

CITY MANAGER'S OFFICE

Administration

Meeting with the County and the Cities of Riverside and Corona

Staff met with representatives from the Riverside Community College District and the U.S. Small Business Administration to discuss economic development partnership opportunities. Assistant City Manager Michelle Dawson, Public Works Director Ahmad Ansari, and Community & Economic Development Director Barry Foster met with RCCD Chancellor Gregory Gray, Moreno Valley College President Dr. Sandra Mayo, Dr. John Tillquist, RCCD Associate Vice Chancellor – Economic Development, and Adalberto Quijada, District Director of the U.S. Small Business Administration. Chancellor Gray set up this meeting to establish working relationships among the participants to pool economic development resources for the Moreno Valley business community. The City agreed to host a Small Business Administration workshop in early 2013 to help promote federal programs to our local business owners.

Media and Communications Division

Veterans' Day

Media & Communications hosted Moreno Valley's annual Veterans' Day ceremony on Sunday, November 11. We honored Moreno Valley's servicemen and women and this year, we featured the missions at March Air Reserve Base.

Many attendees wore red, white, and blue and the City hosted a peanut butter and jelly drive to support the Hangar 385 reception area at March that serves our departing and returning veterans. Additionally, we dedicated new banners and pavers and honored Moreno Valley's fallen hero, Marine Corporal Anthony Servin, who died in August during a combat mission in Afghanistan.

MVTV-3

Event Coverage

- Veterans Day 2012

New MVTV-3 & YouTube Programming

- "Chomp MoVal: Episode 1" Video Shoot – The first episode of this new "Man Vs. Food" style

show starring Moreno Valley's own City Manager Henry Garcia will air in January.

- "News Center: M.V. Auto Mall Car Display Ribbon Cutting" (Coming Soon)
- Veterans Day 2012 Video (Coming Soon)
- "News Center: Recycling Bin Art Contest" <http://youtu.be/n1UKfIs8V8>
- "News Center: Fire Station #99 Dedication" http://youtu.be/_xVW1xXQ9hI
- "Spotlight on MV Business: Outback Steakhouse" <http://youtu.be/rB51fTsXsiE>
- "Spotlight on MV Business: Edible Arrangements" <http://youtu.be/0MPzZuVih74>
- MVTV-3 has created video to air at Harkins Theater of Moreno Valley to attract holiday shoppers to local stores. "Shop MoVal This Holiday Season" Video <http://youtu.be/cUwLMv0CDtg>

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

Administration

Lumber Liquidators Coming Soon

Staff has worked closely with Lumber Liquidators to open a new store in Moreno Valley at Canyon Springs Plaza at the NW corner of SR60 and Day Street. Tenant improvement work is underway with a target of opening the new store by the end of December in a building that previously contained Rick's Pool & Spa.



Lumber Liquidators is the largest independent retailer in the U.S. specializing in hardwood flooring. Lumber Liquidators is based in Virginia with more than 200 stores nationwide in 46 states, including 12 stores in Southern California. The new Moreno Valley location will be the 4th store in the Inland Region with the others being in Murrieta, Rancho Cucamonga and Palm Desert.

New Gus Jr. Restaurant

A 2nd location for Gus Jr's Restaurants has opened in Moreno Valley. The new Gus Jr's Restaurant is situated in a remodeled building on Cactus Avenue (across from March ARB) that previously was a Richie's Diner and originally was a Burger King restaurant. The new Gus Jr's will employ 12 people and is the 14th restaurant

location for Riverside-based Gus Jr's Restaurants. The other Moreno Valley location for Gus Jr's is on Alessandro Boulevard at Alessandro Plaza—just west of Heacock Street. Gus Jr's Restaurants are open for breakfast, lunch and dinner—with 120 menu options.

Harbor Freight Tools DC Expansion

City staff continues to work with Ridge Property Trust and their consulting team on the planning effort for the expansion of the Harbor Freight Tools Distribution Center (DC) at the Centerpointe Business Park. Harbor Freight Tools (HFT) is looking to add another 507,720 S.F. to the existing 779,016 S.F. building that opened as HFT's DC in Moreno Valley in November 2011. Additionally, HFT's leased another 691,960 S.F. industrial building in South Moreno Valley this past summer. Eventually, Harbor Freight Tools is looking to move its entire west coast DC operation to Moreno Valley.

As part of its expansion plans for Harbor Freight Tools, Ridge Property Trust has prepared an Environmental Impact Report (EIR) to develop a total of 1.27 million square feet at the Centerpointe Business Park. The EIR and development plan was considered by the Planning Commission on November 29 and the City Council on December 11.

Value Windows & Doors

On November 7, Value Windows & Doors Corporation closed escrow and purchased the former MVP RV facility at the NW corner of Elsworth Street and Goldencrest Drive. Duarte-based Value Windows & Doors is moving to open a new manufacturing and sales facility in Moreno Valley to help advance the significant growth in their business operations. Value Windows & Doors and their consultant team are busy formulating tenant improvement plans to reuse the 9.7 acre facility that includes three buildings with a total of 126,400 S.F. Originally, Value Windows & Doors expects to employ about 125 people at the Moreno Valley facility with plans to soon add a 2nd shift and move up to a workforce of about 175 in Moreno Valley. Many thanks to local real estate broker (and former Moreno Valley Planning Commissioner) Bruce Springer in helping to guide this transaction forward.

Industrial Vacancy 4th Qt. 2012

Moreno Valley's industrial vacancy rate is 7.3% for 4th Quarter 2012. Below is a summary of the occupancy for industrial buildings in Moreno Valley for 4th Qt. 2012:

Centerpointe-Ridge

- Occupied 2,064,026 S.F.
- Vacant 0
- Total 2,064,026 S.F.

- Available 9%

Centerpointe-Other

- Occupied 1,245,707 S.F.
- Vacant 107,680 S.F.
- Total 1,353,387 S.F.
- Available 8.0%

South MV Industrial Area

- Occupied 5,965,468 S.F.
- Vacant 769,320 S.F.
- Total 6,734,788 S.F.
- Available 11.4%

East MV-Rancho Belago

- Occupied 1,820,000 S.F.
- Vacant 0
- Total 1,820,000 S.F.
- Available 0%

Total Moreno Valley Industrial Buildings

- Occupied 11,095,201 S.F.
- Vacant 877,000 S.F.
- Total 11,972,201 S.F.
- Available 7.3%

Notes: New 769,320 S.F. speculative building (IDS-Nandina DC) was just completed the beginning of November 2012 in South MV Industrial Area. Several potential users are looking at this building. Since 3rd Qt. survey, two buildings have been leased or purchased including a 691,960 S.F. leased by Harbor Freight Tools and 126,400 S.F. purchased by Value Windows & Doors.

