

CITY MANAGER'S OFFICE

Administration

Chamber Legislative Action Committee Opposes Governor's RDA Cut

At the February 11 meeting of the Moreno Valley Chamber of Commerce's Legislative Action Committee meeting, Acting Assistant City Manager Michelle Dawson presented information regarding the Governor's proposal to eliminate redevelopment agencies. Specific information regarding the economic development, public facilities, infrastructure improvements, and affordable housing projects gained through the Moreno Valley RDA was provided to the members of the committee. League Regional Representative Dave Willmon also spoke against the cut and indicated that Senator Emmerson and Assemblymembers Cook and Nestande are opposed to the proposal as well. The Legislative Action Committee voted 11-1 to recommend to the Chamber Board that the Chamber officially oppose the Governor's proposal to abolish RDAs. The Board voted on this item at their February 25 meeting.

Advocating to Protect Transient Occupancy Tax

The City receives approximately \$400,000 per year in transient occupancy taxes (TOT). Online travel companies collect TOT based on the price their customers pay for a hotel room. During the last state legislative session, these online travel companies were successful in amending proposed Senate Bill 848 in an attempt to retain a share of the TOT levied by local governments. As amended, this bill would have permitted online travel companies to remit a TOT to cities based on the lesser wholesale amount they paid to the hotel while still allowing these travel companies to collect the TOT based on the rate that the consumer paid to them. These travel companies would then be keep the difference as part of a fee for service. The City's state lobbyist, Joe A. Gonsalves and Son, and a coalition including the League of California Cities, California Professional Firefighters, California State Firefighters Association, and California Hotel and Lodging Association recently sent a letter to every legislator in Sacramento thanking them for defeating SB 848 and requesting their continued support in protecting local government revenues such as the TOT. Staff will continue to monitor and oppose any attempts in the current session by the online travel agents to keep cities' TOT revenue.

Meeting with Congresswoman Mary Bono Mack's Staff

On February 1 staff from the City Manager's Office and Community and Economic Development, Public Works, and Police Departments met with four representatives from Congresswoman Mary Bono Mack's Office to discuss the availability of federal funding for City projects. There has been a moratorium on earmarks as part of the legislative process in the House of Representatives and, with President Obama stating he would veto any legislation that contains earmarks, Bono Mack's staff indicated that it is highly likely that the U.S. Senate will now join the House regarding a moratorium on earmarks. Paul Cancienne, the Legislative Director for Congresswoman Bono Mack, did state that federal funding for City projects and programs may still be available through federal grants and through legislative acts of Congress. However, no funding within these acts can be specifically given to a particular project or jurisdiction. He mentioned that in the summer of 2011 there would be legislation moving forward for Surface Transportation Authorization funding.

Additionally, the Congresswoman's staff indicated that Economic Development Act and Community Development Block Grant funding would be reduced in Fiscal Year 2012. While at this time it is unknown specifically how much the funding levels will decrease, one of the Congresswoman's staff members stated that they will most likely be reduced to 2008 funding levels. Finally, the representatives emphasized that the Congresswoman's staff would be expanding to assist jurisdictions in grant writing due to the lack of earmarks.

Hazardous Materials Team Cost Allocation Update

City staff attended the Riverside County Fire/CAL Fire Contract Cities meeting on January 26. At this meeting the City was informed that the original projections for the Hazardous Materials Team (Hazmat) Cost Allocation were going to be significantly less than anticipated. Initially, the City was advised that for FY 2011-12 we could expect to pay \$217,116 for our portion of the cost for the Hazmat Team. With the new allocation methodology presented by the County, the City will now see our allocation decrease to \$89,177. The decreased amount is the result of the County indicating that they will continue to fully fund one Hazmat team and the 20 contract cities and County will share just the cost of the second Hazmat team.

Media & Communications

MVTV-3 Update

Film Permits Issued for Commercial: In January and February Assembly Films shot two television commercials for Church's Chicken at the restaurant chain's Alessandro Boulevard location. MVTV-3 coordinated the film permit process, working with several City departments to help the production company get the required approvals for the film permit. The Church's Chicken commercials can be viewed at : <http://www.trendinfluence.com/work/churchs.html>.

New Television Guide: The MVTV-3 monthly programming guide has been updated. The guide now offers a daily schedule, program highlights, detailed program descriptions and photo representations of selected programming. The new programming guide is available on the MVTV-3 website at <http://www.moreno-valley.ca.us/community/mv3.shtml>, copies are also available to the public at the CRC and the Moreno Valley Library.

New Programming:

- A new Public Service Announcement, "Remembering Service and Sacrifice," has been produced by MVTV-3 staff and is currently airing on Channel 3. This program highlights the Military Appreciation Banner Program and encourages residents and family members of armed forces personnel to purchase a service banner in their honor. This program airs daily at the end of every hour or can be streamed online anytime at the website.
- NewsCenter – February features the following stories: "Moreno Valley Chamber of Commerce Installation Dinner (A night at the Oscars)," "Mayoral Swearing In," and the "New City Manager Henry T. Garcia." NewsCenter airs daily at 7 a.m., 10 a.m., 4 p.m., 7 p.m., 10 p.m. and is available online.
- This month's "Spotlight on Moreno Valley Business" highlights Citrus Belt Tax Service and iHerb, Inc. This program airs daily at 6 a.m., 9:30 a.m., 5:30 p.m., and 9:30 p.m.

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

Administration

Moreno Valley Mall

The new ownership and management team for the Moreno Valley Mall has hit the ground running since assuming control of the 1.25 million square foot regional

mall on February 1. The new owner is CW Capital who has retained the previous General Manager, along with the on-site Mall employees, but has brought in a new property management company and leasing group. CW Capital is a subsidiary trust company of Boston based CW Financial Services, a full service national lending firm and asset manager with a full spectrum of real estate holdings.

Representatives of CW Capital, along with the new property management company—Cushman & Wakefield and new leasing team—Spinoso Real Estate Group were in Moreno Valley from February 7-10, carefully evaluating the Mall property, along with establishing spending priorities to quickly invest up to half a million dollars in physical improvements to the Moreno Valley Mall. Both Barry Foster and I met with the group on February 8 exploring ways the City can best work with the new ownership group on ways to improve the Mall property and eventually enhance the overall shopping experience of the Mall. On February 9, Barry Foster conducted a three-hour comprehensive tour of the Riverside and Moreno Valley market area to provide the group with a better understanding of the vast potential that the Moreno Valley Mall might realize with a different grouping of tenants, along with an enhanced shopping environment.

