adequate drainage facilities, including, but not limited to, modifying existing facilities or by securing a drainage easement. (MC 9.14.110)
- LD8. (G) Public drainage easements, when required, shall be a minimum of 25 feet wide and shall be shown on the map and plan, and noted as follows: "Drainage Easement – no structures, obstructions, or encroachments by land fills are allowed." In addition, the grade within the easement area shall not exceed a 3:1 (H:V) slope, unless approved by the City Engineer.
- LD9. (G) For single family residential subdivisions, all lots shall drain toward the street unless otherwise approved by the City Engineer. Residential lot drainage to the street shall be by side yard swales and include yard drain pipes and inlet grates (or stubbed and capped if area is not yet landscaped) that convey flows to the street in accordance to City Standard No. 303 independent of adjacent lots. No over the sidewalk drainage shall be allowed, all drainage shall be directed to a driveway or drainage devices located outside the right-of-way. (MC 9.14.110)
- LD10. (G) A detailed drainage study shall be submitted to the City Engineer for review and approval at the time of any improvement or grading plan submittal. The study shall be prepared by a registered civil engineer and shall include existing and proposed hydrologic conditions. Hydraulic calculations are required for all drainage control devices and storm drain lines. (MC 9.14.110). Prior to approval of the related improvement or grading plans, the developer shall submit the approved drainage study, on compact disk, in (.pdf) digital format to the Land Development Division of the Public Works Department.
- LD11. (G) Water quality basins designed to meet Water Quality Management Plan (WQMP) requirements for single-family residential development may not be used as a construction best management practice. The water quality basin shall be maintained for the entire duration of project construction and be used to treat runoff from those developed portions of the project. The water quality basin shall be protected from upstream construction related runoff by having proper best management practices in place and maintained. The water quality basin shall be graded per the approved design drawings and once landscaping and irrigation has been installed, it and its maintenance shall be turned over to an established Homeowner's Association.
- LD12. (G) The final conditions of approval issued by the Planning Division subsequent to Planning Commission approval shall be photographically or electronically placed on mylar sheets and included in the Grading and Street Improvement plan

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sets on twenty-four (24) inch by thirty-six (36) inch mylar and submitted with the plans for plan check. These conditions of approval shall become part of these plan sets and the approved plans shall be available in the field during grading and construction.

LD13. (G) Upon approval of the tentative tract map by the Planning Commission, the Developer shall submit the approved tentative tract map or plot plan on compact disk in (.dxf) digital format to the Land Development Division of the Public Works Department.

Prior to Grading Plan Approval or Grading Permit

LD14. (GPA) Prior to approval of the grading plans, plans shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by a registered civil engineer and other registered/licensed professional as required.

LD15. (GPA) Prior to approval of grading plans, the developer shall ensure compliance with the City Grading ordinance, these Conditions of Approval and the following criteria:

- a. The project street and lot grading shall be designed in a manner that perpetuates the existing natural drainage patterns with respect to tributary drainage area and outlet points. Unless otherwise approved by the City Engineer, lot lines shall be located at the top of slopes.
- b. Any grading that creates cut or fill slopes adjacent to the street shall provide erosion control, sight distance control, and slope easements as approved by the City Engineer.
- c. A grading permit shall be obtained from the Public Works Department Land Development Division prior to commencement of any grading outside of the City maintained road right-of-way.
- d. All improvement plans are substantially complete and appropriate clearance and at-risk letters are provided to the City. (MC 9.14.030)
- e. The developer shall submit a soils and geologic report to the Public Works Department – Land Development Division. The report shall address the soil's stability and geological conditions of the site.

LD16. (GPA) Prior to grading plan approval, the developer shall select and implement treatment control best management practices (BMPs) that are medium to highly effective for treating Pollutants of Concern (POC) for the project. Projects where

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National Pollution Discharge Elimination System (NPDES) mandates water quality treatment control best management practices (BMPs) shall be designed per the City of Moreno Valley guidelines or as approved by the City Engineer.

LD17. (GPA) Prior to approval of the grading plans for projects that will result in discharges of storm water associated with construction with a soil disturbance of one or more acres of land, the developer shall submit a Notice of Intent (NOI) and obtain a Waste Discharger's Identification number (WDID#) from the State Water Quality Control Board (SWQCB). The WDID# shall be noted on the grading plans prior to issuance of the first grading permit.

LD18. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall submit two (2) copies of the final project-specific Water Quality Management Plan (WQMP) for review by the City Engineer that :

- a. Addresses Site Design Best Management Practices (BMPs) such as minimizing impervious areas, maximizing permeability, minimizes directly connected impervious areas to the City's street and storm drain systems, and conserves natural areas;
- b. Incorporates Source Control BMPs and provides a detailed description of their implementation;
- c. Incorporates Treatment Control BMPs and provides information regarding design considerations;
- d. Describes the long-term operation and maintenance requirements for BMPs requiring maintenance; and
- e. Describes the mechanism for funding the long-term operation and maintenance of the BMPs.

A copy of the final WQMP template can be obtained on the City's Website or by contacting the Land Development Division of the Public Works Department.

LD19. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall record a "Stormwater Treatment Device and Control Measure Access and Maintenance Covenant," to provide public notice of the requirement to implement the approved final project-specific WQMP and the maintenance requirements associated with the WQMP.

A boilerplate copy of the "Stormwater Treatment Device and Control Measure Access and Maintenance Covenant," can be obtained by contacting the Land Development Division of the Public Works Department.

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- LD20. (GPA) Prior to the grading plan approval, or issuance of a building permit, if a grading permit is not required, the Developer shall secure approval of the final project-specific WQMP from the City Engineer. The final project-specific WQMP shall be submitted at the same time of grading plan submittal. The approved final WQMP shall be submitted to the Storm Water Program Manager on compact disk(s) in Microsoft Word format prior to grading plan approval.
- LD21. (GPA) Prior to the grading plan approval, or issuance of a building permit as determined by the City Engineer, the approved final project-specific WQMP shall be incorporated by reference or attached to the project's Storm Water Pollution Prevention Plan as the Post-Construction Management Plan.
- LD22. (GPA) Prior to grading plan approval, the developer shall prepare a Storm Water Pollution Prevention Plan (SWPPP) in conformance with the state's Construction Activities Storm Water General Permit. A copy of the current SWPPP shall be kept at the project site and be available for review upon request. The SWPPP shall be submitted to the Storm Water Program Manager on compact disk(s) in Microsoft Word format.
- LD23. (GPA) Prior to the approval of the grading plans, the developer shall pay applicable remaining grading plan check fees.
- LD24. (GPA/MA) Prior to the later of either grading plan or final map approval, resolution of all drainage issues shall be as approved by the City Engineer.
- LD25. (GP) Prior to issuance of a grading permit, or building permit when a grading permit is not required, for projects that require a project-specific Water Quality Management Plan (WQMP), a project-specific final WQMP (F-WQMP) shall be approved. Upon approval, a WQMP Identification Number is issued by the Storm Water Management Section and shall be noted on the rough grading plans as confirmation that a project-specific F-WQMP approval has been obtained.
- LD26. (GP) Prior to the issuance of a grading permit the developer shall submit recorded slope easements from adjacent landowners in all areas where grading resulting in slopes is proposed to take place outside of the project boundaries. For all other offsite grading, written permission from adjacent property owners shall be submitted.
- LD27. (GP) Prior to issuance of a grading permit, if the project does not involve the subdivision of land and if the developer chooses to construct the project in construction phases, a Construction Phasing Plan for the construction of on-site public and private improvements shall be reviewed and approved by the City Engineer.

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- LD28. (GP) Prior to issuance of a grading permit, if the fee has not already been paid prior to map approval or prior to issuance of a building permit if a grading permit is not required, the developer shall pay Area Drainage Plan (ADP) fees. The developer shall provide a receipt to the City showing that ADP fees have been paid to Riverside County Flood Control and Water Conservation District. (MC 9.14.100)
- LD29. (GP) Prior to issuance of a grading permit, security, in the form of a cash deposit (preferable), letter of credit, or performance bond shall be required to be submitted as a guarantee of the completion of the grading required as a condition of approval of the project. (MC 8.21.070)
- LD30. (GP) Prior to issuance of a grading permit, security, in the form of a cash deposit (preferable), letter of credit, or performance bond shall be required to be submitted as a guarantee of the implementation and maintenance of erosion control measures required as a condition of approval of the project. At least twenty-five (25) percent of the required security shall be in cash and shall be deposited with the City. (MC 8.21.160)
- LD31. (GP) Prior to issuance of a grading permit, the developer shall pay the applicable grading inspection fees.

Prior to Map Approval or Recordation

- LD32. (MA) Prior to approval of the map, the developer shall submit a copy of the Covenants, Conditions and Restrictions (CC&Rs) to the Land Development Division for review and approval. The CC&Rs shall include, but not be limited to, access easements, reciprocal access, private and/or public utility easements as may be relevant to the project. In addition, for single-family residential development, the developer shall submit bylaws and articles of incorporation for review and approval as part of the maintenance agreement for any water quality basin.
- LD33. (MA) Prior to approval of the map, all street dedications shall be irrevocably offered to the public and shall continue in force until the City accepts or abandons such offers, unless otherwise approved by the City Engineer. All dedications shall be free of all encumbrances as approved by the City Engineer.
- LD34. (MA) Prior to approval of the map, security shall be required to be submitted as a guarantee of the completion of the improvements required as a condition of approval of the project. A public improvement agreement will be required to be executed.

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- LD35. (MR) Prior to recordation of the map, if the developer chooses to construct the project in construction phases, a Construction Phasing Plan for the construction of on-site public and private improvements shall be reviewed and approved by the City Engineer. This approval must be obtained prior to the Developer submitting a Phasing Plan to the California State Department of Real Estate.
- LD36. (MR) Prior to recordation of the map, if applicable, the developer shall have all street names approved by the City Engineer. (MC 9.14.090)
- LD37. (MR) Prior to recordation of the final map, this project is subject to requirements under the current permit for storm water activities required as part of the National Pollutant Discharge Elimination System (**NPDES**) as mandated by the Federal Clean Water Act. Following are the requirements:
- a. Establish a Home Owners Association (HOA) to finance the maintenance of the "Water Quality Ponds/Bio-swales". Any lots which are identified as "Water Quality Ponds/Bio-Swales" shall be owned in fee by the HOA.
  - b. Dedicate a maintenance access easement to the City of Moreno Valley for water quality inspections.
  - c. Execute a Stormwater Treatment Device and Control Measure Access and Maintenance Covenant between the City of Moreno Valley and the HOA. The maintenance agreement must be approved by City Council.
  - d. Establish a trust fund per the terms of the maintenance agreement.
  - e. Provide a certificate of insurance per the terms of the maintenance agreement.
  - f. Select one of the following options to meet the financial responsibility to provide storm water utilities services for the required continuous operation and maintenance monitoring evaluations, all in accordance with Resolution No. 2002-46.
    - i. Participate in the mail ballot proceeding in compliance with Proposition 218, for the Residential NPDES Regulatory Rate Schedule and pay all associated costs with the ballot process, or
    - ii. Establish an endowment to cover future maintenance costs for the Residential NPDES Regulatory Rate Schedule.
  - g. Notify the Special Districts Division of the intent to record the final map 90 days prior to City Council action authorizing recordation of the final map and the financial option selected. The final option selected shall be in place prior to the issuance of certificate of occupancy. (California Government Code & Municipal Code)
- LD38. (MR) Prior to recordation of the Final Map, the Grading Plan (s) and Landscape and Irrigation Plan (s) prepared for the "Water Quality Ponds and/or Bio-Swales" shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by

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a registered civil engineer or other registered/licensed professional as required. The developer, or the developer's successors or assignees shall secure the initials of the Engineering Division Manager or his designee on the mylars prior to the plans being approved by the City Engineer. (MC 9.14.100.C.2)

LD39. (MR) Prior to recordation of the map, the developer shall submit the map, on compact disks, in (.dxf) digital format to the Land Development Division of the Public Works Department.

Prior to Improvement Plan Approval or Construction Permit

LD40. (IPA) Prior to approval of the improvement plans, the improvement plans shall be drawn on twenty-four (24) inch by thirty-six (36) inch mylar and signed by a registered civil engineer and other registered/licensed professional as required.

LD41. (IPA) Prior to approval of the improvement plans, the developer shall submit clearances from all applicable agencies, and pay all outstanding plan check fees. (MC 9.14.210)

LD42. (IPA) All public improvement plans prepared and signed by a registered civil engineer in accordance with City standards, policies and requirements shall be approved by the City Engineer in order for the Public Improvement Agreement and accompanying security to be executed.

LD43. (IPA) Prior to approval of the improvement plans, securities and a public improvement agreement shall be required to be submitted and executed as a guarantee of the completion of the improvements required as a condition of approval of the project.

LD44. (IPA) The street improvement plans shall comply with all applicable City standards and the following design standards throughout this project:

- a. Corner cutbacks in conformance with City Standard MVS1-165-0 shall be shown on the final map or, if no map is to be recorded, offered for dedication by separate instrument.
- b. Lot access to major thoroughfares shall be restricted except at intersections and approved entrances and shall be so noted on the final map. (MC 9.14.100)
- c. The minimum centerline and flow line grades shall be one percent unless otherwise approved by the City Engineer. (MC 9.14.020)



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- d. All street intersections shall be at ninety (90) degrees plus or minus five (5) degrees per City Standard No. MSVI-160A-0, or as approved by the City Engineer. (MC 9.14.020)
  - e. All reverse curves shall include a minimum tangent of one hundred (100) feet in length.
- LD45. (IPA) Prior to approval of the improvement plans, the plans shall be based upon a centerline profile, extending beyond the project boundaries a minimum distance of 300 feet at a grade and alignment approved by the City Engineer. Design plan and profile information shall include the minimum 300 feet beyond the project boundaries.
- LD46. (IPA) Prior to approval of the improvement plans, the plans shall indicate any restrictions on trench repair pavement cuts to reflect the City's moratorium on disturbing newly-constructed pavement less than three years old and recently slurry sealed streets less than one year old. Pavement cuts for trench repairs may be allowed for emergency repairs or as specifically approved in writing by the City Engineer.
- LD47. (IPA) Prior to approval of the improvement plans, the developer shall pothole to determine the exact location of existing underground utilities. The improvement plans shall be designed based on the pothole field investigation results. The developer shall coordinate with all affected utility companies and bear all costs of utility relocations.
- LD48. (IPA) Prior to approval of the improvement plans, all dry and wet utility crossings shall be potholed to determine actual elevations. Any conflicting utilities shall be identified and addressed on the plans. The pothole survey data shall be submitted with the street improvement plans for reference purposes.
- LD49. (IPA) Prior to approval of the improvement plans, the developer is required to bring any existing access ramps adjacent to and fronting the project to current ADA (Americans with Disabilities Act) requirements. However, when work is required in an intersection that involves or impacts existing access ramps, those access ramps in that intersection shall be retrofitted to comply with current ADA requirements, unless approved otherwise by the City Engineer.
- LD50. (IPA) Prior to approval of the improvement plans, drainage facilities with sump conditions shall be designed to convey the tributary 100-year storm flows. Secondary emergency escape shall also be provided. (MC 9.14.110)

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- LD51. (IPA) Prior to the approval of the improvement plans, the hydrology study shall show that the 10-year storm flow will be contained within the curb and the 100-year storm flow shall be contained within the street right-of-way. In addition, one lane in each direction shall not be used to carry surface flows during any storm event for street sections equal to or larger than a minor arterial. When any of these criteria is exceeded, additional drainage facilities shall be installed. (MC 9.14.110 A.2)
- LD52. (IPA) The project shall be designed to accept and properly convey all off-site drainage flowing onto or through the site. All storm drain design and improvements shall be subject to review and approval of the City Engineer. In the event that the City Engineer permits the use of streets for drainage purposes, the provisions of the Development Code will apply. Should the quantities exceed the street capacity or the use of streets be prohibited for drainage purposes, as in the case where one travel lane in each direction shall not be used for drainage conveyance for emergency vehicle access on streets classified as minor arterials and greater, the developer shall provide adequate facilities as approved by the Public Works Department – Land Development Division. (MC 9.14.110)
- LD53. (CP) All work performed within the City right-of-way requires a construction permit. As determined by the City Engineer, security may be required for work within the right-of-way. Security shall be in the form of a cash deposit or other approved means. The City Engineer may require the execution of a public improvement agreement as a condition of the issuance of the construction permit. All inspection fees shall be paid prior to issuance of construction permit. (MC 9.14.100)
- LD54. (CP) Prior to issuance of a construction permit, all public improvement plans prepared and signed by a registered civil engineer in accordance with City standards, policies and requirements shall be approved by the City Engineer.
- LD55. (CP) Prior to issuance of construction permits, the developer shall submit all improvement plans on compact disks, in (.dxf) digital format to the Land Development Division of the Public Works Department.
- LD56. (CP) Prior to issuance of construction permits, the developer shall pay all applicable inspection fees.

Prior to Building Permit

- LD57. (BP) Prior to issuance of a building permit, if the project involves a residential subdivision, the map shall be recorded (excluding model homes). (MC 9.14.090)

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- LD58. (BP) Prior to issuance of a building permit for non-subdivision projects, all street dedications shall be irrevocably offered to the public and shall continue in force until the City accepts or abandons such offers, unless otherwise approved by the City Engineer. All dedications shall be free of all encumbrances as approved by the City Engineer.
- LD59. (BP) Prior to issuance of a building permit for non-subdivisions, security shall be required to be submitted as a guarantee of the completion of the improvements required as a condition of approval of the project. A public improvement agreement will be required to be executed.
- LD60. (BP) Prior to issuance of a building permit for a non-subdivision project, the developer shall comply with the requirements of the City Engineer based on recommendations of the Riverside County Flood Control District regarding the construction of County Master Plan Facilities. (MC 9.14.110)
- LD61. (BP) Prior to issuance of a building permit for this project, the developer shall obtain a permit from the Riverside County Flood Control and Water Conservation District establishing the terms and conditions covering the inspection of the project's storm drain line connection to the Master Drainage Plan facilities.
- LD62. (BP) Prior to issuance of a building permit (excluding model homes), an approval by the City Engineer is required of the water quality control basin(s). The developer shall provide certification to the line, grade, flow test and system invert elevations.
- LD63. (BP) Prior to issuance of a building permit, this project is subject to requirements under the current permit for storm water activities required as part of the National Pollutant Discharge Elimination System (**NPDES**) as mandated by the Federal Clean Water Act. Following are the requirements:
- a. Establish a Home Owners Association (HOA) to finance the maintenance of the "Water Quality Ponds/Bio-swales". Any lots which are identified as "Water Quality Ponds/Bio-Swales" shall be owned in fee by the HOA.
  - b. Dedicate a maintenance easement to the City of Moreno Valley.
  - c. Execute a Stormwater Treatment Device and Control Measure Access and Maintenance Covenant between the City of Moreno Valley and the HOA. The maintenance Covenant must be approved by City Council.
  - d. Establish a trust fund per the terms of the maintenance agreement.
  - e. Provide a certificate of insurance per the terms of the maintenance agreement.
  - f. Select one of the following options to meet the financial responsibility to provide storm water utilities services for the required continuous operation,

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maintenance, monitoring system evaluations and enhancements, remediation and/or replacement, all in accordance with Resolution No. 2002-46.

- i. Participate in the mail ballot proceeding in compliance with Proposition 218, for the Residential NPDES Regulatory Rate Schedule and pay all associated costs with the ballot process, or
  - ii. Establish an endowment to cover future maintenance costs for the Residential NPDES Regulatory Rate Schedule.
- g. Notify the Special Districts Division of the intent to obtain a building permit 90 days prior to the City's issuance of a building permit and the financial option selected. (California Government Code & Municipal Code)

LD64. (BP) Prior to issuance of a building permit, all pads shall meet pad elevations per approved plans as noted by the setting of "Blue-top" markers installed by a registered land surveyor or licensed engineer.

LD65. (BP) Prior to issuance of a building permit, the developer shall submit for review and approval, a Waste Management Plan (WMP) that shows data of waste tonnage, supported by original or certified photocopies of receipts and weight tags or other records of measurement from recycling companies and/or landfill and disposal companies. The Waste Management Plan shall contain the following:

- a. The estimated volume or weight of project waste to be generated by material type. Project waste or debris may consist of vegetative materials including trees, tree parts, shrubs, stumps, logs, brush, or any other type of plants that are cleared from a site. Project waste may also include roadwork removal, rocks, soils, concrete and other material that normally results from land clearing.
- b. The maximum volume or weight of such materials that can be feasibly diverted via reuse and recycling.
- c. The vendor(s) that the applicant proposes to use to haul the materials.
- d. Facility(s) the materials will be hauled to, and their expected diversion rates.
- e. Estimated volume or weight of clearing, grubbing, and grading debris that will be landfilled .

Approval of the WMP requires that at least fifty (50) percent of all clearing, grubbing, and grading debris generated by the project shall be diverted, unless the developer is granted an exemption. Exemptions for diversions of less than fifty (50) percent will be reviewed on a case by case basis. (AB939, MC 8.80)

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LD66. (BP) Prior to issuance of a building permit, the developer shall record with the County-Clerk Recorder a "Covenant and Agreement" that informs future property owners of the requirement to maintain (Lot EE, that portion of Lot EE as shown on the Grading Plans on file at the City of Moreno Valley Public Works Department) as a retention/detention basin until such time drainage improvements are made to connect to the City's storm drain system. Until such time adequate drainage improvements are constructed, the owner of (Lot EE, that portion of Lot EE described above) will not be allowed to build over, grade, or otherwise modify the retention/detention basin. The "Covenant and Agreement" shall be in a form acceptable to the City of Moreno Valley. Proof of recordation must be provided to the City prior to issuance of a building permit.

Prior to Certificate of Occupancy

LD67. (CO) Prior to issuance of a certificate of occupancy, if the project involves a non-residential subdivision, the map shall be recorded.

LD68. (CO) Prior to issuance of the last certificate of occupancy or building final, the developer shall pay all outstanding fees.

LD69. (CO) The City of Moreno Valley has an adopted Development Impact Fee (DIF) nexus study. All projects unless otherwise exempted shall be subject to the payment of the DIF prior to issuance of occupancy. The fees are subject to the provisions of the enabling ordinance and the fee schedule in effect at the time of occupancy.

LD70. (CO) The City of Moreno Valley has an adopted area wide Transportation Uniform Mitigation Fee (TUMF). All projects unless otherwise exempted shall be subject to the payment of the TUMF prior to issuance of occupancy. The fees are subject to the provisions of the enabling ordinance and the fee schedule in effect at the time of occupancy.

LD71. (CO) Prior to issuance of a certificate of occupancy or building final, the developer shall construct all public improvements in conformance with applicable City standards, except as noted in the Special Conditions, including but not limited to the following applicable improvements:

- a. Street improvements including, but not limited to: pavement, base, curb and/or gutter, cross gutters, spandrel, sidewalks, drive approaches, pedestrian ramps, street lights, signing, striping, under sidewalk drains, landscaping and irrigation, medians, redwood header boards, pavement tapers/transitions and traffic control devices as appropriate.

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- b. Storm drain facilities including, but not limited to: storm drain pipe, storm drain laterals, open channels, catch basins and local depressions.
  - c. City-owned utilities.
  - d. Sewer and water systems including, but not limited to: sanitary sewer, potable water and recycled water.
  - e. Under grounding of existing and proposed utility lines less than 115,000 volts.
  - f. Relocation of overhead electrical utility lines including, but not limited to: electrical, cable and telephone.
- LD72. (CO) Prior to issuance of a certificate of occupancy or building final, all existing and new utilities adjacent to and on-site shall be placed underground in accordance with City of Moreno Valley ordinances. (MC 9.14.130)
- LD73. (CO) Prior to issuance of a certificate of occupancy or building final for residential projects, the last 20% or last 5 units (whichever is greater, unless as otherwise determined by the City Engineer) of any Map Phase, punch list work for improvements and capping of streets in that phase must be completed and approved for acceptance by the City.
- LD74. (CO) Prior to issuance of a certificate of occupancy or building final, in order to treat for water quality the sub-area tributary to the basin, the Developer must comply with the following:
- a. The water quality basin and all associated treatment control BMPs and all hardware per the approved civil drawing must be constructed, certified and approved by the City Engineer including, but not limited to, piping, forebay, aftbay, trash rack, etc.) Landscape and irrigation plans are not approved for installation at this time.
  - b. Provide the City with an Engineer's Line and Grade Certification.
  - c. Perform and pass a flow test per City test procedures.
- LD75. (CO) Prior to issuance of a certificate of occupancy or building final for the last 20% of the permitted structures or the last five (5) permitted units (whichever is greater) for any Phase of the development , the Developer shall:
- a. Notify City Staff (Land Development Division) prior to construction and installation of all structural BMPs so that an inspection(s) can be performed.

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- b. Demonstrate that all structural BMPs described in the approved final project-specific WQMP have been constructed and installed in conformance with the approved plans and specifications;
- c. Demonstrate that Developer is prepared to implement all non-structural BMPs described in the approved final project-specific WQMP; and
- d. Demonstrate that an adequate number of copies of the approved final project-specific WQMP are available for future owners/occupants.
- e. Clean and repair the water quality basin, including regrading to approved civil drawing if necessary.
- f. Provide City with updated Engineer's Line and Grade Certification.
- g. Obtain approval from City to install irrigation and landscaping.
- h. Complete installation of irrigation and landscaping.

LD76. (CO) Prior to issuance of a certificate of occupancy or building final for any Commercial/Industrial facility, whichever occurs first, the owner may have to secure coverage under the State's General Industrial Activities Storm Water Permit as issued by the State Water Resources Control Board.

LD77. (CO) Prior to issuance of a certificate of occupancy or building final, the applicant shall ensure the following, pursuant to Section XII. I. of the 2010 NPDES Permit:

- a. Field verification that structural Site Design, Source Control and Treatment Control BMPs are designed, constructed and functional in accordance with the approved Final Water Quality Management Plan (WQMP)
- b. Certification of best management practices (BMPs) from a state licensed civil engineer. An original WQMP BMP Certification shall be submitted to the City for review and approval.

Prior to Acceptance of Streets into the City Maintained Road System

LD78. (AOS) Aggregate slurry, as defined in Section 203-5 of Standard Specifications for Public Works Construction, may be required just prior to the end of the one-year warranty period of the public streets at the discretion of the City Engineer. If slurry is required, the developer/contractor must provide a slurry mix design submittal for City Engineer approval. The latex additive shall be Ultra Pave 70 (for anionic – per project geotechnical report) or Ultra Pave 65 K (for cationic – per project geotechnical report) or an approved equal. The latex shall be added at the emulsion plant after weighing the asphalt and before the addition of mixing water. The latex shall be added at a rate of two to two-and-one-half (2 to 2½) parts to one-hundred (100) parts of emulsion by volume. Any existing striping shall be removed prior to slurry application and replaced per City standards.

**SPECIAL CONDITIONS**

- LD79. Prior to tract map and/or any grading plan approval, the plans shall clearly show the extents of all existing easements on the property. All building structures shall be constructed outside of existing easements.**
- LD80. Prior to tract map and/or any grading plan approval, written permission must be obtained from off-site property owner(s) for all off-site grading and easements. All on-site and off-site easements shall be shown on the final map.**
- LD81. Prior to approval of the tract map, the map shall show the following:  
(Prior to grading plan approval the following shall be submitted to the City for review and approval:)**
- a. A 7-foot street right-of-way vacation on the north side of Delphinium Avenue along project south frontage for a Collector street, City Standard Plan MSVI-106B-0.**
  - b. A 3-foot pedestrian easement right-of-way dedication on the north side of Delphinium Street along project south frontage.**
  - c. Corner cutbacks right-of-way dedication per City Standard MVS1-165-0 at the private street intersections with the public streets.**
- LD82. Prior to any grading plan approval, the plans shall clearly show that any slope near the public right-of-way has a minimum set-back area at 2% maximum of 2 feet before the start of the top or toe of slope. If the vertical height of the slope exceeds 10 feet, this set-back area shall be 3 feet minimum. For areas with curb-separated sidewalk with back of walk (BOW) outside of the R/W, the 2-foot flat area shall be measured from BOW.**
- LD83. Prior to any grading plan approval, the developer shall incorporate into the plan the recommendations made in a Soil/Geotechnical Report for the project grading and adjacent streets recommendations and requirement.**
- LD84. Prior to any grading plan approval, the grading plans shall clearly demonstrate that drainage is properly collected and conveyed. The plans shall show all necessary on-site and off-site drainage improvements to properly collect and convey drainage entering, within and leaving the project. This may include, but not be limited to on-site and perimeter drainage improvements to properly convey drainage within and along the project site, and downstream off-site improvements. The developer will be**



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required to obtain the necessary permission for offsite construction including easements. Drainage improvements may include connection to the existing storm drain line in Delphinium Avenue.

