

CITY MANAGER'S OFFICE

Administration

Moreno Valley Proposal to Become a Demonstration Community

The City Manager's Office is seeking to raise the awareness and visibility of Moreno Valley's employment attraction / economic investment programs by partnering with the Governor's and Lieutenant Governor's offices.

We submitted a proposal to the City's former legislative lobbyist to serve as a demonstration community for the "Economic Growth and Competitiveness Agenda for California." The proposal outlined the City Council's adoption of the Economic Development Action Plan and the Best Place to do Business action steps to document why Moreno Valley's efforts align with Lieutenant Governor Newsom's "Economic Growth and Competitiveness Agenda for California." It explained how the City Council's bold actions demonstrate commitment to establishing Moreno Valley as a regional destination for health & wellness services and as a global hub for logistics & distribution.

Moreno Valley's lobbyist Anthony Gonsalves has committed to carrying the proposal to offices of both the Governor and the Lieutenant Governor. We look forward to sharing more information in the next few reports.

Jobs / Education Linkage Initiative

The City Manager's Office is in the early stages of collaborating with the Moreno Valley Unified School District, the Riverside Community College District, and the San Bernardino Community College District. The goal is to create training linkages that facilitate employment of Moreno Valley's residents at new / local logistics facilities.

With emerging logistics technologies, many distribution centers offer higher paying positions that require advanced skills in programming and maintenance of robotics, conveyors, computer numerical control, and programmable logic control systems. The City seeks to ensure that Moreno Valley residents can successfully compete for as many of these new positions as possible. Working with MVUSD, RCCD/SBCCD, and Human Resources representatives of several local distribution centers, we are developing curriculum for training students in our high schools through the Career Tech

Education programs and for training adults through the Employment Resource Center. We anticipate presenting information on this new partnership at the February 21 Study Session.

Development Strategy Videos Achieve High Viewership Rates

The MVTV-3 team recently created two videos that promote the City of Moreno Valley as a regional destination for health & wellness services and as a global hub for logistics & distribution. These videos have earned rave reviews and viewership on the City's YouTube channel has surpassed all expectations.

The Logistics & Distribution development strategy video for the east end of Moreno Valley (known as Moreno Valley: We Can Soar) has experienced more than 775 viewings in just 3 weeks. In addition, communication with international trade experts alerted the City Manager's Office to additional distribution to development contacts in Dubai.

Released in August 2011, the Health & Wellness development strategy video for the City Center has been viewed almost 14,000 times and response continues to be strong.

Mid Year Budget and FY 2012/13 Adjustments/Requests

The City Manager's Office and Financial and Administrative Services Director Rick Teichert are meeting with the Department Heads this week to review any requests for adjustments to the Mid Year Budget and FY 2012/13 Budgets. As we continue with the implementation of the 3-Year Deficit Elimination Plan, I have advised Staff that no budget increases will be considered unless they are determined to be critical to the effectiveness of the organization. We anticipate bringing the Mid Year Budget to the Council for review and discussion at a special study session on April 3.

Sheriffs Contract Cities Meeting

At last week's Sheriffs Contract Cities meeting the County announced that the contract rate for the current Fiscal Year would include a 1.1% increase over last year's rate. The City's Police budget was based on a 2.3% increase; therefore the City should realize a budgeted savings of approximately \$400,000. The Sheriffs representatives also presented information on the implementation of AB 109 (prison realignment).

Media & Communications

MVTV-3 Updates:

Social Media: The City's YouTube channel continues to grow in popularity. The channel has already received over 34,000 views and many subscribers since its creation. The MVTV-3 YouTube channel is among the highest viewed municipal stations in Southern California. View the channel at: <http://www.youtube.com/user/mvtv3morenovalley>

Post Production: "Used Oil Recycling Public Service Announcement" – The City's Public Works Department has teamed up with MVTV-3 to create a video to encourage residents and businesses to recycle their used oil properly. This public service announcement will air every hour on the hour beginning in March.

New Programming: "Spotlight on Moreno Valley Business" – This month Moreno Valley will spotlight Sizzler and On Stage Hair and Nail Studio. This program airs daily at 9:30 a.m., 5:30 p.m., and 9:30 p.m. Episodes are available on line at: <http://www.moreno-valley.ca.us/spoton-mv.shtml>

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

Administration

World Logistics Center

Highland Fairview has completed preliminary development plans and a number of technical studies for the proposed World Logistics Center project that is planned for much of the undeveloped property in eastern Moreno Valley—south of SR 60 and east of Redlands Boulevard. A required Notice of Preparation (NOP) was issued by the City on February 21 to initiate a 30-day public review period, to be followed by a scoping meeting and then the drafting of an Environmental Impact Report. The World Logistics Center, proposed to be situated on nearly 3,800 acres of property in eastern Moreno Valley, could support the development of a 41 million square foot master-planned logistics corporate park, which is envisioned to employ many of the most advanced design and building techniques in sustainable and green development. Highland Fairview has assembled a respected world class consultant team to help guide the project through the planning, environmental review and entitlement process. The impressive consulting team includes Balfour Beatty-Parsons Brinckerhoff, CH2MHill, SWA, Leighton, Michael Brandman Associates, Ruttan & Tucker and Baker Hostetler.

Centerpointe Logistics Center Under Construction

Development has started on another logistics-distribution building in Moreno Valley. Grading recently began on the 26-acre site situated at the NW corner of Cactus and Frederick that will include the construction of a new 522,772 S.F. distribution center. USAA Real Estate Co. recently acquired the project from Overton Moore Properties, who entitled the project and will continue to act as a fee developer for the project to be called the Centerpointe Logistics Center. The development includes a 522,772 S.F. tilt-up building with a cross dock design, along with 32 foot clear high height capability.

San Antonio based USAA Real Estate Co. has a diverse portfolio of real estate holdings exceeding a total asset value of \$7 billion, including industrial, medical office, retail, and multi-family development. The company is a subsidiary of the financial services company USSA that provides banking, investing and insurance services to people that serve or have served in the U.S. military. Overton Moore Properties, based in Gardena, has long been a major industrial development firm in the Southland and was the developer of the 613,000 S.F. building at 22150 Golden Crest Avenue that United Natural Foods Inc. occupies (corner of Golden Crest and Commerce Center Drive).

Moreno Valley now has three industrial buildings under construction with a total of nearly 2 million square feet. Another two buildings—with more than 2 million square feet, are also nearly ready to start construction and have active negotiations underway with major users. All of this new development activity is great news since Moreno Valley's vacancy rate for industrial-distribution building space is just 2%.

Jobs Growth Happening

With some good news—job growth is starting to happen in Moreno Valley as well as the Inland Region. Respected economist--Dr. John Husing reports that in the one year period from October 2010 to October 2011, there were a total of 16,400 jobs created in the Inland Empire. Of that number—more than half or 9,200 (56%) were jobs created in two specific categories—logistics/distribution (32.9%) and medical/healthcare (23.2%). This serves to further validate the City of Moreno Valley's adopted Economic Development Action Plan with its focus on job creation in these two key business sectors.

In calendar year 2011, Moreno Valley saw job growth happen for many of its Top 50 Major Employers with the sectors leading the way being logistics/distribution and medical/healthcare including new jobs in the community from the following major businesses:

- Skechers USA 575
- Harbor Freight Tools 350
- Phillips Electronics 334
- Ross Stores 300
- Riverside County Regional Medical Center 132
- iHerb 65
- Serta 57
- Walgreens 44

Note that in 2012, Kaiser Permanente will add 167 more jobs when it completes the expansion currently underway at Moreno Valley Community Hospital.

While this is encouraging, much more needs to be done in producing new jobs in Moreno Valley. Using the City's two-year ED Action Plan, staff is working hard to address the jobs to housing imbalance. Working on short term development opportunities in the South Moreno Valley Industrial Area and the Centerpointe Business Park, along with planning efforts for expanding the medical corridor in City Center and the new World Logistics Center in the Rancho Belago area will all help Moreno Valley better its jobs to housing ratio of .58.

Shopping Centers Anxious for More Job Growth

While Moreno Valley residents who are unemployed are anxious for job creation in the community—so are many shopping center owners, retailers and restaurants in Moreno Valley. Having more jobs and a well rounded economy will produce spin-off indirect benefits with more sales purchased for local shopping centers. It's a fact that many people make retail purchases and frequent restaurants near where they work. Shopping center owners such as the Moreno Valley Mall, TownGate, Stoneridge Towne Centre and Moreno Beach Plaza are all anxious for more jobs to come to town. Having improved jobs to housing balance will help stabilize existing businesses, along with serving to bring other new retailers and restaurants to Moreno Valley. Businesses such as Target, Walmart, Office Max, Chilis', Bob's Big Boy and Moss Bros Auto Group are just some of the businesses that will benefit from more job creation in the eastern area of the community.

Harbor Freight Tools DC

The new 779,016 S.F. Harbor Freight Tools Distribution Center (DC) has been open for a couple of months in the Centerpointe Business Park. Presently the DC is operating two shifts with about 350 people currently employed in Moreno Valley. Harbor Freight Tools officials report that the DC, situated at the NW corner of Cactus and Graham probably will add another 100 workers in the next few months as it transitions more of its west-coast distribution operation to Moreno Valley. Harbor Freight Tools is also already looking at ways to

expand the new Moreno Valley facility to better meet its growing distribution needs.

Rue 21

The new Rue 21 store has opened on the first floor at the Moreno Valley Mall. The 7,500 S.F. retail store offers a broad assortment of the newest emerging fashion trends in apparel and accessories for both girls and guys. Pennsylvania based Rue 21 has over 750 stores nationwide in 46 states, including other Inland Region locations in Hemet, Hesperia and Lake Elsinore, along with a new store at Montclair Plaza- another CW Capital property-who is the owner of the Moreno Valley Mall.

Round 1

Work continues on the development of the new Round 1 entertainment center at the Moreno Valley Mall. On January 26, the Planning Commission approved a Conditional Use Permit for the arcade component. Tenant improvement (TI) plans are already in 2nd plan check for the new 46,000 S.F. facility, which will include 18 bowling lanes, gaming areas (including arcade games, darts, ping-pong, & billiards), and karaoke/special event rooms, along with a food and beverage concession area. Round 1 officials hope to start TI work in early March—with an early summer opening

T.J. Maxx-HomeGoods Superstore

The plan check process is moving quickly for Tenant Improvements (TI's) for the new T.J. Maxx & HomeGoods superstore that will re-occupy the 51,000 S.F. building at TownGate Center that formerly was a Ralphs grocery store. Look for TI work to start late in March with the opening of the new superstore slated for late August.

The new Moreno Valley location will be just the 2nd superstore format in Southern California, which couples a T.J. Maxx and HomeGoods into one building location. For comparison--the average size of a standalone T.J. Maxx is 30,000 S.F. and an average HomeGoods store is 26,000 S.F. The other existing T.J. Maxx & HomeGoods superstore location in the Southland is in Orange County within the District at Tustin Legacy shopping center. Currently there are nearly 1,000 T.J. Maxx stores and 350 HomeGoods stores nationwide. A T.J. Maxx store offers brand name products including family apparel, beauty products, jewelry and accessories. A HomeGoods store provides home fashions with a broad array of giftware, home basics, furniture, lighting, rugs, bedding and decorative home accessories. Should be nice to have this new superstore concept open in Moreno Valley.