Five Guys Burgers and Fries

Work continues towards locating a new Five Guys Burgers and Fries in TownGate. Arlington Virginia based Five Guys Burgers and Fries has nearly 750 restaurants in 41 states and within the past two years has made a big push into Southern California. Five Guys Burgers opened its first Inland Region location in Temecula late last summer and plans to open six more in the next six months, including the new Moreno Valley restaurant in TownGate, along with locations in Rancho Cucamonga, Mira Loma, Corona, Redlands, and San Bernardino.

The authorized Five Guys Burgers Franchisee for the Moreno Valley area is Rexburger Boys LLC that will open its initial Five Guys restaurant in Mira Loma in March to be quickly followed by Redlands, Moreno Valley, San Bernardino and an eventual location in Riverside.

Five Guys Burgers and Fries is an extremely popular restaurant concept that has a huge national—almost fanatic following. Five Guys menu is simple, but effective, including burgers, hot dogs, grilled cheese sandwiches, and fries cooked in peanut oil. A wide variety of toppings are available and free including your choice of mayo, relish, onions, lettuce, pickles, tomatoes,

grilled onions, grilled mushrooms, jalapeno peppers, green peppers, A-1 sauce, and BBQ sauce. Until the new Moreno Valley Five Guys Burgers and Fries location comes later this spring—check out existing Five Guys restaurants in Temecula or the City of Orange (at Katella & Tustin—just west of SR 55). You can also go to www.fiveguysburgers.com for more information.

Riverside County Auto Sales Marketing Program

Plans are being formulated for creating a marketing campaign for promoting the importance of Riverside County residents purchasing vehicles within Riverside County rather than going to dealerships outside the County in the adjacent counties of San Diego, Orange, Los Angeles or San Bernardino. In 2010, 37.3% of the 46,339 total vehicles that were bought by Riverside County residents were purchased from dealerships outside of Riverside County. The vehicles bought outside of Riverside County totaled 17,316 in 2010 which represented \$18 million in lost sales tax revenue for Riverside County local governments with Auto Centers—including Moreno Valley. Of the automobiles purchased outside the County 34.8% or 5,888 were purchased in the nearby San Bernardino communities of Ontario, Fontana, San Bernardino, Redlands, Loma Linda and Montclair. During the past four years—2007, 2008, 2009 & 2010 nearly 91,000 or 35.25% of all the vehicles bought by Riverside County residents during this time frame were purchased from a dealership located outside of Riverside County. This is a significant loss of sales tax revenue for Riverside County local governments.

Preliminary marketing ideas are being formulated by the Press-Enterprise, with help from the cities of Moreno Valley, Riverside, Corona and Riverside County, along with several major auto dealerships including Moss Bros. Auto Group. Look for a cooperative 'Buy Riverside County' program to gain some momentum in educating Riverside County residents to purchase their vehicles here in Riverside County.

Panera Bread

Work continues towards the development of the new Panera Bread location in TownGate Crossing. A demo permit was issued on January 26 and work has started to remove the old improvements that were the former Tarbell Realtors business space. Tenant improvement plans for the new Panera Bread restaurant are nearly ready for permit issuance. Look for the new Panera Bread to open by late spring.

Buffalo Wild Wings Grill & Bar

Progress is moving quickly for the new Buffalo Wild Wings (BWW) restaurant to be situated next to Sports

Authority in TownGate Crossing. Development Services staff are working closely with BWW in fast-tracking the construction of the tenant improvements, as well coordinating with Southern California Edison to help accelerate timing issues for electrical infrastructure improvements needed for the new restaurant. The recruitment process has already started to hire employees for the new BWW operation, including the Employment Resource Center being used for job fairs and employee interviews. Approximately 150 people will be hired for the new BWW restaurant operation. The target is to open the new Buffalo Wild Wings in Moreno Valley by early March—just in time for the start of the NCAA Basketball Tournament. With a nearly \$200,000 AV system, the new Buffalo Wild Wings in Moreno Valley will be a great place to watch 'THE TOURNAMENT' which starts on March 17.

Westridge Commerce Center

Ridge Property Trust continues to work on plans to develop a 937,260 S.F. building on its 55-acre property, near the SW corner of SR 60 and Redlands Boulevard. The consultant team for Ridge is working to address comments presented with the preliminary Environmental Impact Report (EIR) documents for the large-scale industrial development project to be called Westridge Commerce Center.

The proposed development project includes the following:

- Creating an estimated 300 or more jobs;
- Utilizes a plan design that creates significant building set-backs and landscape buffers, yet provides convenient vehicle access to SR 60 to minimize traffic on local streets;
- Meets or exceeds environmentally green building design standards including compliance with LEED guidelines for design, construction and operation;
- Invest in improving the area through the installation of nearly \$2 million in capital improvements, including road, water, sewer, and flood control improvements;
- Will pay nearly \$6 million in project fees to be used for schools, library, public safety and local street improvements.

Ridge Property Trust is a respected development company that is committed to creating quality jobs and economic opportunities for the community through its development projects. Ridge is the master developer of the Centerpointe Business Park, which has created more than 575 jobs so far in Moreno Valley. Staff anticipates the Westridge Commerce Center project is going to the Planning Commission by this spring.

Auto Sales Improving

Good news—after several years of being down, auto sales are finally rebounding. Nationally in 2010 auto sales were up 11% as compared to 2009. In the Inland Region many auto dealers report that sales were up 12 to 15% in 2010. While specific sales tax data for 4th Quarter 2010 will not be available for a few months, Glenn Moss of Moss Bros. Auto Group has reported that on average auto sales at the Moreno Valley Auto Mall were up nearly 20% in 2010. Two of the strongest performers locally in 3rd Qt 2010 (July, August and September) for Moss Bros. Auto Group were Moss Honda up 21.2% and Moss Chevrolet up 50.3% (which Moss acquired in July 2010).