- LD85.** Prior to approval of any grading plan, the plans and the submitted drainage study shall clearly demonstrate this project's increased runoff mitigation. This project shall not discharge runoff at a rate greater in the post developed condition than that in the pre-developed condition, for any given storm event. The storms to be studied include the 1-hour, 3-hour, 6-hour and 24-hour duration events for the 2-year, 5-year, 10-year and 100-year return frequencies.
- LD86.** Prior to any grading plan approval, as this entire site resides in FEMA flood zone designation Zone X shaded which, by definition, could include 100 year flooding up to 1 foot. The plans shall clearly demonstrate that any building finished floor elevations shall be 1 foot minimum above the 100-year base flood elevation.
- LD87.** Prior to any grading plan approval, the plans shall clearly demonstrate that any sump catch basins, including but not limited to those on Street 'C', as shown on the tentative map, are designed such that there is an emergency escape for drainage overflow in the event that the basin inlets become clogged. This might include, but not be limited to, over sizing the catch basin inlets, providing an approved emergency overflow path, or other method as approved by the City Engineer during the design/plan check stage.
- LD88.** Prior to final map approval, the Developer shall guarantee the construction of the following improvements by entering into a public improvement agreement and posting security. The improvements shall be completed prior to occupancy of the first building or as otherwise determined by the City Engineer.
- a. Perris Blvd, Six Lane Arterial, City Standard MSVI-103C-0 (100-foot RW / 76-foot CC) shall construct to half-width plus an additional 18 feet west of the centerline, along the entire project's east frontage. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, removal/relocation and/or undergrounding of any power poles with overhead utility lines less than 115,000 volts, and dry and

wet utilities. This project will be required to construct a raised, landscape median on Perris Boulevard along project frontage.

- b. Cactus Avenue, Minor Arterial, City Standard MVS1-105A-0 (88-foot RW / 64-foot CC) street improvements have been constructed. The developer shall replace any existing damage improvements along the project frontage and pavement replacement to half-width plus an additional 12 feet north of the centerline, along the entire project's north frontage. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, including making a good faith effort to obtain that portion of right-of-way from the adjacent property owner of APN 482-582-033 required to complete construction of the westerly curb return at the Cactus Avenue project entrance, and undergrounding of any power poles with overhead utility lines less than 115,000 volts, and dry and wet utilities.**
- c. Delphinium Avenue, Collector, City Standard MVS1-106B-0 (78-foot RW / 56-foot CC) shall be constructed to half-width plus an additional 14 feet south of the centerline, along the entire project's south frontage any missing improvements. A 7-foot right-of-way vacation on the north side of the street, along the project's south property line, shall be shown on the tract map. A 3' pedestrian easement shall be dedicated along the south property frontage and shall be shown on the tract map. Improvements shall consist of, but not be limited to, pavement, base, redwood header, curb, gutter, sidewalk, driveway approaches, drainage structures, any necessary offsite improvement transition/joins to existing, streetlights, repair or replace any damaged structures, replace substandard improvements, pedestrian ramps, dry and wet utilities,. This project will be required to construct any missing pavement, curb, gutter, and sidewalk along APN 482-230-015 and 482-230-016 and northwest corner intersection improvements, including handicap access ramp at Delphinium Avenue and Perris Boulevard.**
- d. All ramps and traveled ways shall comply with current ADA standards.**

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- e. Pavement core samples of existing pavement may be taken and findings submitted to the City for review and consideration of pavement improvements. The City will determine the adequacy of the existing pavement structural section. If the existing pavement structural section is found to be adequate, the developer may still be required to perform a one-tenth inch grind and overlay or slurry seal depending on the severity of existing pavement cracking, as required by the City Engineer. If the existing pavement section is found to be inadequate, the Developer shall replace the pavement to meet or exceed the City's pavement structural section standard.**
- f. The developer shall install all necessary on-site and off-site drainage improvements to properly collect and convey drainage entering, within and leaving the project. This may include, but not be limited to on-site and perimeter drainage improvements to properly convey drainage within and along the project site, and downstream off-site improvements of master plan storm drain lines.**

**LD89. Prior to any grading plans approval, the plans shall show an approved concrete drainage ditch along the north and west property boundary retaining walls where slopes and walls meet. The concrete drainage ditch shall convey slope runoff to proposed private drain inlets.**

**LD90. Prior to issuance of occupancy permits, all overhead utility lines less than 115,000 volts fronting or within the entire project site boundary shall be placed underground per Section 9.14.130C of the City Municipal Code.**

**LD91. Prior to final map approval or building permit issuance, the applicant shall schedule a walk through with a Public Works Inspector to inspect existing improvements within public right-of-way along project frontage. The applicant will be required to install, replace and/or repair any missing, damaged or substandard improvements including handicap access ramps that do not meet current City standards. The applicant shall post security to cover the cost of the repairs and complete the repairs within the time allowed in the public improvement agreement used to secure the improvements.**

**LD92. Prior to final map approval, the limits of private and public streets shall be clearly delineated on the map. The developer shall dedicate those streets intended for public use to the City and construct them per City standards. The developer shall sign a public improvement agreement and post security for public improvements.**

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- LD93.** It may be necessary for the developer to remove/relocate/reconstruct driveways, fences, gates, landscaping and other items, as required, for the full width curb-to-curb construction. It may be necessary for the developer to grade or construct on private property in which case the developer will be required to obtain right-of-entry.
- LD94.** Prior to rough grading plan approval, the plans shall show proposed mechanisms to treat onsite runoff before it enters into the public storm drain system. The plans shall show locations of proposed structural best management practices. The developer shall submit to the City for review and approval, those structural best management practices proposed onsite to control predictable pollutant runoff. The developer shall select those structural best management practices identified in Supplement A and Supplement A Attachment to the Riverside County Drainage Area Management Plans. [www.floodcontrol.co.riverside.ca.us](http://www.floodcontrol.co.riverside.ca.us) The developer shall first maximize the use of site design and source control best management practices before selecting treatment control best management practices.
- LD95.** The Applicant shall prepare and submit for approval a final, project-specific water quality management plan (F-WQMP) for PA14-0014/0015 – Perris-Cactus Development – Tract 36708. The FWQMP shall be consistent with the approved P-WQMP and in full conformance with the document; “Riverside County Water Quality Management Plan for Urban Runoff” latest edition. The F-WQMP shall be submitted and approved prior to application for and issuance of any grading permits or building permits. At a minimum, the F-WQMP shall include the following: Site design BMPs; Source control BMPs; Treatment control BMPs; Operation and Maintenance requirements for BMPs; and sources of funding for BMP implementation. Incorporate the use of bio-retention facilities as design and provided in a F-WQMP Report for LID BMP’s and installed the facilities as outlined for effective areas within the project site.
- LD96.** The following project engineering design plans (24”x36” sheet size) shall be submitted for review and approval as well as additional plans deemed necessary by the City during the plan review process:
- a. Rough Grading Plan**
  - b. Precise Grading Plan**
  - c. Street Improvement Plan**
  - d. Signing and Striping Plan**
  - e. Traffic Control Plan**
  - f. Final Drainage Study**

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- g. Final WQMP**
- h. Lot Line Adjustment**
- g. As-Built Plans of all "plans" listed above.**

**FINANCIAL & MANAGEMENT SERVICES DEPARTMENT**

**Special Districts Division**

**Note: All Special Conditions, Modified Conditions, or Clarification of Conditions are in bold lettering.** All other conditions are standard to all or most development projects.

**Acknowledgement of Conditions**

The following items are Special Districts' Conditions of Approval for project **PA14-0014 and PA14-0015**; this project shall be completed at no cost to any Government Agency. All questions regarding Special Districts' Conditions including but not limited to, intent, requests for change/modification, variance and/or request for extension of time shall be sought from the Special Districts Division of the Financial & Management Services Department 951.413.3480 or by emailing [specialdistricts@moval.org](mailto:specialdistricts@moval.org).

**General Conditions**

- SD-1 The parcel(s) associated with this project have been incorporated into the Moreno Valley Community Services Districts Zones A (Parks & Community Services) and C (Arterial Street Lighting). All assessable parcels therein shall be subject to annual parcel taxes for Zone A and Zone C for operations and capital improvements.
- SD-2 Plans for parkway, median, slope, and/or open space landscape areas designated on the tentative map or in these Conditions of Approval for incorporation into a City coordinated landscape maintenance program, shall be prepared and submitted in accordance with the *City of Moreno Valley Public Works Department Landscape Design Guidelines*. To obtain a copy of these guidelines, please contact the Special Districts Division at 951-413-3480 or visit the Special Districts webpage at [www.moval.org/sd](http://www.moval.org/sd).
- SD-3 The Developer, or the Developer's successors or assignees shall be responsible for all parkway and/ or median landscape maintenance for a period of one (1) year as per the *City of Moreno Valley Public Works Department Landscape Design Guidelines*, or until such time as the District accepts maintenance responsibilities.
- SD-4 Any damage to existing landscape areas maintained by the City of Moreno Valley due to project construction shall be immediately repaired/replaced

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by the Developer, or Developer's successors in interest, at no cost to the City of Moreno Valley.

- SD-5 The ongoing maintenance of any landscaping required to be installed behind the curb on **Delphinium Avenue, Cactus Avenue and Perris Boulevard** shall be the responsibility of the property owner.
- SD-6 Plan check fees for review of parkway/median landscape plans for improvements that shall be maintained by the City of Moreno Valley are due upon the first plan submittal. (MC 3.32.040)
- SD-7 Inspection fees for the monitoring of landscape installation associated with the City of Moreno Valley maintained parkways/medians are due prior to the required pre-construction meeting. (MC 3.32.040)
- SD-8 Street light Authorization forms, for all street lights that are conditioned to be installed as part of this project, must be submitted to the Special Districts Division for approval, **prior to street light installation**. The Street light Authorization form can be obtained from the utility company providing electric service to the project, Southern California Edison.

**Prior to Recordation of Final Map**

- SD-9 (R) This project has been conditioned to provide a funding source for the continued maintenance, enhancement, and or retrofit of parks, open spaces, linear parks, and/or trail systems. In order for the Developer to meet the financial responsibilities to fund the defined maintenance, one of the options as outlined below shall be selected.
  - a. Participate in a special election for annexation into **Community Facilities District No. 1** and pay all associated costs of the special election process and formation costs if any; or
  - b. Establish an endowment to cover future maintenance costs for new neighborhood parks.

The Developer must notify Special Districts of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Articles 13C of the California Constitution.

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**Annexation to CFD No. 1 shall be completed or proof of payment to establish the endowment shall be provided prior to the issuance of the first building permit for this project.**

SD-10 (R) This project has been identified to be included in the formation of a Community Facilities District for **Public Safety** services, including but not limited to Police, Fire Protection, Paramedic Services, Park Rangers, and Animal Control services. The property owner(s) shall not protest the formation; however, they retain the right to object to the rate and method of maximum special tax. In compliance with Proposition 218, the Developer shall agree to approve the mail ballot proceeding (special election) for either formation of the CFD or annexation into an existing district that may already be established. The Developer must notify Special Districts of its intent to record the final map 90 days prior to City Council action authorizing recordation of the map to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution. (California Government Code Section 53313 et. seq.)

SD-11 (R) This project is conditioned to provide a funding source for capital improvements, energy charges, and maintenance for residential street lighting along publically maintained roadways. The Developer shall satisfy this condition with one of the options below.

- a. Participate in a ballot proceeding for street lighting and pay all associated costs of the ballot process and formation costs, if any. Financing may be structured through a Community Services District zone, Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the City; or
- b. Establish an endowment fund to cover future operation and maintenance costs for the street lights.
- c. Projects with privately maintained streets, establish a property Owner Association (POA) or Home Owner's Association (HOA) which will be responsible for any and all operation and maintenance costs associated with the street lights installed on private roadways. This does not apply to publicly accepted roadways.

The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation



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of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution.

The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

SD-12 (R) This project is conditioned to provide a funding source for the capital improvements and/or maintenance for the **Perris Boulevard** median landscape. In order for the Developer to meet the financial responsibility to maintain the defined service, one of the options as outlined below shall be selected.

- a. Participate in a special election (mail ballot proceeding) for **improved median maintenance** and pay all associated costs with the ballot process and formation costs, if any. Financing may be structured through a Community Services District zone, Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the city; or
- b. Establish an endowment to cover the future maintenance costs of the landscaped area.

The Developer must notify Special Districts of intent to record final map 90 days prior to City Council action authorizing recordation of the map and the financial option selected to fund the continued maintenance.

The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

SD-13 (R) This project is conditioned to provide a funding source for the capital improvements and/or maintenance of public improvements and/or services associated with new development in that territory if the District for these services has been or is in the process of being formed. The Developer shall satisfy this condition with one of the options below:

- a. Participate in a special election for **maintenance/services** and pay all associated costs of the election process and formation costs, if any. Financing may be structured through a Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the City; or

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- b. Establish an endowment fund to cover the future maintenance and/or service costs.

The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13C of the California Constitution.

The financial option selected shall be in place prior to the issuance of the first certificate of occupancy.

- SD-14 *Residential* (R) If Land Development, a Division of the Public Works Department, requires this project to supply a funding source necessary to provide for, but is not limited to, stormwater utilities services for the required continuous operation, maintenance, monitoring, system evaluations and enhancements, remediation and/or replacement of. The Developer must notify the Special Districts Division of its selected financial option 90 days prior to City Council action authorizing recordation of the final map for the development to allow adequate time to be in compliance with the provisions of Article 13D of the California Constitution. (California Health and Safety Code Sections 5473 through 5473.8 (Ord. 708 Section 3.1, 2006) & City of Moreno Valley Municipal Code Title 3, Section 3.50.050.)

**Prior to Building Permit Issuance**

- SD-15 (BP) Prior to the issuance of the first building permit for this project, the Developer shall pay Advanced Energy fees for all applicable Residential and Arterial Street Lights required for this development. Payment shall be made to the City of Moreno Valley and collected by the Land Development Division. Fees are based upon the Advanced Energy fee rate in place at the time of payment, as set forth in the current Listing of City Fees, Charges, and Rates adopted by City Council. The Developer shall provide a copy of the receipt to the Special Districts Division ([specialdistricts@moval.org](mailto:specialdistricts@moval.org)). Any change in the project which may increase the number of street lights to be installed will require payment of additional Advanced Energy fees at the then current fee.
- SD-16 (BP) Final median, parkway, slope, and/or open space landscape/irrigation plans for those areas designated on the tentative map or in these Conditions of Approval to be maintained by the City shall be reviewed and approved by the Community and Economic Development Department–Planning Division, the Financial & Management Services Department–Special

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Districts Division, and the Public Works Department–Transportation Division prior to the issuance of the first Building Permit.

- SD-17 (BP) Parkway and/or median landscaping specified in the tentative map or in these Conditions of Approval shall be constructed prior to the issuance of 25% (or the 30<sup>th</sup> building permit) of the dwelling permits for this tract or 12 months from the issuance of the first dwelling permit, whichever comes first. In cases where a phasing plan is submitted, the actual percentage of dwelling permits issued prior to the completion of the landscaping shall be subject to the review of the construction phasing plan.

**Prior to Certificate of Occupancy**

- SD-18 (CO) Landscape and irrigation plans for parkway, median, slope, and/or open space landscape areas designated to be maintained by the City shall be placed on compact disk (CD) in pdf format. The CD shall include "As Built" plans, revisions, and changes. The CD will become the property of the City of Moreno Valley and the Moreno Valley Community Services District.

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**Transportation Engineering Division – Conditions of Approval**

Based on the information contained in our standard review process we recommend the following conditions of approval be placed on this project:

**GENERAL CONDITIONS**

- TE1. Cactus Avenue is classified as a Minor Arterial (88'RW/64'CC) per City Standard Plan No. MVSI-105A-0. Any improvements to the roadway shall be per City standards or as approved by the City Engineer.
- TE2. Perris Boulevard is classified as a 6-Lane Divided Arterial (110'RW/86'CC) per City Standard Plan No. MVSI-103C-0. Raised median along Perris Boulevard shall be constructed as a part of the project. Traffic Signal Interconnect per City Standard Plan No. MVSI-186-0 shall be installed along project frontage. Any improvements undertaken by this project shall be consistent with the City's standards for this facility or as approved by the City Engineer.
- TE3. Delphinium Avenue is classified as a Collector (66'RW/44'CC) per City Standard Plan No. MVSI-106B-0. Any improvements undertaken by this project shall be consistent with the City's standards for this facility or as approved by the City Engineer.
- TE4. Driveways shall conform to Section 9.11.080, and Table 9.11.080-14 of the City's Development Code – Design Guidelines and shall be designed and constructed as intersections with Pedestrian Access Ramps per City of Moreno Valley Standard No. MVSI-114A-0.
- TE5. The Cactus Avenue gated entrance shall be provided with the following:
- a) A storage lane with 40' provided for queuing.
  - b) A second storage lane for visitors to stop in prior to the gate to utilize a call box (or other device) to receive permission to enter the site.
  - c) Signing and striping for a and b.
  - d) A turnaround outside the gates.
  - e) No Parking signs shall be posted in the turnaround areas.
  - f) A separate pedestrian entry.
  - g) Presence loop detectors (or another device) within 1 to 2 feet of the gates that ensures that the gates remain open while any vehicle is in the queue.

All of these features must be kept in working order.

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TE6. Conditions of approval may be modified or added if a phasing plan is submitted for this development.

**PRIOR TO IMPROVEMENT PLAN APPROVAL OR CONSTRUCTION PERMIT**

TE7. Prior to the final approval of the street improvement plans, the project applicant shall design a bus bay per City Standard Plan No. MVSI-161-0 in the southbound Perris Boulevard direction, south of Cactus Avenue.

TE8. Prior to the final approval of the street improvement plans, a signing and striping plan shall be prepared per City of Moreno Valley Standard Plans - Section 4.

TE9. Prior to issuance of a construction permit, construction traffic control plans prepared by a qualified, registered Civil or Traffic engineer may be required for plan approval or as required by the City Traffic Engineer.

TE10. Prior to final approval of the street improvement plans, the project plans shall demonstrate that sight distance at proposed streets and driveways conforms to City Standard Plan No. MVSI-164A, B, C-0.

**PRIOR TO CERTIFICATE OF OCCUPANCY OR BUILDING FINAL**

TE11. (CO) Prior to issuance of a Certificate of Occupancy, all approved street improvements shall be installed to the satisfaction of the City Engineer.

TE12. (CO) Prior to issuance of a Certificate of Occupancy, all approved signing and striping shall be installed per current City Standards

**PRIOR TO ACCEPTANCE OF STREETS INTO THE CITY-MAINTAINED ROAD SYSTEM**

TE13. Prior to acceptance of streets into the City-maintained road system, all approved signing and striping shall be installed per current City Standards and the approved plans.

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**POLICE DEPARTMENT**

Standard Conditions

- PD1. Prior to the start of any construction, temporary security fencing shall be erected. The fencing shall be a minimum of six (6) feet high with locking, gated access and shall remain through the duration of construction. Security fencing is required if there is: construction, unsecured structures, unenclosed storage of materials and/or equipment, and/or the condition of the site constitutes a public hazard as determined by the Public Works Department. If security fencing is required, it shall remain in place until the project is completed or the above conditions no longer exist. (DC 9.08.080)
- PD2. (GP) Prior to the issuance of grading permits, a temporary project identification sign shall be erected on the site in a secure and visible manner. The sign shall be conspicuously posted at the site and remain in place until occupancy of the project. The sign shall include the following:
- a. The name (if applicable) and address of the development.
  - b. The developer's name, address, and a 24-hour emergency telephone number. (DC 9.08.080)
- PD3. (CO) Prior to the issuance of a Certificate of Occupancy, an Emergency Contact information Form for the project shall be completed at the permit counter of the Community and Economic Development Department - Building Division for routing to the Police Department. (DC 9.08.080)
- PD4. Addresses needs to be in plain view visible from the street and visible at night. It needs to have a backlight, so the address will reflect at night or a lighted address will be sufficient.

**PUBLIC WORKS DEPARTMENT**

**Moreno Valley Utility**

**Acknowledgement of Conditions**

The following items are Moreno Valley Utility's Conditions of Approval for project(s) PA14-0014, and PA14-0015; this project shall be completed at no cost to any Government Agency. All questions regarding Moreno Valley Utility's Conditions including but not limited to, intent, requests for change/modification, variance and/or request for extension of time shall be sought from Moreno Valley Utility (the Electric Utility Division) of the Public Works Department 951.413.3500. The applicant is fully responsible for communicating with Moreno Valley Utility staff regarding their conditions.

**PRIOR TO ENERGIZING MVU ELECTRIC UTILITY SYSTEM AND CERTIFICATE OF OCCUPANCY**

MVU-1 (CO) For single family subdivisions, a three foot easement along each side yard property line shall be shown on the final map and offered for dedication to the City of Moreno Valley for public utility purposes, unless otherwise approved by the City Engineer. If the project is a multi-family development, townhome, condominium, or apartment, and it requires the installation of electric distribution facilities within common areas, a perpetual non-exclusive easement shall be provided to Moreno Valley Utility to include all such common areas. All easements shall include the rights of ingress and egress for the purpose of operation, maintenance, facility repair, and meter reading.

For a commercial or industrial project a non-exclusive blanket easement shall be provided to Moreno Valley Utility. In the event a non-exclusive blanket easement cannot be provided, a perpetual non-exclusive specific easement shall be provided to Moreno Valley Utility. All easements shall include the rights of ingress and egress for the purpose of operation, maintenance, facility repair, and meter reading.

MVU-2 (CO) City of Moreno Valley Municipal Utility Service – Electrical Distribution: Prior to constructing the MVU Electric Utility System, the developer shall submit a detailed engineering plan showing design, location and schematics for the utility system to be approved by the City Engineer. In accordance with Government Code Section 66462, the Developer shall execute an agreement with the City providing for the installation, construction, improvement and dedication of the utility system following recordation of final map and concurrent with trenching operations and other subdivision improvements so long as said agreement incorporates the approved engineering plan and

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provides financial security to guarantee completion and dedication of the utility system.

The Developer shall coordinate and receive approval from the City Engineer to install, construct, improve, and dedicate to the City, or the City's designee, all utility infrastructure (including but not limited to conduit, equipment, vaults, ducts, wires, switches, conductors, transformers, and "bring-up" facilities including electrical capacity to serve the identified development and other adjoining/abutting/ or benefiting projects as determined by Moreno Valley Utility) – collectively referred to as "utility system" (to and through the development), along with any appurtenant real property easements, as determined by the City Engineer to be necessary for the distribution and /or delivery of any and all "utility services" to each lot and unit within the Tentative Map. For purposes of this condition, "utility services" shall mean electric, cable television, telecommunication (including video, voice, and data) and other similar services designated by the City Engineer. "Utility services" shall not include sewer, water, and natural gas services, which are addressed by other conditions of approval.

The City, or the City's designee, shall utilize dedicated utility facilities to ensure safe, reliable, sustainable and cost effective delivery of utility services and maintain the integrity of streets and other public infrastructure. Developer shall, at developer's sole expense, install or cause the installation of such interconnection facilities as may be necessary to connect the electrical distribution infrastructure within the project to the Moreno Valley Utility owned and controlled electric distribution system.

- MVU-3 This project may be subject to a Reimbursement Agreement. The project may be responsible for a proportionate share of costs associated with electrical distribution infrastructure previously installed that directly benefits the project. Payment shall be required prior to issuance of building permits.
- MVU-4 For all new projects, existing Moreno Valley Utility electrical infrastructure shall be preserved in place. The developer will be responsible, at developer expense, for any and all costs associated with the relocation of any of Moreno Valley Utility's underground electrical distribution facilities, as determined by Moreno Valley Utility, which may be in conflict with any developer planned construction on the project site.



# NEGATIVE DECLARATION

<b>PROJECT TITLE AND FILE NUMBER:</b> PA14-0014 (Conditional Use Permit for a Planned Unit Development) and PA14-0015 (Tentative Tract Map No. 36708)
<b>PROJECT APPLICANT:</b> Nova Homes <b>TELEPHONE NUMBER:</b> (949) 640-4800
<b>PROJECT LOCATION:</b> Southwest corner of Perris Blvd & Cactus Ave (south to Delphinium Ave) APN(s): 482-582-038, 039, 040 & 482-230-024
<b>PROJECT DESCRIPTION:</b> Tentative Tract Map 36708 (PA14-0015) merges approximately 15.92 acres of land into one parcel with 122 residential units and 20 lettered lots for private streets and landscape purposes. The second application is a Conditional Use Permit (PA14-0014) for a Planned Unit Development (PUD) that provides design standards for the condominium complex and also provides private/common recreational opportunities.

## FINDING

The City of Moreno Valley has reviewed the above project in accordance with the City of Moreno Valley's Guidelines for the Implementation of the California Environmental Quality Act, and has determined that an Environmental Impact Report need not be prepared because:

- The proposed project will not have a significant effect on the environment.
- Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because mitigation measures described in the attached Initial Study and hereby made a part of this Negative Declaration. The Final Conditions of Approval contain the final form and content of all mitigation measures.

This determination is based upon an Initial Study. The project file, including the Initial Study and related documents is available for review during normal business hours (Monday through Thursday and 7:30 a.m. to 1:30 p.m. on the second and fourth Friday of the month) at the City of Moreno Valley, Community & Economic Development Department, Planning Division, 14177 Frederick Street, Moreno Valley, California 92553, Telephone (951) 413-3206.

<b>PREPARED BY:</b> Claudia Manrique, Associate Planner	<b>DATE:</b> December 11, 2014
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## NOTICE

The public is invited to comment on the Mitigated Negative Declaration. The appropriateness and adoption of the Mitigated Negative Declaration is considered at the time of project approval in light of comments received.

<b>DATE ADOPTED:</b> _____ <b>BY:</b> _____
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**Isla Verde 122-Unit Single-Family Townhomes Conditional Use Permit  
Initial Study/Mitigated Negative Declaration**

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**Prepared for:  
City of Moreno Valley  
Community & Economic Development Department  
Planning Division  
14177 Frederick Street  
Moreno Valley, CA 82552**

**Prepared by:  
Clark Seif Clark (CSC), Inc.  
110 Pine Avenue, Suite 925  
Long Beach, CA 90802**

**Telephone: (562) 435-8080  
Facsimile: (562) 590-8795**

**CSC Project Identification: 4006731**

**November 26, 2014**

Attachment 4

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## INITIAL STUDY/ENVIRONMENTAL CHECKLIST FORM

1. **Project title:** Isla Verde 122-Unit Single-Family Townhomes Conditional Use Permit (CUP)
2. **Lead agency name and address:** City of Moreno Valley Community & Economic Development Department, Planning Division, 14177 Frederick Street, Moreno Valley, CA 92552
3. **Contact person and phone number:** Claudia Manrique, Senior Planner, (951) 413-3206
4. **Project location:** 24939 Cactus Avenue/Southwest Corner of Perris Boulevard and Cactus Avenue, Moreno Valley, CA 92553
5. **Project sponsor's name and address:** Thomas Mungari, Nova Homes, Inc., 245 Fischer Drive, Unit A-8A, Costa Mesa, CA 92626
6. **General plan designation:** Residential/Office (R/O)
7. **Zoning:** Planned Unit Development (PUD)
8. **Description of project:** The proposed project is a 15.9-acre Single Lot Condominium Development Subdivision (Figure 1 – Proposed Preliminary Site Plan for Isla Verde) improved with 122 free-standing, single-family residences with shared open space. The project would include the following amenities: clubhouse, swimming pool, and child-play area (Tot Lot) totaling 20,543 square feet (sf) of land area. The project would also include approximately 31,447 sf of landscaping, and a 10,508-square-foot detention basin. The proposed lot sizes range in area from 3,378 sf to 4,999 sf, and would be occupied with dwellings ranging in living area from 2,054 sf (3 to 4 bedrooms) to 2,696 sf (5 bedrooms with loft).

The proposed project would include six-foot high solid decorative block walls (required) along the northern, southern and eastern perimeters of the project for noise abatement.



9. **Surrounding land uses and setting:** Land uses surrounding the proposed project are as follows:
- North – Single-family residential tract;
  - East – Single-family residential tract, open space, Childtime child care facility, and free-standing single-family residences;
  - South – Single-family residential tract;
  - East – Chaparral Hills Elementary School and Badger Springs Middle School.
10. **Other public agencies whose approval is required:** Santa Ana Regional Water Quality Control Board (Construction Activity General Construction Permit; NPDES Permit), Riverside County Flood Control and Water Conservation District (Water Quality Management Permit and storm drain design), and Eastern Municipal Water District (domestic water and sewer system design).

**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:**

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

<input type="checkbox"/>	Aesthetics	<input type="checkbox"/>	Agriculture and Forestry Resources	<input type="checkbox"/>	Air Quality
<input type="checkbox"/>	Biological Resources	<input type="checkbox"/>	Cultural Resources	<input type="checkbox"/>	Geology /Soils
<input type="checkbox"/>	Greenhouse Gas Emissions	<input type="checkbox"/>	Hazards & Hazardous Materials	<input type="checkbox"/>	Hydrology/Water Quality
<input type="checkbox"/>	Land Use/Planning	<input type="checkbox"/>	Mineral Resources	<input type="checkbox"/>	Noise
<input type="checkbox"/>	Population/Housing	<input type="checkbox"/>	Public Services	<input type="checkbox"/>	Recreation
<input type="checkbox"/>	Transportation/Traffic	<input type="checkbox"/>	Utilities/Service Systems	<input type="checkbox"/>	Mandatory Findings of Significance

**DETERMINATION:**

On the basis of this initial evaluation:

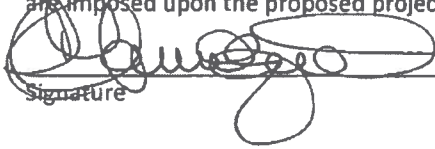
I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

  
\_\_\_\_\_  
Signature

11/20/14  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**EVALUATION OF ENVIRONMENTAL IMPACTS:**

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.