The parent company for T.J. Maxx and HomeGoods is the TJX Companies Inc., which is one of the largest

retailers in the world and was recently ranked #119 in the Fortune 500 listing. TJX also operates 830 Marshalls stores in the U.S., including a location on the west side of Day Street in the neighboring City of Riverside. Presently there are six T.J. Maxx standalone stores in the Inland Region including locations in Chino, Corona, Eastvale, Fontana, Menifee and Temecula. There are currently only two HomeGoods standalone stores in the IE situated in Rancho Cucamonga and Temecula.

Chipotle

Work continues towards the development of a new Chipotle restaurant in Moreno Valley. A Letter of Intent has been executed and a lease document is being finalized between Chipotle and the Fritz Duda Co. Plans call for a new Chipotle to occupy half of an existing building in TownGate Center that currently contains Blockbuster (which is presently in bankruptcy proceedings). Look for this transaction to be completed soon and work on TI plans to start up.

Chipotle Mexican Grill Inc. is a solid restaurant company with over 900 locations nationwide. Chipotle, based in Denver Colorado, has helped champion the fast-casual restaurant concept, which is the fastest growing segment in the restaurant industry. Presently there are fifteen Chipotle restaurants in the Inland Region including locations in Chino Hills, Eastvale, Hemet, Menifee, Montclair, Murrieta, Norco, Rancho Cucamonga (3 restaurant locations), Redlands, Riverside, San Bernardino, Temecula and Upland.

Dollar General

Tennessee-based Dollar General Corporation is moving to enter the California marketplace. Within the next month or so, Dollar General expects to open its first three California stores including locations in the Inland Region in Montclair and Ontario. Dollar General is also interested in quickly opening new store locations in Moreno Valley. The first Moreno Valley location for Dollar General will be at 13473 Perris Boulevard, which will include a complete remodel and upgrade of a former Thrift Store situated in the Hometown Square—near the SW corner of Perris and Cottonwood. An interior demo permit has already been issued and tenant improvement plans are in plan check for the 14,900 S.F. store. Dollar General is also negotiating on two other potential spaces in Moreno Valley. Dollar General is targeting a May opening for its first location in Moreno Valley on Perris Blvd.

Dollar General presently has 9,800 stores nationwide in 38 states, with the state of Texas alone having 1108 Dollar General stores. Dollar General claims to be the largest 'small-box discount retailer' in the U.S. Dollar

General provides neighborhood stores in the 10,000 to 15,000 S.F. size and is similar in concept to Commerce based 99 Cents Only and Family Dollar—which is also just entering the California and Moreno Valley marketplace (North Carolina based-Family Dollar is presently processing plans for three locations in Moreno Valley). Dollar General promotes a business model of offering the combination of convenience, quality brands, and low prices.

Moreno Valley Plaza

Positive things continue to happen at the Moreno Valley Plaza, a 341,000 S.F. community shopping center, situated at the SW corner of Sunnymead Blvd and Heacock Street. After many years all seven of the anchor locations are finally occupied with tenants including Office Depot, Superior Grocers, Fallas, CitiTrends, Harbor Freight Tools, Goodwill, and Big Lots. Some other activity at Moreno Valley Plaza includes:

- Family Dollar has just started TI work that will allow it to move into a 9,023 S.F. building space that previously contained the Fashion Bug store, which didn't renew its Lease.
- Plans for a new 3,823 S.F. McDonalds will be considered by the Planning Commission on March 8. A new McDonalds will replace an older building that used to contain a Hollywood Video store.
- Big 5 Sporting Goods has renewed its Lease and will continue operating an 11,000 S.F. store at Moreno Valley Plaza.

New Taco Bell

Work is progressing quickly towards a mid February opening for the new Taco Bell restaurant to be situated at 22585 Alessandro Boulevard—on a pad in the Moreno Valley Professional Village. The new 2,966 S.F. Taco Bell is an attractive design from an architectural standpoint for a fast-food restaurant, but also will claim the distinction of being the first solar powered Taco Bell restaurant in the U.S.

The Franchise owner of the new Taco Bell on Alessandro is Grover Moss, a Riverside based businessman who along with his brother owns 45 Taco Bell restaurants in Southern California. Mr. Moss is pleased with the look of the new Moreno Valley Taco Bell and will aggressively promote the green design standards he employed with the development—including the solar capability, efficient energy use and drought tolerant landscape materials.

New Restaurants on Alessandro Boulevard

More new restaurants have recently come to the Alessandro Boulevard corridor including:

- **Albertaco's Mexican Foods**—23880 Alessandro Boulevard (the former location for Taco Bell)
- **Richie's Kitchen**—23750 Alessandro Blvd.-B (the former Golden Ox)
- **Canaritos Mexican Restaurant**—23750 Alessandro Blvd. #103 (previously was the Chicano Grill)
- **Taqueria Los Portales**—22156 Alessandro Boulevard (NEC of Alessandro/Pepper and was formerly La Costena Mexican Grill)

Business Spotlight

The Spotlight on Moreno Valley Business program seeks to increase the community's awareness of the many diverse businesses that operate in Moreno Valley. The business to be showcased at the February 14 City Council meeting will be Waste Management and the Family Music Room.

The Spotlight program also wishes to alert the City Council of some of the new businesses having just opened in the community. Some recent openings include:

- **A-1 Tires**—a new tire retail store located at 22275 Alessandro Boulevard, at the SE corner of Alessandro and Grant.
- **H&R Block**—a new office for this popular tax service provider is now available at 22700 Alessandro Boulevard.
- **Top \$ for Your Gold & Diamonds**—is a new jewelry store situated at 24578 Sunnymead Boulevard in the Palm Plaza.

Sales Tax Revenue Continues Positive Trend

Moreno Valley continues to trend upward at a moderate pace as reports for Third Quarter (Q3) 2011 sales tax revenue portray continued consumer spending optimism. The 7.5% gain in Q3 2011 sales tax revenue, on an adjusted basis, as compared to Q3 2010 marks the 7th

consecutive quarterly increase since the last recorded quarterly decline in Q4 2009.

The Q3 2011 Sales Tax Revenue Summary report compares Q3 sales tax revenue totals with Q3 2010 totals (Q3 revenue is generated between July and September). HdL compiles the sales tax revenue data obtained from the State Board of Equalization. The release of data by the State and the preparation of the comprehensive report by HdL typically occur approximately four to five months after the end of the respective quarter.

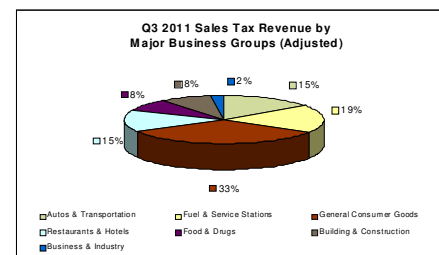
Some great news for the region is that all cities within Riverside County experienced growth for this quarter with the exception of Canyon Lake with a slight decline in sales tax revenue and Eastvale as there was no comparative quarter because it's a new municipality. The City of Moreno Valley ranked 17th (of the 28 cities in Riverside County) with a 7.5% increase in sales tax revenue. Ranking within just tenths of a point of Moreno Valley are La Quinta (7.8%); Banning (7.7%), Beaumont (7.6%), and Calimesa (7.3%). The top five leading Riverside County cities in sales tax revenue percentage growth are: Desert Hot Springs, Wildomar, Menifee, Indio, and Coachella. Q3 sales tax revenue increases for the State and County were slightly higher than Moreno Valley with increases of 8.6%, and 9.5%, respectively.

The table compares the adjusted Q3 2011 sales tax revenues to Q3 2010 sales tax revenues for the City of Moreno Valley and compared to surrounding western Riverside County cities, as well as Riverside County and the State of California, ranking the all agencies by percentage change. Sales tax revenue reports for most nearby, competing Riverside County cities were positive.

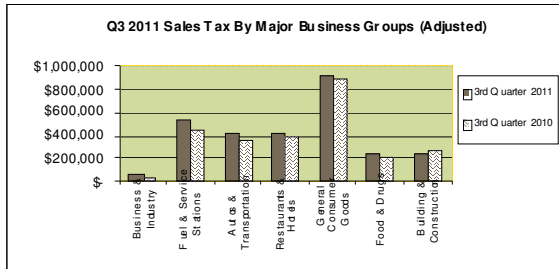
Of this comparative group, Corona experienced a double digit jump with an increase of 11.9% over the comparative quarter in 2010. With an \$180,225 increase when compared to Q3 2010, Moreno Valley experienced a better quarter than the nearby cities of Perris, Temecula, and Hemet which experienced modest increases of 6.8%, 5.7% and 3.0%, respectively.

The pie chart provides a graphic illustration of the percentage distribution of Moreno Valley's Q3

Sales Tax Trends Q3 2011						
ADJUSTED FOR ECONOMIC DATA						
City/Agency	Population	3rd Quarter 2011	3rd Quarter 2010	Dollar Difference	Standard Percent Change	Adjusted Change
Corona	153,649	\$7,209,601	\$6,290,641	\$918,960	14.6%	11.9%
Riverside County	2,217,778	\$61,518,604	\$55,831,460	\$5,687,144	10.2%	9.5%
Riverside	306,779	\$10,226,579	\$9,294,901	\$931,678	10.0%	9.4%
State	37,510,766	\$1,319,402,807	\$1,209,570,121	\$109,832,686	9.1%	8.6%
Murrieta	104,459	\$2,509,902	\$2,246,317	\$263,585	11.7%	8.5%
Moreno Valley	195,216	\$2,803,012	\$2,622,787	\$180,225	6.9%	7.5%
Perris	69,781	\$1,478,927	\$1,343,311	\$135,616	10.1%	6.8%
Temecula	101,657	\$5,811,658	\$5,557,671	\$253,987	4.6%	5.7%
Hemet	79,607	\$1,859,697	\$1,835,839	\$23,858	1.3%	3.0%



sales tax revenue allocations by major business group. The largest contributor of point-of-sale revenue came from sales in the General Consumer Goods category, representing 33% of Moreno Valley's total allocation and the category only experienced a modest 1.3% increase in spending overall.



Demonstrating Moreno Valley's Q3 spending changes from 2010 to 2011, the chart categorizes spending changes by major business group.

Three major business groups posted double digit increases helping to establish Moreno Valley's path towards economic recovery- **Business & Industry, Fuel & Service Stations, and Autos & Transportation.**

The Business & Industry category has, in recent history, posted declining sales or remained flat. The 60.3% increase in sales tax revenue in this category is encouraging. Growing the business sector of the Moreno Valley economy will increase the diversification of sources of sales tax revenue generation for the City which is a goal of the Economic Development Action Plan. The majority of the hike in revenue in this category is due to an increase by a single growing company - ResMed Corp., which has a distribution center operation in Centerpointe Business Park.