Another positive move was the reopening of the Buick/GMC by Moss in December 2010. Reestablishing the Buick/GMC dealership provides more auto sales, but also helped restore 35 jobs to the Moreno Valley Auto Mall. In addition to acquiring the Chevrolet and Buick/GMC franchises, Moss Bros. Auto Group is also moving to add other new automobile lines. Talks with several potential groups have advanced in recent months and look promising for happening in the near future. Keep your fingers crossed.

Spotlight on Moreno Valley Business

The Spotlight on Moreno Valley Business program seeks to increase the community awareness of the many and diverse businesses that operate in Moreno Valley. The businesses showcased at the January 11 City Council meeting were Stater Bros. Markets and Max's Deli. The February 8 businesses for Spotlight on Moreno Valley Business were iHerb and Citrus Belt Tax Service.

The Spotlight program also list some of the new businesses having just opened in the community. Recent openings include:

- **Sophie's Cleaners**—is a new full service dry cleaning business that opened December 2010 and is located at 24905 Sunnymead Boulevard. Sophie's Cleaners, which is named after the daughter of the owner of the business, is situated in Sunnymead Plaza, a shopping center that also contains Stater Bros. Market and Coco's. Sofia Arzate, the owner has over 20 years of work experience, but this is her first business ownership opportunity. Sophie's Cleaners provides a full range of services including dry cleaning, laundry services, alterations & tailoring, and the cleaning of specialty items such as drapes, comforters, leather and suede.
- **Molina Clinic**—is a new medical center that opened November 2010 and is situated in the

Sunnymead Towne Center at 24853 Alessandro Boulevard. The new Moreno Valley clinic is the 10th location for Long Beach based Molina Healthcare of California, a for-profit medical care provider. Other Inland Region locations for Molina Healthcare include Riverside, San Bernardino, Fontana, Ontario and Pomona. The Molina Clinic in Moreno Valley, which accepts a variety of insurance plans, is open from 8:30 am to 5:30 pm--Monday through Friday.

Economic Development Summary

The Economic Development Summary has been updated for February and is available on the City's website or via hard copy in the informational rack on the 2nd floor of City Hall.

Economic Development Council Subcommittee

The City has re-established the Economic Development Council Subcommittee to help assist in enhancing Moreno Valley's effort in attracting new projects and business development opportunities. On February 16, the Subcommittee of Council Members Co and Molina worked with Barry Foster and I in establishing a work program that includes both short and mid-term projects aimed at establishing the City of Moreno Valley as a 'great place to do business'.

Building & Safety Division

Skechers USA

Key staff from Development Services, led by Barry Foster, continue to work with Highland Fairview and Skechers USA to make sure that a Temporary Occupancy will be available by late April for one third of the new 1.8 million S.F. Skechers USA Inc. Distribution Center (DC). A meeting on February 3 with representatives from Highland Fairview, Skechers and City staff identified the necessary items that must be properly addressed prior to a temporary occupancy of the new Skechers DC facility. Both Highland Fairview and Skechers are busy working on finalizing a timeline to complete outstanding development items and a follow-up meeting was scheduled for February 28.

The 1.8 million S.F. Skechers USA DC is actually designed and constructed to act as three separate buildings, which share common fire-rated separation walls. Development Services staff will work to allow the phased occupancy of the DC facility, while ensuring a safe work environment. Occupancy of this large building in three phases also makes sense since the full occupancy of the building by Skechers will require over 5,000 truck loads of product delivery. With Skechers USA approaching a busy time of the year, the window of opportunity to start phasing in the operation of the new

DC in the Rancho Belago area of Moreno Valley this spring is critical to enabling Skechers to effectively move product without negatively impacting their business operation. City staff is committed to helping make the Skechers USA move to Moreno Valley as easy as possible. Opening the project in phases will also allow for the bringing of new jobs to Moreno Valley as soon as possible. This all good news!

City staff also worked to help Highland Fairview showcase the new Skechers USA Distribution Center at a meeting of the Inland Region chapter of the National Association of Industrial & Office Properties (NAIOP). On February 22, a NAIOP event was held at the new Skechers USA DC, including a tour of this new massive 1.8 million S.F. facility. Speakers at the NAIOP program included Iddo Benzeveei (CEO and President of Highland Fairview) and me. NAIOP is a leading national real estate development association for developers, owners, and related professionals in office, industrial and mixed-use real estate.

Harbor Freight Tools

Tenant improvement work is underway for the new Harbor Freight Tools Distribution Center (DC) in Moreno Valley. The new 779,016 S.F. DC is situated at the NW corner of Cactus and Graham and is expected to be fully operational by early summer. Eventually the Harbor Freight Tools DC in Moreno Valley is expected to employ up to 500 people.

Code & Neighborhood Services Division

Illegal Vendor Compliance

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. Sixteen (16) vendors were contacted and issued Notices of Violation by staff for failure to obtain a City Business License.

Rotational Tow Program

Changes to the City's Rotational Tow Program were approved by the City Council on February 25. Based on data tracking so far, the tow by tow rotational system (preferred by the majority of the tow companies) seems to be working effectively. To date, the average response time for a tow is 18 minutes—well within the 20 minute response time target. City staff will continue to monitor the effectiveness of this program.

Neighborhood Preservation Division

Effort to Save Redevelopment

Moreno Valley has joined other cities across California in an effort to oppose Governor Brown's proposal to

eliminate redevelopment. On February 8, the City Council approved Resolution No. 2011-13 formally opposing the Governor's move to abolish redevelopment. An informational fact sheet on what redevelopment has accomplished in Moreno Valley has been prepared and has been posted on the City's website. For your convenience a hard copy is attached to this City Manager's Report. Since being formed in 1987, the Community Redevelopment Agency has invested in a variety of redevelopment activities totaling over \$174 million including:

- Over \$95 million in economic development projects (Moreno Valley Mall, TownGate, Koll Corp., and Riverside County Regional Medical Center)
- Over \$12 million in constructing public facilities (Senior Center, Public Safety Bldg, Conference & Recreation Center, and Sunnymead Park)
- Over \$31 million in infrastructure improvements (streets, storm drains, sidewalks & utilities)
- Nearly \$36 million in affordable housing activities (including producing 838 affordable housing units in six projects during the past 8 years)

Additionally, Moreno Valley staff is participating in the formation of a coalition of local governments in Riverside and San Bernardino counties to come together as an Inland Southern California Redevelopment Association to lobby State legislators against the proposal of eliminating redevelopment. For more information on what the California Redevelopment Association (CRA), League of California Cities (League) and others are doing to oppose the Governor's proposal to abolish redevelopment in California. Both the CRA and League of Cities believe strongly that the Governor's proposal to eliminate redevelopment is a direction violation of Proposition 22 and are taking measures to pursue a legal challenge.