- 4) "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from "Earlier Analyses," as described in (5) below, may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
  - a) Earlier Analysis Used. Identify and state where they are available for review.
  - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
  - c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
- 9) The explanation of each issue should identify:
  - a) The significance criteria or threshold, if any, used to evaluate each question; and
  - b) The mitigation measure identified, if any, to reduce the impact to less than significance.

**ENVIRONMENTAL ISSUES**

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
--	--------------------------------------	--	------------------------------------	--------------

**I. AESTHETICS.** Would the project:

- |  |                          |                          |                                     |                          |
|--|--------------------------|--------------------------|-------------------------------------|--------------------------|
| a) Have a substantial adverse effect on a scenic vista?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Substantially degrade the existing visual character or quality of the site and its surroundings?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?                                    | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**II. AGRICULTURE AND FORESTRY RESOURCES.**

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**III. AIR QUALITY.** Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**IV. BIOLOGICAL RESOURCES:**  
Would the project:

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>V. CULTURAL RESOURCES.</b> Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>VI. GEOLOGY AND SOILS.</b> Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b><u>VII. GREENHOUSE GAS EMISSIONS.</u></b> Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b><u>VIII. HAZARDS AND HAZARDOUS MATERIALS.</u></b> Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b><u>IX. HYDROLOGY AND WATER QUALITY.</u> Would the project:</b>				
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j) Inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>X. LAND USE AND PLANNING.</b> Would the project:				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>



**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**XI. MINERAL RESOURCES.** Would the project:

a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**XII. NOISE** – Would the project result in:

a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Environmental Issues:**

Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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**XIII. POPULATION AND HOUSING.** Would the project:

- |   |                          |                          |                          |                                     |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

**XIV. PUBLIC SERVICES.**

- |   |                          |                          |                                     |                                     |
|---|--------------------------|--------------------------|-------------------------------------|-------------------------------------|
| a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services: | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Fire protection?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Police protection?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Schools?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Parks?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Other public facilities?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

**XV. RECREATION.**

- |  |                          |                          |                                     |                          |
|--|--------------------------|--------------------------|-------------------------------------|--------------------------|
| a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
|--|--------------------------|--------------------------|-------------------------------------|--------------------------|

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**XVI. TRANSPORTATION/TRAFFIC.** Would the project:

a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Environmental Issues:**

	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
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**XVII. UTILITIES AND SERVICE SYSTEMS.**

Would the project:

- |   |                          |                          |                                     |                          |
|---|--------------------------|--------------------------|-------------------------------------|--------------------------|
| a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?                            | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| g) Comply with federal, state, and local statutes and regulations related to solid waste?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**XVIII. MANDATORY FINDINGS OF SIGNIFICANCE.**

- |  |                          |                          |                                     |                          |
|--|--------------------------|--------------------------|-------------------------------------|--------------------------|
| a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
other current projects, and the effects of probable future projects)?				
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## IMPACT DISCUSSION

This Initial Study/Mitigated Negative Declaration (IS/MND) tiers from and incorporates by reference the following document:

- City of Moreno Valley General Plan Final Program Environmental Impact Report (MVGP FEIR)<sup>1</sup>

Section 15152 of the CEQA Guidelines<sup>2</sup> state that tiering is appropriate when the sequence of analysis is from an EIR prepared for a general plan. Subsequent activities must be examined in light of the Moreno Valley General Plan Final Program Environmental Impact Report (MVGP FEIR) to determine whether an additional environmental document must be prepared.<sup>3</sup> If a subsequent project or later activity would have effects that were not examined in the MVGP FEIR, or not examined at an appropriate level of detail to be used for the subsequent activity, a new initial study would need to be prepared in accordance with CEQA to determine the appropriate environmental document needed. If the City finds that pursuant to Section 15152 and Section 15168 of the CEQA Guidelines that no new effect could occur or no new mitigation would be required for a subsequent project, the City can approve the activity as being within the scope of the project covered by this Program EIR and no new environmental documentation would be required. Agencies are encouraged to tier the environmental analyses which they prepare for separate but related projects including general plans, zoning changes, and development projects.

The City of Moreno Valley General Plan Program EIR is available for public review at the City of Moreno Valley Community and Economic Development Department, 14177 Frederick Street, P.O. Box 88005, Moreno Valley, California 92552-0805.

This IS/MND also relies on the following documents:

- City of Moreno Valley General Plan (MVGP).
- City of Moreno Valley Municipal Code (MVMC).<sup>4</sup>
- Synectecology. Air Quality Analyses for the Isla Verde Residential Development to be Located in the City of Moreno Valley. January 2014. (Appendix A).
- David Magney Environmental Consulting. Burrowing Owl Preconstruction Survey for Nova Homes, Inc., Isla Verde Site. January 2014. (Appendix B).
- Soils Southwest, Inc. Phase I Environmental Site Assessment (ESA) Proposed Residential Development Cactus Avenue & Perris Boulevard, Moreno Valley, California. August 2013. (Appendix C).
- Soils Southwest, Inc. Preliminary Report of Soils and Foundation Evaluations Proposed Residential Development SWC Perris Boulevard & Cactus Avenue, City of Moreno Valley, Riverside County, California. September 2013. (Appendix D).
- Prizm Group. Preliminary Project-Specific Water Quality Management Plan. January 2014.
- Synectecology. Noise Impacts Analyses for the Isla Verde Residential Development to be Located in the City of Moreno Valley. January 2014. (Appendix E).

<sup>1</sup> City of Moreno Valley. 2006. Moreno Valley General Plan Final Program EIR. [http://www.moreno-valley.ca.us/city\\_hall/general\\_plan.shtml](http://www.moreno-valley.ca.us/city_hall/general_plan.shtml)

<sup>2</sup> California Code of Regulations. 2013. Title 14. Chapter 3: Guidelines for Implementation of the California Environmental Quality Act. §15152(a) Tiering.

<sup>3</sup> MVGP FIER. 1.0 – Introduction.

<sup>4</sup> City of Moreno Valley Municipal Code: <http://qcode.us/codes/morenovalley/>

- PCR Services Corporation. Cultural Resources Assessment for the Proposed Isla Verde Residential Development Project, City of Moreno Valley, County of Riverside California. January 31, 2014. (Appendix F).
- Western Riverside County Multi-Species Habitat Conservation Plan (MSHCP) Final EIR, certified October 2003.
- Riverside County Airport Land Use Commission. March Air Reserve Base/Inland Port Airport Land Use Compatibility Plan. June 2013.

## AESTHETICS

### Thresholds of Significance – Would the project:

- a) Have a substantial adverse effect on a scenic vista?
- b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?
- c) Substantially degrade the existing visual character or quality of the site and its surroundings?
- d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

**Less Than Significant Impact (a-d):** The proposed project is located in the City of Moreno Valley in the relatively flat valley floor surrounded by the Box Springs Mountains and Reche Canyon area to the north, the “Badlands” to the east, and the Mount Russell area to the south. These features provide the City with outstanding scenic vistas. In addition, views of the San Bernardino and San Gabriel Mountains are evident at times from the valley floor<sup>5</sup> – views that would remain available to the site and vicinity after development of the proposed project. However, review of the MVGP Figure 7-2<sup>6</sup> indicates the proposed project is not located on or near a state scenic highway, nor geographically located such that it would have an adverse effect on a scenic vista.

Design of the proposed project would incorporate MVGP objectives, goals, and policies that foster visually attractive development, and comply with MVMC guidelines that regulate the aesthetic quality of new development with respect to structures, signs, walls, landscaping and other improvements. Existing regulations would also regulate lighting for the proposed project such that it would not cause excessive light and glare on adjacent properties. Development of the proposed project in accordance with relevant MVGP objectives, goals, and policies<sup>7</sup> below would insure that the proposed project would result in a less than significant impact to Aesthetics.

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<sup>5</sup> City of Moreno Valley. 2006. Moreno Valley General Plan Final Program EIR. Chapter 5.11–Aesthetics.

<sup>6</sup> Ibid. Figure 5.11-1, Major Scenic Resources.

<sup>7</sup> City of Moreno Valley. 2006. Moreno Valley General Plan. Chapter 9 – Goals and Objectives. [http://www.moreno-valley.ca.us/city\\_hall/general\\_plan.shtml](http://www.moreno-valley.ca.us/city_hall/general_plan.shtml)



## AGRICULTURE AND FORESTRY RESOURCES

### Thresholds of Significance – Would the project:

- a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?
- b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?
- c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?
- d) Result in the loss of forest land or conversion of forest land to non-forest use?
- e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?

**Less Than Significant Impact (a-e):** The City of Moreno Valley has a long history of agricultural use, including grazing, groves, dry grain, and truck crop production. Lands currently used for agriculture are concentrated in the eastern portion of the City.<sup>8</sup> However, the proposed property and vicinity are currently zoned for residential/office uses, and designated in the MVGP as *Urban and Built-Up Land* (Figure 5.8-1 – *Important Farmlands*). Therefore, the proposed project would not convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to non-agricultural use, conflict with existing zoning or a Williamson Act contract, cause rezoning of forest land, or result in changes in the existing environment that could result in the conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use.

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<sup>8</sup> City of Moreno Valley. 2006. Moreno Valley General Plan FEIR. Chapter 5.8 –Agricultural Resources.

## AIR QUALITY

### Thresholds of Significance – Would the project:

- a) Conflict with or obstruct implementation of the applicable air quality plan?

**Less Than Significant Impact With Mitigation (a):** The proposed project is located in the South Coast Air Basin (SCAB). The South Coast Air Quality Management District (SCAQMD) and the Southern California Association of Governments (SCAG) are the agencies responsible for preparing the Air Quality Management Plan (AQMP) for the SCAB. Since 1979, a number of AQMPs have been prepared. The AQMP was designed to comply with State and federal requirements, reduce the high level of pollutant emissions in the SCAB, and ensure clean air for the region through various control measures. To accomplish its task, the AQMP relies on a multilevel partnership of governmental agencies at the federal, State, regional, and local level. These agencies (i.e., the United States Environmental Protection Agency (USEPA), CARB, local governments, SCAG, and SCAQMD) are the cornerstones that implement the AQMP programs.

On December 7, 2012, the SCAQMD adopted the *2012 Air Quality Management Plan*. The purposes of the 2012 AQMP for the Basin are to set forth a comprehensive and integrated program that will lead the Basin into compliance with the federal 24-hour PM<sub>2.5</sub> air quality standard, to satisfy the planning requirements of the federal Clean Air Act, and to provide an update to the Basin's commitments towards meeting the federal 8-hour ozone standards. It will also serve to satisfy the recent USEPA proposed requirement for a new attainment demonstration of the revoked 1-hour ozone standard, as well as a VMT emissions offset demonstration. Specifically, the Plan will serve as the official SIP submittal for the federal 2006 24-hour PM<sub>2.5</sub> standard, for which USEPA has established a due date of December 14, 2012. In addition, the 2012 AQMP will update specific new control measures and commitments for emissions reductions to implement the attainment strategy for the 8-hour ozone SIP, and thus help to reduce reliance on CAA Section 182(e)(5) long-term measures. Once approved by the District Governing Board and CARB, the 2012 AQMP will be submitted to USEPA as the 24-hour PM<sub>2.5</sub> SIP addressing the 2006 PM<sub>2.5</sub> NAAQS and as a limited update to the approved 8-hour ozone SIP. The 1-hour ozone attainment demonstration and VMT emissions offset demonstration will also be submitted through CARB to the USEPA.<sup>9</sup>

The 2012 AQMP also includes an update on the air quality status of the Salton Sea Air Basin (SSAB) in the Coachella Valley, a discussion of the emerging issues of ultrafine particle and near-roadway exposures, a report on the health effects of PM<sub>2.5</sub>, and an analysis of the energy supply and demand issues that face the Basin and their relationship to air quality. Pursuant to statute, the public hearing will also discuss the report on health effects of PM<sub>2.5</sub> (Health & Safety Code §40471).

The 2012 AQMP incorporates the most recent planning assumptions and the best available information including: revised stationary point and area source emissions inventories; on-road and off-road mobile source emissions inventories based on CARB's latest EMFAC2011 and Off-Road Models; the use of new meteorological episodes for ozone and expanded air quality modeling analysis; and the latest demographic growth forecasts based on the approved 2012 Regional Transportation Plan (2012 RTP) developed by SCAG.

<sup>9</sup> Synectecology. January 2014. Air Quality Analyses for the Isla Verde Residential Development to be Located in the City of Moreno Valley.

The CEQA requires that projects be consistent with the AQMP. A consistency determination plays an essential role in local agency project review by linking local planning and unique individual projects to the AQMP in the following ways: (1) it fulfills the CEQA goal of fully informing local agency decision-makers of the environmental costs of the project under consideration at a stage early enough to ensure that air quality concerns are fully addressed; and (2) it provides the local agency with ongoing information assuring local decision-makers that they are making real contributions to clean air goals contained in the AQMP.

Only new or amended general plan elements, specific plans, and regionally significant projects need to undergo a consistency review. This is because the AQMP strategy is based on projections from local general plans. Projects that are consistent with the local general plan are, therefore, considered consistent with the air quality management plan.

As proposed, the Applicant seeks approval for a 122-unit residential development on 16.3 gross acres of land. The project represents infill development in an existing residential area. With the included mitigation, neither the construction (Table 1), nor the operation (Table 2) of the project is projected to exceed the daily threshold values suggested by the SCAQMD. Additionally, with the provided mitigation, the project would not result in significant localized air quality impacts. As such, the project is consistent with the goals of 2012 AQMP and, in that respect, does not present a significant air quality impact.

- b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?

**Construction:**

**Less Than Significant With Mitigation (b):** The potential air quality impacts associated with and attributable to the construction and operation of the project are addressed separately below.

Air quality impacts may occur during site preparation and construction activities required to implement the proposed land uses. Major sources of emissions during construction include exhaust emissions, fugitive dust generated as a result of soil and material disturbance during site preparation and grading activities, and the emission of ROG's during the painting of the structures.

As noted, the project involves the construction of 122 single-family, detached residential units. Based on the proposed land use, by default the CalEEMod model allocates the construction over 380 working days and this schedule was retained for the analysis. Construction is assumed to begin in January 2015 and end in July 2016.

SCAQMD's Rule 403 governs fugitive dust emissions from construction projects. This rule sets forth a list of control measures that must be undertaken for all construction projects to ensure that no dust emissions from the project are visible beyond the property boundaries. Adherence to Rule 403 is mandatory and as such, does not denote mitigation under CEQA. The following analysis assumes the use of the minimal measures specified in Rule 403 that overlap between the rule and the CalEEMod model. These include: (1) soil stabilizers shall be applied to unpaved roads; (2) ground cover shall be quickly applied in all disturbed areas; and (3) the active construction site shall be watered twice daily. The model assigns a control efficiency of 55 percent for twice daily watering and a similar efficiency

was assumed for other controlled dust-producing, heavy equipment activities. In actuality, Rule 403 specifies several measures that the CalEEMod model does not consider (Table 4), so the modeled PM<sub>10</sub> and PM<sub>2.5</sub> emissions associated with fugitive dust are considered conservative.

Table 1 includes the daily emissions projected for site construction. As indicated in the table, ROG emissions given off from the application of paints and coatings could exceed the daily threshold during building construction and mitigation is warranted to reduce this impact to less than significant.

<b>Table 1</b>											
<b>COMPARISON OF PROJECTED CONSTRUCTION EMISSIONS</b>											
<b>AND DAILY CRITERIA VALUES</b>											
<b>(pounds/day)</b>											
<b>Source</b>	<b>ROG</b>	<b>NOx</b>	<b>CO</b>	<b>SO<sub>2</sub></b>	<b>PM<sub>10</sub></b>	<b>PM<sub>10</sub></b>	<b>PM<sub>10</sub></b>	<b>PM<sub>2.5</sub></b>	<b>PM<sub>2.5</sub></b>	<b>PM<sub>2.5</sub></b>	
					<b>Dust</b>	<b>Exhaust</b>	<b>Total</b>	<b>Dust</b>	<b>Exhaust</b>	<b>Total</b>	
<b>Site Preparation</b>											
Off Road Diesel	5.26	56.84	42.59	0.04	3.66	3.09	6.74	2.01	2.84	4.85	
Worker Trips	0.43	0.10	1.14	0.00	0.20	0.00	0.20	0.05	0.00	0.05	
Totals	5.69	56.94	43.73	0.04	3.86	3.09	6.94	2.06	2.84	4.90	
<b>Grading</b>											
Off Road Diesel	6.77	78.97	50.79	0.06	1.76	3.80	5.56	0.73	3.49	4.22	
Worker Trips	0.47	0.11	1.26	0.00	0.22	0.00	0.23	0.06	0.00	0.06	
Totals	7.24	79.08	52.05	0.06	1.98	3.80	5.79	0.79	3.49	4.28	
<b>Building Construction</b>											
Off Road Diesel	3.66	30.03	18.74	0.03	0.00	2.12	2.12	0.00	1.99	1.99	
Vendor Trips	0.27	1.37	1.49	0.00	0.09	0.03	0.12	0.03	0.03	0.05	
Worker Trips	1.09	0.25	2.90	0.01	0.51	0.00	0.52	0.14	0.00	0.14	
Totals	5.02	31.65	23.13	0.04	0.60	2.15	2.76	0.17	2.02	2.18	
<b>Asphalt Paving</b>											
Off Road Diesel	2.09	22.37	14.80	0.02	0.00	1.26	1.26	0.00	1.16	1.16	
Worker Trips	0.33	0.07	0.85	0.00	0.17	0.00	0.17	0.04	0.00	0.05	
Asphalt Totals	2.42	22.44	15.65	0.02	0.17	1.26	1.43	0.04	1.16	1.21	
<b>Coating</b>											

**Table 1**  
**COMPARISON OF PROJECTED CONSTRUCTION EMISSIONS**  
**AND DAILY CRITERIA VALUES**  
**(pounds/day)**

Off-Gas	117.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Off Road Diesel	0.37	2.37	1.88	0.00	0.00	0.20	0.20	0.00	0.20	0.20
Worker Trips	0.20	0.04	0.51	0.00	0.10	0.00	0.10	0.03	0.00	0.03
Coating Totals	<b>118.25<sup>1</sup></b>	2.41	2.39	0.00	0.10	0.20	0.30	0.03	0.20	0.23
Daily Threshold	75	100	550	150	→	→	150	→	→	55
Exceeds Threshold?	Yes	No	No	No			No			No

**Notes:**

The CalEEMod model projects summer and winter emissions and the higher of the two values is included in the table.

<sup>1</sup> Bold value denotes a potentially significant impact.

**Mitigation**

Painting and surface coating shall be limited to an aggregate area of no more than 25,000 square feet per day during any phase of construction,

Or,

Paints and surface coatings shall be limited to a VOC content of no more than 30 milligrams per liter of VOC content.

**Residual Impact**

Building construction is estimated to release 117.68 pounds of ROG per day for the application of paints and coatings for each of the 20 days associated with this phase of the schedule. The coatings are estimated to cover an area of 609,339 square feet for interior space and 203,113 square feet for exterior area for a total of 812,452 square feet. The reduction to under the 75 pound-per-day ROG threshold could be attained if the daily area to be painted is limited.

$$812,452 \text{ sq ft} / 20 \text{ days} = 40,623 \text{ sq ft/day}$$

$$117.68 \text{ lb/day} / 40,623 \text{ sq ft/day} = 0.0029 \text{ lb/sq ft}$$

$$75 \text{ lb/day} - (0.37 \text{ lb [equipment]} + 0.20 \text{ lb/day [worker travel]}) = 74.43 \text{ lb/day}$$

$$74.43 \text{ lb/day} / 0.0029 \text{ lb/sq ft} = 25,666 \text{ sq ft/day}$$

Therefore, the restriction to no more than 25,000 square feet per day would ensure that the impact is reduced to less than significant.

### **Operational Impacts**

**Less Than Significant With Mitigation (b):** The major source of long-term air quality impacts is that associated with the emissions produced from project-generated vehicle trips. With the exception of wood combustion, stationary sources add only minimally to these values.

### **Mobile Source Emissions**

In accordance with the CalEEMod model, the project is estimated to generate approximately 1,235 average daily trips (ADT) on a weekday, 1,300 ADT on a Saturday, and 1,131 ADT on a Sunday. Because it results in the highest number of average daily vehicle trips, the model uses the Saturday traffic volume in the prediction of the daily emissions. The weekday and Sunday ADT values are considered in the annual emissions used in the projection of greenhouse gas emissions.

Emissions associated with project-related trips assume full occupancy in 2016. Since emissions per vehicle are reduced each year due to tightening emissions restrictions and the replacement of older vehicles from the road, the use of 2016 emission factors presents a worst-case analysis with regards to operational air quality impacts.

Again, both summer and winter scenarios were modeled and the higher of the two values are included in Table 2.

### **Stationary Source Emissions**

In addition to vehicle trips, the occupants would produce emissions from on-site sources, including the combustion of natural gas for space and water heating and the use other heating sources (e.g., hearths). Additionally, the structures would be maintained and this requires repainting over time, thus resulting in the release of additional VOC (ROG) emissions. Also, the use of consumer aerosol products, such as retail cleaning supplies, is associated with the project. Finally, landscape maintenance equipment also produces emissions.

The project includes the operation of 122 residential units comprising approximately 300,908 square feet of floor area. The resultant emissions are projected by the CalEEMod computer model and included in Table 2. Note that ROG emissions could exceed their daily threshold value and the impact is potentially significant. Also note that the majority of these emissions are released from the operation of on-site "hearths."

**Table 2**  
**COMPARISON OF PROJECTED DAILY OPERATIONAL EMISSIONS**  
**AND DAILY CRITERIA VALUES**  
**(pounds/day)**

Source	ROG	NOx	CO	SO <sub>2</sub>	PM <sub>10</sub>	PM <sub>2.5</sub>
Mobile Sources	17.33	16.66	56.70	0.14	9.65	2.73

**Table 2**  
**COMPARISON OF PROJECTED DAILY OPERATIONAL EMISSIONS**  
**AND DAILY CRITERIA VALUES**  
**(pounds/day)**

Natural Gas	0.13	1.10	0.47	0.01	0.09	0.09
Structural Maintenance	0.64	0.00	0.00	0.00	0.00	0.00
Consumer Products	5.96	0.00	0.00	0.00	0.00	0.00
Hearth	33.80	0.86	64.84	0.10	9.85	9.85
Landscape Maintenance	0.34	0.13	10.79	0.00	0.06	0.06
Operational Total	<b>58.20<sup>1</sup></b>	18.75	132.8	0.25	19.65	12.73
Threshold	55	55	550	150	150	55
Exceeds Threshold?	Yes	No	No	No	No	No

Notes:

The CalEEMod model projects summer and winter emissions. These differ for mobile sources and the higher of the two values were included in the table.

<sup>1</sup> Bold value denotes a potentially significant impact.

### Mitigation

Any hearth, stove, or fireplace designed to burn wood shall be omitted or replaced with a unit designed to burn only natural gas.

### Residual Impact

In accordance with the CalEEMod model User Guide, hearths are stoves and fireplaces that burn wood or biomass. The replacement of these units with natural gas burning fixtures would reduce the ROG from 33.80 pounds per day just 0.23 pound per day. Total daily ROG is then reduced to 24.63 pounds per day and the impact is reduced to less than significant.

Though less than significant, all other emissions associated with hearths would also be reduced substantially. For example CO would be reduced from 64.84 pounds per day to just 0.01 pound per day and PM<sub>10</sub> and PM<sub>2.5</sub> would both be reduced to just 0.15 pounds per day.

- c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?

**Less Than Significant With Mitigation (c):** In accordance with SCAQMD methodology, projects that do not exceed or can be mitigated to less than the daily threshold values do not add significantly to a cumulative impact. With the included mitigation neither construction nor operation of the project would exceed the recommended SCAQMD threshold levels and this impact is less than significant.

d) Expose sensitive receptors to substantial pollutant concentrations?

#### **Short-Term Localized Impacts**

**Less Than Significant With Mitigation (d):** In addition to the mass daily threshold standards discussed above, project construction has the potential to raise localized ambient pollutant concentrations. This could present a significant impact if these concentrations were to exceed the ambient air quality standards included in Table 1 at receptor locations.

The SCAQMD has developed screening tables for the construction of projects up to 5 acres in size. These tables are included in the *Final Localized Significance Threshold Methodology* (June 2003). The emissions values included in the screening tables are based on the emissions produced at the site and do not include mobile source emissions (i.e., trucks and worker vehicles) spread over a much larger area.

In accordance with the *Methodology*, receptor locations are to consider the actual location of the receptors. If these locations are unknown, or varied, they may be assumed to be located at distances of 25, 50, 100, 200, and 500 meters. In cases where proximate receptors may be closer than 25 meters, as per the *Methodology*, a value of 25 meters is to be used in the analysis as a worst-case scenario.

The Isla Verde residential project is spread over an area of about 16 acres and is larger than the examples included within the *Methodology*. However, because emissions are spread over a larger area, there is more area for emissions to dissipate before making their way offsite and if it can be shown that the daily emissions do not exceed those included in the screening tables for a smaller site, than off-site concentrations would be less than significant.

Screening level allowable emissions are calculated from the "mass-rate look-up tables" included in the *Final Localized Significance Threshold Methodology* (Appendix C). Rather than using the entirety of the site, the CalEEMod emissions model bases the area of disturbance on equipment use. Dozers, graders, and tractors are estimated to disturb an area of 0.5 acre while scrapers are estimated to disturb 1.0 acre over an 8-hour work day. Based on the equipment listing projected by the model, site preparation (i.e., three dozers) and grading (i.e., two scrapers, one grader, and one dozer) would disturb 1.5 and 3 acres per day, respectively, and are within the 5 acre limitation used in the screening tables. Because the project lies in a residential area and is surrounded by other dwellings, the minimal screening distance of 25 meters is used in the analysis.

The screening methodology allows for linear extrapolation for sites with areas of disturbance that lay between those included in the screening tables (i.e., 1, 2, and 5 acres). Still, if it can be shown that the daily emissions produced by the project would not exceed the limitations for a smaller area included in the screening tables, than this extrapolation becomes moot.

As noted, the project is located in SRA 23. The allowable screening levels for NOx and CO for a 1-acre



disturbance in SRA 23 are 118 and 602 pounds per day, respectively. These values are suggested for receptors located at 25 meters, the nearest distance to be used in the analysis. At peak on-site levels of 78.97 and 50.79 pounds per day for NOx and CO, respectively, these values are under those allowable for a 1-acre site and would not create localized impacts.

Because the Basin is a non-attainment area for particulate matter, the thresholds for both PM<sub>10</sub> and PM<sub>2.5</sub> are much more stringent than those for CO and NOx. In the case of PM<sub>10</sub>, the screening tables show allowable values of 4 and 7 pounds per day for 1- and 2-acre sites, respectively, with receptors at 25 meters. At 6.74 pounds per day, site preparation results in the highest level of PM<sub>10</sub> while disturbing an area that is half the size of that for projected for grading. The threshold for a 1.5 acre site is determined as follows.

$$PM_{10} = (4 \text{ lb/day} + 7 \text{ lb/day}) / 2 = 5.5 \text{ lb/day threshold for 1.5 acres.}$$

At 6.74 pounds per day for on-site PM<sub>10</sub> during site preparation, this impact is potentially significant.

Grading activities are projected to disturb 3 acres per day but only produces 5.56 pounds of PM<sub>10</sub>. Because a 2-acre site would allow for up to 7 pounds per day, PM<sub>10</sub> during grading activities would not be significant.

Similarly, in the case of PM<sub>2.5</sub>, the screening tables show allowable values of 3 and 4 pounds per day for 1- and 2-acre sites, respectively, with receptors at 25 meters. At 4.85 pounds per day, site preparation also results in the highest level of PM<sub>2.5</sub> while disturbing an area that is half the size of that for projected for grading. The threshold for a 1.5 acre site is determined as follows.

$$PM_{2.5} = (3 \text{ lb/day} + 4 \text{ lb/day}) / 2 = 3.5 \text{ lb/day threshold for 1.5 acres.}$$

At 4.85 pounds per day for on-site PM<sub>2.5</sub> during site preparation, this impact is potentially significant.

