



## **AGENDA**

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

**September 3, 2019**

### **REGULAR MEETING – 6:00 PM**

#### **City Council Study Sessions**

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

#### **City Council Meetings**

Special Presentations – 5:30 P.M.

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

#### **City Council Closed Session**

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

City Hall Council Chamber – 14177 Frederick Street

*Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Guy Pegan, ADA Coordinator, at 951.413.3120 at least 72 hours before the meeting. The 72-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.*

Dr. Yxstian A. Gutierrez, Mayor

Victoria Baca, Mayor Pro Tem  
Ulises Cabrera, Council Member

David Marquez, Council Member  
Dr. Carla J. Thornton, Council Member

**AGENDA**  
**CITY COUNCIL OF THE CITY OF MORENO VALLEY**  
**September 3, 2019**

**CALL TO ORDER - 5:30 PM**

**SPECIAL PRESENTATIONS**

1. Business Spotlight
2. Police Officer of the 1st Quarter 2019
3. Miss Moreno Valley Titleholders
4. Proclamation Recognizing National Preparedness Month

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

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

**REGULAR MEETING – 6:00 PM  
SEPTEMBER 3, 2019**

**CALL TO ORDER**

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

**PLEDGE OF ALLEGIANCE**

**INVOCATION**

Pastor Gabriel Carlson, Moreno Christian Assembly

**ROLL CALL**

**INTRODUCTIONS**

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

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

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

## JOINT CONSENT CALENDARS (SECTIONS A-E)

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

### A. CONSENT CALENDAR-CITY COUNCIL

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

**Recommendation:** Waive reading of all Ordinances.

- A.2. MINUTES - CITY COUNCIL - CLOSED SESSION - AUG 20, 2019 4:30 PM

**Recommendation:** Approve as submitted.

- A.3. MINUTES - CITY COUNCIL - REGULAR MEETING - AUG 20, 2019 6:00 PM

**Recommendation:** Approve as submitted.

- A.4. MAYORAL APPOINTMENT TO THE LIBRARY COMMISSION (Report of: City Clerk)

**Recommendation:**

1. Receive and confirm the following Mayoral appointment:

#### LIBRARY COMMISSION

<u>Name</u>	<u>Position</u>	<u>Term</u>
James Harris	Member	Ending 06/30/22

- A.5. RECEIPT OF QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDED JUNE 30, 2019 (Report of: Financial & Management Services)

**Recommendation:**

1. Receive and file the Quarterly Investment Report for quarter ended June 30, 2019, in compliance with the City's Investment Policy.

A.6. LIST OF PERSONNEL CHANGES (Report of: Human Resources)

**Recommendation:**

1. Ratify the list of personnel changes as described.

A.7. APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH WILLDAN TO PREPARE A DEVELOPMENT IMPACT FEE UPDATE (Report of: Financial & Management Services)

**Recommendations:**

1. Approve First Amendment to the Agreement to examine any potential fee modifications as part of the preparation of a Development Impact Fee Study for a total contract amount not to exceed \$75,000.
2. Authorize the City Manager to execute the First Amendment to the Agreement with the above-mentioned contractor.
3. Approve budget adjustments as set forth in the Fiscal Impact section of this report.
4. Authorize the Chief Financial Officer to issue various purchase orders upon execution of the First Amendment to the Agreement.
5. Authorize the City Manager to execute subsequent Amendments to the Agreement within Council approved annual budgeted amounts, including the authority to authorize the associated purchase orders in accordance with the terms of the Agreement, subject to the approval of the City Attorney.

A.8. PEN17-0014 (TR 31621) – APPROVE TRACT MAP 31621 LOCATED ON TRANQUIL WAY EAST OF HUBBARD STREET. DEVELOPER: METRIC HOMES, LLC (Report of: Public Works)

**Recommendations:**

1. Approve Tract Map 31621.
2. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.

- A.9. ADOPT RESOLUTION CREATING A PARKS AND COMMUNITY SERVICES COMMITTEE (Report of: City Manager)

**Recommendation:**

1. Adopt Resolution No. 2019-\_\_\_\_, of the City of Moreno Valley, California, Creating the Parks and Community Services Committee, with appointments to be ratified at a future meeting of the City Council.

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

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

**Recommendation:** Waive reading of all Ordinances.

- B.2. MINUTES - CLOSED SESSION OF AUG 20, 2019 4:30 PM (See A.2)

**Recommendation:** Approve as submitted.

- B.3. MINUTES - REGULAR MEETING OF AUG 20, 2019 6:00 PM (See A.3)

**Recommendation:** Approve as submitted.

**C. CONSENT CALENDAR - HOUSING AUTHORITY**

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

**Recommendation:** Waive reading of all Ordinances.

- C.2. MINUTES - CLOSED SESSION OF AUG 20, 2019 4:30 PM (See A.2)

**Recommendation:** Approve as submitted.

- C.3. MINUTES - REGULAR MEETING OF AUG 20, 2019 6:00 PM (See A.3)

**Recommendation:** Approve as submitted.

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

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

**Recommendation:** Waive reading of all Ordinances.

- D.2. MINUTES - CLOSED SESSION OF AUG 20, 2019 4:30 PM (See A.2)

**Recommendation:** Approve as submitted.

D.3. MINUTES - REGULAR MEETING OF AUG 20, 2019 6:00 PM (See A.3)

**Recommendation:** Approve as submitted.

**E. CONSENT CALENDAR - PUBLIC FINANCING AUTHORITY**

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

E.2. MINUTES - CLOSED SESSION OF AUG 20, 2019 4:30 PM (See A.2)

**Recommendation:** Approve as submitted.

E.3. MINUTES - REGULAR MEETING OF AUG 20, 2019 6:00 PM (See A.3)

**Recommendation:** Approve as submitted.

**F. PUBLIC HEARINGS**

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

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

**G. GENERAL BUSINESS**

G.1. A Municipal Code Amendment to expand the current noticing requirements, and delete required findings for conformity with the redevelopment plan. (Report of: Community Development)

**Recommendations: That the City Council:**

1. Introduce and conduct the first reading of Ordinance \_\_\_ amending Chapters 9.02, 9.08, 9.09 and 9.14 of Title 9 of the City of Moreno Valley Municipal Code to expand the current public hearing notice requirements from 300 feet to 600 feet, and amending Chapter 9.02 to delete required Plot Plan and Conditional Use Permit findings pertaining to Redevelopment Plans.
2. Schedule the second reading and adoption of Ordinance \_\_\_ for the next regular Council meeting.

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

### **I. REPORTS**

#### **I.1. CITY COUNCIL REPORTS**

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Riverside County Habitat Conservation Agency (RCHCA)

Riverside County Transportation Commission (RCTC)

Riverside Transit Agency (RTA)

Western Riverside Council of Governments (WRCOG)

Western Riverside County Regional Conservation Authority (RCA)

School District/City Joint Task Force

#### **I.2. CITY MANAGER'S REPORT**

(Informational Oral Presentation - not for Council action)

#### **I.3. CITY ATTORNEY'S REPORT**

(Informational Oral Presentation - not for Council action)

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

### **ADJOURNMENT**

### **PUBLIC INSPECTION**

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

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



**CERTIFICATION**

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

City Hall, City of Moreno Valley  
14177 Frederick Street

Moreno Valley Library  
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center  
25075 Fir Avenue

Pat Jacquez-Nares, CMC & CERA  
City Clerk

Date Posted: August 29, 2019

**TO:**

**FROM:** Pat Jacquez-Nares, City Clerk

**AGENDA DATE:** September 3, 2019

**TITLE:** BUSINESS SPOTLIGHT

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**RECOMMENDED ACTION**

**CITY COUNCIL GOALS**

None

**CITY COUNCIL STRATEGIC PRIORITIES**

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

**ATTACHMENTS**

None

**APPROVALS**

**TO:**

**FROM:** Pat Jacquez-Nares, City Clerk

**AGENDA DATE:** September 3, 2019

**TITLE:** OFFICER OF THE 1ST QUARTER 2019

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**RECOMMENDED ACTION**

**CITY COUNCIL GOALS**

None

**CITY COUNCIL STRATEGIC PRIORITIES**

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

**ATTACHMENTS**

None

**APPROVALS**

**TO:**

**FROM:** Pat Jacquez-Nares, City Clerk

**AGENDA DATE:** September 3, 2019

**TITLE:** MISS MORENO VALLEY TITLEHOLDERS

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**RECOMMENDED ACTION**

**CITY COUNCIL GOALS**

None

**CITY COUNCIL STRATEGIC PRIORITIES**

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

**ATTACHMENTS**

None

**APPROVALS**

**TO:**

**FROM:** Pat Jacquez-Nares, City Clerk

**AGENDA DATE:** September 3, 2019

**TITLE:** PROCLAMATION RECOGNIZING NATIONAL  
PREPAREDNESS MONTH

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**RECOMMENDED ACTION**

**CITY COUNCIL GOALS**

None

**CITY COUNCIL STRATEGIC PRIORITIES**

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

**ATTACHMENTS**

None

**APPROVALS**

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

**CLOSED SESSION – 4:30 PM  
August 20, 2019**

**CALL TO ORDER**

The Closed Session of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, and Housing Authority was called to order at 4:33 p.m. by Mayor Gutierrez in the Council Chamber located at 14177 Frederick Street, Moreno Valley, California.

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

**ROLL CALL**

Council:	Dr. Yxstian A. Gutierrez	Mayor
	Victoria Baca	Mayor Pro Tem
	David Marquez	Council Member
	Ulises Cabrera	Council Member
	Dr. Carla J. Thornton	Council Member

**PUBLIC COMMENTS ON MATTERS ON THE AGENDA ONLY**

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

**CLOSED SESSION**

City Attorney Koczanowicz announced that the City Council would recess to Closed Session to discuss the items as listed on the agenda and that staff did anticipate reportable action.

Minutes Acceptance: Minutes of Aug 20, 2019 4:30 PM (CONSENT CALENDAR-CITY COUNCIL)

The Closed Session will be held pursuant to Government Code:

- 1 SECTION 54956.9(d) - CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION (6 cases)
- 2 SECTION 54956.8 - CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  - a) Properties: 312-104-010, 312-104-009, 312-031-033, & 312-020-025
  - City Negotiator: Thomas M. DeSantis, Michael L. Wolfe
  - Under Negotiation: Price and Terms for Juan Bautista De Anza Trail ATP 2 Project
  - Owners: Thomas B. Anderson, Helen D. Bolden, The Bukowski Family Living Trust, Maple Lane Group

- 3 SECTION 54956.9 - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
  - Case: Center for Community Action and Environmental Justice et. al. vs. City of Moreno Valley et. al.
  - Court: Riverside Superior Court
  - Case No.: RIC 1601988 MF and consolidated cases

- 4 SECTION 54957(b)(1) – EMPLOYEE PERFORMANCE EVALUATION
  - Position: City Clerk

Mayor Gutierrez recessed the City Council to the City Manager's Conference Room, second floor, City Hall, for their Closed Session at 4:34 p.m.

Mayor Gutierrez reconvened the City Council in the Council Chamber from their Closed Session at 5:31 p.m.

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

City Attorney Koczanowicz announced that in regards to Item No. 1 the City Council authorized initiation of cost recovery actions in small claims court against five individual defendants. Regarding Item No. 2, the City Council authorized acquisition of right of way transactions on properties owned by Thomas Anderson, Helen Bolden and the Bukowski Family Trust. Additionally, they authorized a possession use agreement and continued negotiation on the property owner by the Maple Lane Group.

Minutes Acceptance: Minutes of Aug 20, 2019 4:30 PM (CONSENT CALENDAR-CITY COUNCIL)

## ADJOURNMENT

There being no further business to come before the City Council, Mayor Gutierrez adjourned the Closed Session at 5:37 p.m.

Submitted by:

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Pat Jacquez-Nares, CMC & CERA  
 City Clerk  
 Secretary, Moreno Valley Community Services District  
 Secretary, City as Successor Agency for the Community  
 Redevelopment Agency of the City of Moreno Valley  
 Secretary, Moreno Valley Housing Authority  
 Secretary, Board of Library Trustees  
 Secretary, Public Finance Authority

Approved by:

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Dr. Yxstian A. Gutierrez  
 Mayor  
 City of Moreno Valley  
 President, Moreno Valley Community Services District  
 Chairperson, City as Successor Agency for the Community  
 Redevelopment Agency of the City of Moreno Valley  
 Chairperson, Moreno Valley Housing Authority  
 Chairperson, Board of Library Trustees  
 Chairperson, Public Financing Authority



**MINUTES**  
**CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY**  
**August 20, 2019**

**CALL TO ORDER - 5:30 PM**

**SPECIAL PRESENTATIONS**

1. Recognition of the Independence Day Parade Art Contest
2. Recognition of the Independence Day Parade Award Winners
3. Recognition of the Independence Day and Funfest Sponsors: 1) Skechers  
2) First Industrial Realty Trust, Inc. 3) Waste Management

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

**REGULAR MEETING – 6:00 PM  
August 20, 2019**

**CALL TO ORDER**

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

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

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Rafael Brugueras.

**INVOCATION**

Father Joseph, St. Christopher Catholic Parish

**ROLL CALL**

Council:	Dr. Yxstian A. Gutierrez	Mayor
	Victoria Baca	Mayor Pro Tem
	David Marquez	Council Member
	Ulises Cabrera	Council Member
	Dr. Carla J. Thornton	Council Member

**INTRODUCTIONS**

Staff:	Pat Jacquez-Nares	City Clerk
	Regina Flores	Senior Deputy City Clerk
	Marshall Eyerman	Chief Financial Officer/City Treasurer
	Martin Koczanowicz	City Attorney

Minutes Acceptance: Minutes of Aug 20, 2019 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

Tom DeSantis	City Manager
Michele Patterson	Economic Development Manager
Rick Sandzimier	Community Development Director
Dave Lelevier	Acting Chief of Police
Abdul Ahmad	Fire Chief
Kathleen Sanchez	Human Resources Director
Patti Solano	Parks and Community Services Director
Michael Wolfe	Public Works Director/City Engineer

F.2. 3684: PAA19-0006 APPEAL OF THE PLANNING COMMISSIONS APPROVAL OF CUP PEN18-0262 CANNABIS DISPENSARY (RESO. NO. 2019-45) (Report of: Community Development)

Contract Planner Zwack provided the report.

Council Member Cabrera asked regarding the distance between the proposed dispensary and the Hangar Trampoline Park.

Contract Planner Zwack stated that the distance is 1,000 feet from building to building.

Mayor Pro Tem Baca questioned why the item is being heard by the City Council and expressed her apprehension that any action would set a precedent for hearings of other non-jurisdictional disputes.

City Attorney Koczanowicz explained that any party that is aggrieved has the right to file an appeal of a decision by the Planning Commission.

Council Member Marquez requested clarification on the appeal and asked whether the applicant previously had their license revoked and when religious services were observed within the shopping center. He also inquired about the distance requirement for churches and whether Hangar trampoline park contacted the City.

Contract Planner Zwack affirmed that the appeal contained three major points and identified two churches and a mosque within the development, but could not confirm when the services occurred. He expressed that the cannabis separation requirement does not include churches.

Community Development Director Sandzimier remarked that he was unaware of any Hangar representative contacting the City.

City Manager DeSantis announced that the applicant had not had their provisional permit revoked and that the buffers in the cannabis ordinance conform to state law.

Mayor Gutierrez opened the Public Hearing at 6:17 p.m.

Daniel Reed, representing the Canyon Springs Investment Trust, discussed his client's opposition to the dispensary.

Mayor Gutierrez asked if Mr. Reed or his client attend a City Council meeting where the cannabis zoning was proposed.

Mr. Reed replied that he and the property manager attended the Planning Commission meeting when the conditional use permits were discussed.

Council Member Marquez inquired as to the owner of the parking spots.

Mr. Reed asserted that his client is responsible for 100% of the common area.

Corey Moore opposes Item No. F.2

Harold Acord opposes Item No. F.2

Lindsay Robinson opposes Item No. F.2

Rommel Dunbar opposes Item No. F.2

Michael Porra supports Item No. F.2

Mr. Reed addressed the comments made by the public.

There being no further comments in support or opposition, Mayor Gutierrez closed the Public Hearing at 6:39 p.m.

City Attorney Koczanowicz remarked that legal dispensaries are mandated to control the surrounding environment.

Mayor Gutierrez noted that the opportune time to object to the location of dispensaries was when the City was deliberating the land use.

Council Member Thornton stated that although cannabis is illegal federally, it is legal throughout the State of California. She asked for support from her fellow Council Members to reevaluate the land use designations in six months to one year.

Mayor Pro Tem Baca reiterated that she doesn't feel the City Council is the ideal body to settle the dispute between the property owner and the Association.

Council Member Cabrera concurred with comments made by the previous Council Members and noted that on-site security is a requirement of all conditional use permits and the cannabis revenue would fund extra patrols. He stated that he views cannabis and alcohol as equals and as such, can both be regulated. He recommended that the appellant pursue private

litigation, as the City Council is not the suitable body to resolve their disagreement.

Council Member Marquez expressed his consistent opposition to cannabis and to its expedited approval process. He contends that the Planning Commission should not be the arbiter of land use decisions as they are appointed. He worries that the already overburdened Police Department will be unable to respond to the inevitable calls associated with the dispensary.

Mayor Pro Tem Baca added that staff worked diligently to close down thirty illegal dispensaries and that residents voted in favor of legalizing cannabis and taxing it.

**Recommendations: That the City Council:**

1. Staff recommends that the City Council APPROVE Resolution 2019-45, and thereby;
2. **DENY** appeal PAA19-0006 of Planning Commission approval of Conditional Use Permit PEN18-0262, thus upholding the Planning Commission’s decision, based upon the attached resolution.

**RESULT:** APPROVED [4 TO 1]  
**MOVER:** Victoria Baca, Mayor Pro Tem  
**SECONDER:** Dr. Carla J. Thornton, Council Member  
**AYES:** Dr. Yxstian A. Gutierrez, Victoria Baca, Ulises Cabrera, Dr. Carla J. Thornton  
**NAYS:** David Marquez

Mayor Gutierrez recessed the meeting at 6:55 p.m.

Mayor Gutierrez reconvened the meeting at 7:03 p.m.

**JOINT CONSENT CALENDARS (SECTIONS A-E)**

Mayor Gutierrez opened the Consent Agenda items for public comments, which were received from Lindsay Robinson who had questions regarding Item Nos. A.8 and A.9 and Louise Palomarez (Supports Item No. A.14).

**RESULT:** APPROVED [UNANIMOUS]  
**MOVER:** David Marquez, Council Member  
**SECONDER:** Victoria Baca, Mayor Pro Tem  
**AYES:** Dr. Yxstian A. Gutierrez, Victoria Baca, David Marquez, Ulises Cabrera, Dr. Carla J. Thornton

Minutes Acceptance: Minutes of Aug 20, 2019 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

## A. CONSENT CALENDAR-CITY COUNCIL

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

**Recommendation:** Waive reading of all Ordinances.

- A.2. City Council - Study Session - Jun 11, 2019 6:00 PM

**Recommendation:** Approve as submitted.

- A.3. City Council - Closed Session - Jun 18, 2019 4:30 PM

**Recommendation:** Approve as submitted.

- A.4. City Council - Regular Meeting - Jun 18, 2019 6:00 PM

**Recommendation:** Approve as submitted.

- A.5. APPOINT A VOTING DELEGATE AND ALTERNATE DELEGATES FOR THE LEAGUE OF CALIFORNIA CITIES (LOCC) 2019 ANNUAL CONFERENCE - Annual Business Meeting (RESO. NO. 2019-46) (Report of: City Clerk)

**Recommendations:**

1. Adopt RESOLUTION NO. 2019-46 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPOINTING DELEGATES AND ALTERNATES TO THE LEAGUE OF CALIFORNIA CITIES AS OFFICIAL REPRESENTATIVES OF THE CITY OF MORENO VALLEY; and
2. Direct staff to submit to the League a Certified copy of the Resolution appointing Mayor Pro Tem Victoria Baca as the Delegate and Council Members Ulises Cabrera and Carla Thornton as the Alternates before October 4, 2019.

- A.6. PROPOSED MEMBERSHIP IN THE UNITES STATES CONFERENCE OF MAYORS (Report of: City Clerk)

Mayor Gutierrez pointed out that he requested the item as it provided the opportunity for the City to receive grants.

**Recommendation: That the City Council:**

1. Approve the City's membership in the United States Conference of Mayors for Fiscal Years 2019/20 – 2020/21.

A.7. REQUEST FOR CITY PARTICIPATION IN EL GRITO- CELEBRATING HISPANIC HERITAGE (Report of: City Clerk)

Council Member Cabrera made everyone aware that the event is a celebration of Mexican Independence Day and invited residents to attend.

- 1. Consider a request for City participation in El Grito- Celebrating Hispanic Heritage event.
- 2. Approve the City' participation in the amount of \$10,000 as set forth in the Fiscal Impact section of this report.

A.8. COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2018/2019 AS OF JULY 1, 2018 THROUGH JUNE 30, 2019 (Report of: City Clerk)

**Recommendation:**

- 1. Receive and file the Fiscal Year 2018/2019 Council Discretionary Expenditure Report for July 1, 2018 through June 30, 2019.

A.9. MAYORAL APPOINTMENTS TO BOARDS AND COMMISSIONS (Report of: City Clerk)

**Recommendation:**

- 1. Receive and confirm the slate of Mayoral appointments as follows:

**ARTS COMMISSION**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Eric McKain	Member	Ending 06/30/21

**EMERGING LEADERS COUNCIL**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Mumtahina Tajrian	Member	Ending 05/31/21

**ENVIRONMENTAL AND HISTORICAL PRESERVATION BOARD**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Dennise Jimenez	Member	Ending 06/30/22

**LIBRARY COMMISSION**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Lawrence A. Lee	Member	Ending 06/30/22

Minutes Acceptance: Minutes of Aug 20, 2019 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)

**PARKS, COMMUNITY SERVICES AND TRAILS COMMITTEE**

<u>Name</u>		<u>Position</u>	<u>Term</u>
Cassandra Swedlund	Leigh	Member	Ending 06/30/21

**TRAFFIC SAFETY COMMISSION**

<u>Name</u>		<u>Position</u>	<u>Term</u>
David Layne		Member	Ending 06/30/21

**UTILITIES COMMISSION**

<u>Name</u>		<u>Position</u>	<u>Term</u>
Stephen LaFond		Member	Ending 06/30/22

A.10. PAYMENT REGISTER - MAY 2019 (Report of: Financial & Management Services)

**Recommendation:**

1. Receive and file the Payment Register.

A.11. PAYMENT REGISTER - JUNE 2019 (Report of: Financial & Management Services)

**Recommendation:**

1. Receive and file the Payment Register.

A.12. RESOLUTION OF THE CITY OF MORENO VALLEY SERVING AS THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY 1, 2020 THROUGH JUNE 30, 2020 (ROPS 19-20B) (RESO. NO. SA 2019-02) (Report of: Financial & Management Services)

**Recommendations: That the City Council as Successor Agency:**

1. Adopt Resolution No. SA 2019-02. A Resolution of the City Council of the City of Moreno Valley, California, Serving as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving the Amended Recognized Obligation Payment Schedule for the Period of January 1, 2020 through June 30, 2020 (ROPS 19-20B), and Authorizing the City Manager acting for the Successor Agency or his/her Designee to Make Modifications Thereto.

Minutes Acceptance: Minutes of Aug 20, 2019 6:00 PM (CONSENT CALENDAR-CITY COUNCIL)



2. Authorize the City Manager acting for the Successor Agency or his/her Designee to make modifications to the Schedule.
3. Authorize the transmittal of the ROPS 19-20B, for the period of January 1, 2020 through June 30, 2020, ("Exhibit A") to the Countywide Oversight Board for County of Riverside for review and approval.

A.13. APPROVE AGREEMENT WITH TENASKA POWER SERVICES CO. FOR THE PURCHASE AND SALE OF RENEWABLE ENERGY AND ASSOCIATED GREEN ATTRIBUTES (AGMT. NO. 2019-419) (Report of: Financial & Management Services)

**Recommendations:**

1. Approve the Agreement for the Purchase and Sale of Renewable Energy and Associated Green Attributes with Tenaska Power Services Co.
2. Appropriate additional Public Purpose Program funds of \$651,425 to fund the purchase of renewable energy.
3. Authorize the City Manager to execute the Agreement on behalf of the City.

A.14. REPORT OF APPROVED SALARY CHANGES (Report of: Human Resources)

**Recommendation:**

1. Receive and file the attached Report of Approved Salary Changes.

A.15. LIST OF PERSONNEL CHANGES (Report of: Human Resources)

**Recommendation:**

1. Ratify the list of personnel changes as described.

A.16. PEN18-0090 (PM 37514) – APPROVE PARCEL MAP 37514 LOCATED ON THE NORTHEAST CORNER OF KRAMERIA AVENUE AND LASSELLE STREET. DEVELOPER: CONTINENTAL EAST FUND III, LLC (Report of: Public Works)

**Recommendations:**

1. Approve Parcel Map 37514.
2. Authorize the City Clerk to sign the map and transmit said map to the

County Recorder's Office for recordation.

- A.17. PURSUANT TO LANDOWNER PETITIONS, ANNEX PARCELS INTO COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) - AMENDMENT NO. 36 AND 37 (RESO. NOS. 2019-47 and 2019-48) (Report of: Public Works)

**Recommendations:**

1. Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services), adopt Resolution No. 2019-47, a Resolution of the City Council of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and approving the amended map for said District. (Amendment No. 36)
2. Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services), adopt Resolution No. 2019-48, a Resolution of the City Council of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and approving the amended map for said District. (Amendment No. 37)

- A.18. CERTIFY ANNEXATION OF ONE PARCEL INTO COMMUNITY FACILITIES DISTRICT NO. 4-MAINTENANCE - ANNEXATION NO. 2019-02 (RESO. NO. 2019-49) (Report of: Public Works)

1. Acting as the legislative body of Community Facilities District No. 4-Maintenance, adopt Resolution No. 2019-49, a Resolution of the City Council of the City of Moreno Valley, California, Certifying the Results of an Election and Adding Property to such Community Facilities District. (Annexation No. 2019-02)

- A.19. PEN18-0233 (PM 37657) – APPROVE PARCEL MAP 37657 LOCATED ON THE SOUTH SIDE OF HEMLOCK AVENUE WEST OF INDIAN STREET. DEVELOPER: GOLD COAST PROPERTIES, CA 3 LLC (Report of: Public Works)

**Recommendations:**

1. Approve Parcel Map 37657.
2. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.

- A.20. SECOND READING AND ADOPTION OF ORDINANCE AMENDING SECTION 12.20.020 OF CHAPTER 12.20 OF THE CITY OF MORENO VALLEY MUNICIPAL CODE DECLARING PRIMA FACIE SPEED LIMITS ON CERTAIN STREETS AND AN ORDINANCE AMENDING 12.20.020 OF CHAPTER 12.20 OF THE MUNICIPAL CODE ALLOWING FUTURE SPEED LIMIT CHANGES TO BE ADOPTED BY RESOLUTION (ORD. NOS. 957 AND 958) (Report of: Public Works)

**Recommend that the City Council:**

1. Conduct the second reading by title only of Ordinance No. 957 – An Ordinance of the City Council of the City of Moreno Valley, California, amending Section 12.20.020 of Chapter 12.20 of the City of Moreno Valley Municipal Code Declaring Prima Facie Speed Limits on Certain Streets; and
2. Conduct the second reading by title only of Ordinance No. 958 – An Ordinance of the City Council of the City of Moreno Valley, California, amending Section 12.20.020 of Chapter 12.20 of the City of Moreno Valley Municipal Code allowing declaration of prima facie speed limits by resolution.

- A.21. TR 22709-1 – REQUEST TO CONDUCT A FULL ROAD CLOSURE OF OLIVER STREET BRIDGE BETWEEN GIMLET LEAF WAY AND JOHN F. KENNEDY DRIVE FROM SEPTEMBER 3, 2019 – NOVEMBER 1, 2019 DEVELOPER – D.R. HORTON, INC. (Report of: Public Works)

**Recommendations:**

1. Approve a full Road Closure of Oliver Street between Gimlet Leaf Way and John F. Kennedy Drive for the retrofit of Oliver Street Bridge from September 3, 2019 – November 1, 2019.
2. Authorize the Public Works Director/City Engineer to approve an extension, if needed, of the road closure for an additional 30 calendar days.

- A.22. ACCEPTANCE OF SB821 FUNDING AND FUNDING APPROPRIATION FOR PEDESTRIAN HYBRID BEACON ON CACTUS AVENUE AT WOODLAND PARK (AGMT. NO. 2019-420) (Report of: Public Works)

**Recommendations:**

1. Accept \$200,000 of SB821 funding for construction of a Pedestrian Hybrid Beacon on Cactus Avenue at Woodland Park.
2. Authorize the Chief Financial Officer to appropriate \$200,000 as revenue and expense in the SCAG Article 3 Fund (Fund 2800).

3. Authorize the City Manager to execute Riverside County Transportation Commission (RCTC) Agreement No. 19-62-112-00, and any subsequent amendments, subject to the City Attorney review and approval.

A.23. Authorization of Payment for unanticipated Veterinary services (Report of: Community Development)

**Recommendation:**

1. Authorize the City Manager to execute a purchase order for payment of amounts in excess of the Pedley Square Veterinary Clinic, Inc. Agreement for FY 2018/19.

A.24. RESOLUTION REVERSING INITIATIVE BASED APPROVAL OF THE DEVELOPMENT AGREEMENT FOR WLC (RESO. NO. 2019-50) (Report of: City Attorney)

**Recommendation:**

1. Adopt Resolution in compliance with the Court Order, setting aside the approval of the World Logistics Center Development Agreement through the initiative process.

A.25. RESOLUTION NO. 2019-51 APPROVING APPLICATION FOR GRANT FUNDS (RESO. NO. 2019-51) (Report of: Parks & Community Services)

Council Member Cabrera advised everyone that the City is applying for over four million dollars to revitalize the Community Center.

Council Member Marquez thanked Parks and Community Services for applying for the grant.

**Recommendation:**

1. Adopt the Resolution to Approve the Application for Statewide Park Development and Community Revitalization Program Grant Funds in the amount of \$4,829,508.00, to be used for the redevelopment and renovation of the March Field Park Community Center.

A.26. AUTHORIZATION TO ACCEPT GRANT FUNDS AND EXECUTE LETTER OF AGREEMENT WITH KAISER FOUNDATION HOSPITALS (AGMT. NO. 2019-421) (Report of: Parks & Community Services)

Council Member Cabrera thanked Patti Solano for her work in securing the grant.

Council Member Marquez expressed his gratitude to Kaiser Permanente for awarding the City the grant.

**Recommendations:**

1. Authorize the Parks & Community Services Director to execute a Letter of Agreement with Kaiser Foundation Hospitals to receive funds for Grant Proposal #8962, in the amount of \$25,000.
  2. Approve budget adjustments as set forth in the Fiscal Impact section of this report.
- A.27. ADOPT A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY EXPRESSING SUPPORT FOR MAINTAINING LOCAL CONTROL OF ENERGY SOLUTIONS (RESO. NO. 2019-52) (Report of: City Manager)

**Recommendation:**

1. Adopt Resolution No. 2019-52. A Resolution of the City Council of the City of Moreno Valley, California, expressing support for maintaining local control of energy solutions.
- A.28. Ad Hoc Sub-Committee to Review Responses to the City's Request for Proposals to Provide State Legislative Advocacy Services (Report of: City Manager)

**Recommendation:**

1. Appoint Mayor Yxstian A. Gutierrez and Mayor Pro Tem Victoria Baca to serve as an Ad Hoc Sub-Committee to review responses to the City's Request for Proposals to Provide State Legislative Advocacy Services.

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

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

**Recommendation:** Waive reading of all Ordinances.

- B.2. MINUTES - STUDY SESSION OF JUN 11, 2019 6:00 PM (See A.2)

**Recommendation:** Approve as submitted.

- B.3. MINUTES - CLOSED SESSION OF JUN 18, 4:30 PM (See A.3)

**Recommendation:** Approve as submitted.

B.4. MINUTES - REGULAR MEETING OF JUN 18, 2019 6:00 PM (See A.4)

**Recommendation:** Approve as submitted.

B.5. APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH MARIPOSA LANDSCAPES, INC., TO PROVIDE LANDSCAPE MAINTENANCE AT CITY FACILITIES AND AQUEDUCT LANDSCAPING (AGMT. NO. 2018-33-01) (Report of: Parks & Community Services)

**Recommendations:**

1. Approve First Amendment to the Agreement for annual inflation adjustments for On-Site and/or Professional Services for Maintenance of Facilities and Aqueduct Landscaping to Mariposa Landscapes, Inc., Irwindale, CA for a total contract amount not to exceed \$1,315,857.43.
2. Authorize the City Manager to execute the First Amendment to the Agreement for On-Site and/or Professional Services with the above-mentioned contractor.
3. Authorize the Chief Financial Officer to issue various purchase orders upon execution of the First Amendment to the Agreement for On-Site and/or Professional Services to the above-mentioned contractor.
4. Authorize the City Manager to execute First Amendment to the Agreement, and to execute subsequent Amendments to the Agreement within Council approved annual budgeted amounts, including the authority to authorize the associated purchase orders in accordance with the terms of the Agreement, subject to the approval of the City Attorney.

**C. CONSENT CALENDAR - HOUSING AUTHORITY**

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

**Recommendation:** Waive reading of all Ordinances.

C.2. MINUTES - STUDY SESSION OF JUN 11, 2019 6:00 PM (See A.2)

**Recommendation:** Approve as submitted.

C.3. MINUTES - CLOSED SESSION OF JUN 18, 2019 4:30 PM (See A.3)

**Recommendation:** Approve as submitted.

- C.4. MINUTES - REGULAR MEETING OF JUN 18, 2019 6:00 PM (See A.4)

**Recommendation:** Approve as submitted.

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

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

**Recommendation:** Waive reading of all Ordinances.

- D.2. MINUTES - STUDY SESSION OF JUN 11, 2019 6:00 PM (See A.2)

**Recommendation:** Approve as submitted.

- D.3. MINUTES - CLOSED SESSION OF JUN 18, 2019 4:30 PM (See A.3)

**Recommendation:** Approve as submitted.

- D.4. MINUTES - REGULAR MEETING OF JUN 18, 2019 6:00 PM (See A.4)

**Recommendation:** Approve as submitted.

#### E. CONSENT CALENDAR - PUBLIC FINANCING AUTHORITY

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

**Recommendation:** Waive reading of all Ordinances.

- E.2. MINUTES - STUDY SESSION OF JUN 11, 2019 6:00 PM (See A.2)

**Recommendation:** Approve as submitted.

- E.3. MINUTES - CLOSED SESSION OF JUN 18, 2019 4:30 PM (See A.3)

**Recommendation:** Approve as submitted.

- E.4. MINUTES - REGULAR MEETING OF JUN 18, 2019 6:00 PM (See A.4)

**Recommendation:** Approve as submitted.

#### F. PUBLIC HEARINGS

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

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

**F.1. PUBLIC HEARING FOR TWO NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM MAIL BALLOT PROCEEDINGS (Report of: Public Works)**

Public Works Director/City Engineer Wolfe provided the report.

Mayor Gutierrez opened the Public Hearing at 7:13 p.m.

There being no comments in support or opposition, Mayor Gutierrez closed the Public Hearing at 7:13 p.m.

**Recommend that the City Council:**

1. Conduct the Public Hearing and accept public testimony for the mail ballot proceedings for the National Pollutant Discharge Elimination System (NPDES) Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate to be applied to the property tax bills as identified herein;
2. Direct the City Clerk to open and count the returned NPDES ballots;
3. Verify and accept the results of the mail ballot proceedings as maintained by the City Clerk on the Official Tally Sheet and if approved, set the rate and impose the NPDES Common Interest, Commercial, Industrial, and Quasi-Public Use Regulatory Rate, as applicable, on the Assessor's Parcel Numbers as mentioned;
4. Receive and file the Official Tally Sheet with the City Clerk's office.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	David Marquez, Council Member
<b>SECONDER:</b>	Victoria Baca, Mayor Pro Tem
<b>AYES:</b>	Dr. Yxstian A. Gutierrez, Victoria Baca, David Marquez, Ulises Cabrera, Dr. Carla J. Thornton

Staff's Recommendation Nos. 3 - 4

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	David Marquez, Council Member
<b>SECONDER:</b>	Dr. Carla J. Thornton, Council Member
<b>AYES:</b>	Dr. Yxstian A. Gutierrez, Victoria Baca, David Marquez, Ulises Cabrera, Dr. Carla J. Thornton



## G. GENERAL BUSINESS - NONE

## H. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION - NONE

## I. REPORTS

### I.1. CITY COUNCIL REPORTS

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC) - None

Riverside County Habitat Conservation Agency (RCHCA) - None

Riverside County Transportation Commission (RCTC) - None

Riverside Transit Agency (RTA) - Council Member Marquez

Council Member Marquez reported the following:

On September 8, RTA will make several schedule and route changes to boost performance, enhance connections, and expand service into new areas. Moreno Valley residents will see additional trips on Route 19. Please visit RTA's website ([riversidetransit.com](http://riversidetransit.com)) for more details.

Western Riverside Council of Governments (WRCOG) - Mayor Pro Tem Baca

Mayor Pro Tem Baca reported the following:

Items covered at the WRCOG Executive Committee meeting on August 5, 2019 include:

The Executive Committee took action to approve Reimbursement Agreement Amendments for two City capital projects. One of the amendments allocated an additional \$ 7,500,000 for construction of the Moreno Beach interchange at State Route 60. The Phase 2 improvements will include the replacement of the two-lane overcrossing on Moreno Beach Drive. Along with funds previously secured from other sources, the TUMF fees will fully fund Phase 2 of the improvements. The ramp improvements were completed in Phase 1 of the project.

An amendment was also approved to use TUMF funds to fully cover final expenses for the Nason Street/State Route 60 interchange project. The Nason interchange improvements included reconstruction of the bridge structure and ramp.

Western Riverside County Regional Conservation Authority (RCA) - None

School District/City Joint Task Force - Mayor Pro Tem Baca

Mayor Pro Tem Baca reported the following:

The Joint Task Force met earlier today. In addition to the City, representatives from the Moreno Valley College, Moreno Valley Unified School District, and Think Together attended the meeting. Highlights include the following:

The Moreno Valley Unified School District is inviting the community to attend the ribbon cuttings and dedication ceremonies for the new football fields and tracks at Vista del Lago High School on September 6 and Moreno Valley High School on September 10.

In cooperation with the California State Parks, Think Together provided field trips for more than 1,000 youth to Lake Perris over the summer to enjoy a variety of recreational activities.

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

### Barbara Baxter

1. Announced that the Trail Seekers of Moreno Valley will host an Equestrian Disaster Expo on September 21, 2019.

### Lindsay Robinson

1. Updated residents on the Ironwood Village project.
2. Stated that a petition drive has been started to request that the City purchase 75 acres between Ironwood and Nason for an open space nature park.
3. Reported that a second petition is circulating to request the establishment of six council districts.

### Rafael Brugueras

1. Thanked staff for earning the recognition of best fiscal year for 2017 and 2018.

### Jeanette Burton

1. Expressed concern over a resident's recent experience with the Animal Shelter.

### Bob Palomarez

1. Thanked the Police and Fire Chiefs for their assistance with the incident involving the murdered CHP Officer.
2. Critical of Council Member Marquez.

### Louise Palomarez

1. Sent her condolences to the slain CHP Officer's family.
2. Praised the City Council for working with the local schools.
3. Contested the comments made by Lindsay Robinson.
4. Objected to the remarks made by Council Member Marquez.

Manuel Topete

1. Upset about the lack of street lights in Edgemont.
2. Questioned why the zoning on his commercial property was changed to residential.

Tom Jerele Sr.

1. Commended the Public Works department for their expeditious response to his requests.
2. Thanked the City for the 4th of July Parade.

**I.2. CITY MANAGER'S REPORT**

(Informational Oral Presentation - not for Council action)

City Manager DeSantis addressed comments made by the residents. Thanked the City Council and the Community for a fantastic summer.

**I.3. CITY ATTORNEY'S REPORT**

(Informational Oral Presentation - not for Council action)

City Attorney Koczanowicz reported that the approval of Item A.19 is conditional upon receipt of additional bond paperwork.

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

Council Member Thornton

1. Recognized the tragic loss of CHP Officer Andre Moya Jr.
2. Acknowledged the partnership between the Fire and Police departments.
3. Attended the Use of Force training with Council Member Cabrera.
4. Applauded the Animal Shelter for increasing adoption rates and lowering the euthanasia rate.
5. Reminded residents that it is illegal to feed burros.
6. Requested support from the City Council to establish a fireworks task force.

Council Member Marquez

1. Asked the Fire and Police Chiefs to confirm whether he interfered in the recent house fire emergency response.

Fire Chief Ahmad declared that Council Member Marquez did not interfere and was in the middle of a Police Ride Along when the fire commenced.

Acting Police Chief Lelevier affirmed that Council Member Marquez was participating in a Police Ride Along and that he received no complaints of him interfering.

2. Addressed comments made by Louise Palomarez.
3. Held a successful Meet and Greet Luncheon. Thanked City Clerk Jacquez-Nares for her assistance.
4. Looking forward to the start of hockey and football season.

#### Council Member Cabrera

1. Welcomed everyone back.
2. Complimented Public Works on the extensive road repairs and their strategic planning on future repairs.
3. The completion of the San Juan Bautista De Anza trail will be begin next year.
4. Funding was allocated earlier this year for the addition of four Community Service Officers.
5. Applauded Sheriff Bianco for organizing an operation, which resulted in 157 arrests.
6. Amazed by the simulation experienced at the Ben Clark Center.
7. Supports Council Member Thornton's request for a Fireworks Task Force.
8. Announced that Kawhi Leonard donated backpacks and Kenjon Barner hosted a football camp.
9. Would like to analyze the mailbox issue thoroughly, as it is still occurring.
10. Announced that a new library is coming to the South side of the City.
11. Expressed his excitement over the upcoming General Plan update.

#### Mayor Pro Tem Baca

1. Invited everyone to the State of the City.
2. Thanked Parks and Community Services for the successful 4th of July Funfest.
3. Commented that the Joint Task Force meeting was closed in memory of fallen CHP Officer Andre Moyer Jr.
4. Reminded residents that in September Moreno Valley College will host a Welcome Day.
5. Announced that El Grito will take place on September 15th.
6. Remarked that the idea for additional Community Service Officers originated at a Public Safety Subcommittee meeting.
7. Complimented Animal Services Division Manager Fries on his customer service skills.
8. Reported on the new developments in District One including, Floor and Decor, the amphitheater, and The Corner project.

#### Mayor Gutierrez

1. Expressed his sorrow when he heard the news that the fallen CHP Officer was a former schoolmate.
2. Held well attended community events during the summer recess.
3. The 4th of July Parade and Funfest was a success.
4. Delegates from the Sister City visited Moreno Valley and ideas were exchanged including the development of a student exchange program.
5. Thanked staff and the City Clerk's Office for organizing the delegation visit.
6. Announced that the City of Moreno Valley was selected to participate in the Harvard Bloomberg Initiative. Assistant City Manager Brock and Economic Development Director Lee attended as well.

7. Preparing for the State of the City.
8. Saturday, August 24, 2019 is the opening reception for the MoVaLearns Mayor's Challenge.
9. Will participate in a fundraiser for Operation Smile.

## **ADJOURNMENT**

There being no further business to come before the City Council, Mayor Gutierrez adjourned the meeting in memory of fallen CHP Officer Andre Moye Jr. at 8:17 p.m.

Submitted by:

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Pat Jacquez-Nares, CMC & CERA  
 City Clerk  
 Secretary, Moreno Valley Community Services District  
 Secretary, City as Successor Agency for the Community  
 Redevelopment Agency of the City of Moreno Valley  
 Secretary, Moreno Valley Housing Authority  
 Secretary, Board of Library Trustees  
 Secretary, Public Finance Authority

Approved by:

---

Dr. Yxstian A. Gutierrez  
 Mayor  
 City of Moreno Valley  
 President, Moreno Valley Community Services District  
 Chairperson, City as Successor Agency for the Community  
 Redevelopment Agency of the City of Moreno Valley  
 Chairperson, Moreno Valley Housing Authority  
 Chairperson, Board of Library Trustees  
 Chairperson, Public Financing Authority



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Pat Jacquez-Nares, City Clerk

**AGENDA DATE:** September 3, 2019

**TITLE:** MAYORAL APPOINTMENT TO THE LIBRARY COMMISSION

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### **RECOMMENDED ACTION**

#### **Recommendation:**

1. Receive and confirm the following Mayoral appointment:

#### **LIBRARY COMMISSION**

<u>Name</u>	<u>Position</u>	<u>Term</u>
James Harris	Member	Ending 06/30/22

### **CITY COUNCIL GOALS**

**Advocacy.** Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

### **CITY COUNCIL STRATEGIC PRIORITIES**

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

**ATTACHMENTS**

- 1. James Harris\_Redacted

**APPROVALS**

Budget Officer Approval	<u>✓ Approved</u>
City Attorney Approval	<u>✓ Approved</u>
City Manager Approval	<u>✓ Approved</u>





# City of Moreno Valley

## Boards and Commissions

### Membership Application Form

19 11-1 10 3:11  
For City Clerk's Use  
Stamp Date and Time Received

Name:

JAMES O. HARRIS JR

Home Address:

[Redacted] Moreno Valley CA, 92555

How long have you resided in Moreno Valley?

22 yrs

#### CONFIDENTIAL INFORMATION

Home Phone No.:

[Redacted]

Driver's License No.:

[Redacted]

Work Phone No.:

[Redacted]

Email Address:

[Redacted]

Cell Phone No.:

[Redacted]

Date of Birth:

[Redacted]

Employer Name:

N/A (RETIRED)

Position:

N/A

Address:

[Redacted]

Board or Commission applying for\*: 1<sup>st</sup> Choice

Library Commissioner

2<sup>nd</sup> Choice

\*If applying for the Accessibility Appeals Board, please indicate which position you are applying for:

- Physically Challenged Person
- Person Experienced in Construction
- Public Member

\*If applying for the Utilities Commission, please indicate which position you are applying for:

- Public Member
- Customer of Moreno Valley Utility
- Business Customer of Moreno Valley Utility

Why do you wish to serve on this Board and/or Commission?

First, I believe in libraries and the value they provide to the local community. I wish to serve because I feel I can make a positive impact in promoting and facilitating library programming.

List any education, training, or special skills, you have which may be relevant or of particular benefit to this Board and/or Commission:

I'm a law school graduate, a local children's author. I conduct readings and workshops for children and adults in the city of Moreno Valley. I also support the city any way I can.

Explain briefly your understanding of what this Board and/or Commission does, including its powers and limitations.

The commission acts as a liaison between the city council, the library and the community in which they serve.

What do you hope to accomplish by your participation?

As a library commissioner of Moreno Valley, I hope to bring awareness to the citizens of Moreno Valley of all the fantastic programs which are currently being offered at the main and mall branches.

Attachment: James Harris\_Redacted (3726 : MAYORAL APPOINTMENT TO THE LIBRARY COMMISSION)

List any employment, volunteer work, or membership in a service/community organization that you have served on, or are now a member of. Please provide the name(s) of the agency (ies), contact person, and dates served:

Currently, I'm a member of the Community Emergency Response Team (CERT) Andrew Ching, contact person, current member of the friends of the library, Brenda Jackson - contact, Volunteer at the Senior Center of Moreno Valley - Teaching beginning Spanish. Member of the Inland Scribes - Anna Christian - contact.  
NOTE: Everything is current except teaching (2017-2019).

What other areas of interest do you have in our City government?  
NONE at this time, however I am open to other areas of city government.

Would you be available for meetings during the day  or evening?

Attendance of at least one (1) meeting is required prior to appointment.

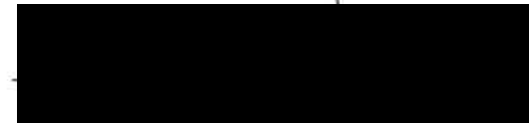
Date(s) of the meeting(s) attended: I am a current commissioner

Pursuant to Resolution 2016-42 all board and commission members must be registered voters of the City of Moreno Valley.

I authorize the City of Moreno Valley to obtain and review, on a confidential basis, such information regarding me as may be contained in the California State Summary Criminal History and in records of the California Department of Motor Vehicles. Yes  No  (The application shall not be considered if the NO box is checked.)

I hereby agree to attend all board or commission meetings, unless excused, and understand that I may be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, "If a member is absent without advance permission of the board or commission or of the appointing authority, from three consecutive regular meetings or from 25% of the duly scheduled meetings of the board or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy."

CERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete to the best of my knowledge. I understand that any false statements of material fact will subject me to disqualification or dismissal if appointed. I release the City of Moreno Valley from any liability for the use of the aforesaid information.



3/31/19  
Date

Please Note: Applications will be kept on file for potential future vacancies for one year after the application submittal date. Applications are accepted year-round. All applications are public record; personal information may be redacted to protect applicants' privacy.

Attachment: James Harris\_Redacted (3726 : MAYORAL APPOINTMENT TO THE LIBRARY COMMISSION)



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Marshall Eyerman, Chief Financial Officer

**AGENDA DATE:** September 3, 2019

**TITLE:** RECEIPT OF QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDED JUNE 30, 2019

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### **RECOMMENDED ACTION**

#### **Recommendation:**

1. Receive and file the Quarterly Investment Report for quarter ended June 30, 2019, in compliance with the City's Investment Policy.

### **SUMMARY**

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended June 30, 2019. This report is in compliance with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. It is recommended that the City Council receive and file the attached Quarterly Investment Report.

### **DISCUSSION**

The City maintains a portfolio of investments in order to earn interest on cash balances that are not currently required to fund operations. California Government Code Sections 53601 and 53646 establish the types of investments allowed, the governing restrictions on these investments, the third-party custodian arrangement for certain investments, and the reporting practices related to the portfolios of local agencies. The City has implemented an Investment Policy, which was last reviewed by the City Council on May 7, 2019. The policy is in full compliance with the requirements of both of the above-mentioned Code Sections.

The attached Quarterly Investment Report presents the City's cash and investments for the quarter that ended June 30, 2019. The report complies with California Government Code Section 53646 regarding the reporting of detailed information on all securities, investments, and monies of the City, as well as the reporting of the market value of the investments held. All of the investments contained within the portfolio are in full compliance with the City's Investment Policy and Government Code Section 53601 as to the types of investments allowed. As stated in the attached report, there is more than adequate liquidity within the portfolio for the City to meet its budgeted expenditures over the next six months.