More NSP Funds

At the February 22 meeting, the City Council considered an amendment to the City's 2010-11 CDBG Action plan to allow for Moreno Valley to expand its Neighborhood Stabilization Program (NSP) to accommodate another round of NSP funding. Moreno Valley's allocation for NSP3 is \$3,687,789.

Housing Element

The City's updated Housing Element was scheduled for City Council consideration on February 22. In addition to changes to the Housing Element sought by staff from the California Department of Housing & Community Development, City staff has added language in the Housing Element that allows for the possibility of

reconsidering land planning to rezone areas of the City from residential and mixed-use designations to commercial and industrial designations with a goal of improving the City's jobs to housing balance. Specifically, the City's eastern area-south of SR 60 and east of Redlands Boulevard to the City's eastern border presents an opportunity to revisit land uses with the possibility of creating new employment opportunities for the community, thereby reducing commuter trips of residents of Moreno Valley to Orange and Los Angeles counties. The language in the Housing Element merely contemplates the possibility of land use changes and the public will still be provided with a full opportunity to participate in any future planning efforts consistent with and in full conformance with state and local law.

Neighborhood Clean-up

A Neighborhood Clean Up was scheduled for Saturday, February 26th for a neighborhood at the southeast corner of Bay Avenue and Graham Street, within Council District 5. The location included 103 single family homes on New England Drive, Rockport, Rockcrest, Bellcrest and Golden Eagle Court. Residents were able to dispose of accumulated residential debris, discarded household items, and landscape trimmings in dumpsters provided by Waste Management, free of charge. Staff from Neighborhood Preservation, Code & Neighborhood Services, Public Works, and the POP Policing Team were on-site to assist the residents with their Neighborhood Clean Up efforts.

Housing Resale Market-January 2011

The home resale market in Moreno Valley, as well as Southern California continues to have mixed results. After more than a year of solid sales performance, including price gains and a healthy number of monthly transactions, the resale market has been up and down in Moreno Valley for the past six months. This trend has been consistent with the market of every other nearby by community.

The average resale value for Moreno Valley for the month of January 2011 was \$160,090, which was almost flat as compared to the previous month of December 2010 which was \$160,208. It is important to note that a year ago in Moreno Valley the average resale home value was \$155,517, so prices have increased by 2.9%, which is at least moving in the right direction. Since home prices bottomed out in Moreno Valley at \$137,748 in March 2009, the average resale value has actually increased by 16.2%. Again, this is going in the right direction.

For the month of January 2011, several nearby Inland Region markets were up and some were down. Perris

(+5.1%), Hemet/San Jacinto (+4.4%) and Riverside (+3.2%) were up. Corona (-2.4%) and Temecula/Murrieta (-0.6%) both slumped slightly in January like Moreno Valley.

The number of total resale transactions in January was 200, which was a sharp decline from 283 in December 2010 and the 269 achieved the year before in January 2010. However, during the past year there have been 3,204 resale transactions in Moreno Valley, which is a healthy average of 267 per month.

New Affordable Housing Projects

Both the Oakwood Apartments and Rancho Dorado Apartments are open and providing much needed affordable housing opportunities in the community.

- **Oakwood Apartments** is a 240-unit affordable multi-family apartment complex, situated on Perris Boulevard—just south of JFK. The gated project, which was developed by MacFarlane Costa, offers a variety of floor plans of 2, 3 and 4 bedroom units. Oakwood Apartments features include: built-in appliances, central air/heating systems, and patios/balconies. Common area amenities include: a multi-purpose clubhouse, computer-business center, BBQ areas, tot lots, laundry rooms, and a pool-spa facility. Oakwood Apartments is presently 75% occupied and leasing continues towards a stabilized project.
- **Rancho Dorado Apartments** is a first phase of 79-units of affordable multi-family apartments, situated just east of the SE corner of JFK and Perris Boulevard. The gated project, which was developed by Palm Desert Development Company, offers a variety of 2 and 3 bedroom units. Rancho Dorado Apartments features include: granite counter tops, frost-free refrigerators, combination range-oven, and dishwasher. Common area amenities include: a community center with a fitness room, computer lab, game room, and dining room available for private functions. The Rancho Dorado Apartments project was fully leased within 3 weeks and has a waiting list of over 150 people.

California Living – Moreno Valley

An approved affordable housing project is gaining momentum. The project to be called California Living – Moreno Valley is proposed to be developed on a 1.3-acre property owned by the City's RDA at 24176 Atwood Avenue. The development team- Community Homes Inc. is a 15-unit affordable living project designed to meet the needs of seniors and special needs – developmentally disabled population the project embraces a unique design of one and two bedroom bungalows built around a garden courtyard. The

development team currently has a similar project in Redlands called the Village at Redlands.

The proposed \$3.3 million project in Moreno Valley is looking to leverage a number of public funding sources including the following:

- \$860,000 in City of Moreno Valley HOME funds;
- \$600,000 in Riverside County HOME funds;
- \$800,000 in California Multi-family Housing Program funding, specifically targeted for Supportive Housing population.

To be eligible to apply for the State funding for supportive housing, the project will be looking for funding resolutions from the City and County for HOME funds by March.

Planning Division

Planning Commission

At the meeting of January 27th, the Planning Commission took the following actions:

- Approved a Variance to replace a two car garage with a one car garage to facilitate the Ironwood Avenue widening. The applicant is Jose Navarro.
- Approved an Amended Conditional Use Permit to change the clientele of a residential treatment center from women to homeless male veterans. The applicant has a contract with the Veterans Administration and will work with the Loma Linda VA Hospital. The facility is located on Sheila Street. The applicant is Lighthouse Treatment Center.
- Approved an Amended Plot Plan to convert an existing retail building on Sunnymead Boulevard to a medical office building and Variance regarding parking setbacks and landscaping. The use is a relocation and expansion from leased spaced on Heacock Street. The tenant will own the new facility. The applicant is Daniel Estay Construction for Mommy and Me.