With respect to grading, this 4.85-pound per day value also exceeds the 4-pounds per day threshold for a 2-acre site. However as noted, grading is estimated to disturb 3 acres per day. The threshold for a 5-acre site is 8 pounds of PM<sub>2.5</sub> per day. The allowable threshold for 3 acres of disturbance is calculated below.

$$5 \text{ acres} - 2 \text{ acres} = 3 \text{ acres}$$

$$8 \text{ lb/day} - 4 \text{ lb/day} = 4 \text{ lb/day}$$

$$4 \text{ lb/day} / 3 \text{ acres} = 1.33 \text{ lb/day/acre}$$

$$4 \text{ lb/day} + 1.33 \text{ lb/day} = 5.33 \text{ pounds per day}$$

So a 3 acre site could produce as much as 5.33 pounds per day of PM<sub>2.5</sub> with receptors at 25 meters. At 4.85 pounds per day during grading, PM<sub>2.5</sub> would not be significant.

## Mitigation

- During site preparations, the contractor shall water the construction site a minimum of three times per day, rather than twice per day as required under Rule 403.
- During site preparations, the contractor shall specify that all dozers use a minimum of Level 2 diesel particulate filters.

## Residual Impact

In accordance with the CalEEMod model, raising the daily site watering requirement from two to three times daily increases the efficiency of dust suppression from 55 to 61 percent. Additionally, the use of Level 2 diesel particulate filters on the dozers would reduce the overall daily exhaust particulates. On-site PM<sub>10</sub> during site preparation would be reduced from 6.74 to 4.83 pounds per day. This value is then less than the 5.5 pounds per day threshold reducing the impact to less than significant.

Similarly, on-site PM<sub>2.5</sub> would be reduced to from, 4.85 to 3.42 pounds per day during site preparation. This value is then less than the 3.5 pounds per day threshold reducing the impact to less than significant.

## Long-Term Localized Impacts

**Less than Significant impact (d):** Long-term effects of the proposed project could also be significant if they exceed the CAAQS. As noted for construction, these criteria only apply to CO, NO<sub>2</sub>, PM<sub>10</sub>, and PM<sub>2.5</sub>. CO and NO<sub>2</sub> would be significant if the project were to raise existing levels above those values included in the CAAQS. Again, because the Basin is a non-attainment area for particulate matter, the operational thresholds for both PM<sub>10</sub> and PM<sub>2.5</sub> are set at a measurable increase of 2.5 µg/m<sup>3</sup>.

Unlike construction equipment that generates exhaust and dust in a set area, the primary source of emissions from project operations is due to the addition of vehicles on the roadway system. These emissions are then spread over a vast area and do not result in localized concentrations in proximity to the project site. As such, localized modeling for the project operations is not prepared for residential, limited commercial, or light industrial development that does not include a truck terminal.

Because CO is the criteria pollutant that is produced in greatest quantities from vehicle combustion and does not readily disperse into the atmosphere, long-term adherence to AAQS is typically demonstrated through an analysis of localized CO concentrations. In the past, areas of vehicle congestion had the potential to create "pockets" of CO called "hot spots." However, the SCAB has now been designated as an Attainment area of both the State and federal CO standards, and no hot spots have been reported in any of the Orange County Receptor Areas in more than the last 5 years. CO is no longer a localized pollutant of concern near roadways and as such this analysis is no longer necessary.

e) Create objectionable odors affecting a substantial number of people?

**Less Than Significant impact (e):** Project construction would involve the use of heavy equipment creating exhaust pollutants from on-site earth movement and from equipment bringing concrete and

other building materials to the site. With regards to nuisance odors, any air quality impacts will be confined to the immediate vicinity of the equipment itself. By the time such emissions reach any sensitive receptor sites away from the project site, they will be diluted to well below any level of air quality concern. An occasional "whiff" of diesel exhaust from passing equipment and trucks accessing the site from public roadways may result. Such brief exhaust odors are an adverse but less-than-significant, air quality impact. Additionally, some odor would be produced from the application of asphalt, paints, and coatings. Any exposure to these common odors would be of short-term duration and, while potentially adverse, are less than significant.

Operational odors could be produced from on-site food preparation. These odors are common in the environment and would not constitute a significant impact.

**Air Quality Mitigation Measures:**

- **AQ-1** Painting and surface coating shall be limited to an aggregate area of no more than 25,000 square feet per day during any phase of construction; or Paints and surface coatings shall be limited to a VOC content of no more than 30 milligrams per liter of VOC content.
- **AQ-2** Any hearth, stove, or fireplace designed to burn wood shall be omitted or replaced with a unit designed to burn only natural gas.
- **AQ-3** During site preparations, the contractor shall water the construction site a minimum of three times per day, rather than twice per day as required under Rule 403.
- **AQ-4** During site preparations, the contractor shall specify that all dozers use a minimum of Level 2 diesel particulate filters.

## BIOLOGICAL RESOURCES

### Thresholds of Significance – Would the project:

- a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

**Less Than Significant impact (a):** The proposed project site is located in the western portion of the Central section of the City (for biological resource analysis purposes), is currently designated in the MVGP as R/O –Residential/Office land uses,<sup>10</sup> and is surrounded by similar urban land use designations.

A burrowing owl habitat assessment was prepared for the project by a qualified biologist (Appendix B).<sup>11</sup> The findings of the habitat assessment determined that the project showed no evidence of burrowing owl, or any candidate, sensitive, species of concern, or special status species or suitable habitat for such species on site. In addition, compliance with the Biological Resources Mitigation Measures B-1 and B-2 contained in the MVGP FEIR would insure that the proposed project would have a less than significant impact on these resources.

- b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Wildlife (CDFW) or United States Fish and Wildlife Service (USFWS)? Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

**Less Than Significant Impact (b):** The proposed project site is currently designated in the GP as R/O for Residential/Office land uses, and is surrounded by similar urban land use designations. In addition, the project site is not located on or near riparian habitat, nor on or near other sensitive natural communities identified in local or regional plans, policies, and regulations or by the CDFW or USFWS. Furthermore, compliance with Biological Resources Mitigation Measures contained in the MVGP FEIR would insure that the proposed project would have a less than significant impact on these resources.

- c) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

**Less Than Significant impact (c):** The project site is located within an urban built-up area and is not within an MSHCP linkage area.<sup>12</sup> The site is located in the western half of the central portion of the City where most of the biological resources have been eliminated through previous development. Consequently, there is little chance that the project would interfere with the movement of any

<sup>10</sup> City of Moreno Valley. 2006. Moreno Valley General Plan. Figure 2-2 – Land Use Map.

<sup>11</sup> David Magney Environmental Consulting. January 2014. Burrowing Owl Pre-Construction Survey for Nova Homes, Inc., Isla Verde Site.

<sup>12</sup> Ibid. Figure 5.9-4. Reche Canyon/Badlands Area Plan. Chapter 5.9 – Biological Resources.

native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites.

- d) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

**Less Than Significant impact (d):** Implementation of the proposed project is subject to all applicable federal, state, and local policies and regulations related to the protection of biological resources and tree preservation. Adherence to all relevant laws, ordinances, regulations, and mitigation measures contained in the MVGP FEIR, the MVGP, the City of Moreno Valley Municipal Code, and the MSHCP would insure the proposed project would have a less than significant impact on policies or ordinances protecting biological resources.

- e) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

**Less Than Significant impact (e):** The proposed project would be developed consistent with the guidelines of the MVGP and the MSHCP, and would be consistent with the Long Term Habitat Conservation Plan for the Stephen's Kangaroo Rat. Therefore, impacts would be less than significant to the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or State habitat conservation plan.

## CULTURAL RESOURCES

### Thresholds of Significances – Would the Project:

- a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?
- b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?
- c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?
- d) Disturb any human remains, including those interred outside of formal cemeteries?

**Less Than Significant With Mitigation (a-d):** PCR Services Corporation, from December 30, 2013, to January 14, 2014, conducted a cultural resources assessment that included:<sup>13</sup>

- Cultural Resources Records Search
- Sacred Lands File (SLF) Search and Native American Consultation
- Paleontological Resources Records Search
- Pedestrian Survey (detailed site inspection)

The results of the assessment are presented below:

### Historical Resources

According to a 1967 historic aerial photo, two structures also identified on the 15-minute series Perris map from 1942 are still in place by this time. However, by at least 1978, the structure located at the corner of Perris Boulevard and Cactus Avenue had been removed, as depicted in a 1978 historic aerial. By 1978, the second structure located half way down the project site and close to Perris Boulevard is still present. This structure is shown as consisting of a driveway and, although the 1978 historic aerial is not very clear, it appears that other structures may have been built in association with it. Sometime between 1975 and 2005, this second structure was removed as depicted in the 2005 historic aerial. However, the pedestrian survey did not yield the identification of historic remnants associated with the two structures depicted on the 15-minute series Perris map from 1942 or any other built-environment resources. Therefore, the proposed project would likely not cause a substantial adverse change to the significance of a known historical resource as defined in §15064.5.

### Archaeological Resources

The records search did not reveal the existence of recorded prehistoric or historic archaeological resources within or near the proposed project site and the pedestrian survey did not yield the identification of archaeological resources on the surface. Modern refuse can be found throughout the Project site. The pedestrian survey also revealed that the entire project site has been previously disturbed by plowing and demolition activities and it is likely that these activities have displaced archaeological resources that may have once existed within the project site. Based on the negative results of the records search, pedestrian survey, and previous ground-disturbing activities that may

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<sup>13</sup> PCR Services Corporation. January 2014. Cultural Resources Assessment for the Proposed Isla Verde Residential Development Project, City of Moreno Valley, County of Riverside California.

have displaced resources, it is not likely that the project would cause a substantial adverse change in the significance of a known archaeological resource pursuant to §15064.5. In addition, given the past disturbance within the project site, the potential to encounter subsurface archaeological resources during the construction of the project is considered low. However, in the unlikely event that prehistoric or historic archaeological resources (e.g., bottles, foundations, refuse dumps, Native American artifacts, etc.) are unearthed during ground-disturbing activities, it is recommended that the Applicant implement mitigation measure **CULT-1**, as described in the following section, to reduce impacts to archaeological resources to a less than significant level.

### **Paleontological Resources**

Results of the literature review at the San Bernardino County Museum (SBCM) indicated that the project site is located on subsurface Pleistocene alluvial sediments that rest upon Holocene alluvial fan deposits. The Pleistocene fan deposits have been assigned high paleontological sensitivity. Fossils recovered from similar Pleistocene sediments throughout Riverside and San Bernardino Counties have yielded significant findings from the Ice Age, including mammoths, mastodons, ground sloths, sabre-toothed cats, dire wolves, horses, camels, short-faced bears, and bison. As a result of these findings, it appears that the potential to encounter paleontological resources at depth within the project site is high. Therefore, if construction excavations associated with the Project would encounter the fossiliferous Pleistocene alluvial sediments that are located at an unknown depth within the project site, it is recommended that the Applicant implement mitigation measure **CULT-2, -3, -4, and -5**, as described in the following section, to reduce impacts to buried and undiscovered paleontological resources to a less than significant level.

### **Human Remains**

A SLF search from the California Native American Heritage Commission (NAHC) failed to indicate the presence of Native American cultural resources from the NAHC archives within the project site or surrounding vicinity. The NAHC results also noted, however, that “the absence of archaeological or cultural resources does not preclude their existence at the subsurface level” (Singleton 2013). No human remains were identified by PCR during the pedestrian survey and none have been recorded within the project site or half-mile radius. In addition, no Native American responses have been received to date. Based on these results, the overall sensitivity of the project site with respect to buried human remains appears to be low and; therefore, the project would not disturb any known human remains, including those interred outside of formal cemeteries. However, in the unlikely event that human remains are unearthed during ground-disturbing activities, it is recommended that the Applicant implement mitigation measure **CULT-6**, as described in the following section, to reduce impacts to human remains to a less than significant level.

### **Cultural Resources Mitigation Measures:**

- **Mitigation Measure CULT-1:** In the event that prehistoric or historic archaeological resources (e.g., bottles, foundations, refuse dumps, Native American artifacts, etc.) are unearthed during ground-disturbing activities, the Applicant shall halt or redirect ground-disturbing activities away from the vicinity of the find so that the find can be evaluated by a qualified archaeologist. Work shall be allowed to continue outside of the vicinity of the find. All archaeological resources unearthed by Project construction activities shall be evaluated by an archaeologist. The Applicant shall coordinate with the archaeologist and the City to

develop an appropriate treatment plan for the resources if they are determined to be potentially eligible for the California Register or potentially qualify as unique archaeological resources pursuant to CEQA. Treatment may include implementation of archaeological data recovery excavations to remove the resource or preservation in place or avoidance. The archaeologist shall prepare a report regarding the find and its treatment effort that shall be submitted by the Applicant to the City, the South Central Coastal Information Center, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the Project and the required mitigation measures. The report shall include a description of resources unearthed, if any, treatment of the resources, and evaluation of the resources with respect to the California Register. The Applicant, in consultation with the archaeologist and the City shall designate repositories meeting State standards in the event that archaeological material is recovered. Project material shall be curated in accordance with the State Historical Resources Commission's Guidelines for Curation of Archaeological Collections.

- **Mitigation Measure CULT-2:** If construction excavations would encounter the fossiliferous Pleistocene alluvial sediments that are located at an unknown depth within the Project site, a qualified shall be retained by the Applicant. A qualified paleontologist is defined as a paleontologist meeting the criteria established by the Society for Vertebrate Paleontology. The qualified Paleontologist shall supervise a paleontological monitor who shall be present during construction excavations into Pleistocene alluvial sediments. Monitoring shall consist of visually inspecting fresh exposures of rock for larger fossil remains and, where appropriate, collecting wet or dry screened sediment samples of promising horizons for smaller fossil remains. The frequency of monitoring inspections shall be determined by the Paleontologist and shall be based on the rate of excavation and grading activities, the materials being excavated, and the depth of excavation, and if found, the abundance and type of fossils encountered.
- **Mitigation Measure CULT-3:** If a potential fossil is found, the Paleontological Monitor shall be allowed to temporarily divert or redirect grading and excavation activities in the area of the exposed fossil to facilitate evaluation and, if necessary, salvage. At the Paleontologist's discretion and to reduce any construction delay, the grading and excavation contractor shall assist in removing rock samples for initial processing.
- **Mitigation Measure CULT-4:** Any fossils encountered and recovered shall be prepared to the point of identification and catalogued before they are donated to their final repository. Any fossils collected shall be donated to a public, non-profit institution with a research interest in the materials, such as the San Bernardino County Museum or the Western Science Center. Accompanying notes, maps, and photographs shall also be filed at the repository.
- **Mitigation Measure CULT-5:** Following the completion of the above measures, the Paleontologist shall prepare a report summarizing the results of the monitoring and salvaging efforts, the methodology used in these efforts, as well as a description of the fossils collected and their significance. The report shall be submitted by the Project Applicant to the lead agency, the Natural History Museum of Los Angeles County, and representatives of other appropriate or concerned agencies to signify the satisfactory completion of the Project and required mitigation measures.



- **Mitigation Measure CULT-6:** If human remains are encountered unexpectedly during implementation of the proposed project, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to PRC Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission (NAHC). The NAHC shall then identify the person(s) thought to be the Most Likely Descendent (MLD). The MLD may, with the permission of the land owner, or his or her authorized representative, inspect the site of the discovery of the Native American remains and may recommend to the owner or the person responsible for the excavation work means for treating or disposing, with appropriate dignity, the human remains and any associated grave goods. The MLD shall complete their inspection and make their recommendation within 48 hours of being granted access by the land owner to inspect the discovery. The recommendation may include the scientific removal and nondestructive analysis of human remains and items associated with Native American burials. Upon the discovery of the Native American remains, the landowner shall ensure that the immediate vicinity, according to generally accepted cultural or archaeological standards or practices, where the Native American human remains are located, is not damaged or disturbed by further development activity until the landowner has discussed and conferred, as prescribed in this mitigation measure, with the MLD regarding their recommendations, if applicable, taking into account the possibility of multiple human remains. The landowner shall discuss and confer with the descendants all reasonable options regarding the descendants' preferences for treatment. Whenever the NAHC is unable to identify a MLD, or the MLD identified fails to make a recommendation, or the landowner or his or her authorized representative rejects the recommendation of the descendants and the mediation provided for in Subdivision (k) of Section 5097.94, if invoked, fails to provide measures acceptable to the landowner, the landowner or his or her authorized representative shall inter the human remains and items associated with Native American human remains with appropriate dignity on the property in a location not subject to further and future subsurface disturbance.

## GEOLOGY AND SOILS

### Thresholds of Significance – Would the project:

- a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:
  - i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.
  - ii) Strong seismic ground shaking?
  - iii) Seismic-related ground failure, including liquefaction?
  - iv) Landslides?
- b) Result in substantial soil erosion or the loss of topsoil?
- c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?
- d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?
- e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?

**Less Than Significant Impact (a-e):** The San Jacinto Fault Zone, located in the eastern and northeastern portion of the City, has the potential to cause moderate to large earthquakes that would cause intense ground shaking. However, based on review of available geologic information, it can be seen that no major earthquake fault crosses through or extends towards the site.<sup>14</sup> Although the potential for surface rupture resulting from nearby fault movement is not known for certainty, according to the Preliminary Report of Soils and Foundation Evaluations report conducted on the proposed property (Appendix D), it is considered “low” due to the distance of approximately 8.29 km to the nearest fault.<sup>15</sup>

The project site and its surroundings have generally flat topography and are not located in an area prone to landslides. In addition, based on review of the available online State of California Seismic Hazard maps for the site area, it is understood that the project site is **not** situated within a Seismic Hazard Zone where the site could be susceptible to soil liquefaction, land-sliding, and lateral spreading in the event of a strong motion earthquake.<sup>16</sup>

The project site is located in a seismically active area of Southern California and is expected to experience moderate to severe ground shaking during the lifetime of the project. This risk is not considered substantially different than that of other similar properties in the Southern California area. As a mandatory condition of project approval, the project would be required to construct proposed structures in accordance with the California Building Standards Code (CBSC), also known

<sup>14</sup> Soils Southwest, Inc. Preliminary Report of Soils and Foundation Evaluations Proposed Residential Development SWC Perris Boulevard & Cactus Avenue, City of Moreno Valley, Riverside County, California. September 2013.

<sup>15</sup> Ibid. 8

<sup>16</sup> Ibid. 9

as California Code of Regulations (CCR), Title 24 and the City Building Code. The CBSC and City Building Code are designed to preclude significant adverse effects associated with strong seismic ground shaking. With mandatory compliance with standard design and construction measures, potential adverse impacts would be reduced to less than significant and the project would not expose people or structures to substantial adverse effects, including loss, injury or death, involving seismic ground shaking.

Erosion and loss of topsoil could occur as a result of the project. State and Federal requirements call for the preparation and implementation of a Storm Water Pollution Prevention Plan (SWPPP) establishing erosion and sediment controls for construction activities. The project must also comply with the National Pollutant Discharge Elimination System (NPDES) regulations.

Sewer service is available to the proposed project; no septic tanks or alternative waste water disposal systems are part of the proposed project design.

Development of the proposed project in compliance with relevant MVGP objectives, goals, and policies,<sup>17</sup> compliance with Mitigation Measures GS1 and GS2 contained in MVGP FEIR, and compliance with Moreno Valley Municipal Code Title 8 – Buildings and Construction<sup>18</sup> – would insure potential impacts to geology and soils as a result of the development of the proposed project would be less than significant.

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<sup>17</sup> City of Moreno Valley. 2006. Moreno Valley General Plan. Chapter 9 – Goals and Objectives. [http://www.moreno-valley.ca.us/city\\_hall/general\\_plan.shtml](http://www.moreno-valley.ca.us/city_hall/general_plan.shtml)

<sup>18</sup> City of Moreno Valley. 2006. Moreno Valley General Plan Final Program EIR. Chapter 5.6 Geology and Soils.

## GREENHOUSE GAS EMISSIONS

**Thresholds of Significance – Would the project:**

- a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?

**Less Than Significant impact (a):** To provide guidance to local lead agencies on determining significance for GHG emissions in their CEQA documents, the SCAQMD has convened a GHG CEQA Significance Threshold Working Group. The SCAQMD is in the process of establishing a threshold for GHG emissions to determine a project’s regional contribution toward global climate change impacts for California. On December 5, 2008, SCAQMD adopted a threshold of 3,000 metric tons (MTons) of CO<sub>2</sub> per year for residential and commercial projects for which it is the lead agency under CEQA.

### Construction

The CalEEMod default estimates that construction would begin in January 2015 and take approximately 380 working days to complete. For the purposes of this analysis, construction is estimated to follow the CalEEMod default construction schedule. Because the heaviest, and most polluting equipment is used in the early stages of construction (i.e., site preparation and grading), the use of the January start date ensures that these operations are captured in a single year for the greenhouse gas calculations thereby presenting a worst-case scenario.

Construction activities would consume fuel and result in the generation of greenhouse gases. Construction CO<sub>2</sub>e emissions are as projected using the CalEEMod computer model and included in Table 3. Note that all emissions are within the threshold value and the impact is less than significant. Also note that if construction were to be completed in a single calendar year, the total emissions (i.e., 610.55 Mtons of CO<sub>2</sub>e), would remain within the 3,000 Mtons threshold.

Year	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Total CO <sub>2</sub> e <sup>1</sup>
2015	458.94	0.10	0.00	461.08
2016	148.82	0.03	0.00	149.47
Threshold	---	---	---	3,000
Exceeds Threshold?	---	---	---	No

<sup>1</sup> Because different gases have different conversion factors, totals may not equal.

### Site Operations

In the case of site operations, the majority of greenhouse gas emissions, and specifically CO<sub>2</sub>, is due to vehicle travel and energy consumption. As shown in Table 4, the CalEEMod model projects that combined, mobile, area source, energy, waste, and water conveyance would generate 2,477.80 Mtons of CO<sub>2</sub>e on an annual basis. (The table does not include the mitigation for the replacement of

wood burning hearths with natural gas units that would also reduce GHG emissions.) This value is under the suggested threshold of 3,000 Mtons per year and the impact is less than significant.

**Table 4**  
**YEARLY OPERATIONAL GREENHOUSE GAS EMISSIONS**  
**(Mtons/year)**

Source	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Total CO <sub>2</sub> e <sup>1</sup>
Mobile Sources	1,787.04	0.06	0.00	1,788.33
Electricity	283.50	0.01	0.00	284.61
Natural Gas	232.45	0.00	0.00	233.86
Hearth	40.03	0.04	0.00	41.18
Landscape Maintenance	2.17	0.00	0.00	2.22
Water Use	50.83	0.28	0.01	58.78
Waste Disposal	30.71	1.81	0.00	68.82
Operational Total	111.14	0.07	0.00	2,477.80
Threshold	---	---	---	3,000
Exceeds Threshold?				No

Notes:

<sup>1</sup> Because different gases have different conversion factors, totals may not equal.

b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

**Less than Significant Impact (b):** An impact can also be potentially significant if the project does not comply with the applicable plans necessary for the reduction of greenhouse gases. Like air quality impacts, projects that generate de minimus levels (i.e., less than 3,000 Mtons of CO<sub>2</sub>e per year) and don't result in a significant impact or can be mitigated to less than significant would be deemed to be in compliance of the local policies with respect to GHG. Even so, the project is subject to the requirements of State Assembly Bill 32 and any requirements set forth therein. Like adherence to SCAQMD requirements (e.g., Rule 403 for dust control), adherence to SB32, and any measures outlined therein, would be requisite and as such, are not mitigation under CEQA.

#### Construction

As demonstrated above, the peak year construction is estimated to generate about 461.08 Mtons of CO<sub>2</sub>e with total construction estimated at 601.55 Mtons. These values are well below the 3,000-Mton threshold value and the cumulative impact to climate change is less than significant. As such, construction would not conflict with existing plans and policies.

### **Site Operations**

As shown above, the operation of the project is anticipated to result in about 2,477.80 Mtons of CO<sub>2</sub>e on an annual basis and is less than the 3,000-Mton per year threshold suggested by the SCAQMD. As such, the impact is less than significant.

## HAZARDS AND HAZARDOUS MATERIALS

### Thresholds of Significance – Would the project:

- a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?
- b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?
- c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?
- d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?
- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?
- f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?
- g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?
- h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

**No Impact (a-h):** The proposed project is a planned, gated, residential community designated for Residential/Office use that is in compliance with the goals, policies, and objectives contained in the MVGP; the project does not incorporate design features that would create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials. In addition, the MVGP FEIR did not identify significant impacts to Hazard and Hazardous materials.

Public and private schools are located immediately west and east of the proposed project; however, the project is not designed to nor would be permitted to emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste.

The proposed project is not included on a list of hazardous sites compiled pursuant to Government Code Section 65962.5.<sup>19</sup>

The proposed project is located approximately 1.67 miles northeast of the March Air Reserve Base. However, the proposed project is not located within an airport land use plan, nor in the vicinity of a private airstrip. In addition, the project site is not in the immediate vicinity of March Air Reserve Base Aircraft Hazard Zones.<sup>20</sup> Further, according to the March Air Reserve Base/Inland Port Airport

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<sup>19</sup> Soils Southwest, Inc. August 2013. Phase I Environmental Site Assessment (ESA) Proposed Residential Development Cactus Avenue & Perris Boulevard, Moreno Valley, California.

<sup>20</sup> City of Moreno Valley. 2006. General Plan Final Program EIR. Chapter 5.5–Hazards. Figure 5.5-3.

Land Use Compatibility Plan, the proposed project site is located in Zone E, which has a Safety and Airspace Protection Factor Risk Level of Low, and a Noise Impact Level of Moderate to Low.<sup>21</sup>

The proposed project would be developed in accordance with existing fire code, ordinances, and regulations, and would not impair the implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.

The proposed project is not located in or near an area where wildland fires could occur.<sup>22</sup>

The General Plan Safety Element objectives, policies and implementation programs including implementation and/or compliance with the Riverside County Area Plan address the proper use, storage, collection and disposal of hazardous materials. Continued implementation of these policies and implementation programs will avoid any significant hazardous materials impact as a result of the proposed project.<sup>23</sup>

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<sup>21</sup> Riverside County Airport Land Use Commission. June 2013. March Air Reserve Base / Inland Port Airport Land Use Compatibility Plan. [http://www.rcaluc.org/plan\\_new.asp](http://www.rcaluc.org/plan_new.asp).

<sup>22</sup> Ibid. Chapter 5.5—Hazards. Figure 5.5-2.

<sup>23</sup> Ibid. Chapter 5.5—Hazards



## HYDROLOGY AND WATER QUALITY

### Thresholds of Significance – Would the project:

- a) Violate any water quality standards or waste discharge requirements?

**Less Than Significant Impact (a):** Water runoff from developed areas of the Project site may contain urban pollutants such as petroleum products, fertilizers, pesticides, soils, etc., which can degrade water quality if discharged from the site. The proposed project's Preliminary Water Quality Management Plan (WQMP) is prepared in accordance with City requirements to identify pollutants of concern and identify means to reduce their discharge from the site (i.e., Best Management Practices, BMPs). Required adherence to the project-specific WQMP will reduce the amount of pollutants in stormwater runoff, as well as non-storm water discharges. Furthermore, the project will be required to comply with the Santa Ana River Basin Water Quality Control Program and the City of Moreno Valley's National Pollutant Pollution Prevention Program (SWPPP) to control sediment/siltation runoff) to minimize the discharge of pollutants in storm water during short-term construction and long-term operational activities. Mandatory compliance with the project's WQMP, in addition to compliance with NPDES Permit requirements, would ensure that all potential pollutants of concern are minimized or otherwise appropriately treated prior to being discharged into receiving waters. Therefore, implementation of the proposed project would not violate any water quality standards or waste discharge requirements, and impacts would be less than significant.

- b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?

**Less Than Significant Impact (b):** As depicted on Figure 5.7-2, *Groundwater Basins*, in the City of Moreno Valley General Plan FEIR, the project site is located within the Perris North Groundwater Basin. There are currently few domestic uses for groundwater within the City due to salinity/water quality issues; the City primarily relies on imported water from the Eastern Municipal Water District for its domestic water supply. The project does not propose the installation of any water wells that would directly extract groundwater; however, the change in pervious surfaces to impervious surfaces that would occur with development of the site could reduce the amount of water percolating down into the underground aquifer that underlies the project site and a majority of the City. However, and as noted in the MVGP FEIR (Page 5.7-12), "the impact of an incremental reduction in groundwater would not be significant as domestic water supplies are not reliant on groundwater as a primary source." Therefore, development of the proposed project would not significantly affect groundwater supplies or groundwater recharge capacity.

- c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?
- d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?

**Less Than Significant (c-d):** The project would involve mass grading of the site, which would alter the existing drainage pattern. Any alteration in drainage pattern has the potential to result in erosion and siltation both on-site during construction and off-site upon build-out of the project. Construction-related grading activities would ultimately expose surficial soils for a period of time with the potential for on-site erosion during a rainstorm event. Also, in the long term, development of the property would introduce impervious surfaces and landscaping, thereby increasing the rate and volume of stormwater runoff and potentially resulting in off-site erosion downstream. However, compliance with the project's WQMP, in addition to compliance with NPDES Permit requirements and the grading permit process, would insure that all potential impacts related to the alteration of existing drainage patterns such that substantial erosion or flooding would occur on- or off-site would be less than significant.

- e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?