The City's investment policy has set the primary goals of the portfolio management as Safety and Liquidity followed by Yield. Through June 30, 2019, the City has utilized two investment management firms who use an active investment management approach in which securities are purchased but not necessarily held to maturity, and may be actively traded based on market conditions and the City's investment goals. Beginning in July, 2019, the City will only be using one investment management firm which was selected based on the results of an RFP process and approved by the City Council on May 7, 2019. The City's cash flow requirements are evaluated on an ongoing basis, with short-term needs accommodated through the City's pooled investment funds with the State Local Agency Investment Fund (LAIF). LAIF is a pool of public funds managed by the State Treasurer of California, providing 24-hour liquidity while yielding a rate of return approximately equivalent to a one-year treasury bill. With the combined use of a conservative approach to evaluating cash flow needs and LAIF liquidity, the City will not have to liquidate securities at current market rates that are intended to be held for longer-term investment.

The report was scheduled for review by the Finance Subcommittee at their meeting on August 27, 2019.

The table shows some of the key portfolio measures for the month.

	Portfolio, Balance	Avg. Yield to Maturity Trends		
		Jun 2019	May 2019	Jun 2018
<b>Chandler</b>	\$100,533,542	2.19%	2.25%	1.97%
<b>Insight</b>	\$57,126,387	1.98%	2.06%	1.70%
<b>LAIF</b>	\$62,910,262	2.428%	2.449%	1.854%

Bond proceeds are held and invested by a Trustee. The investment of these funds is governed by an investment policy approved by the City Council as a part of the governing documents for each specific bond issue. Deferred Compensation Plan funds are included in the report but these funds are held and invested by the respective plan administrators based on the direction of the participating employees. These funds are placed in a trust separate from City funds.

## **ALTERNATIVES**

1. Receive and file the Quarterly Investment Report for June 30, 2019. **Staff recommends this alternative as it accomplishes timely investment reporting.**
2. Do not accept and file the Quarterly Investment Report and provide staff with additional direction. **Staff does not recommend this alternative as it will not accomplish timely investment reporting.**

### **FISCAL IMPACT**

The fed funds rate remained unchanged in June at a range between 2.25% and 2.5%. The Treasury yield curve continues to experience significant change on a year-over-year basis fueled by uncertainties about the economic outlook. The 3-month T-bill was up nearly 18 basis points while the 2-Year Treasury yield was down 77 basis points and the 10-Year treasury was down by nearly 86 basis points. The current shape of the yield curve implies that market participants are pricing-in multiple rate cuts over the coming months.

### **NOTIFICATION**

Publication of the agenda

### **PREPARATION OF STAFF REPORT**

Prepared By:  
Brooke McKinney  
Treasury Operations Division Manager

Department Head Approval:  
Marshall Eyerman  
Chief Financial Officer/City Treasurer

### **CITY COUNCIL GOALS**

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

### **CITY COUNCIL STRATEGIC PRIORITIES**

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

### **ATTACHMENTS**

1. 06-2019 Investment Report

2. CAM-Newsletter-July-2019

**APPROVALS**

Budget Officer Approval	<u>✓ Approved</u>	8/07/19 7:26 AM
City Attorney Approval	<u>✓ Approved</u>	8/26/19 4:10 PM
City Manager Approval	<u>✓ Approved</u>	8/26/19 4:36 PM

**CITY OF MORENO VALLEY**  
**Treasurer's Cash and Investments Report**  
**June 2019**

General Portfolio	Cost Value	Market Value	Par Value	Average Maturity (in years)	Average Yield to Maturity	Average Duration (in years)
Bank Accounts	4,564,607	4,564,607	4,564,607			
State of California LAIF Pool	62,910,262	63,017,951	62,910,262	0.53	2.43%	
Investments-Chandler	100,533,873	101,543,627	100,533,542	2.67	2.19%	2.55
Investments-Insight	56,994,360	57,175,358	57,126,387	0.91	1.98%	0.79
<b>Total General Portfolio</b>	<b>225,003,102</b>	<b>226,301,543</b>	<b>225,134,798</b>			

Bond Proceeds with Fiscal Agents	Market Value
Construction Funds	15,483,144
Principal & Interest Accounts	2,613,171
Debt Service Reserve Funds	2,116,134
Custody Accounts	303,744
Arbitrage Rebate Accounts	4,575
Other Accounts	32
<b>Total Bond Proceeds</b>	<b>20,520,800</b>

Deferred Compensation Funds	Market Value as of June 30, 2019
Nationwide	15,895,070
ICMA	6,211,791
<b>Total Deferred Compensation Funds</b>	<b>22,106,861</b>

**Total Investment Portfolio** 268,929,204

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

/S/ Marshall Eyerman  
 City Treasurer

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -

## PORTFOLIO PERFORMANCE - 36 MONTH TREND

Period	Total General Portfolio (1)		Local Agency Investment Fund (LAIF)		Chandler			Insight			
	Asset Balance (par)	Balance	Yield	Asset Balance (par)	Weighted Avg YTM (2)	Rate of Return (3)		Asset Balance (par)	Weighted Avg YTM (2)	Rate of Return (3)	
						Investment Portfolio (4)	Benchmark 1-5 Gov(5)			Investment Portfolio (4)	Benchmark 1-3 Gov(5)
Jul-16	173,464,003	35,222,341	0.588%	83,081,551	1.48%	2.44%	2.42%	54,560,166	1.08%	1.20%	1.26%
Aug-16	170,506,021	31,792,341	0.614%	83,224,209	1.50%	2.21%	2.09%	54,644,115	1.10%	1.15%	1.07%
Sep-16	176,898,187	37,892,341	0.634%	83,379,424	1.49%	1.80%	1.70%	54,722,092	1.10%	1.24%	0.88%
Oct-16	171,480,180	33,193,311	0.654%	83,523,267	1.49%	1.74%	1.69%	54,763,602	1.10%	1.24%	0.91%
Nov-16	169,062,818	29,923,311	0.678%	83,701,960	1.47%	1.19%	1.03%	54,796,940	1.14%	1.01%	0.76%
Dec-16	171,351,017	30,054,201	0.719%	83,828,755	1.52%	1.35%	1.24%	54,953,105	1.14%	1.06%	0.89%
Jan-17	178,020,726	37,628,655	0.751%	83,921,074	1.56%	0.59%	0.41%	54,865,800	1.14%	0.13%	0.40%
Feb-17	186,127,218	46,028,655	0.777%	84,036,078	1.56%	0.57%	0.38%	54,956,116	1.16%	0.26%	0.39%
Mar-17	180,720,329	40,778,655	0.821%	84,203,833	1.59%	0.27%	0.10%	55,036,202	1.17%	0.28%	0.25%
Apr-17	176,886,824	36,353,121	0.884%	84,254,557	1.58%	0.57%	0.38%	55,069,278	1.18%	0.38%	0.35%
May-17	184,129,362	43,453,119	0.925%	84,366,558	1.61%	0.95%	0.75%	55,139,856	1.21%	0.52%	0.57%
Jun-17	191,761,138	49,953,121	0.978%	84,433,672	1.63%	0.08%	-0.30%	55,188,911	1.24%	0.54%	0.83%
Jul-17	186,724,734	44,548,019	1.051%	84,553,984	1.64%	0.33%	0.00%	55,200,136	1.24%	0.74%	0.89%
Aug-17	180,293,288	39,248,019	1.084%	84,648,884	1.65%	0.86%	0.61%	55,293,843	1.27%	0.79%	0.95%
Sep-17	180,597,317	37,148,019	1.111%	84,681,990	1.68%	0.52%	0.15%	55,327,685	1.38%	0.90%	1.00%
Oct-17	179,411,035	37,462,434	1.143%	84,785,780	1.68%	0.62%	0.26%	55,413,748	1.35%	1.01%	1.06%
Nov-17	175,469,499	34,062,434	1.172%	84,916,378	1.69%	1.16%	0.88%	55,471,666	1.38%	1.12%	1.13%
Dec-17	179,112,928	36,962,434	1.239%	85,008,412	1.73%	1.14%	0.86%	55,541,162	1.44%	0.82%	0.42%
Jan-18	192,795,926	49,974,332	1.350%	85,144,970	1.78%	0.47%	0.12%	55,563,293	1.48%	-0.13%	0.93%
Feb-18	202,940,569	55,774,331	1.412%	85,263,827	1.80%	0.08%	-0.23%	55,682,887	1.55%	-0.19%	-0.13%
Mar-18	195,416,305	52,074,331	1.524%	85,446,356	1.82%	0.22%	0.00%	55,785,899	1.57%	-0.01%	0.03%
Apr-18	191,668,439	48,358,005	1.661%	85,541,787	1.86%	-0.33%	-0.62%	55,920,551	1.63%	0.00%	0.00%
May-18	210,976,889	65,058,005	1.755%	85,714,498	1.91%	-0.16%	-0.39%	55,998,203	1.67%	0.65%	1.65%
Jun-18	207,635,739	61,758,005	1.854%	88,337,665	1.97%	-0.05%	-0.28%	56,077,829	1.70%	0.36%	0.08%
Jul-18	190,571,998	44,418,902	1.944%	88,543,794	2.00%	-0.36%	-0.63%	56,116,437	1.70%	-0.14%	0.50%
Aug-18	191,837,452	45,518,902	1.998%	88,654,200	2.03%	-0.23%	-0.53%	56,196,487	1.69%	0.76%	-0.01%
Sep-18	187,805,745	38,718,902	2.063%	88,810,836	2.04%	-0.16%	-0.47%	56,303,716	1.76%	0.83%	0.04%
Oct-18	188,925,543	39,668,140	2.144%	88,887,254	2.09%	-0.90%	-0.31%	56,473,609	1.80%	0.97%	0.25%
Nov-18	192,152,043	42,768,140	2.208%	89,084,357	2.13%	0.57%	0.40%	56,568,013	1.83%	1.52%	2.25%
Dec-18	197,462,474	46,268,140	2.291%	89,215,211	2.14%	1.52%	1.47%	56,671,250	1.90%	1.68%	2.33%
Jan-19	195,050,449	45,553,390	2.355%	89,373,064	2.15%	2.50%	2.45%	56,704,121	1.96%	0.31%	2.40%
Feb-19	211,740,422	62,553,390	2.392%	89,552,434	2.17%	2.84%	2.68%	56,761,069	2.13%	0.29%	2.44%
Mar-19	216,770,725	66,553,390	2.436%	89,668,393	2.21%	3.40%	3.28%	56,827,466	2.11%	0.47%	2.72%
Apr-19	206,696,569	59,210,262	2.445%	89,757,226	2.23%	3.83%	3.76%	56,986,412	2.10%	1.12%	3.08%
May-19	217,014,248	56,910,262	2.449%	100,691,487	2.25%	4.22%	4.27%	57,041,732	2.06%	1.51%	2.52%
Jun-19	225,003,102	62,910,263	2.428%	100,533,542	2.19%	4.88%	5.01%	57,126,387	1.98%	1.85%	2.57%

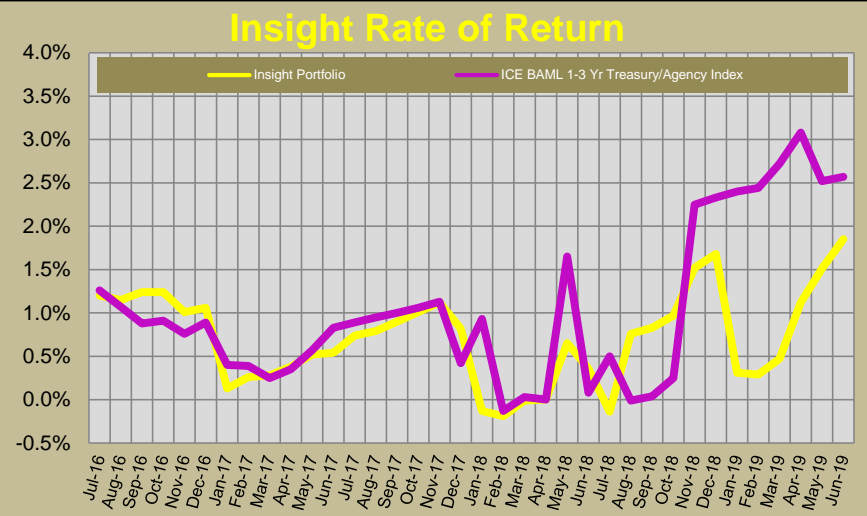
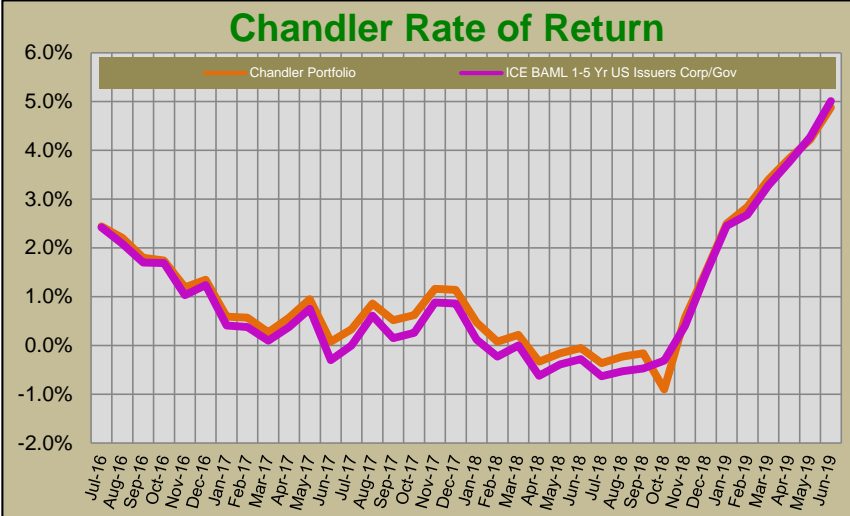
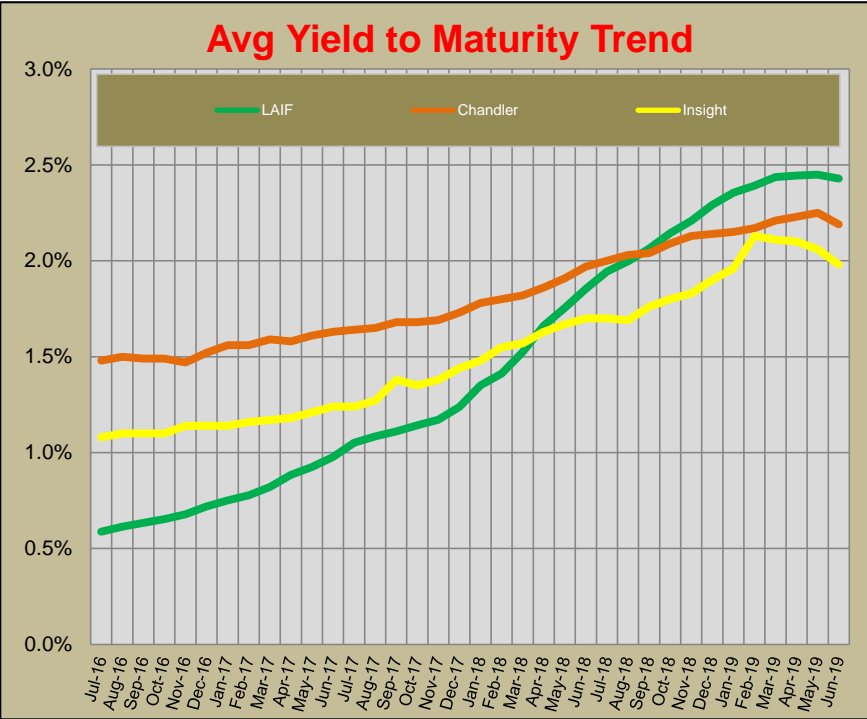
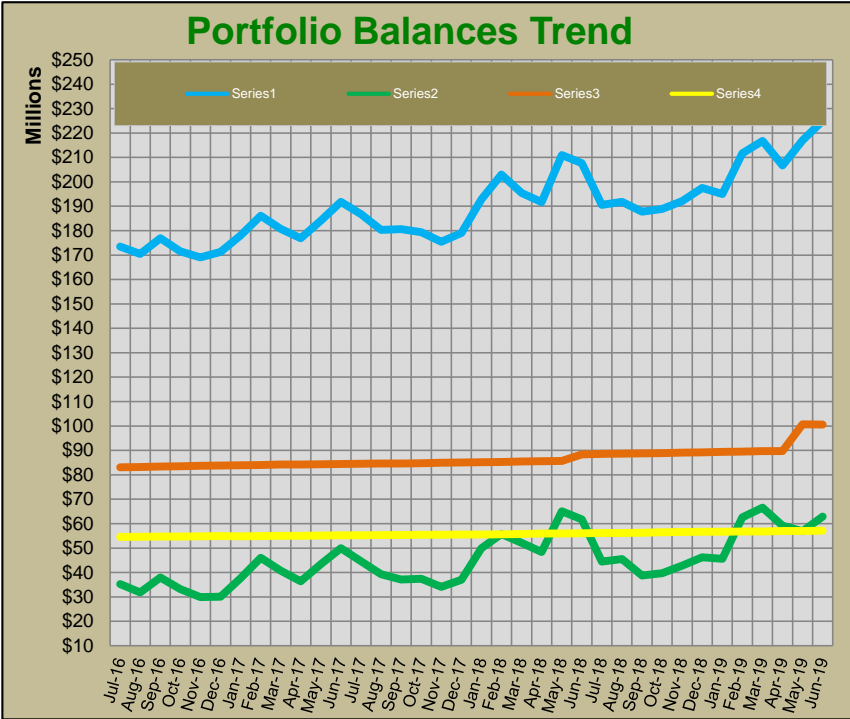
Notes:

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

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -



# PORTFOLIO PERFORMANCE - 36 MONTH TREND



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

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -

FUNDS WITH FISCAL AGENTS

Account Name	Account Number	Investment	Issuer	Value Date	Maturity Date	Market Value	Stated Rate	Yield	Price	% of Portfolio	
<b>Wells Fargo CFD # 5</b>											
Series B Revenue	22333500	cash	cash	06/30/19	07/01/19	0	0.00%	0.00%	1.000	0.000%	
Series B Revenue	22333500	Money Market	WF Government Fund	06/30/19	07/01/19	1,150	2.27%	2.29%	1.000	0.006%	
Series A Principal	22333501	Money Market	WF Government Fund	06/30/19	07/01/19	4,163	2.27%	2.29%	1.000	0.020%	
Series A reserve	22333502	Money Market	WF Government Fund	06/30/19	07/01/19	62	2.27%	2.29%	1.000	0.000%	
Series B reserve	22333503	Money Market	WF Government Fund	06/30/19	07/01/19	546,000	2.27%	2.29%	1.000	2.661%	
Series A interest	22333503	cash	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%	
Series B admin fund	22333504	Money Market	WF Government Fund	06/30/19	07/01/19	3	2.27%	2.29%	1.000	0.000%	
Series B interest	22333504	cash	cash	06/30/19	07/01/19	0	0.01%	0.01%	1.000	0.000%	
Series B interest	22333505	Money Market	WF Govt Fund	06/30/19	07/01/19	0	2.27%	2.27%	1.000	0.000%	
Series A Revenue	22333505	cash	cash	06/30/19	07/01/19	0	0.01%	0.01%	1.000	0.000%	
Series B interest	22333506	Money Market	WF Govt Fund	06/30/19	07/01/19	0	2.27%	2.27%	1.000	0.000%	
Series A Revenue	22333506	cash	cash	06/30/19	07/01/19	0	0.01%	0.01%	1.000	0.000%	
Series B interest	22333507	Money Market	WF Govt Fund	06/30/19	07/01/19	239,330	2.27%	2.27%	1.000	1.166%	
Series A Revenue	22333507	cash	cash	06/30/19	07/01/19	0	0.01%	0.01%	1.000	0.000%	
Series B interest	22333508	Money Market	WF Govt Fund	06/30/19	07/01/19	0	2.27%	2.27%	1.000	0.000%	
Series A Revenue	22333508	cash	cash	06/30/19	07/01/19	0	4.24%	4.24%	1.000	0.000%	
						790,708					
<b>Wells Fargo Community Facilities District 87-1 (A-1)</b>											
Special tax funds	22631800	cash	cash	06/30/19	07/01/19	0	0.00%	0.01%	1.000	0.000%	
special tax funds	22631800	Money Market	WF Government Fund	06/30/19	07/01/19	1,202,211	2.27%	2.29%	1.000	5.858%	
interest acct	22631801	Money Market	WF Government Fund	06/30/19	07/01/19	11,399	2.27%	2.29%	1.000	0.056%	
reserve fund	22631802	Money Market	WF Government Fund	06/30/19	07/01/19	300	2.27%	2.29%	1.000	0.001%	
reserve fund	22631804	Money Market	WF Government Fund	06/30/19	07/01/19	1,030,670	2.27%	2.29%	1.000	5.023%	
admin exp acct	22631805	Money Market	WF Government Fund	06/30/19	07/01/19	18	2.27%	2.29%	1.000	0.000%	
cost of issuance	22631806	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%	
debt service acct	22631809	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%	
debt service acct	22631809	US Treasury Not	US Treasury	06/30/19	05/31/19	0	1.25%	1.25%	1.000	0.000%	
surplus acct	22631810	Money Market	WF Government Fund	06/30/19	07/01/19	514,493	2.27%	2.27%	1.000	2.507%	
special tax funds	22631900	Money Market	WF Government Fund	06/30/19	07/01/19	289,522	2.27%	2.29%	1.000	1.411%	
interest acct	22631901	Money Market	WF Government Fund	06/30/19	07/01/19	38,658	2.27%	2.29%	1.000	0.188%	
principal fund	22631902	Money Market	WF Government Fund	06/30/19	07/01/19	103	2.27%	2.29%	1.000	0.001%	
reserve fund	22631904	Money Market	WF Government Fund	06/30/19	07/01/19	367,460	2.27%	2.29%	1.000	1.791%	
admin exp acct	22631905	Money Market	WF Government Fund	06/30/19	07/01/19	7	2.27%	2.29%	1.000	0.000%	
cost of issuance	22631906	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%	
surplus acct	22631907	Money Market	WF Government Fund	06/30/19	07/01/19	4,575	2.27%	2.29%	1.000	0.022%	
						3,459,416					
<b>Wells Fargo 2013 Total Road Improvement COPs</b>											
revenue fund	46612400	Money Market	WF Government Fund	06/30/19	07/01/19	2	2.27%	2.29%	1.000	0.000%	
interest fund	46612401	Money Market	WF Government Fund	06/30/19	07/01/19	493	2.27%	2.29%	1.000	0.002%	
principal fund	46612402	Money Market	WF Government Fund	06/30/19	07/01/19	566	2.27%	2.29%	1.000	0.003%	
reserve fund	46612403	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%	
admin fund	46612404	Money Market	WF Government Fund	06/30/19	07/01/19	2,785	2.27%	2.29%	1.000	0.014%	
surplus fund	46612405	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%	
acquisition fund	46612407	Money Market	WF Advantage	06/30/19	07/01/19	0	2.27%	2.27%	1.000	0.000%	
						3,846					
<b>Wells Fargo 2013 Partial Refunding of the 2005 Lease Revenue Bonds</b>											
revenue fund	48360700	Money Market	WF Government Fund	06/30/19	07/01/19	59	2.27%	2.29%	1.000	0.000%	
interest fund	48360701	Money Market	WF Government Fund	06/30/19	07/01/19	1	2.27%	2.29%	1.000	0.000%	
principal fund	48360702	Money Market	WF Government Fund	06/30/19	07/01/19	222	2.27%	2.29%	1.000	0.001%	
cost of issuance	48360705	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.27%	1.000	0.000%	
						282					

Account Name	Account Number	Investment	Issuer	Value Date	Maturity Date	Market Value	Stated Rate	Yield	Price	% of Portfolio		
<b>Wells Fargo 2017 Refunding of the 2007 RDA TABs</b>												
income fund	49150300	49150300	49150300Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	189,555	2.27%	2.29%	1.000	0.924%
interest fund	49150301	49150301	49150301Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
reserve fund	49150304	49150304	49150304Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
expense acct	49150305	49150305	49150305Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
cost of issuance	49150307	49150307	49150307Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
bond proceeds	49150308	49150308	49150308Money Market	Money Market	WF Government Fund	06/30/19	01/01/17	0	2.27%	0.01%	1.000	0.000%
						189,555						
<b>Wells Fargo Community Facilities District 7 Improvement Area 1</b>												
special tax fund	77025300	77025300	77025300Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	302,533	2.27%	2.29%	1.000	1.474%
bond fund	77025301	77025301	77025301Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	100,745	2.27%	2.29%	1.000	0.491%
reserve fund	77025302	77025302	77025302Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	171,642	2.27%	2.29%	1.000	0.836%
cost of issuance	77025303	77025303	77025303Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
improvement fund	77025304	77025304	77025304Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
admin exp acct	77025305	77025305	77025305Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	4	2.27%	2.29%	1.000	0.000%
						574,924						
<b>Wells Fargo 2016 Taxable Refunding Lease Revenue Bonds (Electric Utility)</b>												
revenue fund	77157100	77157100	77157100Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
interest fund	77157101	77157101	77157101Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
principal fund	77157102	77157102	77157102Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
reserve fund	77157103	77157103	77157103Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
capitalized interest	77157104	77157104	77157104Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
cost of issuance	77157110	77157110	77157110Money Market	Money Market	WF Government Fund	06/30/19	01/01/17	0	2.27%	0.01%	1.000	0.000%
						0						
<b>Wells Fargo 2014 Partial Refunding of the 2005 Lease Revenue Bonds</b>												
revenue fund	83478300	83478300	83478300Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
interest fund	83478301	83478301	83478301Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	215	2.27%	2.29%	1.000	0.001%
principal fund	83478302	83478302	83478302Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
redemption fund	83478303	83478303	83478303Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.27%	1.000	0.000%
						215						
<b>Wells Fargo 2015 Taxable Lease Revenue Bonds (Electric Utility)</b>												
revenue fund	84457000	84457000	84457000Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	814	2.27%	2.29%	1.000	0.004%
interest fund	84457001	84457001	84457001Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	309	2.27%	2.29%	1.000	0.002%
principal fund	84457002	84457002	84457002Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
reserve fund	84457005	84457005	84457005Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
construction fund	84457006	84457006	84457006Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
construction fund	84457006	84457006	84457006Government Pool	Government Pool	Local Agency Investment	06/30/19	07/01/19	0	0.01%	0.01%	1.000	0.000%
cost of issuance	84467007	84467007	84467007Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.27%	1.000	0.000%
						1,123						
<b>Wilmington Trust 2018 Streetlight Financing</b>												
construction fund	130808	130808	130808cash	cash	cash	06/30/19	07/01/19	0	0.00%	0.00%	1.000	0.000%
construction fund	130808	130808	130808Money Market	Money Market	Federated Gov Obl Fund	06/30/19	07/01/19	1,794,521	2.07%	2.07%	1.000	8.745%
						1,794,521						
<b>Wells Fargo 2019 Taxable Lease Revenue Bonds (Electric Utility)</b>												
revenue fund	83056100	83056100	83056100Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	0	2.27%	2.29%	1.000	0.000%
construction fund	83056103	83056103	83056103Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	13,688,623	2.27%	2.29%	1.000	66.706%
cost of issuance	83056106	83056106	83056106Money Market	Money Market	WF Government Fund	06/30/19	07/01/19	17,587	2.27%	2.29%	1.000	0.086%
						13,706,210						
						10						
						20,520,800						
<b>Totals</b>												
						15,483,144						
						2,613,171						
<b>Summary of Bond Proceeds with Fiscal Agents</b>												
1	Construction Funds									15,483,144		
2	Principal & Interest Accounts									2,613,171		

## DEFERRED COMPENSATION FUNDS

### Nationwide

Fund	Market Value as of June 30, 2019	Fund	Market Value as of June 30, 2019	Fund	Market Value as of June 30, 2019
<b>Liquid Savings</b>		<b>Nationwide US Sm Cap Val Ins Svc</b>	<b>102,501</b>	<b>Federated Kaufmann Fund</b>	<b>232,147</b>
Nationwide Fixed (Part Time Employee)	876,862	American Century Balanced	55	Putnam Growth Opportunity A	14,784
<b>Liquid Savings (Part Time Employees)</b>		<b>Am Century Growth</b>	<b>134,670</b>	<b>Nationwide InvDes Mod Cons Fund SC</b>	<b>83,715</b>
Certificates of Deposit 3 years		Am Century Select	247,958	Nationwide InvDes Mod Aggr Fund	1,034,229
<b>Certificates of Deposit 5 years</b>		<b>JP Morgan Mid Cap Value A</b>	<b>1,535,410</b>	<b>Nationwide InvDes Aggr Fund</b>	<b>231,885</b>
Invesco Mid Cap Core Equity	35,887	Vanguard Index 500	145,318	Nationwide InvDes Mod Fd	899,612
<b>Bond Fund of America</b>	<b>189,291</b>	<b>Vanguard Institutional Index</b>	<b>858,426</b>	<b>Nationwide Inv Des Cons</b>	<b>212,118</b>
Growth Fund of America	129,551	Vanguard Wellington	31,060	Nationwide Large Cap Growth	89,921
<b>Investment Co. of America</b>	<b>76,533</b>	<b>Vanguard Windsor II</b>	<b>287,105</b>	<b>Nationwide Fund A</b>	<b>71,392</b>
Income Fund of America	72,015	Vanguard Total Bond Index	429,387	Nationwide Dest 2015 Inst Svc	24,314
<b>Brown Cap Mgmt Inc SM Co</b>	<b>277,914</b>	<b>Washington Mutual Inv</b>	<b>265,547</b>	<b>Nationwide Dest 2020 Inst Svc</b>	<b>93,793</b>
Fidelity Independence	3,838	DFA US Micro Cap Port	130,607	Nationwide Dest 2025 Inst Svc	549,804
<b>Fidelity Equity Income</b>	<b>183,292</b>	<b>EuroPacific Growth</b>	<b>458,591</b>	<b>Nationwide Dest 2030 Inst Svc</b>	<b>159,755</b>
Fidelity Magellan	446,807	Stable Fund C	3,608,323	Nationwide Dest 2035 Inst Svc	33,699
<b>Fidelity Puritan</b>	<b>92,377</b>	<b>N B Socially Responsive Fund</b>	<b>120,621</b>	<b>Nationwide Dest 2040 Inst Svc</b>	<b>42,819</b>
Fidelity Contrafund	341,563	Dtsch High Income Fund A	91,495	Nationwide Dest 2045 Inst Svc	48,409
<b>Janus Henderson Research Fund</b>	<b>34,909</b>	<b>Dtsch Eq Divd A</b>	<b>118,848</b>	<b>Nationwide Dest 2050 Inst Svc</b>	<b>11,741</b>
Janus Henderson Forty	50,287	Oppenheimer Global Fund A	683,885	<b>Total Nationwide Deferred</b>	<b>\$15,895,070</b>

### ICMA

Fund	Market Value as of June 30, 2019	Fund	Market Value as of June 30, 2019
<b>Aggressive Oppor.</b>	<b>\$98,001</b>	VT Vantagepoint Discovery	113,574
International	73,660	<b>VT Vantagepoint Inflation Focused</b>	<b>135,618</b>
<b>Global Equity Growth</b>	<b>291,687</b>	VT Vantagepoint Mid/Sm Index	163,714
Growth and Income	182,504	<b>VT Vantagepoint Overseas Equity Index Fund</b>	<b>195,680</b>
<b>Broad Market</b>	<b>62,719</b>	VT Vantagepoint Select Value	22,705
500 Stock Index	274,995	<b>VT Parnassus Core Equity</b>	<b>13,548</b>
<b>Equity Income</b>	<b>234,301</b>	Vantage Growth Fund	361,579
MS Retirement Income	19,691	<b>VT Puritan</b>	<b>55,205</b>
<b>Core Bond</b>	<b>238,483</b>	VT Diversified International	42,209
Cash Management	18,919	<b>VT TR Price Growth Stock Adv</b>	<b>268,167</b>
<b>Plus Fund</b>	<b>1,401,879</b>	VT Nuveen Real Estate Secs	62,775
Retirement Income Advantage	16,096	<b>VT TR Price Small Cap Value</b>	<b>0</b>
<b>Conservative Growth</b>	<b>36,189</b>	VT Invesco Diversified	21,986
Traditional Growth	46,697	<b>VT Gold Sach Mid Cap Value</b>	<b>0</b>
<b>Long-Term Growth</b>	<b>891,542</b>	VT Oppenheimer Main Street	67,080
Western Asset Core Plus Bond	50,951	<b>VT Contrafund</b>	<b>244,209</b>
<b>Milestone 2010</b>	<b>23,565</b>	VT PIMCO Total Return	0
Milestone 2020	133,394	<b>VT PIMCO High Yield</b>	<b>4,048</b>
<b>Milestone 2025</b>	<b>12,331</b>	VT Victory Sycamore Est Value	31,208
Milestone 2030	19,910	<b>VT MFS Value</b>	<b>99,110</b>
<b>Milestone 2035</b>	<b>27,285</b>	VT AMG TimesSquare Mid Cap Growth Admin	146,985
Milestone 2040	7,592	<b>Total ICMA</b>	<b>\$6,211,791</b>

### Summary by Plan

Deferred Compensation Plan	Market Value as of June 30, 2019
Total Nationwide	\$15,895,070
Total ICMA	6,211,791
<b>Total Deferred Compensation Plans</b>	<b>\$22,106,861</b>

### Summary by Investment Type

Investment Type	Market Value as of June 30, 2019
Savings Deposits and CD's	\$4,485,185
Mutual Funds	17,621,676
<b>Total Deferred Compensation Plans</b>	<b>\$22,106,861</b>

# City of Moreno Valley

## MONTHLY ACCOUNT STATEMENT

JUNE 1, 2019 THROUGH JUNE 30, 2019

**Chandler Team:**

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

**Custodian**

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

**CHANDLER ASSET MANAGEMENT**  
chandlerasset.com

*Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.*

**PORTFOLIO CHARACTERISTICS**

Average Modified Duration	2.55
Average Coupon	2.17%
Average Purchase YTM	2.19%
Average Market YTM	1.97%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.81 yrs
Average Life	2.67 yrs

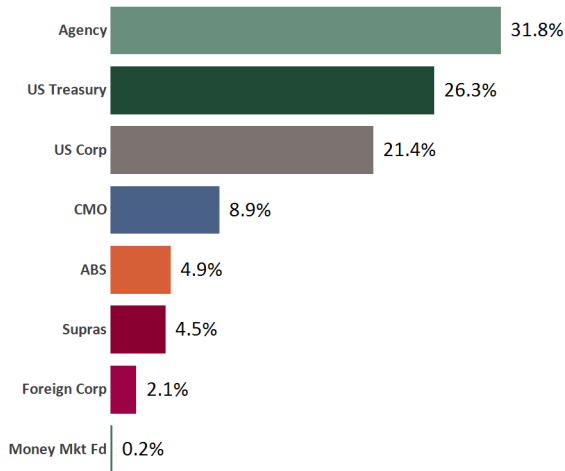
**ACCOUNT SUMMARY**

	Beg. Values as of 5/31/19	End Values as of 6/30/19
Market Value	100,936,223	101,543,627
Accrued Interest	431,407	460,656
<b>Total Market Value</b>	<b>101,367,630</b>	<b>102,004,283</b>
Income Earned	168,715	179,653
Cont/WD		0
Par	100,691,487	100,533,542
Book Value	100,528,036	100,692,919
Cost Value	100,367,320	100,533,873

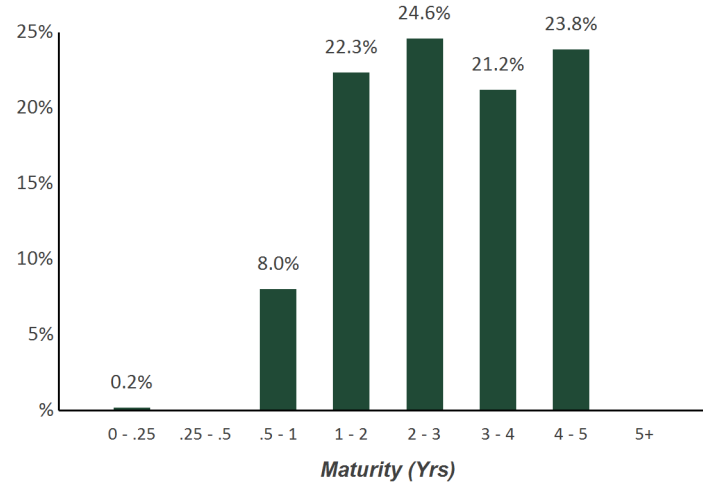
**TOP ISSUERS**

Government of United States	26.3%
Federal National Mortgage Assoc	17.0%
Federal Home Loan Mortgage Corp	13.6%
Federal Home Loan Bank	10.1%
Inter-American Dev Bank	3.9%
Honda ABS	1.5%
John Deere ABS	1.3%
American Express ABS	1.3%
<b>Total</b>	<b>74.9%</b>

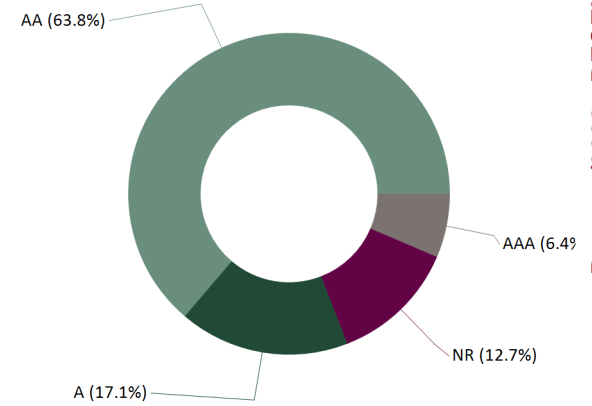
**SECTOR ALLOCATION**



**MATURITY DISTRIBUTION**



**CREDIT QUALITY (S&P)**



**PERFORMANCE REVIEW**

TOTAL RATE OF RETURN	Annualized								
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	5/31/20
City of Moreno Valley	0.63%	1.68%	3.14%	4.88%	2.39%	1.61%	1.76%	N/A	1.82
ICE BAML 1-5 Yr US Treasury/Agency Index	0.65%	1.81%	3.04%	4.87%	2.24%	1.32%	1.54%	N/A	1.53
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	0.69%	1.83%	3.20%	5.01%	2.33%	1.44%	1.65%	N/A	1.70



# Statement of Compliance

As of June 30, 2019

## City of Moreno Valley

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

Category	Standard	Comment
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Supranational Securities	"AA" rated by a NRSRO; 30% maximum; 5% max per issuer; Issued by IBRD, IFC or IADB only	Complies
Municipal Securities (Local Agency/State-CA and others)	No Limitation	Complies
Banker's Acceptances	40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1/P-1/F-1" minimum ratings; "A" rated issuer or higher, if long term debt; 25% maximum; 5% max per issuer; 270 days max maturity	Complies
Negotiable Certificates of Deposit	30% maximum; 5% max per issuer	Complies
Medium Term Notes	"A" rated or better by a NRSRO; 30% maximum; 5% max per issuer	Complies
Money Market Mutual Funds and Mutual Funds	AAA/Aaa or Highest rating by two NRSROs; 20% maximum	Complies
Collateralized Certificates of Deposit (CD)/Time Deposit (TD)	5% max per issuer	Complies
FDIC Insured Certificates of Deposit (CD)/Time Deposit (TD)	5% max per issuer	Complies
Asset-Backed (ABS), Mortgage Backed (MBS) and Collateralized Mortgage Obligations (CMO)	"AA" rated or better by a NRSRO; "A" rated issuer; 20% maximum (combined MBS/ABS/CMO); 5% max per issuer	Complies
Repurchase Agreements	1 year max maturity	Complies
Local Agency Investment Fund (LAIF)	Maximum program limitation; Not used by investment adviser	Complies
County Pooled Investment Funds; Joint Powers Authority Pool	Not used by investment adviser	Complies
Prohibited Securities	Reverse repurchase agreements; Futures or Option contracts; Securities lending; Zero interest accrual securities; Derivatives including but not limited to: Inverse floaters, Interest only strips from mortgages, residual securities, structured notes, forward based derivatives, forward contracts, forward rate agreements, interest rate futures, foreign currency futures contracts, option based derivatives, interest rate caps, interest rate floors, swap contracts, interest rate swaps, interest rate collars, foreign currency swaps, cross currency exchange agreements, fixed rate currency swaps, basis swaps, equity swaps, fixed rate equity swaps, floating rate equity swaps and commodity swaps.	Complies
Max Per Issuer	5% of portfolio per issuer, except US Government, its agencies and instrumentalities	Complies
Maximum maturity	5 years	Complies
Weighted Average Maturity	3 years	Complies

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>ABS</b>									
89231UAD9	Toyota Auto Receivables 2016-B 1.3% Due 4/15/2020	7,718.75	05/02/2016 1.31%	7,718.36 7,718.75	99.94 3.15%	7,714.06 4.46	0.01% (4.69)	Aaa / AAA NR	0.7 0.0
43814QAC2	Honda Auto Receivables 2016-2 A3 1.39% Due 4/15/2020	1,730.38	05/24/2016 1.39%	1,730.35 1,730.37	99.93 3.41%	1,729.23 1.07	0.00% (1.14)	Aaa / NR AAA	0.7 0.0
89237RAB4	Toyota Auto Receivable 2017-C A2A 1.58% Due 7/15/2020	91,805.14	07/25/2017 1.59%	91,804.27 91,804.83	99.93 2.60%	91,738.83 64.47	0.09% (66.00)	Aaa / AAA NR	1.0 0.0
89238BAB8	Toyota Auto Receivables Owner 2018-A A2A 2.1% Due 10/15/2020	351,838.82	01/23/2018 2.12%	351,802.86 351,821.64	99.93 2.49%	351,588.62 328.38	0.35% (233.02)	Aaa / AAA NR	1.3 0.1
161571HF4	Chase CHAIT 2016-A5 1.27% Due 7/15/2021	400,000.00	09/27/2018 2.11%	395,328.13 396,591.04	99.96 2.54%	399,833.60 225.78	0.39% 3,242.56	NR / AAA AAA	2.0 0.0
43811BAC8	Honda Auto Receivables 2017-2 A3 1.68% Due 8/16/2021	780,038.06	04/27/2018 2.62%	767,910.92 772,211.82	99.71 2.16%	777,802.42 582.43	0.76% 5,590.60	Aaa / AAA NR	2.1 0.6
47788BAD6	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	137,789.15	07/11/2017 1.83%	137,779.06 137,783.70	99.74 2.27%	137,434.87 111.46	0.13% (348.83)	Aaa / NR AAA	2.3 0.9
47788CAC6	John Deere Owner Trust 2016-B A4 2.66% Due 4/18/2022	275,000.00	02/21/2018 2.68%	274,980.23 274,986.62	100.46 2.21%	276,259.50 325.11	0.27% 1,272.88	Aaa / NR AAA	2.8 0.9
43815HAC1	Honda Auto Receivables Owner 2018-3 A3 2.95% Due 8/22/2022	750,000.00	08/21/2018 2.98%	749,897.10 749,918.81	101.25 2.10%	759,378.00 614.58	0.75% 9,459.19	Aaa / NR AAA	3.1 1.4
02587AAJ3	American Express Credit 2017-1 1.93% Due 9/15/2022	1,300,000.00	Various 3.01%	1,280,843.74 1,284,732.79	99.80 2.27%	1,297,341.50 1,115.11	1.27% 12,608.71	Aaa / NR AAA	3.2 0.6
47788EAC2	John Deere Owner Trust 2018-B A3 3.08% Due 11/15/2022	875,000.00	07/18/2018 3.10%	874,933.68 874,948.05	101.35 2.13%	886,794.11 1,197.78	0.87% 11,846.06	Aaa / NR AAA	3.3 1.3
<b>Total ABS</b>		<b>4,970,920.30</b>	<b>2.75%</b>	<b>4,934,728.70</b> <b>4,944,248.42</b>	<b>2.24%</b>	<b>4,987,614.74</b> <b>4,570.63</b>	<b>4.89%</b> <b>43,366.32</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>2.7</b> <b>0.8</b>

<b>AGENCY</b>									
3137EADR7	FHLMC Note 1.375% Due 5/1/2020	650,000.00	08/26/2015 1.56%	644,690.80 649,052.48	99.43 2.07%	646,288.50 1,489.58	0.64% (2,763.98)	Aaa / AA+ AAA	0.8 0.8
3135G0D75	FNMA Note 1.5% Due 6/22/2020	1,655,000.00	09/29/2015 1.49%	1,655,893.70 1,655,184.74	99.49 2.03%	1,646,554.54 620.63	1.61% (8,630.20)	Aaa / AA+ AAA	0.9 0.9

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	400,000.00	11/21/2017 1.96%	398,963.53 399,520.24	99.97 1.90%	399,874.00 916.67	0.39% 353.76	Aaa / AA+ AAA	1.3 1.3
3135G0F73	FNMA Note 1.5% Due 11/30/2020	1,650,000.00	12/16/2015 1.90%	1,618,815.00 1,641,075.23	99.51 1.85%	1,641,906.75 2,131.25	1.61% 831.52	Aaa / AA+ AAA	1.4 1.3
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	1,410,000.00	02/17/2016 1.46%	1,404,303.60 1,408,135.50	99.27 1.83%	1,399,647.78 7,162.60	1.38% (8,487.72)	Aaa / AA+ AAA	1.6 1.6
3135G0J20	FNMA Note 1.375% Due 2/26/2021	1,675,000.00	Various 1.47%	1,667,519.85 1,672,437.94	99.23 1.85%	1,662,119.25 7,996.96	1.64% (10,318.69)	Aaa / AA+ AAA	1.6 1.6
3135G0K69	FNMA Note 1.25% Due 5/6/2021	1,675,000.00	06/29/2016 1.18%	1,680,695.00 1,677,170.60	98.97 1.82%	1,657,791.05 3,198.78	1.63% (19,379.55)	Aaa / AA+ AAA	1.8 1.8
313379RB7	FHLB Note 1.875% Due 6/11/2021	1,000,000.00	08/30/2017 1.67%	1,007,540.00 1,003,884.74	100.03 1.86%	1,000,265.00 1,041.67	0.98% (3,619.74)	Aaa / AA+ AAA	1.9 1.9
3135G0U35	FNMA Note 2.75% Due 6/22/2021	1,000,000.00	06/28/2018 2.70%	1,001,480.00 1,000,981.23	101.81 1.82%	1,018,057.00 687.50	1.00% 17,075.77	Aaa / AA+ AAA	1.9 1.9
3130A8QS5	FHLB Note 1.125% Due 7/14/2021	1,100,000.00	10/04/2016 1.33%	1,089,836.00 1,095,659.00	98.75 1.75%	1,086,291.80 5,740.63	1.07% (9,367.20)	Aaa / AA+ AAA	2.0 1.9
3137EAEC9	FHLMC Note 1.125% Due 8/12/2021	1,625,000.00	Various 1.32%	1,610,283.75 1,618,680.79	98.58 1.81%	1,601,899.00 7,058.60	1.58% (16,781.79)	Aaa / AA+ AAA	2.1 2.0
3135G0N82	FNMA Note 1.25% Due 8/17/2021	1,700,000.00	Various 1.32%	1,694,675.10 1,697,670.01	98.86 1.80%	1,680,701.60 7,909.72	1.66% (16,968.41)	Aaa / AA+ AAA	2.1 2.0
3135G0Q89	FNMA Note 1.375% Due 10/7/2021	1,740,000.00	Various 1.75%	1,710,142.50 1,725,662.76	99.00 1.82%	1,722,685.26 5,582.50	1.69% (2,977.50)	Aaa / AA+ AAA	2.2 2.2
3130AF5B9	FHLB Note 3% Due 10/12/2021	1,400,000.00	11/29/2018 2.91%	1,403,528.00 1,402,810.27	102.66 1.80%	1,437,290.40 9,216.67	1.42% 34,480.13	Aaa / AA+ NR	2.2 2.1
3135G0S38	FNMA Note 2% Due 1/5/2022	1,700,000.00	04/25/2017 1.92%	1,706,205.00 1,703,326.95	100.52 1.79%	1,708,918.20 16,622.22	1.69% 5,591.25	Aaa / AA+ AAA	2.5 2.4
3137EADB2	FHLMC Note 2.375% Due 1/13/2022	450,000.00	01/27/2017 2.03%	457,185.15 453,681.94	101.48 1.78%	456,648.30 4,987.50	0.45% 2,966.36	Aaa / AA+ AAA	2.5 2.4
3135G0T45	FNMA Note 1.875% Due 4/5/2022	1,725,000.00	06/19/2017 1.88%	1,724,739.53 1,724,849.82	100.18 1.81%	1,728,091.20 7,726.56	1.70% 3,241.38	Aaa / AA+ AAA	2.7 2.6
3135G0T78	FNMA Note 2% Due 10/5/2022	900,000.00	12/12/2017 2.25%	889,749.00 893,045.42	100.70 1.78%	906,298.20 4,300.00	0.89% 13,252.78	Aaa / AA+ AAA	3.2 3.1

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
3135G0T94	FNMA Note 2.375% Due 1/19/2023	1,850,000.00	04/11/2018 2.71%	1,822,731.00 1,829,692.97	101.97 1.80%	1,886,361.75 19,771.88	1.87% 56,668.78	Aaa / AA+ AAA	3.5 3.5
3137EAEN5	FHLMC Note 2.75% Due 6/19/2023	1,600,000.00	Various 2.84%	1,593,438.00 1,594,731.95	103.54 1.82%	1,656,632.00 1,466.67	1.63% 61,900.05	Aaa / AA+ AAA	3.9 3.7
3130A0F70	FHLB Note 3.375% Due 12/8/2023	1,700,000.00	01/16/2019 2.73%	1,749,623.00 1,745,038.57	106.39 1.87%	1,808,580.70 3,665.63	1.78% 63,542.13	Aaa / AA+ AAA	4.4 4.1
3130AB3H7	FHLB Note 2.375% Due 3/8/2024	1,400,000.00	04/29/2019 2.37%	1,400,098.00 1,400,094.57	102.18 1.89%	1,430,483.60 10,436.81	1.41% 30,389.03	Aaa / AA+ NR	4.6 4.3
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	2,000,000.00	06/18/2019 1.96%	2,086,520.00 2,085,950.16	104.71 1.87%	2,094,266.00 2,715.28	2.06% 8,315.84	Aaa / AA+ NR	4.9 4.6
<b>Total Agency</b>		<b>32,005,000.00</b>	<b>1.94%</b>	<b>32,018,655.51</b> <b>32,078,337.88</b>	<b>1.84%</b>	<b>32,277,651.88</b> <b>132,446.31</b>	<b>31.77%</b> <b>199,314.00</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.6</b> <b>2.5</b>
<b>CMO</b>									
3137BDDC7	FHLMC K716 A2 3.13% Due 6/25/2021	475,000.00	09/12/2017 1.92%	494,482.42 485,235.33	101.51 2.17%	482,158.73 247.79	0.47% (3,076.60)	Aaa / AA+ NR	1.9 1.7
3137BFDQ1	FHLMC K717 A2 2.991% Due 9/25/2021	1,050,000.00	12/28/2018 2.89%	1,050,656.25 1,050,536.69	101.51 2.15%	1,065,846.60 2,617.13	1.05% 15,309.91	NR / NR AAA	2.2 1.9
3137BM6P6	FHLMC K721 A2 3.09% Due 8/25/2022	2,040,000.00	Various 2.17%	2,110,275.09 2,091,819.76	102.62 2.11%	2,093,394.96 5,253.00	2.06% 1,575.20	Aaa / NR NR	3.1 2.7
3137B5JM6	FHLMC K034 A2 3.531% Due 7/25/2023	1,500,000.00	08/28/2018 3.03%	1,531,816.41 1,526,409.93	105.34 2.08%	1,580,031.00 4,413.75	1.55% 53,621.07	NR / NR AAA	4.0 3.6
3137B7MZ9	FHLMC K036 A2 3.527% Due 10/25/2023	2,145,000.00	Various 2.79%	2,209,267.38 2,207,590.62	105.49 2.10%	2,262,839.87 1,260.90	2.22% 55,249.25	Aaa / NR AAA	4.3 3.8
3137BYPQ7	FHLMC K726 A2 2.905% Due 4/25/2024	1,500,000.00	04/22/2019 2.72%	1,510,722.66 1,510,329.44	103.31 2.12%	1,549,666.44 3,631.25	1.52% 39,337.00	NR / AAA NR	4.8 4.3
<b>Total CMO</b>		<b>8,710,000.00</b>	<b>2.64%</b>	<b>8,907,220.21</b> <b>8,871,921.77</b>	<b>2.11%</b>	<b>9,033,937.60</b> <b>17,423.82</b>	<b>8.87%</b> <b>162,015.83</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>3.7</b> <b>3.3</b>
<b>FOREIGN CORPORATE</b>									
404280BA6	HSBC Holdings PLC Note 3.6% Due 5/25/2023	900,000.00	03/20/2019 3.33%	909,477.00 908,849.34	104.04 2.51%	936,333.00 3,240.00	0.92% 27,483.66	A2 / A AA-	3.9 3.6