A double digit revenue increase of 17.7% for the Fuel & Service Stations category produced a \$78,731 increase over Q3 2010. The current record level prices are not estimated by economists to decline within this next year. Auto sales continue to rise generating a 17.0% or \$62,492 increase in sales in the Autos & Transportation group. While Toyota sales continue to be affected by product availability coming from Japan, Moss Bros Chrysler Jeep Dodge gained 49.53%. Moreno Valley's sales performance of 17.0% in the Autos & Transportation group outpaced those of the State (10.9%) and trailing Riverside County (14.2%).

Q3 2011 sales as compared to Q3 2010 sales produced upward gains in the single digits that are reflective of the anticipated slow, yet steady, economic recovery. The **Restaurant & Hotels, General Consumer Goods, and Food & Drugs** categories are those that make up most of the majority of sales tax revenue for Moreno Valley.

Restaurants & Hotels gained 6.7% with positive quarters for establishments such as BJ's, Buffalo Wild Wings, Chili's, Mimi's Café, Olive Garden, Outback Steakhouse, Portillo's and Sizzler. Also experiencing a positive quarter in this group were fast food restaurants such as In 'N Out Burger, Jack in the Box, Little Caesar's Pizza, Panda Express, and McDonald's. State and County increases were comparable to Moreno Valley's with a 7.3% and 7.2% increase, respectively.

A modest increase of 2.3% (\$20,501) in the General Consumer Goods category was offset by an error in accounting for Costco. The accounting error shows a decline for Costco of 5.13% and is not consistent with the performance of Costco (with gas) in California. Sales for Wal Mart were consistent with most stores. Therefore it is hopeful that Moreno Valley will see the error corrected in the reporting for Q4 2011 (HdL is working on this issue). The uptick for General Consumer Goods also came from moderate increases in department, discount and electronic store sales. Sales increases for Serta Mattress made a sizeable contribution to the category gain. Additionally specialty stores such as Anna's Linen's, America's Tire Company, and T Mobile experienced sales hikes at 49.44%, 15.19% and 10.43%, respectively. Increases in this group ranked below County and State increases at 5.4% and 4.7%, respectively.

The **Food & Drugs** group experienced a similar modest gain with 2.2% was consistent with the County at an increase of 3.0% with the State ahead at, 5.9%. El Super, Food for Less, WinCo and Walgreens all posted a strong quarter of sales.

A decrease in revenue was experienced in the remaining category. The 8.2% decrease in revenue in the **Building & Construction** category was largely due to a missing payment by a business with erratic payment history. Staff is also working with HdL to make sure that ongoing construction projects underway in Moreno Valley are listing the city as a point of sale for equipment installation

The following identifies Moreno Valley's top twenty-five sales tax producers during the 3rd Quarter 2011 (listed alphabetically):

- Arco (5)
- Chevron (2)
- Circle K (2)
- Costco
- Food 4 Less (3)
- Home Depot (2)
- JC Penney
- Kohl's
- Lowe's
- Moss Bros. Chrysler- Jeep-Dodge
- Moss Bros. Honda
- Moss Bros. Toyota
- Moreno Valley Delrahim
- Ross Dress for Less (2)
- Sears
- Stater Bros. (3)
- Super Target

- Macy's
- Tesoro Fuel (3)
- Moreno Gas Mart
- Thrifty Gas (2)
- Moss Bros. Chevrolet
- Walmart Supercenter

Overall, sales in Moreno Valley are steadily increasing as economists forecasted. With unemployment rates still high, the cost of food rising, and Japan's auto manufacturing operations still recovering, modest increases in sales tax revenue are the prediction for the near future.

For more information, please refer to the *Moreno Valley Sales Tax Update* and the *California Forecast* prepared by Hinderliter de Llamas & Associates (HdL) that is available through the Community & Economic Development Department or on the City's website.

Moreno Valley—On the Move

The latest edition of the City's Economic Development e-Newsletter---'Moreno Valley on the Move' has been released. This quarterly newsletter is distributed to over 600 developers, real estate brokers, business leaders and site selectors. A copy of the most recent edition is attached to this City Manager's Report.

Economic Development Summary-February 2012

The Economic Development Summary has been updated for February and is available on the City's website or via hard copy in the information rack on the 2nd floor of City Hall. For your convenience, the updated Economic Development Summary for February 2012 is attached to this City Manager Report.

Developers Workshop

The City held a Developers Workshop on February 9 and sixteen different developers (including industrial, commercial/retail and residential developers) participated. This was the 3rd Developers Workshop held by the Economic Development Subcommittee and City staff from Development Services. The quarterly workshop is an opportunity for the City to hear from the development community on how we're doing and explore ways to improve customer service to enhance the development services process. Many thanks to Council members Co and Molina, who participated in the Developers Workshop as part of their role as members of the Economic Development Subcommittee. The next Developers Workshop will be held in May.

Building & Safety Division

Development Activity

The following is a summary of current development activity by Building & Safety Division:

- **Temporary Certificate of Occupancy**

- Skechers USA-Highland Fairview Corporate Park
- Harbor Freight Tools-Distribution Center
- Harbor Freight Tools-Retail Store
- I-Herb Distribution Center Expansion

- **Building Permit Issued-Under Construction**

- First Inland Logistics Center-First Industrial Realty Trust
- Nandina Distribution Center-IDS Real Estate Group
- Kaiser Permanente Medical Office Building
- Robertson's Ready Mix Concrete Plant
- Taco Bell
- Morrison Fire Station
- Hemlock Apartments-Rancho Belago Developers

- **Tenant Improvements Underway**

- Moss Volkswagen
- Moss GMC/Buick
- Moss Chevrolet
- Family Dollar @ Moreno Valley Plaza

- **Plan Check Underway for New Buildings**

- Inland Empire Global Logistics Center-Panattoni Development
- I-215 Logistics Center-Trammell Crow Co.
- Alere Property Group
- Centerpointe Logistics Center-Overton Moore Properties
- Rancho Dorado Apartments (Phase II)-Palm Communities

- **Plan Check Underway for Tenant Improvements**

- Wizards Party House – Jump House Expansion
- Dollar General
- TJ Maxx

Quick Stats—Building & Safety

The following represents the business activity in the Building & Safety Division for the month of January 2012.

- Counter customers - 570 (34 average per day)
- Building Permits Issued -181 (11 average per day)
- Certificate of Occupancy Issued - 27
- Plan Checks Processed - 123
- No. of Inspections - 634
- Monthly Revenue - \$96,991

Code & Neighborhood Services Division

Neighborhood Clean-up Program

On January 21, 2012, the Code and Neighborhood Services Division conducted a neighborhood clean-up in

the area of Dolan Drive, Dorner Drive, Ramsdell Drive, Via del Sol, Tierra de Oro and Dahl Drive in Council District one. A total of ten free roll-off dumpsters were provided to residents for the disposal of debris, bulky items, furniture, miscellaneous refuse and landscape trimmings. The clean-up was extremely successful and resulted in the collection of approximately 37 tons of debris.

Neighborhood Clean-up

On February 18, the Code and Neighborhood Services Division conducted a neighborhood clean-up in the area of Fay Avenue, Filaree Avenue, Patricia Street Candice Court, Margaret Ave, Josephine Court and Rencher Court in Council District 4. A total of ten free roll-off dumpsters were provided to residents for the disposal of debris, bulky items, furniture, miscellaneous refuse and landscape trimmings. The clean-up was successful and resulted in the collection of approximately 15 tons of debris.

The next clean-up event is scheduled Saturday, March 17, from the hours of 7:30 AM to 12:00 PM within council district two. Dumpsters will be provided to homeowners who reside on portions of Honey Hollow, Seafarer Avenue, Dream Street, Breezy Way, Elfin Place and Sugar Creek Court. All residents in the area will be invited and encouraged to participate in this event.

Valentine Enforcement Sweep

In response to concerns from the business community, the Code and Neighborhood Services Division conducted a sweep of illegal vending activity during Valentine's Day weekend. Twenty-six vendors were contacted and issued Notices of Violation by staff for failure to obtain a City Business License. Food items were confiscated and disposed of at the City Yard in accordance with Riverside County Health regulations.

Shopping Cart Containment Ordinance

On February 14, the City Council adopted new regulations regarding shopping cart containment. The provisions apply to all new merchants or existing establishments that change ownership and utilize ten carts or more. The ordinance will go into effect in 30 days or on March 16, 2012.

Land Development Division

Proposed Re-opening of Nandina Avenue

The contractor working on the First Industrial warehouse project at Nandina Avenue and Perris Boulevard received approval from the City for a full road closure of Nandina Avenue between Perris Boulevard and Knox Street to facilitate the construction of street improvements. Street improvements include removal of

existing asphalt pavement, installation of asphalt paving, curb, gutter, sidewalk, driveway approaches, street lights, landscaping, storm drain, dry utilities, traffic signal modification and associated signing and striping. The closure has been in place since early October 2011. The contractor placed asphalt within Nandina on February 8th and anticipates re-opening the roadway to traffic by mid-February.

In addition to the closure of Nandina, the contractor is performing a significant amount of utility installation and relocation within Perris Boulevard. The construction within Perris only requires lane closures, but will impact the normal flow of traffic. All traffic control is being placed in accordance with the plans approved by the Transportation Engineering Division and City Traffic Engineer.

Development Activity

The following represents a summary of the development activity currently being worked on by the Land Development Division:

- **Grading Permits Issued**
 - First Inland Logistics Center-First Industrial Realty Trust
 - Nandina Distribution Center-IDS Real Estate Group
 - Kaiser Permanente Medical Office Building
 - Robertson's Ready Mix Concrete Plant
 - Taco Bell
 - Morrison Fire Station
 - Hemlock Family Apartments – Rancho Belago Developers
 - Centerpointe Logistics Center – Overton Moore Properties
- **Plan Check Underway for Grading Plans**
 - Inland Empire Global Logistics Center-Panatonni Development
 - I-215 Logistics Center – Trammell Crow Co.
 - Alere Property Group
 - Rancho Dorado Apartments (Phase II)-Palm Communities
 - Vogel Development

Quick Stats—Land Development

The following represents a summary of activity in the Land Development Division for the month of January 2012.

- Counter Customer Visits - 128 (7.1 average/day)
- Grading Permits Issued -1
- Plan Checks Processed - 24
- No. of Inspections - 406

Neighborhood Preservation Division

CDBG/HOME Program Update

The U.S. Department of Housing & Urban Development (HUD) has issued preliminary funding allocations for FY 2012-13 for the CDBG and HOME programs. Moreno Valley received the following allocations:

- \$1,858,467 for CDBG
- \$468,275 for HOME

The CDBG allocation is an increase of 14.8% for 2012-13 after having had experienced a 16.3% reduction last year. The HOME allocation is being reduced for the second year in a row; having decreased by 11.74% for this current year (2011-12) and again by 20.39% for 2012-13. Staff is accepting applications for CDBG/HOME projects through February 6, after which a Technical Review Committee comprised of staff members will be used to review the proposals for eligibility and help draft a proposed budget for the coming fiscal year. The proposed CDBG and HOME project and program selections will be presented to the City Council in March, with further consideration and final budget adoption for FY 2012-13 in mid-May.