**Less Than Significant (e):** The proposed project includes the construction of an on-site detention basin designed to reduce the rate and volume of runoff discharged from the site. In addition, existing off-site storm water drainage facilities that receive storm water runoff from the project site have adequate capacity to convey storm water runoff discharged from the site.<sup>24</sup> Furthermore, the proposed project would be subject to the City's National Pollutant Discharge Elimination System Best Management Practices relating to construction to control runoff contamination from affecting water resources (MVGP Policy 5.4.2).

- f) Otherwise substantially degrade water quality?

**Less Than Significant (f):** The proposed project as designed and with the prevention measures described above would not otherwise substantially degrade water quality.

- g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?  
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?

**Less Than Significant (g-h):** According to Figure 5.5-2, *Floodplains and High Fire Hazards*, of the MVGP FEIR, and MVGP Figure 6-4, *Flood Hazards*, the proposed project site is not located within or adjacent to a 100-year floodplain. Consequently, the proposed project would not place structures within a 100-year flood hazard area that could impede or redirect flood flows. Therefore, a significant flood-related hazard would not occur with implementation of the proposed project.

- i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?  
j) Inundation by seiche, tsunami, or mudflow?

**Less Than Significant (i-j):** The nearest dam to the project site, Lake Perris, is located approximately 3.69 miles southeast of the subject property. In addition, according to Figure 5.5-2, *Floodplains and High Fire Hazards*, of the Moreno Valley General Plan FEIR, and City of Moreno Valley General Plan Figure 6-4, *Flood Hazards*, the project site

<sup>24</sup> City of Moreno Valley. 2006. Moreno Valley General Plan Final Program EIR. Chapter 5.6 Geology and Soils.

and surrounding areas do not appear subject to dam inundation hazards. Furthermore, there are no levees in the project area.

Also, due to the distance of the proposed project from large water bodies, inundation by seiche, tsunami, or mudflow is unlikely and poses a less than significant impact to the proposed project.

## LAND USE AND PLANNING

### Thresholds of Significance – Would the project:

- a) Physically divide an established community?

**Less Than Significant Impact (a):** The proposed residential project is designated Residential/Office in the MVGP; therefore, this project is consistent with long-range land use planning contained in the MVGP. Chapter 5.1 – Land Use of the MVGP FEIR states:

“None of the General Plan alternatives propose any land uses or circulation element roadways that would divide an established community or be incompatible with existing or anticipated land uses. No significant impact associated with this issue will occur. The regulations in the City’s Municipal Code, including the Zoning Ordinance, will continue to be enforced on all new and existing development, thereby reducing potential land use and operational incompatibilities to a level less than significant.”<sup>25</sup>

The proposed project has been designed to be consistent with the pattern of development of the surrounding area providing adequate access, circulation and connectivity consistent with the MVGP. Therefore, the project impacts related to the community are considered less than significant.

- b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?

**Less Than Significant Impact (b):** The proposed project seeks a Conditional Use Permit for a land-use change from Residential/Office (R/O) to Planned Unit Development (PUD). As part of its review of the proposed project’s applications, the City of Moreno Valley will ensure consistency with applicable policies of the MVGP and the MVGP FEIR, and will insure conformance with the City’s Municipal Code requirements.<sup>26</sup> As such, the project would not conflict with applicable local land use plans, policies, or regulations adopted for the purpose of avoiding or mitigating an environmental effect, and impacts would be less than significant.

In addition, the proposed project would be consistent with PUD development requirements: MVGP Chapter 9 – Goals and Objectives states:

“Planned Unit Developments (PUD) shall be encouraged for residential construction in order to provide housing that is varied by type, design, form of ownership, and size. PUD’s shall also provide opportunities to cluster units to protect significant environmental features and/or provide unique recreational facilities.”<sup>27</sup>

- c) Conflict with any applicable habitat conservation plan or natural community conservation plan?

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<sup>25</sup> City of Moreno Valley. 2006. General Plan Final Program EIR. Chapter 5.1 Land Use.

<sup>26</sup> City of Moreno Valley Municipal Code. Title x Planning and Zoning. Chapter 9.03 Residential Districts. 9.03.060 Planned Unit Developments.

<sup>27</sup> City of Moreno Valley. 2006. General Plan Final Program EIR. Chapter 9 – Goals and Objectives.

**Less Than Significant impact (c):** The proposed project would be developed consistent with the guidelines of the MVGP and the MSHCP, and would be consistent with the Long Term Habitat Conservation Plan for the Stephen's Kangaroo Rat. Therefore, impacts would be less than significant to the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or State habitat conservation plan.

## MINERAL RESOURCES

### Thresholds of Significance – Would the project:

- a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?
- b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

**No Impact (a-b):** The proposed project site is not located within an area known to be underlain by regionally- or locally-important mineral resources, or within an area that has the potential to be underlain by regionally- or locally-important mineral resources, as indicated in the MVGP and the MVGP FEIR. Accordingly, implementation of the proposed project would not result in the loss of availability of a known mineral resource that would be of value to the region or the residents of the State of California. In addition, the MVGP does not identify any locally-important mineral resource recovery sites on-site or proximate to the project site.<sup>28</sup>

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<sup>28</sup> City of Moreno Valley. 2006. General Plan Final Program EIR. Chapter 5.14 – Mineral Resources.

## NOISE

**Thresholds of Significance** – Would the project result in:

- a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

**Less than Significant with Mitigation (a):** The City of Moreno Valley sets an exterior standard of no more than 65 dBA CNEL for transportation-related noise sources. In addition, noise attenuation is required, where necessary, to achieve acceptable interior noise levels. An acceptable interior noise is 45 dBA CNEL for residences and schools and 50 dBA CNEL for libraries, hospitals, places of worship, and office uses. These interior standards are to be implemented when the exterior noise level exceeds 60 dBA CNEL. Additionally, current practice is to require 6-foot masonry walls between single-family lots and major roadways. The Applicant specifies a 6-foot perimeter wall and its attenuation is considered in the project design (Noise Impacts Analyses for the Isla Verde Residential Development to be Located in the City of Moreno Valley – Appendix F).<sup>29</sup>

An impact could be significant if the project would site a sensitive land use in a location where noise levels would exceed the appropriate standards. The existing City of Moreno Valley Noise Element sets a goal level of up to 65 dBA CNEL for sensitive land uses. Whereas the 65 dBA CNEL would also be applied to exterior habitable areas, a “conditionally acceptable” goal of 75 dBA CNEL would be applied in non-habitable areas so long as interior noise levels do not exceed 45 dBA CNEL. Levels of 75 to 80 dBA CNEL are “normally unacceptable.”

### Road Noise

The project site fronts along Perris Boulevard between Cactus Avenue and Delphinium Avenue. The field study performed on January 21, 2014 revealed that the dominant source of noise was from traffic traveling along Perris and Cactus.

Modeling was prepared for LOS C traffic as noted in Table 4 and projected at the nearest structures to be placed along that roadway and the results are included in Table 5. The table includes the results both without and with the proposed 6-foot wall. While the wall provides shielding to ground level receptors, it does not shield the second story. While the impact to those homes that back to Delphinium would be less than significant, impacts to those homes to be placed along Perris and Cactus could be significant both on the first and second story levels.

**Table 5  
LOS C TRAFFIC-GENERATED NOISE LEVELS<sup>1</sup>**

<i>Road</i>	<i>Speed</i>	<i>ADT Volume</i>	<i>CNEL (dBA @ 50 Feet)</i>	<i>Distance to Near Home</i>	<i>CNEL (dBA @ 50 Feet)</i>	<i>CNEL With 6-Foot Wall (dBA)</i>
Perris Boulevard	40	45,000	74.2	70	72.7	71.5
Cactus Avenue	45	30,000	73.6	78	71.7	68.3
Delphinium Avenue <sup>2</sup>	25	10,400	64.6	63	63.6	57.9

<sup>29</sup> Synectecology. January 2014. Noise Impacts Analyses for the Isla Verde Residential Development to be Located in the City of Moreno Valley. (Appendix F)

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**Table 5**  
**LOS C TRAFFIC-GENERATED NOISE LEVELS<sup>1</sup>**

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<sup>1</sup> LOS C volumes based on City of Moreno Valley General Plan Circulation Element except Delphinium that is based on the County of Riverside General Plan Circulation Element designation. Noise levels are as modeled from the centerline of travel.

<sup>2</sup> Roadway was modeled at 30 mph, the minimum allowable speed, minus 1 dBA to represent a 25 mph speed.

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### **Mitigation Measures**

Interior noise levels could be reduced through additional structural improvements beyond Title 24 requirements. (These improvements would also save energy and reduce greenhouse gas emissions through increased efficiency.) Alternatively, sound walls could be used to reduce exterior noise at the structures. However, sound walls would not be effective for the second-story spaces and these rooms can only be mitigated through structural improvements. Furthermore, the Applicant proposes a central park and pool area that would serve as a habitable exterior area for the development. For these reasons, sound walls are not specified here and structural improvements beyond Title 24 requirements are recommended to ensure that interior noise levels do not exceed 45 dBA CNEL.

- **N-1:** At a minimum the structures that back along Perris Boulevard and Cactus Avenue shall be constructed with batten insulation in the exterior walls. Alternatively, these structures could be of masonry construction negating this requirement.
- **N-2:** The units shall be constructed such that the windows along Perris Boulevard (east facing) and Cactus Avenue (north facing) do not exceed 30 percent of the wall area.
- **N-3:** For these units, any exterior balconies or dedicated patio areas shall extend no more than 6 feet from the structure.
- **N-4:** All exterior fittings that enter these structures (e.g., electrical conduits, HVAC ducts) are to be sealed with caulk such that the fittings are rendered as air-tight. Any metal duct-work that is exposed to the exterior environment shall be enclosed and insulated to avoid noise transference through the ducting.
- **N-5:** The Applicant shall provide these structures with forced air ventilation designed and installed in accordance with the California Uniform Building Code.
- **N-6:** The Applicant shall specify a minimum STC rating of 32 and 33 for all first and second story, respectively, window and/or door assemblies, that have a view toward Perris Boulevard (east facing) These windows and/or doors are to be well fitting with vinyl (or equivalent) gaskets that form an air tight fitting.
- **N-7:** The Applicant shall specify a minimum STC rating of 28 and 32 for all first and second story, respectively, window and/or door assemblies that have a view toward Cactus Avenue (north facing) These windows and/or doors are to be well fitting with vinyl (or equivalent) gaskets that form an air tight fitting.
- **N-8:** The Applicant shall abide by any other measures set forth by the City of Moreno Valley Planning Department for noise mitigation.

*The Noise Guidebook* (HUD, 1985) presents Sound Transmission Class (STC) ratings for various types of construction materials and techniques. The Sound Transmission Class rating is the official rating endorsed by the American Society of Testing and Measurement and can be used as a guide in



determining what type of construction is needed to reduce noise. Conversely, these same principles can be used to determine interior noise for a given type of construction.

An STC is a measure of a material's ability to reduce sound and is equal to the number of decibels a sound is reduced as it passes through the material. Thus, a high STC rating indicates a good insulating material. For example, if the external noise is 75 dBA and the desired interior level is 45 dBA, a partition of 30 STC is required. Because of minor differences in ratings, as well as construction flaws, gaps, seams, openings, ducting, etc., field studies indicate that laboratory-derived STC ratings may be overstated by as much as 5 dBA. (HUD puts this discrepancy at about 2-3 dBA.) As such, using 75 dBA, the mitigation would need to achieve a composite laboratory STC rating of approximately 35 to ensure that interior levels were adequately mitigated to less than 45 dBA.

According to HUD, a common stud wall has an STC of approximately 35 dBA. While a typical 1/4-inch thick pane of glass may have an STC rating of about 20 dBA, a 3/16-inch piece increases this rating to about 25 dBA, and a 1/2-inch thick piece would have an STC of about 35 dBA. There comes a point of diminishing returns, and beyond 1/2 inch additional thickness produces minimal gains. (A 3/4-inch piece of glass has an STC of about 37 dBA.) The STC for a typical wood, double hung closed window is listed at 22.

Noise within the interior of the structure comes through the walls, windows, doors, and duct work. HUD provides a nomograph that can be used to determine the composite STC for walls that include windows and doors. Assuming a common stud wall has an STC of 35, the windows/doors have an STC of 22, and the windows/doors encompasses 30 percent of the wall, the composite STC is 27. The requirement for batten insulation would increase the STC of the walls by at least 4 dBA to no less than STC 39. Using the required window assemblies, but retaining the window area at 30 percent, interior noise levels would be reduced to less than 45 dBA CNEL and the impact is reduced to less than significant.

- b) Exposure of persons to or generation of excessive ground-borne vibration or ground-borne noise levels?

**Less than Significant Impact (b):** The proposed project would involve the construction and occupancy of residential structures. Caltrans notes that ground borne vibration is typically associated with blasting operations, the use of pile drivers, and large-scale demolition activities, none of which are anticipated for the construction or operation of the project. As such, no excessive ground borne vibrations would be created by the proposed project on the proximate residents and any potential impacts are less than significant.

- c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?

**Less than Significant Impact (c):** – Long-term impacts could be significant if the project creates activity or generates a volume of traffic that would substantially raise the ambient noise levels. As discussed above, a substantial increase is defined as 3 dBA CNEL.

To raise the traffic levels along the existing routes would require that the project double the volume of the existing traffic. In accordance with the air quality analysis, the project would add 1,300 ADT on a peak day. These trips would enter and exit the site on Cactus Avenue, but could also exit the site on Delphinium Avenue. Assuming that half of the trips are arrivals and half are departures 650 ADT would depart the site.

This traffic would be split up amongst the two exits. However, if it is assumed that the entirety of this departing traffic (i.e., 650 ADT) were to use Delphinium, and all to proceed the same direction, the 650 ADT would generate a CNEL of 51.6 dBA as measured at a distance of 50 feet from the centerline of travel.

The overall CNEL is louder than the noise generated by noon hour traffic. The field study noted a noon hour Leq of 53.5 dBA along Delphinium. Even if the noon hour traffic were as loud as the CNEL, the addition of 51.6 dBA to 53.5 dBA results in a composite of 55.7 dBA CNEL for an increase of 2.2 dBA. The increases along Perris and Cactus would be even less as the project represents a much small percentage of their ADT volumes. This demonstrates that the volume traffic that could be produced by the project is too small to double the existing levels and the impact is less than significant.

- d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?

**Less than Significant Impact (d):** Two types of noise impacts could occur during the construction phase. First, the transport of workers and equipment to the construction site would incrementally increase noise levels along site access roadways. However, any increase in noise would be less than 1 dBA when averaged over a 24-hour period, and would therefore have a less than significant impact on noise receptors along the truck routes.

The second type of impact is related to noise generated by on-site construction operations and existing local residents and the school located adjacent to the site would be subject to elevated noise levels due to the operation of on-site construction equipment. Construction activities are carried out in discrete steps, each of which has its own mix of equipment, and consequently its own noise characteristics. These various sequential phases would change the character of the noise levels surrounding the construction site as work progresses. Despite the variety in the type and size of construction equipment, similarities in the dominant noise sources and patterns of operation allow noise ranges to be categorized by work phase. Table 6 lists typical construction equipment noise levels recommended for noise impact assessment at a distance of 50 feet.

<i>Type of Equipment</i>	<i>Average Sound Levels Measured (dBA at 50 feet)</i>
Pile Drivers	101
Rock Drills	98
Jack Hammers	88
Pneumatic Tools	85
Pumps	76
Dozers	80
Front-End Loaders	79
Hydraulic Backhoe	85

Table 6 NOISE LEVELS GENERATED BY TYPICAL CONSTRUCTION EQUIPMENT	
Hydraulic Excavators	82
Graders	85
Air Compressors	81
Trucks	91

Source: Noise Control for Buildings and Manufacturing Plants, BBN 1971

Noise ranges have been found to be similar during all phases of construction, although the actual construction of the structures tends to be somewhat less than that from grading. The grading and site preparation phase tends to create the highest noise levels, because the noisiest construction equipment is found in the earthmoving equipment category. This category includes excavating machinery (backfillers, bulldozers, draglines, front loaders, etc.) and earthmoving and compacting equipment (compactors, scrapers, graders, etc.) Typical operating cycles may involve 1 or 2 minutes of full power operation followed by 3 to 4 minutes at lower power settings. Noise levels at 50 feet from earthmoving equipment range from 73 to 96 dBA while Leq noise levels range up to about 89 dBA. The later construction of structures is somewhat reduced from this value and the physical presence of the structure may break up line-of-sight noise propagation.

Composite construction noise is best characterized by Bolt, Beranek, and Newman (USEPA December 31, 1971). In their study construction noise for earthwork related to residential development is presented as 88 dBA Leq when measured at a distance of 50 feet from the construction effort. This value takes into account both the number of pieces and spacing of the heavy equipment used in the construction effort. In later phases during building construction, noise levels are typically reduced from this value and the physical structures further break up line of sight noise. However, as a worst-case scenario, the 88-dBA-value is used to assess the impact of construction.

The operation of such equipment would result in the generation of both steady and episodic noise significantly above the ambient levels currently experienced near the project site. The noise produced from construction decreases at a rate of approximately 6 dBA per doubling of distance. Therefore, at 100 feet the noise levels would be about 6 dBA less or 82 dBA Leq. Similarly, at 200 feet the noise levels would be 12 dBA less or 76 dBA Leq. The most proximate existing residential uses are adjacent to the site and noise levels could be on the order of 90 dBA Leq, assuming the receptor were to have a clear line of sight to the equipment. (Note, as construction is not performed at night, this does not represent a CNEL value.)

However, during the vast majority of the construction period, noise levels at the proximate residents would considerably lower due to lower power settings and sound attenuation provided by longer distances. In accordance with the Noise Element of the General Plan, this construction noise is typically considered acceptable between the hours of 7:00 A.M. and 8:00 P.M. Adherence to these hours is specified in the City Municipal Code and as such, does not constitute mitigation under CEQA. The Applicant would adhere to the Code and shall include the following measures as project commitments:

- All construction equipment engines shall be properly tuned and muffled according to manufacturers' specifications.
- Staging and construction activities whose specific location on the project site may be flexible (e.g., operation of compressors and generators, cement mixing, general truck idling, etc.) shall be

conducted as far as possible from the residential land uses located to the northwest and southeast corners of the site, and along the western site border.

- To avoid truck noise through the local neighborhood, all truck and vendor access shall be from Cactus Avenue and Perris Boulevard. No truck access shall be allowed along Delphinium Avenue.
- Two weeks prior to the commencement of construction at the project site, notification shall be provided to the adjacent residential uses disclosing the construction schedule, including the various types of activities and equipment that would be occurring throughout the duration of the construction period. This notification shall also provide a contact name and phone number for residents to call for construction noise-related complaints. All reasonable concerns shall be rectified within 24 hours of receipt.

- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

**Less than Significant Impact (e):** The Perris Valley Airport, located about 9 miles to the south, is the nearest public use facility. The project site is not in the flight path and well beyond the airport's 60 dBA CNEL noise contour. No significant impacts would result from the implementation of the proposed project.

- f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

**Less than Significant Impact (f):** The March Air Reserve Base is located about 1.7 miles to the southwest of the project site. The project is located outside of the airport's 60 dBA CNEL noise contour and no significant impacts would result from the implementation of the proposed project. Furthermore, while Base operations were observable from the project site, these aircraft were not audible.

## POPULATION AND HOUSING

### Thresholds of Significance – Would the project:

- a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?
- b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?
- c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

**No Impact (a-c):** The proposed residential development project represents a land use that was analyzed in the MVGP FEIR. The analysis concluded that City could accommodate the anticipated population growth described in the MVGP without significant impact. In addition, the MVGP FEIR also concludes that the potential impacts of the displacement of substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere, or the displacement of substantial numbers of people, necessitating the construction of replacement housing elsewhere were not likely to be significant. Finally, no significant direct, indirect, or cumulative impact to population and housing was identified in the MVGP FEIR.<sup>30</sup>

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<sup>30</sup> City of Moreno Valley. 2006. General Plan Final Program EIR. Chapter 5.12 – Population and Housing.

## PUBLIC SERVICES

### Thresholds of Significance – Would the project:

- a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:
- Fire protection?
  - Police protection?
  - Schools?
  - Parks?
  - Other public facilities?

**Less Than Significant Impact (a):** The proposed project is required to comply with mitigation measures throughout the MGVP FEIR,<sup>31</sup> and provisions of the City of Moreno Valley's Development Impact Fee Ordinance,<sup>32</sup> which requires a fee payment that the City applies to the funding of public facilities, including fire and police protection facilities, schools, parks, libraries and other public facilities. Mandatory compliance with the Development Impact Fee Ordinance would be required prior to the issuance of building permits. Based on the foregoing, the proposed project would not result in significant impacts to public services that were not contemplated in the MVGP FEIR.

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<sup>31</sup> Ibid. Chapter 2.0 – Executive Summary.

<sup>32</sup> City of Moreno Valley Municipal Code. Title 3 Revenue and Finance. Chapter 3.38 Residential Development Impact Fees.

## RECREATION

### Thresholds of Significance – Would the project:

- a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?
- b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

**Less Than Significant Impact (a-b):** The proposed project is required to comply with mitigation measures throughout the MGVP FEIR,<sup>33</sup> and provisions of the City of Moreno Valley's Development Impact Fee Ordinance,<sup>34</sup> which requires a fee payment that the City applies to the funding of public facilities including parks. Mandatory compliance with the Development Impact Fee Ordinance would be required prior to the issuance of building permits. Based on the foregoing, the proposed project would not result in significant impacts to Recreation that were not contemplated in the MVGP FEIR.

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<sup>33</sup> MVGP FEIR. Chapter 2.0 – Executive Summary.

<sup>34</sup> City of Moreno Valley Municipal Code. Title 3 Revenue and Finance. Chapter 3.38 Residential Development Impact Fees.

## TRANSPORTATION/TRAFFIC

### Thresholds of Significance – Would the project:

- a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?
- b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?

**Less Than Significant Impact (a-b):** As determined by the City Traffic Engineer, the proposed project would not generate additional vehicular trips either directly, indirectly, or cumulatively other than what has already been considered under the MVGP, and would not require a Traffic Study.<sup>35</sup> Also, since this proposed project would not generate a significant number of additional vehicle trips, it is not anticipated that the LOS of any nearby intersection will be affected. Therefore, no significant change to the levels of service of nearby intersections and only an incremental increase of traffic load or capacity are expected with implementation of this project and the project's individual or cumulative impact to all applicable plans, ordinances or policies pertaining to the performance of the circulation system will be less than significant. In addition, as a condition of development, the proposed project would be required to pay the appropriate amount of Traffic Uniform Mitigation Impact Fees (TUMF)<sup>36</sup> for potential improvements the adjacent circulation system: Cactus Avenue, Perris Boulevard, and Delphinium Avenue. In addition, the proposed project would be conditioned to repair, replace or install any damaged, substandard or missing improvements on Cactus Avenue, Perris Boulevard, and Delphinium Avenue. Furthermore, pursuant to Section 15130(a)(3) of the CEQA Guidelines, contributions to the Transportation Uniform Mitigation Fee Program (TUMF) and the Development Impact Fee Program (DIF) will serve as the projects fair share contribution to mitigate cumulative impacts to less than significant.<sup>37</sup>

- c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?

**Less Than Significant Impact (c):** The proposed project is consistent with the MVGP and relevant airport compatibility plans (see Hazards and Hazardous Materials). Consistency with the MVGP and development of the project in compliance with the MVMC would insure that the proposed project would have a less than significant impact on air traffic patterns.

- d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?

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<sup>35</sup> Michael Lloyd, Senior Engineer, P.E. City of Moreno Valley Transportation Engineering Division. Email Communication. September 19, 2013, 9:44 AM.

<sup>36</sup> City of Moreno Valley Municipal Code. Title 3 Revenue and Finance. Chapter 3.38.030 Arterial Streets Residential Development Impact Fees.

<sup>37</sup> MVGP FEIR. Chapter 2.0 Executive Summary. Table 2-2 Environmental Impacts and Mitigation Measures.



**Less Than Significant Impact (d):** The proposed project as designed would be compatible with adjacent existing uses and street configurations. Also, it has been designed so as not to cause any incompatible use or additional hazards to the surrounding area or general public. As a condition of approval, the interior streets, all proposed driveways, sidewalks, walls/fences, and landscaping will be required comply with the applicable development standards of the MVMC. Therefore, this project will have a less than significant impact on increasing hazards through design or incompatible uses directly, indirectly or cumulatively.

e) Result in inadequate emergency access?

**Less Than Significant (e):** The proposed project will comply with adopted regulations contained in the MVMC. As a result, as a condition of development, the project would provide adequate emergency access.

f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?

**Less Than Significant Impact (f):** The proposed project would implement the MVGP Circulation Element policies and programs which would facilitate pedestrian, bicycle, bus and rail improvements. Therefore, the project would not result in a conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities. No significant impacts relative to alternative transportation is anticipated.

## UTILITIES AND SERVICES SYSTEMS ISSUES:

### Thresholds of Significance – Would the project:

- a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?
- b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?
- c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?
- d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?
- e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?
- f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?
- g) Comply with federal, state, and local statutes and regulations related to solid waste?

**Less Than Significant Impact (a-g):** Wastewater service is provided to the project site by Eastern Municipal Water District (EMWD). EMWD is required to operate all of its treatment facilities in accordance with the waste treatment and discharge standards and requirements set forth by the Regional Water Quality Control Board (RWQCB). The proposed project would not install or utilize septic systems or alternative wastewater treatment systems; therefore, the project would have no potential to result in exceedances of the applicable wastewater treatment requirements established by the RWQCB. Accordingly, impacts would be less than significant.

Domestic water and wastewater services are provided to the project site by EMWD. The proposed project would require the installation of onsite water and wastewater conveyance lines to serve the proposed residential development and connect to existing, offsite facilities in the abutting public roadways. Except for small encroachments into adjacent public rights of way of developed/paved streets to connect to existing lines, no physical disturbance for the construction of water or wastewater facilities would be required to service the project. As such, no significant impacts particular to the construction of water or wastewater facilities would occur that would not otherwise occur from grading and development on the project site.

The proposed project is fully consistent with the assumptions made in EMWD's 2010 Urban Water Management Plan. EMWD's 2010 Urban Water Management Plan concludes that the EMWD has sufficient water supplies available to serve planned land uses within its service area through at least 2035. Because sufficient water supplies are available to service the proposed project as documented in EMWD's Urban Water Management Plan, impacts would be less than significant.

The project would be required to comply with the City of Moreno Valley's waste reduction programs, including recycling and other diversion programs to divert the amount of solid waste deposited in landfills. As such, the project applicant or master developer would be required to work with future refuse haulers to develop and implement feasible waste reduction programs, including source reduction, recycling, and composting. Additionally, in accordance with the California Solid Waste Reuse and Recycling Act of 1991 (Cal Pub Res. Code § 42911), the project would provide

adequate areas for collecting and loading recyclable materials where solid waste is collected. The collection areas are required to be shown on construction drawings and be in place before occupancy permits are issued. The implementation of these programs would reduce the amount of solid waste generated by the project and diverted to landfills, which in turn will aid in the extension of the life of affected disposal sites. The project would comply with all applicable solid waste statutes and regulations; as such, impacts would be less than significant.

The MVGP analyzed the potential impacts to Utility and Services presented above and deemed them less than significant after mitigating the specific impacts to expand infrastructure. Therefore, compliance with relevant mitigation measures contained in the MGVP FEIR and the goals, policies, and objectives contained in the MVGP would insure that impacts to Utilities and Service Systems as a result of the proposed project are less than significant.

## MANDATORY FINDINGS OF SIGNIFICANCE

- a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

**Less Than Significant Impact (a):** The proposed project's compliance with the goals, policies, and objectives of the MVGP; the mitigation measures contained in the MSHC and the SKR HCP; the mitigation measures contained in the MVGP FEIR; and the Moreno Valley Municipal Code would insure the project would not have significant potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory.