ED Action Plan—Construction Jobs

Moreno Valley, through its Economic Development Action Plan, continues to emphasize job creation. During the past four years, a total of 5,309 new jobs have been created in Moreno Valley in a variety of business sectors including Distribution/Manufacturing, Office/Health-care, Automobile Dealerships, and Retail/Restaurants.

So far in 2012, there have been a total of 1,459 new jobs created in Moreno Valley. Additionally, many construction and support positions have been produced in Moreno Valley working on the many City capital improvement projects, as well as large scale commercial development projects under construction. According to a Public Works-Capital Projects survey a total of 3,916 people will be employed with FY 2012/13 capital improvements projects. Another estimated 1,820 construction workers have been working on the four

major industrial development projects, along with expansion projects at RCRMC and Kaiser Permanente. That is a total of 5,736 construction-related jobs in Moreno Valley—with more to come as development activity continues to heat up.

Economic Development Summary-November 2012

The Economic Development Summary has been updated for November 2012 and is now available on the City’s website..

Q2 2012 Sales Tax Summary

In a continued trend upward, reports for Second Quarter (Q2) 2012 sales tax revenue is encouraging. The 9.6% rise in Q2 sales tax revenue, on an adjusted basis, as compared to Q2 2011 marks the 10th consecutive increase since the bottoming-out of the recession in fourth quarter 2009. While the “cash basis” increase is reported at 33.1%, the adjusted percent change is reflective of certain accounting aberrations such as under or over payment providing a more accurate account of sales activity in a given quarter.

The Q2 2012 Sales Tax Revenue Summary report compares adjusted Q2 sales tax revenue totals with adjusted Q2 2011 totals (Q2 revenue is generated between April and June). Hinderliter de Llamas Companies (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.

The Q2 sales tax revenue increase for the City of Moreno Valley compares favorably to both Riverside County and the State with increases of 9.2%, and 7.5%, respectively. Nearly all twenty-eight Riverside County cities experienced a positive sales tax performance with the exception of Perris and Indian Wells with a sales tax reduction of 2.0% and 10.1%, respectively. The City of Moreno Valley ranked 8th followed by Murrieta at 8.6%. Jurupa Valley, the newly incorporated city does not yet have a comparable quarter.

Seven cities in Riverside County experienced double digit growth for this quarter. Leading Riverside County cities sales tax revenue increases with double digits was Canyon Lake, followed by Eastvale, Desert Hot Springs, Blythe, Indio, Norco, and Palm Springs.

The table below compares the adjusted Q2 2012 sales tax revenues to Q2 2011 sales tax revenues for the City of Moreno Valley and other immediately surrounding

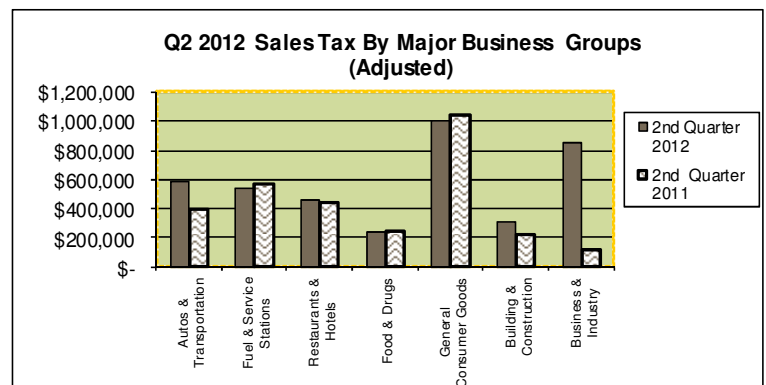
western Riverside County cities with comparable population, as well as Riverside County and the State of California, ranking the all agencies by adjusted percentage change.

Sales Tax Trends Q2 2012						
ADJUSTED FOR ECONOMIC DATA						
City/Agency	Population	2nd Quarter 2012	2nd Quarter 2011	Dollar Difference	Standard Percent Change	Adjusted Percent Change
Moreno Valley	196,495	\$3,985,019	\$2,994,923	\$990,096	33.1%	9.6%
Riverside County	2,227,577	\$70,322,547	\$64,400,281	\$5,922,266	10.3%	9.2%
Murrieta	104,985	\$2,673,262	\$2,471,226	\$202,036	8.2%	8.6%
Hemet	80,089	\$2,248,593	\$2,133,871	\$114,722	5.4%	7.9%
State	37,679,000	\$1,382,329,239	\$1,286,186,517	\$96,142,722	6.8%	7.5%
Temecula	103,092	\$6,410,253	\$5,707,393	\$702,860	12.3%	7.6%
Riverside	308,511	\$10,904,073	\$10,199,989	\$704,084	6.9%	6.8%
Corona	154,520	\$7,192,546	\$6,998,813	\$193,733	2.8%	2.1%

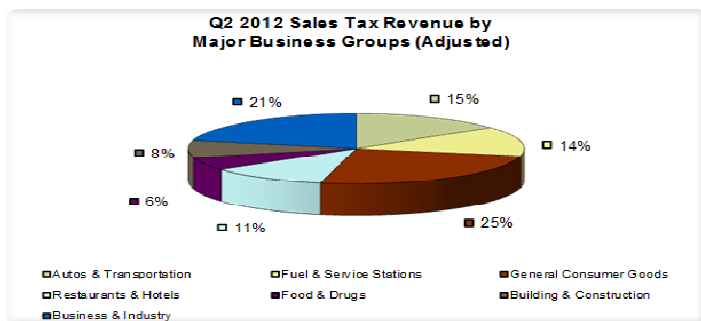
Among this comparative group, the City of Moreno Valley ranked 1st with a \$990,096 increase (9.6%) as compared to Q2 2011, followed by Riverside County, Murrieta, Hemet, with increases of 9.26%, 8.6%, 7.9%, and 7.5%, respectively.