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<b>FOREIGN CORPORATE</b>									
89114QCB2	Toronto Dominion Bank Note 3.25% Due 3/11/2024	1,150,000.00	03/26/2019 2.97%	1,164,559.00 1,163,794.85	103.52 2.45%	1,190,494.95 11,420.14	1.18% 26,700.10	Aa3 / A AA-	4.7 4.3
<b>Total Foreign Corporate</b>		<b>2,050,000.00</b>	<b>3.13%</b>	<b>2,074,036.00</b> <b>2,072,644.19</b>	<b>2.48%</b>	<b>2,126,827.95</b> <b>14,660.14</b>	<b>2.10%</b> <b>54,183.76</b>	<b>A1 / A</b> <b>AA-</b>	<b>4.3</b> <b>4.0</b>
<b>MONEY MARKET FUND FI</b>									
60934N104	Federated Investors Government Obligations Fund	157,621.74	Various 2.23%	157,621.74 157,621.74	1.00 2.23%	157,621.74 0.00	0.15% 0.00	Aaa / AAA AAA	0.0 0.0
<b>Total Money Market Fund FI</b>		<b>157,621.74</b>	<b>2.23%</b>	<b>157,621.74</b>	<b>2.23%</b>	<b>157,621.74</b> <b>0.00</b>	<b>0.15%</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>0.0</b> <b>0.0</b>
<b>SUPRANATIONAL</b>									
4581X0CX4	Inter-American Dev Bank Note 1.625% Due 5/12/2020	1,400,000.00	04/05/2017 1.70%	1,396,682.00 1,399,068.84	99.62 2.07%	1,394,621.20 3,096.53	1.37% (4,447.64)	Aaa / AAA AAA	0.8 0.8
45950KCM0	International Finance Corp Note 2.25% Due 1/25/2021	605,000.00	01/18/2018 2.35%	603,221.30 604,068.45	100.53 1.91%	608,200.45 5,898.75	0.60% 4,132.00	Aaa / AAA NR	1.5 1.5
4581X0CW6	Inter-American Dev Bank Note 2.125% Due 1/18/2022	1,675,000.00	01/10/2017 2.15%	1,672,939.75 1,673,948.44	100.80 1.80%	1,688,356.45 16,116.06	1.67% 14,408.01	Aaa / NR AAA	2.5 2.4
4581X0CZ9	Inter-American Dev Bank Note 1.75% Due 9/14/2022	850,000.00	03/23/2018 2.79%	813,178.00 823,579.31	99.85 1.80%	848,743.70 4,421.18	0.84% 25,164.39	NR / NR AAA	3.2 3.0
<b>Total Supranational</b>		<b>4,530,000.00</b>	<b>2.16%</b>	<b>4,486,021.05</b> <b>4,500,665.04</b>	<b>1.90%</b>	<b>4,539,921.80</b> <b>29,532.52</b>	<b>4.48%</b> <b>39,256.76</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>2.0</b> <b>1.9</b>
<b>US CORPORATE</b>									
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	1,050,000.00	01/26/2015 2.17%	1,048,857.60 1,049,866.52	99.91 2.31%	1,049,014.05 9,468.96	1.04% (852.47)	A2 / A- A+	0.5 0.5
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	665,000.00	02/05/2015 1.77%	664,301.75 664,912.34	99.61 2.38%	662,398.52 4,396.39	0.65% (2,513.82)	Aa3 / A+ NR	0.6 0.6

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<b>US CORPORATE</b>									
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	980,000.00	06/11/2015 2.49%	969,146.50 978,046.37	99.97 2.29%	979,680.52 2,511.26	0.96% 1,634.15	A2 / A- NR	0.8 0.8
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	425,000.00	10/29/2015 2.02%	424,660.00 424,908.63	99.96 2.03%	424,830.85 1,369.44	0.42% (77.78)	Aaa / AAA AA+	1.3 1.3
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	1,050,000.00	02/06/2017 2.16%	1,054,945.50 1,051,707.91	100.04 2.26%	1,050,449.40 3,890.83	1.03% (1,258.51)	A3 / A A	1.3 1.2
78012KKU0	Royal Bank of Canada Note 2.5% Due 1/19/2021	1,050,000.00	12/11/2017 2.37%	1,053,979.50 1,051,995.02	100.42 2.22%	1,054,459.35 11,812.50	1.05% 2,464.33	Aa2 / AA- AA	1.5 1.5
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	1,160,000.00	Various 1.97%	1,173,322.80 1,164,644.30	100.28 2.05%	1,163,214.36 8,591.74	1.15% (1,429.94)	Aaa / AA+ NR	1.6 1.6
24422ESL4	John Deere Capital Corp Note 2.8% Due 3/4/2021	425,000.00	05/24/2017 2.12%	435,340.25 429,605.70	100.89 2.26%	428,772.73 3,867.50	0.42% (832.97)	A2 / A A	1.6 1.6
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	1,055,000.00	Various 3.25%	1,047,595.75 1,050,384.14	101.62 2.11%	1,072,082.56 4,395.83	1.06% 21,698.42	A2 / A+ NR	1.8 1.8
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	580,000.00	05/16/2016 1.96%	579,698.40 579,886.36	99.74 2.09%	578,488.52 1,319.50	0.57% (1,397.84)	A1 / A AA-	1.8 1.8
594918BP8	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	770,000.00	Various 1.57%	769,085.90 769,615.03	99.15 1.96%	763,444.22 4,740.85	0.75% (6,170.81)	Aaa / AAA AA+	2.1 2.0
69371RN44	Paccar Financial Corp Note 1.65% Due 8/11/2021	1,100,000.00	05/23/2018 3.15%	1,050,093.00 1,067,182.11	98.92 2.17%	1,088,149.70 7,058.33	1.07% 20,967.59	A1 / A+ NR	2.1 2.0
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	1,100,000.00	11/29/2016 2.40%	1,075,371.00 1,088,629.52	99.49 2.14%	1,094,431.80 6,153.89	1.08% 5,802.28	A1 / AA- A	2.2 2.1
89236TDP7	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	1,200,000.00	Various 3.19%	1,176,750.00 1,183,263.22	101.05 2.17%	1,212,555.60 14,733.34	1.20% 29,292.38	Aa3 / AA- A+	2.5 2.4
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	515,000.00	01/19/2017 2.66%	514,114.20 514,544.97	101.07 2.18%	520,505.35 5,895.68	0.52% 5,960.38	A1 / A+ AA-	2.5 2.5
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.45% Due 7/28/2022	1,170,000.00	07/25/2017 2.45%	1,169,894.70 1,169,935.24	101.03 2.09%	1,182,083.76 12,182.63	1.17% 12,148.52	A2 / A A+	3.0 2.8
44932HAC7	IBM Credit Corp Note 2.2% Due 9/8/2022	1,050,000.00	11/29/2017 2.58%	1,032,234.00 1,038,118.61	99.75 2.28%	1,047,402.30 7,250.83	1.03% 9,283.69	A1 / A A	3.1 3.0

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<b>US CORPORATE</b>									
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	950,000.00	02/09/2018 3.19%	940,832.50 943,398.58	101.45 2.38%	963,787.35 13,019.01	0.96% 20,388.77	A2 / A- AA-	3.5 2.9
24422ETG4	John Deere Capital Corp Note 2.8% Due 3/6/2023	280,000.00	06/13/2018 3.44%	272,213.20 273,933.07	102.15 2.19%	286,027.28 2,504.44	0.28% 12,094.21	A2 / A A	3.6 3.4
037833AK6	Apple Inc Note 2.4% Due 5/3/2023	715,000.00	11/28/2018 3.54%	681,959.85 686,317.47	100.99 2.13%	722,079.93 2,764.67	0.71% 35,762.46	Aa1 / AA+ NR	3.8 3.6
097023BQ7	Boeing Co Callable Note Cont 4/15/2023 1.875% Due 6/15/2023	800,000.00	02/13/2019 2.98%	764,456.00 767,513.55	98.16 2.36%	785,292.00 666.67	0.77% 17,778.45	A2 / A A	3.9 3.7
02665WCJ8	American Honda Finance Note 3.45% Due 7/14/2023	335,000.00	07/11/2018 3.49%	334,420.45 334,531.66	104.30 2.33%	349,393.28 5,361.40	0.35% 14,861.62	A2 / A NR	4.0 3.7
06406RAJ6	Bank of NY Mellon Corp Note 3.45% Due 8/11/2023	1,100,000.00	05/16/2019 2.79%	1,128,930.00 1,128,143.04	104.28 2.35%	1,147,061.30 14,758.33	1.14% 18,918.26	A1 / A AA-	4.1 3.7
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	835,000.00	10/03/2018 3.64%	834,315.30 834,414.29	105.24 2.33%	878,765.69 6,810.47	0.87% 44,351.40	A2 / A NR	4.2 3.9
06051GHF9	Bank of America Corp Callable Note 1X 3/5/2023 3.55% Due 3/5/2024	1,100,000.00	03/06/2019 3.42%	1,104,235.00 1,103,967.99	103.67 2.50%	1,140,346.90 12,582.78	1.13% 36,378.91	A2 / A- A+	4.6 3.4
<b>Total US Corporate</b>		<b>21,460,000.00</b>	<b>2.67%</b>	<b>21,300,753.15</b> <b>21,349,465.64</b>	<b>2.23%</b>	<b>21,644,717.32</b> <b>168,107.27</b>	<b>21.38%</b> <b>295,251.68</b>	<b>A1 / A+</b> <b>A+</b>	<b>2.9</b> <b>2.9</b>
<b>US TREASURY</b>									
912828VF4	US Treasury Note 1.375% Due 5/31/2020	1,750,000.00	07/10/2015 1.62%	1,730,250.01 1,746,291.34	99.42 2.01%	1,739,883.25 2,038.08	1.71% (6,408.09)	Aaa / AA+ AAA	0.9 0.9
912828L32	US Treasury Note 1.375% Due 8/31/2020	1,650,000.00	Various 1.37%	1,650,064.12 1,650,014.14	99.38 1.91%	1,639,816.20 7,583.05	1.62% (10,197.94)	Aaa / AA+ AAA	1.1 1.1
912828N89	US Treasury Note 1.375% Due 1/31/2021	1,600,000.00	03/09/2016 1.40%	1,598,442.85 1,599,494.60	99.30 1.83%	1,588,750.40 9,176.80	1.57% (10,744.20)	Aaa / AA+ AAA	1.9 1.9
912828B90	US Treasury Note 2% Due 2/28/2021	1,650,000.00	Various 1.55%	1,683,525.06 1,661,815.39	100.30 1.82%	1,654,963.20 11,029.89	1.63% (6,852.19)	Aaa / AA+ AAA	1.6 1.6
912828Q37	US Treasury Note 1.25% Due 3/31/2021	1,700,000.00	Various 1.58%	1,676,910.00 1,690,454.29	99.06 1.80%	1,684,062.51 5,341.53	1.66% (6,391.78)	Aaa / AA+ AAA	1.7 1.7

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<b>US TREASURY</b>									
912828S27	US Treasury Note 1.125% Due 6/30/2021	1,015,000.00	Various 1.91%	980,766.29 999,886.33	98.77 1.75%	1,002,550.01 31.03	0.98% 2,663.68	Aaa / AA+ AAA	2.0 1.9
912828T34	US Treasury Note 1.125% Due 9/30/2021	1,700,000.00	11/09/2016 1.48%	1,671,251.79 1,686,761.33	98.68 1.73%	1,677,554.90 4,807.38	1.65% (9,206.43)	Aaa / AA+ AAA	2.2 2.2
912828J43	US Treasury Note 1.75% Due 2/28/2022	1,785,000.00	03/13/2017 2.14%	1,752,722.58 1,767,658.24	100.06 1.73%	1,786,115.63 10,440.79	1.76% 18,457.39	Aaa / AA+ AAA	2.6 2.5
912828XG0	US Treasury Note 2.125% Due 6/30/2022	1,700,000.00	08/15/2017 1.82%	1,724,111.17 1,714,849.12	101.18 1.72%	1,720,054.90 98.17	1.69% 5,205.78	Aaa / AA+ AAA	3.0 2.9
912828L57	US Treasury Note 1.75% Due 9/30/2022	1,750,000.00	10/17/2017 1.99%	1,730,585.94 1,737,254.15	100.07 1.73%	1,751,230.25 7,698.09	1.72% 13,976.10	Aaa / AA+ AAA	3.2 3.1
912828N30	US Treasury Note 2.125% Due 12/31/2022	1,750,000.00	01/25/2018 2.46%	1,722,792.97 1,730,667.89	101.36 1.72%	1,773,857.75 101.05	1.74% 43,189.86	Aaa / AA+ AAA	3.5 3.5
912828T91	US Treasury Note 1.625% Due 10/31/2023	2,000,000.00	06/26/2019 1.78%	1,986,875.00 1,986,908.08	99.50 1.75%	1,990,000.00 5,475.54	1.96% 3,091.92	Aaa / AA+ AAA	4.3 4.1
912828V23	US Treasury Note 2.25% Due 12/31/2023	2,150,000.00	Various 1.79%	2,192,416.02 2,192,250.74	102.16 1.75%	2,196,358.30 131.46	2.15% 4,107.56	Aaa / AA+ AAA	4.5 4.2
912828B66	US Treasury Note 2.75% Due 2/15/2024	2,150,000.00	Various 1.80%	2,240,216.80 2,239,874.90	104.42 1.75%	2,245,070.85 22,212.71	2.22% 5,195.95	Aaa / AA+ AAA	4.6 4.3
912828X70	US Treasury Note 2% Due 4/30/2024	2,300,000.00	Various 1.87%	2,313,906.25 2,313,833.93	101.09 1.76%	2,325,065.40 7,750.00	2.29% 11,231.47	Aaa / AA+ AAA	4.8 4.5
<b>Total US Treasury</b>		<b>26,650,000.00</b>	<b>1.78%</b>	<b>26,654,836.85</b> <b>26,718,014.47</b>	<b>1.78%</b>	<b>26,775,333.55</b> <b>93,915.57</b>	<b>26.34%</b> <b>57,319.08</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.9</b> <b>2.8</b>
<b>TOTAL PORTFOLIO</b>		<b>100,533,542.04</b>	<b>2.19%</b>	<b>100,533,873.21</b> <b>100,692,919.15</b>	<b>1.97%</b>	<b>101,543,626.58</b> <b>460,656.26</b>	<b>100.00%</b> <b>850,707.43</b>	<b>Aa1 / AA</b> <b>AAA</b>	<b>2.8</b> <b>2.9</b>
<b>TOTAL MARKET VALUE PLUS ACCRUED</b>						<b>102,004,282.84</b>			

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	06/03/2019	60934N104	1,384.45	Federated Investors Government Obligations Fund	1.000	2.25%	1,384.45	0.00	1,384.45	0.00
Purchase	06/08/2019	60934N104	28,687.50	Federated Investors Government Obligations Fund	1.000	2.25%	28,687.50	0.00	28,687.50	0.00
Purchase	06/11/2019	60934N104	9,375.00	Federated Investors Government Obligations Fund	1.000	2.25%	9,375.00	0.00	9,375.00	0.00
Purchase	06/11/2019	912828X70	1,300,000.00	US Treasury Note 2% Due 4/30/2024	100.352	1.92%	1,304,570.31	2,967.39	1,307,537.70	0.00
Purchase	06/13/2019	60934N104	339,639.22	Federated Investors Government Obligations Fund	1.000	2.25%	339,639.22	0.00	339,639.22	0.00
Purchase	06/15/2019	60934N104	7,500.00	Federated Investors Government Obligations Fund	1.000	2.25%	7,500.00	0.00	7,500.00	0.00
Purchase	06/17/2019	60934N104	2,090.83	Federated Investors Government Obligations Fund	1.000	2.25%	2,090.83	0.00	2,090.83	0.00
Purchase	06/17/2019	60934N104	423.33	Federated Investors Government Obligations Fund	1.000	2.25%	423.33	0.00	423.33	0.00
Purchase	06/17/2019	60934N104	65,037.34	Federated Investors Government Obligations Fund	1.000	2.25%	65,037.34	0.00	65,037.34	0.00
Purchase	06/17/2019	60934N104	17,150.99	Federated Investors Government Obligations Fund	1.000	2.25%	17,150.99	0.00	17,150.99	0.00
Purchase	06/17/2019	60934N104	11,459.17	Federated Investors Government Obligations Fund	1.000	2.25%	11,459.17	0.00	11,459.17	0.00
Purchase	06/17/2019	60934N104	609.58	Federated Investors Government Obligations Fund	1.000	2.25%	609.58	0.00	609.58	0.00
Purchase	06/17/2019	60934N104	2,245.83	Federated Investors Government Obligations Fund	1.000	2.25%	2,245.83	0.00	2,245.83	0.00
Purchase	06/17/2019	60934N104	31,950.70	Federated Investors Government Obligations Fund	1.000	2.25%	31,950.70	0.00	31,950.70	0.00
Purchase	06/17/2019	60934N104	47,738.89	Federated Investors Government Obligations Fund	1.000	2.25%	47,738.89	0.00	47,738.89	0.00
Purchase	06/17/2019	60934N104	76,088.80	Federated Investors Government Obligations Fund	1.000	2.25%	76,088.80	0.00	76,088.80	0.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	06/18/2019	60934N104	10,000,000.00	Federated Investors Government Obligations Fund	1.000	2.25%	10,000,000.00	0.00	10,000,000.00	0.00
Purchase	06/19/2019	3130A1XJ2	750,000.00	FHLB Note 2.875% Due 6/14/2024	104.331	1.96%	782,482.50	299.48	782,781.98	0.00
Purchase	06/19/2019	3130A1XJ2	1,250,000.00	FHLB Note 2.875% Due 6/14/2024	104.323	1.96%	1,304,037.50	499.13	1,304,536.63	0.00
Purchase	06/19/2019	60934N104	22,000.00	Federated Investors Government Obligations Fund	1.000	2.25%	22,000.00	0.00	22,000.00	0.00
Purchase	06/21/2019	60934N104	1,843.75	Federated Investors Government Obligations Fund	1.000	2.25%	1,843.75	0.00	1,843.75	0.00
Purchase	06/22/2019	60934N104	26,162.50	Federated Investors Government Obligations Fund	1.000	2.25%	26,162.50	0.00	26,162.50	0.00
Purchase	06/24/2019	60934N104	342,483.13	Federated Investors Government Obligations Fund	1.000	2.25%	342,483.13	0.00	342,483.13	0.00
Purchase	06/24/2019	912828B66	1,750,000.00	US Treasury Note 2.75% Due 2/15/2024	104.176	1.81%	1,823,076.17	17,149.52	1,840,225.69	0.00
Purchase	06/24/2019	912828V23	1,750,000.00	US Treasury Note 2.25% Due 12/31/2023	101.965	1.80%	1,784,384.77	19,034.88	1,803,419.65	0.00
Purchase	06/25/2019	60934N104	316,819.30	Federated Investors Government Obligations Fund	1.000	2.25%	316,819.30	0.00	316,819.30	0.00
Purchase	06/25/2019	60934N104	4,413.75	Federated Investors Government Obligations Fund	1.000	2.25%	4,413.75	0.00	4,413.75	0.00
Purchase	06/25/2019	60934N104	3,527.00	Federated Investors Government Obligations Fund	1.000	2.25%	3,527.00	0.00	3,527.00	0.00
Purchase	06/25/2019	60934N104	1,238.96	Federated Investors Government Obligations Fund	1.000	2.25%	1,238.96	0.00	1,238.96	0.00
Purchase	06/25/2019	60934N104	3,476.25	Federated Investors Government Obligations Fund	1.000	2.25%	3,476.25	0.00	3,476.25	0.00
Purchase	06/25/2019	60934N104	3,631.25	Federated Investors Government Obligations Fund	1.000	2.25%	3,631.25	0.00	3,631.25	0.00
Purchase	06/26/2019	60934N104	2,617.13	Federated Investors Government Obligations Fund	1.000	2.25%	2,617.13	0.00	2,617.13	0.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	06/27/2019	912828B66	400,000.00	US Treasury Note 2.75% Due 2/15/2024	104.285	1.78%	417,140.63	4,011.05	421,151.68	0.00
Purchase	06/27/2019	912828T91	2,000,000.00	US Treasury Note 1.625% Due 10/31/2023	99.344	1.78%	1,986,875.00	5,122.28	1,991,997.28	0.00
Purchase	06/27/2019	912828V23	400,000.00	US Treasury Note 2.25% Due 12/31/2023	102.008	1.78%	408,031.25	4,425.41	412,456.66	0.00
Purchase	06/27/2019	912828X70	1,000,000.00	US Treasury Note 2% Due 4/30/2024	100.934	1.80%	1,009,335.94	3,152.17	1,012,488.11	0.00
Purchase	06/28/2019	3137B7MZ9	945,000.00	FHLMC K036 A2Due 10/25/2023	105.551	2.13%	997,454.88	2,499.76	999,954.64	0.00
Purchase	06/28/2019	3137BM6P6	690,000.00	FHLMC K721 A2Due 8/25/2022	102.742	2.09%	708,921.09	1,599.07	710,520.16	0.00
Purchase	06/30/2019	60934N104	66,553.13	Federated Investors Government Obligations Fund	1.000	2.23%	66,553.13	0.00	66,553.13	0.00
<b>Subtotal</b>			<b>23,671,147.78</b>				<b>23,962,457.82</b>	<b>60,760.14</b>	<b>24,023,217.96</b>	<b>0.00</b>
Security Contribution	06/06/2019	60934N104	333.67	Federated Investors Government Obligations Fund	1.000		333.67	0.00	333.67	0.00
<b>Subtotal</b>			<b>333.67</b>				<b>333.67</b>	<b>0.00</b>	<b>333.67</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>23,671,481.45</b>				<b>23,962,791.49</b>	<b>60,760.14</b>	<b>24,023,551.63</b>	<b>0.00</b>
<b>DISPOSITIONS</b>										
Sale	06/11/2019	60934N104	1,307,537.70	Federated Investors Government Obligations Fund	1.000	2.25%	1,307,537.70	0.00	1,307,537.70	0.00
Sale	06/13/2019	674599CK9	340,000.00	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	99.475	2.79%	338,215.00	1,424.22	339,639.22	4,245.00
Sale	06/19/2019	60934N104	2,087,318.61	Federated Investors Government Obligations Fund	1.000	2.25%	2,087,318.61	0.00	2,087,318.61	0.00
Sale	06/24/2019	60934N104	3,643,645.34	Federated Investors Government Obligations Fund	1.000	2.25%	3,643,645.34	0.00	3,643,645.34	0.00
Sale	06/24/2019	674599CK9	340,000.00	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	100.232	2.51%	340,788.80	1,694.33	342,483.13	6,755.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Sale	06/25/2019	674599CK9	315,000.00	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	100.072	2.57%	315,226.80	1,592.50	316,819.30	3,478.50
Sale	06/27/2019	60934N104	3,838,093.73	Federated Investors Government Obligations Fund	1.000	2.25%	3,838,093.73	0.00	3,838,093.73	0.00
Sale	06/28/2019	60934N104	1,710,474.80	Federated Investors Government Obligations Fund	1.000	2.23%	1,710,474.80	0.00	1,710,474.80	0.00
<b>Subtotal</b>			<b>13,582,070.18</b>				<b>13,581,300.78</b>	<b>4,711.05</b>	<b>13,586,011.83</b>	<b>14,479.50</b>
Paydown	06/17/2019	02587AAJ3	0.00	American Express Credit 2017-1 1.93% Due 9/15/2022	100.000		0.00	2,090.83	2,090.83	0.00
Paydown	06/17/2019	161571HF4	0.00	Chase CHAIT 2016-A5 1.27% Due 7/15/2021	100.000		0.00	423.33	423.33	0.00
Paydown	06/17/2019	43811BAC8	63,855.89	Honda Auto Receivables 2017-2 A3 1.68% Due 8/16/2021	100.000		63,855.89	1,181.45	65,037.34	0.00
Paydown	06/17/2019	43814QAC2	17,129.14	Honda Auto Receivables 2016-2 A3 1.39% Due 4/15/2020	100.000		17,129.14	21.85	17,150.99	0.00
Paydown	06/17/2019	47788BAD6	11,233.15	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	100.000		11,233.15	226.02	11,459.17	0.00
Paydown	06/17/2019	47788CAC6	0.00	John Deere Owner Trust 2016-B A4 2.66% Due 4/18/2022	100.000		0.00	609.58	609.58	0.00
Paydown	06/17/2019	47788EAC2	0.00	John Deere Owner Trust 2018-B A3 3.08% Due 11/15/2022	100.000		0.00	2,245.83	2,245.83	0.00
Paydown	06/17/2019	89231UAD9	31,907.77	Toyota Auto Receivables 2016-B 1.3% Due 4/15/2020	100.000		31,907.77	42.93	31,950.70	0.00
Paydown	06/17/2019	89237RAB4	47,555.40	Toyota Auto Receivable 2017-C A2A 1.58% Due 7/15/2020	100.000		47,555.40	183.49	47,738.89	0.00
Paydown	06/17/2019	89238BAB8	75,341.23	Toyota Auto Receivables Owner 2018-A A2A 2.1% Due 10/15/2020	100.000		75,341.23	747.57	76,088.80	0.00
Paydown	06/21/2019	43815HAC1	0.00	Honda Auto Receivables Owner 2018-3 A3 2.95% Due 8/22/2022	100.000		0.00	1,843.75	1,843.75	0.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Paydown	06/25/2019	3137B5JM6	0.00	FHLMC K034 A2 3.531% Due 7/25/2023	100.000		0.00	4,413.75	4,413.75	0.00
Paydown	06/25/2019	3137B7MZ9	0.00	FHLMC K036 A2Due 10/25/2023	100.000		0.00	3,527.00	3,527.00	0.00
Paydown	06/25/2019	3137BDCC7	0.00	FHLMC K716 A2 3.13% Due 6/25/2021	100.000		0.00	1,238.96	1,238.96	0.00
Paydown	06/25/2019	3137BM6P6	0.00	FHLMC K721 A2Due 8/25/2022	100.000		0.00	3,476.25	3,476.25	0.00
Paydown	06/25/2019	3137BYPQ7	0.00	FHLMC K726 A2 2.905% Due 4/25/2024	100.000		0.00	3,631.25	3,631.25	0.00
Paydown	06/26/2019	3137BFDQ1	0.00	FHLMC K717 A2 2.991% Due 9/25/2021	100.000		0.00	2,617.13	2,617.13	0.00
<b>Subtotal</b>			<b>247,022.58</b>				<b>247,022.58</b>	<b>28,520.97</b>	<b>275,543.55</b>	<b>0.00</b>
Maturity	06/18/2019	912796VG1	10,000,000.00	US Treasury Bill 2.285% Due 6/18/2019	100.000		10,000,000.00	0.00	10,000,000.00	0.00
<b>Subtotal</b>			<b>10,000,000.00</b>				<b>10,000,000.00</b>	<b>0.00</b>	<b>10,000,000.00</b>	<b>0.00</b>
Security Withdrawal	06/06/2019	60934N104	333.67	Federated Investors Government Obligations Fund	1.000		333.67	0.00	333.67	0.00
<b>Subtotal</b>			<b>333.67</b>				<b>333.67</b>	<b>0.00</b>	<b>333.67</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>23,829,426.43</b>				<b>23,828,657.03</b>	<b>33,232.02</b>	<b>23,861,889.05</b>	<b>14,479.00</b>
<b>OTHER TRANSACTIONS</b>										
Interest	06/08/2019	3130A0F70	1,700,000.00	FHLB Note 3.375% Due 12/8/2023	0.000		28,687.50	0.00	28,687.50	0.00
Interest	06/11/2019	313379RB7	1,000,000.00	FHLB Note 1.875% Due 6/11/2021	0.000		9,375.00	0.00	9,375.00	0.00
Interest	06/15/2019	097023BQ7	800,000.00	Boeing Co Callable Note Cont 4/15/2023 1.875% Due 6/15/2023	0.000		7,500.00	0.00	7,500.00	0.00
Interest	06/19/2019	3137EAEN5	1,600,000.00	FHLMC Note 2.75% Due 6/19/2023	0.000		22,000.00	0.00	22,000.00	0.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>OTHER TRANSACTIONS</b>										
Interest	06/22/2019	3135G0D75	1,655,000.00	FNMA Note 1.5% Due 6/22/2020	0.000		12,412.50	0.00	12,412.50	0.00
Interest	06/22/2019	3135G0U35	1,000,000.00	FNMA Note 2.75% Due 6/22/2021	0.000		13,750.00	0.00	13,750.00	0.00
Interest	06/30/2019	912828N30	1,750,000.00	US Treasury Note 2.125% Due 12/31/2022	0.000		18,593.75	0.00	18,593.75	0.00
Interest	06/30/2019	912828S27	1,015,000.00	US Treasury Note 1.125% Due 6/30/2021	0.000		5,709.38	0.00	5,709.38	0.00
Interest	06/30/2019	912828V23	2,150,000.00	US Treasury Note 2.25% Due 12/31/2023	0.000		24,187.50	0.00	24,187.50	0.00
Interest	06/30/2019	912828XG0	1,700,000.00	US Treasury Note 2.125% Due 6/30/2022	0.000		18,062.50	0.00	18,062.50	0.00
<b>Subtotal</b>			<b>14,370,000.00</b>				<b>160,278.13</b>	<b>0.00</b>	<b>160,278.13</b>	<b>0.00</b>
Dividend	06/03/2019	60934N104	1,308,544.14	Federated Investors Government Obligations Fund	0.000		1,384.45	0.00	1,384.45	0.00
<b>Subtotal</b>			<b>1,308,544.14</b>				<b>1,384.45</b>	<b>0.00</b>	<b>1,384.45</b>	<b>0.00</b>
<b>TOTAL OTHER TRANSACTIONS</b>			<b>15,678,544.14</b>				<b>161,662.58</b>	<b>0.00</b>	<b>161,662.58</b>	<b>0.00</b>

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Benchmark Index	Disclosure
ICE BAML 1-5 Yr US Treasury/Agency Index	The ICE BAML 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: GVA0. Please visit <a href="http://www.mlindex.ml.com">www.mlindex.ml.com</a> for more information)
ICE BAML 1-5 Yr US Issuers Corp/Govt Rtd AAA-A Idx	The ICE BAML US Issuers 1-5 Year AAA-A US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational and corporate securities. Qualifying securities must issued from US issuers and be rated AAA through A3 (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for US Treasuries and \$250 million for all other securities. (Index: GU10. Please visit <a href="http://www.mlindex.ml.com">www.mlindex.ml.com</a> for more information)

Section 3

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# CITY OF MORENO VALLEY

June 2019

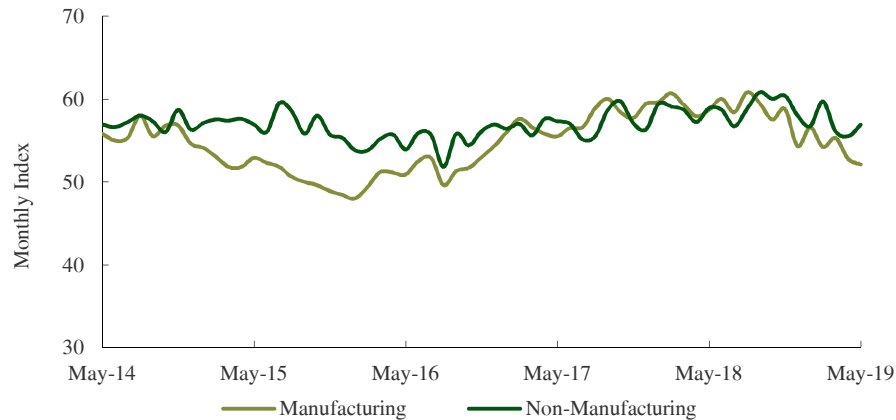
Part of  BNY MELLON



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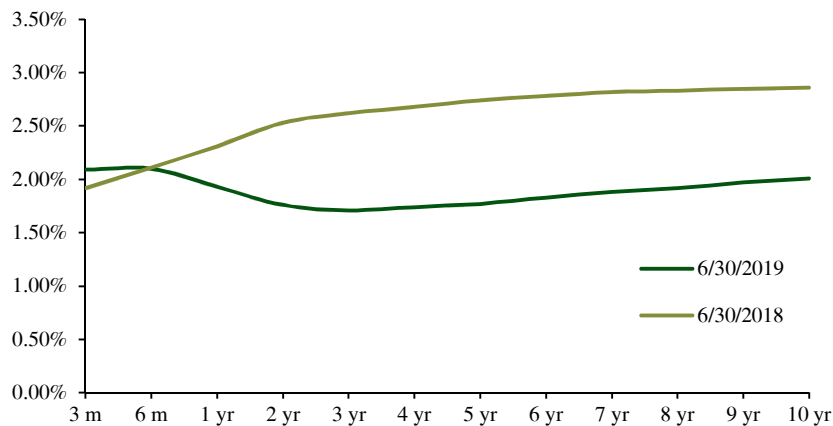
As of June 30, 2019

Chart 1: ISM Manufacturing & Non-Manufacturing Indices: 5/31/2014-5/31/2019



Source: Bloomberg Finance LP, June 30, 2019.

Chart 2: Treasury yield curve: 6/30/2018 and 6/30/2019



Source: Bloomberg Finance LP, June 30, 2019.

### Economic Indicators and Monetary Policy

Interest rates decreased across the yield curve in June fueled by softening in some economic indicators, trade tensions, and comments by the Federal Reserve. The Institute for Supply Management (ISM) Manufacturing Index was released on June 3 and reached a 31-month low of 52.1 in May versus 52.8 in April. On June 5, the ISM Non-manufacturing Index for May surprised to the upside, increasing to 56.9 compared to an April reading of 55.5. (See Chart 1)

The employment report released on June 7 showed that non-farm payrolls increased by 75,000 in May compared to expectation for 175,000 new jobs and the prior month gains were revised lower to 224,000 from 263,000. The unemployment rate was unchanged from April at 3.6% while the underemployment rate, which includes marginally attached workers, decreased to 7.1% in May from 7.3% in April. Average hourly earnings increased 0.2% in May for annual growth of 3.1% compared to 3.2% in April.

On June 19, the Federal Open Market Committee (FOMC) voted to maintain the target range for the federal funds rate at 2.25% to 2.50%. The FOMC statement and comments by Chair Powell were more dovish than expected. The statement removed reference to a “patient” approach to policy, and Chair Powell noted that the FOMC would “act as appropriate to sustain the expansion”. The committee’s ‘dot plot’ continued to project a median expectation for no policy rate cuts this year, but seven members (up from zero last quarter) now expect two rate cuts this year. The FOMC reduced its near-term inflation forecasts and also hinted at uncertainties relating to the evolution of trade tensions.

At the end of June, President Trump prepared to travel to the two-day G20 summit in Osaka, where a meeting is expected between Presidents Trump and Xi. While tariffs are likely to be the main topic of discussion, reports indicate that President Trump will look to address intellectual property theft and industrial subsidies as well.

### Interest Rate Summary

At the end of June, the 3-month US Treasury bill yielded 2.09%, the 6-month US Treasury bill yielded 2.10%, the 2-year US Treasury note yielded 1.76%, the 5-year US Treasury note yielded 1.77% and the 10-year US Treasury note yielded 2.01%. (See Chart 2).

# ACTIVITY AND PERFORMANCE SUMMARY

For the period June 1, 2019 - June 30, 2019

<u>Amortized Cost Basis Activity Summary</u>	
<b>Opening balance</b>	56,963,570.91
Income received	84,654.94
<b>Total receipts</b>	84,654.94
<b>Total disbursements</b>	0.00
Interportfolio transfers	0.00
<b>Total Interportfolio transfers</b>	0.00
Realized gain (loss)	0.00
<b>Total amortization expense</b>	(5,753.33)
<b>Total OID/MKT accretion income</b>	18,786.53
Return of capital	0.00
<b>Closing balance</b>	57,061,259.05
<b>Ending fair value</b>	57,175,358.15
Unrealized gain (loss)	114,099.10

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	1,156.94	0.00	0.00	1,156.94
Corporate Bonds	25,264.39	2,264.49	0.00	27,528.88
Government Agencies	43,319.85	9,148.21	0.00	52,468.06
Government Bonds	12,807.42	1,620.50	0.00	14,427.92
<b>Total</b>	<b>82,548.60</b>	<b>13,033.20</b>	<b>0.00</b>	<b>95,581.80</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.24	1.19	0.19
Overnight Repo	2.33	1.22	0.20
Merrill Lynch 3m US Treas Bill	2.25	1.16	0.17
Merrill Lynch 6m US Treas Bill	2.33	1.16	0.16
ML 1 Year US Treasury Note	2.49	1.19	0.16
ML 2 Year US Treasury Note	2.53	1.14	0.15
ML 5 Year US Treasury Note	2.57	1.14	0.15

\* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	82,548.60
Accretion (amortization)	13,033.20
Realized gain (loss) on sales	0.00
Total income on portfolio	95,581.80
Average daily amortized cost	57,008,560.41
Period return (%)	0.17
YTD return (%)	0.99
Weighted average final maturity in days	329

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# ACTIVITY AND PERFORMANCE SUMMARY

For the period June 1, 2019 - June 30, 2019

<u>Fair Value Basis Activity Summary</u>		
<b>Opening balance</b>		56,978,208.58
Income received	84,654.94	
<b>Total receipts</b>		84,654.94
<b>Total disbursements</b>		0.00
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Unrealized gain (loss) on security movements		0.00
Return of capital		0.00
Change in fair value for the period		112,494.63
<b>Ending fair value</b>		57,175,358.15

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	1,156.94	0.00	1,156.94
Corporate Bonds	25,264.39	35,907.04	61,171.43
Government Agencies	43,319.85	51,898.69	95,218.54
Government Bonds	12,807.42	24,688.90	37,496.32
<b>Total</b>	<b>82,548.60</b>	<b>112,494.63</b>	<b>195,043.23</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	2.24	1.19	0.19
Overnight Repo	2.33	1.22	0.20
ICE ML 3m US Treas Bill	2.31	1.24	0.22
ICE ML 6m US Treas Bill	2.51	1.38	0.27
ICE ML 1 Year US Treasury Note	2.98	1.76	0.40
ICE ML US Treasury 1-3	3.96	2.44	0.52
ICE ML US Treasury 1-5	4.89	3.06	0.65

\* rates reflected are cumulative

<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	82,548.60
Change in fair value	112,494.63
Total income on portfolio	195,043.23
Average daily total value *	57,335,082.64
Period return (%)	0.34
YTD return (%)	1.85
Weighted average final maturity in days	329

\* Total value equals market value and accrued interest

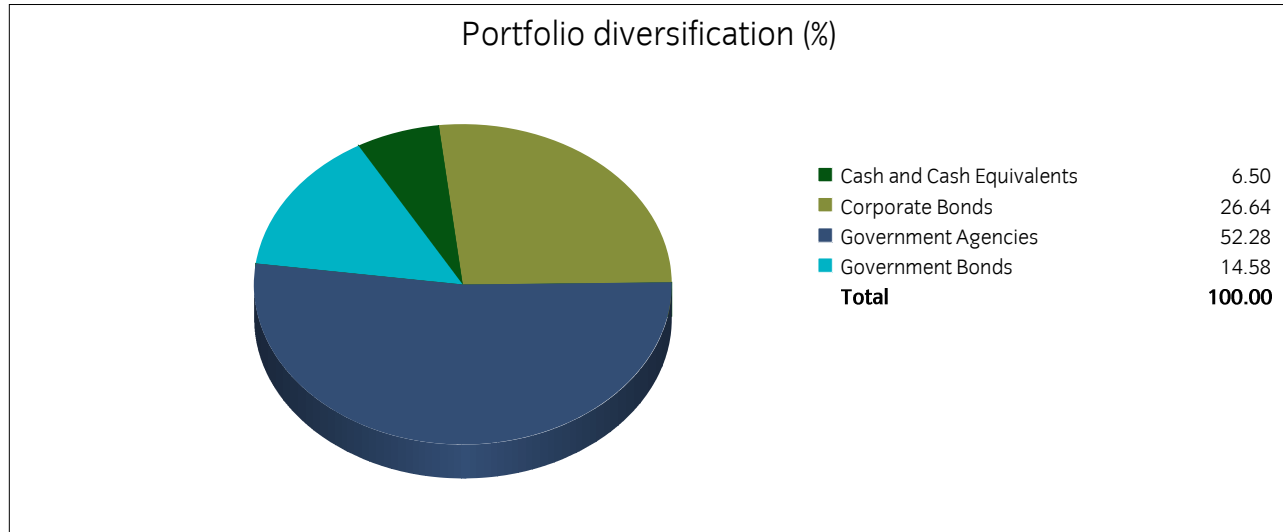
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# RECAP OF SECURITIES HELD

As of June 30, 2019

	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	3,707,386.60	3,707,386.60	3,707,386.60	0.00	1	6.50	0.00
Corporate Bonds	15,181,449.13	15,176,790.83	15,212,696.69	35,905.86	324	26.64	0.78
Government Agencies	29,798,225.83	29,864,023.62	29,888,115.21	24,091.59	322	52.28	0.74
Government Bonds	8,307,298.83	8,313,058.00	8,367,159.65	54,101.65	510	14.58	1.36
<b>Total</b>	<b>56,994,360.39</b>	<b>57,061,259.05</b>	<b>57,175,358.15</b>	<b>114,099.10</b>	<b>329</b>	<b>100.00</b>	<b>0.79</b>

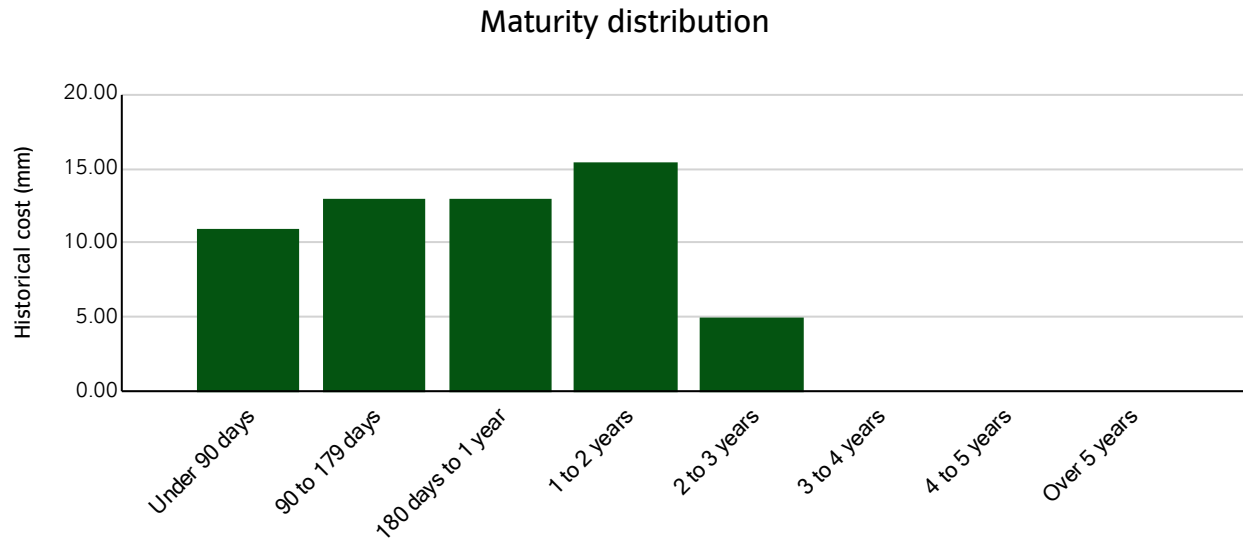


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# MATURITY DISTRIBUTION OF SECURITIES HELD

As of June 30, 2019

Maturity	Historic cost	Percent
Under 90 days	10,855,317.60	19.05
90 to 179 days	12,956,472.97	22.73
180 days to 1 year	12,952,277.84	22.73
1 to 2 years	15,306,866.35	26.86
2 to 3 years	4,923,425.63	8.64
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
	<b>56,994,360.39</b>	<b>100.00</b>



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## SECURITIES HELD

As of June 30, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Cash and Cash Equivalents</b>											
Cash and Cash Equivalents	0.000		3,707,386.60	3,707,386.60 0.00	3,707,386.60 0.00	3,707,386.60 0.00	0.00	0.00	0.00	0.00	6.50
<b>Total Cash and Cash Equivalents</b>			<b>3,707,386.60</b>	<b>3,707,386.60</b> <b>0.00</b>	<b>3,707,386.60</b> <b>0.00</b>	<b>3,707,386.60</b> <b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6.50</b>
<b>Corporate Bonds</b>											
02665WAH4 AMERICAN HONDA FINANCE 2.25% 15AUG2019	2.250	08/15/2019	1,500,000.00	1,541,520.00 0.00	1,501,596.92 (1,064.62)	1,498,957.50 (798.00)	(2,639.42)	0.00	2,718.75	12,656.25	2.70
084664CK5 BERKSHIRE HATHAWAY FIN 1.3% 15AUG2019	1.300	08/15/2019	1,000,000.00	988,300.00 0.00	998,414.16 1,057.23	998,822.00 1,426.00	407.84	0.00	1,047.22	4,875.00	1.73
713448DJ4 PEPSICO INC 1.35% 04OCT2019	1.350	10/04/2019	1,500,000.00	1,487,931.00 0.00	1,498,716.11 409.74	1,496,241.00 2,163.00	(2,475.11)	0.00	1,631.25	4,837.50	2.61
24422ETJ8 JOHN DEERE CAPITAL CORP 1.25% 09OCT2019	1.250	10/09/2019	1,000,000.00	979,508.26 0.00	996,453.35 1,074.74	997,433.00 2,030.00	979.65	0.00	1,006.94	2,812.50	1.72
69353RDZ8 PNC BANK NA 2.4% 18OCT2019 (CALLABLE 18SEP19)	2.400	10/18/2019 09/18/2019	1,000,000.00	994,960.00 0.00	999,010.33 274.91	1,000,026.00 596.00	1,015.67	0.00	1,933.33	4,800.00	1.75
037833DH0 APPLE INC 1.8% 13NOV2019	1.800	11/13/2019	989,000.00	977,874.87 0.00	985,945.93 688.88	987,623.31 1,479.54	1,677.38	0.00	1,434.05	2,324.15	1.72
594918AY0 MICROSOFT CORP 1.85% 12FEB2020 (CALLABLE 12JAN20)	1.850	02/12/2020 01/12/2020	1,000,000.00	1,004,330.00 0.00	1,000,834.70 (130.42)	998,041.00 2,044.00	(2,793.70)	0.00	1,490.28	7,091.67	1.76

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# SECURITIES HELD

As of June 30, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Corporate Bonds</b>											
166764AR1 CHEVRON CORP 1.961% 03MAR2020 (CALLABLE 03FEB20)	1.961	03/03/2020 02/03/2020	1,000,000.00	1,003,180.00 0.00	1,000,814.11 (114.66)	997,995.00 1,496.00	(2,819.11)	0.00	1,579.69	6,373.25	1.76
25468PDP8 TWDC ENTERPRISES 18 CORP 1.95% 04MAR2020	1.950	03/04/2020	1,000,000.00	1,003,140.00 0.00	1,000,754.84 (92.81)	997,367.00 1,177.00	(3,387.84)	0.00	1,570.83	6,283.33	1.76
69353REP9 PNC BANK NA 2.3% 01JUN2020 (CALLABLE 02MAY20)	2.300	06/01/2020 05/02/2020	550,000.00	550,104.50 0.00	550,036.70 (3.64)	550,291.50 1,274.35	254.80	6,325.00	1,019.03	1,019.03	0.97
0258MODX4 AMERICAN EXPRESS CREDIT 2.6% 14SEP2020 (CALLABLE 14AUG20)	2.600	09/14/2020 08/14/2020	900,000.00	914,913.00 0.00	905,765.41 (428.12)	903,370.50 1,890.90	(2,394.91)	0.00	1,885.00	6,890.00	1.61
48125LRK0 JP MORGAN CHASE BANK NA 2.604% 01FEB2021 (CALLABLE 01FEB20)	2.604	02/01/2021 01/01/2021	1,000,000.00	992,840.00 0.00	994,452.70 291.45	1,001,099.00 1,834.00	6,646.30	0.00	2,097.67	10,777.67	1.74
17275RBJ0 CISCO SYSTEMS INC 1.85% 20SEP2021 (CALLABLE 20AUG21)	1.850	09/20/2021	1,250,000.00	1,223,812.50 0.00	1,227,351.35 849.32	1,243,089.38 8,776.25	15,738.03	0.00	1,862.85	6,423.61	2.15
89233P5T9 TOYOTA MOTOR CREDIT CORP 3.3% 12JAN2022	3.300	01/12/2022	1,500,000.00	1,519,035.00 0.00	1,516,644.22 (547.51)	1,542,340.50 10,518.00	25,696.28	0.00	3,987.50	23,100.00	2.67
<b>Total Corporate Bonds</b>			<b>15,189,000.00</b>	<b>15,181,449.13</b> <b>0.00</b>	<b>15,176,790.83</b> <b>2,264.49</b>	<b>15,212,696.69</b> <b>35,907.04</b>	<b>35,905.86</b>	<b>6,325.00</b>	<b>25,264.39</b>	<b>100,263.96</b>	<b>26.64</b>
<b>Government Agencies</b>											
3133ECW83 FEDERAL FARM CREDIT BANK 2.06% 01AUG2019	2.060	08/01/2019	1,500,000.00	1,526,550.00 0.00	1,500,854.67 (827.11)	1,499,955.00 585.00	(899.67)	0.00	2,489.17	12,789.17	2.68