Redevelopment Update

In late December 2011, the California Supreme Court ruled that ABX1 26 is valid, clearing the way for the dismantling of Redevelopment Agencies in California. Since the ruling, the California Redevelopment Association (CRA) and other legislative advocacy teams have worked diligently to draft clarifications and other needed refinements to the law to address several ambiguities and resolve some of its unintended consequences. During this refining phase, three bills have been introduced containing technical fixes.

SB 654 (Steinberg) is pending committee assignment in the Assembly following passage out of the Senate. SB 654 modifies provisions relating to the transfer of Low- and Moderate-Income Housing Funds (LMIHF) and responsibilities associated with dissolved redevelopment agencies. SB 654's provisions modify the scope of the term "enforceable obligation" and require that any unencumbered amounts on deposit in the LMIHF of a dissolved redevelopment agency be transferred to specified entities. In Moreno Valley's case, unencumbered LMIHF amounts would be transferred to the Moreno Valley Housing Authority to carry out the City's affordable housing goals.

Assembly Speaker John Perez introduced AB 1585 to expand the definition of "enforceable obligation" to include any loans between the agency and the host city or county within two years of the date of creation of the

redevelopment agency or within two years of the date of the creation of a project area if the loan is specific to that project area. Currently, AB 1X26 invalidates all agreements, contracts, or arrangements for repayment between the former redevelopment agency and the host City, except those documented agreements that were executed within 2 years of the formation of the agency. If passed, AB 1585 would also preserve the possibility that other loans may be deemed enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes.

Senator Dutton (R-Rancho Cucamonga) introduced SB 986 to ensure bond proceeds are expended on the projects for which they were issued. The bill is pending in the Senate and so far no action has occurred. SB 986 provides that all bond proceeds that were generated by a former redevelopment agency shall be deemed to be encumbered and prohibits a successor agency from sending these proceeds to the county auditor-controller. The bill requires that these bond proceeds must be used by the successor agency for the purposes for which the bonds were sold pursuant to an enforceable obligation that was entered into either by the former agency or its successor agency by December 14, 2014.

Staff believes AB 1585, SB 654, and SB 986 are steps in the right direction to address the many concerns raised by the California Redevelopment Association and other advocacy groups. City staff will continue to monitor the progress of these bills through the legislative process.

NSP Program SFR-ARR Activity

In conjunction with the City's selected Development Partners, the City of Moreno Valley has acquired 43 single family properties through the Neighborhood Stabilization Program (NSP) for the purposes of rehabilitating and reselling them to income-qualified households earning up to 120% of the Area Median Income. Since receiving the grant award, the City and its Development Partners have been extremely active acquiring properties and creating homeownership opportunities for families through the Program. Below is a year-to-date synopsis of NSP1 Acquisition, Rehabilitation, and Resale Activity:

Total Properties Acquired:	43
Properties on the Market	4
Properties with an Accepted Offer/ in Escrow	12
Properties Resold / Escrows Closed	27

Staff continues to work diligently with RSG, the City's consultant processing homebuyer eligibility files- to closeout the pending escrows. As delineated above, less than 10% of the City's initial NSP housing inventory

remains available for resale. The success of the NSP1 Program has made many income-eligible households first-time homeowners. The remaining properties will continue to be marketed using competitive pricing and/or the offering of concessions to generate interest. Thus far, the NSP1 Program has been able to generate more than \$2 million in Program Income, which will be recycled into the NSP1 Program to continue to create homeownership opportunities for income-eligible homebuyers.

RFQs Issued for the NSP3

On February 7, 2012, the City of Moreno Valley issued two Requests for Qualifications (RFQ) to procure Development Partners to assist with the administration of the third round of Neighborhood Stabilization Program (NSP3). It is anticipated that City will select six (6) Development Partners to assist with the Single-Family Residential Acquisition, Rehabilitation and Resale (SFR-ARR) and Multi-Family Residential Acquisition, Rehabilitation and Resale (MFR-ARR) activities of the Program; three Development Partners will be selected for each activity. The procurement process is scheduled to last a few weeks, the Development Partners will be selected by a selection committee early in March.

As with the NSP1 Program, the single family residential Development Partners will be responsible for acquiring bank-owned foreclosed and vacant properties for the purposes of rehabilitating and reselling them to income-eligible households earning up to 120% AMI. The multi-family residential Development Partners will be responsible for acquiring, rehabilitating, renting, and managing bank-owned multi-family units that will serve income-eligible households earning up to 50% AMI.

In 2010, the City of Moreno Valley was awarded a \$3,687,789 grant by HUD to continue its efforts in stabilizing Moreno Valley's neighborhoods and mitigating the adverse impact of the elevated foreclosure activity experienced throughout the City. The NSP 3 Program will be an extension of the City's proven NSP1 Program. Both programs will be administered concurrently with a focus on stabilizing the community while eliminating blight and creating safe and affordable homeownership and rental opportunities for income-eligible households earning up to 120%. In addition to the acquisition, rehabilitation, and resale/rental of the NSP Programs, homebuyers may be provided purchase assistance – depending upon eligibility – via the NSP-funded Homebuyer Assistance Program (HAP).

The NSP3 Program is scheduled to commence Spring 2012.

Housing Resale Market-January 2012

The housing market continues to struggle in Moreno Valley, as well as throughout the Inland Region. During the past 13 months the housing resale market has been up and down—with no real growth or signs of a sustained recovery in home valuation. Since January 2011—there have been five months of price increase, seven months of price decline and one month was flat. Despite the end of the recession and some stabilization the housing market, there has been no measurable growth in home valuation anywhere in the Inland Empire.

The average resale home value in Moreno Valley for the month of January was \$155,427, which was a slight 1.3% decrease from the value of \$157,475 for December 2011. Other nearby communities in Riverside County have also experienced this up and down market condition with only Riverside (+4.3%) and Perris (+1.0%) experiencing an increase in January resales, along with Corona (-3.4%), Temecula/Murrieta (-1.6%), Hemet/San Jacinto (-1.4%) and Moreno Valley (-1.3%) all being down in January. Please note that Riverside's increase in January follows two months of sharp decline and Corona has experienced three straight months of price decreases.

The number of total resale transactions decreased in January, going from 244 transactions in December to 185 in January. During the past 12 months there have been a total of 2,766 resale transactions in Moreno Valley, which is a monthly average of 231.

Planning Division

Planning Commission

At their meeting of January 26, 2012, the Planning Commission took the following action:

- Approved a Conditional Use Permit to establish a family entertainment center on the second level of the Moreno Valley Mall. The 46,000 square foot facility is proposed to include a bowling alley, arcade games, party rooms with karaoke, billiard tables, ping pong, darts. A food and beverage service area serving beer and wine is also proposed. The applicant is Round One Entertainment Inc. The applicant has already submitted plans to the Building Division for construction of the facility, with a planned opening in July of this year.

At their meeting of February 9, 2012, the Planning Commission took the following action:

- Recommended approval of a General Plan Amendment to add Heacock Street to the General Plan Circulation Element from Nandina Avenue to the southerly City limits.

The amendment is being coordinated by the Transportation Engineering Division with the Air Force, March Joint Powers Authority and the City of Perris. The amendment will allow for the future improvement and reopening of Heacock Street to provide better access between Interstate 215 and March Air Reserve Base and the Moreno Valley Industrial Area. Final action on the amendment will be made by the City Council.

- Recommended approval of a Specific Plan Amendment, General Plan Amendment and Zone Change to effect the rescission of the Cactus Corridor Specific Plan. The Specific Plan, located between Moreno Valley Ranch and Old Moreno, was adopted prior to the implementation of the City's development code and impact fee program. The Specific Plan has acted as an impediment to development in the area due to the lack of a master developer. Its rescission will be beneficial to both property owners and the City. Final action on the rescission will be made by the City Council.

The next Planning Commission meeting is scheduled for March 9, 2012. The following items are scheduled for this meeting:

- Plot Plan for construction of a new restaurant with drive through lane (McDonald's) in the Moreno Valley Plaza shopping center located on Sunnymead Boulevard. The new restaurant would replace a vacant store building located on the site.
- Municipal Code Amendment covering a variety of development standards related to improving energy efficiency.

Administrative Approvals

Recent Administrative approvals include:

- Amended Conditional Use Permit to replace antennae to expand capacity at an existing monopine telecommunications facility located behind a shopping center at 24903 Sunnymead Boulevard. The applicant is AT&T Mobility.
- Plot Plan to enclose an existing covered storage area for a new maintenance staging area at the Waste Management facility located at 17700 Indian Avenue. The applicant is Plump Engineering for Waste Management.
- Plot Plan to install wrought iron fencing and gates around the front parking lot for the Ross Distribution Center located at 17800 Perris Boulevard. The applicant is Moreno Valley Ross Distribution Center.

- Extension of Time for a proposed office building planned for an existing shopping center at the northeast corner of Perris Boulevard and Elder Avenue. The applicant is Udoekpo Ekpo.
- Conditional Use Permit to convert existing service bays to a convenience market at an existing gasoline service station located at 25020 Alessandro Boulevard. The applicant is Reza Zareh.
- Plot Plan to establish a dance studio in an existing shopping center located at 16090 Perris Boulevard. The applicant is Tschanavia Jones.
- Plot Plan to establish a restaurant and mini-market in an existing shopping center located at 24021 Alessandro Boulevard. The applicant is Maritess Laxamana.

Recent Case Submittals

- Conditional Use Permit to establish an adult day care facility in an existing building in the Festival Shopping Center on Hemlock Avenue.
- Plot Plan to establish a church in an existing building in the Moreno Valley Corporate Center on Goldencrest Street.
- Plot Plan to establish a jump house/party room in an existing building in the Canyon Springs Plaza on Day Street. The facility would expand the operations of the Wizards Party Center.
- Plot Plan for revisions to the façade for a new Family Dollar Store in an existing building in the Moreno Valley Plaza on Sunnymead Boulevard.
- Pre-application for a hotel in the TownGate Specific Plan area. The owner of the property will use the results of the review to market the property for this use.
- Pre-application for a senior housing/assisted living facility in the TownGate Specific Plan area. The owner of the property will use the results of the review to market the property for this use.
- Plot Plan for temporary outside storage on Andland property on Day Street.
- Administrative Variance for minor reduction in front yard setback related to previously submitted fast food restaurant on Sunnymead Boulevard.
- Plot Plan related to roof top solar installation on WalMart store on Moreno Beach Drive.
- Conditional Use Permit and Tentative Tract Map for a planned unit development on Cactus Avenue on both sides of Quincy Street.

- Extension of time for an approved convalescent home adjacent to the Riverside County Regional Medical Center.

Environmental and Historical Preservation Board

At their last meeting, the Board voted to allow partial demolition of a fire damaged building on the Hendricks Ranch property. The property, located at the southwest corner of Moreno Beach Drive and Cottonwood Avenue, is a designated City historic site. The property owner, Moreno Valley Utility, requested authorization to demolish the entire building to remove an attractive nuisance on the site that may pose safety concerns. The most significant building on the site, an 1887 ranch house, is not affected by this recent action.