The pie chart on the following page provides a graphic illustration of the percentage breakdown of Moreno Valley’s Q2 2012 sales tax revenue allocations by major business group. The largest contributor of point-of-sale revenue came from sales in General Consumer Goods category, representing 25% of Moreno Valley’s total allocation with a 3.7% decrease in spending overall.

Demonstrating Moreno Valley’s Q2 spending changes from 2011 to 2012, the chart below categorizes spending changes (largest to smallest) by major business group.



Moreno Valley's ongoing course toward economic recovery is evident in the categories with double digit increases in sales tax revenue. The **Autos & Transportation** category jumped in sales by 51.5% (\$200,511) over the Q2 in 2011. The rise in Autos & Transportation was directly reflective of consumer confidence and successful ownership at the Moreno Valley Auto Mall. All brands experienced increases in sales. Volkswagen of Moreno Valley, the new brands did not have sales reported for the comparable quarter. High performing brands were Moss Bros. Honda (82.83%), Moss Bros., Buick GMC (76.31%), Moss. Bros. Toyota (44.43%), Moss Bros. Chrysler Jeep Dodge (36.39%), and Moss Bros. Chevrolet (30.09%). Moreno Valley's sales performances were well ahead of the State (17.4%) and the County (20.4%) in the **Autos & Transportation** category. Notable gain was achieved in **Building and Construction** category with a 37.6% increase, with moderate gains in **Restaurants and Hotels** and **Food and Drugs** categories at 5.2% and 1.6% respectively.



In the **General Consumer Goods** category, sales in Moreno Valley fell slightly (3.7%) over the Q2 in 2011 and below State and County both at 4.0%. Sales for giants such as Costco, and Super Target and Walmart Supercenter are up but marginally. In the **Fuel and Service Stations** category, sales fell by 3.6% over the Q2 in 2011. The **Business & Industry** category saw a 663.3% increase due to a one-time adjustment.

The following identifies Moreno Valley's top twenty-five sales tax producers during the 2nd Quarter 2012 (listed alphabetically):

- Arco
- Chevron
- Circle K
- Costco
- Food 4 Less
- Home Depot
- iHerb
- Lowe's
- Macy's
- Moreno Gas Mart
- Moss Bros Buick GMC
- Moss Bros Chevrolet
- Moss Bros Chrysler Jeep Dodge
- Moss Bros Honda
- Moss Bros Toyota
- Ross Dress for Less
- Sears
- Shell
- Stater Bros
- Super Target
- Volkswagen of Moreno Valley
- Walmart Supercenter
- Walgreens

Overall, sales in Moreno Valley have steadily increased. HdL, however, does caution agencies against perceiving these increases have set a new pace for revenue increases. There are issues ranging from, and stemming from, the State's budget crisis to the European financial crisis that will impact spending, investment and hiring plans, slowing the recovery for the balance of 2012.

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 in the Economic Development Department or on the City's website.

Building & Safety Division

Quick Statistics

The following are statistics for October 2012 and October 2011 for activity in the Building & Safety Division.

	<u>2012</u>	<u>2011</u>
Customer Counter Visits	567	519
Building Permits Issued	132	153
Construction Valuation	\$1,045,491	\$29,404,347
Inspections Performed	730	517
Certificate of Occupancy	15	N/A
Plan Check Activity	136	N/A
Monthly Revenue	\$3,120	\$107,344

Included building permit for USAA's Center Point Logistics Center.

IDS Project Completed

Developer—IDS Real Estate Group, completed construction mid-November on its Nandina Distribution Center (DC) at the NW corner of Nandina Avenue and Indian Street in the South Moreno Valley Industrial Area. IDS and their real estate brokerage team are working with several potential users for this 769,320 S.F. DC building.

Trammell Crow Company Project

Staff from Development Services has been working closely with the Trammell Crow Company (TCC) and its construction team on the development of a new 1.25 million sq. ft. industrial building to be situated at the NE corner of Heacock Street and San Michele Road. Recently, work was started on the massive concrete slab for the large scale building and concrete work is ongoing for the tilt-up walls. TCC calls its project the I-215 Logistics Center, which presently is the largest building under construction in Southern California.

Business Services & Neighborhood Programs Division

NSP Amendments

On December 11, the City Council considered an amendment to the City's CDBG Annual Action Plan to

provide for necessary changes to update the Neighborhood Stabilization Program (NSP). The revisions to NSP will help adjust to a changing real estate environment, along with enabling a more effective and timely expenditure of NSP funds.

Business & City Connecting

Another Business & City Connecting event was held on November 15 in Council District 4. Fifteen business representatives attended the networking opportunity that was held at the Steer & Stein Restaurant to interact with City Council Member Marcelo Co and Barry Foster, the City’s Community & Economic Development Director. Businesses in attendance included O’Reilly Automotive DC, Walgreens DC, Trammell Crow Co., First Industrial Realty Trust, Rancho Dorado Apartments-Palm Communities, Stater Bros. Markets, Home Depot, Cardinal Glass, SecurCare Storage, CVS Drug, and Provident Bank.

FSA Open House

On Tuesday evening, November 13, Family Service Association (FSA) held an Open House Celebration for its new FSA Alessandro Central Kitchen & Distribution Center in Moreno Valley. Unfortunately, the event conflicted with the Moreno Valley City Council meeting.



The new Central Kitchen & DC facility helps Moreno Valley-based FSA more effectively serve its many childcare and senior facilities located throughout western Riverside and San Bernardino counties. The new FSA Central Kitchen & DC was created by FSA through acquiring the closed and blighted former Rio Market situated on Alessandro—just east of Old 215 and then substantially renovating the structure and property for its reuse. The City of Moreno Valley—through its CDBG funding helped with a \$50,000 contribution towards the rehabilitation work. Cleaning up and productively reusing this property, which sits at a major entry way to Moreno Valley, was an effective use of CDBG funding. Many thanks to Dom Betro and the FSA team for working on this project.

Housing Resale Market-October 2012

The housing resale market continues to be up and down in 2012—with five months up, but also five down months. The average resale home value in Moreno Valley for October was \$168,640, which was a 2.5% increase from the value of \$164,595 for the month of September. Other nearby communities have also

experienced the fluctuating resale marketplace. In October, Perris (+14.9%), Riverside (+3.1%) and Temecula/Murrieta (+1.7%) were all up like Moreno Valley. Corona (-1.0%) and Hemet/San Jacinto (-4.5%) were down in resale home values for October.