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As of June 30, 2019

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<b>Government Agencies</b>											
3135G0P49 FANNIE MAE 1% 28AUG2019	1.000	08/28/2019	1,100,000.00	1,079,969.00 0.00	1,097,463.32 1,312.07	1,097,912.20 1,590.60	448.88	0.00	886.11	3,727.78	1.89
313380FB8 FEDERAL HOME LOAN BANK 1.375% 13SEP2019	1.375	09/13/2019	1,000,000.00	1,016,632.00 0.00	1,001,049.38 (431.26)	998,310.00 1,190.00	(2,739.38)	0.00	1,107.64	4,086.81	1.78
3130ACM92 FEDERAL HOME LOAN BANK 1.5% 21OCT2019	1.500	10/21/2019	1,500,000.00	1,486,380.00 0.00	1,497,545.75 663.31	1,496,763.00 2,017.50	(782.75)	0.00	1,812.50	4,312.50	2.61
3135G0R39 FANNIE MAE 1% 24OCT2019	1.000	10/24/2019	3,790,000.00	3,731,290.53 0.00	3,769,821.44 5,388.89	3,776,011.11 6,674.19	6,189.67	0.00	3,053.05	6,948.33	6.55
3130AA2H0 FEDERAL HOME LOAN BANK 1.125% 29NOV2019	1.125	11/29/2019	1,700,000.00	1,684,980.50 0.00	1,697,929.78 416.82	1,692,537.00 3,043.00	(5,392.78)	0.00	1,540.63	1,646.88	2.96
3137EAAE5 FREDDIE MAC 1.5% 17JAN2020	1.500	01/17/2020	1,000,000.00	990,460.00 0.00	997,463.72 386.23	996,455.00 1,556.00	(1,008.72)	0.00	1,208.34	6,791.67	1.74
3133ECEY6 FEDERAL FARM CREDIT BANK 1.45% 11FEB2020	1.450	02/11/2020	1,000,000.00	999,000.00 0.00	999,808.33 26.02	996,740.00 1,930.00	(3,068.33)	0.00	1,168.05	5,598.61	1.75
3134G96L6 FREDDIE MAC 1.3% 25FEB2020 (CALLABLE 25AUG19)	1.300	02/25/2020 08/25/2019	1,000,000.00	1,000,000.00 0.00	1,000,000.00 0.00	994,880.00 2,180.00	(5,120.00)	0.00	1,047.22	4,513.89	1.75
3135G0T29 FANNIE MAE 1.5% 28FEB2020	1.500	02/28/2020	1,100,000.00	1,082,587.00 0.00	1,090,851.45 1,153.18	1,095,772.70 1,708.30	4,921.25	0.00	1,329.17	5,591.67	1.90
3136G3UB9 FANNIE MAE 1.2% 30MAR2020 CALLABLE	1.200	03/30/2020	1,300,000.00	1,299,025.00 0.00	1,299,799.50 22.27	1,292,018.00 1,950.00	(7,781.50)	0.00	1,300.00	3,900.00	2.28
3133EJNW5 FEDERAL FARM CREDIT BANK 2.55% 15MAY2020	2.550	05/15/2020	1,250,000.00	1,249,450.00 0.00	1,249,752.15 23.61	1,255,562.50 2,350.00	5,810.35	0.00	2,567.71	3,984.38	2.19

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# SECURITIES HELD

As of June 30, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Government Agencies</b>											
3135G0D75 FANNIE MAE 1.5% 22JUN2020	1.500	06/22/2020	1,300,000.00	1,272,349.00 0.00	1,284,768.15 1,298.17	1,293,366.10 3,701.10	8,597.95	9,750.00	1,570.83	433.33	2.23
3130AB6A9 FEDERAL HOME LOAN BANK 1.65% 20JUL2020	1.650	07/20/2020	1,000,000.00	999,910.00 0.00	999,970.29 2.35	996,890.00 2,110.00	(3,080.29)	0.00	1,329.16	7,333.33	1.75
3130ACBY9 FEDERAL HOME LOAN BANK 1.68% 28AUG2020 (CALLABLE 28AUG19)	1.680	08/28/2020 08/28/2019	1,600,000.00	1,600,000.00 0.00	1,600,000.00 0.00	1,595,952.00 3,728.00	(4,048.00)	0.00	2,240.00	8,960.00	2.81
3133EHY9 FEDERAL FARM CREDIT BANK 1.5% 14SEP2020	1.500	09/14/2020	1,500,000.00	1,495,110.00 0.00	1,498,025.80 136.46	1,491,750.00 1,800.00	(6,275.80)	0.00	1,812.50	6,625.00	2.62
3133EDWV0 FEDERAL FARM CREDIT BANK 2.14% 06OCT2020	2.140	10/06/2020	1,860,000.00	1,860,855.60 0.00	1,860,395.29 (26.01)	1,865,022.00 2,343.60	4,626.71	0.00	3,206.43	9,287.60	3.26
3133EG2L8 FEDERAL FARM CREDIT BANK 1.92% 28DEC2020	1.920	12/28/2020	1,880,000.00	1,873,777.20 0.00	1,876,931.38 171.11	1,881,729.60 4,662.40	4,798.22	18,048.00	2,907.73	200.53	3.29
313373ZY1 FEDERAL HOME LOAN BANK 3.625% 11JUN2021	3.625	06/11/2021	2,000,000.00	2,049,900.00 0.00	2,041,593.22 (1,780.03)	2,067,414.00 4,946.00	25,820.78	36,250.00	5,840.28	3,826.39	3.60
3130AFT72 FEDERAL HOME LOAN BANK 2.67% 04NOV2021 (CALLABLE 04NOV19)	2.670	11/04/2021 11/04/2019	1,500,000.00	1,500,000.00 0.00	1,500,000.00 0.00	1,503,075.00 405.00	3,075.00	0.00	3,226.25	6,230.00	2.63
<b>Total Government Agencies</b>			<b>29,880,000.00</b>	<b>29,798,225.83</b> <b>0.00</b>	<b>29,864,023.62</b> <b>7,936.08</b>	<b>29,888,115.21</b> <b>50,470.69</b>	<b>24,091.59</b>	<b>64,048.00</b>	<b>41,642.77</b>	<b>106,787.87</b>	<b>52.28</b>

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -

# SECURITIES HELD

As of June 30, 2019

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
<b>Government Bonds</b>											
912828F39 USA TREASURY 1.75% 30SEP2019	1.750	09/30/2019	1,100,000.00	1,108,507.81 0.00	1,100,941.90 (307.14)	1,098,839.50 1,159.40	(2,102.40)	0.00	1,577.87	4,786.20	1.94
912828X21 USA TREASURY 1.5% 15APR2020	1.500	04/15/2020	1,500,000.00	1,498,652.34 0.00	1,499,579.76 43.47	1,493,788.50 3,925.50	(5,791.26)	0.00	1,844.26	4,672.13	2.63
912828Q2 USA TREASURY 1.5% 15AUG2020	1.500	08/15/2020	750,000.00	733,857.42 0.00	739,358.81 774.84	746,543.25 2,314.50	7,184.44	0.00	932.32	4,195.44	1.29
912828WC0 USA TREASURY 1.75% 31OCT2020	1.750	10/31/2020	1,300,000.00	1,296,191.41 0.00	1,298,257.81 106.88	1,297,765.30 3,604.90	(492.51)	0.00	1,854.62	3,771.06	2.27
912828C57 USA TREASURY 2.25% 31MAR2021	2.250	03/31/2021	1,500,000.00	1,489,511.72 0.00	1,491,535.31 396.78	1,511,659.50 4,746.00	20,124.19	0.00	2,766.39	8,391.39	2.61
912828F21 USA TREASURY 2.125% 30SEP2021	2.125	09/30/2021	2,200,000.00	2,180,578.13 0.00	2,183,384.41 605.67	2,218,563.60 8,938.60	35,179.19	0.00	3,831.96	11,623.63	3.83
<b>Total Government Bonds</b>			<b>8,350,000.00</b>	<b>8,307,298.83</b> <b>0.00</b>	<b>8,313,058.00</b> <b>1,620.50</b>	<b>8,367,159.65</b> <b>24,688.90</b>	<b>54,101.65</b>	<b>0.00</b>	<b>12,807.42</b>	<b>37,439.85</b>	<b>14.58</b>
<b>Grand total</b>			<b>57,126,386.60</b>	<b>56,994,360.39</b> <b>0.00</b>	<b>57,061,259.05</b> <b>11,821.07</b>	<b>57,175,358.15</b> <b>111,066.63</b>	<b>114,099.10</b>	<b>70,373.00</b>	<b>79,714.58</b>	<b>244,491.68</b>	<b>100.00</b>

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of June 30, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effectiv dur (yr:
<b>American Honda Finance Corp</b>												
02665WAH4	AMERICAN HONDA	2.250	08/15/2019		A	A2	1,500,000.00	1,541,520.00	2.70	1,498,957.50	2.62	0.1
<b>Issuer total</b>							<b>1,500,000.00</b>	<b>1,541,520.00</b>	<b>2.70</b>	<b>1,498,957.50</b>	<b>2.62</b>	<b>0.1</b>
<b>PepsiCo Inc</b>												
713448DJ4	PEPSICO INC 1.35%	1.350	10/04/2019		A+	A1	1,500,000.00	1,487,931.00	2.61	1,496,241.00	2.62	0.2
<b>Issuer total</b>							<b>1,500,000.00</b>	<b>1,487,931.00</b>	<b>2.61</b>	<b>1,496,241.00</b>	<b>2.62</b>	<b>0.2</b>
<b>Cisco Systems Inc</b>												
17275RBJ0	CISCO SYSTEMS INC	1.850	09/20/2021		AA-	A1	1,250,000.00	1,223,812.50	2.15	1,243,089.38	2.17	2.1
<b>Issuer total</b>							<b>1,250,000.00</b>	<b>1,223,812.50</b>	<b>2.15</b>	<b>1,243,089.38</b>	<b>2.17</b>	<b>2.1</b>
<b>JPMorgan Chase Bank NA</b>												
48125LRK0	JP MORGAN CHASE BANK	2.604	02/01/2021	01/01/2021	A+	Aa2	1,000,000.00	992,840.00	1.74	1,001,099.00	1.75	0.5
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>992,840.00</b>	<b>1.74</b>	<b>1,001,099.00</b>	<b>1.75</b>	<b>0.5</b>
<b>Berkshire Hathaway Finance Corp</b>												
084664CK5	BERKSHIRE HATHAWAY	1.300	08/15/2019		AA	Aa2	1,000,000.00	988,300.00	1.73	998,822.00	1.75	0.1
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>988,300.00</b>	<b>1.73</b>	<b>998,822.00</b>	<b>1.75</b>	<b>0.1</b>
<b>Microsoft Corp</b>												
594918AY0	MICROSOFT CORP 1.85%	1.850	02/12/2020	01/12/2020	AAA	Aaa	1,000,000.00	1,004,330.00	1.76	998,041.00	1.75	0.5
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,004,330.00</b>	<b>1.76</b>	<b>998,041.00</b>	<b>1.75</b>	<b>0.5</b>
<b>Chevron Corp</b>												
166764AR1	CHEVRON CORP 1.961%	1.961	03/03/2020	02/03/2020	AA	Aa2	1,000,000.00	1,003,180.00	1.76	997,995.00	1.75	0.6
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,003,180.00</b>	<b>1.76</b>	<b>997,995.00</b>	<b>1.75</b>	<b>0.6</b>

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -



# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of June 30, 2019

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yr)
<b>John Deere Capital Corp</b>												
24422ETJ8	JOHN DEERE CAPITAL	1.250	10/09/2019		A	A2	1,000,000.00	979,508.26	1.72	997,433.00	1.74	0.2
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>979,508.26</b>	<b>1.72</b>	<b>997,433.00</b>	<b>1.74</b>	<b>0.2</b>
<b>TWDC Enterprises 18 Corp</b>												
25468PDP8	TWDC ENTERPRISES 18	1.950	03/04/2020		A	A2	1,000,000.00	1,003,140.00	1.76	997,367.00	1.74	0.6
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,003,140.00</b>	<b>1.76</b>	<b>997,367.00</b>	<b>1.74</b>	<b>0.6</b>
<b>Apple Inc</b>												
037833DH0	APPLE INC 1.8%	1.800	11/13/2019		AA+	Aa1	989,000.00	977,874.87	1.72	987,623.31	1.73	0.3
<b>Issuer total</b>							<b>989,000.00</b>	<b>977,874.87</b>	<b>1.72</b>	<b>987,623.31</b>	<b>1.73</b>	<b>0.3</b>
<b>American Express Credit Corp</b>												
0258M0DX4	AMERICAN EXPRESS	2.600	09/14/2020	08/14/2020	A-	A2	900,000.00	914,913.00	1.61	903,370.50	1.58	1.1
<b>Issuer total</b>							<b>900,000.00</b>	<b>914,913.00</b>	<b>1.61</b>	<b>903,370.50</b>	<b>1.58</b>	<b>1.1</b>
<b>Grand total</b>							<b>57,126,386.60</b>	<b>56,994,360.39</b>	<b>100.00</b>	<b>57,175,358.15</b>	<b>100.00</b>	<b>0.7</b>

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -

# SECURITIES SOLD AND MATURED

For the period June 1, 2019 - June 30, 2019

Cusip/ Description/ Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity /Accr (amort)	Price	Fair value at sale or maturity / Chg.in fair value	Realized gain (loss)	Accrued interest sold	Interest received	Net income	Net income
<b>Government Agencies</b>													
3134G44Y1 FREDDIE MAC 1.25% 24JUN2019 CALLABLE	06/24/2019	1.250		(2,100,000.00)	2,075,808.00	2,100,000.00	0.00	2,100,000.00	0.00	0.00	13,125.00	1,600.00	1,600.00
	06/24/2019					1,212.13		1,428.00					
<b>Total (Government Agencies)</b>				<b>(2,100,000.00)</b>	<b>2,075,808.00</b>	<b>2,100,000.00</b>		<b>2,100,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13,125.00</b>	<b>1,600.00</b>	<b>1,600.00</b>
<b>Grand total</b>				<b>(2,100,000.00)</b>	<b>2,075,808.00</b>	<b>2,100,000.00</b>		<b>2,100,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13,125.00</b>	<b>1,600.00</b>	<b>1,600.00</b>
						1,212.13		1,428.00					

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -

# TRANSACTION REPORT

For the period June 1, 2019 - June 30, 2019

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction	Balance
06/01/2019 06/01/2019	69353REP9	Income	Corporate Bonds	PNC BANK NA 2.3% 01JUN2020	06/01/2020	550,000.00	0.00	0.00	6,325.00	6,325.00	0
06/11/2019 06/11/2019	313373ZY1	Income	Government Agencies	FEDERAL HOME LOAN BANK	06/11/2021	2,000,000.00	0.00	0.00	36,250.00	36,250.00	0
06/22/2019 06/22/2019	3135G0D75	Income	Government Agencies	FANNIE MAE 1.5% 22JUN2020	06/22/2020	1,300,000.00	0.00	0.00	9,750.00	9,750.00	0
06/24/2019 06/24/2019	3134G44Y1	Income	Government Agencies	FREDDIE MAC 1.25%	06/24/2019	2,100,000.00	0.00	0.00	13,125.00	13,125.00	0
06/24/2019 06/24/2019	3134G44Y1	Capital Change	Government Agencies	FREDDIE MAC 1.25%	06/24/2019	(2,100,000.00)	0.00	2,100,000.00	0.00	2,100,000.00	0
06/28/2019 06/28/2019	3133EG2L8	Income	Government Agencies	FEDERAL FARM CREDIT BANK	12/28/2020	1,880,000.00	0.00	0.00	18,048.00	18,048.00	0
06/30/2019		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	1,156.94	1,156.94	4

Attachment: 06-2019 Investment Report (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT -

JULY 2019



**IN THIS ISSUE:**

**Market Summary . . . . . 1**

- Yield Curve
- Current Yields

**Economic Round-Up . . . . . 2**

- Credit Spreads
- Economic Indicators

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

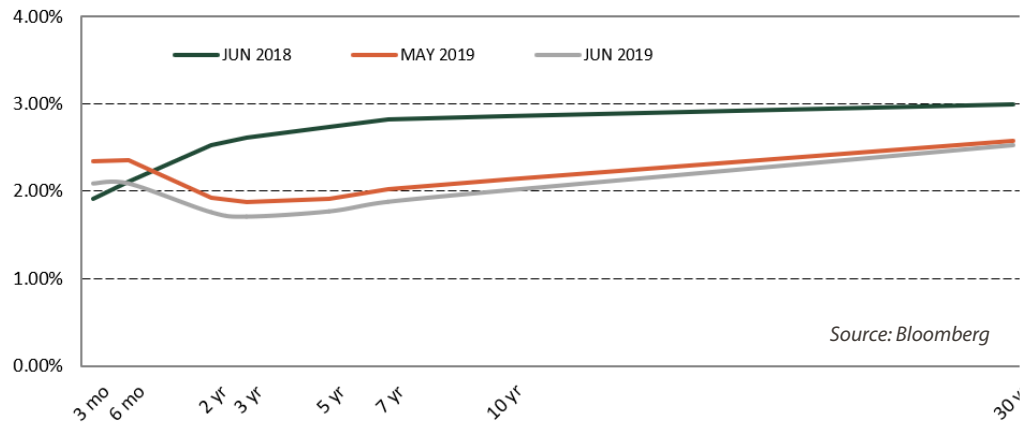
## Market Summary

The Federal Open Market Committee (FOMC) kept the target fed funds rate unchanged in June at a range 2.25%-2.50%. In the policy statement, the Fed noted that market-based measures of inflation have declined and uncertainties about the economic outlook have increased. With regard to future policy adjustments, the Fed removed the word "patient" from the policy statement, and indicated they are prepared to act appropriate to incoming data in order to sustain the economic expansion. The Fed did not make any changes to their balance sheet normalization program, and the runoff remains on track to end in September. There was one dissenting vote amongst the FOMC members, James Bullard, who was in favor of lowering the funds rate by 25 basis points.

In our view, US domestic economic data remains consistent with a slow growth environment; the US labor market is strong, wages are growing modestly, and inflation remains contained. However, headwinds to the economy have increased. Ongoing global trade disputes, slowing global economic growth, an uncertain outlook for Brexit, and geopolitical tensions have made the outlook uncertain. The trajectory of economic growth is likely to hinge on the outcome of ongoing trade negotiations as well as policy action by the major global central banks. We believe there is a high level of political pressure to make progress toward a trade agreement with China before the election cycle heats up this fall. We also believe a dovish collective stance by major global central banks should help to combat the headwinds to global economic growth.

Treasury yields declined further in June. At month-end, the 3-month T-bill yield was down 25 basis points to 2.09%, the 2-year Treasury yield was down 17 basis points to 1.76%, and the 10-year Treasury yield was down 12 basis points to 2.01%. An inversion of the yield curve in which the 10-year Treasury yield is lower than the 3-month T-bill yield is generally viewed as a powerful predictive signal of an upcoming recession. Although our 6-month forecast does not call for a recession, we believe downside risks to the economy are building. Notably, sovereign 10-year bond yields around the world were under pressure in June and the yields on both the 10-year German Bund and 10-year Japanese Government Bond remained negative at month-end.

## The Treasury Yield Curve Remains Quite Flat



The shape of the Treasury yield curve has changed significantly on a year-over-year basis. As of month-end in June, the 3-month T-bill yield was up nearly 18 basis points, the 2-Year Treasury yield was down 77 basis points and the 10-Year Treasury yield was down nearly 86 basis points, year-over-year. The current shape of the yield curve implies that market participants are pricing-in multiple rate cuts. We believe the decline in long-term Treasury yields reflects a high level of market participants' nervousness about the outlook for global economic growth and a decline in global inflation expectations.

TREASURY YIELDS	Trend (▲/▼)	6/30/2019	5/31/2019	Change
3-Month	▼	2.09	2.34	(0.25)
2-Year	▼	1.76	1.92	(0.16)
3-Year	▼	1.71	1.87	(0.16)
5-Year	▼	1.77	1.91	(0.14)
7-Year	▼	1.88	2.02	(0.14)
10-Year	▼	2.01	2.13	(0.12)
30-Year	▼	2.53	2.57	(0.04)

Source: Bloomberg

Economic Roundup

Consumer Prices

The Consumer Price Index (CPI) was up just 1.8% year-over-year in May, versus up 2.0% year-over-year in April. Core CPI (CPI less food and energy) was up 2.0% year-over-year in May, versus up 2.1% year-over-year in April. The Personal Consumption Expenditures (PCE) index was up 1.5% year-over-year in May, versus up 1.6% year-over-year in April. Core PCE, which is the Fed primary inflation gauge, was up 1.6% year-over-year in May, unchanged from April, remaining below the Fed's 2.0% inflation target.

Retail Sales

On a year-over-year basis, retail sales were up 3.2% in May, versus up 3.7% year-over-year in April. On a month-over-month basis, retail sales increased 0.5% in May, and sales growth for April was revised up to 0.3% from -0.2%. Retail sales excluding autos and gas were up 0.5% in May, better than expectations of 0.4%. Solid growth in May, and upward revisions to April indicate that consumer spending trends remain favorable.

Labor Market

U.S. nonfarm payrolls rose by 224,000 in June, well above the consensus forecast of 165,000. April and May payrolls were revised down by a total of just 11,000. On a trailing 3-month basis payrolls increased an average of 171,000, more than enough to absorb new entrants into the labor market. The unemployment rate ticked up to 3.7% in June from 3.6% in May as the participation rate also increased to 62.9% from 62.8%. A broader measure of unemployment called the U-6, which includes those who are marginally attached to the labor force and employed part time for economic reasons, also edged up to 7.2% in June from 7.1% in May. Wages rose 0.2% in June (slightly below expectations), following an upwardly revised 0.3% increase in May. On a year-over-year basis, wages were up 3.1% in June, versus up 3.2% in May.

Housing Starts

Housing starts were stronger than expected in May, down slightly to a 1.269 million annual rate from an upwardly revised annual rate of 1.281 million in April. Multi-family starts jumped 10.9% to an annualized rate of 449,000, but single-family starts fell 6.4% to an annualized rate of 820,000. On a year-over-year basis, total housing starts were down 4.7% in May.

Credit Spreads Tightened in June

CREDIT SPREADS	Spread to Treasuries (%)	One Month Ago (%)	Change
3-month top rated commercial paper	0.10	0.10	0.00
2-year A corporate note	0.51	0.56	(0.05)
5-year A corporate note	0.65	0.75	(0.10)
5-year Agency note	0.12	0.12	0.00

Source: Bloomberg

Data as of 6/30/2019

Economic Data Points to Ongoing Slow Growth

ECONOMIC INDICATOR	Current Release	Prior Release	One Year Ago
Trade Balance	(55.5) \$Bln MAY 19	(51.2) \$Bln APR 19	(44.4) \$Bln MAY 18
GDP	3.1% MAR 19	2.2% DEC 18	2.2% MAR 18
Unemployment Rate	3.7% JUN 19	3.6% MAY 19	4.0% JUN 18
Prime Rate	5.50% JUN 19	5.50% MAY 19	5.00% JUN 18
CRB Index	181.04 JUN 19	175.36 MAY 19	200.38 JUN 18
Oil (West Texas Int.)	\$58.47 JUN 19	\$53.50 MAY 19	\$74.15 JUN 18
Consumer Price Index (y/o/y)	1.8% MAY 19	2.0% APR 19	2.8% MAY 18
Producer Price Index (y/o/y)	1.0% MAY 19	2.0% APR 19	4.1% MAY 18
Dollar/Euro	1.14 JUN 19	1.12 MAY 19	1.17 JUN 18

Source: Bloomberg

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Market Data

World Indices

data as of 6/30/2019

	Diff (5/31/19)	% Change
S&P 500		
2,941.76	189.70	6.89%
NASDAQ		
8,006.24	553.10	7.42%
DOW JONES		
26,599.96	1,784.92	7.19%
FTSE (UK)		
7,425.63	263.92	3.69%
DAX (Germany)		
12,398.80	671.96	5.73%
Hang Seng (Hong Kong)		
28,542.62	1,641.53	6.10%
Nikkei (Japan)		
21,275.92	674.73	3.28%

Source: Bloomberg



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Attachment: CAM-Newsletter-July-2019 (3682 : RECEIPT OF QUARTERLY INVESTMENT REPORT - QUARTER ENDED JUNE 30, 2019)



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Kathleen Sanchez, Human Resources Director

**AGENDA DATE:** September 3, 2019

**TITLE:** LIST OF PERSONNEL CHANGES

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### **RECOMMENDED ACTION**

#### **Recommendation:**

1. Ratify the list of personnel changes as described.

### **DISCUSSION**

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

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

### **FISCAL IMPACT**

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

### **PREPARATION OF STAFF REPORT**

Prepared By:  
Vanessa Leccese  
Executive Assistant

Department Head Approval:  
Kathleen M. Sanchez  
Human Resources Director

### **CITY COUNCIL GOALS**

None

### **CITY COUNCIL STRATEGIC PRIORITIES**

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

**ATTACHMENTS**

- 1. Personnel Changes for Staff Report\_9.3.19

**APPROVALS**

Budget Officer Approval	<u>✓ Approved</u>	8/21/19 6:49 PM
City Attorney Approval	<u>✓ Approved</u>	8/26/19 4:05 PM
City Manager Approval	<u>✓ Approved</u>	8/26/19 4:35 PM

**City of Moreno Valley  
Personnel Changes  
September 3, 2019**

**New Hires**

None

**Promotions**

Nicole Grenier

From: Temp Animal Care Technician, Community Development Department/Animal Services Division

To: Animal Services Assistant, Community Development Department/Animal Services Division

**Transfers**

None

**Separations**

None





## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Marshall Eyerman, Chief Financial Officer  
Michael L. Wolfe, P.E., Public Works Director/City Engineer

**AGENDA DATE:** September 3, 2019

**TITLE:** APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH WILLDAN TO PREPARE A DEVELOPMENT IMPACT FEE UPDATE

---

### **RECOMMENDED ACTION**

#### **Recommendations:**

1. Approve First Amendment to the Agreement to examine any potential fee modifications as part of the preparation of a Development Impact Fee Study for a total contract amount not to exceed \$75,000.
2. Authorize the City Manager to execute the First Amendment to the Agreement with the above-mentioned contractor.
3. Approve budget adjustments as set forth in the Fiscal Impact section of this report.
4. Authorize the Chief Financial Officer to issue various purchase orders upon execution of the First Amendment to the Agreement.
5. Authorize the City Manager to execute subsequent Amendments to the Agreement within Council approved annual budgeted amounts, including the authority to authorize the associated purchase orders in accordance with the terms of the Agreement, subject to the approval of the City Attorney.

### **SUMMARY**

The last comprehensive development impact fee (DIF) nexus study approved by the city Council was completed in 2012. Following an initial review of the DIF with Willdan Financial, the City will need to further examine any recommendations to modify the fees

based on historical cost increases since 2012, along with potential cost increases in the near future. To provide the public and the City Council a comprehensive understanding of the fee structure and rates, the existing Willdan contract, which was entered into in 2015, will need to be modified to allow for an additional review of potential costs; development of additional data to support any recommendations to reduce projects and/or modify fees; and additional meetings to present and discuss any recommendations.

## **DISCUSSION**

In California, State legislation sets certain legal and procedural parameters for the charging of development impact fees (DIFs). The California Mitigation Fee Act, (AB1600) Government Code Sections 66000 et seq. was enacted in 1987 to allow local agencies to impose a fee on an applicant in connection with approval of a development project to defray all or a portion of the cost of public facilities related to the project. "Public facilities" are defined to include public improvements, public services and community amenities. Development impact fees cannot be assessed for the operation and maintenance of capital facilities. A development impact fee is not a tax or special assessment; by its definition, a fee is only paid incident to development and must be reasonably related to the cost of the service provided by the local agency for impacts created by that development.

Through the adoption of Ordinance 695 and pursuant to Government Code Sections 66000 et seq. the City has authorized the imposition of impact fees on new development. The City of Moreno Valley's last comprehensive Development Impact Fee Nexus Study was completed in 2012 and was adopted by the City Council via Resolution 2012-85.

The study summarized the analysis of development impact fees needed to support future development in Moreno Valley through 2040. At that time, it was the City's intent that the costs representing future development's share of public facilities and capital improvements be imposed through a Development Impact Fee. The public facilities and improvements included in the analysis were divided into the fee categories listed below:

Arterial Streets	Library Facilities
Traffic Signals	City Hall Facilities
Fire Facilities	Corporation Yard Facilities
Police Facilities	Maintenance Equipment Facilities
Parks	Freeway Interchanges
Recreation Facilities	Animal Services Facilities

Impact fee revenue must be spent on new facilities or expansion of current facilities to serve new development. Facilities can be generally defined as capital acquisition items with a useful life greater than five years. Impact fee revenue can be spent on capital facilities to serve new development, including but not limited to: land acquisition, construction of buildings, the acquisition of vehicles or equipment, information technology, software licenses and equipment.

The primary policy objective of a public facilities fee program is to ensure that new development funds capital costs associated with growth. Policy 2.14.1 of the City's General Plan states "Conduct periodic review of public facilities impact mitigation fees in accordance with state statutes to ensure that the charges are consistent with the costs of improvements."

In 2014, the City issued an RFP for a Developmental Impact Fee Study Update ("Study"), posted on the City's website, and distributed through direct emails to the following firms: Raftelis Financial Consultants, TischlerBise, The Willdan Group, Inc., Colgan Consulting Corp., and Urban Economics.

Based upon a review of the proposals and the results of the interviews, Willdan Financial, Inc. was selected as the most qualified firm to complete the Study. Some of the key factors of the decision included the firm's knowledge and expertise within Riverside County and recent work on Riverside County impact fee studies.

While working on the 2016 Study it was discovered that the Western Riverside Council of Governments (WRCOG) was initiating an Analysis of Development Impact Fees in Western Riverside County. Based on the WRCOG analysis occurring, the City's DIF study was placed on hold pending the release of the WRCOG report, which occurred in 2017. Additionally, WRCOG has also released an updated 2018 version of the report.

The WRCOG report surveys the WRCOG jurisdiction cities along with a few cities in the Coachella Valley and San Bernardino County. The findings indicate that based on the sample projects, some of Moreno Valley's various fee levels are below average, on par with other regional jurisdictions and potentially higher than regional averages. As there are multiple factors within the calculation of these estimated fees, further background can be found in the WRCOG report, which is attached for reference. The City has not independently validated the results of the WRCOG analysis.

Now that additional information is available from WRCOG, staff recommends that the City complete the update started in 2016 to the citywide Impact Fee analysis. Based on Willdan's selection through the prior competitive process and the firm's specific knowledge based on the work completed, a new agreement was executed with Willdan to complete an update to the prior study.

Based on the prior selection of Willdan, the City received an updated Proposal to Prepare a Development Impact Fee Update for the City of Moreno Valley in December 2018. The updated analysis is being conducted to further assure compliance with the Mitigation Fee Act by clarifying information including identifying the purpose for each fee; demonstrating a reasonable relationship between the fee and the purpose for which it is levied; identifying all sources and amounts of funding anticipated for incomplete improvements; and examining the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

On April 23, 2019, the Finance Subcommittee was provided an overview of the development impact fees process and that Staff was looking to review the prior development impact fee studies and complete the Development Impact Fee Update. The initial intent was to review compliance with the Mitigation Fee Act. However, following an initial review of the DIF with Willdan Financial, it is recommended that the City further examine any recommendations to modify the fees based on historical cost increases since 2012, updated WRCOG data, and potential cost increases in the near future.

To provide the public and the City Council a comprehensive understanding of the fee structure and rates, the existing Willdan contract will require modification to add review of potential costs, development of additional data to support any recommendations to reduce projects and/or modify fees, and participation in additional meetings to present and discuss any recommendations.

Two components of construction cost increases are related to changes in State mandated minimum wages along with the directly correlated impacts of State Department of Industrial relations - Prevailing Wage Determinations. The following sets forth the schedule of California minimum wage increases through January 1, 2023.

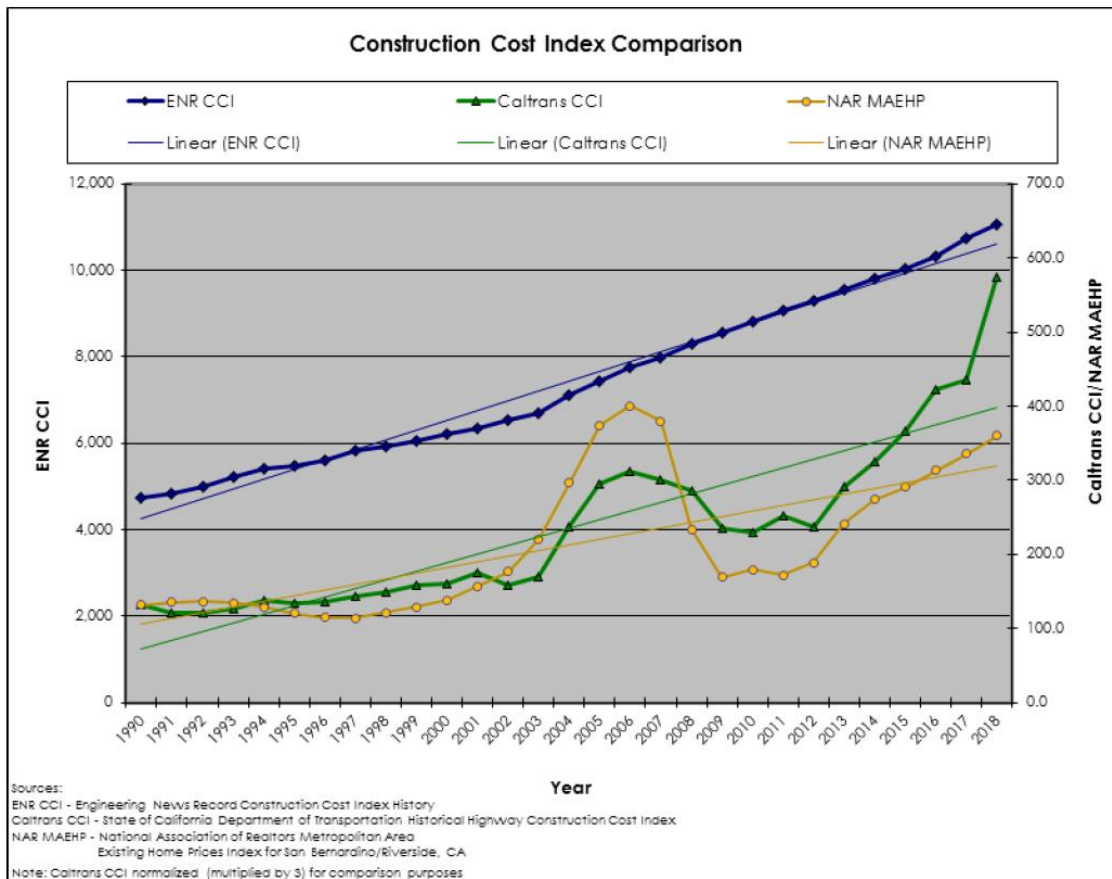
Date	Minimum Wage for Employers with 25 Employees or Less	Minimum Wage for Employers with 26 Employees or More
January 1, 2017	\$10.00/hour	\$10.50/hour
January 1, 2018	\$10.50/hour	\$11.00/hour
January 1, 2019	\$11.00/hour	\$12.00/hour
January 1, 2020	\$12.00/hour	\$13.00/hour
January 1, 2021	\$13.00/hour	\$14.00/hour
January 1, 2022	\$14.00/hour	\$15.00/hour
January 1, 2023	\$15.00/hour	

As noted in recent WRCOG staff reports, “since the adoption of the 2016 TUMF Nexus Study, construction, labor, and land costs have demonstrated an increasing trend. Though the Caltrans CCI [Construction Cost Index] is not a factor in determining the adjustment to the TUMF, it is shown on the below graph to demonstrate the sharp increase. Factors contributing to the increase include tariffs and the rebounding economy placing competition on transportation construction from other sectors for materials and labor. This is intended to demonstrate the rising costs of transportation improvements in the state...” These cost factors, along with the CCI and other indexes directly reflect cost increases which will impact the City of Moreno Valley’s projects/procurements cost funded through a DIF program.

The TUMF CCI adjustment is based on the percentage increase in the Engineering News Record (ENR) CCI for the 12 month period from January 2018 to January 2019,

and the percentage increase in the National Association of Realtors (NAR) Median Sales Price of Existing Single-Family Homes in the Riverside / San Bernardino Metropolitan Statistical Area for the 12 month period from the 3rd Quarter of 2017 to the 3rd Quarter of 2018 (to coincide with the publication of the most recently updated index).

As depicted in the figure below, the ENR CCI has increased by approximately 7% and the NAR Median Sales Price of Existing Single-Family Homes in the Riverside / San Bernardino Metropolitan Statistical Area has increased 15%. These two indices have been adopted by the WRCOG Executive Committee as the basis for completing CCI adjustments to the TUMF schedule of fees.



As part of the additional analysis and recommendations from Willdan, they will also examine if there are any additional items for consideration which may potentially require an additional adjustment to the fees.

**ALTERNATIVES**

The following alternatives are available to the City Council:

1. Approve and authorize the recommended actions as presented in this staff report. **Staff recommends this alternative to continue compliance and assure proper fees are examined.**
2. Do not approve or authorize the recommended actions as presented in this staff report. **Staff does not recommend this alternative as it may impact proper fee collections.**

**FISCAL IMPACT**

An administration fee is collected as part of the impact fee collections, which shall fund the cost of the study. This staff report does not modify any current DIF rates.

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 19/20 Budget	Proposed Adjustments	FY 19/20 Amended Budget
Transfer Out	DIF Admin	2914-99-95-92914-901010	Exp	\$0	\$25,000	\$25,000
Transfer In	GF	1010-99-99-91010-802914	Rev	\$0	\$25,000	\$25,000
Contract Exp.	GF	1010-30-33-25020-625099	Exp	\$40,000	\$25,000	\$65,000

**NOTIFICATION**

Publication of the agenda.

**PREPARATION OF STAFF REPORT**

Department Head Approval:  
Michael Wolfe  
Public Works Director

Department Head Approval:  
Marshall Eyerman  
Chief Financial Officer

**CITY COUNCIL GOALS**

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

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

**CITY COUNCIL STRATEGIC PRIORITIES**

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

## 6. Youth Programs

### ATTACHMENTS

1. WRCOG DIF Survey 2018
2. DIF Summary Breakdown

### APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	8/27/19 6:03 PM
City Attorney Approval	<u>✓ Approved</u>	8/26/19 4:04 PM
City Manager Approval	<u>✓ Approved</u>	8/29/19 10:51 AM



# Western Riverside Council of Governments Public Works Committee

## Staff Report

**Subject:** Fee Comparison Analysis – Final Report

**Contact:** Christopher Tzeng, Program Manager, [ctzeng@wrcog.us](mailto:ctzeng@wrcog.us), (951) 405-6711

**Date:** March 14, 2019

*The purpose of this item is to provide a final report of the Fee Comparison Analysis. In 2016, WRCOG conducted an analysis of the fees required of development projects, the effect of other development costs, and the economic benefits of transportation investment. WRCOG commenced an update to the analysis utilizing 2018 fee schedules.*

### **Requested Action:**

1. Receive and file.

*In 2016, WRCOG conducted a study to analyze fees / exactions required and collected by jurisdictions / agencies in and immediately adjacent to the WRCOG subregion. The study was received by the WRCOG Committees and subsequent presentations were completed to various City Councils in the subregion. Based on the feedback provided and the requests made for data and presentations, WRCOG indicated the study would be updated on a consistent basis to enable jurisdictions to understand the impact of fees on development and the regional economy. WRCOG and its project team have been updating the analysis since September 2018 and it is now finalized.*

### **Background on 2018 Update**

Generally, the analysis methodologies, assumptions, and jurisdictions analyzed are consistent with the original study. The fee comparison update process primarily involved contacting jurisdictions and special districts to understand if and how its development impact fees had changed since 2016. In some cases, jurisdictions indicated the need for adjustments to the 2016 assumptions / methodologies, particularly concerning the calculation of water and sewer fees. As a result, the changes between 2016 and 2018 represent a combination of changes driven by fee schedule changes (actual changes in fee levels), as well as those driven by suggested refinements in other underlying assumptions.

### **Findings of Development Impact Fee Breakdown**

TUMF represents a modest proportion of total residential development impact fees in Western Riverside County and a more variable proportion of nonresidential development impact fees.

- On average, TUMF on residential development represents about 20% of total development impact fees for both single-family (SF) and multifamily (MF) development.
  - Water and sewer fees together represent 36% SF and 32.4% MF
  - Other City fees represent 21.2% SF and 24.3% MF
  - TUMF represent 18.7% SF and 20.6% MF
  - School fees represent 18.5% SF and 17.5% MF



- Other subregional / area fees represent 5.7% SF and 5.1% MF
- Average TUMF fees as a proportion of total fees show more variation for nonresidential land uses, ranging from 31.7% for retail development to 15.6% for Class A/B office development.
  - Retail development impact fees – water and sewer are 41.6%, TUMF is 31.7%
  - Office development impact fees – water and sewer are 52.2%, TUMF is 15.6%
  - Industrial development impact fees – other city fees are 31.8%, TUMF is 28%, and water and sewer are 20.1%
- Average development impact fees in WRCOG member jurisdictions are within the Inland Empire range.
- Average residential development impact fees for WRCOG jurisdictions are lower than the average of selected San Bernardino County cities and higher than the average of selected Coachella Valley cities.
  - When compared with the average of selected San Bernardino County cities (Fontana, Yucaipa, San Bernardino, Ontario, Chino, and Rialto), the WRCOG average is modestly lower for both SF and multi-family development. The average for selected Coachella Valley cities (Indio, Palm Desert, and Palm Springs) is substantially lower for SF and multi-family development.
- Average retail development impact fees are substantially higher than the relatively similar average fee levels for San Bernardino County and Coachella Valley.
  - At \$23.63 per square foot of retail space, the WRCOG average total fee is substantially higher than the equivalent fees in the other areas of study that ranged from \$13.62 to \$15.47 per square foot. This remains true despite the reduction in the TUMF fee on retail development.
- For office development, the WRCOG average is slightly below the average of the San Bernardino County cities evaluated, but substantially higher than the average for the Coachella Valley cities evaluated.
  - The WRCOG average for industrial development is somewhat lower than the San Bernardino County average of \$5.91 per square foot and somewhat higher than the average for Coachella Valley cities of \$4.44 per square foot.
- Average development impact fees among WRCOG member jurisdictions represent between 3.8% and 8.9% of total development costs / returns, with TUMF as a lower fraction of these proportions.
- Total development impact fees represent between 3.8% and 8.9% of total development costs / returns for the prototype feasible projects.
  - 8.5% for SF development
  - 8.9% for MF development
  - 3.8% for industrial development
  - 4.3% for office development
  - 6.9% for retail development
- TUMF represents between 0.7% and 2.2% of total development costs / returns for the prototype feasible projects. While changes in the TUMF can add or subtract from total development costs, it would take a substantial change to increase / decrease overall development costs / returns by more than 1%.
  - TUMF represents between 16.1% and 31.7% of total development impact fees with the highest ratios for retail and industrial development and lowest for office development.
    - 1.6% for SF development
    - 1.8% for MF development
    - 1.1% for industrial development

- 0.7% for office development
  - 2.2% for retail development
- Average total development impact fees as a proportion of estimated overall development costs have fallen for all land uses since 2016. Similarly, the TUMF proportion of total development costs has decreased for land uses with the largest change in retail, where the TUMF has fallen from 3.5% to 2.2% of overall development costs since 2016.

### **Findings of Development Impact Fee Analysis**

Below are highlights based on Figures 2-5 in the attachment to this report (Updated Analysis of Development Impact Fees in Western Riverside County – Draft Final Report).

- Figure 2 shows that WRCOG TUMF residential fees, on average, represent about 20% of total development impact fees for both SF and MF development.
- On average, WRCOG nonresidential TUMF show more variation in level and in proportion of overall development impact fees (between 10% and 56%) than for the residential fee categories.
- As shown on Figure 3, water and sewer fees together represent the greatest proportion of residential development impact fees followed by similar proportions from other city fees, TUMF, and school fees.
- As shown on Figure 4, nonresidential development impact fees show more variation in terms of the distribution between fee categories.
- Figure 5 shows that unincorporated jurisdictions have slightly lower total fees as compared to the average for all WRCOG study jurisdictions.

### **Findings of Fee Comparison with Non-WRCOG Jurisdictions**

Below are highlights based on Figures 6-10 in the attachment to this report (Updated Analysis of Development Impact Fees in Western Riverside County – Draft Final Report).

- Figures 6-10 compare average development impact fee costs and proportions in the WRCOG subregion to those in neighboring jurisdictions.
- Average development impact fees for WRCOG jurisdictions are modestly lower than the average of selected San Bernardino County cities, except for retail development impact fees.
- The average development impact fees for selected Coachella Valley cities is below that of the WRCOG average for all land uses.

### **Development Costs – Key Factors in New Development**

Developers (whether looking to do speculative development or to provide build-to-suit developments for larger users) will review a number of conditions before determining whether to move forward with site acquisition / optioning and pre-development activities. Factors will include: 1) the availability of appropriate sites, 2) the availability of / proximity to / quality of infrastructure / facilities (e.g., proximity to transportation corridors, schools, and other amenities), 3) local market strength (achievable sales prices / lease rates) in the context of competitive supply, 4) expected development costs (including land acquisition costs, construction materials and labor costs, the availability and costs of financing, and development impact fees, among others), and, 5) where sites are unentitled, the entitlement risk.

An illustrative static pro forma structure was developed to provide overall insights on general economic relationships (Figures 11 and 12). It is important to note that these pro formas do not draw conclusions concerning the feasibility of individual projects. The pro forma incorporated different categories of development costs (see below). It also considered potential land values / acquisition costs based on a residual land value approach that considered potential development values, subtracted direct and indirect development costs and developer return requirements, and indicated a potential residual land value. The development values were refined based on available market data ranges and the need to generate a land value of an appropriate level to support land acquisition and new development. Available information on land transactions was also reviewed.

## **Development Costs Analysis Results**

As shown in Figures 11 and 12 in the Draft Final Report, direct construction costs represent the largest proportion of total development costs / returns, typically followed by other land costs, other soft costs (collectively), developer returns, and development impact fees.

- Total development impact fees represent between 3.8% and 8.9% of total development costs / returns for the prototype feasible projects.
- TUMF represent between 0.7% and 2.2% of total development costs / returns for the prototype feasible projects.

### **Prior Actions:**

February 14, 2019: The Public Works Committee received and filed.

February 14, 2019: The Planning Directors Committee received and filed.

### **Fiscal Impact:**

Transportation Department activities are included in the Agency's adopted Fiscal Year 2018/2019 Budget under the Transportation Department.

### **Attachment:**

1. Updated Analysis of Development Impact Fees in Western Riverside County – Draft Final Report

# Item 7.E

## Fee Comparison Analysis – Final Report

# Attachment 1

## Updated Analysis of Development Impact Fees in Western Riverside County – Draft Final Report

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## Draft Final Report

# Updated Analysis of Development Impact Fees in Western Riverside County

*The Economics of Land Use*



Prepared for:

Western Riverside Council of Governments (WRCOG)

Prepared by:

Economic & Planning Systems, Inc. (EPS)

March 1, 2019

EPS #181032

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Attachment: WRCOG DIF Survey 2018 (3717 : APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH WILLDAN TO PREPARE A

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## 1. INTRODUCTION AND FINDINGS

---

The Western Riverside Council of Governments (WRCOG) commissioned this Report to provide increased regional understanding of development impact fees on new development in Western Riverside County. More specifically, the purpose of this Report is to: (1) indicate the types and relative scale of the development impact fees placed on different land uses and (2) indicate the scale of fees relative to overall development costs. The Report is also intended to provide helpful background information on the impact of the Transportation Uniform Mitigation Fee (TUMF) by placing TUMF in the context of the broader development impact fee structure, overall development costs, and other regional dynamics.

This Report represents the first update to the Original Study completed in December 2016.<sup>1</sup> This study provided similar information on development impact fees and development costs based on 2016 fee schedules and development cost estimates. This Report (the 2019 Updated Study) provides updated information based on 2018 fee schedules and estimates of development costs. A companion memorandum provides a summary of the changes in fee levels between 2016 and 2018.<sup>2</sup>

This Report recognizes that there are substantive and ongoing debates about the appropriate levels of development impact fees in regions throughout California and elsewhere in the United States. On the one hand, development impact fees provide revenue to support the construction of critical infrastructure and capital facilities (or in-kind capital facility development) that can generate development value, economic development, and quality of life benefits. On the other hand, development impact fees act as an additional development cost that can influence development feasibility and potentially the pace of new development. **In reality, each fee-adopting jurisdiction needs to weigh the costs and benefits of potential new/increased fee levels in the context of their goals, capital improvement needs, and economic and development dynamics.**

This Report considers development impact fees defined as one-time fees collected for the purposes of funding infrastructure and capital facilities.<sup>3</sup> Because of the broad variation in land use and development projects in Western Riverside County, prototype development projects for single-family, multifamily, retail, Class A/B office and large industrial developments were all developed to support comparisons of fees in different jurisdictions.

A summary of key findings is provided below, followed by a description of the organization of this Report.

---

<sup>1</sup> See Report entitled "Analysis of Development Impact Fees in Western Riverside County", December 2016.

<sup>2</sup> See Technical Memorandum entitled "Overview of Changes in WRCOG Jurisdiction Fees: 2016 to 2018", March 2019.

<sup>3</sup> As used in this report and discussed further below, the phrase "development impact fee" includes all fees adopted pursuant to the Mitigation Fee Act and other monetary exactions due at the time of development.