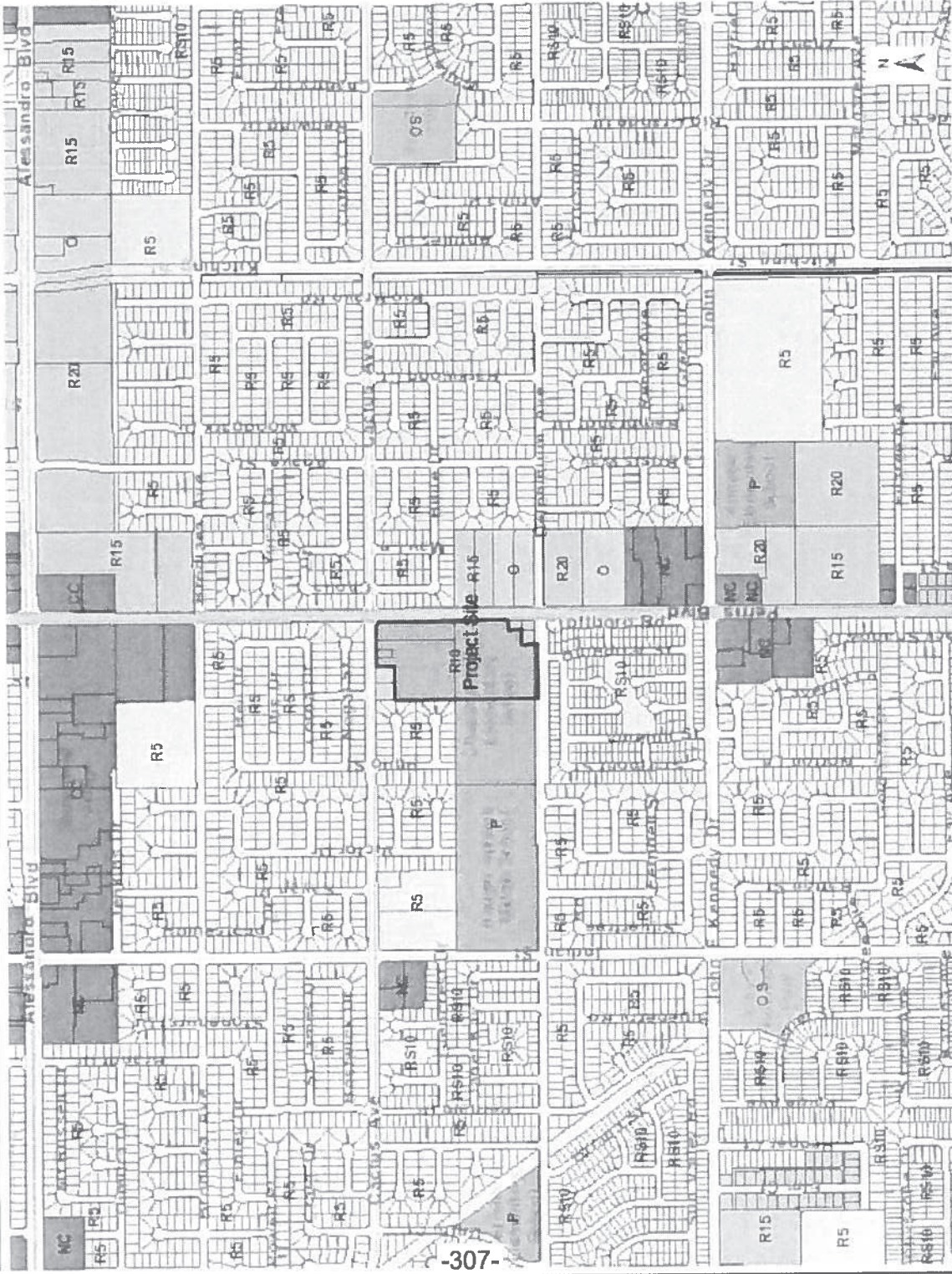
- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

**Less Than Significant Impact (b):** The proposed project is consistent with the MVGP; therefore, no new cumulative impacts not previously addressed in the MVGP FEIR are anticipated as a result of this residential development. In addition, any potential cumulative considerable impacts as a result of the proposed project would be less than significant with compliance with the goals, objectives, and policies of the MVGP, compliance with the mitigation measures contained the MVGP FEIR, and compliance with the Moreno Valley Municipal Code.

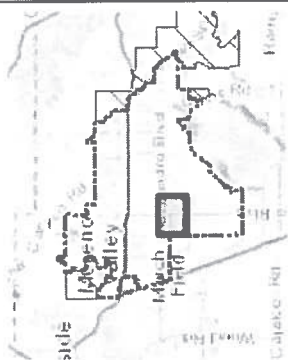
- c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

**Less Than Significant Impact (c):** Based on the analysis of this initial study, the project would not cause substantial adverse effects on human beings, either directly or indirectly.

# Land Use PA14-0014 & PA14-0015



-307-



**Legend**

**Zoning**

- Commercial
- Industrial/Business Park
- Public Facilities
- Office
- Planned Development
- Large Lot Residential
- Residential Agriculture 2 DU/AC
- Residential 2 DU/AC
- Suburban Residential
- Multi-family
- Open Space/Park
- Parcels

## Attachment 5

### Notes

PA14-0014 (CUP): 122 Unit PUD and  
PA14-0015 (TTM) Tentative Tract Map  
3670B.

DISCLAIMER: The information shown on this map was compiled from the City of Moreno Valley GIS and Riverside County GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Riverside County and City of Moreno Valley will not be held responsible for

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# Aerial Photograph PA14-0014 & PA14-0015



944.8 0 472.39 944.8 Feet

DISCLAIMER: The information shown on this map was compiled from the City of Moreno Valley GIS and Riverside County GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Riverside County and City of Moreno Valley will not be held responsible for



- Legend**
- Public Facilities
    - Public Facilities
    - ★ Fire Stations
  - Parcels
    - Parcels
  - City Boundary
    - City Boundary
  - Sphere of Influence
    - Sphere of Influence

Attachment 6

Notes

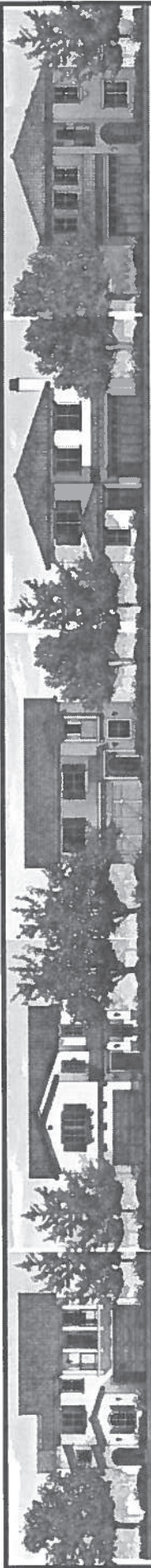
PA14-0014 (CUP): 122 Unit PUD and  
PA14-0015 (TTM) Tentative Tract Map  
38708.

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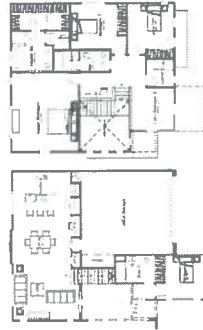


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PLAN 1

2,237 S.F.  
4 BEDROOM, OPTIONAL LOFT OR BEDROOM 5



2,253 S.F.  
3 BEDROOM AND OPTIONAL LOFT OR BEDROOM 4



PLAN 2

2,417 S.F.  
5 BEDROOMS AND OPTIONAL LOFT OR BEDROOM 6



PLAN 3

2,696 S.F.  
5 BEDROOMS AND LOFT



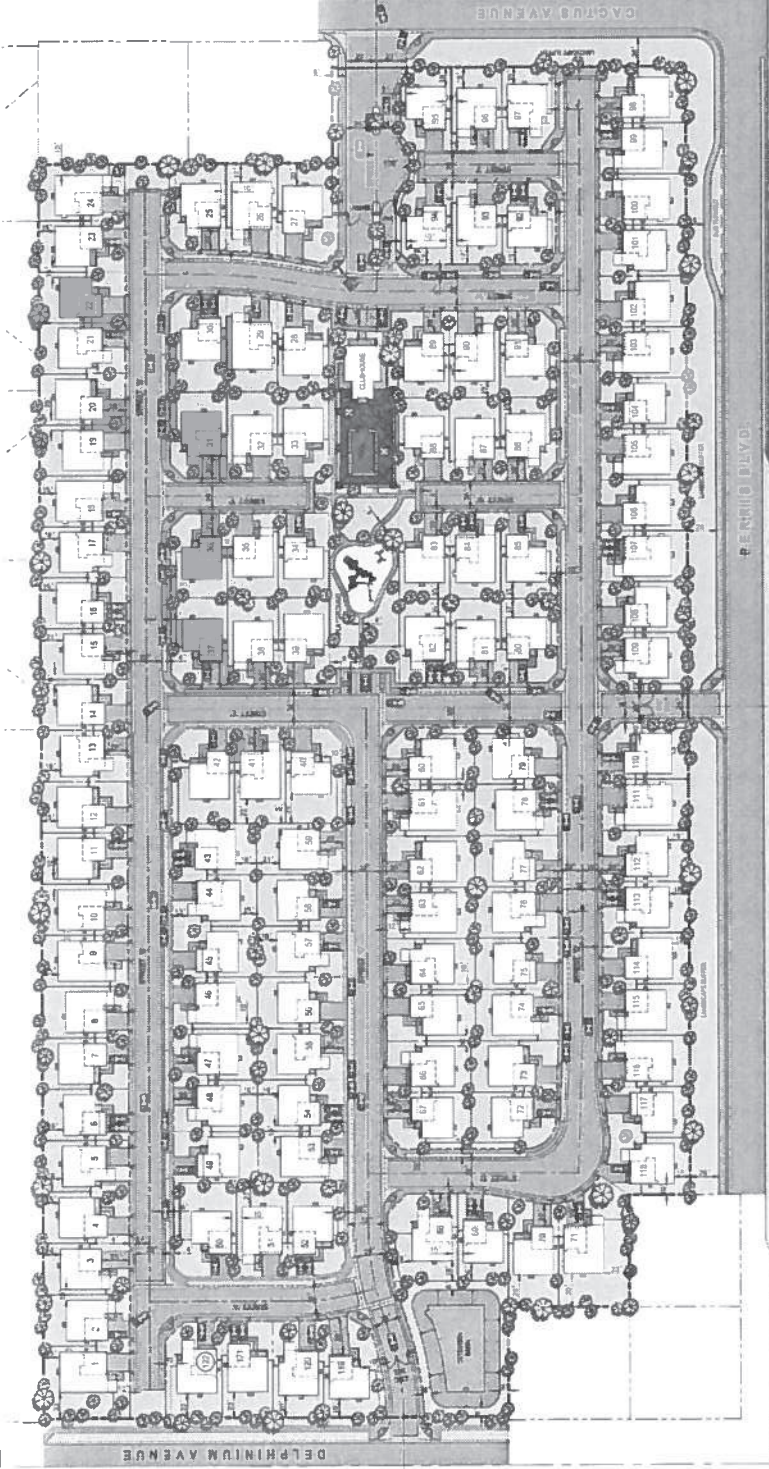
PLAN 4

2,054 S.F.  
3 BEDROOMS AND LOFT/OPT. 4 BED



PLAN 5

2,054 S.F.  
3 BEDROOMS AND LOFT/OPT. 4 BED

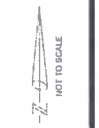


TABULATION

SINGLE FAMILY	LFYRD AREA	# BEDS	# STORED	# UNITS	
PLAN 1	2,237.0 S.F.	4 TO 5	2	23	
PLAN 2	2,253.0 S.F.	3 TO 4	2	29	
PLAN 3	2,417.0 S.F.	5 TO 6	2	21	
PLAN 4	2,696.0 S.F.	5 & LOFT	2	20	
PLAN 5	2,054.0 S.F.	3 TO 4	2	20	
PROJECT AREA				DENSITY	122 UNITS/AC. = 14.0 DU.
GROSS				163.3 AC.	
NET				153.1 AC.	
TOTAL				122 TOTAL	

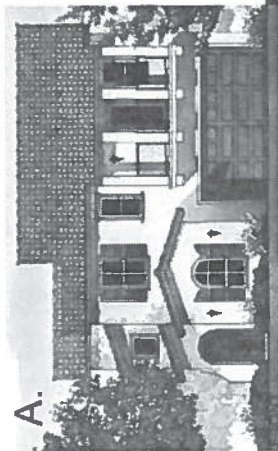
DATE PREPARED: 03/27/14  
 DRAWING NO.  
 SHEET 1  
 OF 1

PROPOSED PRELIMINARY SITE PLAN FOR  
**ISLA VERDE**  
 1 LOT CONDOMINIUM DEVELOPMENT - 122 HOMES



**NOVA HOMES, INC.**  
 Building Value for the Community  
 11000 E. 15th Avenue, Suite 100  
 Denver, CO 80231  
 Phone: 303.755.1100 | Fax: 303.755.1101 | www.novahomes.com

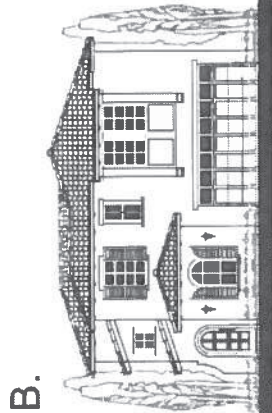
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A.

**Spanish Traditional**

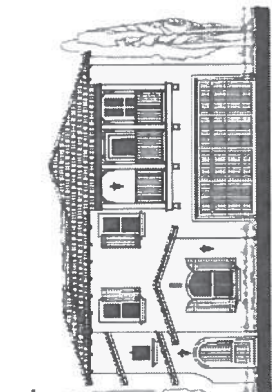
Concrete tile roof (Half terra cotta color)  
 Spanish tile roof (Half terra cotta color)  
 White trim on doors and windows  
 Decorative ironwork  
 Decorative ironwork  
 Decorative ironwork  
 Decorative ironwork  
 Decorative ironwork



B.

**Tuscan**

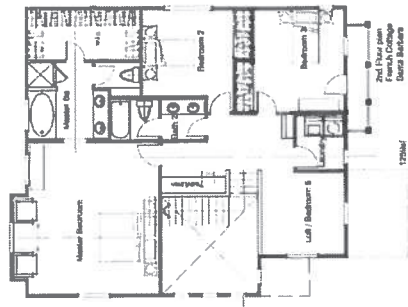
Concrete tile roof (Half terra cotta color)  
 Spanish tile roof (Half terra cotta color)  
 White trim on doors and windows  
 Decorative ironwork  
 Decorative ironwork  
 Decorative ironwork  
 Decorative ironwork



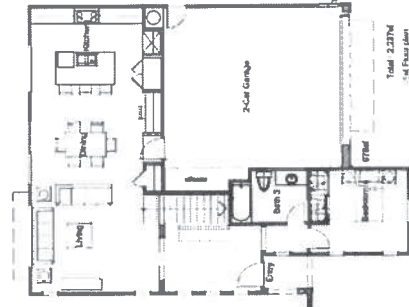
C.

**French Cottage**

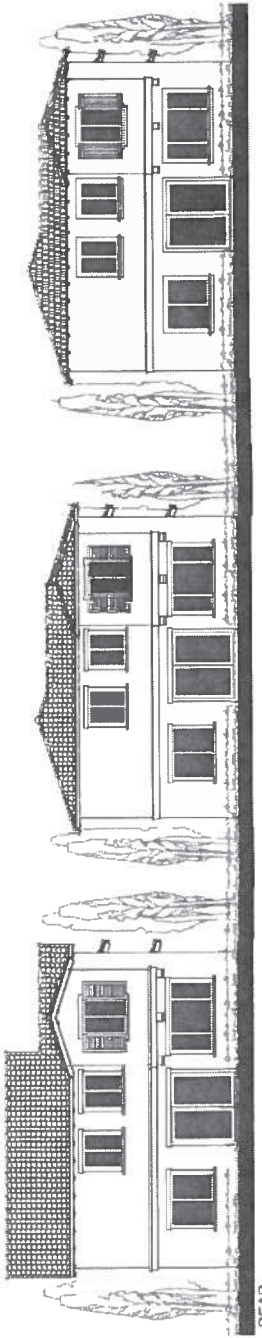
Concrete tile roof (Half terra cotta color)  
 Spanish tile roof (Half terra cotta color)  
 White trim on doors and windows  
 Decorative ironwork  
 Decorative ironwork  
 Decorative ironwork  
 Decorative ironwork



LEFT



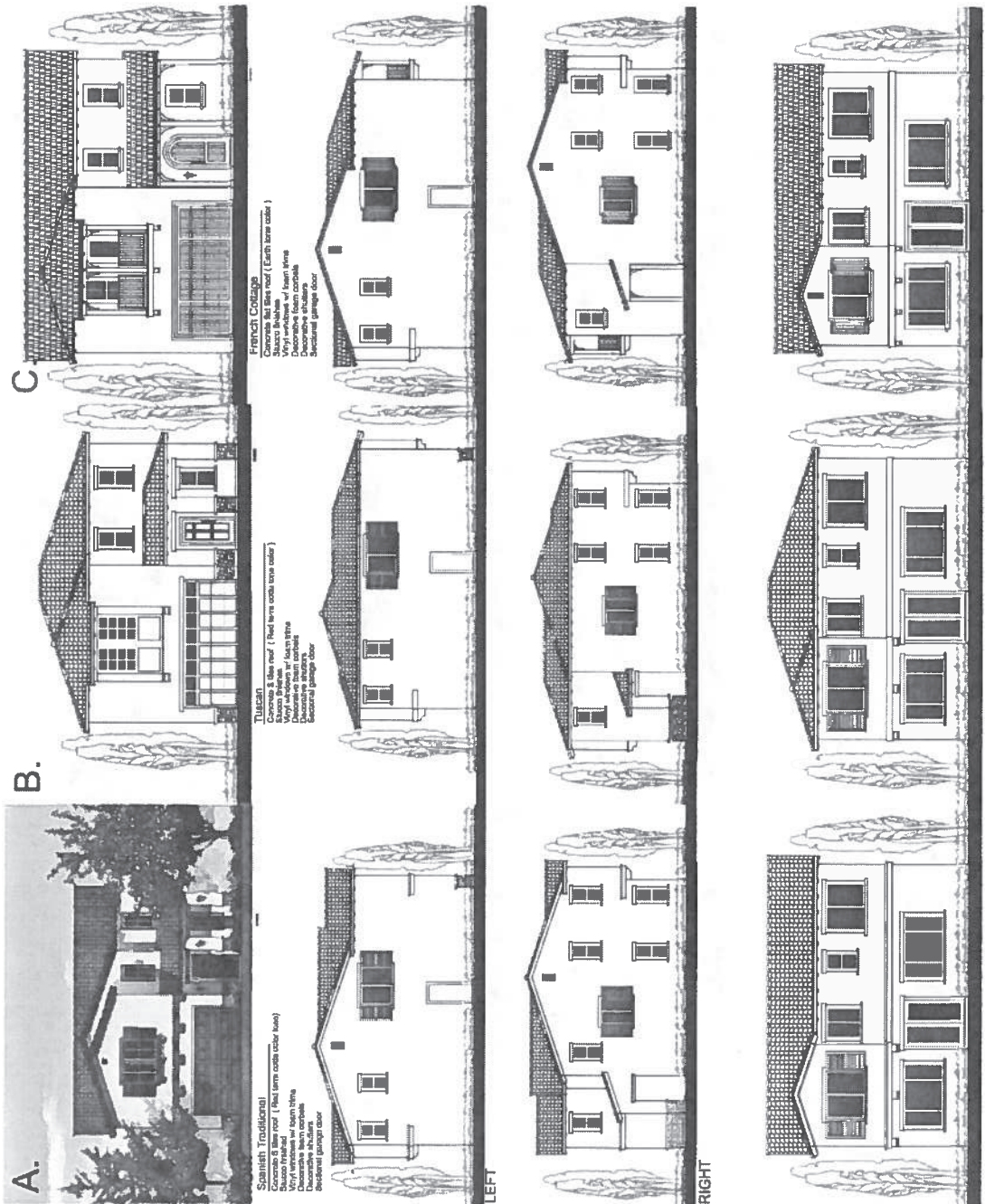
RIGHT



REAR

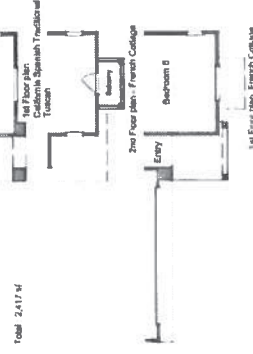
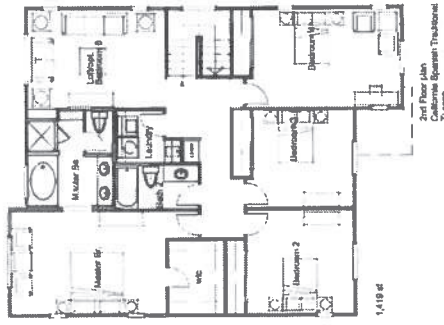
ISLA VERDE  
 Plan 1 - 2,237 S.F.



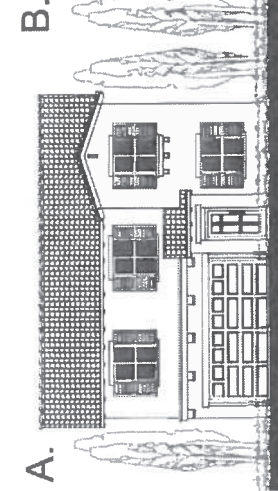
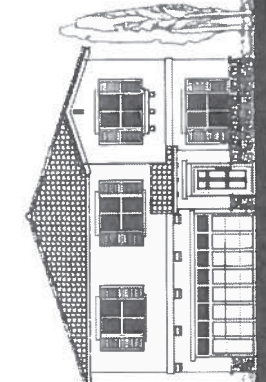


**ISLA VERDE**  
Plan 2 - 2,253 S.F.

**NOVA HOMES, INC.**  
Build Good Values for Homeowners  
MAY, 2014



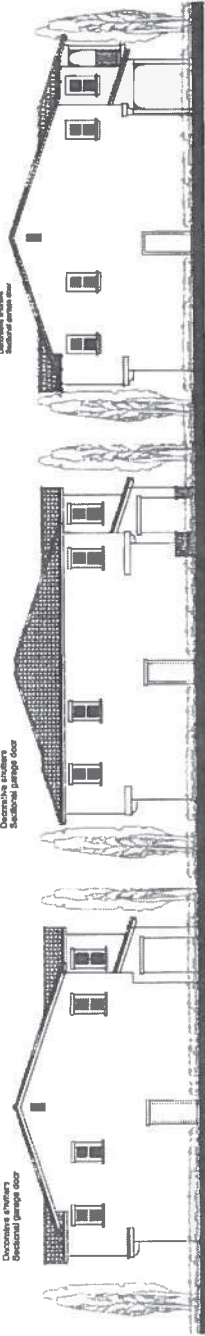
ISLA VERDE  
 Plan 3 2,417 S.F.



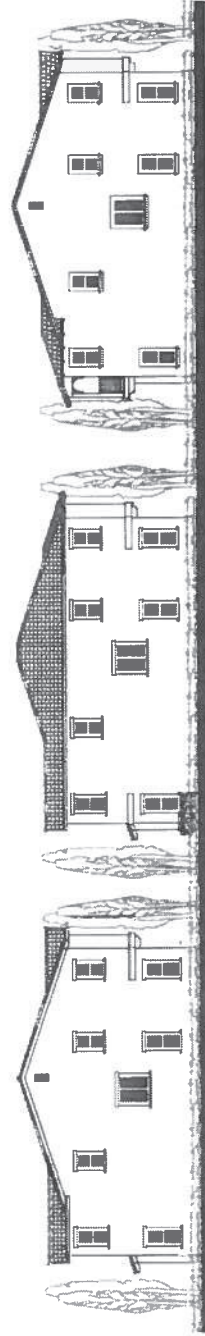
**FRONT**  
 Spanish Traditional  
 Clay tile roof (Red terra cotta tile color)  
 Stucco finish  
 Vinyl windows w/ storm shutters  
 Decorative ironwork  
 Decorative driveway  
 Decorative garage door

**FRONT**  
 French Cottage  
 Clay tile roof (Red terra cotta tile color)  
 Stucco finish  
 Vinyl windows w/ storm shutters  
 Decorative ironwork  
 Decorative driveway  
 Decorative garage door

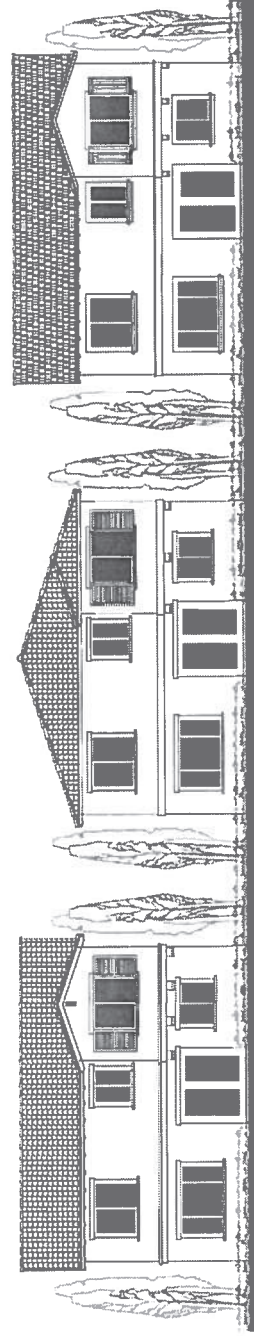
**FRONT**  
 French Cottage  
 Clay tile roof (Red terra cotta tile color)  
 Stucco finish  
 Vinyl windows w/ storm shutters  
 Decorative ironwork  
 Decorative driveway  
 Decorative garage door



LEFT



RIGHT

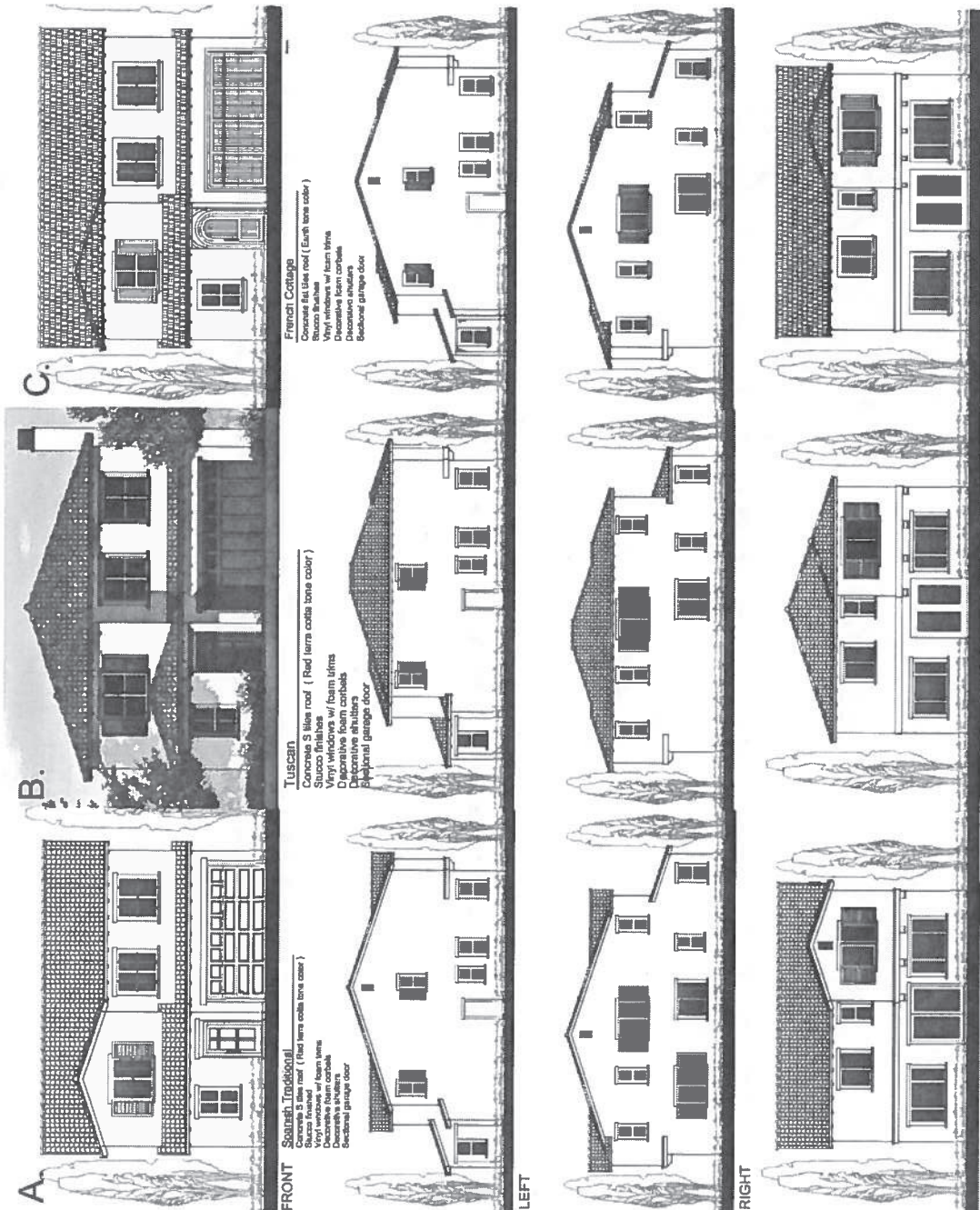


REAR

-317-

-575-

Item No. E.1



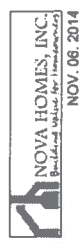
**Frontal Cottages**  
 Concrete flat tile roof ( Earth tone color )  
 Stucco finish  
 Vinyl windows w/ beam lifts  
 Decorative foam cornices  
 Discretionary shutters  
 Beveled garage door

**Tuscan**  
 Concrete S tile roof ( Red terra cotta tone color )  
 Stucco finish  
 Vinyl windows w/ beam lifts  
 Decorative foam cornices  
 Discretionary shutters  
 Beveled garage door

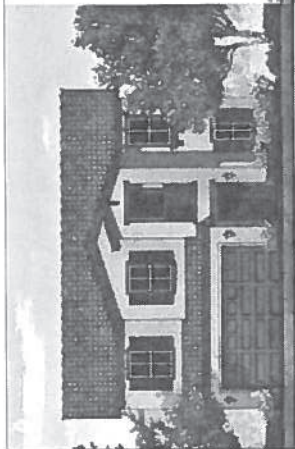
**Spanish Traditional**  
 Concrete S tile roof ( Red terra cotta tone color )  
 Vinyl windows w/ beam lifts  
 Decorative foam cornices  
 Discretionary shutters  
 Beveled garage door



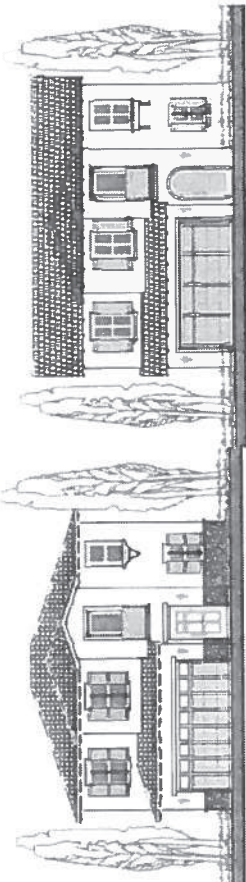
ISLA VERDE  
 Plan 4 - 2,696 S.F.