The number of resale transactions increased slightly in the October reporting period at 197 resale transactions as compared to 185 in September. During the first 10 months of 2012 there have been a total of 2,103 home sales in Moreno Valley, which is a monthly average of 210.

Unemployment-October 2012

Unemployment stayed about the same in California and the Inland Region in October as compared to the previous month of September. Moreno Valley’s unemployment rate remains unchanged at 13.9%. Below are unemployment statistics for the past two months.

	<u>October</u>	<u>September</u>
California	10.1	10.2
Riverside County	12.0	12.0
Banning	13.8	13.7
Beaumont	13.7	13.7
Hemet	15.1	15.1
Moreno Valley	13.9	13.9
Perris	18.6	18.6
Riverside	12.1	12.1
San Jacinto	18.1	18.0

Code & Neighborhood Services Division

Quick Statistics

The following are statistics for Code & Neighborhood Services for the months of October 2012 and October 2011.

	<u>2012</u>	<u>2011</u>
Case Initiated	343	331
Closed Case Investigations	349	328
Parking Citations Issued	2,063	2,041
Administrative Citations Issued	126	251
Counter Customers	324	340

Food Vendor Sweeps

During late October through mid-November, the Moreno Valley Code Compliance Division and MVPD POP Team continued their ongoing investigation into illegal roadside food vendors citywide. Three separate events were conducted by staff within this timeframe in the areas of Perris and Nandina, Old 215 and Alessandro and Dracaea and Perris. A total of six taco vendors were contacted by personnel and their operations were subsequently closed for illegal business activities. 225 pounds of food was confiscated by staff and administrative citations were issued to the individual

business owners for violation of City Municipal Code requirements. Staff efforts will continue and the City Council will be provided with additional updates.

Land Development Division

Quick Statistics

The following are statistics for Land Development for the months of October 2012 and October 2011.

	<u>2012</u>	<u>2011</u>
Plan Checks Processed	11	23
Grading Permits Issued	2	4
Number of Inspections	218	332
Counter Customer Visits	132	158

SCE Oversized Load

In November, Southern California Edison (SCE) moved another oversized load through Moreno Valley containing an 800,000 pound steam generator retired from SCE's San Onofre nuclear power plant and on its way to Utah for proper disposal. Because of rain and wet weather, the trek through Moreno Valley and then on to Riverside was delayed four days as the 400 foot long trailer sat in Perris until the storm passed through and roads dried up and became safe again.

Planning Division

Quick Statistics

The following are statistics for Planning for the months of October 2012 and October 2011.

	<u>2012</u>	<u>2011</u>
Counter Customers	350	300
Major Case Submittals	2	2
Minor Case Submittals	53	52
Plan Check Submittals	51	38
Application Fees	\$48,459	\$55,256

As of November 15, 2012, all case types – Major, Minor and Over the Counter (included in Minor Case in table above) – each exceed their totals for all of calendar year 2011. This is good news because it reflects the first increase in yearly case submittals since 2005.

Planning Commission

The Planning Commission met on November 29 and the following items were heard at that meeting:

- Three Plot Plans and a Change of Zone related to the RPT Centerpointe West project. The project proposes 1) A 507,720 square foot expansion of the existing Harbor Freight Tools (HFT) warehouse at the northwest corner of Graham Street and Cactus Avenue, 2) A new 607,920 square foot warehouse building at the northwest corner of Graham Street and Brodiaea Avenue and 3) A new 164,720 square

foot warehouse building at the northeast corner of Frederick Street and Cactus Avenue. The last building requires a zone change from Business Park – Mixed Use to Light Industrial. The applicant is the Ridge Realty Trust. Due to the inclusion of a zone change application, the project will be forwarded to the City Council for final review and action. That review is tentatively scheduled for the December 11, 2012 City Council meeting.

- A Plot Plan, Conditional Use Permit, Tentative Tract Map and Variance related to the Continental Villages project located at the northeast corner of Lasselle Street and Krameria Avenue in Moreno Valley Ranch. The project proposes a 125-unit apartment complex, 56 clustered for sale units, 36 detached single family units, a recreation center and open space lots. The site was previously approved for 227 condominium units. The Conditional Use Permit provides flexibility with the multi-family zoning on the property to permit the three types of residential units. The Variance provides for reduced setbacks along Lasselle Street in recognition of an expanded street parkway and expansive landscape slopes in that portion of the site. The applicant is Continental East Fund III.

Administrative Approvals

The following are recent administrative approvals:

- Plot Plan to revise and separate on-site sorting areas for recycled materials at the Waste Management Transfer Station on Indian Street in the Moreno Valley Industrial Area. The applicant is Waste Management of the Inland Valleys.
- Plot Plan to add a guard shack on perimeter security fencing to a recently completed warehouse building at 24870 Nandina Avenue to accommodate a new tenant (Harbor Freight Tools). The applicant is First Industrial.

Recent Case Submittals

The following are recent cases submitted for the Planning Division:

- Plot Plan for an exterior remodel of the existing KFC fast food restaurant at 12280 Heacock Street.
- Plot Plan for a major remodel and 1,200 square foot addition to a single family home at 24789 Myers Avenue.
- Plot Plan to add a second residential unit at 24789 Myers Avenue.
- Amended Conditional Use Permit to upgrade and expand capacity of an existing telecommunications facility (Sprint) located at 15115 Indian Street.
- Plot Plan to establish an auto repair facility in an existing commercial complex on Elsworth Street.
- Plot Plan to add a solar system to an existing mini-

- storage facility located at 21201 Box Springs Road.
- Sign Program Amendment to add signs to the existing Winco Supermarket in the Towngate South Shopping Center on Day Street.
- Plot Plan to establish Avis rental car agency and lot at the Sear's Auto Repair Center at the Moreno Valley Mall.
- Plot Plan to establish a dance studio in an existing shopping center located at 23750 Alessandro Boulevard.
- Amended Conditional Use Permits to upgrade and expand capacity of existing telecommunications facilities (Sprint) at numerous locations.

RPT Centerpointe West Project

The Final Environmental Impact Report (FEIR) for the RPT Centerpointe West Project was sent to responsible agencies and interested parties on November 16, 2012. Public notice was also sent to adjacent property owners and published in the Press Enterprise. A press release was posted on the City's website along with the DEIR documents.