## Summary of Findings

### **FINDING #1: New development in Western Riverside County pays a wide range of one-time infrastructure/capital facilities associated fees with a number of different public agencies.**

New development in Western Riverside County is required to pay development impact fees to help fund:

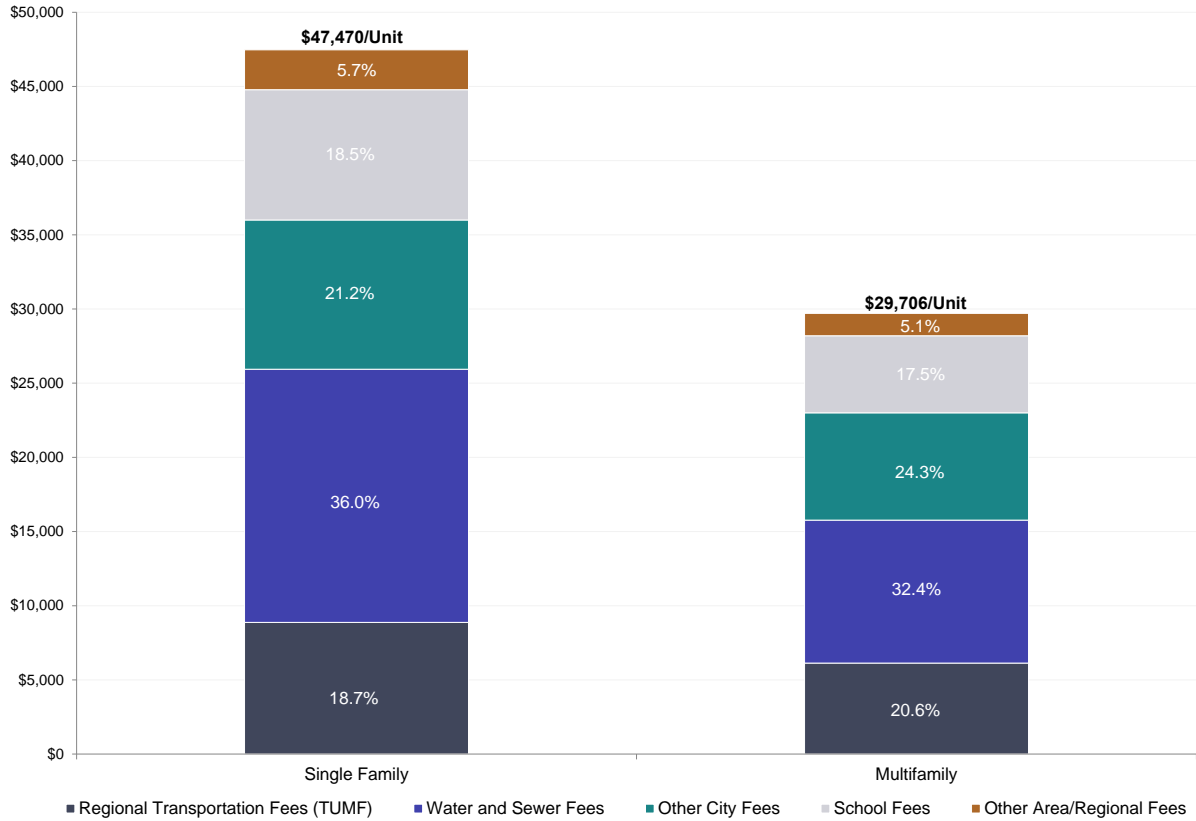
- Water and Sewer Facilities
- School Facilities
- Regional Transportation Infrastructure
- Additional Local Infrastructure/Capital Facilities (local transportation, parks and recreation, public facility, community/civic facilities, and storm drain infrastructure).
- Subregional/Area Fees (habitat mitigation fees, Road and Bridge Benefit Assessment Districts, and other area-specific infrastructure/capital facilities fees).

These fees are set/administered by a combination of water districts, school districts, individual cities, the County, the Western Riverside Council of Governments, the Western Riverside County Resource Conservation Authority, and other special districts.

### **FINDING #2: TUMF represents a modest proportion of total residential development impact fees in Western Riverside County and a more variable proportion of nonresidential development impact fees.**

- **On average, TUMF on residential development represents about 20 percent of total development impact fees for both single-family and multifamily development.**  
Water and sewer fees together represent the greatest proportion of residential development impact fees (36.0 percent/32.4 percent), followed by similar proportions from other City fees (21.2 percent/24.3 percent), TUMF (18.7 percent/20.6 percent), and school fees (18.5 percent/17.5 percent). A smaller proportion is associated with other subregional/area fees (5.7 percent/5.1 percent).

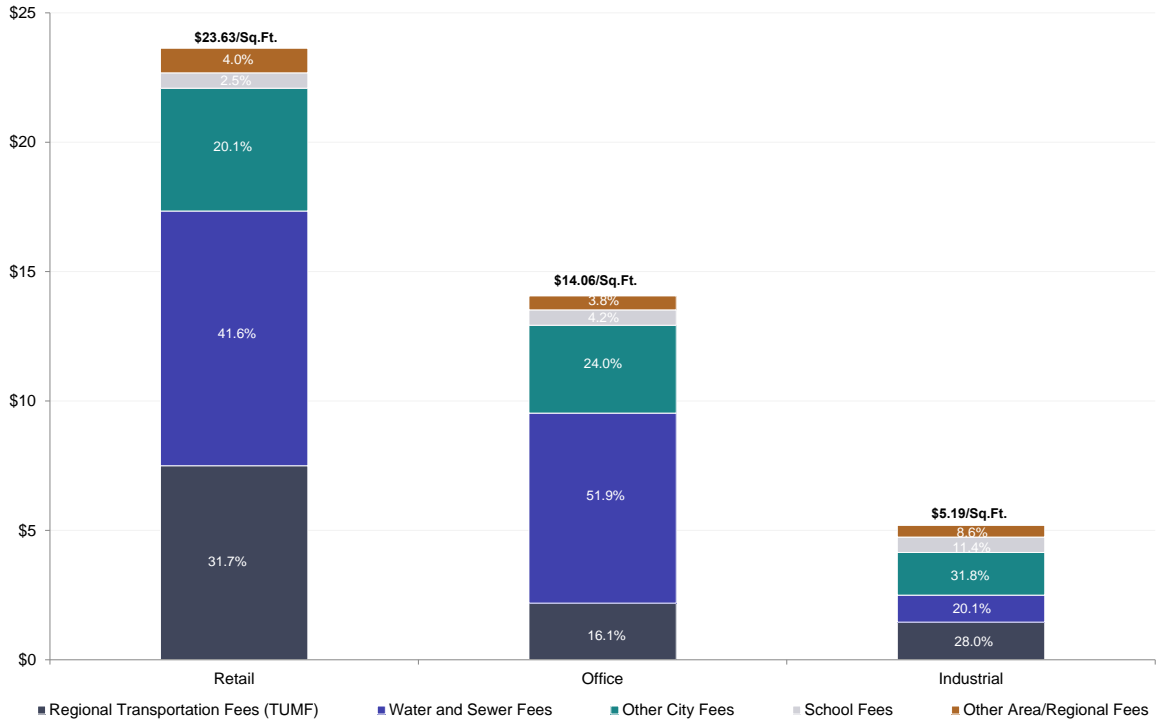
**Average WRCOG Residential Development Impact Fees by Fee Category**



- Average TUMF fees as a proportion of total fees show more variation for nonresidential land uses, ranging from 31.7 percent for retail development to 15.6 percent for Class A/B office development.** Retail development impact fees are dominated by water and sewer fees (41.6 percent) with an additional one-third (31.7 percent) associated with the TUMF. The substantial reduction in the TUMF fee on retail development reduced the TUMF proportion from 43.5 percent to the current 31.6 percent. Office development impact fees are also dominated by water and sewer fees (52.2 percent), with TUMF (15.6 percent) representing a lower proportion of total fees relative to all other land uses. Large industrial developments that do not have intensive water needs have a large proportion of water and sewer fees (20.1 percent). While lower in absolute terms, industrial development impact fees are dominated on a proportionate basis by other City fees (31.8 percent) and TUMF (28.0 percent).

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**Average WRCOG Nonresidential Development Impact Fees**

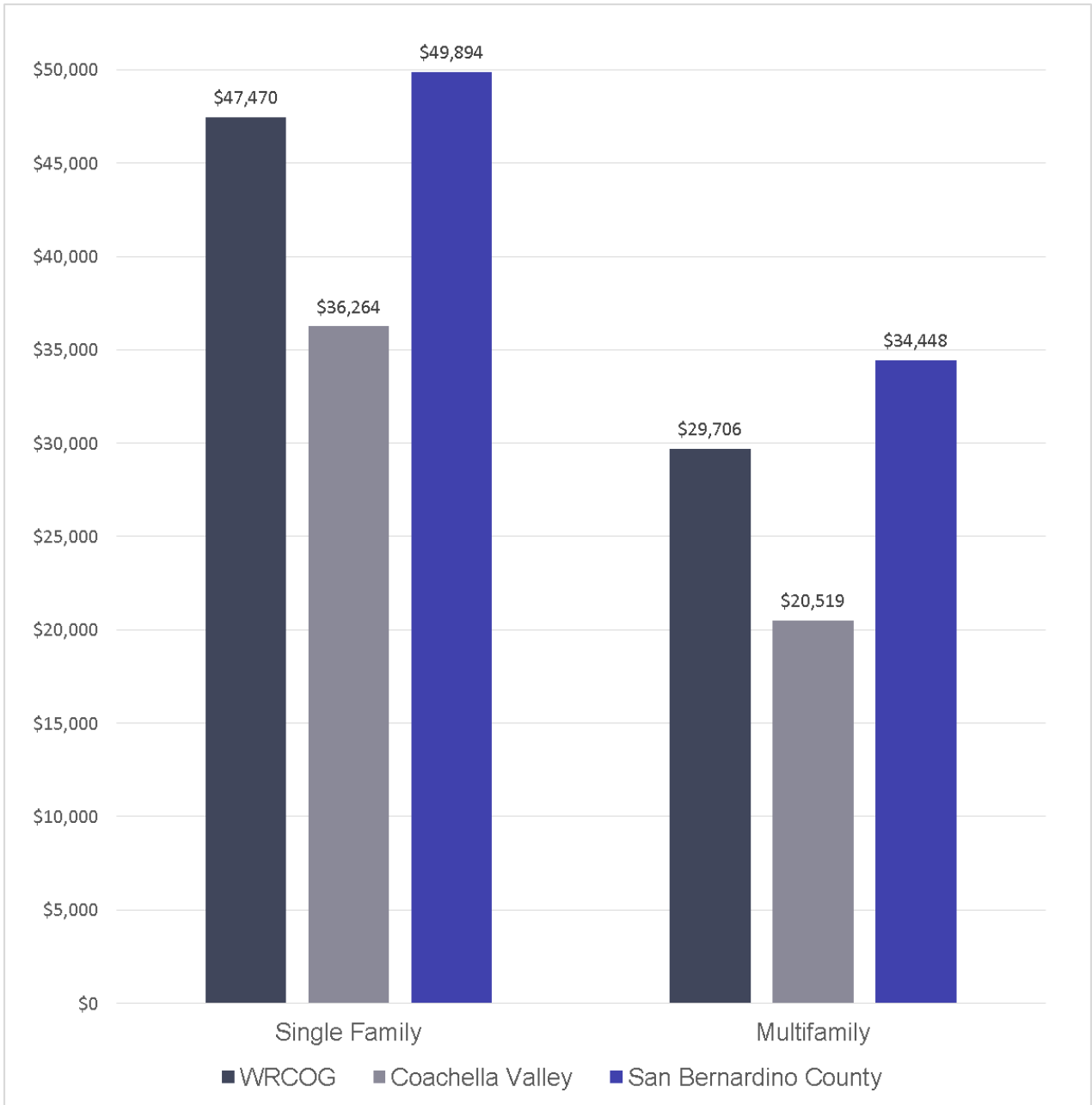


**FINDING #3: Average development impact fees in WRCOG member jurisdictions are within the Inland Empire range.**

- Average residential development impact fees for WRCOG jurisdictions are lower than the average of selected San Bernardino County cities and higher than the average of selected Coachella Valley cities.** When compared with the average of selected San Bernardino County cities (Fontana, Yucaipa, San Bernardino, Ontario, Chino, and Rialto), the WRCOG average is modestly lower for both single-family and multifamily development. The average for selected Coachella Valley cities (Indio, Palm Desert, and Palm Springs) is substantially lower for single-family and multifamily development.

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**Average Residential Development Impact Fees in Neighboring Jurisdictions**



- Average retail development impact fees are substantially higher than the relatively similar average fee levels for San Bernardino County and Coachella Valley.** At \$23.63 per square foot of retail space, the WRCOG average total fee is substantially higher than the equivalent fees in the other areas of study that ranged from \$13.62 to \$15.47 per

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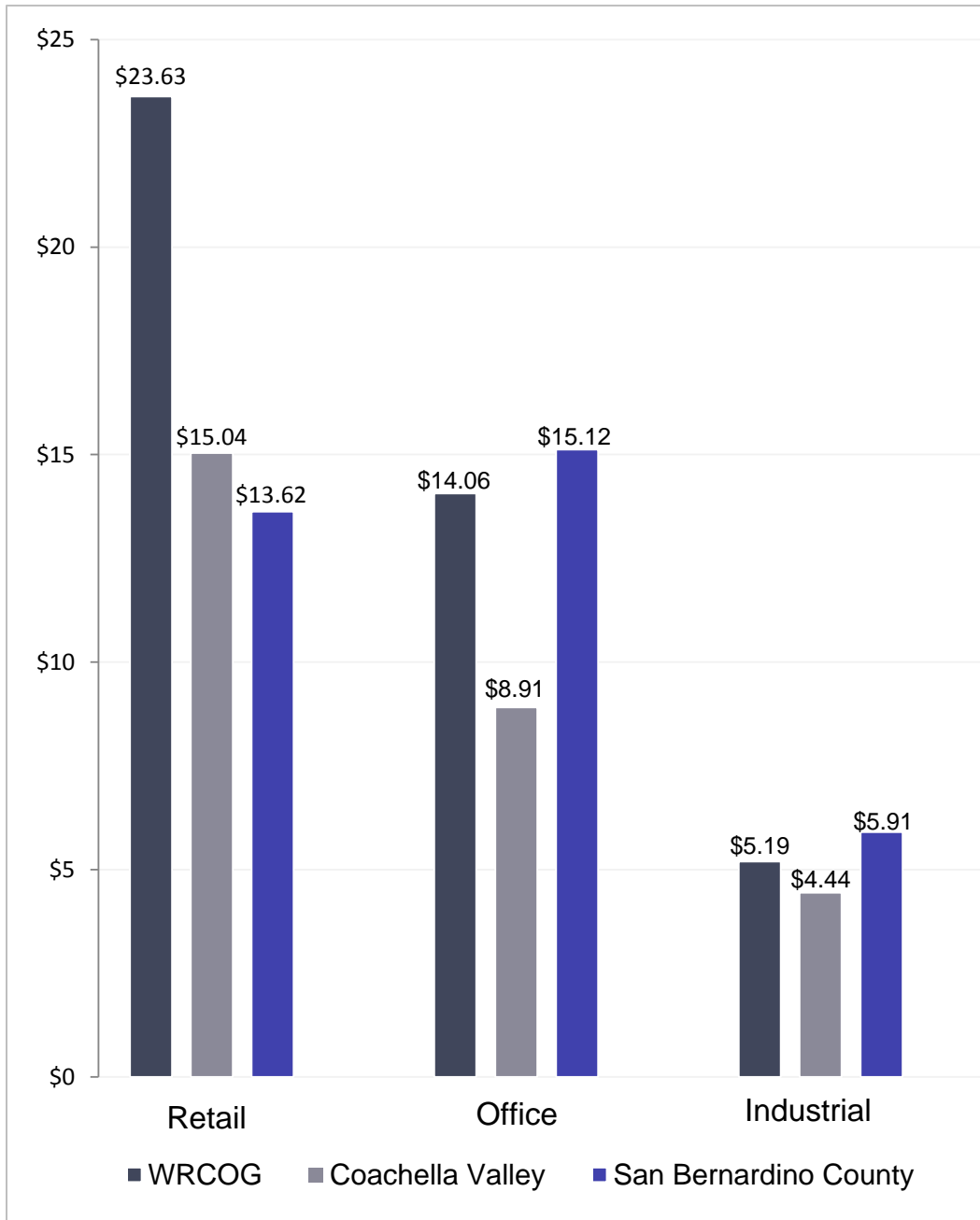
square foot. This remains true despite the reduction in the TUMF fee on retail development.<sup>4</sup> For office development, the WRCOG average is slightly below the average of the San Bernardino County cities evaluated, but substantially higher than the average for the Coachella Valley cities evaluated. The WRCOG average for industrial development is somewhat lower than the San Bernardino County average of \$5.91 per square foot and somewhat higher than the average for Coachella Valley cities of \$4.44 per square foot.

Attachment: WRCOG DIF Survey 2018 (3717 : APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH WILLDAN TO PREPARE A

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<sup>4</sup> Refinements in the calculation methodology of water/ sewer fees based on input from some jurisdictions resulted in an increase in estimated water/ sewer fees that partially balanced out the reduction associated with the TUMF retail fee.

**Average Nonresidential Development Impact Fees in Neighboring Jurisdictions**



**FINDING #4: Average development impact fees among WRCOG member jurisdictions represent between 3.8 percent and 8.9 percent of total development costs/returns, with TUMF as a lower fraction of these proportions.**

- **Total development impact fees represent between 3.8 percent and 8.9 percent of total development costs/returns for the prototype feasible projects.** Total development impact fees represent 8.5 percent and 8.9 percent of total development costs/returns respectively for the prototype single-family and multifamily developments evaluated. As is common, nonresidential development impact fees are lower as a percent of

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total development cost/return at 3.8 percent for industrial development and 4.3 percent for office development. For retail development, the fee level percentage is 6.9 percent, is between the proportions for residential uses and other nonresidential uses.

- TUMF represents between 0.7 percent and 2.2 percent of total development costs/returns for the prototype feasible projects. While changes in the TUMF can add or subtract from total development costs, it would take a substantial change to increase/decrease overall development costs/returns by more than 1 percent.**

TUMF represents between 16.1 percent and 31.7 percent of total development impact fees with the highest ratios for retail and industrial development and lowest for office development. As a proportion of overall development costs, TUMF represents 1.6 percent and 1.8 percent for single-family and multifamily respectively. For nonresidential uses, TUMF represents 0.7 percent of total development costs for office development, 1.1 percent for industrial development, and 2.2 percent for retail development. Average total development impact fees as a proportion of estimated overall development costs have fallen for all land uses since 2016. Similarly, the TUMF proportion of total development costs has decreased for land uses with the largest change in retail, where the TUMF has fallen from 3.5 percent to 2.2 percent of overall development costs since 2016.

**Development Impact Fees as % of Total Developments Costs/Returns**

Development Impact Fees	Single Family	Multifamily	Industrial	Retail	Office
TUMF	1.6%	1.8%	1.1%	2.2%	0.7%
Other Development Impact Fees	<u>6.9%</u>	<u>7.0%</u>	<u>2.7%</u>	<u>4.7%</u>	<u>3.6%</u>
<b>Total Development Fees</b>	<b>8.5%</b>	<b>8.9%</b>	<b>3.8%</b>	<b>6.9%</b>	<b>4.3%</b>

**Organization of Report**

After this initial chapter, this Report is divided into three other chapters and several appendices. **Chapter 2** describes the definitions, methodology, and results of the fee review and comparison for WRCOG and non-WRCOG jurisdictions. **Chapter 3** describes the overall development cost estimates for land uses/development prototypes evaluated and considers total development impact fees and the TUMF relative to all development costs. Finally, **Chapter 4** provides a brief conclusion on the purposes and goals of this and other development impact fee comparison studies.

The appendices provide a substantial amount of additional supporting detail and information, including:

- APPENDIX A** provides detailed information on the Development Prototypes.
- APPENDIX B** provides fee comparison summaries and detailed fee estimation information for each WRCOG jurisdiction/area and each land use category.



## 2. DEVELOPMENT IMPACT FEE REVIEW AND COMPARISONS

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This chapter describes the detailed development impact fee research conducted for WRCOG jurisdictions as well as for selected neighboring jurisdictions in Coachella Valley and San Bernardino County. The purpose of this research is to explore the typical composition of development impact fees in WRCOG member jurisdictions, to understand the scale of TUMF relative to other development impact fees, and to consider the development impact fees among WRCOG member jurisdictions relative to neighboring jurisdictions.

While every effort was made to provide an accurate comparison through the use of defined development prototypes and the latest jurisdictional fee schedules, the frequent adjustments to fee programs and the complex, project-specific calculations required for some fees mean that the numbers presented are planning-level approximations. All the development impact fee estimates shown are based on available fee schedules at the time the research was conducted (July 2018) and as applied to the particular land uses/development prototypes developed. The actual fees due from any particular project will depend on the specifications of the individual project and the fee schedule at the pertinent time.

The first section below provides some key definitions. The subsequent section provides a detailed description of the fee research methodology. The final section provides findings concerning development impacts fees in WRCOG member jurisdictions and the other jurisdictions studied. In general, the definitions and approach in this Update Study are consistent with those in the Original Study to maintain consistency. In some situations, as noted below, refinements were necessary; for example, some water districts provided new information on the water meter assumptions to be used in fee calculations.

### Study Definitions

Development impact fees have become an increasingly used mechanism among California jurisdictions to require new development to fund the demands it places on local and regional infrastructure and capital facilities. This Report defines development impact fees as one-time fees collected for the purposes of funding infrastructure and capital facilities.<sup>5</sup> This includes fees for the funding of a broad range of capital improvements, including water, sewer, storm drain, transportation, parks and recreation, public safety, and numerous other types of civic/community facilities. The majority of these fees are adopted under or consistent with the Mitigation Fee Act, though the analysis also includes other one-time capital facilities fees, such as parkland in-lieu fees under the Quimby Act and one-time charges through Community Facilities Districts or Benefit Assessment Districts among others.

There are a number of smaller permitting, planning, and processing fees that are charged on new development, but that do not fund capital facilities/infrastructure. Due to the large number of more modest charges typically associated with such fees and their relative modesty compared

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<sup>5</sup> As used in this report and discussed further below, the phrase "development impact fee" includes all fees adopted pursuant to the Mitigation Fee Act and other monetary exactions due at the time of development. The term "fee," as used in this report, means "development impact fee."

to development impact fees (most studies find them to be in the 5 to 15 percent range of development impact fees, between 1 and 2 percent of total development costs), these smaller fees were not tracked as part of this study.

## Methodology

In order to provide a fee comparison that was as close as possible to an “apples-to-apples” comparison, WRCOG staff and the Consulting Team identified the following parameters to guide the study:

- Jurisdictions to be studied.
- Land uses to be evaluated and associated development prototypes.
- Selection of service providers where there are multiple service providers in same jurisdiction.
- Organization of development impact fee data.

This section describes these study parameters as well as the process of review with the jurisdictions/relevant service providers.

### Selection of Jurisdictions

Jurisdictions selected for this analysis include all eighteen (18) WRCOG member cities. WRCOG staff and the Consulting Team also identified three additional member areas to study, including the March JPA and two unincorporated areas in the County. The selected unincorporated areas included Temescal Valley and Winchester, two areas where substantial growth is occurring and/or planned. The only difference from the Original 2016 Study was the inclusion of the City of Beaumont as a WRCOG member city.

For the comparison of WRCOG jurisdictions to neighboring/peer areas, the jurisdictions selected included: (1) selected Coachella Valley communities in eastern Riverside County, and (2) selected San Bernardino County communities. These jurisdictions were selected by WRCOG staff and the Consulting Team and refined based on feedback from the WRCOG Planning Directors’ Committee and WRCOG Public Works Committee in 2016. The San Bernardino County communities selected were those likely to compete for development with neighboring WRCOG jurisdictions. All these jurisdictions remain the same as in the 2016 Study.

**Figure 1** shows the cities/communities evaluated, including the twenty-one (21) WRCOG cities/communities and the nine (9) non-WRCOG comparison communities.

**Figure 1 Jurisdictions included in Fee Study**

WRCOG Jurisdictions		Coachella Valley	San Bernardino County
Banning	Murrieta	Indio	Fontana
Canyon Lake	Norco	Palm Desert	Yucaipa
Beaumont	Perris	Palm Springs	San Bernardino
Calimesa	Riverside		Ontario
Corona	San Jacinto		Chino
Eastvale	Temecula		Rialto
Hemet	Wildomar		
Jurupa Valley	Temescal Valley		
Lake Elsinore	Winchester		
Menifee	March JPA		
Moreno Valley			

**Land Uses and Development Prototypes**

**Land Uses**

The TUMF is levied on a variety of residential and Nonresidential land uses with variations for certain product types built into the fee program. TUMF includes fees on the following land uses:

- **Single-Family Residential Development** – Per unit basis.
- **Multifamily Residential Development** – Per unit basis.
- **Retail Development** – Per gross building square foot basis.
- **Industrial Development** – Per gross building square foot basis. The industrial fee includes a base fee on square footage up to 200,000 square feet and then, where the building meets the definition of a “high cube” building, an effective discount of 73 percent in the base fee for all additional development above 200,000 square feet.<sup>6</sup> “High Cube” is defined as warehouses/distribution centers with a minimum gross floor area of 200,000 square feet, a minimum ceiling height of 24 feet and a minimum dock-high door loading ratio of 1 door per 10,000 square feet.
- **Service (including Office) Development** – Per gross building square foot basis. There is a per-building square foot fee for Service Development. Office development is a sub-category within Service Development. Class A and B office development is charged a discounted TUMF fee relative to other land uses in the service category.

For the purposes of this study, five (5) land use types were selected, including the single-family residential, multifamily residential, and retail development categories in addition to a large “high-cube” industrial building, and a Class A/B office building. The large industrial building land use

<sup>6</sup> The square footage above 200,000 square feet is multiplied by 0.27 and then the base fee is applied resulting in an effective increment fee of about \$0.47 per square foot.

was selected based on industrial development trends in Western Riverside County, while the Class A/B office building was selected due to its reduced fee level.

### **Development Prototype Selection**

Within each of the five (5) general land use types selected, it is necessary to select specific development prototypes. Because development impact fees vary based on a number of development characteristics, the definition of development prototype improves the extent to which the fee comparison will be “apples-to-apples”.

In order to identify appropriate development prototypes for the five land uses, in 2016, the Consulting Team reviewed data on the general characteristics of new single-family, multifamily, office, retail, and industrial development among Western Riverside County communities in recent years.

Information on multifamily, retail, office, and industrial developments developed between 2010 and 2016 were reviewed as was information on single-family developments between 2014 and 2016. A smaller time period was used for single-family developments as there were substantially more single-family developments. The characteristics of the median development for each of the land use types was identified and used as the selected development prototype. For single-family development, the median home and lot size characteristics were identified, while for multifamily residential, office, retail, and industrial buildings the average building sizes were identified.

Based on this analysis, the following development prototypes were developed for each of the selected land uses and reviewed, in 2016, with the WRCOG Planning Directors’ Committee, Public Works Committee, and Technical Advisory Committee (images represent examples of projects that matched the development prototypes). The same prototypes are used in this Study Update.

### **Single-Family Residential Development**

**50-unit residential subdivision; 2,700 square foot homes and 7,200 square foot lots**



Example Prototype Single-Family Home, City of Riverside

**Multifamily Residential Development**  
**200-unit market-rate, 260,000 gross square foot apartment building**



Example Prototype Multi-Family Development, City of Temecula

**Retail Development**  
**10,000-gross square foot retail building**



Example Prototype Retail Development, City of Hemet

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**Office Development**  
**20,000-gross square foot, Class A or Class B office building**



Example Prototype Office Development, City of Hemet

**Industrial Development**  
**265,000 gross square foot "high cube" industrial building<sup>7</sup>**



Example Prototype Industrial Development, City of Perris

In addition to development scale, there are a number of other development characteristics that can affect development impact fees. For example, many water facilities fees are tied to the number and size of meters associated with a new development. Other fees are tied to the gross site area or other characteristics that will vary for each development. The Consulting Team developed a set of additional development prototypes assumptions to use in the fee estimates (see **Appendix A**). These assumptions were based on a review of the equivalent assumptions

<sup>7</sup> "High Cube" is defined as warehouses/distribution Centers with a minimum gross floor area of 200,000 square feet, a minimum ceiling height of 24 feet and a minimum dock-high door loading ratio of 1 door per 10,000 square feet.

used in other regional fee studies (e.g., in the San Joaquin Valley and the Sacramento Valley) and were refined based on feedback, when provided, from Western Riverside County service providers. In some cases, the formula for fee calculation required even more assumptions. In these cases, service providers typically conducted their own fee estimates and provided the results to WRCOG Staff/the Consulting Team. The assumptions used in this Update Study were maintained the same as in the Original Study except where individual jurisdictions recommended changes. Changes primarily occurred where Water Districts/ Cities provided updated information on their typical water meter assumptions.

### Service Provider/Subarea Selection

In some cities, there were multiple service providers providing the same type of facilities in different parts of the city. For example, some cities were served by two or more distinct School Districts, while many cities were served by two or more Water Districts. For the purposes of the fee comparison one set of service providers was assumed based on the following approach:

- Suggestions from the City.
- Commonality of service provider between multiple cities; for example, Eastern Municipal Water District serves many cities.
- Scale/nature of service areas was also considered; for example, in some cases the majority of a City was served by one service provider and/or the majority of the growth areas were served by a particular service provider.
- In some cases, there was one service provider – e.g., the City – with different fees by City subarea (e.g., storm drain). In these cases, an effort was made to select the area expected to see the most growth based on discussions with City and WRCOG staff.
- In other cases, area-specific one-time fees/assessments/special taxes were in place to cover the costs of capital facilities in a new growth area. Where substantial in scale, these areas and the associated area fees were used in the fee comparison.

### Organization of Fee Information/Categories

The primary focus of the fee research is to develop estimates of existing development impact fees charged on new development in the selected jurisdictions. While there is some conformance in fee categories (e.g., School District fees), there is also variation in the naming and facilities included in water and sewer facilities fees and substantial variation in the capital facilities fees that different cities charge. The fee review sought to obtain all the development impact fees charged from all the jurisdictions studied and then compiled them into normalized set of categories to allow for comparisons. The key fee categories are as follows:

- **Regional Transportation Fees.** This category includes the respective TUMFs in Western Riverside County and Coachella Valley. It also included regional transportation impact fees in other subregions/jurisdictions where they were clearly called out. The lines between regional transportation fees and local transportation fees are harder to discern in San Bernardino County where cities are required to contribute towards regional transportation funding, but do not necessarily separate out those fees from the other, local transportation fees.

- **Water/Sewer Connection and Capacity Fees.** All jurisdictions charged some form of water and sewer development impact fee and these were combined together into one aggregate water/sewer category. In several cases, the County, city, or water district provided their own calculations due to the complexity of the fee calculation. In some cases, Water District/ City staff adjusted the prior underlying water meter assumptions to better match their current practice. In these cases, the water fees changed in part due to the updated methodology.
- **City/County Capital Facilities Fees.** Beyond any water/sewer fees that in some cases might be charged by individual jurisdictions (cities/County), these jurisdictions frequently adopt a large number of additional citywide fees. Such fees often include local transportation fees, parks and recreation facilities fees, Quimby Act requirements in-lieu parkland fees, storm drain fees, public safety facilities fees, other civic/community facilities fees, and, on occasion, affordable housing fees. This category captures all of these local development impact fees.
- **School Development Impact Fees.** School facilities fees are governed by State law and therefore show more similarity between jurisdictions than most fees. Under State law, School Districts can charge specified Level 1 development impact fees. If School Districts go through the process of identifying and estimating required capital improvement costs, higher Level 2 fees can be charged to fund up to 50 percent of the School District's capital improvement costs. At present, about nine of the fifteen School Districts studied (that serve WRCOG member jurisdictions) appear to charge Level 2 fees.
- **Other Area/Regional Fees.** A final category was developed to capture other fees not included in the above categories, typically other sub-regional fees as well as area-specific fees. For example, this category includes the Western Riverside County MSHCP mitigation fee, relevant Road and Bridge Benefit Districts (RBBB) fees, as well as other one-time CFD charges/impact fees for infrastructure/capital facilities applied in particular growth areas.

### Data Compilation and Review Process

For WRCOG member jurisdictions, the following data collection and review process was followed:

- Identify set of service providers and development impact fees charged in jurisdiction.
- Obtain development impact fee schedules from City, County, and other service provider online sources.
- Review available mitigation fee nexus studies, Ordinances, and Resolutions.
- Where sufficient data was not available, contact City, County, or other service provider to obtain appropriate fee schedules.
- Develop initial estimates of development impact fees for each jurisdiction for each development prototype.
- Share PowerPoint document noting development prototypes specifications and initial fee estimates with each jurisdiction and selected other service providers (e.g., Eastern Municipal Water District).



- Receive feedback, corrections, and refinements (and in some cases actual fee calculations).
- Refine fee estimates based on feedback.
- Share revised fee estimates with jurisdictions.

For other non-WRCOG jurisdictions, fee information was obtained either on-line or by contacting cities directly. Fee information was then compiled in a similar structure to the WRCOG jurisdictions.

## Findings from WRCOG Member Jurisdiction Fee Review

General findings from fee research concerning WRCOG member jurisdictions are summarized below and in **Figures 2 to 4**. **Appendix B** provides more detailed comparison charts for the WRCOG jurisdictions studied.

**On average, WRCOG TUMF residential fees represent about 20 percent of total development impact fees for both single-family and multifamily development.** Single-family TUMF and multifamily TUMF both represent about 20 percent of the respective average total development impact fees of about \$47,470 per unit and \$29,706 per unit. Due to the variation in overall development impact fees – from \$33,993 per unit to \$60,763 per unit for single-family development and from \$19,267 per unit to \$47,196 per unit for multifamily development – and the fixed nature of the TUMF across jurisdictions, TUMF as a percent of total development impact fees ranges from 14.6 percent to 26.1 percent for single-family development and 13.0 percent to 31.8 percent for multifamily development (see **Figures 2 to 4**).

**Figure 2 TUMF as a Proportion of Total Fees**

Item	Average	Range	
		Low	High
<b>Single Family</b>			
Total Fees per Unit	\$47,470	\$33,993	\$60,763
TUMF as a % of Total Fees	18.7%	26.1%	14.6%
<b>Multifamily</b>			
Total Fees per Unit	\$29,706	\$19,267	\$47,196
TUMF as a % of Total Fees	20.6%	31.8%	13.0%
<b>Retail</b>			
Total Fees per Sq.Ft.	\$23.63	\$13.48	\$41.21
TUMF as a % of Total Fees	31.7%	55.6%	18.2%
<b>Industrial</b>			
Total Fees per Sq.Ft.	\$5.19	\$2.76	\$9.64
TUMF as a % of Total Fees	28.0%	52.6%	15.1%
<b>Office</b>			
Total Fees per Sq.Ft.	\$14.06	\$6.62	\$22.28
TUMF as a % of Total Fees	15.6%	33.1%	9.8%

\* Average and ranges as shown encompass 21 jurisdictions, including 18 cities and the unincorporated areas of Temescal Valley, Winchester, and March JPA.

**On average, WRCOG Nonresidential TUMF show more variation in level and in proportion of overall development impact fees (between 10 percent and 56 percent) than for the residential fee categories.** Average retail development impact fees are about \$24 per square foot and TUMF represents 32 percent of the average total fees on new retail development. Due to the variation in the total development impact fees on retail development among jurisdictions from \$13.48 to \$41.21 per square foot, the TUMF as a percent of the total fees ranges from 18.2 percent to 55.6 percent. Average industrial development impact fees are substantially lower at \$5.19 per square foot with a range from \$2.76 per square foot to \$9.64 per square foot. TUMF represents about 28 percent of the average total industrial fees, with a range from 15.1 percent to 52.6 percent. Total development impact fees on office development fall in between the retail and industrial fees at an average of \$14.06 per square foot and a range from \$6.62 to \$22.28 per square foot. The TUMF fee represents a relatively low 15.6 percent of average overall fees on office development with a range from 9.8 percent to 33.1 percent (see **Figure 2** to **Figure 4**).

**Water and sewer fees together represent the greatest proportion of residential development impact fees followed by similar proportions from other City fees, TUMF, and school fees.** Single-family and multifamily development both show that about 34 percent of their development impact fees are associated with water and sewer fees, about 21 percent

with other City capital facilities fees, about 20 percent with regional transportation fees, about 18 percent with school facilities fees, and the remaining 5 percent associated with other regional fees or area-specific fees (see **Figure 3** and **Figure 4**).

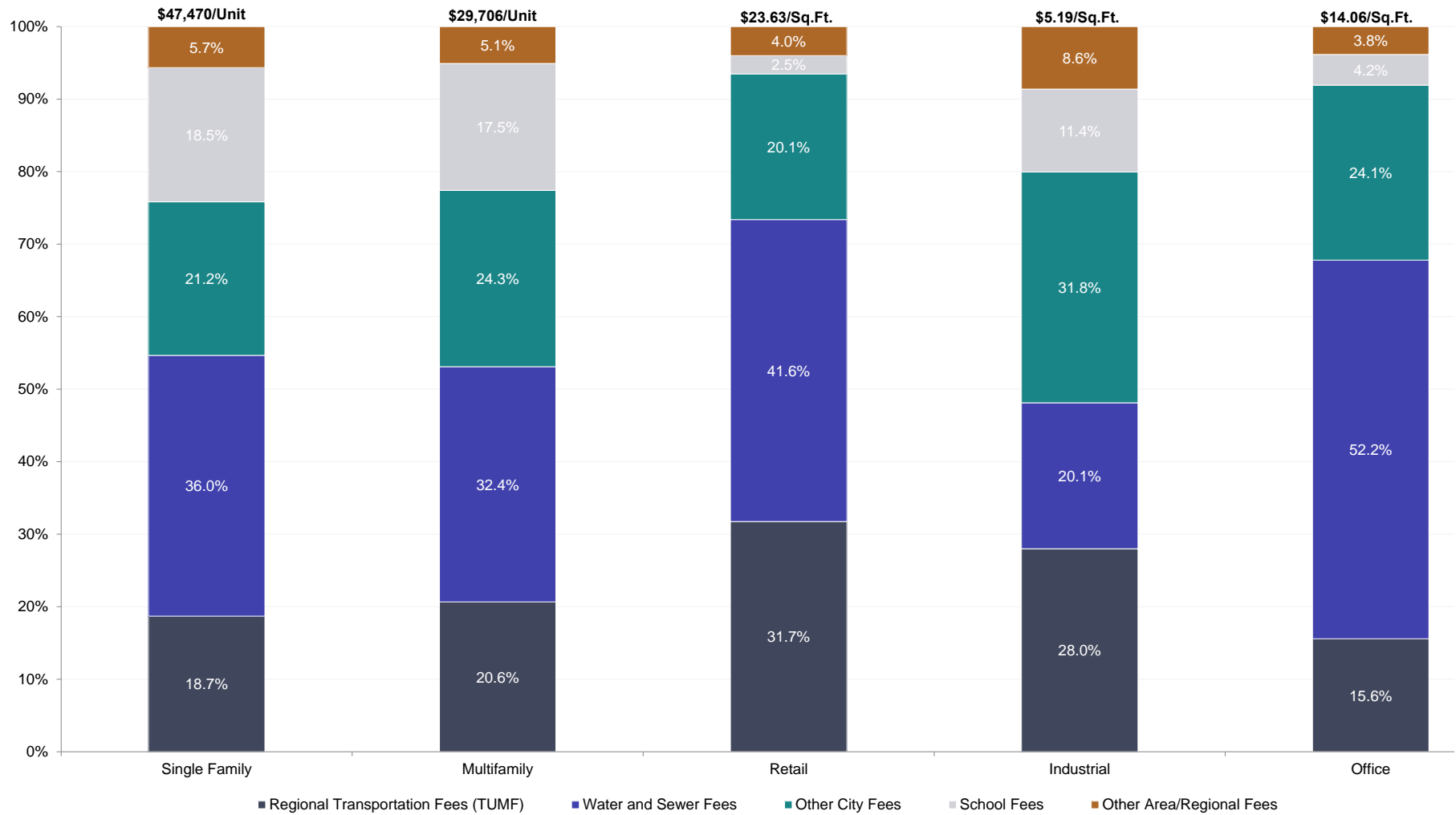
**Nonresidential development impact fees show more variation in terms of the distribution between fee categories.** Retail development impact fees are dominated by water and sewer fees (41.6 percent) with an additional one-third associated with the regional transportation fee. While the overall fees are lower, industrial development impact fees are more dominated on a proportionate basis by other City fees (31.8 percent) and TUMF (28.0 percent), for non-intensive water using industrial buildings. Office development impact fees show a different pattern with substantial water and sewer fees at 52.2 percent followed by other city fees at 24.1 percent then regional transportation fees at 15.6 percent (see **Figure 3** and **Figure 4**).

**Unincorporated jurisdictions have slightly lower total fees as compared to the average for all WRCOG study jurisdictions.** For residential uses, total fees for the unincorporated study areas were approximately 80 percent of the WRCOG average total fee amount for residential uses. For nonresidential uses, total fees for unincorporated study areas were between 60 and 75 percent of the WRCOG average for nonresidential uses. Most of this difference can be attributed to the lack of substantial local fees for all land use types. See **Figure 5** for further detail.

**Figure 3 Average Development Impact Fee Costs by Category in WRCOG Jurisdictions**

Fee	Single Family (per Unit)	Multifamily (per Unit)	Industrial (per Sq.Ft.)	Retail (per Sq.Ft.)	Office (per Sq.Ft.)
Regional Transportation Fees (TUMF)	\$8,873	\$6,134	\$1.45	\$7.50	\$2.19
Water and Sewer Fees	\$17,070	\$9,636	\$1.04	\$9.84	\$7.34
Other City Fees	\$10,055	\$7,231	\$1.65	\$4.75	\$3.39
School Fees	\$8,785	\$5,191	\$0.59	\$0.59	\$0.59
Other Area/Regional Fees	<u>\$2,686</u>	<u>\$1,512</u>	<u>\$0.45</u>	<u>\$0.95</u>	<u>\$0.54</u>
<b>Total Fees</b>	<b>\$47,470</b>	<b>\$29,706</b>	<b>\$5.19</b>	<b>\$23.63</b>	<b>\$14.06</b>

**Figure 4 Average Development Impact Fee Costs in WRCOG Jurisdictions**



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**Figure 5 Unincorporated Jurisdictions/March JPA and Total Jurisdictions Comparison**

Item	Single Family	Multifamily	Retail	Industrial	Office
Unincorporated Jurisdictions and March JPA	\$37,326	\$23,653	\$17.61	\$3.16	\$10.54
Total Jurisdictions	\$47,470	\$29,706	\$23.63	\$5.19	\$14.06
Unincorporated Jurisdictions and March JPA / Total Jurisdictions	79%	80%	75%	61%	75%

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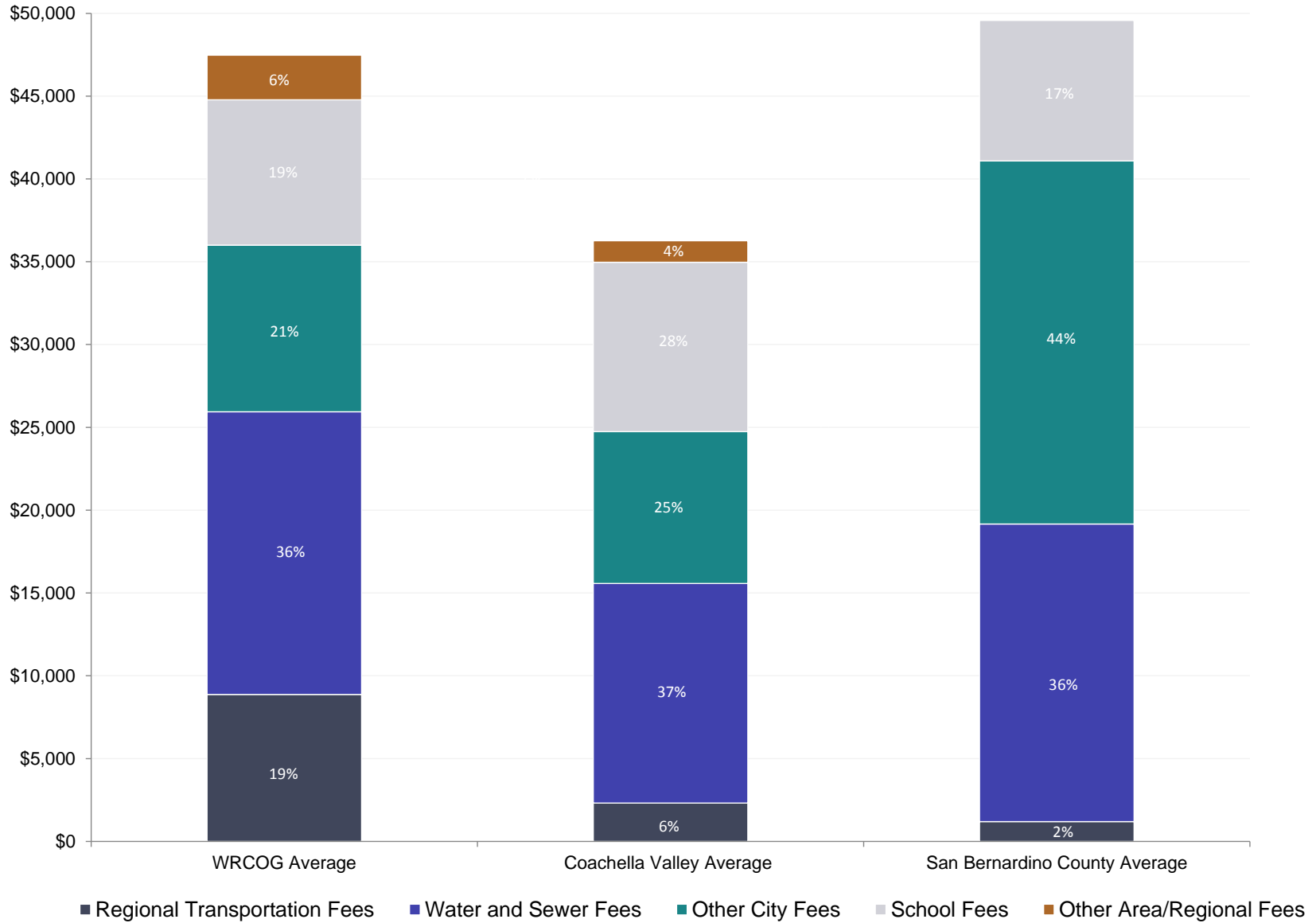
## Findings from Fee Comparison with Non-WRCOG Jurisdictions

**Figures 6 through 10** compare the average overall WRCOG development impact fees (and their proportionate distributions between the five major fee categories) with other cities/group of cities for all five land uses/development prototypes studied. The comparative cities/subregions include selected jurisdictions in the Coachella Valley and San Bernardino County.

**Average development impact fees for WRCOG jurisdictions are modestly lower than the average of selected San Bernardino County cities, with the exception of retail development impact fees.** When compared with the average of selected San Bernardino County cities (Fontana, Yucaipa, San Bernardino, Ontario, Chino, and Rialto), the WRCOG average is modestly lower for residential land uses, roughly equivalent for industrial and office land uses, with retail development the exception, where it is substantially higher. New development in San Bernardino County cities is required to make payments towards regional transportation infrastructure, though the distinction between the regional and local transportation fees is often unclear. Overall, the combination of regional transportation fees, other City fees, and area/other regional fees is higher in San Bernardino County than in Riverside County for single-Family and multifamily development.

**The average development impact fees for selected Coachella Valley cities is below that of the WRCOG average for all land uses.** The average for selected Coachella Valley cities (Indio, Palm Desert, and Palm Springs) is substantially lower for single-family, multifamily, office, and retail development, and modestly lower industrial development. For residential development, there are substantial differences in regional transportation fees, water and sewer fees, and other City fees. Regional transportation fees are set at an equal rate for both office and retail in Coachella Valley resulting in higher regional transportation fees for office development in Coachella Valley but lower fees for retail development.