Planning Division – Quick Statistics – January 2012

• Counter customers	369
• Major Case submittals	1
• Minor Case submittals	61
• Plan Check submittals	27
• Application Fees	\$24,666

Foreclosures and Homes Listed for Sale

Information available from the RealtyTrac website for December shows a decrease in foreclosure activity in the City, similar to the County and most other western Riverside County cities. The website reported one in 128 housing units in Moreno Valley were in some stage of foreclosure, or less than one percent (1%). This compares to a rate of one in 106 units in the prior month, a twenty one percent (21%) improvement. The current rate is forty seven percent (47%) better than the prior year month rate in 2010, when the rate was one in 87 units. Foreclosure activity was sixteen percent (16%) better in the region, with the highest rates in communities with the highest levels of single family housing construction during the past building boom. Moreno Valley is in the middle of the list of local communities with Corona and Temecula. Slower growth areas such as Riverside have much better rates, and faster growth areas such as Beaumont, Murrieta and Menifee have much worse rates. Calimesa had the lowest rate locally (1 in 369) and Winchester had the highest rate (1 in 22). By zip code, area 92555 had the highest rate in the City (1 in 44) and area 92557 had the lowest rates (1 in 210). Foreclosure activity decreased in all zip codes. Moreno Valley had 434 homes reported in some stage of foreclosure in December, compared to 523 in the prior month. The City of Riverside had the highest number of reported foreclosure properties at 772 and Corona was second with 513.

Information available from the Realtor.com website indicates a continuing decrease in the number of homes

for sale in the City and stability in median asking prices. As of February 1, 2012, 918 homes were listed for sale, compared with 954 at the start of the prior month, and 1,230 in the same month last year. January 2010 marked the low point for inventory in recent years when 806 homes were listed for sale. Inventory fell sharply in 2009 from a high of 2,068 in January 2009, and increased throughout 2010 and early 2011 before slowly declining the last eleven months. The median asking price \$155,000, compared with \$150,000 in the prior month and \$159,000 in the same month last year. The current inventory of homes for sale is approximately a four month supply. Anything less than a six month supply of homes for sale is considered positive.

World Logistics Center Specific Plan

Highland Fairview submitted the draft Notice of Preparation for the Environmental Impact Report for the World Logistics Center (WLC) Specific Plan. After review by staff, the Notice of Preparation (NOP) was sent out for public review on February 21, 2012. Notice was sent to responsible agencies, interested parties and over 1,200 property owners in and near the proposed project. The NOP requests public input on the issues to be addressed in the project environmental documents. A public meeting on the NOP is scheduled for Monday, March 12, 2012, in the City Council Chambers.

FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT

Administration

Technical Services Division

“Class” Software Updated to PCI Compliant Version

Technology Services completed an upgrade to the City's Parks & Community Services system which provides on-site and on-line registration for recreational activities and classes. The system, called Class, is also used to manage facility, park, and sports field booking. This enhancement made the system Windows 7 compliant, a required upgrade to allow staff to utilize all of the improvements that are available in Microsoft's newest operating system. On-line publishing of the registration pages is simplified which greatly reduces oversight and maintenance issues.

Enterprise Resource Program (ERP) Software Implementation Update (LOGOS by New World Systems)

Last week the ERP project met a major milestone through huge contributions by Cynthia Fortune, the Financial Operations Division, and our OneWorld (old ERP system) consultant. We made our first delivery of conversion data to New World Systems. This is an

important milestone in the project and it required many hours of overtime to accomplish. Congratulations to the project team and thanks for the difficult work, even thru the holiday weekend.

New World Systems will produce a Data Exception report for us next week that will indicate any changes that must be made to the data before we can finalize the conversions. Changes are things like out of balance accounts, missing vendor records, etc. The project schedule includes 3 iterations of data conversion-data exception reports before we finalize the conversions.

Two foundational pillars of the project are completing the Chart of Accounts and successfully converting our data. We are sticking to the schedule on both items and that is a very good sign that the project will meet its “Go Live” date at the beginning of the next Fiscal Year.

Purchasing and Facilities Division

Energy Efficiency Community Block Grant (EECBG)

The City's Energy Efficiency Community Block Grant (EECBG) is nearing completion. Starting in September of 2009 the city received \$1.6M in grant funds. To date the major projects are completed or near their end. These major projects included replacement of the City Hall HVAC system, replacement of most of the city's street name sign light bulbs with efficient LED lights and a Greenhouse gas emission study.

Annex 1 Project Update

The City Hall Annex has come to life. This City-owned building, across the street from City Hall, will house Special Districts, MVU, Facilities and Technology Service Staff that are currently in the leased space at the other end of the complex.

A space needs analysis has been completed and the design work has been awarded to STK Architecture. The current timeline is to be finished with the improvements and move staff from the leased building in late 2012. Improvements will include a new roof, painting of the exterior, HVAC, and a total remodel of the interior.

To minimize costs, furniture and other items will be retained and moved from the current location. A public payment counter will be included for MVU customers at the northeast corner of the building.

Animal Services Division

Dog Licenses Now Available for Purchase On-Line for Moreno Valley Residents

Moreno Valley residents can now go online to purchase a new dog license or renew their current dog license before

it expires. A new program offered by Moreno Valley's Animal Services Division to Moreno Valley residents called Web-Licensing is now available on-line allowing residents to ensure their pet is currently licensed.

To access this new service, Moreno Valley residents can go to the city's official website at www.moval.org and click on the Web Dog License Link or on the right side of the home page under “City E Services” click on Web-Dog Licensing under Animal Services.

This new service provides Moreno Valley residents the opportunity to conveniently purchase and renew their dog licenses on-line at any time. The new Web-Licensing service is convenient and easy to use saving Moreno Valley residents time by no longer having to visit the Moreno Valley Animal Shelter to purchase their dog licenses.

In addition to the ability to purchase a new dog license or renew their current dog license, Moreno Valley residents will also have an option to make a monetary donation prior to checkout. Donations made will assist pets in need at the Moreno Valley Animal Shelter. The Animal Services Division is excited to offer this new services as the Animal Services Division continues its advancement in continuing to provide excellent customer service.

Moreno Valley Animal Services Schedules Low Cost Rabies Vaccination & Dog Licensing Clinic

On Saturday, March 17, 2012 Moreno Valley Animal Services will be conducting a low-cost rabies vaccination and dog licensing clinic at the Moreno Valley Animal Shelter from 8:00 a.m. to 11:00 a.m. Rabies vaccinations will be provided at a low cost of \$6.00 per vaccination. Additional annual routine vaccinations will also be offered during the clinic; prices will vary depending on the vaccination requested. Dog licenses will also be sold during the vaccination clinic:

	One-Year	Two-Year	Three-Year
• License with altered discount <i>(Sterility certificate required)</i>	\$15.00	\$25.00	\$32.00
• License not altered	\$50.00	\$80.00	\$100.00

The low cost rabies vaccination and dog licensing clinic is co-sponsored by Moreno Valley Animal Services, and Dr. Marshall Scott, DVM & Associates.

Treasury Operations Division

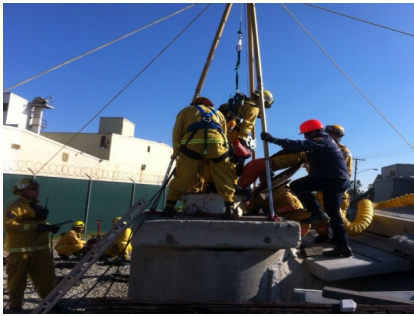
Business License Amnesty has expired.

January 31, 2012 marked the end of the amnesty period for businesses that were not registered with the City.

Since the inception of the program in September 46 businesses have completed business license applications. During this period enforcement activities were also increased with the aid of grant funds which has also been very effective in identifying non-compliant businesses and bringing them into compliance. With both of these events occurring simultaneously it is impossible to identify businesses that came in solely due to the amnesty program or were brought in by the additional enforcement activities. The opportunity was a benefit to the businesses and the City by adding additional businesses to the Business License database and ensuring the future collection of license and taxes owed.

FIRE DEPARTMENT

Confined Space Rescue Training



Confined space rescue incidents can be encountered in any area of our City on any given day. Often times these incidents occur during street

improvement projects or during other large scale construction projects. They occur more frequently during the summer months when children are found in storm drains or other under/above ground openings. Moreno Valley Firefighters participated in a scenario based confined space rescue drill from January 9 - 15. This was a multi-agency, all day drill designed to test Truck Company members in the discipline of Confined Space Rescue operations. Moreno Valley Fire Department Engine and Truck Company members who are trained at this higher, more technical level of rescue, performed exceptionally well during this very intense training. An annual recertification of this training is required by all Confined Space Entry qualified members per CAL-OSHA standards and this training fulfilled that requirement.

Fire Operations

Chief Lanzas awarded Chief Officer's Certification
Moreno Valley Fire Battalion Chief, Silvio Lanzas recently finished all requirements for completion of the State Fire Marshall Chief Officer program. On January 11th Chief Lanzas was awarded his Chief Officer's Certification. This certificate is awarded after successfully passing all 11 Chief Officer level courses. Other requirements for this certification are completion of a minimum of a two year college degree and successfully meeting the State Fire Marshall experience

requirements. Chief Lanzas worked for over two years to attain this certification.

Completion of Joint Apprentice Committee Requirements

Two Moreno Valley Fire employees successfully completed their Joint Apprentice Committee (JAC) requirements on February 2, 2012. Fire Apparatus Engineer Jaime Bravo and Firefighter Troy Brogdon from the Kennedy Park Fire Station # 65 both completed this three year Journey level program within the timeframes allotted, which included 432 hours of specified instruction and the successful completion of Academy training. Congratulations to both.

Fire Department – Significant Events

Engine 58 and Truck 91 responded to a traffic accident along with the Moreno Valley Police Department. When the Fire Department arrived on scene they discovered a pediatric patient who was not breathing under the care of Moreno Valley Police Officers. Fire Department Paramedics provided pre hospital trauma life support care to the child, and were successful in resuscitating the patient.

Engine 2 responded to a victim of a trauma with the Moreno Valley Police Department. Fire Department personnel provided pre hospital trauma life support and delivered the patient in a stable condition to the hospital. As a result of the pre hospital paramedic care received by the patient, and the rapid transport of the patient to a trauma receiving center, it is expected that the patient will survive their injuries.

Engine 2 responded to a patient suffering multiple trauma injuries. The Fire Department Paramedic suspected that the patient was suffering from a collapsed lung and noticed that it was beginning to affect the ability of the heart to circulate blood. With the quick pre hospital trauma life support care provided by Engine 2, the rapid transport to a trauma facility, and the response of the hospital's trauma team, it is expected that the patient will recover from their injuries.

Fire Prevention

The Multi-Family Residential Housing Inspection Program is up and running. Our new Fire Prevention Technicians have been trained and are conducting inspections of our apartment buildings. Apartment management companies have been very receptive to our inspection process and we anticipate that our new scheduling process will soon be released.

Fire Prevention staff have also conducted two outreach seminars as part of the Police Department's Crime Free

Multi-Family Housing Program regarding this inspection program. The information was well received by the apartment managers present and we were able to emphasize that the program is a partnership with them to ensure safe housing within our apartment community. Fire Prevention staff also presented three public outreach programs highlighting the City's current community risk reduction activities to the Moreno Valley Chamber of Commerce Business in Action, the AM Rotary Club, and the Moreno Valley Realtor's Association.