The FEIR provides a full discussion and analysis of the potential environmental impacts identified in the Initial Study for the proposed project, most notably traffic, air quality and greenhouse gas emissions. The FEIR also includes responses to all comments received on the Draft EIR from responsible agencies and interested parties. A total of eight comments were received on the Draft EIR.

The FEIR and project plans were reviewed by the Planning Commission on November 29 and by the City Council on December 11.

The RPT Centerpointe West Project includes a proposed 507,720 square foot expansion of an the existing Harbor Freight warehouse at the northwest corner of Graham Street and Cactus Avenue, a new 607,920 square foot warehouse building at the northwest corner of Graham Street and Brodiaea Avenue and a new 164,720 square foot warehouse building at the northeast corner of Frederick Street and Cactus Avenue. The last building requires a zone change from Business Park – Mixed Use to Light Industrial.

Foreclosures and Homes Listed for Sale

Foreclosure activity continues to decrease in Moreno Valley. Information available from the RealtyTrac website for October shows a decrease in foreclosure activity in both the City and County. The website reported one in 166 housing units in Moreno Valley were in some stage of foreclosure, or 0.60% of all mortgages in the City. This compares to a rate of one in 157 units in the prior month and one in 121 in the prior

year same month in 2011 (a higher number is better). Foreclosure activity is six percent (6%) lower than the prior month and twenty seven percent (27%) lower than the same month last year.

The Moreno Valley foreclosure rate is similar to Temecula and Eastvale. Calimesa had the lowest rate locally (1 in 261) and Winchester had the highest rate (1 in 106).

By zip code, area 92551 had the highest rate in the City (1 in 111) and area 92553 had the lowest rates (1 in 206). Good news - foreclosure activity decreased in all five zip code areas in Moreno Valley.

Moreno Valley had 335 homes reported in some stage of foreclosure in October, less than the 355 homes reported in the prior month and less than the 459 homes in the same month last year. The City of Riverside had the highest number of reported foreclosure properties at 555 and Corona was second with 361.

The foreclosure trends are shown in the chart below:

	<u>Oct. 2012</u>	<u>Sept. 2012</u>	<u>Change</u>	<u>Oct. 2011</u>	<u>Change</u>
Foreclosure Rate/City	166	157	(6%)	121	(27%)
Foreclosure Rate/County	205	204	(0%)	157	(23%)
Number of Homes (City)	335	355	(6%)	459	(27%)

Information available from the Realtor.com website indicates a continuing decrease in the number of homes for sale in the City, along with some strength in median asking prices. As of November, 428 homes were listed for sale, compared with 470 at the start of October, and 999 in November 2011.

January 2010 marked the prior 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 to a peak of 1,230 in March 2011 before steadily declining since that time.

The current inventory of homes for sale is less than a three month supply. Anything less than a six month supply of homes for sale is considered a limited supply. At less than half of a normal inventory, the current situation indicates a shortage of homes for sale.

The median asking price was \$165,500, compared with \$165,000 in the prior month and \$155,000 in the same month last year. The trends are shown in the chart below:

	<u>Nov. 2012</u>	<u>Oct. 2012</u>	<u>Change</u>	<u>Nov. 2011</u>	<u>Change</u>
Homes for Sale	428	470	(9%)	999	(57%)
Median Asking Price	\$165,000	\$165,000	+0%	\$155,000	+7%

Western Realco – March Business Park

The Final Environmental Impact Report (FEIR) and project plans for the Western Realco project are ready for distribution. The project has tentatively been scheduled for review by the Planning Commission at the December 13 meeting. The FEIR provides a full discussion and analysis of the potential environmental impacts identified in the Initial Study for the proposed project, most notably traffic, air quality and greenhouse gas emissions. The FEIR also includes responses to all comments received on the Draft EIR from responsible agencies and interested parties. A total of seven comments were received on the Draft EIR.

The proposed complex is located at the southeast corner of Heacock Street and Iris Avenue in the Moreno Valley Industrial Area. The complex includes four buildings, ranging in size from 16,732 to 1,103,003 square feet, with a total of 1,484,407 square feet on 67 acres.

FINANCIAL & ADMINISTRATIVE SERVICES DEPARTMENT

Animal Services Division

Creekside Elementary School Students Collect Donations for Animal Shelter

Students from Creekside Elementary School collected a variety of pet products to be donated to the Moreno Valley Animal Shelter during Red Ribbon Week. The school's theme during Red Ribbon Week was "These Paws Don't Touch Drugs". Students collected donations during the week which included pet toys, dog and cat food, leashes and collars along with blankets and towels. School counselor, Alison Feeken, presented the donations at the Moreno Valley Animal Shelter to Steve Fries, Animal Services Division Manager on November 6 (pictured). All of the items donated will help care for the many stray animals at the Moreno Valley Animal Shelter. Thanks for the efforts and generosity to the students of Creekside Elementary School.



Technology Services Division

Annual Fire Inspections

Working with Fire Operations and Prevention staff, the Technology Services Enterprise Systems and GIS groups have developed a custom application that utilizes GIS-assisted inspection routing, fee processing, and performance reports to assist the Fire Department with

their safety inspections of over 2,500 businesses and apartment complexes.

Logos and SIRE Integration

To further utilize the City's enterprise document management system, Technology Services worked with New World Systems' Logos and AlphaCorp's SIRE technical staff to provide direct access to scanned invoices from the Logos Accounts Payable application. As a result, those who approve payments at the division level can easily view scanned invoices and AP is able to store and retrieve invoices electronically. Plans are in the works to expand the integration to include contracts, journals, checks, and various other types of transaction-based documentation.

FIRE DEPARTMENT

Fire Operations

Application for a Streambed Alteration Permit

The Fire Prevention Bureau has been working with the California Department of Fish and Game to apply for a Streambed Alteration Permit so that hazard reduction can occur in specific areas of the city that contain riparian vegetation. These areas are protected by various different state agencies and it is the city's desire to comply with all regulations prior to vegetation clearance. The permit application has been filed and we hope to have it issued in the next 90 days.

Public Relations

On November 15, Kennedy Park Engine 65 conducted a fire and safety presentation for 20 staff members of Unlimited Quest, which is a day activity center for developmentally disabled adults. The training was well received by all those in attendance.