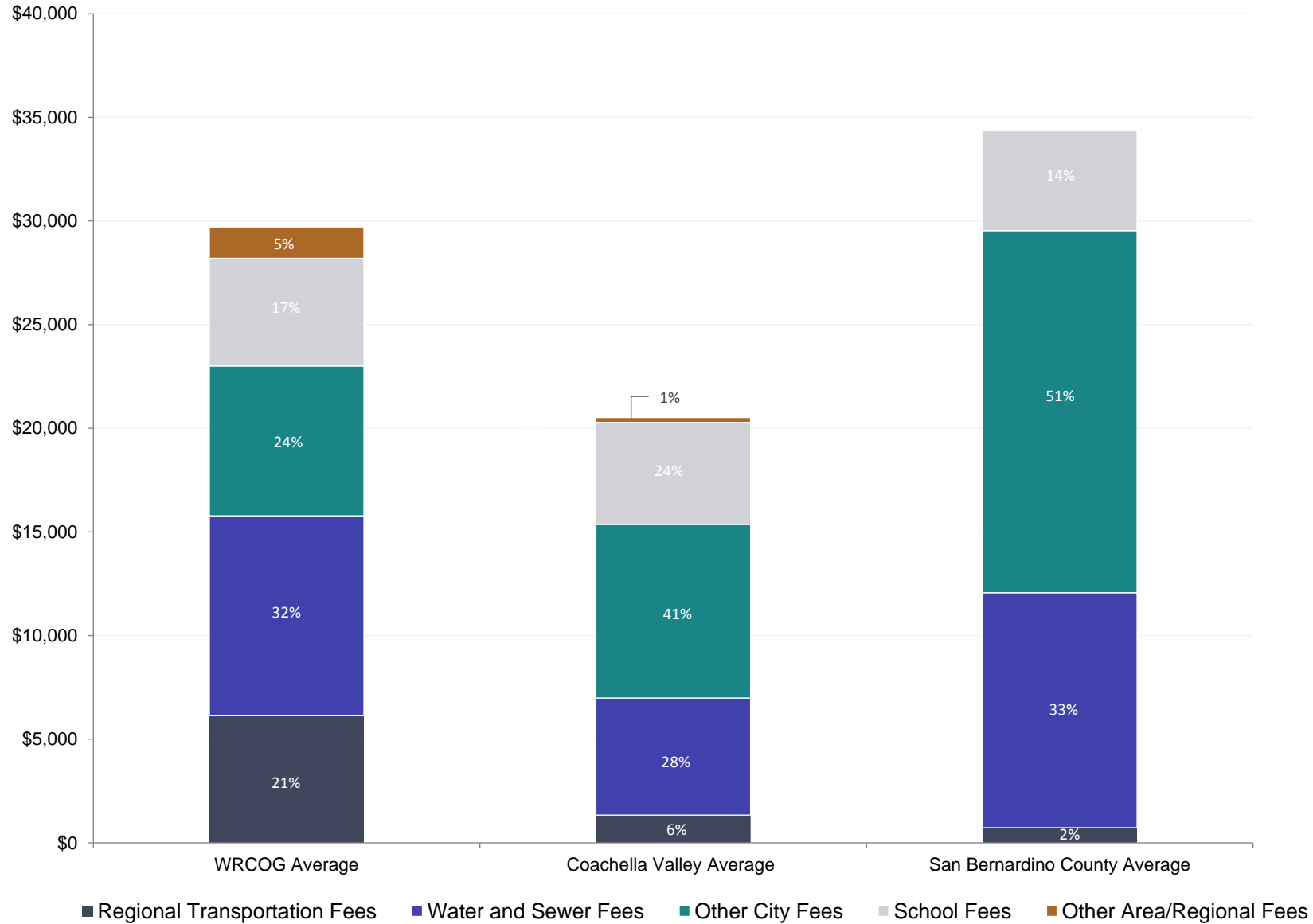
**Figure 6 Average Single-Family Development Impact Fee Costs and Proportions in Neighboring Jurisdictions**



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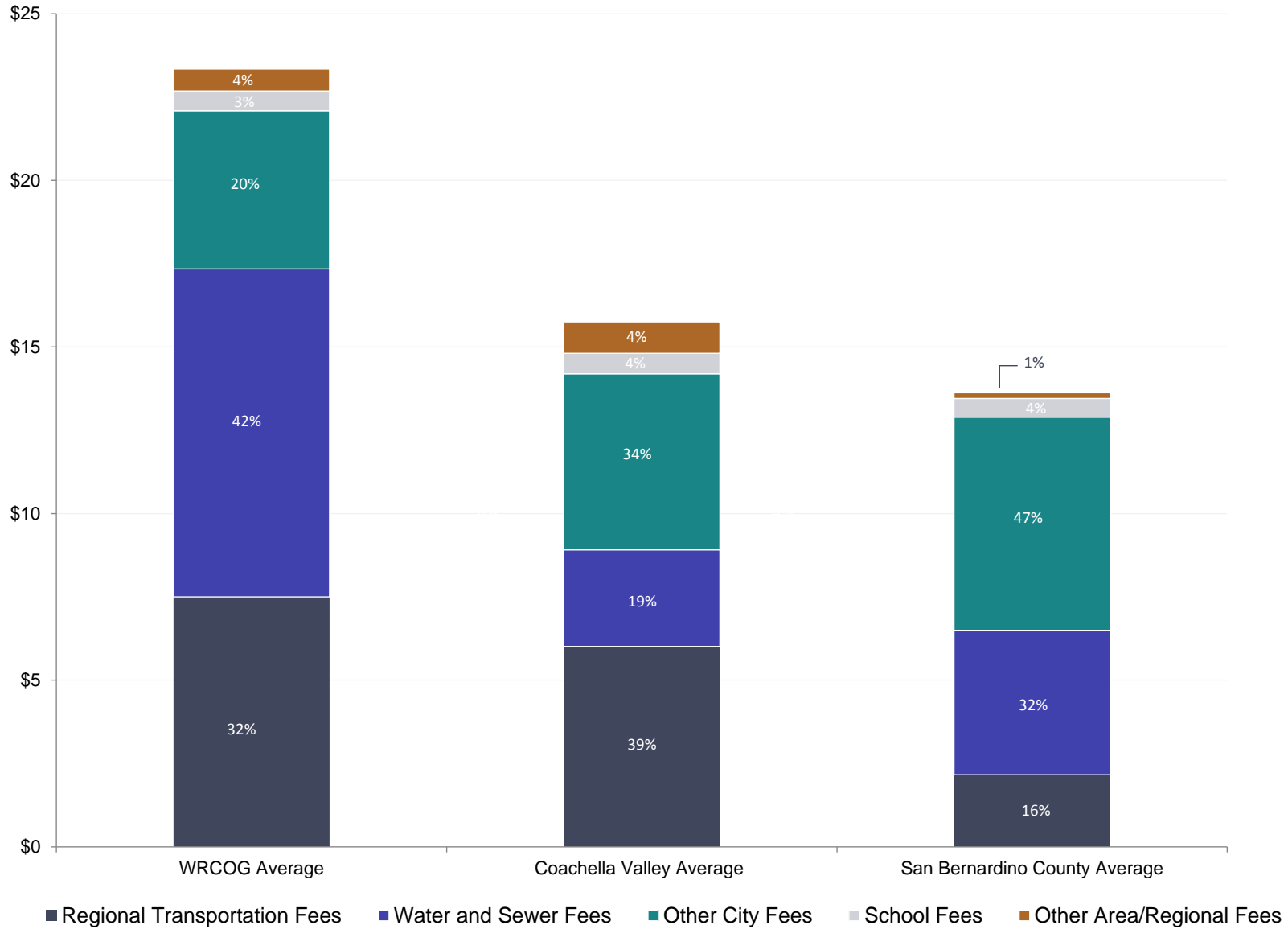


**Figure 7 Average Multifamily Development Impact Fee Costs and Proportions in Neighboring Jurisdictions**



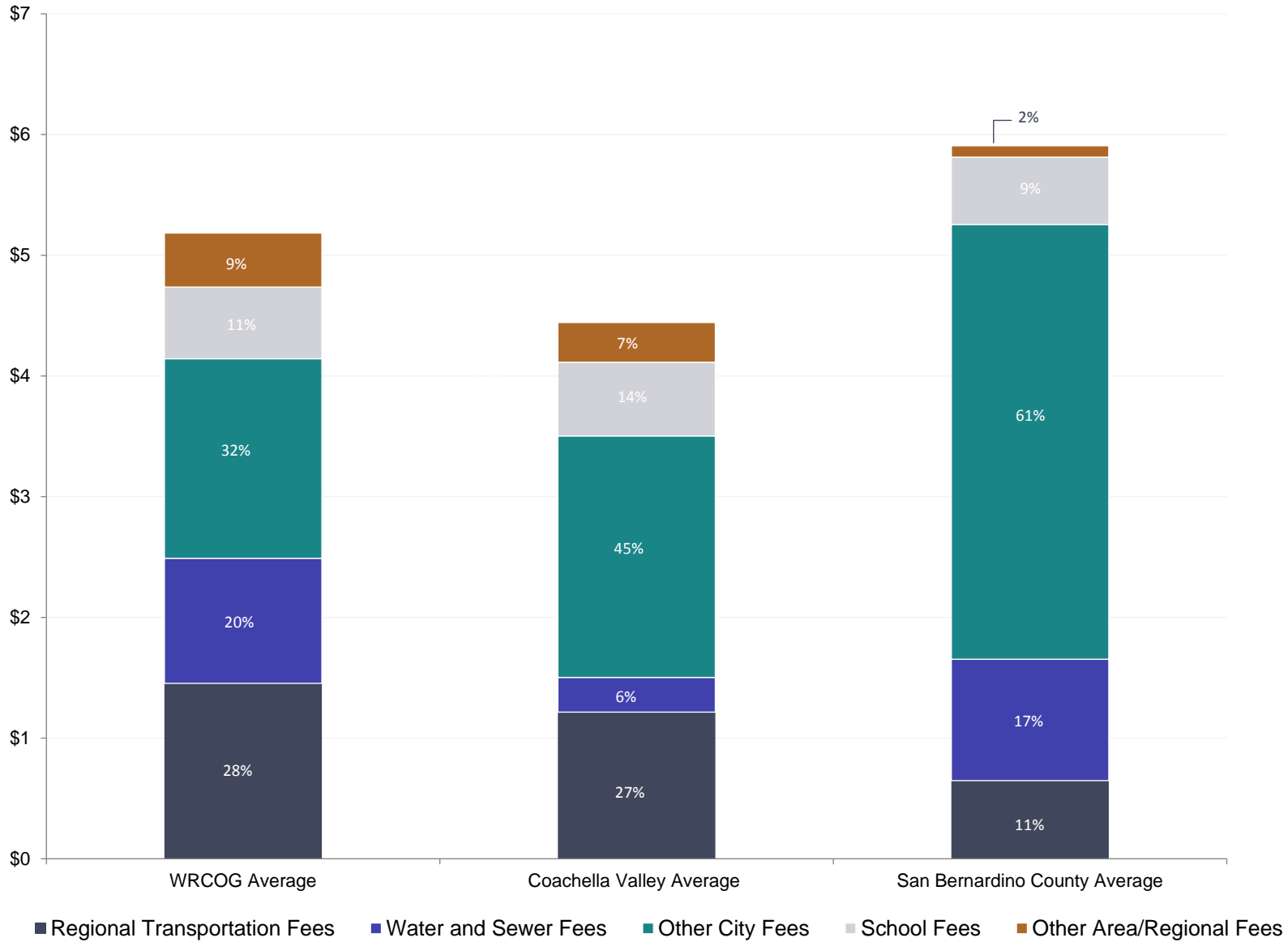
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**Figure 8 Average Retail Development Impact Fee Costs and Proportions in Neighboring Jurisdictions**



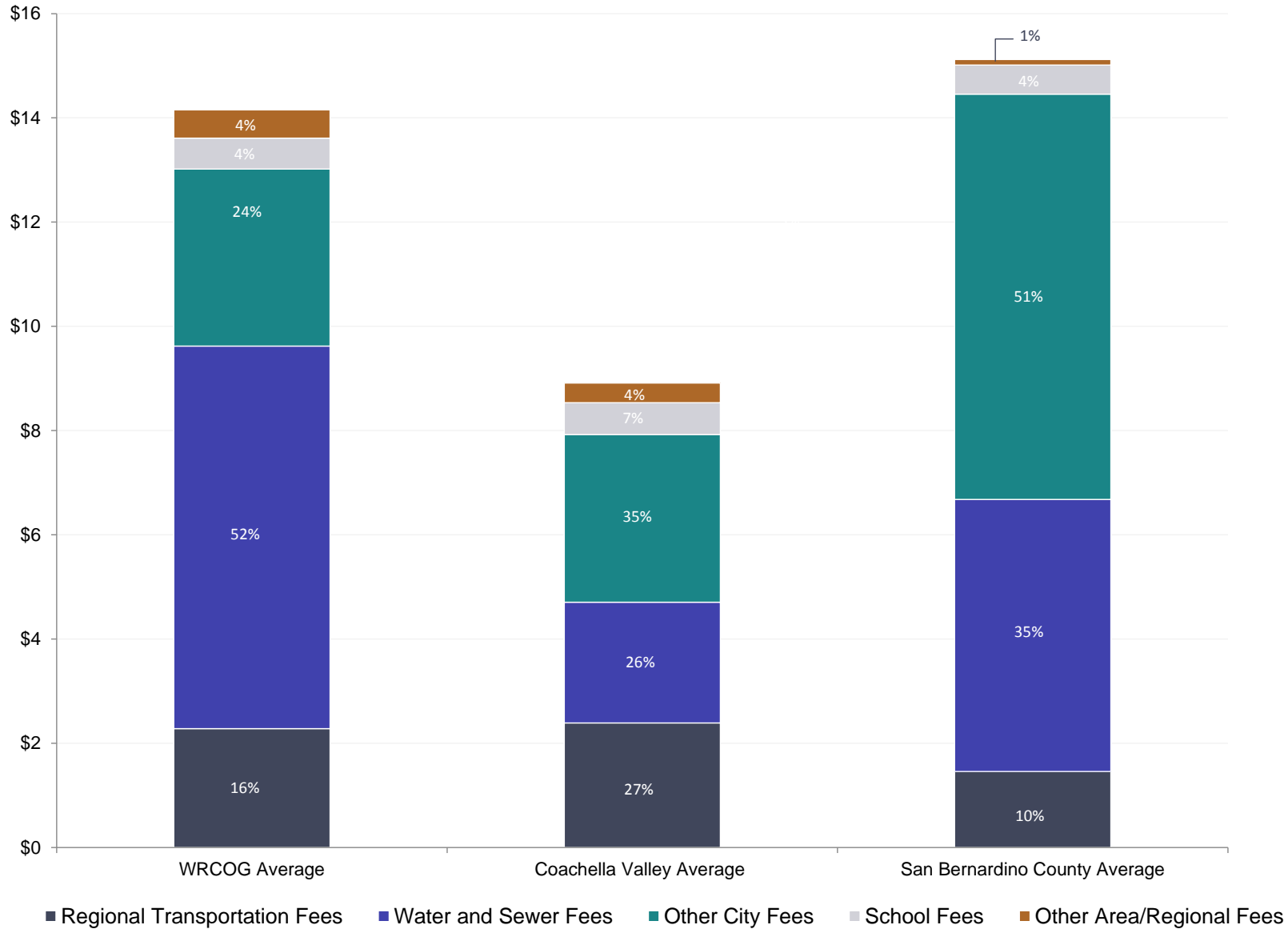
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**Figure 9 Average Industrial Development Impact Fee Costs and Proportions in Neighboring Jurisdictions**



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**Figure 10 Average Office Development Impact Fee Costs and Proportions in Neighboring Jurisdictions**



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### 3. DEVELOPMENT IMPACT FEES AND DEVELOPMENT COSTS

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This chapter evaluates development impact fees, including the TUMF, in Western Riverside County in the context of overall development costs. The first section below provides an overview of the complex factors that influence decisions to develop, one of which is development cost. The subsequent section describes the methodology used to estimate development costs for different land use types. The next section provides conclusions concerning the level of development impact fees and TUMF in the context of overall costs.

**It is critical to note that this analysis uses generalized development prototypes and development cost and return estimates to draw overall conclusions about development impact fees relative to development costs. This analysis does not represent a project-specific analysis as the development program, development costs, and returns associated with any individual project can vary widely. No conclusions concerning the feasibility of any specific project should be drawn from this analysis.**

#### Economics of Development

##### Key Factors in New Development

The drivers of growth and development are complex and multifaceted. Broader global, national, and regional economic conditions are key drivers. As witnessed by the recent Great Recession, there are no regional and local policy options available to fully counterbalance a strong economic downturn. Under more moderate or strong market conditions, the regional demand for housing and workspaces translate into the potential for cities and subregions to capture new residential and economic/workforce development.

Developers (whether looking to do speculative development or to provide build-to-suit developments for larger users) will review a number of conditions before determining whether to move forward with site acquisition/optioning and pre-development activities. Factors will include: (1) the availability of appropriate sites, (2) the availability of/proximity to/quality of infrastructure/facilities (e.g., proximity to transportation corridors, schools, and other amenities), (3) local market strength (achievable sales prices/lease rates) in the context of competitive supply, (4) expected development costs (including land acquisition costs, construction materials and labor costs, the availability and costs of financing, and development impact fees, among others), and, (5) where sites are unentitled, the entitlement risk.

For some subregions, cities, and/or areas, market conditions for particular uses may be too weak to have a realistic chance of attracting certain types of development. For example, to the extent the market-supported lease rates for new office development in a particular area of a City do not support Class A office development construction costs, the attraction of this type of space will not be realistic in the short term. Similarly, some users, like major retailers, will only be interested in sites along major transportation corridors. In other cases, there may be a nominal or potential demand, but the willingness of home-buyers/businesses to pay may still not be sufficient to cover the development costs. This willingness to pay will be constrained by competitive supply and prices, whether the price points/lease rates among existing homes/workspaces in the same community or by the price points/lease rates offered in

neighboring communities with different characteristics (proximity to jobs centers, local infrastructure/amenities, school district quality, among other factors).

In other cases, the strength of market demand for new residential and Nonresidential development will spur more detailed review and evaluation of sites by developers. Even in cases where market factors look strong, there is a complex balance between development revenues, development costs, land costs, and required developer returns that must be achieved to catalyze new development. Modest fluctuations in development revenues (i.e., market prices), development costs (materials, labor costs, etc.), and landowner expectations (perceived value of land) can all affect development decisions as can assessments of entitlement risk and complexity, where entitlements are still required. And many of these factors, such as the price of steel, the complexities of CEQA, the market for labor, and landowner's land value preferences, to name a few, are outside of the control of developers and local public agencies.

## Methodology

Every development project is different and will have different development costs. For the purposes of this analysis, EPS considered the same set of land use prototypes as for the fee review and comparison and developed an illustrative estimate of the full set of development costs. The steps taken in developing the development cost estimates are described in the subsections below.

### Land Uses Evaluated

The development cost evaluation considered the following land uses/development prototypes, consistent with those used in **Chapter 2**:

- Residential Single-family Development – Single-family Units in a 50-unit subdivision
- Residential Multifamily Development – Multifamily Units in a 200-unit apartment building.
- Industrial Development – Industrial Space in a 265,000 square foot “high cube” development.
- Office Development – Office Space in a 20,000 square foot office building.
- Retail Development- Retail Space in a 10,000 square foot retail building.

### Development Cost Estimates

An illustrative static pro forma structure was developed. The pro forma incorporated different categories of development costs (see below). It also considered potential land values/acquisition costs based on a residual land value approach that considered potential development values, subtracted direct and indirect development costs and developer return requirements, and indicated a potential residual land value. The development values were refined based on available market data ranges and the need to generate a land value of an appropriate level to support land acquisition and new development. Available information on land transactions was also reviewed. As noted above, this analysis is designed to provide overall insights on general economic relationships and does not draw conclusions concerning the feasibility of individual projects.

**It is also important to note that the pro formas developed were specifically configured to represent a potentially feasible set of relationships, in terms of revenues, costs, and returns. This allows for consideration of development impact fees in the context of illustrative projects that would make sense to undertake. To the extent, development costs/ returns are higher than those indicated – a reality which could certainly be true for many projects – development values would need to be higher or feasibility is not likely to be attained. To the extent, this is true, development impact fees as a proportion of development costs/ returns would be lower than those shown.**

In 2016, the key development cost categories were estimated for all land uses as described below. In this Update, major cost categories were revised, including direct construction costs, land costs, and development impact fees.

- **Direct Construction Costs** – Site Work/Improvements and Vertical Construction Costs. Estimates were taken from RS Means (a construction cost data provider) estimates, available pro formas, and feedback from developers where provided.
- **Indirect Costs** – Architecture and Engineering Costs, Sales and Marketing, Financing, Development Impact Fee, and other soft costs. Estimates were taken from RS Means, the WRCOG Fee Comparison, available pro formas, and feedback from developers where provided.
- **Developer Return Requirements** – Developer return requirements were set to be equal to 10 percent of development value for all land uses. This represented between 10 and 20 percent of direct and indirect construction costs consistent with typical developer hurdle returns.
- **Land Costs** – Land costs were based on the estimated residual land values when costs and returns were subtracted from estimates of development value and/or information on actual land transactions. Development values in all cases were adjusted to ensure land values reached between 25 and 35 percent of development value, unless other information was available to justify a different percentage. This was used as a general metric of potential feasibility; i.e., if the residual land value fell below this level, developers would have a hard time finding willing sellers of land and so the project as a whole may not be feasible.<sup>8</sup>

It is also important to note that the following additional assumptions were used in this analysis:

- **Development Impact Fees.** The development cost estimates include the average development impact fees for WRCOG jurisdictions identified in **Chapter 2**. In reality, the fees, like other development costs factors, vary by jurisdiction.
- **Land Values.** Land values will vary by area and by development prospects as well as by the level of entitlement and improvement of the land. The land value estimates provided represent illustrative estimates for the purposes of this analysis.

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<sup>8</sup> A similar evaluation was not conducted for retail development as the location decisions of major retailers are typically more tied to location/site characteristics than to modest variations in development costs.

- **Direct Construction Costs.** The direct construction costs shown, whether provided by developers or through RS Means, assume non-union construction costs per square foot. The actual construction cost per square foot would be higher if union-labor is required. Depending on the specific union roles required, direct construction would be expected to increase by 10 percent or more.

## Results

As context for the description of the results of this analysis, it is worth repeating that there will be considerable variation throughout Western Riverside County in terms of different development cost components and overall development costs. On an average/illustrative basis, overall development costs included in this analysis may be conservative as they do not include union labor costs and may be conservative with regard to entitlement costs. Given that the focus of this analysis is on the relationship between development impact fees and total development costs, an underestimate in total development costs would mean that the proportionate significance of development impact fees has been overestimated.

**It is again important to note that the analysis shown here is not an evaluation of development feasibility. Such an analysis would require a more-location specific analysis and is highly dependent on site characteristics, local market conditions, and site land values, among other factors.**

**Figure 11** summarizes the estimated development costs/returns on a per residential unit and per Nonresidential building square foot basis. **Figure 12** converts the cost estimates into percent allocations out of the total development/return. It should be noted that the total cost/return (equivalent to the 100 percent) equals the sum of direct and indirect costs, estimated land costs, and required development return. This total cost/return is equivalent to the sales prices/capitalized building value a developer would need to command to cover all costs/return requirements. To the extent, actual costs are higher (e.g., higher land costs or construction costs), the achievable sales prices/capitalized lease rates would also need to be higher.



**Figure 11 Proportionate Development Costs/Return for Development Prototypes**

Development Costs, Land Values, and Return	Single Family Per Unit	Multifamily Per Unit	Industrial Per Bldg Sq.Ft.	Retail Per Bldg Sq.Ft.	Office Per Bldg Sq.Ft.
<b>DIRECT</b>					
Basic Site Work/ Lot Improvements	\$31,652	\$9,766	\$12.13	\$26.38	\$15.07
Direct Construction Cost	<u>\$227,898</u>	<u>\$196,540</u>	<u>\$37.98</u>	<u>\$138.75</u>	<u>\$148.31</u>
Hard Cost Total	\$259,550	\$206,307	\$50.12	\$165.13	\$163.38
<b>INDIRECT</b>					
TUMF	\$8,873	\$6,134	\$1.45	\$7.50	\$2.19
Other Development Impact Fees	\$38,597	\$23,572	\$3.74	\$16.13	\$11.87
Other Soft Costs	<u>\$56,893</u>	<u>\$47,674</u>	<u>\$20.05</u>	<u>\$31.26</u>	<u>\$33.02</u>
Soft Cost Total	\$104,363	\$77,380	\$25.24	\$54.89	\$47.08
<b>Total Direct and Indirect Costs</b>	<b>\$363,913</b>	<b>\$283,686</b>	<b>\$75.35</b>	<b>\$220.01</b>	<b>\$210.46</b>
Developer Return Requirement	\$56,160	\$33,492	\$13.68	\$34.02	\$32.52
Land Value	\$141,527	\$17,737	\$45.75	\$86.21	\$82.38
<b>TOTAL COST/RETURN</b>	<b>\$561,600</b>	<b>\$334,915</b>	<b>\$136.19</b>	<b>\$340.25</b>	<b>\$325.36</b>

\* Assumes generally feasible market conditions (i.e. ability to generate developer return and positive land value).

**Figure 12 Average Development Costs/Return for Development Prototypes**

Development Impact Fees	Single Family	Multifamily	Industrial	Retail	Office
<b>DIRECT</b>					
Basic Site Work/ Lot Improvements	5.6%	2.9%	8.9%	7.8%	4.6%
Direct Construction Cost	<u>40.6%</u>	<u>58.7%</u>	<u>27.9%</u>	<u>40.8%</u>	<u>45.6%</u>
Hard Cost Total	46.2%	61.6%	36.8%	48.5%	50.2%
<b>INDIRECT</b>					
TUMF	1.6%	1.8%	1.1%	2.2%	0.7%
Other Development Impact Fees	6.9%	7.0%	2.7%	4.7%	3.6%
Other Soft Costs	<u>10.1%</u>	<u>14.2%</u>	<u>14.7%</u>	<u>9.2%</u>	<u>10.1%</u>
Soft Cost Total	18.6%	23.1%	18.5%	16.1%	14.5%
<b>Total Direct and Indirect Costs</b>	<b>64.8%</b>	<b>84.7%</b>	<b>55.3%</b>	<b>64.7%</b>	<b>64.7%</b>
Developer Return Requirement	10.0%	10.0%	10.0%	10.0%	10.0%
Land Value	25.2%	5.3%	33.6%	25.3%	25.3%
<b>TOTAL COST/RETURN</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

\* Assumes generally feasible market conditions (i.e. ability to generate developer return and positive land value).

Key findings include:

- Direct construction costs represent the largest proportion of total development costs/returns, typically followed by other land costs, other soft costs (collectively), developer returns, and development impact fees.** Unsurprisingly, direct construction costs are the largest cost, representing between 27.9 percent and 58.7 percent of total costs/returns for the prototypes evaluated. Land costs are likely to be most variable, depending on circumstance, range from 5.3 percent to 33.6 percent for the prototypes. Other soft costs collectively are the next highest component, though their individual components, such as sales and marketing, architecture and engineering, financing costs, are smaller. The expected hurdle developer return at 10 percent is the next highest factor. The range for total development impact fees is below all these other ranges, though when indirect costs are considered individually development impact fees represent the largest component.
- Total development impact fees represent between 3.8 percent and 8.9 percent of total development costs/returns for the prototype feasible projects.** Total development impact fees represent 8.5 percent and 8.9 percent of total development costs/returns respectively for single-family and multifamily developments. As discussed in Chapter 2, these capital facilities fees included water and sewer fees, school district fees, other local jurisdiction fees, TUMF, and other agency/subarea fees. As is common, Nonresidential development impact fees are lower as a percent though show a significant range from 3.8 percent for industrial development, to 4.3 percent for office development, and 6.9 percent for retail development.
- TUMF represent between 0.7 percent and 2.2 percent of total development costs/returns for the prototype feasible projects.** TUMF represent between 16.1 percent and 31.7 percent of total development impact fees, on average, as indicated in the Fee Comparison with the highest ratios for retail and industrial development and lowest for office development. As a proportion of overall development costs, TUMF represent 1.6 percent and 1.8 percent of total residential development costs for single-family and multifamily respectively. For nonresidential uses there is greater variation with TUMF representing 0.7 percent of total costs for office development, 1.1 percent of total costs for industrial development, and 2.2 percent of total costs for retail development.

## 4. CONCLUSIONS

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The Western Riverside Council of Governments (WRCOG) commissioned the Original 2016 Study and this Study Update to provide increased regional understanding of development impact fees on new development in Western Riverside County. As noted in **Chapter 1**, the purpose of the Original and this Updated Report is to: (1) indicate the types and relative scale of the development impact fees placed on different land uses; and, (2) indicate the scale of fees relative to overall development costs. This Report is intended to provide helpful background information on development impacts fee in the region as they are introduced, updated, and debated. It is also intended to indicate the Transportation Uniform Mitigation Fee (TUMF) in the context of the broader development impact fee structure, overall development costs, and other regional dynamics.

At this point in time, it is common practice for new and updated Development Impact Fee Nexus Studies to be accompanied by some consideration of development impact fees in neighboring and peer communities and, less frequently, by consideration of development impact fees in the context of overall development costs and economics. This is true where individual jurisdictions are introducing/ updating a single development impact fee category (e.g. transportation or parks) as well as when jurisdictions undertake more comprehensive updates to a larger number of different fee categories.

Similarly, there have been a number of efforts to provide a regional/ subregional review of development impact fee practices and levels to inform regional conversations about the appropriate use and level of development impact fees. All of these regional studies require definitions of development impact fees included and land use and development prototypes utilized to ensure as close of an “apples-to-apples comparison” as possible. Examples of such studies include:

- **Residential Development Impact Fees in California Cities and Counties.** This August 2001 publication by the State of California Division of Housing was entitled: “Pay to Play: Residential Development Fees in California Cities and Counties, 1999” and was prepared by John Landis, Michael Larice, Deva Lawson, and Lan Deng at the Institute of Urban and Regional Development, University of California, Berkeley. This study considered 89 cities and counties spread throughout California.
- **Regional Development Fee Comparative Analysis for San Joaquin County.** This 2013 publication by San Joaquin Partnership represented a fourth publication prepared for the Partnership’s public and private sector investors. The regional development fee comparison compared a snapshot of development fees in 21 jurisdictions, including eight (8) in San Joaquin County and thirteen (13) in comparative/ neighboring California counties.
- **Ongoing Development Impact Fee Databases.** In addition to these regional efforts, there are a number of consulting companies that keep ongoing databases of development impact fees in regions, such as the Sacramento Valley, to inform their work for public and private sector clients. In these cases, development impact fee schedules are typically updated every year or two due to the dynamic nature of the development impact fees and the numerous different agencies that charge development fees.

In 2016, WRCOG recommended that this Report/ Study be updated periodically to ensure the regional understanding of development impact fees in Western Riverside County remains current in the context of: (1) frequent adjustments to fee levels by individual jurisdictions, (2) changing development cost and economic conditions, and, (3) less frequent, but highly significant changes in State law that affect the use and availability of other public financing tools. This development of this Update Study followed that recommendation and represents the first update to the Original Study, bringing the Original Study “up-to-date”.

- **APPENDIX A** provides detailed information on the Development Prototypes.
- **APPENDIX B** provides fee comparison summaries and detailed fee estimation information for each WRCOG jurisdiction/area and each land use category.



APPENDIX A:  
Development Prototypes

# Single Family Prototype

- Reflects median home size for Western Riverside County home sales since 201

<b>Product Type:</b>	Single Family Detached Unit
<b>Development Type:</b>	Residential Subdivision
<b>No. of Acres:</b>	10 Acres
<b>No. of Units:</b>	50 Units
<b>Building Sq.Ft.</b>	2,700 Sq.Ft.
<b>No. of Bedrooms:</b>	4
<b>No. of Bathrooms:</b>	3
<b>Garage Space (Sq.Ft.):</b>	500 Sq.Ft.
<b>Habitable Space (Sq.Ft.):</b>	2,200 Sq.Ft.
<b>Lot Size:</b>	7,200 Sq.Ft.
<b>Density:</b>	5 DU/AC
<b>Lot Width:</b>	60 Ft.
<b>Lot Depth:</b>	120 Ft.
<b>Total Lot Dimensions (Sq.Ft.):</b>	7,200 Sq.Ft.
<b>Water Meter Size</b>	One 1 Inch Meter



Example Prototype Home, City of Riverside

# Multi-Family Prototype

- Reflects median building size for multi-family developments since 2010

Attachment: WRCOG DIF Survey 2018 (3717 : APPROVAL OF FIRST AMENDMENT TO THE



Example Prototype Multi-Family Development, City of Temecula

<b>Product Type:</b>	Multi Family Apartment Unit
<b>Development Type:</b>	Multi Family Apartment Building
<b>Number of Acres:</b>	10 Acres
<b>Apartment Building Square Feet:</b>	260,000 Sq.Ft.
<b>FAR:</b>	0.60
<b>Number of Stories:</b>	3
<b>Dwelling Units:</b>	200
<b>Density:</b>	20.0 DU/AC
<b>Average Unit Size:</b>	1,100
<b>Water Meter Sizes*:</b>	Eight 2 inch Meters
<b>Roof Area:</b>	86,667 Sq.Ft.
<b>Lot Width:</b>	515.3 Ft.
<b>Lot Depth:</b>	717.2 Ft.

\*Note: Assumption is for analytical simplicity. Different assumptions are used where recommended by individual jurisdictions.

# Industrial Prototype

- Reflects median building size for industrial developments since 2010

<b>Product Type:</b>	Warehouse/ Distribution
<b>Criteria:</b>	Meets criteria for High-Cube
<b>No. of Acres:</b>	15.2 Acres
<b>Rentable Square Feet:</b>	265,000 Sq.Ft.
<b>FAR:</b>	0.4
<b>Water Meter Sizes:</b>	One 2 Inch Meter
<b>Roof Area:</b>	265,000 Sq.Ft.
<b>Lot Width:</b>	813.9 Ft.
<b>Lot Depth:</b>	813.9 Ft.



Example Prototype Industrial Development, City of Perris



# Retail Prototype

- Reflects building size for retail developments since 2010



Example Prototype Retail Development, City of Hemet

<b>Product Type:</b>	Retail Building
<b>No. of Acres:</b>	1.15 Acres
<b>Rentable Square Feet:</b>	10,000 Sq.Ft.
<b>FAR:</b>	0.2
<b>No. of Stories:</b>	1
<b>Water Meter Sizes:</b>	One 2 Inch Meter
<b>Roof Area:</b>	10,000 Sq.Ft.
<b>Lot Width:</b>	223.6 Ft.
<b>Lot Depth:</b>	223.6 Ft.

# Office Prototype

- Reflects median building size for office developments since 2010

<b>Product Type:</b>	Office Building
<b>Number of Acres:</b>	1.3 Acres
<b>Rentable Square Feet:</b>	20,000 Sq.Ft.
<b>FAR:</b>	0.35
<b>No. of Stories:</b>	2
<b>Water Meter Sizes:</b>	One 2 Inch Meter
<b>Roof Area:</b>	10,000 Sq.Ft.
<b>Lot Width:</b>	239.0 Ft.
<b>Lot Depth:</b>	239.0 Ft.

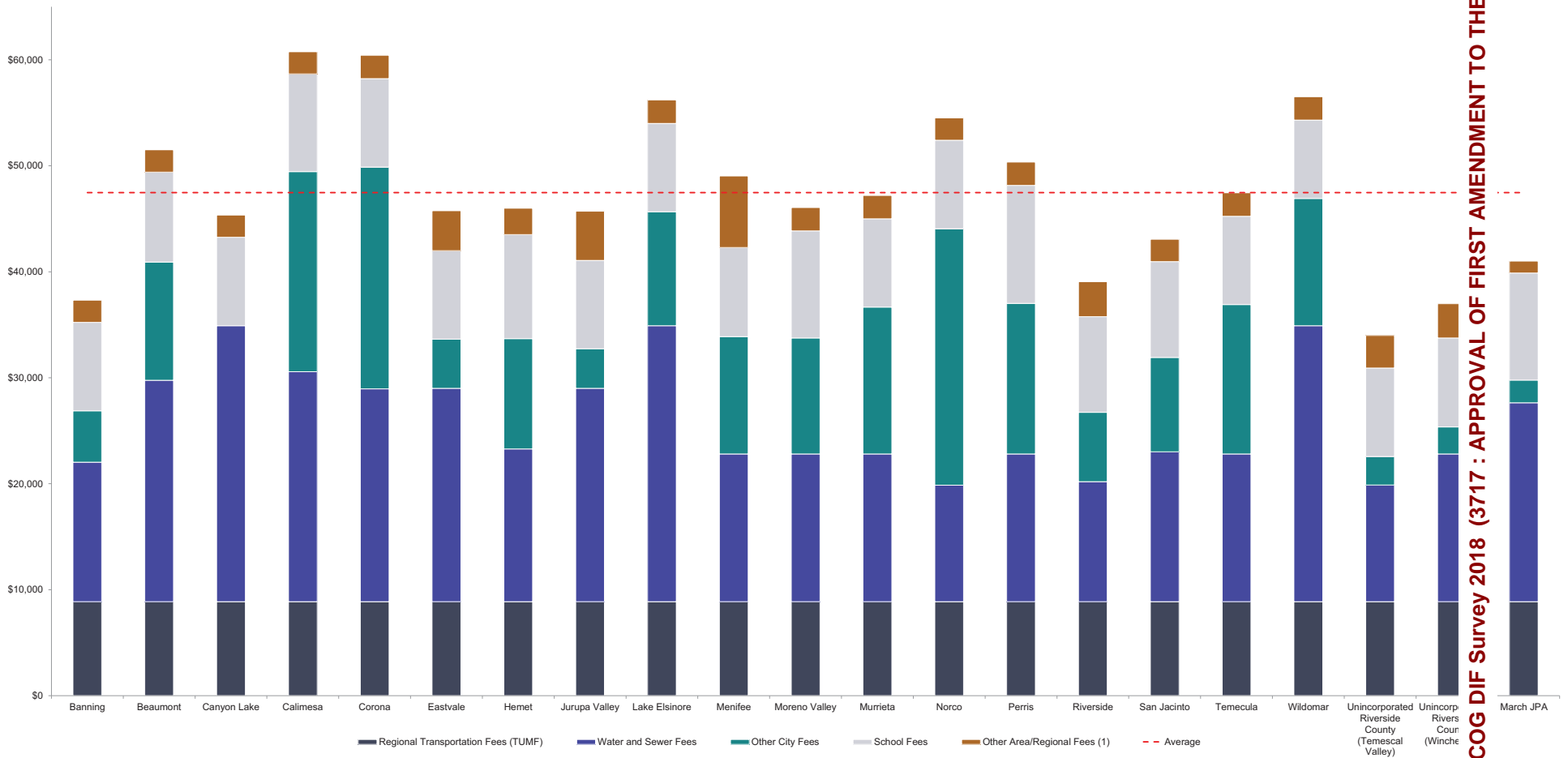


Example Prototype Office Development, City of Hemet



APPENDIX B:  
Fee Comparison Summaries and Estimations  
for WRCOG Jurisdictions

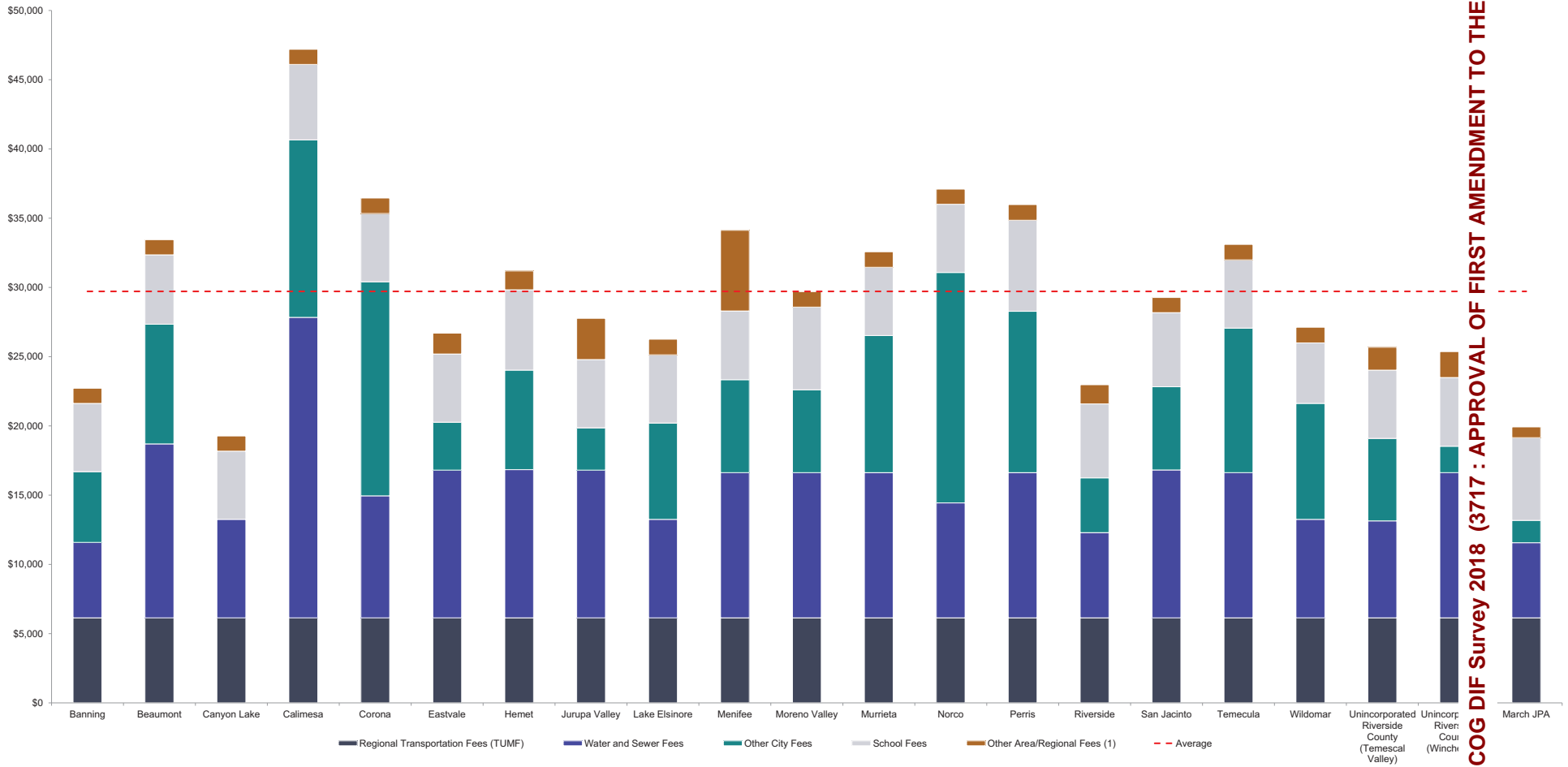
Single Family Detached Prototype  
Capital Facilities / Infrastructure  
Development Fees by Jurisdiction (Per Unit)



\* Fee estimates for specified development prototypes as of July 2018. Actual fees will vary based on project specifics and any fee updates.  
(1) "Other Area Fees/ Regional Fees" include, but are not limited to, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Attachment: WRCOG DIF Survey 2018 (3717 : APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT

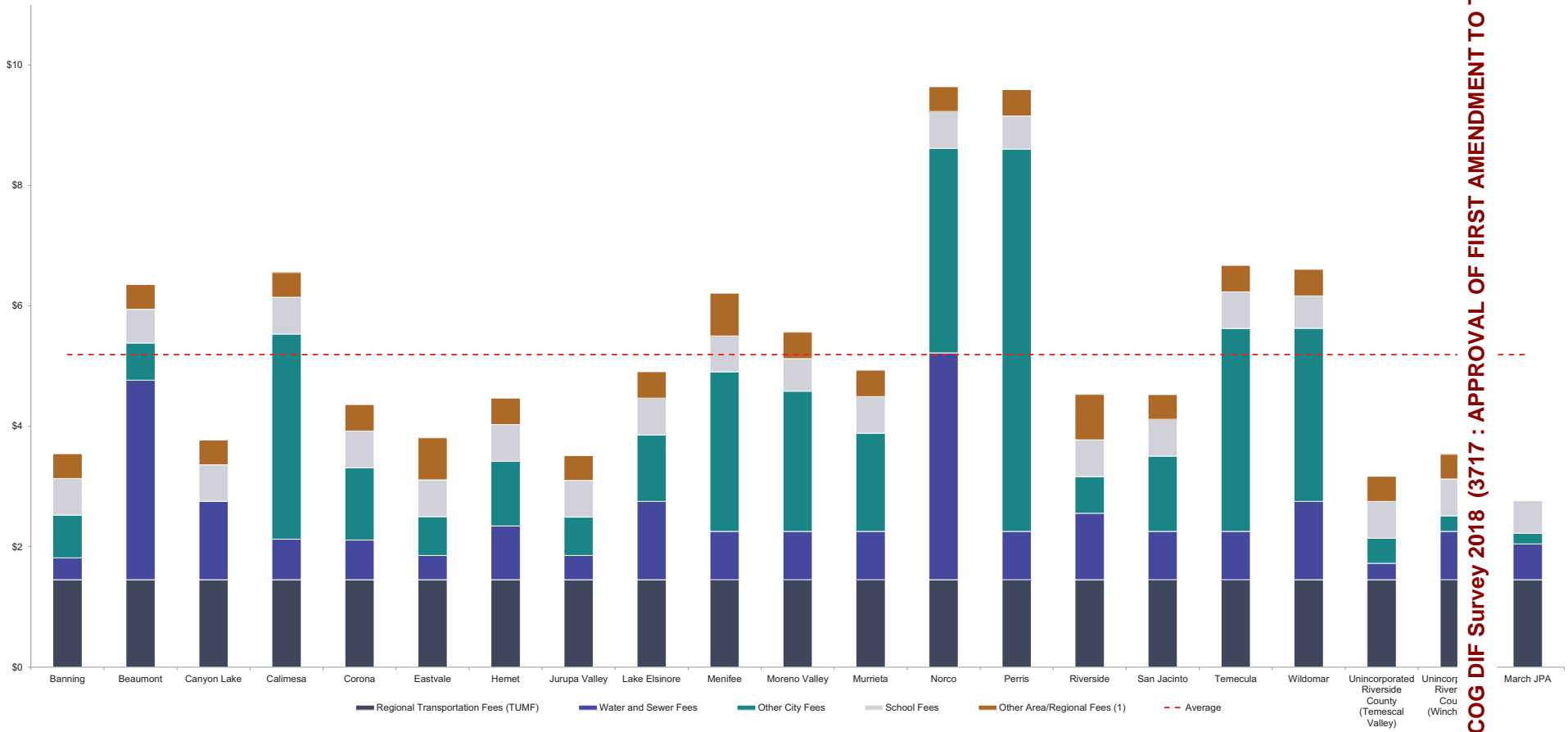
**Multifamily Prototype  
Capital Facilities / Infrastructure  
Development Fees by Jurisdiction (Per Unit)**



\* Fee estimates for specified development prototypes as of July 2018. Actual fees will vary based on project specifics and any fee updates.  
(1) "Other Area Fees/ Regional Fees" include, but are not limited to, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Attachment: WRCOG DIF Survey 2018 (3717 : APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT

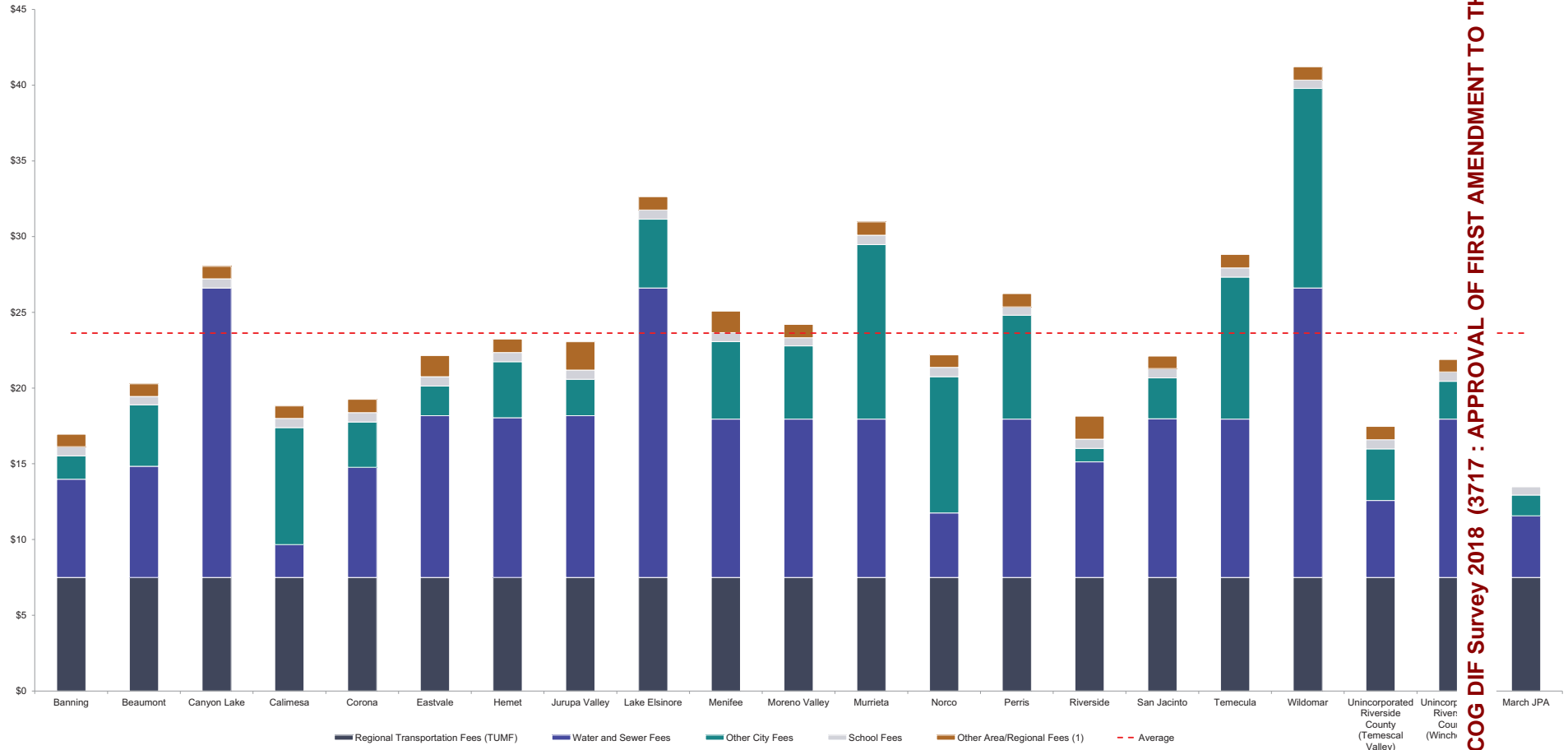
**Industrial Prototype  
Capital Facilities / Infrastructure  
Development Fees by Jurisdiction (Per Building Sq.Ft.)**



\* Fee estimates for specified development prototypes as of July 2018. Actual fees will vary based on project specifics and any fee updates.  
 (1) "Other Area Fees/ Regional Fees" include, but are not limited to, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Attachment: WRCOG DIF Survey 2018 (3717 : APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT

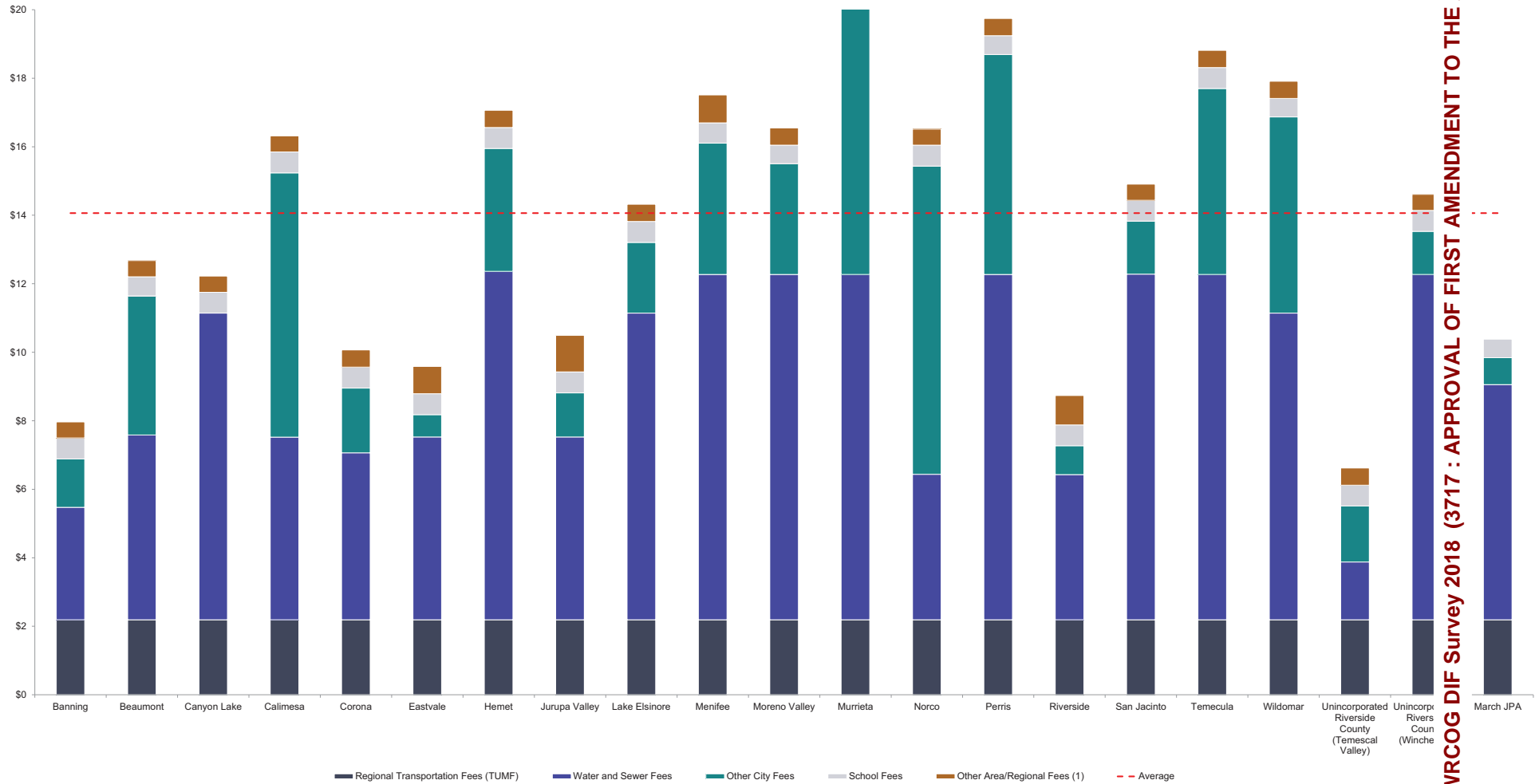
Retail Prototype  
Capital Facilities / Infrastructure  
Development Fees by Jurisdiction (Per Building Sq.Ft.)