Administrative Approval

- Plot Plan to allow construction of a second dwelling unit at 12906 Indian Street. The applicant is Vilma Vanegas.
- A Plot Plan and Amended Conditional Use Permit was recently approved to facilitate occupancy in advance of installation of landscaping of the new Waste Management maintenance complex on the east side of Indian Street south of Nandina Avenue. The landscaping installation has been delayed due to final approvals necessary from EMWD for the

use of reclaimed water for the complex. The applicant is the contractor - ET Environmental for Waste Management Inc.

- A Plot Plan to add a propane tank for sales to the public at 22410 Alessandro Boulevard. The applicant is Pedley Propane.

The next meeting of the Planning Commission was scheduled for February 24, and includes the following items:

- Amended Plot Plan for the Robertson's Ready Mix batch plant previously approved for the east side of the Old Highway 215-Frontage Road just south of Alessandro Boulevard. The revised proposal expands the size of the batch plant to include an area that had an approved plan for a mini-storage facility. The proposal would increase storage area, but not increase the production capacity of the facility. The applicant is Robertson's Ready Mix.
- Tentative Tract Map and Conditional Use Permit for a 274-unit small lot single family patio home project on the south side of Eucalyptus Avenue, east of Fir Avenue in Stoneridge Ranch. The project would replace a previously approved and graded condominium project. Given the state of the economy, there are no short or mid term prospects for condominium projects in the Inland Region. The proposal also includes a Development Agreement to provide reduced development impact fees for a four year period as an inducement to start development of the residential project in 2011. The applicant is Beazer Homes, who envisions this being one of only two projects it will pursue in the next two years in Riverside County.

Continental East Trading Inc.

City staff has met with the principal and several other staff from Continental East Trading Inc. which has purchased two former Empire Land parcels from a lender. Continental East Trading Inc. (CET) is a Murrieta-based development firm which has equity investors from Asia interested in pursuing new projects in the Inland Region. For one parcel located on the east side of Lasselle Street south of the Moreno Valley College campus, CET has submitted a pre-application for a mixed density project which proposes a combination of apartments and small lot single family residential units in lieu of a previously approved 227-unit condominium project. CET is working with the College on an interim use of a portion of the property as temporary parking during the College expansion over the next year. For the second parcel located on the west side of Moreno Beach Drive, north of the Moreno Marketplace (Stater Bros. Market is anchor) shopping center, CET is considering

an assisted living complex in lieu of the condominium project previously approved for the site. With a close proximity to both hospitals this seems to be an effective land use at this location. CET is interested in having both projects approved in 2011.

Historical Society Designation Request

The Moreno Valley Historical Society has submitted a formal request to designate the Hendricks Ranch House as a City historical monument. The Ranch House, the oldest structure in the City, is located on City property on the south side of Cottonwood Avenue, just east of Moreno Beach Drive. The Ranch House is currently vacant and boarded up for security. The City acquired this property as part of the development of an electrical utility substation. The request will be considered by the Ecological and Historical Preservation Board at their March meeting.

SIRE System for Planning Commission Meetings

Working with the Information Technology Division, Planning staff has implemented the SIRE system for Planning Commission meetings, starting with the February 24th meeting. The SIRE system, the same system used for City Council meetings, will provide the agenda and reports on the City's website. Citizens will no longer have to come to City Hall to look at reports in advance of the meeting. Electronic access to reports will also reduce the number of printed agenda packets in the future. The system will allow for easier access and reduced copy costs for Planning Commission meetings in the future.

SCAG COMPASS Grant

On February 24th, staff from the Southern California Association of Governments (SCAG) and City reviewed proposals for the implementation of the Alessandro Corridor Study grant. The grant will provide funding for contractual services of approximately \$100,000, with SCAG handling contract administration. City staff will provide oversight of the work product development. The contractor should begin work this summer. Staff will schedule the grant for City Council acceptance upon receipt of the formal notification.

Foreclosures, Homes Listed for Sale and Rental Rates

Information available from the RealtyTrac website for January shows an increase in foreclosure activity in the City, which is similar to what is happening in Riverside County as a whole. The website reported one in 90 housing units in Moreno Valley were in some stage of foreclosure. This compares to a rate of one in 98 units in December, a 9% deterioration. However, the current rate is an improvement from January 2010, when the rate was one in 85 units, a 6% improvement. Foreclosure activity

was 3% higher 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 and Banning had better rates, and faster growth areas such as Beaumont and Menifee had much worse rates. Calimesa had the lowest rate locally (1 in 336) and Winchester had the highest rate (1 in 19). By zip code, area 92555 had the highest rate in the City (1 in 33) and zip code 92557 had the lowest rate (1 in 130). Foreclosure activity increased in 92557 and 92553 and decreased in area 92555 and 92551. Moreno Valley had 607 homes reported in some stage of foreclosure. The City of Riverside had the highest number of reported foreclosure properties at 983 and Corona had 639.

Information available from the Realtor.com website indicates a small increase in the number of homes for sale in the City and continued stability in median asking prices. As of February 1, 1,178 homes were listed for sale, compared with 1,161 on January 1, and 922 in January of last year. Last January marked the low point for inventory in recent years. Inventory fell sharply in 2009 from a high of 2,068 in January 2009, and has gradually increased throughout 2010 and early 2011. The median asking price in February is \$159,000, compared with \$159,000 in January and \$155,000 last February. 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 market place.

Information available from the RentJungle.com website indicates a small increase in average rental rates in the City. For January, the average asking rental rate was \$1,012 per month, compared with \$1,008 per month in December and \$1,040 in January of last year. The most weakness was shown in two-bedroom apartments which dropped from \$1,270 last January to \$971 in January 2011. This would appear to indicate the impact from affordable single family home purchase and rental rates, which provide more interior and yard space for a minor cost increase. By comparison, average rental rates in the City of Riverside were \$1,000 per month in January.