Significant Events

On November 2 Moreno Valley Firefighters responded to a residential structure fire in the Sunnymead Fire Station response area. Upon arrival firefighters found a 2,000 square foot abandoned dwelling approximately 75% involved in fire. Several bystanders reported hearing screams for help coming from within the structure. Firefighters under extreme fire conditions entered the dwelling to attempt to extinguish the fire and rescue any victims. After a two hour firefight firefighters were able to knock down the fire and confirm no victims were present. A total of seven fire engines, one truck company, one breathing support, and one Chief Officer were committed to the



incident, for a total of 27 personnel. Units from Riverside County Fire/CAL FIRE provided coverage of the open fire stations in the city during the time of this incident in order to provide emergency fire and medical response to all other 9-1-1 calls. The cause of the fire is still under investigation.

On November 7 Moreno Valley Firefighters responded to a residential structure fire in the Kennedy Park Fire Station response area. Upon arrival, firefighters found a 1,500 square foot single family dwelling with smoke coming from the living area of the home. The fire was quickly contained to an interior laundry room. The four occupants of the home requested the assistance of the Red Cross as the house was determined to be uninhabitable by Moreno Valley's Building & Safety Division. A total of three fire engines, one truck company, one breathing support, and one Chief Officer were committed to the incident, for a total of 13 personnel. Units from Riverside County Fire/CAL FIRE provided coverage of the open fire stations in the city during the time of this incident in order to provide emergency fire and medical response to all other 9-1-1 calls.

On November 10, the Towngate Fire Station responded to a report of a dog bite. Upon arrival firefighters made contact with an elderly female who had been attacked by the family dog. The patient received advance life support care from Engine 6's Firefighter II Paramedic for several lacerations and avulsions related to the incident. She was transported to the local area trauma center by AMR and was accompanied by Engine 6's Paramedic. The patient is anticipated to make a full recovery.

On November 16, Morrison Park Engine 99, along with Sunnymead Engine 2, were dispatched to an 81 year old male in full cardiac arrest. Upon arrival, the crew from Engine 99 found that the patient was pulseless and not breathing. Early CPR had been started by the residents who had been assisted by the Emergency Medical Dispatcher at the Perris Emergency Command Center. Aggressive advance life support intervention was immediately started by the Firefighter Paramedic and the patient was rapidly transported to the local area trauma receiving center. During transport to the hospital, the patient regained a strong pulse but still required assistance with breathing. When the Engine crew left the hospital, the patient had retained a pulse and blood pressure. The final outcome of this patient is unknown.

On November 17, Sunnymead Ranch Engine 48, Sunnymead Engine 2 and AMR responded to a report of a 6 year old male in cardiopulmonary arrest, with CPR

in progress. Engine 48 arrived on scene and located a 6 year old male that was unconscious, unresponsive, and suffering from a severe asthma attack. The crew from Engine 48 immediately provided advance pediatric life support measures. The child was loaded and transported to the local area hospital once AMR arrived on scene. The Firefighter Paramedic from Engine 48 continued care and treatment of the child during transport. Upon arrival at the hospital, the child was alert and able to respond to questions. This child is now in stable condition and is expected to make a full recovery.

Office of Emergency Management

In late October, OEM staff attended homeland security grant-funded training and conference sessions provided by the International Association of Emergency Managers. Training received included EOC/Incident Command System Interface, EOC Management and Operations, FEMA Partnerships, Alert and Warning Technologies, Long Term Recovery and Mitigation and Comprehensive Preparedness. LeAnn Coletta was one of 32 individuals selected out of 2800 people to attend a week-long inaugural Leadership Symposium track training.

Fire Prevention

Fire Prevention has completed all fire inspections on the new Nandina Distribution Center. The building is now ready and waiting for a tenant to be identified so that we can begin working on the High Piled Storage Plan and the Tenant Improvement Plan.

POLICE DEPARTMENT

Improving Your Quality of Life Through Improved Awareness (Part 3 of 5)

The Moreno Valley Police Department (MVPD) is continuing its five part series to improve awareness and reduce the probability of becoming a victim of certain common crimes. This third installment provides information about a scam that we will refer to as "Prizes and Sweepstakes."

The Scam

Congratulations! You have just won an all-expense paid trip to the Bahamas! Excited? What if you were told that you just won \$100,000 cash? Does that catch your attention? In either case, these types of notifications are often designed to lure you in, in the same way a fisherman lures in a trophy fish.

There are many legitimate contests and sweepstakes out there; however, some of them are fraudulent. "Prizes and Sweepstakes" scams like some of the other scams we have profiled use the related excitement to lure in

their unsuspecting victims. The award/prize declarations usually sound authentic, but a closer examination can reveal a fraudulent enterprise. For example, it is important that you know it is illegal for an organization to require an upfront fee or the purchase of merchandise as a condition of receiving the promised prize or award. Prize or Sweepstake notifications that make such requirements should be handled with a great deal of suspicion. Often the scammers will notify you of large winnings; but they require you to pay the taxes before they give you the sweepstakes. The scammers are often located outside our country and they use colorful and official looking mass mailers and emails to reach their victims.

The following tips are intended to help reduce the likelihood of becoming a victim of these types of scams:

1. Do your research. All legitimate sweepstakes companies detail most aspects of their contest. This includes the odds of winning, contact information, prize redemption, as well as how many prizes and to whom the prize/award were given.
2. Scrutinize unsolicited prize/sweepstakes winner announcement emails. With a little screening, many of these types of notifications can be identified as fraudulent. If the declaration of a prize/sweepstakes seems too good to be true, it probably is; but definitely read the fine print.
3. Pay close attention to the name of the organization. The name may at first glance appear to be that of a well-known and or legitimate company. However, closer inspection could reveal the company name listed on the sweepstakes or prize notification is misspelled. Scammers will use logos and names strikingly similar to legitimate companies to give their mailer credibility. It is very unlikely that a well-known and/or legitimate company would issue a mailer with their own name misspelled.
4. Your chances of winning a prize or award will not improve by making a purchase. All contests or sweepstakes in the United States have a disclaimer that states something similar to "Your chances or odds of winning do not improve with a purchase."
5. Do not pay taxes upfront for something you have won. If you do legitimately win something, it is your responsibility to declare your winnings when you file your taxes. Any attempt by the company to collect taxes on your winnings should raise the red flag of suspicion.
6. Do not give out your personal identifying information to a sweepstakes company. No legitimate organization will ask for this information. A person who solicits this information is more than likely trying to obtain it for

unscrupulous reasons. If the organization is legitimate, you can easily research the organization with the Better Business Bureau.