\* Fee estimates for specified development prototypes as of July 2018. Actual fees will vary based on project specifics and any fee updates.  
(1) "Other Area Fees/ Regional Fees" include, but are not limited to, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Attachment: WRCOG DIF Survey 2018 (3717 : APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT

Office Prototype  
Capital Facilities / Infrastructure  
Development Fees by Jurisdiction (Per Building Sq.Ft.)



\* Fee estimates for specified development prototypes as of July 2018. Actual fees will vary based on project specifics and any fee updates.  
(1) "Other Area Fees/ Regional Fees" include, but are not limited to, regional parks, trails, multiservice center fees, area specific fees, and habitat mitigation fees.

Attachment: WRCOG DIF Survey 2018 (3717 : APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT



**Section 11 - Development Impact Fees**

Resolution  
2013-25

Date Adopted:  
07/09/2013

Unit	Residential				Commercial		Industrial		Office
	Single Family	Affordable Single Family	Multi-Family	Affordable Multi-Family	General	Regional	General	High-Cube	
	DU	DU	DU	DU	KSF	KSF	KSF	KSF	
Transportation Uniform Mitigation Fees (TUMF)	\$ 8,873.00	\$ -	\$ 6,231.00	\$ -	\$ 10,490.00	\$ 10,490.00	\$ 1,730.00	See note [5]	\$ 2,190.00
Arterial Streets	\$ 1,125.00	\$ 563.00	\$ 788.00	\$ 394.00	\$ 1,480.00	\$ 1,298.00	\$ 730.00	\$ 171.00	\$ 1,023.00
Traffic Signals	\$ 765.00	\$ 382.00	\$ 535.00	\$ 268.00	\$ 1,006.00	\$ 882.00	\$ 496.00	\$ 116.00	\$ 695.00
Interchange Improvement	\$ 701.00	\$ 350.00	\$ 491.00	\$ 245.00	\$ 922.00	\$ 808.00	\$ 455.00	\$ 106.00	\$ 637.00
Fire Facilities	\$ 981.00	\$ 490.00	\$ 262.00	\$ 131.00	\$ 360.00	\$ 360.00	\$ 257.00	\$ 257.00	\$ 300.00
Police Facilities	\$ 494.00	\$ 247.00	\$ 192.00	\$ 96.00	\$ 646.00	\$ 553.00	\$ 116.00	\$ 116.00	\$ 247.00
Park Improvements	\$ 2,729.00	\$ 1,364.00	\$ 2,332.00	\$ 1,166.00	\$ -	\$ -	\$ -	\$ -	\$ -
Recreation Centers	\$ 694.00	\$ 347.00	\$ 593.00	\$ 297.00	\$ -	\$ -	\$ -	\$ -	\$ -
Libraries and Materials	\$ 328.00	\$ 164.00	\$ 280.00	\$ 140.00	\$ -	\$ -	\$ -	\$ -	\$ -
Animal Shelter	\$ 197.00	\$ 98.00	\$ 168.00	\$ 84.00	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Equipment	\$ 152.00	\$ 76.00	\$ 41.00	\$ 20.00	\$ 56.00	\$ 56.00	\$ 40.00	\$ 40.00	\$ 47.00
City Hall	\$ 181.00	\$ 90.00	\$ 48.00	\$ 24.00	\$ 66.00	\$ 66.00	\$ 47.00	\$ 47.00	\$ 55.00
Corporate Yard	\$ 543.00	\$ 272.00	\$ 145.00	\$ 72.00	\$ 200.00	\$ 200.00	\$ 143.00	\$ 143.00	\$ 166.00
<b>Total</b>	<b>\$ 17,763.00</b>	<b>\$ 4,443.00</b>	<b>\$ 12,106.00</b>	<b>\$ 2,937.00</b>	<b>\$ 15,226.00</b>	<b>\$ 14,713.00</b>	<b>\$ 4,014.00</b>	<b>\$ 996.00</b>	<b>\$ 5,360.00</b>
2% Admin Fee	\$ 177.00	\$ 88.86	\$ 117.50	\$ 58.74	\$ 94.72	\$ 84.46	\$ 45.68	\$ 19.92	\$ 63.40
<b>TOTAL</b>	<b>\$ 17,940.00</b>	<b>\$ 4,531.86</b>	<b>\$ 12,223.50</b>	<b>\$ 2,995.74</b>	<b>\$ 15,320.72</b>	<b>\$ 14,797.46</b>	<b>\$ 4,059.68</b>	<b>\$ 1,015.92</b>	<b>\$ 5,423.40</b>

**NOTES:**

1. The general policy is that all impact fees will be adjusted annually.
2. The fees will be adjusted to reflect the annual increase using the Council approved 20-City Average Building Code Index of the Engineering News Record.
3. TUMF fees are set by the Western Riverside County Organization of Governments (WRCOG). MSHCP and SKR mitigation fees also apply. MSHCP mitigation fees are set by the Western Riverside County-Regional Conservation Authority. SKR mitigation fees are set by the Riverside County Habitat Conservation Agency.
4. High Cube Warehouse and Distribution Centers are defined as those with a minimum gross floor area of more than 200,000 square feet, a minimum ceiling height of 24 feet, and a minimum of dock-high door loading ratio of 1 door per 10,000 square feet.
5. TUMF fees will apply. The TUMF fee for high cube is calculated based on an adjusted square footage which is determined by multiplying the building square footage exceeding 200,000 square feet by 0.24, and then adding 200,000. The adjusted square footage is then multiplied by the adopted TUMF industrial fee (currently \$1.73 per square foot).

**UNITS LEGEND**

DU = Dwelling Unit for residential Development types

KSF = 1,000 gross square feet of building area for commercial, industrial and office development types

**IMPLEMENTATION NOTES:**

All development impact fees shall be charged at 100% of the fees as calculated in the Development Impact Fee Update Study Report (nexus study).

With respect to Residential Affordable Single-Family and Residential Affordable Multi-Family, these fees shall be collected at the Council-approved reduced amount. These fees do not increase the impacts on other residential developments.

Attachment: DIF Summary Breakdown (3717) : APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Michael L. Wolfe, P.E., Public Works Director/City Engineer

**AGENDA DATE:** September 3, 2019

**TITLE:** PEN17-0014 (TR 31621) – APPROVE TRACT MAP 31621  
LOCATED ON TRANQUIL WAY EAST OF HUBBARD  
STREET. DEVELOPER: METRIC HOMES, LLC

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### **RECOMMENDED ACTION**

#### **Recommendations:**

1. Approve Tract Map 31621.
2. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.

### **SUMMARY**

This report recommends approval of Tract Map 31621, which is owned by Metric Homes, LLC. The Tract Map 31621 is to subdivide 3.1 acres into 12 residential lots. The project is located on the east end of Tranquil Way between Hubbard Street and Perris Boulevard.

### **DISCUSSION**

On February 26, 2004, the City of Moreno Valley approved Tentative Tract Map 31621. The project is for the development of twelve residential lots on approximately 3.1 acres located westerly of Perris Boulevard and Tranquil Way. The Agreement for Public Improvements was approved by the City Engineer. Tract Map 31621 is in substantial conformance with the approved Tentative Tract Map. The developer has requested that the map be approved for recordation, consistent with California Government Code Section 66452.6.d (Subdivision Map Act) meeting the requirements of a timely filing. Due to the size of the map, it is not attached to this report. However, the map is available for review at the Public Works/Land Development counter at City Hall.

## **ENVIRONMENTAL**

On February 26, 2004, the Planning Commission of the City of Moreno Valley approved Tentative Tract Map 31621. In accordance with the California Environmental Quality Act (CEQA) Guidelines at that time, the Planning Commission determined that the project is exempt per section 15322 (In-Fill Development Projects).

## **ALTERNATIVES**

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

## **FISCAL IMPACT**

No fiscal impact is anticipated.

## **NOTIFICATION**

Publication of agenda.

## **PREPARATION OF STAFF REPORT**

Prepared By:  
Hoang Nguyen, P.E.  
Associate Engineer

Department Head Approval:  
Michael L. Wolfe, P.E.  
Public Works Director/City Engineer

Concurred By:  
Michael D. Lloyd, P.E.  
Engineering Division Manager/Assistant City Engineer

## **CITY COUNCIL GOALS**

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

## **CITY COUNCIL STRATEGIC PRIORITIES**

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure

**5. Beautification, Community Engagement, and Quality of Life**  
**6. Youth Programs**

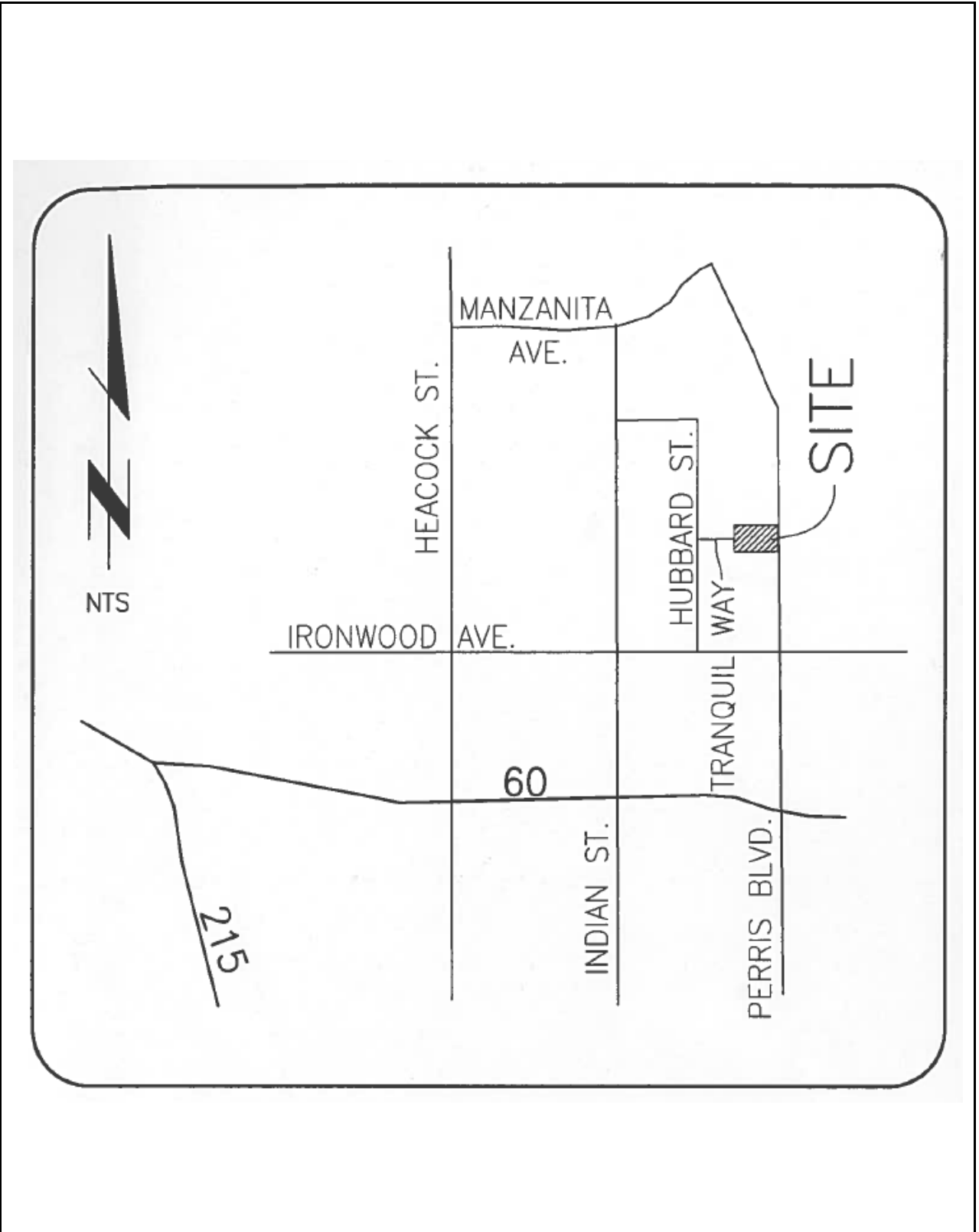
Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.

**ATTACHMENTS**

- 1. Vicinity Map - PEN17-0014 (TR 31621)

**APPROVALS**

Budget Officer Approval	<u>✓ Approved</u>	8/27/19 5:53 PM
City Attorney Approval	<u>✓ Approved</u>	8/28/19 11:45 AM
City Manager Approval	<u>✓ Approved</u>	8/29/19 10:46 AM



CITY OF MORENO VALLEY  
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PEN17-0014  
(TR 31621)

Attachment: Vicinity Map - PEN17-0014 (TR 31621) (3620 : PEN17-0014 (TR 31621) - APPROVE TRACT MAP 31621)



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Thomas M. DeSantis, City Manager

**AGENDA DATE:** September 3, 2019

**TITLE:** ADOPT RESOLUTION CREATING A PARKS AND COMMUNITY SERVICES COMMITTEE

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### **RECOMMENDED ACTION**

#### **Recommendation:**

1. Adopt Resolution No. 2019-\_\_\_\_, of the City of Moreno Valley, California, Creating the Parks and Community Services Committee, with appointments to be ratified at a future meeting of the City Council.

### **SUMMARY**

This report recommends the creation of a Parks and Community Services Committee. The committee would provide the Council with greater detailed information regarding key facets of Parks & Community Services programs, while Parks and Community Services staff will receive important insight to ensure that programming is effectively targeted to meet the needs of residents of all ages. The committee will also establish additional opportunities for residents to participate in public meeting discussions of Parks and Community Services programs/services.

### **DISCUSSION**

Parks and Community Services programs are essential elements of quality of life in our community, while also playing a role in economic development activities.

In Moreno Valley, the California Parks and Recreation Society's tag line rings particularly true: "Parks Make Life Better." Our Parks and Community Services Department is committed to meet the needs of over 210,000 residents of all ages, with diverse backgrounds and varied recreation preferences, while keeping up with recreation trends, health and wellness initiatives and an unprecedented number of capital projects. As programs and services evolve at a record pace, it is critical to

engage the City Council in related discussions at the early stages, to guide continued development and alignment with the Council's goals and vision.

Forming a Parks and Community Services Committee would elevate the Council's engagement in this area, consistent with the important duties carried out by the Council's existing committees (Public Safety, Finance and Economic Development). It would also complement the important work of the Parks, Community Services and Trails Committee which considers matters under the operational purview of the Parks and Community Services Department. Like the other committees, the Parks and Community Services Committee would make recommendations to the full Council.

If formation of the Committee is approved, a subsequent staff report will be presented by the City Clerk's Office to propose a regular monthly meeting date along with the Mayor's appointments to this panel.

### **ALTERNATIVES**

1. Adopt Resolution 2019-\_\_\_ creating a Parks and Community Services Committee and ratify members at a future City Council meeting, and establish regular monthly meeting dates. This alternative is recommended as Parks and Community Services staff would receive important insight from the City Council to ensure that programming is effectively targeted to meet the needs of residents.
2. Provide alternate direction to staff.

### **FISCAL IMPACT**

There is no fiscal impact related to the recommendation presented in this report.

### **NOTIFICATION**

Posting of the agenda.

### **PREPARATION OF STAFF REPORT**

City Manager Approval:  
Thomas M. DeSantis  
City Manager

### **CITY COUNCIL GOALS**

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

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

**CITY COUNCIL STRATEGIC PRIORITIES**

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

Objective 1.5: Showcase Moreno Valley’s unique assets.

Objective 5.5: Promote a healthy community and lifestyle.

Objective 6.2: Improve health, wellness and fitness for Moreno Valley youth through recreation and sports programs.

**ATTACHMENTS**

- 1. PCS Sub-Committee - Reso

**APPROVALS**

Budget Officer Approval	<u>✓ Approved</u>	8/21/19 6:48 PM
City Attorney Approval	<u>✓ Approved</u>	8/26/19 3:55 PM
City Manager Approval	<u>✓ Approved</u>	8/26/19 4:40 PM



## RESOLUTION NO. 2019-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
MORENO VALLEY, CALIFORNIA, AMENDING RULES OF  
PROCEDURE FOR CITY COUNCIL MEETINGS TO  
CREATE A PARKS AND COMMUNITY SERVICES  
COMMITTEE

WHEREAS, Section 9.3 of the City of Moreno Valley Municipal Code provides for the process for City Council to create additional standing committees by amending the Rules of Procedure by Resolution; and

WHEREAS, the City Council desires to create a Parks and Community Services Committee.

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

1. Section **9.3** of The Rules of Procedure for City Council Meetings and Related Functions and Activities is renumbered to be Section **9.4** without any changes to its wording.
2. New Section 9.3 is hereby added as follows:

**9.3 PARKS AND COMMUNITY SERVICES COMMITTEE**

There shall be a standing committee of the City Council known as the Parks and Community Services Committee. The committee shall consist of two (2) Council members appointed by the Mayor and confirmed by the City Council. The Parks and Community Services Committee shall consider matters pertaining to the parks, recreation and community services issues and shall make recommendations to the City Council.

3. This amendment to the Rules of Procedure for City Council Meetings and Related Functions and Activities shall become effective immediately upon adoption.

APPROVED AND ADOPTED this 3rd day of September 2019

\_\_\_\_\_  
Mayor of the City of Moreno Valley

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

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

**RESOLUTION JURAT**

STATE OF CALIFORNIA        )  
COUNTY OF RIVERSIDE       ) ss.  
CITY OF MORENO VALLEY     )

I, Pat Jacquez-Nares, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2019 \_\_ was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 3<sup>rd</sup> day of September, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

\_\_\_\_\_  
CITY CLERK

(SEAL)



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Richard J. Sandzimier, Community Development Director

**AGENDA DATE:** September 3, 2019

**TITLE:** A MUNICIPAL CODE AMENDMENT TO EXPAND THE CURRENT NOTICING REQUIREMENTS, AND DELETE REQUIRED FINDINGS FOR CONFORMITY WITH THE REDEVELOPMENT PLAN.

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### **RECOMMENDED ACTION**

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

1. Introduce and conduct the first reading of Ordinance \_\_\_ amending Chapters 9.02, 9.08, 9.09 and 9.14 of Title 9 of the City of Moreno Valley Municipal Code to expand the current public hearing notice requirements from 300 feet to 600 feet, and amending Chapter 9.02 to delete required Plot Plan and Conditional Use Permit findings pertaining to Redevelopment Plans.
2. Schedule the second reading and adoption of Ordinance \_\_\_ for the next regular Council meeting.

### **SUMMARY**

At the June 11<sup>th</sup> City Council Study Session, staff provided a presentation of the Municipal Code requirements and current procedures regarding public noticing for projects that require public hearings. At the meeting, the City Council directed staff to amend the current notification requirements to expand the required noticing radius from 300 feet to 600 feet. This will effectively increase the number of property owners who receive notification for development projects requiring a public hearing notice.

In addition to the amendment to the public noticing process, staff has included an additional recommended text amendment to the Municipal Code that is a desired clean-up item. The amendment will eliminate the required Plot Plan and Conditional Use Permit findings of conformity with the Redevelopment Plan. This finding is no longer applicable since redevelopment has been eliminated within the State of California.

## DISCUSSION

### Public Noticing

The City's current public noticing process as described in Section 9.02.200 of the Municipal Code, and consistent with State law, is to notify the public regarding public hearing items in three ways: publication in a newspaper of general circulation, mailing to property owners within a 300 foot radius of the property, and posting of the project site.

Based on the City Council's review of the City's existing public noticing process at the June 11<sup>th</sup> Study Session (see attached PowerPoint), there was consensus with the proposal to expand the radius for noticing from 300 feet to 600 feet. This change will further the goal of public notification which is to ensure public awareness and full and open public discussion.

The change in the public noticing radius requires amendment to several sections of Title 9 that make reference to the 300-foot notice radius. The modified sections are summarized below:

9.02.200(C)(2)	Public Hearing Notification and Procedures
9.08.210(C)(3)(d)	Changes in product sizes in existing single-family residential districts
9.09.030(E)(4)	Adult businesses
9.14.040 (A)(1)(u)	Tentative Subdivision Maps
9.14.040 (B)(1)(u)	Tentative Parcel Maps

In all cases, the extent of the proposed amendment is changing the public hearing notice radius from 300 feet to 600 feet. The changes have been incorporated into the attached proposed ordinance, and the specific changes are included in an attachment to the staff report in strike-out/underline format.

### Deletion of Required Findings Pertaining to Redevelopment Plan

The Municipal Code currently includes a finding applicable to certain types of entitlements requiring consistency with any city redevelopment plan. Planning staff has been including this finding for Administrative Plot Plans, Plot Plans, and Conditional Use Permits.

In January 2011, the Governor of the State of California proposed statewide elimination of redevelopment agencies. State legislation passed on June 29, 2011 prohibited redevelopment agencies from engaging in new business and established timelines for dissolution of redevelopment agencies. Since redevelopment has been eliminated by the State of California, there is no longer a need to include the finding within Title 9 of the Municipal Code.

Three sections of the Municipal Code currently include a required finding of conformance with applicable provisions of a redevelopment plan. These sections are proposed to be modified to delete the required finding. The modified sections of Title 9 include 9.02.060 Conditional Use Permits, 9.02.070 Plot Plans, and 9.02.080, Administrative Plot Plan. In each case, the only change to each of these sections is to delete the following required finding, "The project conforms with any applicable provisions of any city redevelopment plan." The modified text is reflected in the proposed ordinance, and is provided in Exhibit B in strike-out/underline format.

### Environmental Review

Since the proposed amendments to the Code are procedural in nature, and would not involve any change to land use or development standards, there is no potential for these Code changes to either directly or indirectly result in a physical impact on the environment. Therefore, staff has determined that the proposed amendments are not a project under the California Environmental Quality Act.

### ALTERNATIVES

1. Introduce and conduct the first reading of the proposed Ordinance as submitted, and schedule the second reading and adoption for the next regular City Council meeting. Staff recommends this alternative.
2. Do not introduce, nor pursue the adoption of the proposed Ordinance and thereby not modify the code sections described in the staff report. Staff does not recommend this alternative.

### FISCAL IMPACT

The Municipal Code Amendment modifications are administrative in nature and would have no direct fiscal impact. The increase in the radius from 300 feet to 600 feet would result in a slight increase in the required postage for the mail-out of public notices but the added cost can be recovered by an adjustment to the planning fee for public noticing with the next update in the City-wide fee resolution.

### NOTIFICATION

The public noticing process was previously discussed at a City Council Study Session on June 11. As these proposed amendments do not involve modifying the City's zoning atlas, or any land use regulations that are specifically described in Section 9.02.050(C)(1) of the Municipal Code, a public hearing is not required. Notice is provided with the posting of the agenda.

### PREPARATION OF STAFF REPORT

Prepared By:  
Chris Ormsby, AICP

Department Head Approval:  
Richard J. Sandzimier

Senior Planner

Community Development Director

Concurred By:  
Patricia Nevins  
Planning Official

**CITY COUNCIL GOALS**

None

**CITY COUNCIL STRATEGIC PRIORITIES**

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

**ATTACHMENTS**

- 1. Ordinance
- 2. Modified Code sections - Noticing - Strikeout underline
- 3. Modified Code sections - Redevelopment finding - Strikeout underline
- 4. CDD\_Study Session\_Noticing Powerpoint

**APPROVALS**

Budget Officer Approval	<u>✓ Approved</u>	8/27/19 5:53 PM
City Attorney Approval	<u>✓ Approved</u>	8/28/19 11:43 AM
City Manager Approval	<u>✓ Approved</u>	8/29/19 10:46 AM

Ordinance \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AMENDING CHAPTERS 9.02, 9.08, 9.09 AND 9.14 OF TITLE 9 OF THE MUNICIPAL CODE TO EXPAND THE PUBLIC HEARING NOTICE MAILING RADIUS REQUIREMENT FROM 300' TO 600', AND AMENDING CHAPTER 9.02 TO DELETE THE REQUIRED CONFORMING FINDING TO THE REDEVELOPMENT PLAN

The City Council of the City of Moreno Valley does ordain as follows:

SECTION 1. GENERAL:

1.1 At the City Council Study Session on June 11, 2019, the City Council discussed existing noticing procedures, and the Council directed staff to modify the required radius for public hearing noticing from 300 feet to 600 feet, as described in the title of this resolution and the attached Exhibit A.

1.2 Staff identified an additional amendment to Title 9 of an administrative nature to reflect a change in State law, and has included the amendment as described in the title of this resolution.

1.3 The City Council desires to amend Chapters 9.02, 9.08, 9.09, and 9.14 of Title 9 of the Moreno Valley Municipal Code to modify the requirements for public noticing, and to delete the required conforming finding to the redevelopment plan in Title 9 of the Municipal Code.

SECTION 2. FINDINGS:

2.1 Based on the entirety of the record, the City Council hereby finds that the Municipal Code as amended by this ordinance is consistent with the goals, objectives, policies, and programs of the City's General Plan, and does not result in any internal inconsistency with existing Specific Plans. The increase in the radius for noticing from 300 feet to 600 feet will increase the number of property owners that receive notice of a public hearing, which will allow for increased opportunity for public participation. The Municipal Code changes are also internally consistent with all other sections of the Municipal Code. The modifications to the Municipal Code are limited to administrative changes, and do not directly affect development standards.

2.2 The proposed amendment will not adversely affect the public health, safety, or general welfare. The implementation of the amended sections of the Municipal Code would not directly or indirectly have any impact on public health, safety or welfare. The City Council finds that this Ordinance is not a "project" as defined by CEQA.

1  
Ordinance No.  
Date Adopted:

Attachment: Ordinance [Revision 9] (3686 : Municipal Code Amendment to several sections of Title 9)



2.3 The proposed amendments are internally consistent with the other Code requirements of Title 9.

### SECTION 3. MUNICIPAL CODE AMENDED

3.1. Section 9.02.200 of Chapter 9.02, Title 9 of the City of Moreno Valley Municipal Code is hereby repealed and replaced to read as follows:

“9.02.200 Public hearing and notification procedures.

A. Purpose. This section defines procedures for conducting public hearings for applications pursuant to this title unless otherwise specified in this title. The purpose of this section is to ensure public awareness and full and open public discussion and debate regarding proposed actions pursuant to this title.

B. Public Hearing Date.

1. Where required by state law, and unless otherwise specified in this title, a public hearing on any application shall be scheduled before the planning commission, on the earliest appropriate date.

2. A public hearing upon an application shall be heard before the appropriate hearing body when:

a. The community development director has determined that the application complies with all applicable ordinances and requirements of the city; and

b. All procedures required by the city’s rules and procedures for the implementation of the California Environmental Quality Act to hear a matter has been completed.

C. Notice of Hearing. Whenever a public hearing is prescribed in this title, notice of public hearings shall be given by:

1. Publication in a newspaper of general circulation within the city at least ten (10) calendar days prior to the public hearing;

2. Mailing, at least ten (10) calendar days prior to the public hearing, to all owners of property within a radius of six hundred (600) feet from the exterior boundaries of the property involved in the application. For this purpose, the last known name and address of each property owner, as contained in the records of the latest equalized Riverside County assessor rolls, shall be used. If the number of owners to whom notice would be mailed or delivered pursuant to this subsection is greater than one thousand (1,000), in lieu of mailed or delivered notice, notice may be provided by placing a

display advertisement of at least one-eighth page in at least one newspaper of general circulation in the city at least ten (10) days prior to the hearing;

3. Mailing, at least ten (10) calendar days prior to the public hearing, or delivering at least ten (10) calendar days prior to the public hearing, to each local agency expected to provide water, sewer, schools, or other essential services or facilities to the project whose ability to provide those facilities and services may be significantly affected;

4. Mailing, at least ten (10) calendar days prior to the public hearing, or delivering at least ten (10) calendar days prior to the public hearing, to the owner of the subject real property or to the owner's duly authorized agent, to the project applicant and the applicant's authorized representative, if any;

5. Mailing, at least ten (10) calendar days prior to the public hearing, to any person who has filed a written request with the community development director and has provided the community development director with a self-addressed stamped envelope for that purpose;

6. For a proposed conversion of residential real property to a condominium project, community apartment project, or stock cooperative project, such notice shall also be given by mail to each tenant of the subject property, and, in addition to notice of the time and place of the public hearing, shall include notification of the tenant's right to appear and the right to be heard;

7. The community development director may require that additional notice of the hearing be given in any other manner deemed necessary or desirable by the director or the director's representative to ensure that all notice requirements provided by law for the proposal are complied with;

8. The public review period for a draft EIR shall not be less than thirty (30) days nor should it be longer than sixty (60) days, except under unusual circumstances. When a draft EIR is submitted to the State Clearinghouse for review by state agencies, the public review period shall not be less than forty-five (45) days, unless a shorter period, not less than thirty (30) days, is approved by the State Clearinghouse.

The public review period for a proposed negative declaration or mitigated negative declaration shall be not less than twenty (20) days. When a proposed negative declaration or mitigated negative declaration is submitted to the State Clearinghouse for review by state agencies, the public review period shall not be less than thirty (30) days, unless a shorter period, not less than twenty (20) days, is approved by the State Clearinghouse;

9. All notices of public hearings shall include a description of the project, the identity of the hearing body or officer(s), shall describe the property, and the date, time and place of the scheduled hearing, a statement that application and associated

documents and environmental review are available for public inspection at a specified location, and the manner in which additional information and/or testimony may be received.

D. Conduct of Public Hearings.

1. Public hearings held pursuant to the provisions of this title shall be held according to such public hearing rules as the planning commission and city council may, from time to time, adopt.

2. The chairperson of the planning commission and mayor may require that witnesses be sworn.

E. Proceeding Before the City Council. Where the authority for approval is not vested solely with the city council, the decision of the planning commission is considered final and no decision by the city council is required unless an appeal is filed or, prior to the end of the appeal period, the city council assumes jurisdiction by the request of any member thereof. (Ord. 694 § 1.1, 2005; Ord. 575 § 2.2, 2000; Ord. 475 § 1.4, 1995; Ord. 386 § 1.8, 1993; Ord. 359, 1992)”

3.2. Section 9.08.210 of Chapter 9.08, Title 9 of the City of Moreno Valley Municipal Code is hereby repealed and replaced to read as follows:

“9.08.210 Changes in product sizes in existing single-family residential tracts.

The following specific procedures and standards shall be applied to proposed changes in product sizes within single-family residential tracts in which a previously approved product was constructed. If a product was approved and not built, this section of the code shall not apply. Evaluation of the proposed changes shall be by director’s review based upon the standards, criteria and findings for reviewing plot plans in accordance with the minor development review process, except in the event that changes in product size twenty-five (25) percent or greater increase or decrease, based on a weighted average, are proposed. If the change is twenty-five (25) percent or greater, evaluation shall be by the planning commission based upon the standards, criteria and findings for reviewing plot plans in accordance with the major development review process.

A. Compatibility. Proposed product changes shall incorporate the following criteria to provide continuity and integrity within the neighborhood:

1. All proposed homes shall have compatible architecture, materials, colors, roof lines and frontage widths with built homes in the tract;
2. All proposed walls and fencing shall be compatible with existing fencing.

B. Transition Area. If a transition area is required, it shall consist of three to five homes and shall be established side to side and across the street from any built homes. This transition area may be adjusted to meet any immediate physical barrier such as a street, flood control channel, or open space area and shall address the following:

1. Proposed homes closest in design and size to the built homes shall be placed in the transition area;
2. Two-story homes shall be located side to side or across the street from existing two-story homes;
3. One-story homes shall be located side to side or across the street from existing one-story homes.

C. Degree of Change of Product Size. The degree of change shall be determined from the percent difference between the weighted average square footage of the units built (total square footage of all built units divided by the number of units) and the weighted average square footage of the proposed units (total square footage of all proposed units divided by the number of units).

1. Product Change Fifteen (15) Percent or Less.
  - a. Must provide compatibility per subsection A of this section;
  - b. Requires no notice to adjacent property owners.
2. Product Change Between Fifteen (15) Percent and Twenty-five (25) Percent.
  - a. Must provide compatibility per subsection A of this section;
  - b. Must provide a transition area per subsection B of this section;
  - c. Notice of the proposed change and a ten (10) day comment period from the date of mailing of the notices shall be sent to the property owners within the subject tract (or subtract, if applicable) and to any other property owners within three hundred (300) feet of any of the proposed homes.
3. Product Change is Twenty-Five (25) Percent or Greater.
  - a. Must provide compatibility per subsection A of this section;
  - b. Must provide a transition area per subsection B of this section;

c. The proposal shall be subject to approval by the planning commission after a duly noticed public hearing;

d. Notice of public hearing to review the proposed change shall be mailed to the property owners within the subject tract (or sub-tract, if applicable) and to any other property owners within six hundred (600) feet of any of the proposed homes. (Ord. 517 § 1.1, 1997; Ord. 426 § 3.1(e), 1994; Ord. 405 § 1.11, 1993; Ord. 359, 1992)”

3.3. Section 9.09.030 of Chapter 9.09, Title 9 of the City of Moreno Valley Municipal Code is hereby repealed and replaced to read as follows:

“9.09.030 Adult businesses.

A. Purpose. It is the purpose and intent of this section to regulate the operations of adult businesses, which tend to have judicially recognized adverse secondary effects on the community, including, but not limited to, increases in crime in the vicinity of adult businesses; decreases in property values in the vicinity of adult businesses; increases in vacancies in residential and commercial areas in the vicinity of adult businesses; interference with residential property owners’ enjoyment of their properties when such properties are located in the vicinity of adult businesses as a result of increases in crime, litter, noise, and vandalism; and deterioration of neighborhoods. Special regulation of these businesses is necessary to prevent these adverse secondary effects and the blighting or degradation of the neighborhoods in the vicinity of adult businesses while at the same time protecting the First Amendment rights of those individuals who desire to own, operate or patronize adult businesses.

It is, therefore, the purpose of this section to establish reasonable and uniform operational standards for adult businesses.

B. Definitions. In addition to any other definitions contained in Chapter 9.15 and elsewhere in the Moreno Valley Municipal Code, the following words and phrases shall, for the purpose of this section, be defined as follows, unless it is clearly apparent from the context that another meaning is intended. Should any of the definitions be in conflict with the current provisions of the municipal code, these definitions shall prevail.

“Adult arcade” means a business establishment to which the public is permitted or invited and where coin or currency, card or slug operated or electronically, electrically or mechanically controlled devices, still or motion picture machines, projectors, videos, holograms, virtual reality devices or other image-producing devices are maintained to show images on a regular or substantial basis, where the images so displayed are distinguished or characterized by an emphasis on matter depicting or describing “specified sexual activities” or “specified anatomical areas.” Such devices shall be referred to as “adult arcade devices.”

“Adult retail store” means a business establishment having as a regular and substantial portion of its stock in trade, “adult oriented material.”

“Adult booth/individual viewing area” means a partitioned or partially enclosed portion of an adult business used for any of the following purposes:

1. Where a live or taped performance is presented or viewed, where the performances and/or images displayed or presented are distinguished or characterized by their emphasis on matter depicting, describing, or relating to “specified sexual activities” or “specified anatomical areas”; or

2. Where “adult arcade” devices are located.

“Adult business” means:

1. A business establishment or concern that as a regular and substantial course of conduct operates as an adult retail store, adult motion picture theater, adult arcade, adult cabaret, adult motel or hotel, adult modeling studio; or

2. A business establishment or concern which as a regular and substantial course of conduct offers, sells or distributes “adult oriented material” or “sexually oriented merchandise,” or which offers to its patrons materials, products, merchandise, services or entertainment characterized by an emphasis on matters depicting, describing, or relating to “specified sexual activities” or “specified anatomical areas” but not including those uses or activities which are preempted by state law.

“Adult cabaret” means a business establishment (whether or not serving alcoholic beverages) that features “adult live entertainment.”

“Adult hotel/motel” means a hotel or motel that is used for presenting on a regular and substantial basis images through closed circuit television, cable television, still or motion picture machines, projectors, videos, holograms, virtual reality devices or other image-producing devices that are distinguished or characterized by the emphasis on matter depicting or describing or relating to “specified sexual activities” or “specified anatomical areas.”

“Adult live entertainment” means any physical human body activity, whether performed or engaged in, alone or with other persons, including but not limited to singing, walking, speaking, dancing, acting, posing, simulating, wrestling or pantomiming, in which: (1) the performer (including but not limited to topless and/or bottomless dancers, go-go dancers, exotic dancers, strippers, or similar performers) exposes to public view, without opaque covering, “specified anatomical areas”; and/or (2) the performance or physical human body activity depicts, describes, or relates to “specified sexual activities” whether or not the specified anatomical areas are covered.

“Adult modeling studio” means a business establishment which provides for any form of consideration, the services of a live human model, who, for the purposes of sexual stimulation of patrons, displays “specified anatomical areas” to be observed, sketched, photographed, filmed, painted, sculpted, or otherwise depicted by persons paying for such consideration. “Adult modeling studio” does not include schools maintained pursuant to standards set by the Board of Education of the state of California.

“Adult motion picture theater” means a business establishment, with or without a stage or proscenium, where, on a regular and substantial basis and for any form of consideration, material is presented through films, motion pictures, video cassettes, slides, laser disks, digital video disks, holograms, virtual reality devices, or other electronically-generated reproductions that is characterized by the depiction or description of “specified sexual activities” or “specified anatomical areas.”

“Adult oriented material” means accessories, paraphernalia, books, magazines, laser disks, compact discs, digital video disks, photographs, prints, drawings, paintings, motion pictures, pamphlets, videos, slides, tapes, holograms or electronically generated images or devices including computer software, or any combination thereof that is distinguished or characterized by its emphasis on matter depicting, describing or relating to “specified sexual activities” or “specified anatomical areas.” “Adult oriented material” shall include “sexually oriented merchandise.”

“Child day care facility” means any child day care facility as defined in Section 1596.750 of the California Health and Safety Code other than family day care homes.

“Establishment of an adult business” means any of the following:

1. The opening or commencement of any “adult business” (as defined above) as a new business;
2. The conversion of an existing business, whether or not an “adult business”, to any “adult business”;
3. The addition of any “adult business” to any other existing “adult business”;
4. The relocation of any “adult business”; or
5. Physical changes that expand the square footage of an existing “adult business” by more than ten (10) percent.

“Owner/permit holder” means any of the following: (1) the sole proprietor of an adult business; (2) any general partner of a partnership that owns and operates an adult business; (3) the owner of a controlling interest in a corporation that owns and operates an adult business; or (4) the person designated by the officers of a corporation to be the permit holder for an adult business owned and operated by the corporation.

“Park” means any park, playground, swimming pool, or golf course within the city that is under the city’s or the Moreno Valley Community Services District’s control, operation and management.

“Performer” means a person who is an employee or independent contractor of an adult business or any other person who, with or without any compensation or other form of consideration, provides adult live entertainment for patrons of an adult business.

“Religious institution” means a structure or facility that is used primarily for religious worship and related religious activities.

“Residential zone” means any property within the city which carries a zoning designation permitting the location of a residence, as set forth in the current zoning atlas, as may be amended from time to time. However, this does not include zones where a residence is permitted pursuant to a conditional use permit or other special permit. “Residential zone” also includes Specific Plan 168, Sunnymead Ranch, Specific Plan 193 Moreno Valley Ranch, Specific Plan 195 Hidden Springs, Specific Plan 200 Towngate, and Specific Plan 203 centerpointe as set forth in the current zoning atlas, as may be amended from time to time.

“School” means any institution of learning for minors, whether public or private, offering instruction in those courses of study required by the California Education Code and/or which is maintained pursuant to standards set by the Board of Education of the state of California. This definition includes a nursery school, kindergarten, elementary school, middle or junior high school, senior high school, or any special institution of education under the jurisdiction of the California Department of Education. For the purposes of this section, “school” does not include a vocational or professional institution of higher education, including a community or junior college, college, or university.

“Sexually oriented merchandise” means sexually oriented implements, paraphernalia, or novelty items, such as, but not limited to: dildos, auto sucks, sexually oriented vibrators, benwa balls, inflatable orifices, anatomical balloons with orifices, simulated and battery operated vaginas, and similar sexually oriented devices which are designed or marketed primarily for the stimulation of human genital organs or sado-masochistic activity or distinguished or characterized by their emphasis on matter depicting, describing or relating to “specified sexual activities” or “specified anatomical areas.”

“Specified anatomical areas” means and includes any of the following:

1. Less than completely and opaquely covered, and/or simulated to be reasonably anatomically correct, even if completely and opaquely covered:
  - a. Human genitals, pubic region;



- b. Buttocks, anus; or
  - c. Female breasts below a point immediately above the top of the areola; or
2. Human male genitals in a discernibly turgid state, even if completely or opaquely covered.

“Specified sexual activities” means and include any of the following:

- 1. Simulated sexual intercourse; and/or
- 2. Human genitals in a state of sexual stimulation or arousal; and/or
- 3. Acts of human masturbation, sexual stimulation or arousal; and/or
- 4. Use of human or animal ejaculation, sodomy, oral copulation, coitus or masturbation; and/or
- 5. Masochism, erotic or sexually oriented torture, beating, or the infliction of pain, or bondage and/or restraints; and/or
- 6. Human excretion, urination, menstruation, vaginal or anal irrigation; and/or
- 7. Fondling or other erotic touching of human genitals, pubic region, buttock, or female breast.

C. Locational Restriction—Distance From Sensitive Uses.

1. In addition to the requirements of this section, no adult businesses shall be established or located in any area in the city other than in a zoning district indicated by an “A” in the Adult Business category of the Permitted Uses Table 9.02.020-1 of this title.

2. In those zoning district(s) where the adult businesses regulated by this section would otherwise be permitted uses, it shall be unlawful to establish any adult business if the location is:

a. Within five hundred (500) feet of any existing residential zone, park, religious establishment, school, or child day care facility. The distances set forth above shall be measured from the nearest property line of the facility or tenant space housing the adult business or the proposed adult business, and the nearest property line included within the residential zone, park, religious establishment, school or child day care facility, along a straight line extended between the two points.

b. Within one thousand (1,000) feet of any other adult business. The distance between any two adult businesses shall be measured from the nearest

property line of the facility or tenant space housing such use or proposed use to the nearest straight line distance to the property line of the proposed use.

3. No building permit or zoning clearance, business tax receipt, adult business use permit, or other permit or entitlement for use shall be legally valid if issued to any adult business proposed to operate or to be established in the city unless the zoning and locational requirements set forth above are satisfied.

D. Adult Business Use Permit Required. All adult businesses that meet the zoning and locational requirements set forth in this section are also subject to the adult business use permit requirements of this section as well as all other applicable ordinances of the city and laws of the state of California.

1. It shall be unlawful for any person to establish, operate, engage in, conduct, or carry on any adult business within the city of Moreno Valley unless the person first obtains, and continues to maintain in full force and effect, an adult business use permit as herein required. Any occurrence of the "establishment of an adult business," as defined in subsection B of this section, shall require a new application for an adult business use permit. The adult business use permit shall be subject to the development and operational standards contained in subsection F of this section.

2. The city community development department director ("director") or his or her designee shall grant or deny adult business use permits in accordance with these regulations.

3. Permit applicants shall file a written, signed, and verified application containing the following information and be accompanied by the following documents:

a. If the permit applicant is an individual, the individual shall state his or her legal name, including any aliases, and address, and shall submit satisfactory written proof that he or she is at least eighteen (18) years of age;

b. If the permit applicant is a partnership, the partners shall state the partnership's complete name, address, the names of all partners, and whether the partnership is general or limited; and shall attach a copy of the partnership agreement, if any;

c. If the permit applicant is a corporation, the corporation shall provide its complete name, the date of its incorporation, evidence that the corporation is in good standing under the laws of the state of California, the names and capacities of all officers and directors, the name of the registered corporate agent, and the address of the registered office for service of process;

d. A signed and verified statement that the permit applicant, if an individual, or partners, officers, directors, if a partnership or corporation, has not pled guilty or nolo contendere or been convicted of an offense classified by this or any other state as a sex

or sex-related offense, and: (i) more than two years have elapsed since the date of conviction or the date of release from confinement for a conviction to the date of application, whichever is the later date, if the conviction is a misdemeanor, (ii) more than five years have elapsed since the date of conviction or the date of release from confinement for a conviction to the date of application, whichever is the later date, if the conviction is a felony, or (iii) more than five years have elapsed since the date of the last conviction or the date of release from confinement for the conviction to the date of application, whichever is the later date, if the convictions are two or more misdemeanors or combination of misdemeanors offenses occurring within any twenty-four (24) month period;

e. The permit applicant(s) shall sign the application. All persons who sign the application must also provide names, aliases, addresses, and date(s) of birth;

f. If the permit applicant intends to operate the adult business under a name other than that of the permit applicant, the permit applicant shall file the fictitious name of the adult business and show proof of registration of the fictitious name;

g. A description of the type of adult business for which the permit is requested and the proposed address where the adult business will operate, plus the names and addresses of the owners and lessors of the adult business site;

h. The names of all employees, independent contractors, and other persons who will perform at the adult business, who are required by Section 9.09.035 of this chapter to obtain an adult business performer license;

i. The address to which notice of action on the application is to be mailed;

j. A dimensioned floor plan showing the interior configuration of the premises, including a statement of the total floor area occupied by the adult business. The sketch or diagram need not be professionally prepared but must be oriented to the north or some other designated street or object and drawn to a designated scale or drawn with marked dimensions of the interior of the premises to an accuracy of plus or minus six inches;

k. A site plan prepared within thirty (30) calendar days prior to the application depicting the building and the portion, thereof to be occupied by the adult business, marked to show the primary entrance, and: (i) the nearest property line of the unit or structure in which all other adult businesses within one thousand (1,000) feet of the nearest property line of the unit or structure in which will be located the adult business for which a permit is requested; and (ii) the property lines of any residential zone, religious institution, school, park, or child day care facility within five hundred (500) feet of the nearest property line of the unit or structure in which the adult business will be located and for which a permit is requested;

I. A diagram of the off-street parking areas and entries to the premises of the adult business, also showing the location of the lighting system required by Section 9.09.030(F).

4. The completed application shall be accompanied by a non-refundable application fee. The amount of such fees shall be set by the city council.

5. The completeness of an application for an adult business use permit shall be determined by the director within five business days of its submittal. If the director determines that the permit application is incomplete, the director shall immediately notify in writing the permit applicant of such fact and the reasons therefor, including any additional information necessary to render the application complete. Such writing shall be deposited in the U.S. mail, postage prepaid, immediately upon determination that the application is incomplete. Within five business days following the receipt of an amended application or supplemental information, the director shall again determine whether the application is complete in accordance with the provisions set forth above. Evaluation and notification shall occur as provided herein until such time as the application is found to be complete.

6. The fact that a permit applicant possesses other types of state or city permits or licenses does not exempt the permit applicant from the requirement of obtaining an adult business use permit.

E. Review and Action on Application for Adult Business Use Permit.

1. Upon receipt of a completed application and payment of the application and permit fees, the director shall immediately write or stamp the application "Received" and, in conjunction with city staff, shall promptly review the information contained in the application to determine whether an adult business use permit shall be granted. Investigation shall not be grounds for the city to unilaterally delay in reviewing a completed application, nor is it grounds to extend the time period to conduct a hearing pursuant to this section.

2. Within thirty (30) calendar days of receipt of the completed application, the investigation shall be completed and the director shall notice and conduct a public hearing with notice of such hearing to be made pursuant to California Government Code Sections 65091 and 65905.

3. In reaching a decision, the director shall not be bound by the formal rules of evidence in the California Evidence Code.

4. The director shall render a written decision on the application for an adult business use permit within five business days of the public hearing required by this section. The failure of the director to render any decision within the time frames established in any part of this section shall be deemed to constitute an approval, subject to appeal to the city council, pursuant to Section 9.09.030(I). The director's decision

shall be hand delivered or mailed to the applicant at the address provided in the application, and shall be provided in accordance with the requirements of this code. Any posted notices shall remain for at least ten (10) calendar days and mailed to all property owners within six hundred (600) feet of the adult business.

5. Notwithstanding any provisions in this section regarding the occurrence of any action within a specified period of time, the applicant may request in writing additional time beyond that provided for in this section or may request a continuance regarding any decision or consideration by the city of the pending application. Extensions of time sought by applicants shall not be considered delay on the part of the city or constitute failure by the city to provide for prompt decisions on applications.

6. The director shall grant or deny the application in accordance with the provisions of this section, and so notify the applicant as follows:

a. The director shall write or stamp "Approved" or "Denied" on the application and date and sign such notation.

b. If the application is denied, the director shall attach to the application a statement of the reasons for the denial.

c. If the application is approved, the director shall attach to the application an adult business use permit.

7. The director shall approve the application and issue the adult business use permit upon findings that the proposed business meets the locational criteria of Section 9.09.030(C) and that the permit applicant has met, or will meet, all of the development and operational standards and requirements of this section, unless the application is denied based upon one or more of the criteria set forth in subsection (10) of this section.

8. If the director approves the application, the applicant may begin operating the adult business for which the permit was sought, subject to strict compliance with the development and operational standards and requirements of Section 9.09.030(F).

9. The permit holder shall post the permit conspicuously in the premises of the adult business.

10. The director shall deny the application if the applicant fails to establish any of the following:

a. The adult business complies with the zoning and locational standards found in Section 9.09.030(C).

b. The adult business complies with the development, operational or performance standards found in Section 9.09.030(F).

c. The permit applicant or applicant's designated representative when dealing with a corporate entity ("collectively the applicant") is at least eighteen (18) years of age.

d. The required application fees have been paid.

e. The application complies with Section 9.09.030(D)(3).

f. The applicant has not pled guilty, nolo contendere or been convicted of an offense classified by this or any other state as a sex-related offense and (i) less than two years have elapsed since the date of conviction or the date of release from confinement of conviction to the date of application, whichever is the later date, if the conviction is a misdemeanor, or (ii) less than five years have elapsed since the date of conviction or the date of release from confinement of conviction to the date of application, whichever is the later date, if the conviction is a felony; or (iii) less than five years have elapsed since the date of the last conviction or the date of release from confinement for the conviction to the date of application, whichever is the later date, if the convictions are two or more misdemeanors or combination of misdemeanor offenses occurring within any twenty-four (24) month period.