FINANCE & ADMIN SERVICES DEPT

Animal Services Division

Animal Shelter Experiences Increases in Animal Impounds

The Moreno Valley Animal Shelter has experienced a significant increase in the number of stray pets coming into the facility. During the first two quarters of Fiscal Year 2010-11 (July 1, 2010 to December 31, 2010) a

total of 7,230 pets were impounded as compared to 6,620 pets impounded during the first two quarters of Fiscal Year 2009-10. This 9.2% increase in overall animal impounds is largely due to an increase of 29% in owner surrendered animals along with a 7.7% increase in the number of stray animals impounded. The Moreno Valley Animal Shelter continues to encourage the public to have their pets spayed or neutered to control the pet overpopulation. All pets adopted from the Moreno Valley Animal Shelter are spayed or neutered before going home with their new families.

Animal Shelter receives Timber Wolf

On February 8 the Moreno Valley Animal Shelter had an unexpected visitor, a Timber Wolf. The good news is the wolf was not wandering the streets of Moreno Valley but rather in an unincorporated area of Riverside. A non-resident came across the wolf with his dog and decided to give it a ride when it jumped into his SUV with his dog. The Moreno Valley Animal Shelter was the closest facility to drop off the wolf. Later in the day the wolf was released to a Riverside County Animal Control Officer who had attempted to capture the wolf the previous week. Steve Lulli, Field Services Supervisor coordinated the transfer of the Timber Wolf to the Lockwood Animal Rescue Center, a sanctuary where the wolf will be kept with a pack of wolves to live out its life.



Technology Services

Automating Benefit Election Forms

Technology Services has completed a project to automate the Benefit Election Form process. This technology solution is designed to improve efficiency. It automates a manual process completed by Payroll and Human Resources staff and reduces the staff time required from approximately 40 hours to less than 5 hours. This automation leverages the City's ERP system, its database, and a sophisticated reporting tool to improve both the processes of capturing and maintaining benefit data, thereby streamlining the annual Open Enrollment process.

Time & Material Fee Tools Expand to Additional Divisions

Technology Services has rolled out the automated Time & Material fee tracking program for Special Districts. Special Districts joins Land Development, Building & Safety, and Fire Prevention divisions in this pilot project for large scale developments. The Planning division receives access to their system later this month, and

Code & Neighborhood Services will be using a modified version of the application to track their Rotational Tow Program.

CIP Budget Analysis Enhanced

Technology Services completed its annual CIP budget automation project work for FY11/12. At the request of the Capital Projects division, enhancements were completed to improve the functionality of the budget input spreadsheets and additional reports were designed and published to assist staff's efforts to compile and analyze the data.

Animal Shelter Technology Consolidated at City Hall

In yet another cost-saving effort, Technology Services Network and Applications staff are moving Animal Services file, print, and database operations to the City's datacenter. This consolidation is made possible by the completion of work that now provides faster data transmission between the City Hall campus and the Animal Shelter.

FIRE DEPARTMENT

During the week of December 8th through December 12th 2010, fire explorers from Moreno Valley attended training at the U.S. Army's Fort Irwin National Training Center. A total of thirteen fire explorers from Post 946 and Post 958 successfully completed the State Fire Marshal certified Fire Control 4A and 4B (flammable liquids and gases) training, in addition to firefighter safety and survival training.

The training was facilitated by the Inland Empire Fire Explorer Association (IEFEA) along with surrounding and supporting Inland Empire fire agencies.

HUMAN RESOURCES DEPARTMENT

Human Resources & Risk Management

1. Working with City staff and bargaining unit representatives to update the Personnel Rules to reflect changes agreed to during past labor negotiations.
2. Recently completed a long-term project thanks to the services of Technical Services in updating the automated Employee Benefits Enrollment and Change Form.
3. Completed meetings with the supervisory and management staff of all City departments regarding the implementation of new policies and forms that were recently prepared by the Labor Management Committee representing the City's three (3) employees bargaining units.

4. The department invited AdminSure, Workers' Compensation Benefits Provider to conduct two training sessions on Thursday, February 17, for supervisors and managers about the legal requirements and procedures for reporting and handling workers' compensation claims.
5. February and March 2011 are slated for starting the annual labor negotiations process with the City's three (3) employees bargaining units.

LIBRARY SERVICES DEPARTMENT

The children's spring reading program will begin on March 5 and run through April 16. The Cover to Cover Club is sponsored by In-n-Out Burger, and coupons for a free burger or cheese sandwich will be awarded as prizes to the children who register at the library and read books for the program.

PARKS & COMMUNITY SERVICES DEPT

Parks Projects

The telecommunications License Agreement for the cell tower at John F. Kennedy Park was approved by the City Council on February 8. This project will include a cellular antenna on an existing 80' sports lighting pole.

The bid was awarded for the Shadow Mountain Park Ballfield Lighting and Restroom Project at the February 8 City Council meeting. Planned completion of the project is November 2011.

Parks Maintenance Division

The following projects were completed: Aerated and fertilized all parks; graded and repaired Salas infield at Sunnymead; prepared multi-use trail and bikeway Request for Proposal; and replaced concrete pad for drinking fountain at TownGate II.

The following projects are underway or continuing: Replant beds at various park sites; install shade covers over bleachers at Morrison; repair damage from rain storms at Equestrian Center and Hidden Springs Paseo trails; spray weeds at all park sites; install monument signs at Community, Westbluff, Bethune, Parque Amistad and Weston parks; grade CFD #1 multi-use trails; trim shrubs in CFD #1 parks; perform final weed abatement on Aqueduct Bikeways and multi-use trails for maintenance contract; remove and replace trees in raised planters at Shadow Mountain Park; and splash pad preparation for upcoming season.

Vandalism and graffiti have been reported at the following areas: Adrienne Mitchell (\$121), Aqueduct (\$406), Bayside (\$242), Bethune (\$99), Community (\$402), El Potrero (\$93), Edison (\$24), Gateway (\$41), John F. Kennedy (\$70), Morrison (\$24), Patriot (\$24), Sunnymead (\$1,236), TownGate (\$650), and Westbluff (\$77). The total cost for vandalism/graffiti during January was \$3,509. Total labor hours for vandalism/graffiti during January were 71 hours, approximately 8.875 full-time work days.

Court referrals performed a total of 848 hours during January. The total hours for court referrals in 2011 are 848 which equates to approximately 106 full-time work days.

Recreation Division

The Time for Tots program returned from their winter break on January 3 with several of the classes filled to capacity and several more nearly filled as well. In addition to creative curriculum, children celebrated special activity days with International Thank You Day and Pizza Mania.