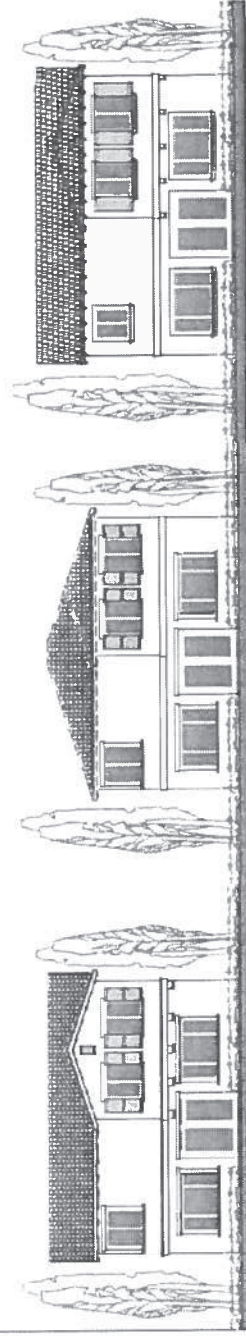
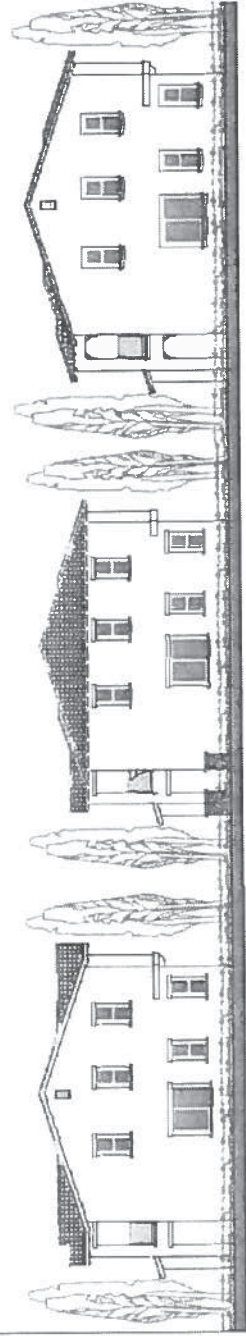
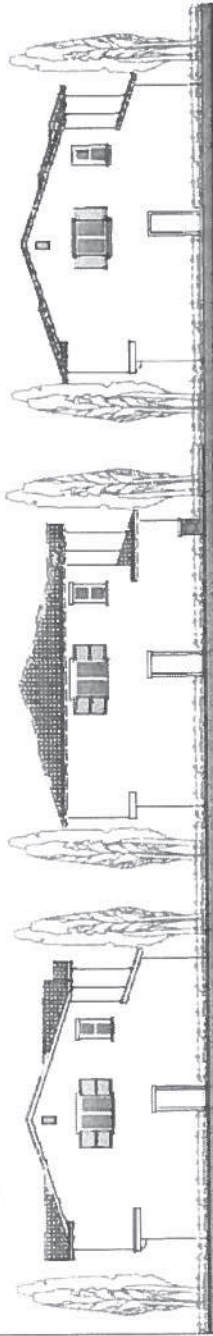


**California Spanish Traditional**  
 1,100 sq. ft. (approx.)  
 3 Bedrooms  
 2 Bathrooms  
 2 Car Garage  
 Call for more information



**Tuscan**  
 1,100 sq. ft. (approx.)  
 3 Bedrooms  
 2 Bathrooms  
 2 Car Garage  
 Call for more information

**French Cottage**  
 1,100 sq. ft. (approx.)  
 3 Bedrooms  
 2 Bathrooms  
 2 Car Garage  
 Call for more information

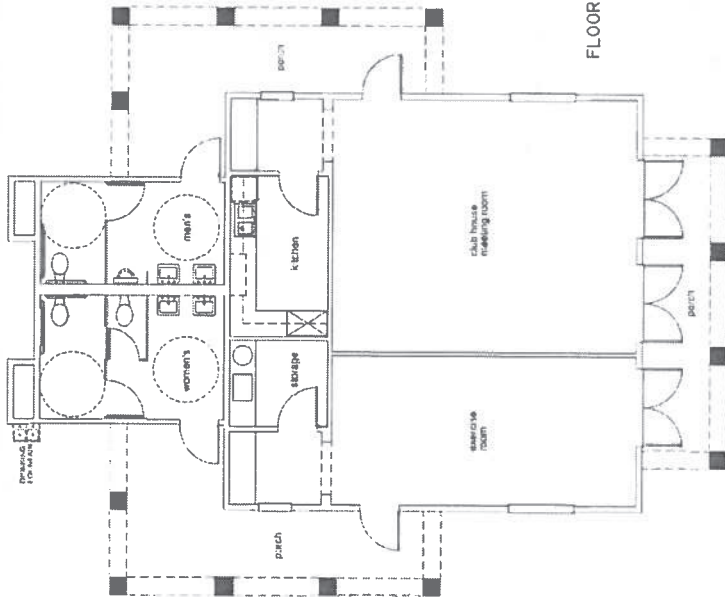


1,100 sq. ft.

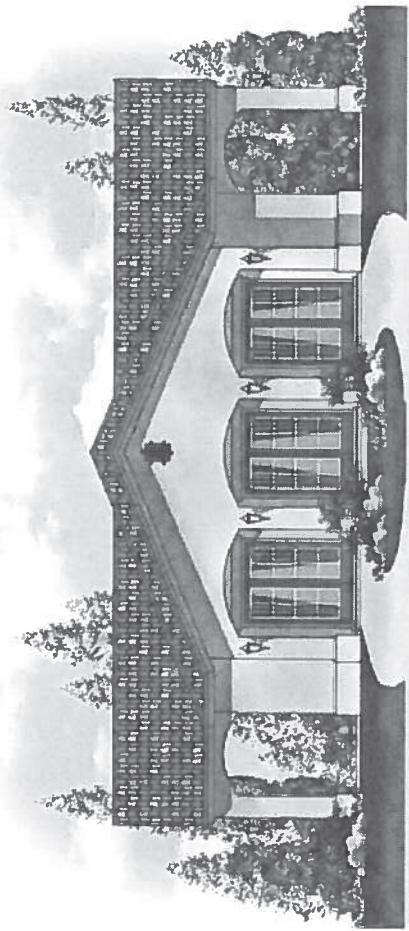


800 sq. ft.

**NOVA HOMES, INC.**  
 3100 AVENUE 150 SUITE 102  
 COSTA MESA, CA 92626  
 DNR



FRONT ELEVATION

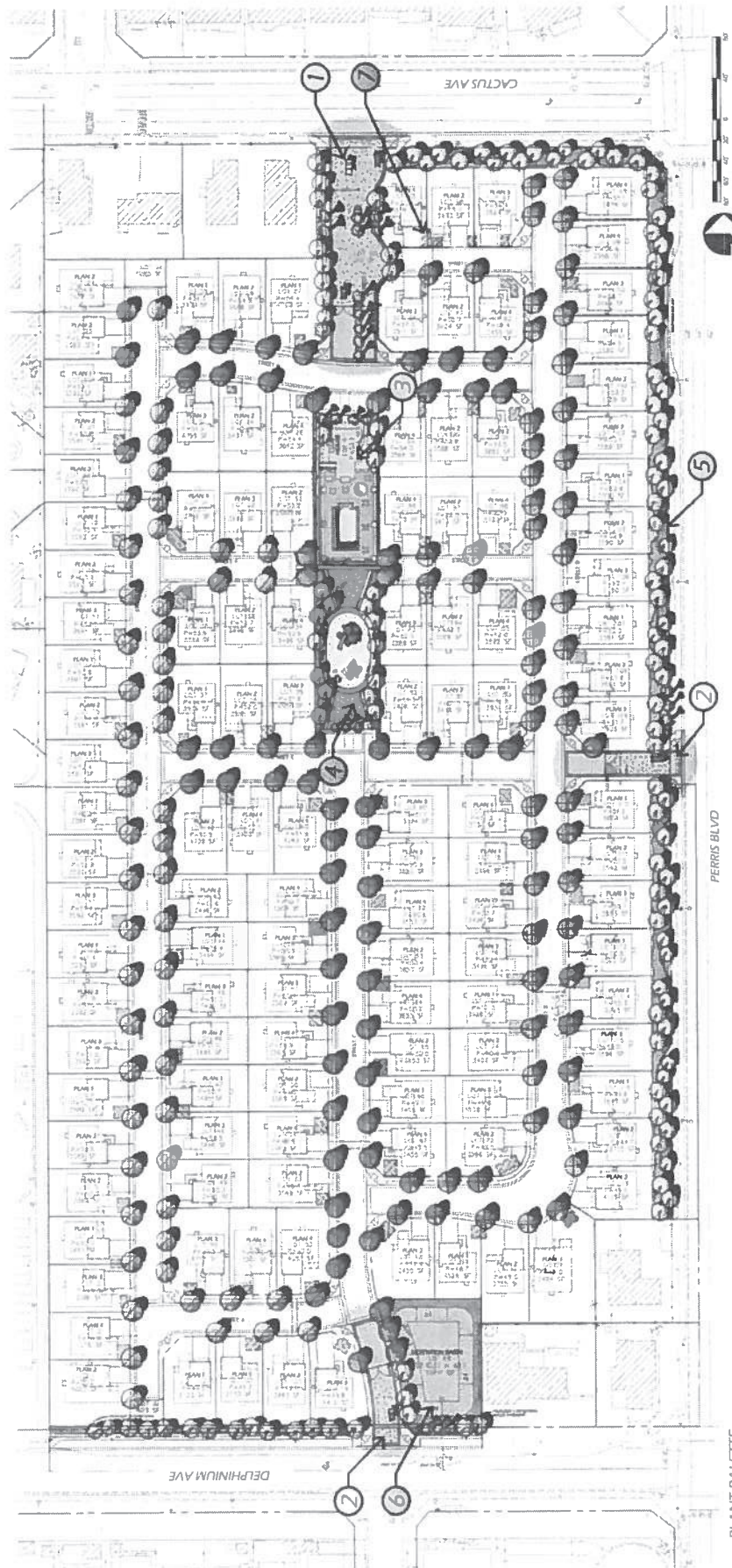


REAR ELEVATION

LEFT ELEVATION

RIGHT ELEVATION





- LEGEND**
- ① MAIN ENTRY
  - ② NEIGHBORHOOD ENTRY
  - ③ CLUBHOUSE/POOL AND SPA
  - ④ PARK/PLAY ZONE
  - ⑤ LANDSCAPE BUFFER
  - ⑥ DETENTION BASIN
  - ⑦ BIO-RETENTION BASINS

**PLANT PALETTE**

SYMBOL	BOTANICAL NAME	COMMON NAME	WAKOLS AND PLANT FACTOR	SELECTS AND PLANT FACTOR
	WASHIKOTONA RUBRA	REDBARK PALM	LOW	MODERATE
	PAID VERDE	CERISEAU FLOREDAU	VERY LOW	LOW
	OLEA EUROPAEA SWAN HILL	SWAN HILL OLIVE	LOW	LOW
	PLATANUS X ACERIFOLIA	LONDON PLAN	MODERATE	LOW
	CERIS OCCIDENTALIS	CALIFORNIA REDBUD	MODERATE	MODERATE
	CALISTEGEM LITTLE JOHN	LITTLE JOHN LITTLEBUSH	LOW	LOW
	CEANOTHUS BAY HARTMAN	CALIFORNIA LEUC	LOW	LOW
	HEPSTRALOE PARVIFLORA	RED ALOE	LOW	LOW
	HETEROMELES ARBUTIFOLIA	TORON	LOW	LOW
	LANTANA CANARIA	ORANGE LANTANA	LOW	LOW
	LEUCOPHYLLUM LYONS LEGACY	LYONS LEGACY TEXAS BANBER	LOW	LOW
	LEUCODENDRUM JAPONICUM	PRINET	MODERATE	MODERATE
	AMALUX GUITATUS	GALEEN MOONWEE FLOWER	MODERATE	MODERATE
	MULHEMBERGIA APPALANSIS	REGAL HAST MAHRT	MODERATE	MODERATE
	MULHEMBERGIA BERTS	DEER GRASS	MODERATE	MODERATE
	RHOIS OVATA	SUGARBUSH	LOW	LOW
	ROSA BANQUISSE	ROSA BANQUISSE	MODERATE	MODERATE
	ROSMARINUS O. TUSCAN BLUE	TUSCAN BLUE ROSEMARY	LOW	LOW
	SALVIA ANAXANA VEREFORME	CALIFORNIA WHITE SAGE	LOW	LOW
	SALVIA BRESSES	BRESSES SAGE	LOW	LOW
	SALVIA MICROPHRELLA HOT LIPS	HOT LIPS SALVIA	LOW	LOW
	SPHALMACEA ANGIOLINA	ANGIOLI HOLLOW	LOW	LOW
	ALLOYSM C. COMPACTA	COMPACT NILEDSMA	MODERATE	MODERATE
	MALEFANDERA UNIGS-CATI	YELLOW FRUITSET VINE	MODERATE	MODERATE
	PERLA RUBENS	CREeping FIG	MODERATE	MODERATE
	BACCHARIS PALLIARIS TWAN PEAKS	LAUREL	LOW	LOW
	ANTYRIDIUM PUTAN GUREL	ANTYRIDIUM	LOW	LOW
	ACACIA REDDOLINE DESERT CARPET	ACACIA	LOW	LOW
	ROSMARINUS O. PROSTRATUS	PROSTRATE ROSEMARY	LOW	LOW
	SICO-MARITIMUS II	TURT	LOW	LOW
	ARCEUTHOBAY ALL SPINES	ARCEUTHOBAY	LOW	LOW

**LANDSCAPE MASTER PLAN**

IAN DAVIDSON  
LANDSCAPE ARCHITECTURE  
35-7 MARKET STREET  
SAN FRANCISCO, CA 94102  
P: 951.683.1083 F: 951.483.4352



Illustration: TC

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*Isla Verde*  
  
*A Planned Community*

## TABLE OF CONTENTS

Section 1	Introduction Site Plan
Section 2	Architectural 2.1- Residence 1-Gioia 2.2- Residence 2-Cecilia 2.3- Residence 3-Katherine 2.4- Residence 4-Camilla 2.5- Residence 5-Maria 2.6- Clubhouse
Section 3	Landscape Master Plan & Plant Palette

## Executive Summary

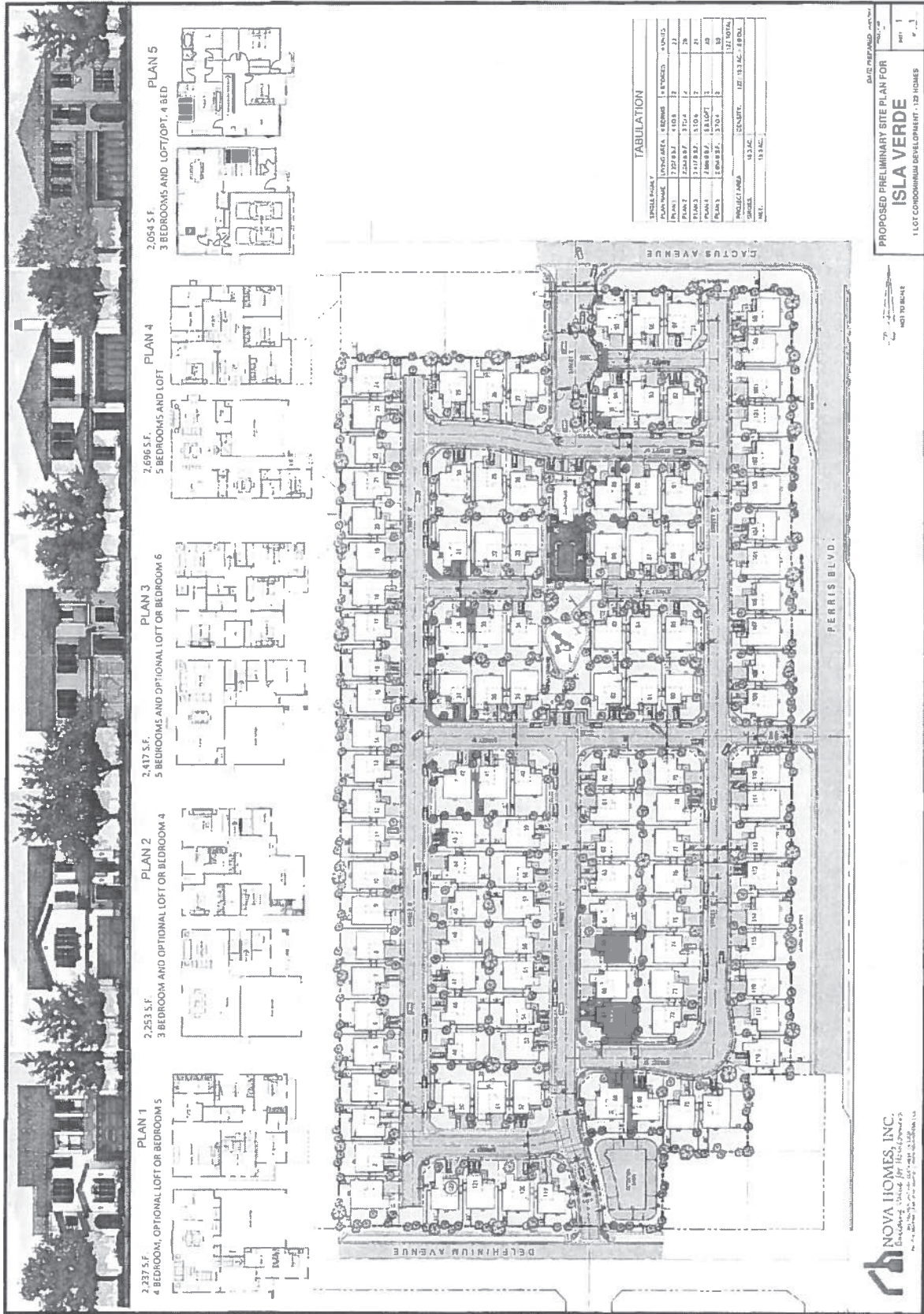
Isla Verde is a planned residential community located on 15.92 acres of vacant land situated on the west side of Perris Boulevard between Cactus Ave. on the north and Delphinium Ave. on the south.

Isla Verde consists of 122 detached single family homes in a single lot condominium format ranging in size from 2054 SF to 2696 SF. The condominium format enables compliance with the density requirements of R10 zoning.

There will be five floor plans. Each floor plan will be available in a Spanish, Tuscan or Cottage architectural style assuring a diverse and interesting street scene. Neither the same floor plan nor the same elevation style will be plotted next to itself or directly across the street. Repetitive patterns of garage placement will be avoided.

Isla Verde will be gated with amenities that include a 1700 SF clubhouse and meeting room, swimming pool and children's play area. The streets will be private streets built to public street standards with ample street parking. Building exteriors as well as all common area amenities, streets, front yard landscaping and perimeter landscaping will be maintained by a homeowner's association assuring the "look" and "style" of Isla Verde will be maintained for generations to come.

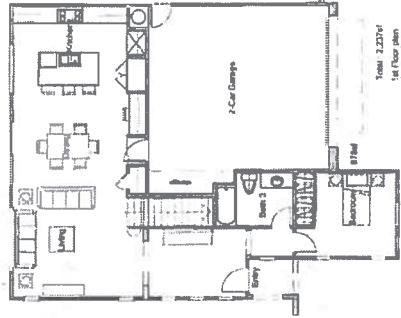
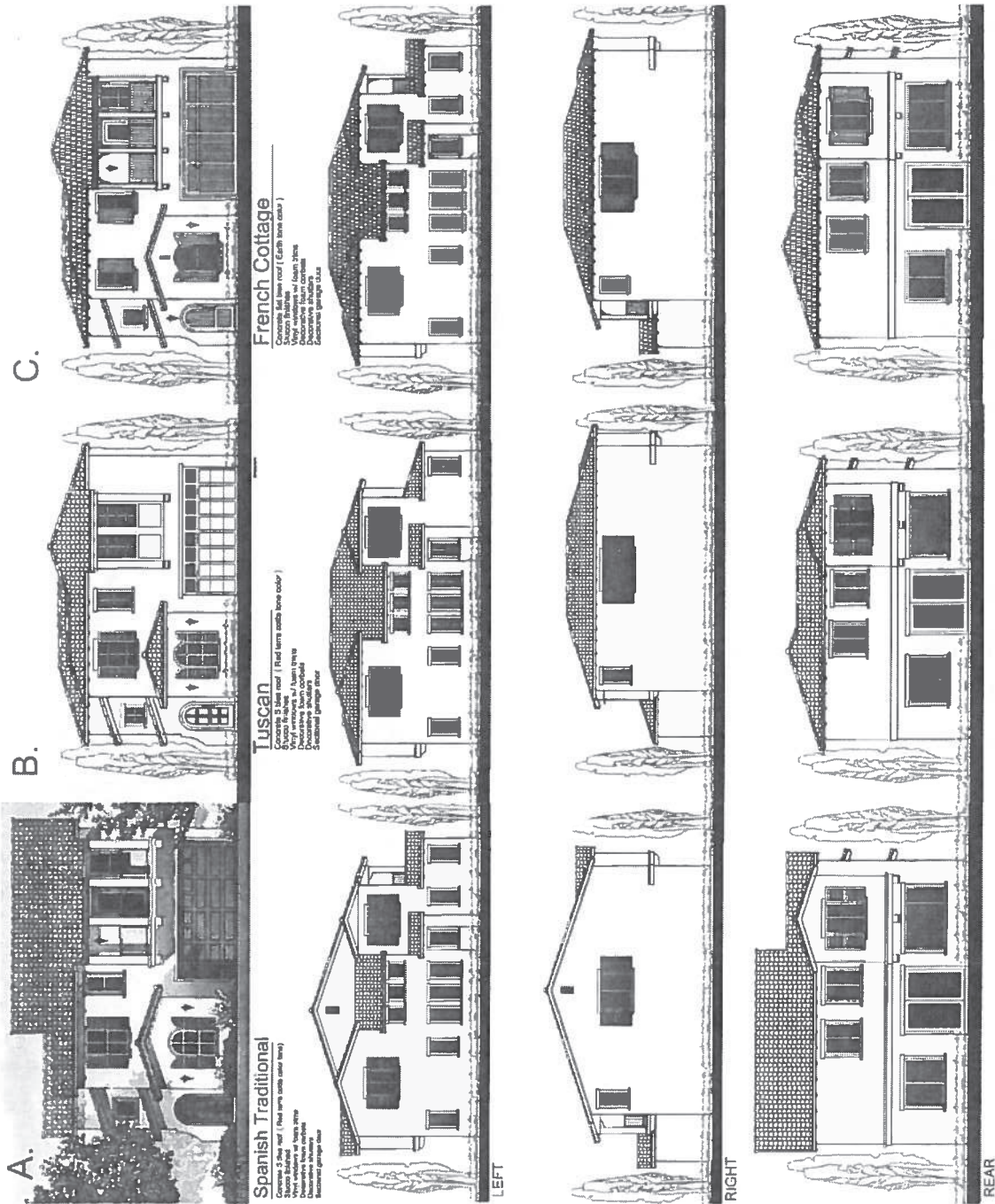
Three points of access, one each on Perris Blvd., Cactus Ave. and Delphinium Ave., provide convenient access and an on-site circulation system consistent with the City of Moreno Valley standards. Off-site improvements for which Isla Verde will be conditioned to make include a raised landscape median on Perris Blvd. along the project frontage. Cactus Ave. will be required to be constructed as Minor Arterial and Delphinium Ave. as a collector, all in furtherance of the Moreno Valley Master Circulation Plan.





# Isla Verde

*Floor Plans & Elevations*



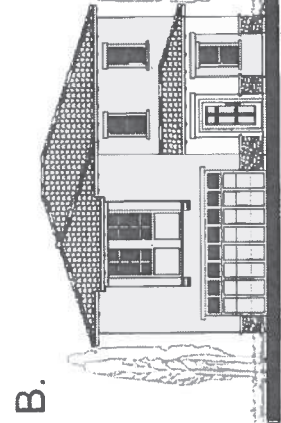
3100 ARWAY AVE, SUITE 100  
 COSTA MESA, CA 92626

ISLA VERDE  
 Plan 1 - 2,237 S.F.



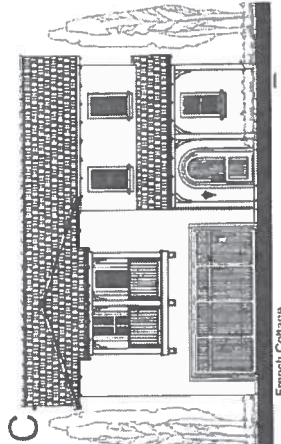
A.

**Spanish Traditional**  
 Concrete 5 tile roof (Red terra cotta color tummy)  
 Spanish tilework on main porch  
 Decorative terra cotta  
 Decorative shutters  
 Stucco garage door



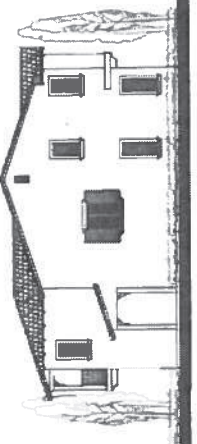
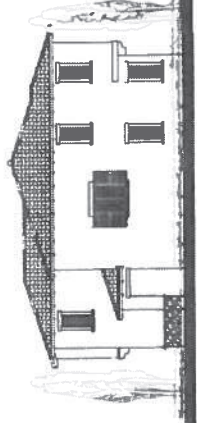
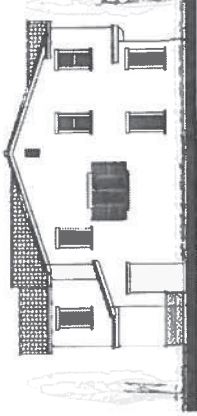
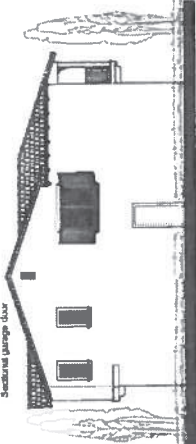
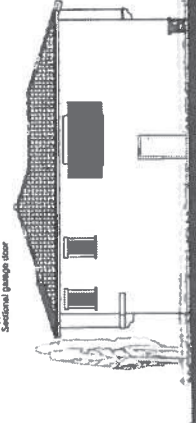
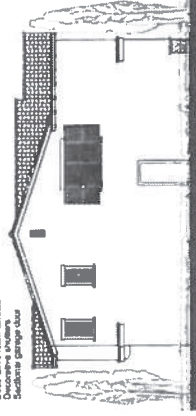
B.

**Tuscan**  
 Concrete 5 tile roof (Red terra cotta color tiles)  
 Spanish tilework on main porch  
 Decorative terra cotta  
 Decorative shutters  
 Stucco garage door

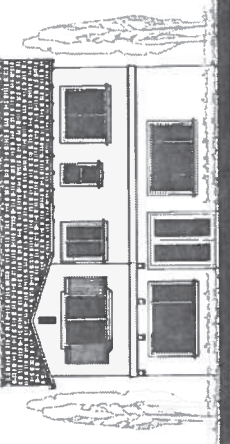
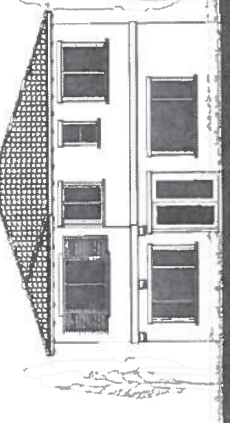
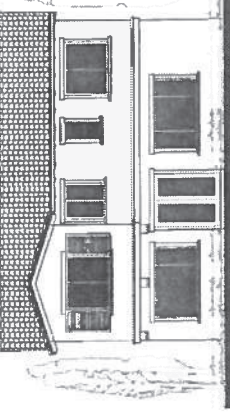


C.