7. Be extremely suspicious when dealing with an out-of-country organization. Your recourse, should the arrangement fall through, can be extremely limited.

Next issue: Work-at-Home Scams

Community Advisory Meeting

The next Citywide Camera Surveillance System Community Advisory Meeting is scheduled for December 27, 2012, at 6:00 p.m., in the multi-purpose room at the Moreno Valley Police Department. The goal of the meeting is to inform attendees of the history, purpose, benefits, and progress of the project. The meeting will also include an open forum for community input, questions, and answers.

Cases of the Week:

- On Thursday, November 15, 2012, at 12:56 p.m., MVPD responded to a robbery at the Motel 7, located in the 23500 block of Alessandro Blvd. Officers learned the male victim opened his motel room door when an unknown male knocked. As a ruse, the male asked to use the victim's phone. The victim denied the male the use of the phone and the male forced his way into the room. The male fled after taking an undisclosed amount of money and a laptop computer. Officers from the Robbery Suppression Team assumed the investigation.
- The investigation led to a residence in the 13500 block of Plato Dr. The Robbery Suppression Team watched the residence until they saw the suspect leave the area in a vehicle. The Robbery Suppression Team detained the suspect and located the victim's property. The victim identified the suspect and he was booked into the Robert Presley Detention Center for robbery, burglary, possession of stolen property, and a probation violation.
- On Saturday, November 17, 2012, at 7:58 p.m., we responded to a robbery in the area of Electra Ct. and Megan Ln. A male victim stated three males, one armed with a handgun, approached him and demanded his money. Responding officers located the suspects walking away from the area. The officers detained the suspects and positively identified them as the suspects in the robbery. The officers also recovered the handgun used in the robbery, and determined it was stolen in an earlier burglary. The suspects, all male juveniles, were booked into the Riverside County Juvenile Hall for attempted armed robbery. On Monday, November 19, 2012, our officers served search warrants at the suspects' homes and found evidence that linked them

to the burglary where the gun was stolen. Additional criminal charges of possession of stolen property, conspiracy, and burglary were added for each suspect.

PUBLIC WORKS DEPARTMENT

Capital Projects

Perris Boulevard Widening from Perris Valley Storm Drain Lateral "B" (Southerly City Limits) to Cactus Avenue

On July 23, 2012, the City issued a Notice to Proceed with Construction to Hillcrest Contracting, Inc. for the Perris Boulevard Widening from Perris Valley Storm Drain Lateral "B" (Southerly City Limits) to Cactus Avenue project. The proposed work includes street widening to a uniform six travel lanes, concrete curb and gutter, sidewalk, curb ramps, driveway approaches, minor drainage improvements, utility relocation, and relocated traffic signals. The total contract amount (base bid amount plus six alternates) is \$3,282,680, which is almost 12% below the engineer's estimate.

Construction of this project is possible only because Public Works Department staff worked diligently for several months with Riverside County Transportation Commission (RCTC) staff to obtain funding. City staff pointed out to RCTC that the City had saved approximately \$1.7 million during the pre-construction phases of Regional TUMF projects, including this one. RCTC agreed to combine these substantial savings with another \$4 million in TUMF funds, for a total of approximately \$5.7 million. To this end, the RCTC Commission voted on March 14, 2012 to appropriate almost \$5.7 million in TUMF funding for the construction of this important regional project. The agreement to secure these funds was approved by City Council on April 10, 2012. Construction is estimated for completion in May 2013.

Funding Allocated for Flood Channel Line F

In October, City staff requested funding from the Riverside County Flood Control and Water Conservation District (the District) officials to construct Master Planned Flood Control Channel Line F – Stage 2, between Oliver Street, and the intersection of Iris Avenue and Grande Vista Drive. City staff submitted detailed technical supporting data and documentation that validated and merited the allocation of these highly sought after and very limited funds for the proposed fully lined concrete channel project.

On November 6, 2012, the City was notified by the District officials that \$3.5 million will be allocated for the City for this project, pending approval of the

District's Board of Supervisors. Although Line F improvements were included as a bid alternative for the Nason Street/Cactus Avenue Project, due to lack of sufficient funds, Line F related improvements were not awarded, except for interim improvements at the Line J outfall into Line F, which is currently under construction.

Finishing the proposed Line F improvements will essentially complete a missing gap of fully improved facilities for Master Drainage Plan (MDP) Line F between Cactus Avenue and the southerly City Limit, a distance of 5.5 miles within the center area to help the City promote and attract new medical related developments, furthering and building upon the expansions underway by surrounding medical facilities, which is consistent with the City's Economic Development Action Plan approved by the City Council in April 2011. The construction of Line F infrastructure will also ensure that the medical corridor and adjacent residential developments are protected from future flooding.

Once the funding is approved by the Board of Supervisors, it is estimated that the Line F construction will be completed by mid to latter part of 2013.

Heacock Street South Extension

The City Council approved the contract award to DMC Design Group, Inc. for the Heacock Street South Extension between San Michele Road and Harley Knox Boulevard at the November 13, 2012 meeting. City Council also approved the funding allowing DMC to start the preliminary design once the contract is fully executed. This first phase includes three preliminary alternative design alignments, preparation of 35% plans for the final approved alignment, profile and storm drain design, drainage analysis, preliminary design for traffic signals and striping, right of way research, legals and plats. At the completion of Phase I, the horizontal and vertical alignments between San Michele Road and Harley Knox Boulevard for Heacock Street will be available for developers to use in designing their improvements. The Phase I engineering design is expected to be completed by the end of June 2013.

State Route 60/Nason Street Overcrossing Bridge (Nason Interchange Phase 2)

A construction contract for \$10,920,110 was awarded to Riverside Construction Company at the November 13, 2012 City Council meeting. A notice-to-proceed was issued in order to complete pre-construction requirements. Once completed, construction at the site can start by late December 2012 or early January 2013. The improvements will replace the existing 2-lane

bridge over the freeway with a wider, higher 5-lane bridge, widen Nason Street to meet the new bridge grade, adjust the ramp/Nason intersections to meet the new grade, add street lights and sidewalks along both sides of Nason Street, add a soundwall along Elder Street, and related improvements. Construction is expected to be completed in late winter 2014.