Recreation classes and programs continued to grow and expand in January with several classes continuing to fill with participants. Fitness classes saw a boost in the new year with registration increasing in Fitness Bootcamp, Yoga, Belly Dancing, and Zumba classes. Several new classes are now being offered including Ballet/Jazz, and an additional Dance Exploration for children age 3½ to 4½ years.

Valley Kids Camp, which was open for three weeks during the winter break for children in kindergarten through eighth grades, concluded on January 7. While the children enjoyed their winter break from school, they spent their days at camp playing recreational games, watching movies, playing video games, and nurturing their creativity with arts and crafts. Camp was bustling with energy from attending participants.

The January Senior Birthday Party was celebrated on January 27. This event was sponsored by the Friends of Moreno Valley Senior Center, who provided a free meal and a box of candy. Miller Jones Mortuary donated the cake and ice cream.

January 28 the Center held its first Michael Jackson Experience Wii dance party. The seniors danced and received prizes. More than 40 seniors participated.

January 2 and 23, there were trips to Harrah's Casino. Cost was \$25 with \$25 back in free play.

January 4 and 18, there were trips to Valley View Indian Casino. Cost was \$25 with \$15 back in free play.

January 8, 15, and 22, there were trips to Spotlight 29 Indian Casino for \$25 with \$25 back in free play.

January 9-10, a trip was held at Laughlin for \$55 per person and one free buffet at the Colorado Belle.

January 29-30, there was a trip to Hacienda and New York New York for \$55 per person. This included two free buffets at Buffalo Bills and one free buffet at Haciendas.

Vista Verde Middle School was awarded the "California Schools to Watch Award". Since 2005 Vista Verde's academic performance index score has increased 102 points to 788. The school has also continued to meet all the API targets of its diverse groups among its 1,023 students (PE.com). STARS was involved in the review process and found to be a contributor to the school's academic efforts. The ceremony was held at Vista Verde.

STARS conducted a job fair on January 11 with more than 300 applications received and 262 applicants that moved on to the interview portion. STARS will hire 80 staff from the list of applicants that passed their interview.

The reading program started February 1 and ends on March 24. Individual winners will include one elementary child (STARS), one elementary child (A Child's Place), and one middle school youth (STARS). Each winner will receive a savings bond and will be involved in a presentation at a future City Council meeting. The winning sites, including one elementary school (STARS), one elementary school (A Child's Place), and one middle school (STARS) are to have a movie day at Harkins Theater.

The Cat in the Hat will visit sites in honor of Dr. Seuss, which will promote the STARS reading program.

Earthquake/Disaster/Lockdown drills will be conducted at STARS sites during the months of February and March.

A dental hygiene program was conducted in February.

Rancho Verde High School ROTC is being scheduled to visit the STARS sites.

The STARS sports program will start with a basketball program in March.

POLICE DEPARTMENT

At the February 14 meeting of the Public Safety Subcommittee, the Police Department presented information on an Office of Traffic Safety grant opportunity called the "DUI Enforcement and Awareness Program." Grant funds can be used to pay for law enforcement operations involving DUI/Drivers License checkpoints, DUI saturation patrols and warrant sweeps, and stakeout operations for known DUI offenders. According to the National Highway Traffic Safety Administration, California had the second highest number of alcohol-impaired motor vehicle fatalities in the nation as recently as 2008. The Subcommittee recommended that the Police Department move forward with applying for a \$204,581 grant which would fund 10 DUI/Driver License checkpoints, 22 DUI saturation patrols, 2 DUI warrant sweep operations, and 4 known DUI stakeout operations. The requested funds would also provide for the purchase of a DUI trailer as well as training for 4 officers.

PUBLIC WORKS DEPARTMENT

Capital Projects

Status of Redlands Boulevard Construction

The City has received several inquiries regarding the status of the traffic control on Redlands Boulevard between McAbee Avenue to Dracaea Avenue. Specifically, the questions have been related to traffic control devices set up at this location while it appears that no work is taking place. This work area is part of the Highland Fairview Corporate Center (Skechers project). Most of the street and storm drain improvements have been completed and the remaining work involves some minor grading and installation of a concrete v-ditch along the shoulder of the roadway, the application of a slurry seal to the pavement and striping of the lane lines.

In order to place the slurry material on the roadway, there must be a 7-day window of clear weather. Because of the pending storms, the project contractor has shifted the manpower and is concentrating their work efforts on-site. Land Development staff continues to coordinate with the developer to complete the roadway improvements, remove the traffic control devices and re-open all lanes of Redlands Boulevard to traffic as soon as possible. In the meantime, Land Development inspectors continue to monitor the traffic control within the work zone.

Kitching Street Improvement Project

The Kitching Street Improvement project from Cactus Avenue to Alessandro Boulevard began on April 5, 2010 and was completed on December 8, 2010. The project

improved 2,800 linear feet of roadway segment to its General Plan width of four (4) travel lanes and turning lanes at intersections. The work included roadway, curb and gutter, AC pavement and installed a 48" Storm Drain master planned line along Alessandro Boulevard as well. The project also widened Bridges over Kitching Flood Control Channel at John F Kennedy Drive and at Alessandro Boulevard. To make room for the improvements, tall SCE power transmission poles were relocated and a new traffic signal at the intersection of Kitching Street and Cactus Avenue was installed. This project also completed construction of a missing third lane in the westbound direction along Alessandro Boulevard between Kitching Street and Flaming Arrow Drive, complete with curb, gutter and sidewalks. Completion of this project reduced peak-hour traffic congestion along adjoining and parallel Perris Boulevard and Lasselle Street and the new Kitching Street connection to Alessandro Boulevard shortens commute routes and facilitates school access which will save time, gas and minimize emissions.

Sunnymead Ranch Pkwy & Village Rd (East) Traffic Signal

The contract has been awarded to SoCal Engineers, Inc. for the construction of the Traffic Signal Improvements at Sunnymead Ranch Parkway and Village Road (east) Intersection. The work will include installation of a traffic signal, new access ramps, and other ancillary work. Construction was scheduled to begin January 24, 2011 and be completed by April 2011 (weather permitting).