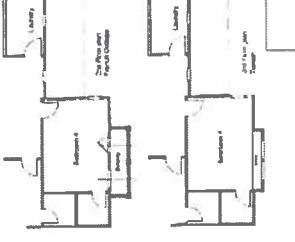
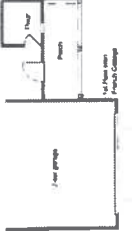
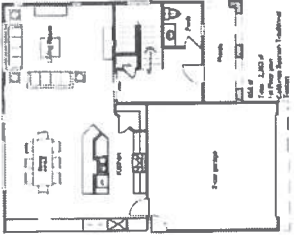
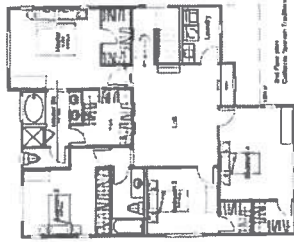
**French Cottage**  
 Concrete 5 tile roof (Earth tone color)  
 Spanish tilework on main porch  
 Decorative terra cotta  
 Decorative shutters  
 Stucco garage door



RIGHT

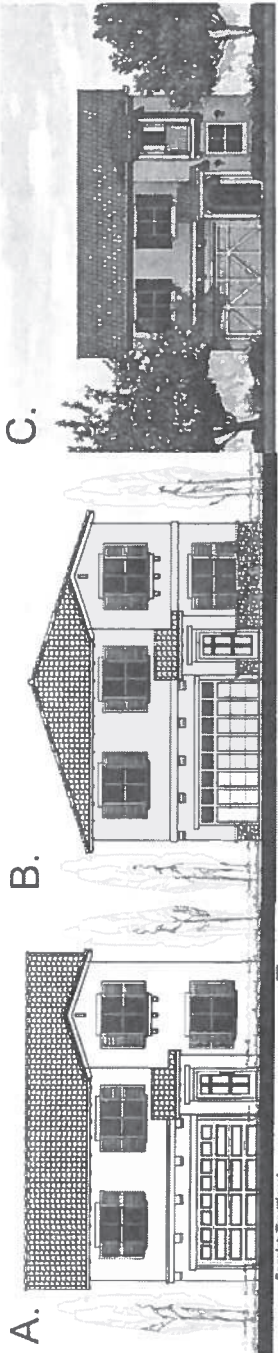


REAR



ISLA VERDE

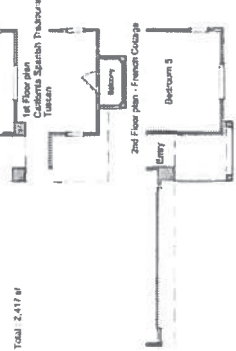
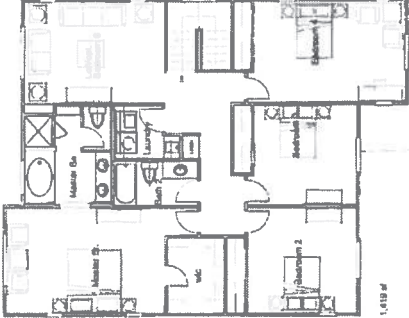
3100 AIRWAY AVE. SUITE 102



FRONT

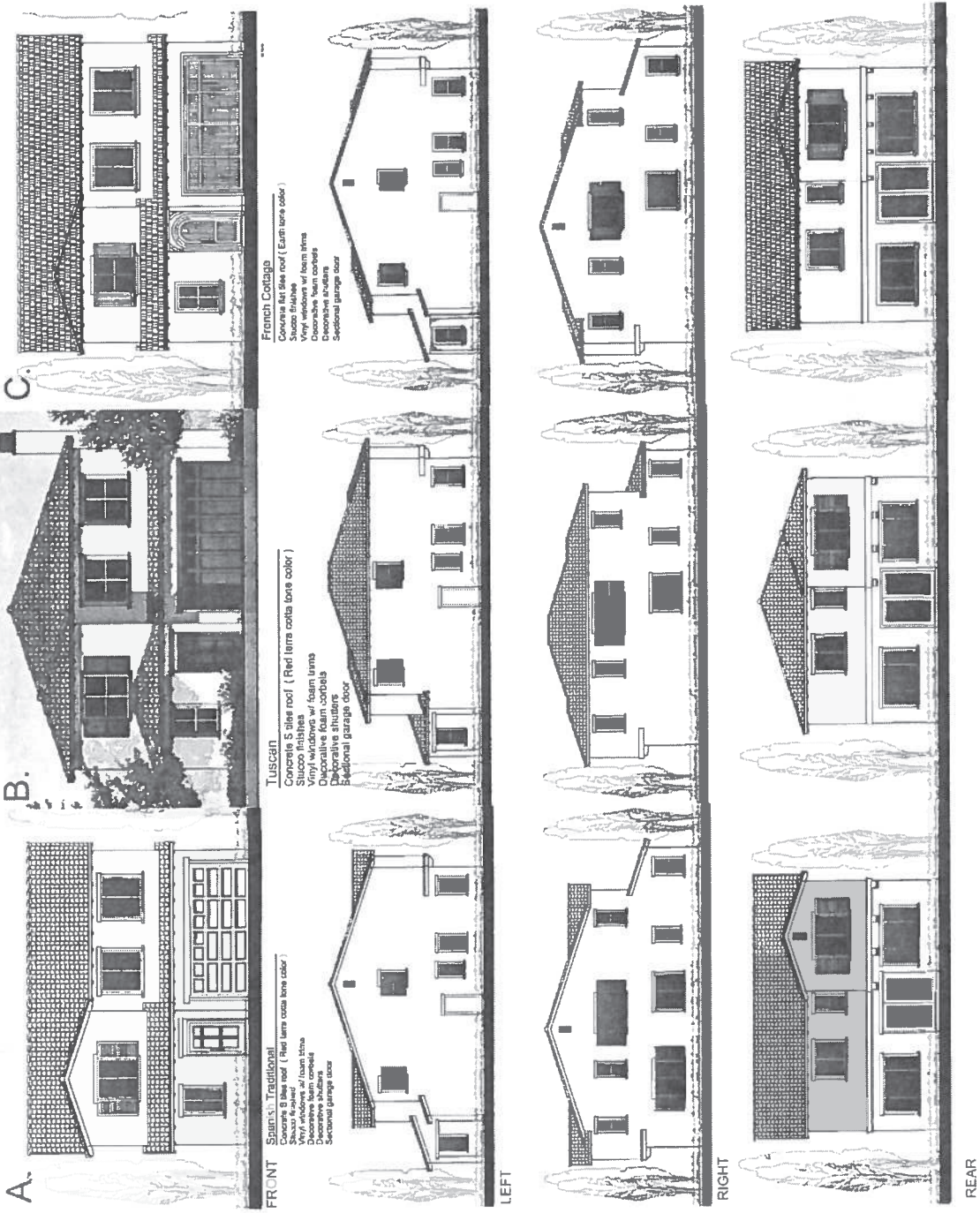
LEFT

RIGHT



ISLA VERDE

1st Floor plan - French Cottage



-331-

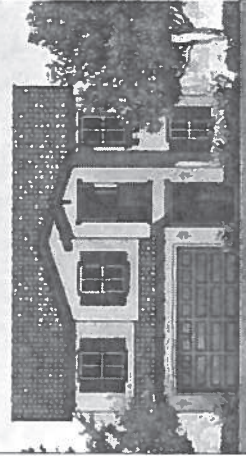
-589-

3100 AIRWAY AVE, SUITE 102  
 COSTA MESA, CA 92626

ISLA VERDE  
 Plan 4 2,696 S.F.

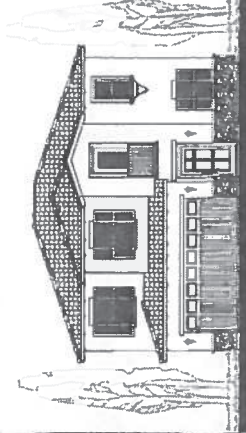
Item No. E.1

A.



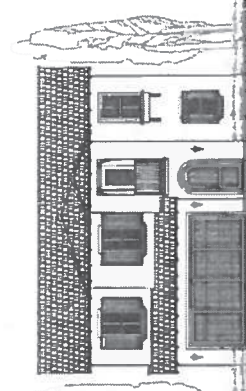
**Spanish Traditional**  
Concrete S line roof (Red terra cotta tile color)  
Stucco finish  
Decorative shutters  
Decorative beam supports  
Decorative garage door

B.

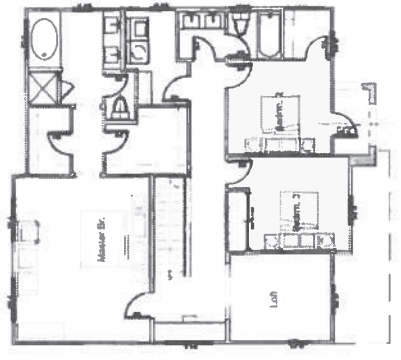
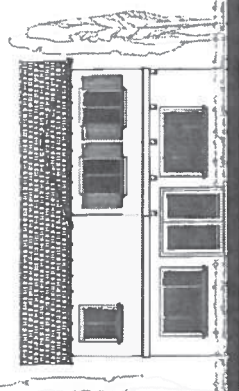
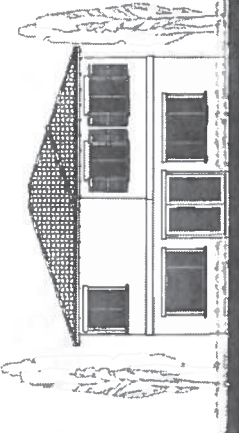
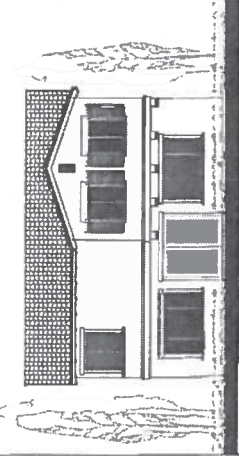
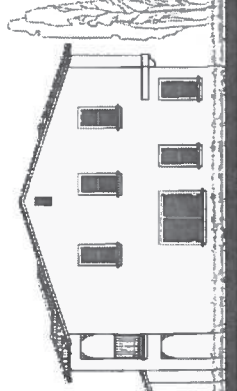
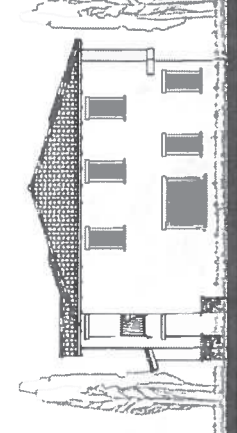
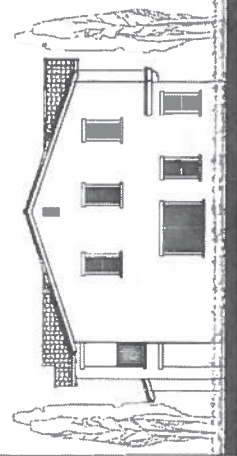
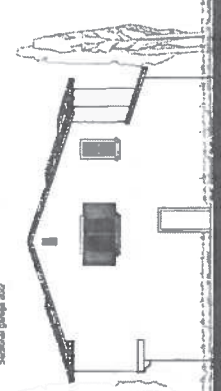
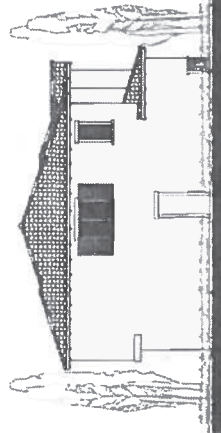
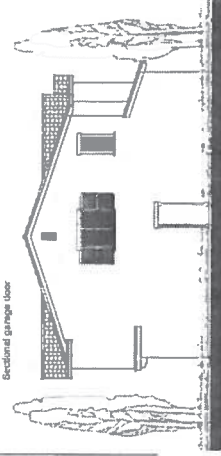


**Tuscan**  
S line roof (Red terra cotta tile color)  
Stucco finish  
Decorative shutters  
Decorative beam supports  
Decorative garage door

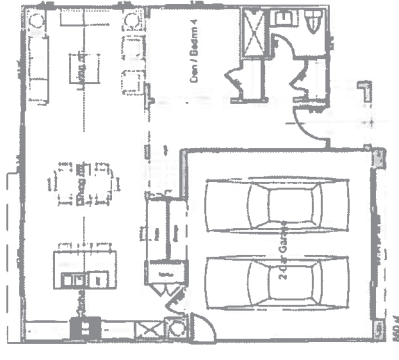
C.



**French Cottage**  
Concrete S line roof (Light terra cotta)  
Stucco finish  
Decorative shutters  
Decorative beam supports  
Decorative garage door



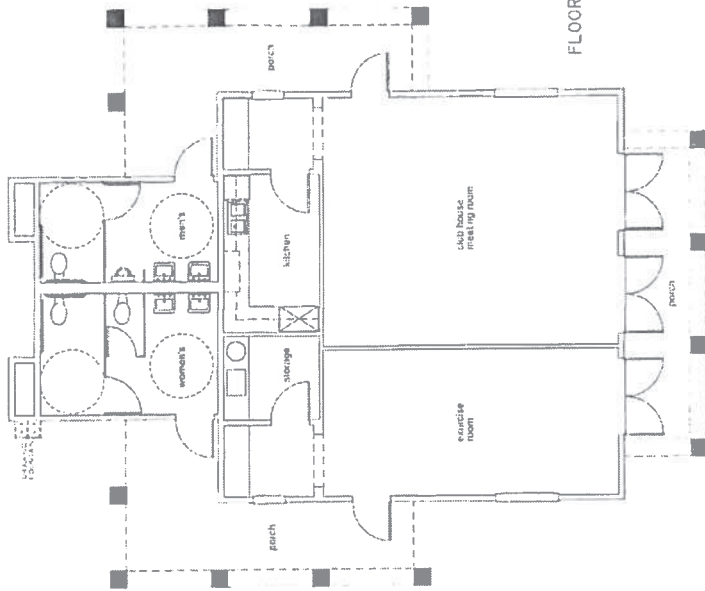
1,196 sf



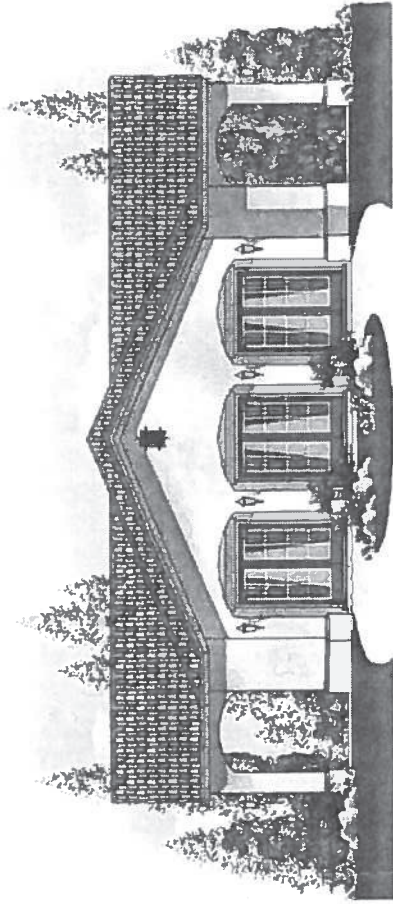
860 sf

ISLA VERDE

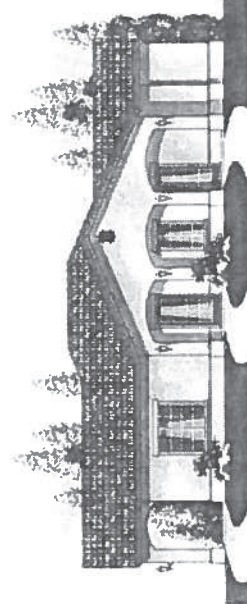
1100 BIRNLEY AVE SUITE 107



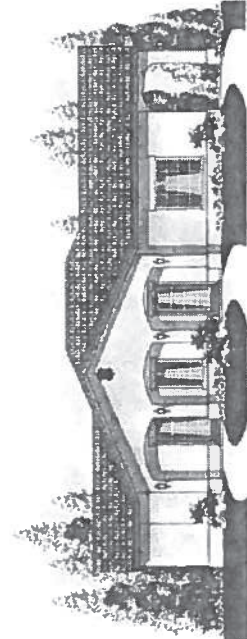
FLOOR PLAN



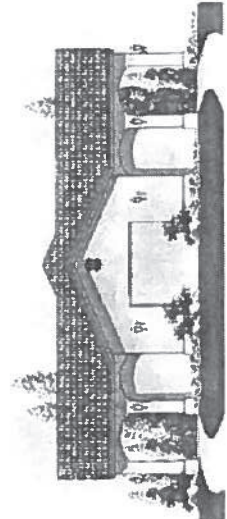
FRONT ELEVATION



RIGHT ELEVATION



LEFT ELEVATION



REAR ELEVATION

ISLA VERDE  
MORENO VALLEY, CA

CLUBHOUSE (FLOOR PLAN & ELEVATIONS)

# *Isla Verde*

---

*A Planned Community*

## *Landscape Master Plan*





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To The City of Moreno Valley

RECEIVED

DEC 11 2014

ATTN: Members of the Planning Commission

MORENO VALLEY  
Planning Division

I am a current land owner of 30 years residing at 24848 Cape Cod St., Moreno Valley, CA. It has come to my attention that you are considering a permit to build single family homes on the land directly behind my house. I have several concerns pertaining to its plot plans and the placement of two story homes along the west end of the project. First of all, there is a dispute regarding the property line between our two properties. The applicant as well as city planners have repeatedly mistakenly assumed the property line is the fence line which is the top of the slope and not the bottom of the incline. Once this matter has been resolved to the satisfaction of all property owners with a vested interest then consideration can be given to appropriate fencing placement buffering to ensure adequate privacy and quality of life for all parties with a vested interest. It is my opinion only single story and or open space should be built. The fact that two story homes are being proposed and being built just 15 feet from the property line places these homes directly over my house taking away any easterly view and allowing property owners to easily peer onto my property from the 2nd story window. As the project now stands with the elevations of the models having six to eight windows in the rear second story level and the fact the second stories will line up to the top of my fencing. To my knowledge, Moreno Valley has never allowed two story homes to be built up against already existing single story homes in this manner, so why start now? Second of all, The project is proposing a gated community, where cars coming and going out of the project must wait for a gate to open and close. Cactus Ave and Perris Blvd. have got to be two of the busiest streets in Moreno Valley. During certain times of day the traffic is backed up way beyond the corner of Perris and Cactus to Philo St. going east bound that even inlets are insufficient to mitigate this additional traffic nightmare. In conclusion, I propose that the project reduce the number of homes along with eliminating the inlets to help facilitate a more reasonable compromise concerning traffic concerns, and that only single story homes be built along the west end of the project to ensure that existing home owners' privacy be appropriately addressed.

I want to say I've had the project owner in my home and rear property at this meeting and I told him I was going to have a problem with two storys especially since I'm at the end of the cul de sac and my house faces southwest in front (on a diagonal) and I would be contending with four houses if not more with full view of my property and therefore have no privacy or sky.

It is important for the commission to know the applicant initiated work on the property before the ink was dry and recorded in title with the county and the city could ascertain ownership. This is important to mention because the applicant came in and razed olive trees some in the city right of way some probably in the right of way of the state. The workers trespassed on private property and refused to stop until MVPD arrived and we managed to save the tree we've watered for 30 years.

Sincerely,  
Randy Nickel

*Randy Nickel*  
*12/11/2014*

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**Isla Verde 121-Unit Single-Family Condominium Development Conditional Use Permit  
Initial Study/Mitigated Negative Declaration**

**Prepared for:  
City of Moreno Valley  
Community & Economic Development Department  
Planning Division  
14177 Frederick Street  
Moreno Valley, CA 82552**

**Prepared by:  
Clark Seif Clark (CSC), Inc.  
110 Pine Avenue, Suite 925  
Long Beach, CA 90802**

**Telephone: (562) 435-8080**

**Facsimile: (562) 590-8795**

**CSC Project Identification: 4006731**

**March 2, 2015**

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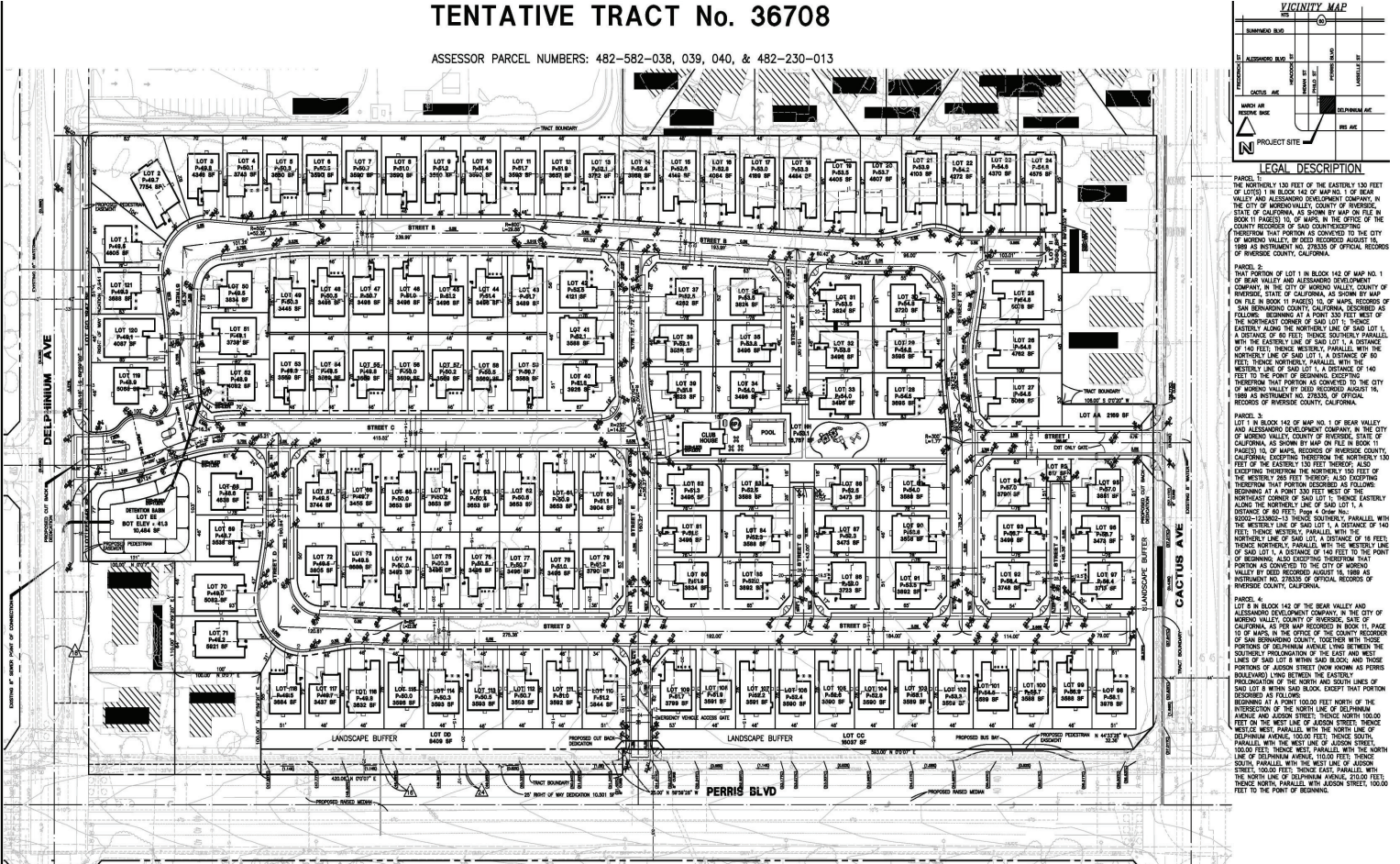
## INITIAL STUDY/ENVIRONMENTAL CHECKLIST FORM

1. **Project title:** Isla Verde 121-Unit Single-Family Condominium Development Conditional Use Permit (CUP)
2. **Lead agency name and address:** City of Moreno Valley Community & Economic Development Department, Planning Division, 14177 Frederick Street, Moreno Valley, CA 92552
3. **Contact person and phone number:** Claudia Manrique, Senior Planner, (951) 413-3206
4. **Project location:** 24939 Cactus Avenue/Southwest Corner of Perris Boulevard and Cactus Avenue, Moreno Valley, CA 92553
5. **Project sponsor's name and address:** Thomas Mungari, Nova Homes, Inc., 245 Fischer Drive, Unit A-8A, Costa Mesa, CA 92626
6. **General plan designation:** Residential/Office (R/O)
7. **Zoning:** Planned Unit Development (PUD)
8. **Description of project:** The proposed project is a 16.3-acre Single Lot Condominium Development Subdivision (Figure 1 – Proposed Preliminary Site Plan for Isla Verde) improved with 121 free-standing, single-family residences with shared open space. The project would include the following amenities: clubhouse, swimming pool, and child-play area (Tot Lot) totaling 16,767 square feet (sf) of land area. The project would also include approximately 35,245 sf of landscaping, and a 10,484-square-foot detention basin. The proposed lot sizes range in area from 3,437 sf to 5,921 sf, and would be occupied with one- and two-story dwellings ranging in living area from 1,462 sf (3 to 4 bedrooms) to 2,696 sf (5 bedrooms with loft).

The proposed project would include six-foot high solid decorative block walls (required) along the northern, southern and eastern perimeters of the project for noise abatement.

# TENTATIVE TRACT No. 36708

ASSESSOR PARCEL NUMBERS: 482-582-038, 039, 040, & 482-230-013



Isla Verde 121-Unit Single-Family Condominium Development Conditional Use Permit Initial Study/Mitigated Negative Declaration



9. **Surrounding land uses and setting:** Land uses surrounding the proposed project are as follows:

- North – Single-family residential tract;
- East – Single-family residential tract, open space, Childtime child care facility, and free-standing single-family residences;
- South – Single-family residential tract (mobile home park);
- West – Chaparral Hills Elementary School and Badger Springs Middle School (southwest); single-family residential tract (northwest).

10. **Other public agencies whose approval is required:** Santa Ana Regional Water Quality Control Board (Construction Activity General Construction Permit; NPDES Permit), Riverside County Flood Control and Water Conservation District (Water Quality Management Permit and storm drain design), and Eastern Municipal Water District (domestic water and sewer system design).

**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:**

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

<input type="checkbox"/>	Aesthetics	<input type="checkbox"/>	Agriculture and Forestry Resources	<input type="checkbox"/>	Air Quality
<input type="checkbox"/>	Biological Resources	<input type="checkbox"/>	Cultural Resources	<input type="checkbox"/>	Geology /Soils
<input type="checkbox"/>	Greenhouse Gas Emissions	<input type="checkbox"/>	Hazards & Hazardous Materials	<input type="checkbox"/>	Hydrology/Water Quality
<input type="checkbox"/>	Land Use/Planning	<input type="checkbox"/>	Mineral Resources	<input type="checkbox"/>	Noise
<input type="checkbox"/>	Population/Housing	<input type="checkbox"/>	Public Services	<input type="checkbox"/>	Recreation
<input type="checkbox"/>	Transportation/Traffic	<input type="checkbox"/>	Utilities/Service Systems	<input type="checkbox"/>	Mandatory Findings of Significance

**DETERMINATION:**

On the basis of this initial evaluation:

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**EVALUATION OF ENVIRONMENTAL IMPACTS:**

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

- 4) "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from "Earlier Analyses," as described in (5) below, may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
  - a) Earlier Analysis Used. Identify and state where they are available for review.
  - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
  - c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
- 9) The explanation of each issue should identify:
  - a) The significance criteria or threshold, if any, used to evaluate each question; and;
  - b) The mitigation measure identified, if any, to reduce the impact to less than significance.

## ENVIRONMENTAL ISSUES

### Environmental Issues:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
<b><u>I. AESTHETICS.</u></b> Would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### **II. AGRICULTURE AND FORESTRY RESOURCES.**

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**III. AIR QUALITY.** Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**IV. BIOLOGICAL RESOURCES:**  
Would the project:

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
--	--------------------------------	--	------------------------------	-----------

**V. CULTURAL RESOURCES.** Would the project:

- |  |                          |                          |                                     |                          |
|--|--------------------------|--------------------------|-------------------------------------|--------------------------|
| a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?    | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?        | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d) Disturb any human remains, including those interred outside of formal cemeteries?                           | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**VI. GEOLOGY AND SOILS.** Would the project:

- |  |                          |                          |                                     |                          |
|--|--------------------------|--------------------------|-------------------------------------|--------------------------|
| a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| ii) Strong seismic ground shaking?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| iii) Seismic-related ground failure, including liquefaction?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| iv) Landslides?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) Result in substantial soil erosion or the loss of topsoil?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

**Environmental Issues:**

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**VII. GREENHOUSE GAS EMISSIONS.** Would the project:

a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**VIII. HAZARDS AND HAZARDOUS MATERIALS.** Would the project:

a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Emit hazardous emissions or handle				



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