The City's Fire Marshal, Randy Metz, was awarded the professional designation of "Fire Marshal" (FM) by the Commission on Professional Credentialing (CPC), an entity of the Center for Public Safety Excellence. Randy is one of only 19 Fire Marshals worldwide to be awarded the FM designation. The CPC awards the FM designation only after a candidate successfully meets all of the organization's stringent criteria. The process uses a comprehensive peer review model that includes an assessment of the applicant's education, experience, professional development, technical competencies, contributions to the profession, and community involvement.

HUMAN RESOURCES & RISK MANAGEMENT DEPARTMENT

Expanding Recruitment for City Volunteers

Job seekers who review listings for paid positions on the HR website will now also find openings for Volunteer Positions throughout the City organization. Individuals who may not have previously considered volunteer positions as a pathway to public service careers can now quickly see opportunities to serve City residents - - while enhancing their resumes in preparation for paid employment. This approach significantly raises the profile of the City's Volunteer Services program by presenting information with the City's job listings, which receive approximately 60,000 annual Internet visits.

Focusing on Employee Wellness

As part of the City Manager's meetings with all employees, HR presented concepts for a holistic program to support employee wellness in four basic components: Home, Health, Work & Life. Employees attending these meetings responded very positively toward creation of this program, and offered outstanding ideas which will tailor the *MotiVate...Wellness* program to meet their needs and interests. A comprehensive overview on this program is being prepared for presentation for the City Council. Updates on program components will become regular features of City Manager reports, and will appear under a unique program heading (as in the subsequent item).

MotiVate...Wellness

Early Detection Screenings: Responding to employee feedback regarding the cost of previous Early Detection Screening services, HR renegotiated the program, securing the vendor's agreement to launch a unique mix of services specifically for City of Moreno Valley employees. HR designed a 4-Tier service option which replaces the standard single package of services provided to all other local agencies in the area. Most importantly, this new structure provides our employees with the unique opportunity to access basic services which can provide lifesaving information...at less than half of the previous package price.

Reducing Cost for Employee Benefits

Following up on a request from the City Council's Finance Sub-Committee, HR continues to work with the Employee Benefits Committee and the City's Benefits Consultant to assess employee needs and explore options to reduce the cost of health/dental/vision insurance coverage. This effort has already led to an immediate 5% discount in dental rates from Delta Dental, reducing rates for all covered employees for 2012. The Committee also analyzed options to restructure Dental PPO and Dental HMO programs, and determined that any benefits derived from changing the plan would be outweighed by significant disruption to employees who would be forced to change dental providers, as well as the prospect for a return to higher rates as the initial contracts expire. HR also conducted a survey of City employees to gauge potential interest in an optional employee-paid Legal Services program; polling indicated that this service is not a priority for employees at this time. The Committee will continue to explore program options to meet employee needs and achieve cost savings.

Forging Partnerships with Moreno Valley College/RCC

HR initiated productive meetings with senior officials at the Riverside Community College District to forge a dynamic partnership for placement of unpaid interns in City Departments. This program will begin by focusing on the Parks & Community Services Department's critical need for youth sports coaches. Lessons learned from this inaugural effort will be applied to broaden the program for application in other City departments.

Creating Internships in Finance and Administrative Services Division

FASD and HR met with representatives from the Inland Empire campus of ITT Technical Institute to explore placement of bachelor's/master's degree students into Internships with FASD. The parameters of the program will be refined over the next 3-4 weeks, with the goal of

initial placement in April of this year. Priority will be given to outstanding Moreno Valley students.

Assisting Employees with CalPERS Planning

To help ensure prompt retirement benefits to employees (and their families) in time of crisis, HR provided all employees with important documents to appoint a Special Power of Attorney. Employees were strongly urged to file this simple document to preclude months of potential delays in retirement payment processing in the event that an employee becomes injured or seriously ill.

Expanding Recruitment for City Volunteers

Job seekers who review listings for paid positions on the HR website will now also find openings for Volunteer Positions throughout the City organization. Individuals who may not have previously considered volunteer positions as a pathway to public service careers can now quickly see opportunities to serve City residents - - while enhancing their resumes in preparation for paid employment. This approach significantly raises the profile of the City's Volunteer Services program by presenting information with the City's job listings, which receive approximately 60,000 annual Internet visits.

Focusing on Employee Wellness

As part of the City Manager's meetings with all employees, HR presented concepts for a holistic program to support employee wellness in four basic components: Home, Health, Work & Life. Employees attending these meetings responded very positively toward creation of this program, and offered outstanding ideas which will tailor the *MotiVate...Wellness* program to meet their needs and interests. A comprehensive overview on this program is being prepared for presentation for the City Council. Updates on program components will become regular features of City Manager reports, and will appear under a unique program heading (as in the subsequent item).

MotiVate...Wellness

Early Detection Screenings: Responding to employee feedback regarding the cost of previous Early Detection Screening services, HR renegotiated the program, securing the vendor's agreement to launch a unique mix of services specifically for City of Moreno Valley employees. HR designed a 4-Tier service option which replaces the standard single package of services provided to all other local agencies in the area. Most importantly, this new structure provides our employees with the unique opportunity to access basic services which can provide lifesaving information...at less than half of the previous package price.

Reducing Cost for Employee Benefits

Following up on a request from the City Council's Finance Sub-Committee, HR continues to work with the Employee Benefits Committee and the City's Benefits Consultant to assess employee needs and explore options to reduce the cost of health/dental/vision insurance coverage. This effort has already led to an immediate 5% discount in dental rates from Delta Dental, reducing rates for all covered employees for 2012. The Committee also analyzed options to restructure Dental PPO and Dental HMO programs, and determined that any benefits derived from changing the plan would be outweighed by significant disruption to employees who would be forced to change dental providers, as well as the prospect for a return to higher rates as the initial contracts expire. HR also conducted a survey of City employees to gauge potential interest in an optional employee-paid Legal Services program; polling indicated that this service is not a priority for employees at this time. The Committee will continue to explore program options to meet employee needs and achieve cost savings.

Forging Partnerships with Moreno Valley College/RCC

HR initiated productive meetings with senior officials at the Riverside Community College District to forge a dynamic partnership for placement of unpaid interns in City Departments. This program will begin by focusing on the Parks & Community Services Department's critical need for youth sports coaches. Lessons learned from this inaugural effort will be applied to broaden the program for application in other City departments.

Creating Internships in Finance and Administrative Services Division

FASD and HR met with representatives from the Inland Empire campus of ITT Technical Institute to explore placement of bachelor's/master's degree students into Internships with FASD. The parameters of the program will be refined over the next 3-4 weeks, with the goal of initial placement in April of this year. Priority will be given to outstanding Moreno Valley students.

Assisting Employees with CalPERS Planning

To help ensure prompt retirement benefits to employees (and their families) in time of crisis, HR provided all employees with important documents to appoint a Special Power of Attorney. Employees were strongly urged to file this simple document to preclude months of potential delays in retirement payment processing in the event that an employee becomes injured or seriously ill.

MotiVate Wellness: In response to employees' interest in higher education programs, the *MotiVate Wellness* program secured an invitation for all City Employees to

attend the recent Riverside County Education Fair. Formerly open only to County employees, this event allowed City employees to speak directly with representatives from five area universities regarding a wide range of continuing education opportunities. This first-of-its-kind arrangement provided a unique opportunity for City employees to gather free information that can potentially change their lives and careers.

Internships to Serve Local Youth

Working in partnership with the Riverside Community College District, students in the Kinesiology program were apprised of a unique internship opportunity to coach Moreno Valley youth athletes. A targeted recruitment has already generated contact from college students interested in this program, which complements Kinesiology studies which prepare individuals to apply business, coaching and physical education principles to the organization, administration and management of athletic programs and teams, fitness/rehabilitation facilities and health clubs, sport recreation services, and athletic training programs.

MotiVate Wellness: To reduce the stress associated with submitting mandatory financial reporting required for college application/enrollment, HR created a partnership with the Moreno Valley Unified School District. As a result, our employees can now attend one of two upcoming “Taking the Fear Away from Paperwork” seminars to guide them through the complex FAFSA (Free Application for Federal Student Aid) process.

Labor Relations

Negotiations toward a successor Memorandum of Understanding with the Moreno Valley Management Association are now underway. Concepts are being explored which sustain the multi-year General Fund deficit elimination plan while fulfilling our commitment to meet the legitimate needs of the City’s dedicated workforce. An informational meeting was also held with the Moreno Valley City Employees Association, to present details on the City’s financial situation. Financial and Administrative Services Director Rick Teichert presented the City’s Long Range Business Plan, which generated productive dialogue among City representatives and Board Members of the City’s largest employee association. This important session helped set the stage for forthcoming negotiations with MVCEA.

Talent Management

Robust recruitments are underway for several positions in the City workforce. Recruiting/selection process are in progress for the



following openings:

- Code Compliance Officer – Temp (167 applicants)
- Intern I – Recycling Program (217 applicants)
- Recreation Aid – Temp (182 applicants)
- Sr. Parks Maintenance Tech
- Recreation Program Leader – 2 Part Time positions
- Sr. Accountant – Temp
- Accountant II - Temp

PARKS & COMMUNITY SERVICES DEPARTMENT

Projects

The William Batey Reading Program

“A Child’s Place” after school program is seeking volunteers to read to the children at the program sites to promote The William Batey Annual Reading Program. The reading program began on February 14 and concludes on March 23. Readers will be needed between the hours of 3:00 p.m. and 5:00 p.m., Monday through Friday, and it only takes about 15 minutes of time. The sites have plenty of books on hand but readers are welcome to bring in their own books to read if they wish. Readers should contact Georgina Lundberg, Parks and Community Services, at (951) 413-3286 to schedule a date and time or to ask any questions.

Sites:

- Armada Elementary School: 25201 John F. Kennedy, Room 26
- Creekside Elementary School: 13563 Heacock Street, Room 30
- Rainbow Ridge Elementary School: 15950 Indian Street, Portable P-1
- Sunnymead Elementary School: 24050 Dracaea Avenue, Portable P-3

March Field Park Soccer

The agreement for construction is in the process of being signed by the contractor for the installation of synthetic turf on the concrete surface of the existing March Field Park Soccer Arena. The project is planned for completion in summer 2012.

Celebration Park

The application of a slip resistant clear sealer on the splash pad at Celebration Park is scheduled for April.

Lasselle Sports Park - status of the project

The developer is in the process of obtaining required permitting from the Department of Water Resources and the City; Grading Plans: Mylars signed; Building Plans: Plans have been approved; Site Improvement Plans: Plans completed and will be submitted upon

revisions to structural details; Project Specifications: Architect finalizing for City review; Eastern Municipal Water District: Civil engineering, Recycled Water Use and Irrigation plans are approved; Department of Water Resources: Informal approval of the Encroachment Permit has been granted. Waiting on the issuance of the signed permit; and Jurisdictional Permit #401: Pacific Development Inc. is working with the Army Corp. of Engineers to resolve potential issues.