Indian Basin

Construction is progressing on the Ironwood Avenue Street and Storm Drain Improvements. All of the pipe and concrete box (Storm Drain Line H) along Ironwood Avenue from the Ironwood Avenue/Heacock Street intersection to the Davis Street/Ironwood Avenue intersection has been installed, as well as the pipes draining south to the Indian Basin. The majority of the pipe for Storm Drain Line H-1A in Ironwood Avenue has also been installed, with remaining portions at Hubbard and Indian remaining to be completed. Upon completion of the drainage, remaining work consists of street widening on the south side of Ironwood Avenue from Heacock Street to Nita Drive to provide an additional eastbound lane. The project is on schedule with completion anticipated by May 2011.

SR-60 At Nason Street (Sonny Bono Interchange)

A much needed improvement to the Sonny Bono Interchange at Nason Street/California State Highway Route 60 is underway and expected to be completed in the Spring of 2012. This construction project will

upgrade all four on-and-off-ramps which will vastly enhance traffic flow on Nason Street and around the Stoneridge Towne Center. Additionally, this project will improve access to the Riverside County Regional Medical Center as well as provide a wider pathway for pedestrians on the west side of Nason Street north and south of the bridge.

The eastbound off-ramp onto Nason Street will be straightened and expanded from one lane to three lanes, while the eastbound on-ramp will be relocated from the west side of Nason Street to the east side allowing direct access onto Highway 60 rather than the current circular on ramp. The westbound on-ramp will be expanded from one lane to two lanes with the curvature of the on-ramp flattening to provide better acceleration for vehicles entering the freeway. Long queues on both off-ramps will be relieved by the addition of traffic signals at the ramp intersections along Nason Street.

Funding for the project comes from Federal Demonstration and Surface Transportation Program Local Funds. No new City funds are being used for this construction project, making this interchange improvement 100% Federally funded. A second phase improvement for this interchange is set to begin in Spring of 2012 where the Nason Street bridge will be replaced with a 5-lane-bridge with shoulders and sidewalks on both sides.

Advance notice of road closures will be given 1-3 weeks ahead of time and will be accompanied by signed detours. Click the Highway 60 icon on the City's Web site, www.moval.org, for updates or call 951.413.3130.

2011 Pavement Resurfacing Project

The 2011 Pavement Resurfacing Project will resurface six (6) existing City streets with cold-in-place recycling (CIPR) and rubberized asphalt concrete overlay, pavement grinding and rubberized asphalt concrete overlay, crack seal and overlay, or slurry seal. The project also repairs or reconstructs curb access ramps to meet ADA standards at designated locations. The project will re-establish traffic striping, traffic signal detector loops, hand-holes, and utility covers. The six streets in the 2011 Pavement Resurfacing Project are: Kitching Street (Fir Avenue to Cottonwood Avenue), Manzanita Avenue (Heacock Street to Perris Boulevard), Cactus Avenue (Commerce Center Dr. to Elsworth Street), Indian Street (Ironwood Avenue to Sunnymead Boulevard), Fir Avenue (Perris Boulevard to Lasselle Street), and Perris Boulevard (Webster Avenue to Sunnymead Boulevard). Construction will start in April 2011 and will be completed by end of June 2011 (weather permitting).

Ironwood Avenue Improvements From Day Street To Barclay Drive

The City's contractor, Riverside Construction Company, Inc., started construction of the street improvements on Ironwood Avenue from Day Street to Barclay Drive the week of December 6, 2010. The work involves widening the south side of Ironwood Avenue, constructing a retaining wall, waterline, storm drain, street lights, new concrete curb, gutter, and sidewalk, as well as a traffic signal at Ironwood Avenue and Athens Drive. Ironwood Avenue will be open to through traffic during construction. The contractor is working on the waterline installation, retaining wall on the south side of the project, and the underground electrical for the street lighting and traffic signal improvements. Construction is anticipated to be completed by May 2011 (weather permitting).

2011 Bridge Maintenance Program

Bids were opened on February 8 for the 2011 Bridge Maintenance Program. The project includes the maintenance and repairs to eight (8) bridges within the City of Moreno Valley. The works involves the application of Methacrylate Deck Treatment to three (3) bridges at the following locations: a) Cactus Avenue Bridge 56C0407, west side of Kitching Street; b) Bay Avenue Bridge 56C0401, 0.25 mile east of Kitching Street; c) Oliver Street Bridge 56C0559, 500 feet north of John F. Kennedy Drive (includes concrete bridge deck and concrete approaches). Additionally work includes cold mill and pave back the existing asphalt concrete over the bridge deck and the bridge approaches at the following five (5) bridges: a) Cottonwood Avenue Bridge 56C0214, 0.2 mile east of Heacock Street; b) Dracaea Avenue Bridge 56C0274, 0.14 mile west of Indian Street; c) Cactus Avenue Bridge 56C0420, 0.5 mile west of John F. Kennedy Drive; d) Cactus Avenue Bridge 56C0421, 0.2 mile west of John F. Kennedy Drive; and e) Perris Boulevard Bridge 56C0464, 1.0 mile south of Iris Avenue (bridge approaches only). The Notice of Award is anticipated to go before City Council on March 8, 2011, with construction beginning approximately April 1, 2011.

2011 Local Street Pavement Resurfacing – Phase 1

The 2011 Local Street Pavement Resurfacing – Phase 1 is being advertised for construction bids. The bid opening was held on February 17, 2011. Phase 1 of the project will resurface twenty-six local streets which are included in the approved Capital Improvement Plan Fiscal Year 2010-2011. These streets are evaluated and prioritized for pavement rehabilitation based on their current pavement condition.

The City has designed the project to minimize cost and imported asphalt concrete materials by the use of pavement recycling. The existing asphalt concrete pavement is to be ground up, hauled to a designated processing plant, mixed with additional asphalt/oil, and re-layed in the streets. After pavement recycling, the streets will be overlaid with 2 inches of rubberized asphalt concrete to provide a smooth and dark finish surface. Rubberized asphalt concrete has [many benefits](#) including being cost effective, durable, safe, a proven road noise reduction paving product, and environmentally friendly.

The construction of Phase 1 is scheduled to start in April 2011. The City anticipates having the construction of Phase 2 started in July 2011. The number of local streets to be included in Phase 2 will depend on the remaining budget from Phase 1.