State Route 60/Moreno Beach Drive Interchange Improvements - Phase 1

The contractor started site work on November 14, 2012. The contractor installed construction signs, storm water measures, temporary fencing, and temporary concrete barrier along SR-60. There will be intermittent lane closures in order to perform some re-striping of the freeway, which will allow room for the first stage of work. The first stage consists of a new water line, retaining wall, new eastbound on-ramp, and related work, primarily in the southeast quadrant between the Auto Mall and the freeway. Stage 1 is expected to take 3 to 4 months. In general, the Phase 1 project realigns the eastbound on- and off-ramps to a “diamond” configuration and completes the connection of Eucalyptus Avenue to Moreno Beach Drive, thereby providing better access to the area. Construction will extend to late summer 2013.

Heacock Channel Improvements

On November 27, 2012, staff recommended to the City Council to approve the Cooperative Agreement amongst Riverside County Flood Control & Water Conservation District (RCFC&WCD), March Joint Powers Authority (MJPA), and the City for the Sunnymead Master Drainage Plan – Line B, Stage 3 (Heacock Channel). The channel, westerly of Heacock Street between Cactus Avenue and the new Lateral “A” bridge (south of Iris Avenue), currently functions poorly because the existing design can no longer handle the drainage tributary area runoff and has a history of flooding during moderate to heavy storm events. Within the adjacent area, there are numerous single family homes, several commercial properties, a mobile home park, and Heacock Street itself that are subject to flooding. MJPA and the City wish to work collaboratively with RCFC&WCD to design and construct a new channel. The Cooperative Agreement outlines the specific responsibilities for each of the parties during the project’s engineering and design phase, construction phase, and maintenance of the improvements upon completion of the project. Current funding only allows for the completion of the environmental and design portion. The design phase is expected to start by January 2013. The construction of the channel will be completed by RCFC&WCD as funding becomes available.

Cactus Avenue Widening Project from Interstate 215 Eastbound Off-Ramp to Veterans Way

Staff has been awarded a State-Local Partnership Program (SLPP) grant through the California Transportation Commission (CTC) for the Cactus Avenue Stage I improvements, between interstate 215 eastbound off-ramp and Veterans Way. The grant award is in the amount of \$560,000 for funding support to the City for constructing the improvements along Cactus Avenue within the project limits. The grant covers 50% of the estimated construction costs. The City will use Development Impact Funds (DIF) to pay the 50% local match requirement. The improvements will ultimately reduce congestion and increase the level of service between the Interstate 215 Interchange and Veterans Way. At the request of March Air Reserve Base (MARB), the project includes additional lane widening to augment right turn access into MARB and the intersection widening to accommodate a future dedicated northbound right turn lane, and the relocate of the existing traffic signals. These improvements will also facilitate ADA access as necessary. These improvements will facilitate access at the Elsworth Street Base entrance, particularly for the large weekend Reservist envoys that often back up traffic beyond the Interstate 215 ramps and onto the freeway.

City Hall Floor Rehabilitation, Seismic Retrofit, and Roof Restoration

On November 13, 2012 City Council approved an amendment to the agreement with STK Architecture, Inc. for additional work associated with the City Hall 2nd Level Floor Rehabilitation project. The additional scope of work includes the design for a seismic retrofit of the entire City Hall building floor and roofing system, and roof restoration work to be finished upon completion of the seismic support straps install in the roof section. The Project Design Team met on November 13, 2012 to further refine the staff relocation plan, in order to minimize the disruption to work flow and public service during the construction phase. Over the next few weeks the Project Design Team will continue working on finalizing the plans and specifications for the flooring rehabilitation, seismic retrofit, and roof restoration, and staff relocation. It is anticipated that the City Hall plans and specifications will be completed in late December 2012.

City Corporate Yard Sewer Improvement Project

The north septic tank serves the Corporate Yard’s Big Bay Warehouse and adjoining office facilities. Maintenance and Operations’ staff recently reported that the north septic tank system failed. This has resulted



in frequent pumping out of the sewage and special handling through contract services. Capital Projects' in house staff has prepared the construction documents to replace the septic tank with new sewer pipes connecting directly to public sewer system.

The project was advertised for bidding in July 2012. Bids were opened on August 8, 2012. The contract has been awarded to C.P. Construction Company, Inc. at the August 28, 2012 Council meeting.



Construction started end of September 2012. C.P. Construction Company has completed the on-site sewer construction and started installation of the 12" off-site sewer main running on Iris Avenue in mid-October 2012. The new 12" off-site sewer main installation and video camera have been completed on November 01, 2012. Demolition of the existing on-site septic tank is scheduled in mid-November. Construction will finish by end of November 2012 (weather permitting).

Police Department Monitor Room Space Conversion Project

The project is a Tenant Improvement type building construction. This project will construct the Monitor Room for the City-wide surveillance cameras by joining the room currently used as a Report Writing Room and the adjacent IT Storage Room. The construction contract has been awarded to Rasmussen Brothers Construction, Inc. by City Council on October 9, 2012.

The construction includes: the demolition of the existing wall between the Report Writing Room and IT Storage Room, construction of a wall that will ultimately join the two areas to create one complete and separate room, installation of a new door and a small window, patching and painting. Additional fire alarm, strobe and audio, fire sprinklers, minor HVAC, electrical, and lighting work are also a part of the scope of work. Construction started November 15, 2012 and will finish by end of December 2012 (weather permitting).

Heacock Street Bridge over Perris Valley Storm Drain Lateral "A" (PVSD)

Kip Incorporated, the contractor for the Moreno Valley Heacock Bridge over Perris Valley Storm Drain Lateral "A" project has completed all the road improvements associated with the project. The contractor recently completed the pavement, road delineators and striping of the bridge deck, installation of the metal rail beam guards, channel safety fencing and construction of the channel maintenance access roads. Heacock Street opened for vehicle traffic on November 1, 2012. The

successful completion of this project meets the Riverside County Flood Control and Water Conversation District 100-year flood capacity, making the channel ready for future construction widening of the Heacock Channel between Cactus and the Bridge. The 76 foot wide road section over the bridge is constructed to the General Plan Circulation Element making the street ready for connection to future improvements as the area develops. The attached pictures give both a northbound and southbound view.