Hound Town Dog Park

To meet ADA requirements, a parking stall was added at Hound Town Dog Park at the Moreno Valley Equestrian Center.

Lighted Sports Fields

It is expected to have a purchase order issued to Musco Lighting within the month to upgrade the lighted sports fields, utilizing an automated system meeting current City standards. This will allow staff to utilize one program for all lighted sports fields and save electricity. The project's completion is estimated for summer 2012.

Parks Maintenance Division

Projects completed include: Aerated Celebration, Vista Lomas, Shadow Mountain and Towngate II Parks; fertilized Celebration, Vista Lomas, Shadow Mountain and Towngate II Parks; trimmed palms at various park sites; trimmed trees in contract areas; and installed monument sign at Ridgecrest Park.

Projects in progress include: Repair and replant parking lot planter at Bethune Park; install drainage V-ditch at Gateway Park; remove and repair the infield turf transitions at Morrison Park ball fields; aerate sports fields; fertilize parks; trim Rockridge and Patriot Parks; trim palm trees at CRC; repair drain pipe at Cottonwood Golf Course; check all parking lot lights and timers; and check Specturf Training and Playground Inspection Training.

Vandalism and graffiti have been reported at the following areas in January: Adrienne Mitchell (\$161), Aqueduct Bikeway (\$542), Bayside (\$114), Bethune (\$66), Community (\$471), El Portero (\$115), Gateway (\$41), JFK (\$300), Morrison (\$234), Patriot Park (\$62), Pedronena (\$138), Rockridge (\$71), Shadow Mountain (\$24), Sunnymead (\$1,729), Towngate (\$707), Victoriano (\$222), Westbluff (\$103), Weston (\$216), and Woodland (\$333). The total cost for vandalism/graffiti was \$5,649. Total labor hours for vandalism/graffiti were 123 hours, approximately 15 full-time work days.

Court referrals performed a total of 360 hours during January. The total hours for court referrals in 2012 are

360 which equates to approximately 45 full-time work days.

Recreation Division

The Time for Tots program returned from their winter break on January 2 with several of the classes filled to capacity. In addition to creative curriculum, children celebrated special activity days by dressing originally on Mix-Match Day, learning about pilots on Amelia Earhart Day, enjoying Disney Day, and learning about different cultures on International Day.

January saw an increase in new registrations for many youth and adult contract classes including Belly Dancing, Drawing for Kids, Kung-fu, and Traditional Karatedo. Many of the young dance classes, such as Dance Exploration, also had new participants.

Winter Valley Kids Camp, held at the March Field Park Community Center, came to a close on January 6. This year's camp saw an increase in registration compared to years past. Attending kindergarten through eighth graders spent their vacations from school enjoying newly added video games, foosball table, and electronic basketball. They also created creative holiday and seasonal crafts, played festive fun-filled games and activities, and much more.

Valley Kids Camp will be open for two weeks beginning March 26 for local children in kindergarten through eighth grades.

Recreation staff are planning and preparing for the spring events scheduled during the month of April. The annual Easter Egg Hunt, Bunny Brunch, Hop Down the Craft Trail, and Spring Easter Chef's Workshop will all be held for local children. More information to come!

The Pee Wee and Junior Soccer League for ages 3 to 7 has 100 participants registered. The league is held Monday through Thursday at Community Park soccer fields beginning February 6 and lasting six weeks.

Youth Winter Basketball League is at its midway point and going well.

The City will be holding an All Star competition. Children will be participating in this multiple all star event including a creative lay-up contest, 3-point shooting contest, and 2-ball competition.

The adult softball winter league has concluded. Registration is underway for the spring season.

Senior Community Center

On January 5, the Senior Community Center held its first ever New Year's dance which included a live DJ, and the seniors enjoyed lots of dancing. The event was sponsored by Meeting Seniors Needs. About 80 seniors were in attendance.

The January Senior Birthday Party was celebrated on January 26. This event was sponsored by the Friends of Moreno Valley Senior Center, which provided a free meal and a box of candy. Miller Jones Mortuary donated the cake and ice cream.

The following trips were scheduled in January:

- January 7 there was a trip to Spotlight 29 Casino for \$25 with \$25 back in free play.
- January 16 there was a trip to Soboba Casino for \$20 with \$20 back in free play.
- January 21 there was a trip to Harrah's Casino for \$25 with \$25 back in free play.
- January 28-29 there was a trip to Las Vegas with an overnight stay at Hacienda Casino for \$55 per person and two free buffets.

Tax assistance for seniors will begin on February 1 and continue until April 17, Monday through Friday, 12:00 noon to 4:00 p.m. All taxes will be done at no charge to those with low to moderate income by AARP.

Library Services

Public Outreach Activities

Library staff continues to be involved in public outreach activities. Librarian Loes Knutson has conducted recent library tours for adult school groups; Librarian Sharon Navarro has delivered presentations at several area pre-schools; and Librarian Jennifer Rapier will be distributing information on library materials and services at the upcoming Career Day at Moreno Valley High School. The library is averaging nearly 700 new library card registrations each month.

Cover to Cover Club

In-n-Out Burger's "Cover to Cover Club" runs from Saturday, March 3 until Saturday, April 14, at the Moreno Valley Public Library. This reading program is open to children between the ages of 4 and 12. Children too young to read may participate if a parent reads with the child. For every five books read, the child will receive a Cover to Cover Club Achievement Award and will be given a free hamburger, cheeseburger, or cheese sandwich at In-n-Out! Each child may earn up to three award certificates during the program, while supplies last.

POLICE DEPARTMENT

City-Wide Camera Surveillance System

The need for a City-wide camera surveillance system is a priority for the City of Moreno Valley to take an additional step to provide a safer community for the citizens of Moreno Valley. With this in mind, personnel from the Moreno Valley Police Department and Technology Services traveled to various law enforcement agencies to see how they used their camera systems and to what capabilities their systems offered (e.g., traffic congestion, virtual trip wires, alarms, remote access, and tracking). After looking at Police or Sheriff Department systems in Long Beach, Los Angeles, Redlands, San Fernando, Desert Hot Springs, Santa Monica, Pechanga Casino and contacting the cities of La Verne, San Dimas, Claremont, and Corona an understanding of our needs developed. Additional research is still being conducted in order to obtain the best possible system with the analytics to fit the needs of the City. Following the City Council meeting on December 13, 2011, a program manager was obtained through the RFP process. A RFP is now being developed to solicit vendors for our project.

A Community Advisory Meeting is scheduled for February 29, 2012, at 7:00 a.m. in the multi-purpose room in the police department. This meeting, one of several monthly meetings, affords the community an opportunity to learn and discuss the benefits of the upcoming camera system.

MVPD Cases of the Week

On Tuesday, January 31, 2012, at 9:32 a.m., volunteer members of the Citizens On Patrol (COP) from the Moreno Valley Police Department observed two suspicious adult males in the 23500 block of Sunnymead Ranch Parkway, in the City of Moreno Valley. The males were seen near several businesses acting suspiciously while concealing their faces with what appeared to be ski masks. The volunteers reported the males and an officer arrived. When the officer contacted the males, one male fled. The other male remained and assaulted the officer. After a brief altercation, the male fled into a nearby residential community. Several officers responded to assist, including the Riverside Police Department's helicopter, and a Riverside Police K-9 officer. During the search, the officers located the male hiding in a backyard of a residence. As a precautionary measure, Canyon Springs High School and Vista Heights Middle School were temporarily placed in lockdown during the search. The male was arrested and the case was submitted for prosecution.

On Sunday, February 5, 2012, at 3:00 a.m., officers responded to a robbery in the 13700 block of Moreno

Way, in the City of Moreno Valley. When the officers arrived, they talked to the male victim. The victim stated a male entered the residence and demanded property at gunpoint. After the male fired a shot at the victim, the male fled. The victim knew the identity of the male. The victim was not injured. Personnel from the Detective Bureau assumed the investigation. The male was located at a residence in the 26000 block of Banta Pl., in the City of Moreno Valley. The male was arrested and the case was submitted for prosecution.

Bicycle and Skating Safety

There are hundreds of people that ride bicycles, skate boards and roller blades within Moreno Valley. A majority of these people are juveniles. These juveniles are unaware of their surroundings because they haven't quite gained the experience that adults have when it comes to paying attention and the other dangers on the road. Some ways to keep our children safe:

- A child who rides with companions wearing helmets or adults in general is more likely to wear a helmet himself.
- Helmet use is the single most effective way to reduce bicycle related fatalities.
- Universal bike helmet use among children ages 14 and under would prevent an estimated 212 to 294 deaths and 382,000 to 529,000 injuries each year.
- One study showed that within five years of passage of a state mandatory bicycle helmet use, for children ages 13 and under, decreased bicycle related fatalities by 60 percent.
- Police enforcement, supplemented by helmet giveaway and education, can increase the effectiveness of these laws.

So let's try and do our best to educate our children and ultimately save their lives.

Community Advisory Meeting

A Community Advisory Meeting is scheduled for February 29, 2012, in the multi-purpose room in the police department. This meeting, one of several meetings planned on a monthly basis, affords the community an opportunity to learn and discussed the benefits of the upcoming camera system.

Case of the Week

On Thursday, February 17, 2012, at 5:27 PM, officers responded to a residential burglary in progress in the 12700 block of Willow Tree Ave., in the City of Moreno Valley. A neighbor saw several unknown males entering a residence. Upon arrival, officers learned the males were still inside the residence. A perimeter was established and three male juveniles were taken into custody. The stolen property was also recovered. The

juveniles were booked into the Riverside County Juvenile Hall.

PUBLIC WORKS DEPARTMENT

Special Districts Division

SCE GRC Update

The Administrative Law Judge extended the deadline to submit testimony for SCE's General Rate Case from January 27 to February 6 at the request of The Utility Reform Network (TURN). TURN is a ratepayer advocacy group that regularly participates in general rate case proceedings. The cities of Moreno Valley and Torrance will be submitting testimony with respect to the street light tariffs, which will be accompanied by testimony from our rate consultant. Given that street lights have not been discussed during a GRC proceeding in a very long time, Special Legal Counsel is in the process of setting up meetings with stakeholders groups to educate them on our efforts. These stakeholders include TURN, the DRA (Division of Ratepayer Advocates), President Peevey's office (Commissioner presiding over the GRC) and CPUC staff. Staff previously met with President Peevey and the Executive Director of the CPUC in October when we first introduced our efforts to them. To-date the cities of Torrance, Yorba Linda, Rancho Cucamonga, Upland and Downey have executed a Letter Agreement with Moreno Valley to participate in our efforts to reduce the street light tariff.

Special Districts Annual Tree Trimming & Inventory

Annual tree trimming and the GPS tree inventory has been completed in Zones E-1& E-1A (TownGate), E-2 (Hidden Springs), E-7 (Centerpointe), E-14 (Mahogany Fields) and Zone M (arterial medians). The contractor is trimming trees in E-3 (Moreno Valley Ranch - West) while staff is inventorying trees in that area. The goal is to complete the inventory of all special district areas before summer.

Field Meeting with Zone D Resident

A meeting was held with a resident to discuss her concerns over the landscape services for her housing tract. The tract is located at the northwest corner of Redlands Blvd and Cottonwood and is at a reduced service level. Although resources are limited, an action plan has been created with the resident in an attempt to address her concerns. In addition, staff has agreed to attend an HOA meeting to explain the services provided to the residents and discuss alternatives to enhance the level of service.

Capital Projects

Josh Frohman Obtains his Professional Engineer (PE) License

Josh started by getting his Engineer In Training (EIT) certificate in 2001. This exam is the first part in the path to becoming a Professional Engineer (PE). Josh then went on to graduate from San Diego State University (SDSU) in December 2004 with a Bachelors Degree in Civil Engineering. He took a break for a while but finally got started on his goal of obtaining his PE registration/license in 2010.

There are three parts to the Civil PE Exam here in California (only one part in every other state!!). There is the national 8-hour long exam (4 hours in the morning, 4 hours in the afternoon, 40 questions each) officially called the Principles and Practices of Engineering Exam and, in addition to that, California requires PEs to pass a 2.5 hour, 50 question Survey Principles Exam and a 2.5 hour, 50 question Seismic Principles Exam. These exams are offered two times per year (once in April, once in October).

Some people are lucky enough to pass all three parts in one shot. But working full time, being married and with a new baby at home, Josh knew he couldn't do that. So, he set a realistic goal of passing one of the three exams every 6 months. And he did! He passed the survey exam in October 2010, the engineering 8-hour exam in April 2011 and finally the seismic exam in October 2011. Seeing his name on the PE registry was a very gratifying moment (he had heard that the State Board updates their on-line PE database before the pass-letters reach the examinees so he was checking the data base quite regularly!!). He found out that he had passed his third exam and was now in the PE registry on December 30th at 8am.

On average, he studied for about 4 months for each exam and for about 250 hours each exam. So that his studying wouldn't take him away from his family, the majority of his studying took place after his wife and son were in bed - from about 10pm to 2am, typically 5 days per week.

His engineering experience works out to be about 5+ years in the private sector working for an engineering consulting firm, about 5 years working at the City of Moreno Valley in the Land Development division and now currently in the City's Capital Projects Division, going on a year this summer. He's enjoyed all of his experience opportunities so far and is particularly excited about working for Capital Projects and continuing to gain Capital Projects experience.

Capital Projects Passes Audit with Flying Colors

Lance, Soll and Lunghard, LLP, an independent certified public accounting firm retained by the Financial and Administrative Services Department, has completed the mandatory annual Single Audit of Federal funds. The Single Audit is a rigorous, organization-wide examination of an agency that expends \$500,000 or more of Federal funds received for its operations. The Single Audit's objective is to provide assurance to the US federal government as to the management and use of federal funds by recipients such as states, counties, and cities. The Single Audit is divided into two areas: compliance and financial. The audit encompassed the Capital Projects Division which has received over \$18 million in federal funding for designated Capital Improvement Projects, including the SR-60/Nason Street Interchange. Capital Projects Division passed the audit with no exceptions. This is an impressive feat due to the amount of federal laws and regulations. Congratulations to the Capital Projects Division staff for excellence in project management.

Lasselle Street at Margaret Avenue Traffic Signal

The contractor completed concrete work and underground conduit work in early January. Once Southern California Edison provides electrical service, the contractor will be able to complete the installation of the traffic signal. The traffic signal will assist pedestrians crossing Lasselle Street adjacent to Vista Del Lago High School.

Citywide Sidewalks and Access Ramps, Phase 1

The contractor is finishing punch list items. Construction at ten locations across the City involved installation of sidewalk at locations where it did not exist and/or pedestrian access ramps that are compliant with current ADA standards. The project will improve pedestrian accessibility and mobility to/from residential and commercial shopping areas.

Citywide Sidewalks and Access Ramps, Phase 2

Plans are being finalized to go out to bid in early February 2012. Construction is anticipated to begin in April 2012. The project completes FY 11-12 sidewalk and access ramp improvements across the City. Phase 2 consists of sidewalk and/or pedestrian access ramp improvements at seven locations improving accessibility and mobility to/from residential areas, commercial shopping areas, and schools.

Ironwood Avenue Improvement from Heacock Street to Perris Boulevard

City Council awarded the construction contract of the Ironwood Avenue Improvement from Heacock Street to Perris Boulevard to STI Inc. Trucking and Materials on

October 25, 2011. The project will construct full street improvements on both sides of Ironwood Avenue from Heacock Street to Perris Boulevard. The improvements will include widening of the road by constructing two additional lanes and installing the missing curb, gutter, and sidewalk. A new Traffic Signal will be constructed at the intersection of Davis Street and Ironwood Avenue. Southern California Edison (SCE) has completed the relocation of 16 power poles along the north side of Ironwood Avenue to clear the way for the street construction. Other utility companies such as Time Warner, Sunesys, and Verizon have also coordinated and relocated their facilities on the poles in a timely manner. The relocation of SCE power poles started in July 2011 and was completed by end of October 2011, as scheduled. The project construction started in late November 2011. New curb and gutter was installed for the section from Zantar Lane to Indian Street. Construction will finish in May 2012 (weather permitting).

Morrison Park Fire Station

The construction contract for the Morrison Park Fire Station was awarded to Silver Creek Industries in Perris at the September 13, 2011 City Council meeting. Construction started



the second week of October 2011 after the ground breaking ceremony. This project will build a new fire station at the northeast corner of Cottonwood Avenue and Morrison Street occupying approximately 1.5 acres. The Morrison Park Fire Station will be a two-bay fire station with a low maintenance landscaping design. Following are the milestone of construction activities:

- Construction started in October 2011
- Grading completed in November 2011
- Building slab pouring completed in January 2012.
- Underground utilities installation in January-February 2011.
- Building framing starts in mid February 2012.
- Construction will finish by the end of July 2012 (weather permitting).

Fire Station No. 65

The Fire Department is planning to relocate Fire Station No. 65 to a new location. A new location for Fire Station No. 65 replacement has been selected at the northeast corner of Rebecca Street and Brodiaea Avenue. The future site of Fire Station No. 65 will be approximately 1.5 Acres. The Department of Public Works, Capital

Projects is working together with the Fire Department in the land acquisition for the future Fire Station No. 65. City Council has authorized Capital Projects to start the offering and negotiating process. A letter of offer has been sent out to the owner. The City and the owner are entering into an Agreement for Conveyance of Property.

Redlands Boulevard Fire Station

The future site for Redlands Boulevard (former Highland/Eastend) Fire Station has been selected at the southwest corner of Redlands Boulevard and Brodiaea Avenue. The site is a vacant lot of 7.5 acres and will be used for a community park and fire station. The Redlands Boulevard Fire Station will occupy an area of 1.5 Acres from the site. An appraisal for the 7.5 acre vacant lot has been prepared by Overland Pacific & Cutler, Inc. (OPC). The City and the owner have signed the Agreement for Conveyance of Property. Escrow has been opened for the acquisition.

Industrial Fire Station

The Fire Department is planning to acquire land to construct a new fire station in the City's industrial area. The selected site is parcel APN 316-190-035, in the north side of San Michele Road west of Perris Boulevard. The site is in Industrial Business Park zoning and is currently improved as a legal-non conforming single family residence with unique features, geodesic dome house, with 2,813 SF of gross living area on a 4.78 acre lot. An appraisal report was prepared in September 2011 by Overland, Pacific & Cutler, Inc. City Council authorized Capital Projects to start the offering and negotiating process on November 1st, 2011. A letter of offer has been sent out to the owner. The City and the owner are entering into an Agreement for Conveyance of Property.

EOC Family Care Emergency Generator

Together with the Fire Department, Capital Projects had prepared the Analysis and Study for the EOC Family Care Emergency Generator. The City Hall Emergency Operations Center (EOC) currently has a generator to provide emergency power to City Hall, the Public Safety Building (PSB), and the EOC. The Analysis and Study was prepared to assess the present condition and operating efficiencies of the existing emergency generator system and to consider a new generator for the Conference and Recreation Center (CRC) which will be utilized for the EOC Family Care Center for emergency events. The Analysis and Study had been presented to the Public Safety Subcommittee's and the City Council. On October 25, 2011, City Council approved the recommendations and authorized the design and construction of a new Emergency Generator for the Emergency Operations Center (EOC) Family Care

Center at the CRC and upgrade the fuel tank at the existing generator per the “Analysis and Study for the Existing and Proposed Generator for Civic Center Buildings” by TMAD Taylor & Gaines (TTG).

TTG starts the Conceptual Design for the new generator in January 2012. The design will be completed in May 2012. Construction will be completed in April 2013.

Local Street Pavement Resurfacing - Various Locations

City Council awarded a contract to All American Asphalt to construct the Local Street Pavement Resurfacing project on January 10, 2012. This project is to resurface fifteen (15) local streets utilizing the applications of Asphalt Rubber Aggregate Membrane (ARAM) and slurry seal. The existing asphalt concrete pavement surface first will be cleaned, and all medium and large cracks will be filled and sealed. The entire existing pavement surface then will be sprayed with a layer of asphalt rubber emulsion which serves as a binder agent. The next process is to cover the pavement surface with a layer of crushed rock or aggregate chips which then be compacted to be blended with the asphalt rubber binder and stick to the existing pavement surface. The final process is the application of slurry seal to cover the compacted aggregate chips. Pavement striping, markings and markers will be replaced after the paving work is completed. The project will rejuvenate the existing pavement and enhance the drivability and appearance of the streets while protecting the pavement against environmental effects and prolonging the service life of the pavement. Agreements with the contractor, geotechnical and survey construction support consultants are being processed. The construction is scheduled to start in early March 2012 and to be completed in June 2012.

Heacock Street Sidewalk Improvements

The Heacock Street Sidewalk Improvements project, from Atwood Avenue to Myers Avenue, is currently advertised for construction bids. This project involves the construction of interim asphalt concrete sidewalk to replace the existing dirt paths at two locations on east side of Heacock Street between Atwood Avenue and Myers Avenue. The project could enhance safety for students walking from and to nearby Sunnymead Middle School and Sunnymead Elementary School as well as safety general pedestrians and drivers. The construction is scheduled to start in early May 2012 and to be completed in June 2012.

Cottonwood Avenue Improvements

The Cottonwood Avenue Improvements project is currently advertised for construction bids. This project involves the construction of street widening on north side

of Cottonwood Avenue, from Perris Boulevard to 650 feet east, to allow for longer left turn and right turn lanes on westbound of Cottonwood Avenue. The project could reduce traffic congestion on Cottonwood Avenue at the intersection and enhance safety for drivers. The construction is scheduled to start in early May 2012 and to be completed in June 2012.

Indian Street Bicycle Lanes Between Iris Avenue And Katrina Avenue

Construction has started on the additional pavement along Indian Street north of Santiago Drive. The restriping of Indian Street between Iris Avenue and Katrina Avenue and the new traffic signal improvements to assist bicyclists should be completed in early March 2012. The project will complete continuous bicycle lanes along Indian Street from Alessandro Boulevard to Iris Avenue.