11. A person cannot re-apply for an adult business use permit for a particular location within one year from the date of prior denial.

12. Any affected person may appeal the decision of the director in writing within five business days in accordance with the provisions of Section 9.09.030(I).

#### F. Development and Operating Standards.

1. Hours of Operation. It shall be unlawful for any owner, operator, manager or employee of an adult business to allow such adult business to remain open for business, or to permit any employee or performer to engage in a performance, solicit a performance, make a sale, solicit a sale, provide a service, or solicit a service, between the hours of twelve a.m. and ten a.m. of any day excepting here from an "adult hotel/motel."

2. Exterior Lighting Requirements. All exterior areas, including parking lots, of the adult business shall be illuminated at a minimum of one foot-candle, maintained and evenly distributed at ground level with appropriate devices to screen, deflect or diffuse the lighting in such manner as to prevent glare or reflected light from creating adverse impacts on adjoining and nearby public and private properties. Inoperable and/or broken lights shall be replaced within twenty-four (24) hours.

3. Interior Lighting Requirements. All interior areas of the adult business excepting therefrom adult hotels/motels shall be illuminated at a minimum of ten (10) foot-candle, maintained and evenly distributed at floor level. Inoperable and/or broken lights shall be replaced within twenty-four (24) hours.

4. Regulation of Adult Booth/Individual Viewing Area.

a. No adult booth/individual viewing area shall be occupied by more than one individual at a time.

b. Each adult booth/individual viewing area within the adult business shall be visible from a continuous and accessible main aisle in a public portion of the establishment, and shall not be obscured by any door, curtain, wall, two-way mirror or other device which would prohibit a person from seeing the entire interior of the adult booth/individual viewing area from the main aisle. A manager shall be stationed in the main aisle at all times. Further, no one shall maintain any adult booth/individual viewing area in any configuration unless the entire interior wherein the picture or entertainment is viewed is visible from one main aisle. The entire body of any patron in any adult booth/individual viewing area must be visible from the main aisle without the assistance of mirrors or other device.

c. No doors are permitted on an adult booth/individual viewing area. No partially or fully enclosed adult booth/individual viewing areas or partially or fully concealed adult booth/individual viewing areas shall be permitted.

d. No holes or other openings (commonly known as “glory holes”) shall be permitted between adult booths/individual viewing areas. Any such hole or opening shall be repaired within twenty-four (24) hours using “pop” rivets to secure metal plates over the hole or opening to prevent patrons from removing the metal plates.

e. No beds shall be permitted in an adult booth/individual viewing area.

5. On-Site Manager—Security Measures. All adult businesses shall have a responsible person who shall be at least twenty-one (21) years of age and shall be on the premises to act as manager at all times during which the business is open. No performer may serve as the manager. The individual(s) designated as the on-site manager shall provide his or her name to the director to receive all complaints and be given by the owner and/or operator the responsibility and duty to address and immediately resolve all violations taking place on the premises.

6. Interior of Premises. No exterior door or window on the premises of an adult business shall be propped or kept open at anytime while the business is open and any exterior windows shall be covered with opaque coverings at all times.

7. Signs. All adult businesses shall comply with the following sign requirements in addition to those of the Moreno Valley Municipal Code. Should a conflict exist between the requirements of the Moreno Valley Municipal Code and this subsection, the more restrictive shall prevail.

a. If an adult business does not serve alcohol, it shall post a notice inside the establishment, within ten (10) feet of every entrance used by customers for access to

the establishment, stating that persons below the age of eighteen (18) years of age are prohibited from entering onto the premises or within the confines of the adult business. This notice shall be posted on a wall in a place of prominence. The dimensions of the notice shall be no less than six inches by six inches, with a minimum typeface of twenty-five (25) points on contrasting background. If the adult business serves alcohol, it shall comply with all notice and posting requirements of the Alcoholic Beverage Control Department.

b. No adult oriented material shall be displayed in window areas or any area where it would be visible from any location other than within the confines of the adult business.

8. Regulation of Public Restroom Facilities. If the adult business is required to provide restrooms for patron use, it shall provide separate restroom facilities for male and female patrons. The restrooms shall be free from adult oriented material. Only one person shall be allowed in each restroom at any time, unless otherwise required by law, in which case the adult business shall employ a restroom attendant of the same sex as the restroom users who shall be present in the public portion of the restroom during operating hours. The attendant shall ensure that no person of the opposite sex is permitted into the restroom, and that not more than one person is permitted to enter a restroom stall, unless otherwise required by law, and that the restroom facilities are used only for their intended sanitary purposes. Access to restrooms for patron use shall not require passage through an area used as a dressing area by performers.

9. Trash. All interior trash cans shall be emptied into a single locked trash bin lined with a plastic bag at least once a day.

10. Adult Live Entertainment Additional Operating Requirements. The following additional requirements shall apply to adult businesses providing adult live entertainment:

a. No person shall perform adult live entertainment for patrons of an adult business except upon a permanently fixed stage at least eighteen (18) inches above the level of the floor.

b. No performer shall be within ten (10) feet of a patron while the performer is performing. This ten (10) foot separation shall be marked by a continuous railing or other physical barrier designed to obstruct any contact between the performer and the patron(s).

c. No performer shall have physical contact with any patron, and no patron shall have physical contact with any performer, while the performer is performing on the premises. In addition, while on the premises, no performer shall have physical contact with a patron and no patron shall have physical contact with a performer, which physical contact involves the touching of the clothed or unclothed genitals, pubic area, buttocks, cleft of the buttocks, perineum, anal region, or female breast with any part or area of



any other person's body either before or after any adult live entertainment by such performer. This prohibition does not extend to incidental touching. Patrons shall be advised of the separation and no touching requirements by signs conspicuously displayed and placed on the barrier between patrons and performers and utilizing red or black printing of letters not less than one inch in size. And, if necessary, patrons shall also be advised of the separation and no touching requirements by employees or independent contractors of the establishment.

d. All persons, except therefrom performers while performing on the fixed stage, while on or about the premises or tenant space, shall wear at a minimum an opaque covering which covers their specified anatomical areas.

e. If patrons wish to pay or tip performers, payment or tips shall be placed in containers placed at least ten (10) feet from the stage or other area used by the performers. Patrons shall not throw money to performers, hand money directly to performers, place money in the performers' costumes or otherwise place or throw money on the stage. Patrons shall be advised of this requirement by signs conspicuously displayed and placed on the barrier between patrons and performers and utilizing red or black printing of letters not less than one inch in size.

f. The adult business shall provide dressing rooms for performers, that are separated by gender and exclusively dedicated to the performers' use and which the performers shall use. Same gender performers may share a dressing room. Patrons shall not be permitted in dressing rooms.

g. The adult business shall provide an entrance/exit to the establishment for performers that is separate from the entrance/exit used by patrons, which the performers shall use at all times.

h. The adult business shall provide access for performers between the stage and the dressing rooms that is completely separated from the patrons. If such separate access is not physically feasible, the adult business shall provide a minimum three foot wide walk aisle for performers between the dressing room area and the stage, with a railing, fence or other barrier separating the patrons and the performers capable of (and which actually results in) preventing any physical contact between patrons and performers and the patrons must also be seven feet away from the walk aisle. Nothing in this section is intended to exempt the adult business from compliance with the provisions of Title 24 of the California Code of Regulations pertaining to accessibility.

i. Fixed rail(s) at least thirty (30) inches in height shall be maintained establishing the separations between performers and patrons required by this subsection.

#### 11. Adult Motion Picture Theater—Additional Operating Requirements.

The following additional requirements shall apply to adult motion picture theaters:

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Ordinance No.  
Date Adopted:

a. If the theater contains a hall or auditorium area, the area shall comply with each of the following provisions:

i. Have individual, separate seats, not couches, benches, or the like, to accommodate the maximum number of persons who may occupy the hall or auditorium area;

ii. Have a continuous main aisle alongside the seating areas in order that each person seated in the hall or auditorium area shall be visible from the aisle at all times;

iii. Have a sign posted in a conspicuous place at or near each entrance to the hall or auditorium area which lists the maximum number of persons who may occupy the hall or auditorium area, which number shall not exceed the number of seats within the hall or auditorium area; and

b. If an adult motion picture theater is designed to permit outdoor viewing by patrons seated in automobiles, it shall have the motion picture screen so situated, or the perimeter of the establishment so fenced, that the material to be seen by those patrons may not be seen from any public right-of-way, child day care facility, public park, school, or religious institution or any residentially zoned property occupied with a residence.

#### G. Transfer of Adult Businesses or Adult Business Use Permits.

1. A permit holder shall not operate an adult business under the authority of an adult business use permit at any place other than the address of the adult business stated in the application for the permit.

2. In the event of a transfer of ownership of the adult business or the adult business use permit, the new owner shall be fully informed of the requirements of this division, including the operational and development standards of Section 9.09.030(F) and the provisions relating to adult business performer licenses.

3. In the event of a transfer of the adult business or the adult business use permit, the transferee must provide the director with the following information within seven business days of the transfer:

a. If the transferee is an individual, the individual shall state in writing his or her legal name, including any aliases, and address, and shall submit satisfactory written proof that he or she is at least eighteen (18) years of age.

b. If the transferee is a partnership, the partners shall state the partnership's complete name, address, the names of all partners, and whether the partnership is general or limited; and shall attach a copy of the partnership agreement, if any.

c. If the transferee is a corporation, the corporation shall provide its complete name, the date of its incorporation, evidence that the corporation is in good standing under the laws of the state of California, the names and capacities of all officers and directors, the name of the registered corporate agent, and the address of the registered office for service of process.

d. The names of all employees, independent contractors, and other persons who will perform at the adult business, who are required by Section 9.09.035 to obtain an adult business performer license.

#### H. Suspension or Revocation of Adult Business Use Permits.

1. On determining that grounds for permit suspension or revocation exist, the director or his or her designee shall furnish written notice of the proposed suspension or revocation to the permit holder. Such notice shall set forth the time and place of a public hearing and the ground or grounds upon which the hearing is based, the pertinent Moreno Valley Municipal Code Sections, and a brief statement of the factual matters in support thereof. The notice shall be mailed, postage prepaid, addressed to the last known address of the permit holder, or shall be delivered to the permit holder personally, at least ten (10) days prior to the hearing date. Public hearings pursuant to this section shall be noticed in accordance with Government Code Sections 65091 and 65905 and conducted by the city manager or his or her designee, which designee may include a retired judge. Public hearings pursuant to this section shall be conducted in accordance with procedures established by the city manager but, at a minimum shall include the following:

a. All parties involved shall have the right to offer testimonial, documentary, and tangible evidence bearing upon the issues and may be represented by counsel.

b. The city manager or his or her designee shall not be bound by the formal rules of evidence.

c. Any hearing under this section may be continued for a reasonable time for the convenience of a party or a witness at the request of the permit holder. Extensions of time or continuances sought by a permit holder shall not be considered delay on the part of the city or constitute failure by the city to provide for prompt decisions on permit suspensions or revocations.

d. The city manager or his or her designee's decision may be appealed in accordance with Section 9.09.030(l).

2. A permit may be suspended or revoked based on the following causes arising from the acts or omissions of the permit holder, or an employee, independent contractor, partner, director, or manager of the permit holder:

- a. The building, structure, equipment, or location used by the adult business fails to comply with all provisions of these regulations and this section relating to adult businesses, including the adult business development and operational standards contained in Section 9.09.030(F), and all other applicable building, fire, electrical, plumbing, health, and zoning requirements of the Moreno Valley Municipal Code.
- b. The permit holder has failed to obtain or maintain all required city permits.
- c. The permit holder has made any false, misleading, or fraudulent statement of material fact in the application for an adult business use permit.
- d. The permit is being used to conduct an activity different from that for which it was issued.
- e. The permit holder has failed to submit and/or update the information pertaining to performers in accordance with Section 9.09.030(D).
- f. That an individual employed by the adult business (whether classified as an employee or independent contractor) has been convicted of two or more sex-related offenses that occurred in or on the licensed premises within a twelve (12) month period and was an employee of the adult business at the time the offenses were committed.
- g. That the use for which the approval was granted has ceased to exist or has been suspended for six months or more.
- h. That the transferee/new owner of an adult business or adult business use permit failed to comply with the requirements of Section 9.09.030(G).
- i. The permit holder, partner, director, or manager has knowingly allowed or permitted, and has failed to make a reasonable effort to prevent the occurrence of any of the following on the premises of the adult business; or a permittee has been convicted of violating any of the following state laws on the premises of the adult business:
- i. Any act of unlawful sexual intercourse, sodomy, oral copulation, or masturbation.
  - ii. Use of the establishment as a place where unlawful solicitations for sexual intercourse, sodomy, oral copulation, or masturbation openly occur.
  - iii. Any conduct constituting a criminal offense which requires registration under Section 290 of the California Penal Code.
  - iv. The occurrence of acts of lewdness, assignation, or prostitution, including any conduct constituting violations of Sections 315, 316, 318 of the California Penal Code.

v. Any act constituting a violation of provisions in the California Penal Code relating to obscene matter or distribution of harmful matter to minors, including, but not limited to, Sections 311 through 313.4.

vi. Any act constituting a felony involving the sale, use, possession, or possession for sale of any controlled substance specified in Sections 11054, 11055, 11056, 11057, or 11058 of the California Health & Safety Code.

vii. An act or omission in violation of any of the requirements of this division if such act or omission is with the knowledge, authorization, or approval of the permit holder or is as a result of the permit holder's negligent supervision of the employees of the adult facility. This includes the allowance of activities that are or become a public nuisance which includes the disruptive conduct of business patrons whether on or immediately off the premises where such patrons disturb the peace, obstruct traffic, damage property, engage in criminal conduct, violate the law and otherwise impair the free enjoyment of life and property.

3. After holding the hearing in accordance with the provisions of this section, if the city manager or his or her designee finds and determines that there are grounds for suspension or revocation, the planning commission shall impose one of the following:

- a. Suspension of the permit for a specified period not to exceed six months;
- or
- b. Revocation of the permit.

The city manager or his or her designee shall render a written decision that shall be hand delivered or overnight mailed to the permit holder within five business days of the public hearing.

Any affected person may appeal the decision of the city manager or his or her designee in writing within five business days in accordance with the provisions of Section 9.09.030(I).

In the event a permit is revoked pursuant to this section, another adult business use permit to operate an adult business shall not be granted to the permittee within twelve (12) months after the date of such revocation.

I. Appeal Procedures.

1. After approval, denial, suspension or revocation of a permit, any affected person may appeal the decision to the city council in writing within five business days after the written decision. Said appeal shall be filed with the city clerk.

2. Consideration of an appeal of the decision shall be at a public hearing, notice of which shall be given pursuant to California Government Code Sections 65091 and 65905 and which hearing shall occur within thirty (30) calendar days of the filing or initiation of the appeal.

3. The city council action on the appeal of the decision shall be by a majority vote of the members present and upon the conclusion of the de novo public hearing, the city council shall grant or deny the appeal. The city council's decision shall be final and conclusive and shall be rendered in writing within five business days of the hearing, such written decision to be immediately mailed to the party appealing the planning commission's decision.

4. In reaching its decision, the city council shall not be bound by the formal rules of evidence.

5. Notwithstanding any provisions in this section regarding the occurrence of any action within a specified period of time, the applicant may request additional time beyond that provided for in this division or may request a continuance regarding any decision or consideration by the city of the pending appeal. Extensions of time sought by applicants shall not be considered delay on the part of the city or constitute failure by the city to provide for prompt decisions on applications.

6. Failure of the city council to render a decision to grant or deny an appeal of a permit denial within the time frames established by this section shall be deemed to constitute an approval of the adult business use permit.

7. The time for a court challenge to a decision of the city council is governed by California Code of Civil Procedure Section 1094.8.

8. Notice of the city council's decision and its findings shall include citation to California Code of Civil Procedure Section 1094.8.

9. Any applicant or permit holder whose permit has been denied, suspended, or revoked pursuant to this section shall be afforded prompt judicial review of that decision as provided by California Code of Civil Procedure Section 1094.8.

J. Display of Adult Business Use Permit. Every adult business shall display at all times during business hours the permit issued pursuant to the provisions of this section for such adult business in a conspicuous place so that the same may be readily seen by all persons entering the adult business.

K. Employment of and Services Rendered to Persons Under the Age of Eighteen (18) Years Prohibited—Twenty-one (21) if Liquor is Served.

1. Employees. Employees of an adult business must be at least eighteen (18) years of age. It shall be unlawful for any owner, operator, manager, partner,

director, officer, employee, or other person in charge of any adult business to employ, contract with, or otherwise retain any services in connection with the adult business with or from any person who is not at least eighteen (18) years of age. If liquor is served at the adult business, employees of the adult business must be at least twenty-one (21) years of age. If liquor is served at the adult business, it shall be unlawful for any owner, operator, manager, partner, director, officer, employee, or other person in charge of any adult business to employ, contract with, or otherwise retain any services in connection with the adult business with or from any person who is not twenty-one (21) years of age. And said persons shall exercise reasonable care in ascertaining the true age of persons seeking to contract with, be employed by, or otherwise service the adult business.

The provisions of this subsection do not apply to service employees (e.g., janitors, repair and maintenance workers, or similar service workers) whose work is not conducted during the normal hours of operation as set forth in Section 9.09.030(F)(a).

2. Patrons. Patrons of an adult business must be at least eighteen (18) years of age. It shall be unlawful for any owner, operator, manager, partner, director, officer, employee, or other person in charge of any adult business to permit to enter or remain within the adult business any person who is not at least eighteen (18) years of age. If liquor is served at the adult business, patrons must be at least twenty-one (21) years of age. If liquor is served at the adult business, it shall be unlawful for any owner, operator, manager, partner, director, officer, employee, or other person in charge of any adult business to permit to enter or remain within the adult business any person who is not at least twenty-one (21) years of age. And said persons shall exercise reasonable care in ascertaining the true age of persons entering the adult business.

3. X-rated Movies. The selling, renting and/or displaying of X-rated movies, videotapes, digital video disks (DVDs), compact disks (CDs) and laser disks shall be restricted to persons at least eighteen (18) years of age. If an establishment that is not otherwise prohibited from providing access to the establishment to persons under eighteen (18) years of age sells, rents, or displays movies, videos, DVDs, CDs, or laser disks that have been rated "X" or rated "NC-17" by the motion picture rating industry ("MPAA"), or which have not been submitted to the MPAA for a rating, and which consist of images that are distinguished or characterized by an emphasis on depicting or describing specified sexual activities or specified anatomical areas, said movies, videos, DVDs, CDs, and laser disks shall be located in a specific section of the establishment from which persons under the age of eighteen (18) shall be prohibited.

L. Inspections. Each owner, operator, manager, employee of an adult business or other person in charge of an adult business shall permit representatives of the police department, health department, fire department, planning department, license and code services division and other city departments, to inspect the adult business for the purpose of ensuring compliance with the laws and operating standards applicable to adult businesses at any time it is occupied or open for business. Such inspections shall be conducted in a reasonable manner.

M. Employment of Performers Without Valid License Unlawful. It shall be unlawful for any owner, operator, manager, permit holder, partner, director, officer, agent, employee or other person in charge of an adult business which provides live entertainment displaying specified anatomical areas or specified sexual activities to allow any person to perform such entertainment who is not in possession of a valid, unrevoked, unsuspended adult business performer license issued in compliance with Chapter 11.07.

N. Amortization—Subsequent Location of Sensitive Uses. An adult business or establishment operating as a conforming use with an approved adult business use permit from the city shall not be rendered a nonconforming use by the subsequent location of residential zones, religious institutions, schools, day care facilities, or parks within the locational limitations of Section 9.09.030(C). For purposes of this section, a use shall be deemed to be subsequently located if it commences following the date an application for an adult business use permit is filed pursuant to Section 9.09.030(D).

O. Regulations Non-Exclusive. The provisions of this section regulating adult businesses are not intended to be exclusive, and compliance therewith shall not excuse non-compliance with any other regulations pertaining to the operation of businesses as adopted by the city council of the city of Moreno Valley.

P. Violations.

1. Any owner, operator, manager, employee or independent contractor of an adult business violating or permitting, counseling, or assisting the violation of any of these provisions regulating adult businesses shall be subject to any and all civil remedies, including permit revocation. All remedies provided herein shall be cumulative and not exclusive. Any violation of these provisions shall constitute a separate violation for each and every day during which such violation is committed or continued.

2. The restrictions imposed pursuant to this section are part of a regulatory licensing process, and do not constitute a criminal offense. Notwithstanding any other provision of the Moreno Valley Municipal Code, the city does not impose a criminal penalty for violations of the provisions of this ordinance related to sexual conduct or activities.

Q. Public Nuisance. In addition to the remedies set forth in Section 9.09.030(P) above, any adult business that is operating in violation of these provisions regulating adult businesses is hereby declared to constitute a public nuisance and, as such, may be abated or enjoined from further operation.

R. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this section and the ordinance to which it is a part, or any part thereof is held for any reason to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, the remaining sections, subsections, paragraphs, sentences, clauses, and phrases shall not be affected thereby. The city council hereby declares that it would have



adopted this section and the ordinance to which it is a part regardless of the fact that one or more sections, subsections, paragraphs, sentences, clauses, or phrases may be determined to be unconstitutional, invalid, or ineffective. (Ord. 694 § 1.1, 2005; Ord. 613 § 2, 2002)”

3.4. Section 9.14.140 of Chapter 9.14, Title 9 of the City of Moreno Valley Municipal Code is hereby repealed and replaced to read as follows:

“9.14.040 Tentative maps—Information required.

A. Tentative Subdivision Maps.

1. The following information shall be shown on and verified or accompany tentative subdivision maps with any other supplementary information that the community development department or city engineer may deem necessary and reasonable:

a. Tract number, title of map, assessor’s parcel number and legal description of property, not including tract name;

b. Name, address and telephone number of owner and land divider, and name, address and telephone number of person preparing map;

c. Ownership information on additional property owned adjacent or contiguous to the land to be subdivided;

d. Approximate total acreage of property and lot size, net and gross for a typical lot and for each irregular lot, overall dimensions, north arrow, scale and date;

e. Subdivision boundary line and detailed vicinity map showing relationship to surrounding community;

f. Names, location, right-of-way widths, and improvements of adjacent streets, alleys, railroads, transmission lines, pipelines, sewers and existing structures, both above and below ground;

g. Names, locations, widths of right-of-way for proposed streets, alleys and easements, and the approximate grades of proposed and existing streets and approximate street centerline radii of curves;

h. Streets, alleys and right-of-way providing legal access to the property;

i. If private streets are proposed, they shall be so noted on the tentative map;

j. Names of utility purveyors, locations and widths of existing and proposed public utility easements:

i. When specific areas for subsurface disposal are required, those areas shall be delineated, and

ii. Any known existing wells on the property or within two hundred (200) feet of the subdivision boundary shall be indicated on the tentative map;

k. Water courses, channels, existing culverts and drain pipes, including existing and proposed facilities for control of storm waters;

l. Land areas subject to overflow, inundation or flood hazard;

m. Any land or right-of-way to be dedicated for public use;

n. Identify common areas and open spaces;

o. Proposed lot lines and approximate dimensions;

p. Adjoining property and lot lines;

q. Maximum contour interval shall be as required by the city engineer. The contour lines shall extend three hundred (300) feet beyond the exterior boundaries of the property when adjacent property is unimproved or vacant unless otherwise determined by the city engineer. Copies of the U.S.G.S. topographic maps are acceptable when approved by the city engineer. County flood control and county road department base maps may be acceptable;

r. Site Grading.

i. Whenever any area of the proposed subdivision has a gradient of five percent or more, as measured between natural contours, the following information shall be shown on, or accompany, the tentative map:

(A) The proposed cuts and fills in the subdivision:

(1) All cut and fill slopes or combination thereof shall be made no steeper than 2:1 (two horizontal to one vertical), and their height shall be no greater than ten (10) feet. Exceptions to these standards may be permitted as follows:

(i) Cut Slopes. Slope ratios steeper than 2:1 and slope heights in excess of ten (10) feet vertically shall be considered if they are recommended to be safe in a slope feasibility report written by either a registered geotechnical engineer or a registered engineering geologist. The slope stability report must also include recommendations for erosion control and landscaping of the proposed grading;

(ii) Fill Slopes. Fill slopes with heights in excess of ten (10) feet vertically (on a slope of 2:1) may be allowed if they are recommended to be safe in a slope stability report written by a registered geotechnical engineer. The slope stability report must also include recommendations for erosion control and landscaping of the proposed grading;

(iii) Based on the slope stability report, fill slopes greater than ten (10) feet may need to be constructed at a more gentle slope ratio (e.g., 3:1 or 4:1), in order to achieve stability.

(2) Cuts and fills in areas of subsurface sewage disposal shall be in accordance with the sewage disposal feasibility report recommendations.

(B) The elevations of all individual building pads in the subdivision;

(C) The elevations at the perimeter of the subdivision;

(D) The relationship to adjoining land and development.

ii. Where grading will tie into adjacent natural terrain, final manufactured slopes shall be blended into the existing terrain.

s. Existing use and zoning of property immediately surrounding tract;

t. Existing zoning and proposed land use of property within the proposed tract (single-family, multiple-family, commercial, industrial); and

u. A list of the names and addresses of the owners of real property located within six hundred (600) feet of the exterior boundaries of the property to be considered, as shown on the latest equalized assessment roll, and any update issued by the county assessor.

2. Reports and written statements on the following matters shall accompany the tentative map:

a. Proposed method of control of storm water, including data as to amount of runoff, and the approximate grade and dimensions of the proposed facilities;

b. A written statement (Land Division Form SAN 53) from the health officer stating that a water purveyor under permit has agreed in writing to serve all lots in the land division; and

c. A written statement (Land Division Form SAN 53) from the health officer stating the type of sewage disposal that will be permitted. To aid in this determination a sewer feasibility letter or a sewage disposal feasibility report and regional water quality control board clearance or other pertinent information shall be required.

3. If the land division lies within a special zone shown on the map prepared by the state geologist pursuant to the Alquist-Priolo Geologic Hazard Zone Act, a geologic report or waiver thereof pursuant to the provisions of this title shall accompany the tentative map;

4. A program for control of soil erosion in conformity with this chapter shall be submitted for land division in blow sand areas.

**B. Tentative Parcel Maps.**

1. The following information shall be shown and verified or accompany all tentative parcel maps and any other information that the community development department or city engineer may deem necessary and reasonable:

a. Parcel map identification number, assessor's parcel number, title of map, and legal description of property but not including tract name;

b. Name and address of owner and land divider and name and address of person preparing map;

c. Approximate total acreage of property and lot size net and gross for a typical lot and for each irregular lot, overall dimensions, north arrow, scale and date;

d. Land division boundary line and vicinity map showing relationship to surrounding community;

e. Assessor's map book and page numbers of adjoining land divisions;

f. Names, locations, right-of-way, width and improvements of existing adjacent streets, alleys, railroads and existing structures, both above and below ground;

g. Names, location, widths of rights-of-way or proposed streets, alleys and easements, and the approximate grades of proposed streets and approximate street centerline radii of curves;

h. Streets, alleys and right-of-way providing legal access to the property;

i. If private streets are proposed, it shall be so noted on the tentative map;

j. Names of utility purveyors, location and width of existing and proposed known public utility easements:

i. When specific areas for subsurface sewage disposal systems are required, the location and width of the disposal areas is required,

- ii. Any known existing wells on the property or within two hundred (200) feet of the subdivision boundary shall be indicated on the tentative map;
- k. Water courses, channels, existing culverts and drain pipes, including existing and proposed facilities for control of storm waters;
  - l. Land areas subject to overflow, inundation or flood hazard;
  - m. Any land or right-of-way to be dedicated for public use and right-of-way for railroads and other uses;
  - n. Identify common areas and open spaces;
  - o. Proposed lot lines and approximate dimension;
  - p. Adjoining property and lot lines;
  - q. Maximum contour interval shall be as required by the city engineer. The contour lines shall extend three hundred (300) feet beyond the exterior boundaries of the property when adjacent property is unimproved or vacant unless otherwise determined by the city engineer. Copies of U.S.G.S. topographic maps are acceptable only when other information is not available. County flood control and county road department base maps may be acceptable;
  - r. Existing use and zoning of property immediately surrounding tentative map;
  - s. Existing zoning and proposed land use of property within the parcel map (single-family, multifamily, commercial or industrial);
  - t. A statement as to whether the tentative map includes the entire contiguous ownership of the land divider or only a portion thereof;
  - u. A list of the names and addresses of the owners of real property located within six hundred (600) feet of the exterior boundaries of the property to be considered, as shown on the last equalized assessment roll, and any update issued by the county assessor; and
  - v. Site Grading.
    - i. Whenever any area of the proposed subdivision has a gradient of five percent or more, as measured between natural contours, the following information shall be shown on, or accompany, the tentative map:
      - (A) The proposed cuts and fills in the subdivision:

(1) All cut and fill slopes or combinations thereof shall be made no steeper than 2:1 (two horizontal to one vertical), and their height shall be no greater than ten (10) feet. Exceptions to these standards may be permitted as follows:

(i) Cut Slopes. Slope ratios steeper than 2:1 and slope heights in excess of ten (10) feet vertically shall be considered if they are recommended to be safe in a slope stability report written by either a registered geotechnical engineer or a registered engineering geologist. The slope stability report must also include recommendations for erosion control and landscaping of the proposed grading.

(ii) Fill Slopes. Fill slopes with heights in excess of ten (10) feet vertically (on a slope of 2:1) may be allowed if they are recommended to be safe in a slope stability report written by a registered geotechnical engineer. The slope stability report must also include recommendations for erosion control and landscaping of the proposed grading.

(iii) Based on the slope stability report, fill slopes greater than ten (10) feet may need to be constructed at a more gentle slope ratio (e.g., 3:1 or 4:1), in order to achieve stability.

(2) Cuts and fills in areas of subsurface sewage disposal shall be in accordance with the sewage disposal feasibility report recommendations;

(B) The elevations of all individual building pads in the subdivision;

(C) The elevations at the perimeter of the subdivision;

(D) The relationship to adjoining land and development.

ii. Where grading will tie into adjacent natural terrain, final manufactured slopes shall be blended into the existing terrain.

2. Reports and written statements on the following matters shall accompany the tentative map:

a. Proposed method of control of storm water, including data as to amount of runoff, and the approximate grade and dimensions of the proposed facilities;

b. A written statement (Form SAN 53) from the health officer, stating the type of sewage disposal and water supply that will be permitted shall be submitted for all commercial and industrial parcel maps.

3. If the land division lies within a special studies zone shown on the map prepared by the state geologist, pursuant to the Alquist-Priolo Geologic Hazard Zone Act, a geologic report or waiver thereof pursuant to the provisions of this title shall accompany all tentative parcel maps.

4. Request to waive the final map for any parcel map division shall be filed at the time of the filing of the tentative parcel map. (Ord. 694 § 1.1, 2005; Ord. 475 § 1.4, 1995; Ord. 386 §§ 1.23, 1.24, 1993; Ord. 359, 1992)

3.5. Section 9.02.060 of Chapter 9.02, Title 9 of the City of Moreno Valley Municipal Code is hereby repealed and replaced to read as follows:

“9.02.060 Conditional use permits.

A. Purpose and Intent. A conditional use permit is intended to allow the establishment of those uses which have some special impact or uniqueness such that their effect on the surrounding environment cannot be determined in advance of the use being proposed for a particular location. The permit application process allows for the review of location, design, configuration of improvements, and potential impact on the surrounding area based on fixed and established standards.

B. Authority. Authority for approval of conditional use permits shall be vested with the planning commission, except as described herein. Conditional use permit applications shall be subject to the major development review procedures pursuant to Section 9.02.030(B) of this chapter and public hearing procedures pursuant to Section 9.02.200 of this chapter. The community development director may approve conditional use permits for uses identified with the “◆” symbol in Table 9.02.020-1 of this chapter if: (1) the use is proposed within an existing building with no expansion; and (2) the building or use is located more than three hundred (300) feet from a residential zone; and (3) there are fewer than three residences within three hundred (300) feet in a nonresidential zone. Projects may be referred to the planning commission at the discretion of the community development director.

C. Required Findings. A conditional use permit may be approved in whole or in part, if all of the following findings can be made:

1. The proposed project is consistent with the goals, objectives, policies and programs of the general plan;
2. The proposed project complies with all applicable zoning and other regulations;
3. The proposed project will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity;
4. The location, design and operation of the proposed project will be compatible with existing and planned land uses in the vicinity.

D. Conditions of Approval. In approving a conditional use permit, the approving authority shall impose conditions of approval for the project regarding on-site improvements, off-site improvements, the manner in which the site is used and any

other conditions as may be deemed necessary to protect the public health, safety and welfare and ensure that the project will be developed in accordance with the purpose and intent of this title.

E. Revisions or Modifications. Revisions or modifications of conditional use permits may be requested by the applicant. Further, the planning commission may periodically review, modify or revoke a conditional use permit.

1. Revisions or Modifications Requested by Applicant. A revision or modification to an approved conditional use permit such as, but not limited to, change in conditions, expansions, intensity or hours of operation may be requested by an applicant. The requested revision or modification shall be processed in the same manner as the original conditional use permit.

2. Review by Planning Commission. The planning commission may periodically review any conditional use permit to ensure that it is being operated in a manner consistent with conditions of approval or in a manner which is not detrimental to the public health, safety or welfare, or materially injurious to properties in the vicinity. If, after review, the commission deems that there is sufficient evidence to warrant a full examination, then a public hearing date shall be set. At such public hearing, the planning commission may modify or revoke the permit pursuant to the provisions of Section 9.02.260 of this chapter. (Ord. 694 § 1.1, 2005; Ord. 512 § 1.3, 1997; Ord. 475 § 1.4, 1995; Ord. 405 § 1.16, 1993; Ord. 386 § 1.3, 1993; Ord. 359, 1992)”

3.6. Section 9.02.070 of Chapter 9.02, Title 9 of the City of Moreno Valley Municipal Code is hereby repealed and replaced to read as follows:

“9.02.070 Plot plan.

A. Purpose and Intent. The purpose of this section is to provide a mechanism by which all new construction of industrial, commercial or multiple-family residential can be reviewed when not subject to other discretionary review processes which have review authority over project design. Unless a specific application for a particular use is identified within this title, the plot plan application shall be used to implement the major development review process requirements.

B. Authority.

1. Except as otherwise provided herein, authority for approval of plot plans shall be vested with the planning commission. Plot plan applications shall be subject to major development review procedures pursuant to Section 9.02.200 of this chapter.

2. The community development director may approve projects within industrial districts or commercial districts without a public hearing, when such projects are located greater than three hundred (300) feet from a residential zone and there are fewer than three residences within three hundred (300) feet in a nonresidential zone.



The community development director, however, may approve the expansion of existing commercial and industrial uses regardless of their distance to residential zones or residential uses. The decision of the community development director may be appealed to the planning commission.

3. Authority to act on a plot plan application which depends on approval of another enabling application(s), but not limited to, a variance or general plan amendment, shall be vested with the review body authorized to act on the enabling application(s).

C. Required Findings. A plot plan may be approved in whole or in part, if all of the following findings can be made:

1. The proposed project is consistent with the goals, objectives, policies and programs of the general plan;

2. The proposed project complies with all applicable zoning and other regulations;

3. The proposed project will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity;

4. The location, design and operation of the proposed project will be compatible with existing and planned land uses in the vicinity.

D. Conditions of Approval. In approving a plot plan, the approving authority shall impose conditions of approval for the project regarding on-site improvements, off-site improvements, the manner in which the site is used and any other conditions as may be deemed necessary to protect the public health, safety and welfare and ensure that the project will be developed in accordance with the purpose and intent of this title.

E. Modifications or Revisions. Modification or revision of plot plans may be requested by the applicant. A modification or revision to an approved plot plan may include, but shall not be limited to, change in conditions, expansion, intensity, or hours of operation. The requested modification or revision shall be processed in the same manner as the original plot plan.

F. Notice. Notice of plot plan public hearing and the proposed environmental determination shall be provided, as specified in Section 9.02.200 of this title. For plot plan applications not subject to review at a public hearing, but requiring notice, the notice shall be provided for the decision date in the same manner and time frames, as described in Section 9.02.200 of this title. (Ord. 694 § 1.1, 2005; Ord. 575 § 2.2, 2000; Ord. 475 § 1.4, 1995; Ord. 449 § 1.2, 1995; Ord. 405 §§ 1.9, 1.10, 1.17, 1993; Ord. 386 § 1.4, 1993; Ord. 359, 1992)”

3.7. Section 9.02.080 of Chapter 9.02, Title 9 of the City of Moreno Valley Municipal Code is hereby repealed and replaced to read as follows:

“9.02.080 Administrative plot plan.

A. Purpose and Intent. The purpose of this section is to provide an administrative application under which development proposals listed as subject to the minor development review process may be processed. Unless a specific application for a particular use is identified within this title, the administrative plot plan application shall be used to implement the minor development review process requirements.

B. Authority. The community development director may approve administrative plot plans subject to the requirements, provisions and intentions of this title.

C. An administrative plot plan may be approved if all of the following findings can be made:

1. The proposed project is consistent with the goals, objectives, policies and programs of the general plan;

2. The proposed project complies with all applicable zoning and other regulations;

3. The proposed project will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity;

4. Landscaping Setbacks. In any commercial or industrial district, the community development director may decrease minimum setbacks by not more than ten (10) percent where the proposed setback area is in character with the surrounding neighborhood, and where such decrease will not unreasonably affect contiguous sites.

D. Revisions or Modifications. Revisions or modifications to an administrative plot plan shall be processed in the same manner as the original administrative plot plan.

E. Conditions of Approval. In approving an administrative plot plan, the approving authority shall impose conditions of approval for the project regarding on-site improvements, off-site improvements, the manner in which the site is used and any other conditions as may be deemed necessary to protect the public health, safety and welfare and ensure that the project will be developed in accordance with the purpose and intent of this title. (Ord. 757 § 2.5, 2008; Ord. 694 § 1.1, 2005; Ord. 475 § 1.4, 1995; Ord. 405 § 1.18, 1993; Ord. 386 § 1.5, 1993; Ord. 359, 1992)”

SECTION 4. SEVERABILITY

If any one or more of the terms, provisions or sections of this Ordinance shall to any extent be judged invalid, unenforceable and/or voidable for any reason whatsoever by a court of competent jurisdiction, then each and all of the remaining terms, provisions and sections of this Ordinance shall not be affected thereby and shall be valid and enforceable.

SECTION 5. EFFECT OF ENACTMENT

Except as specifically provided herein, nothing contained in this ordinance shall be deemed to modify or supersede any prior enactment of the City Council, which addresses the same subject addressed herein.

SECTION 6. NOTICE OF ADOPTION

Within fifteen days after the date of adoption hereof, the City Clerk shall certify to the adoption of this ordinance and cause it to be posted in three public places within the city.

SECTION 7. EFFECTIVE DATE

This ordinance shall take effect thirty (30) days after the date of adoption.

INTRODUCED at a regular meeting of the City Council on September 3, 2019 and PASSED, APPROVED, and ADOPTED by the City Council on \_\_\_\_ the following roll call vote, to wit:

- AYES: Council Members -
- NOES: Council Members -
- ABSENT: Council Members -
- ABSTAIN: Council Members -

ATTEST:

\_\_\_\_\_

Mayor

\_\_\_\_\_  
Pat Jacquez-Nares, CMC & CERA, City Clerk

36  
Ordinance No.  
Date Adopted:

APPROVED AS TO FORM:

\_\_\_\_\_  
Martin D. Koczanowicz, City Attorney

Attachment: Ordinance [Revision 9] (3686 : Municipal Code Amendment to several sections of Title 9)



## Attachment 2

“Modified Code sections: 9.02.200, 9.08.210, 9.09.030, and 9.14.040”

## Noticing - Strikeout/Underline

## 9.02.200 Public hearing and notification procedures.

A. Purpose. This section defines procedures for conducting public hearings for applications pursuant to this title unless otherwise specified in this title. The purpose of this section is to ensure public awareness and full and open public discussion and debate regarding proposed actions pursuant to this title.

## B. Public Hearing Date.

1. Where required by state law, and unless otherwise specified in this title, a public hearing on any application shall be scheduled before the planning commission, on the earliest appropriate date.

2. A public hearing upon an application shall be heard before the appropriate hearing body when:

a. The community development director has determined that the application complies with all applicable ordinances and requirements of the city; and

b. All procedures required by the city’s rules and procedures for the implementation of the California Environmental Quality Act to hear a matter has been completed.

C. Notice of Hearing. Whenever a public hearing is prescribed in this title, notice of public hearings shall be given by:

1. Publication in a newspaper of general circulation within the city at least ten (10) calendar days prior to the public hearing;

2. Mailing, at least ten (10) calendar days prior to the public hearing, to all owners of property within a radius of ~~three~~ six hundred (3600) feet from the exterior boundaries of the property involved in the application. For this purpose, the last known name and address of each property owner, as contained in the records of the latest equalized Riverside County assessor rolls, shall be used. If the number of owners to whom notice would be mailed or delivered pursuant to this subsection is greater than one thousand (1,000), in lieu of mailed or delivered notice, notice may be provided by placing a display advertisement of at least one-eighth page in at least one newspaper of general circulation in the city at least ten (10) days prior to the hearing;

3. Mailing, at least ten (10) calendar days prior to the public hearing, or delivering at least ten (10) calendar days prior to the public hearing, to each local agency expected to provide water, sewer, schools, or other essential services or facilities to the project whose ability to provide those facilities and services may be significantly affected;

4. Mailing, at least ten (10) calendar days prior to the public hearing, or delivering at least ten (10) calendar days prior to the public hearing, to the owner of the subject real property or to the owner's duly authorized agent, to the project applicant and the applicant's authorized representative, if any;

5. Mailing, at least ten (10) calendar days prior to the public hearing, to any person who has filed a written request with the community development director and has provided the community development director with a self-addressed stamped envelope for that purpose;

6. For a proposed conversion of residential real property to a condominium project, community apartment project, or stock cooperative project, such notice shall also be given by mail to each tenant of the subject property, and, in addition to notice of the time and place of the public hearing, shall include notification of the tenant's right to appear and the right to be heard;

7. The community development director may require that additional notice of the hearing be given in any other manner deemed necessary or desirable by the director or the director's representative to ensure that all notice requirements provided by law for the proposal are complied with;

8. The public review period for a draft EIR shall not be less than thirty (30) days nor should it be longer than sixty (60) days, except under unusual circumstances. When a draft EIR is submitted to the State Clearinghouse for review by state agencies, the public review period shall not be less than forty-five (45) days, unless a shorter period, not less than thirty (30) days, is approved by the State Clearinghouse.

The public review period for a proposed negative declaration or mitigated negative declaration shall be not less than twenty (20) days. When a proposed negative declaration or mitigated negative declaration is submitted to the State Clearinghouse for review by state agencies, the public review period shall not be less than thirty (30) days, unless a shorter period, not less than twenty (20) days, is approved by the State Clearinghouse;

9. All notices of public hearings shall include a description of the project, the identity of the hearing body or officer(s), shall describe the property, and the date, time and place of the scheduled hearing, a statement that application and associated documents and environmental review are available for public inspection at a specified location, and the manner in which additional information and/or testimony may be received.

D. Conduct of Public Hearings.

1. Public hearings held pursuant to the provisions of this title shall be held according to such public hearing rules as the planning commission and city council may, from time to time, adopt.

2. The chairperson of the planning commission and mayor may require that witnesses be sworn.

E. Proceeding Before the City Council. Where the authority for approval is not vested solely with the city council, the decision of the planning commission is considered final and no decision by the city council is required unless an appeal is filed or, prior to the end of the appeal period, the city council assumes jurisdiction by the request of any member thereof. (Ord. 694 § 1.1, 2005; Ord. 575 § 2.2, 2000; Ord. 475 § 1.4, 1995; Ord. 386 § 1.8, 1993; Ord. 359, 1992)



#### 9.08.210 Changes in product sizes in existing single-family residential tracts.

The following specific procedures and standards shall be applied to proposed changes in product sizes within single-family residential tracts in which a previously approved product was constructed. If a product was approved and not built, this section of the code shall not apply. Evaluation of the proposed changes shall be by director's review based upon the standards, criteria and findings for reviewing plot plans in accordance with the minor development review process, except in the event that changes in product size twenty-five (25) percent or greater increase or decrease, based on a weighted average, are proposed. If the change is twenty-five (25) percent or greater, evaluation shall be by the planning commission based upon the standards, criteria and findings for reviewing plot plans in accordance with the major development review process.

A. Compatibility. Proposed product changes shall incorporate the following criteria to provide continuity and integrity within the neighborhood:

1. All proposed homes shall have compatible architecture, materials, colors, roof lines and frontage widths with built homes in the tract;
2. All proposed walls and fencing shall be compatible with existing fencing.

B. Transition Area. If a transition area is required, it shall consist of three to five homes and shall be established side to side and across the street from any built homes. This transition area may be adjusted to meet any immediate physical barrier such as a street, flood control channel, or open space area and shall address the following:

1. Proposed homes closest in design and size to the built homes shall be placed in the transition area;
2. Two-story homes shall be located side to side or across the street from existing two-story homes;
3. One-story homes shall be located side to side or across the street from existing one-story homes.

C. Degree of Change of Product Size. The degree of change shall be determined from the percent difference between the weighted average square footage of the units built (total square footage of all built units divided by the number of units) and the weighted average square footage of the proposed units (total square footage of all proposed units divided by the number of units).

1. Product Change Fifteen (15) Percent or Less.
  - a. Must provide compatibility per subsection A of this section;

- b. Requires no notice to adjacent property owners.
2. Product Change Between Fifteen (15) Percent and Twenty-five (25) Percent.
- a. Must provide compatibility per subsection A of this section;
  - b. Must provide a transition area per subsection B of this section;
  - c. Notice of the proposed change and a ten (10) day comment period from the date of mailing of the notices shall be sent to the property owners within the subject tract (or subtract, if applicable) and to any other property owners within three hundred (300) feet of any of the proposed homes.
3. Product Change is Twenty-Five (25) Percent or Greater.
- a. Must provide compatibility per subsection A of this section;
  - b. Must provide a transition area per subsection B of this section;
  - c. The proposal shall be subject to approval by the planning commission after a duly noticed public hearing;
  - d. Notice of public hearing to review the proposed change shall be mailed to the property owners within the subject tract (or sub-tract, if applicable) and to any other property owners within ~~threesix~~ **three hundred (3600) feet** of any of the proposed homes. (Ord. 517 § 1.1, 1997; Ord. 426 § -3.1(e), 1994; Ord. 405 § 1.11, 1993; Ord. 359, 1992)

### 9.09.030 Adult businesses.

A. Purpose. It is the purpose and intent of this section to regulate the operations of adult businesses, which tend to have judicially recognized adverse secondary effects on the community, including, but not limited to, increases in crime in the vicinity of adult businesses; decreases in property values in the vicinity of adult businesses; increases in vacancies in residential and commercial areas in the vicinity of adult businesses; interference with residential property owners' enjoyment of their properties when such properties are located in the vicinity of adult businesses as a result of increases in crime, litter, noise, and vandalism; and deterioration of neighborhoods. Special regulation of these businesses is necessary to prevent these adverse secondary effects and the blighting or degradation of the neighborhoods in the vicinity of adult businesses while at the same time protecting the First Amendment rights of those individuals who desire to own, operate or patronize adult businesses.

It is, therefore, the purpose of this section to establish reasonable and uniform operational standards for adult businesses.

B. Definitions. In addition to any other definitions contained in Chapter 9.15 and elsewhere in the Moreno Valley Municipal Code, the following words and phrases shall, for the purpose of this section, be defined as follows, unless it is clearly apparent from the context that another meaning is intended. Should any of the definitions be in conflict with the current provisions of the municipal code, these definitions shall prevail.

“Adult arcade” means a business establishment to which the public is permitted or invited and where coin or currency, card or slug operated or electronically, electrically or mechanically controlled devices, still or motion picture machines, projectors, videos, holograms, virtual reality devices or other image-producing devices are maintained to show images on a regular or substantial basis, where the images so displayed are distinguished or characterized by an emphasis on matter depicting or describing “specified sexual activities” or “specified anatomical areas.” Such devices shall be referred to as “adult arcade devices.”

“Adult retail store” means a business establishment having as a regular and substantial portion of its stock in trade, “adult oriented material.”

“Adult booth/individual viewing area” means a partitioned or partially enclosed portion of an adult business used for any of the following purposes:

1. Where a live or taped performance is presented or viewed, where the performances and/or images displayed or presented are distinguished or characterized by their emphasis on matter depicting, describing, or relating to “specified sexual activities” or “specified anatomical areas”; or
2. Where “adult arcade” devices are located.

“Adult business” means:

1. A business establishment or concern that as a regular and substantial course of conduct operates as an adult retail store, adult motion picture theater, adult arcade, adult

cabaret, adult motel or hotel, adult modeling studio; or

2. A business establishment or concern which as a regular and substantial course of conduct offers, sells or distributes “adult oriented material” or “sexually oriented merchandise,” or which offers to its patrons materials, products, merchandise, services or entertainment characterized by an emphasis on matters depicting, describing, or relating to “specified sexual activities” or “specified anatomical areas” but not including those uses or activities which are preempted by state law.

“Adult cabaret” means a business establishment (whether or not serving alcoholic beverages) that features “adult live entertainment.”

“Adult hotel/motel” means a hotel or motel that is used for presenting on a regular and substantial basis images through closed circuit television, cable television, still or motion picture machines, projectors, videos, holograms, virtual reality devices or other image-producing devices that are distinguished or characterized by the emphasis on matter depicting or describing or relating to “specified sexual activities” or “specified anatomical areas.”

“Adult live entertainment” means any physical human body activity, whether performed or engaged in, alone or with other persons, including but not limited to singing, walking, speaking, dancing, acting, posing, simulating, wrestling or pantomiming, in which: (1) the performer (including but not limited to topless and/or bottomless dancers, go-go dancers, exotic dancers, strippers, or similar performers) exposes to public view, without opaque covering, “specified anatomical areas”; and/or (2) the performance or physical human body activity depicts, describes, or relates to “specified sexual activities” whether or not the specified anatomical areas are covered.

“Adult modeling studio” means a business establishment which provides for any form of consideration, the services of a live human model, who, for the purposes of sexual stimulation of patrons, displays “specified anatomical areas” to be observed, sketched, photographed, filmed, painted, sculpted, or otherwise depicted by persons paying for such consideration. “Adult modeling studio” does not include schools maintained pursuant to standards set by the Board of Education of the state of California.

“Adult motion picture theater” means a business establishment, with or without a stage or proscenium, where, on a regular and substantial basis and for any form of consideration, material is presented through films, motion pictures, video cassettes, slides, laser disks, digital video disks, holograms, virtual reality devices, or other

electronically-generated reproductions that is characterized by the depiction or description of “specified sexual activities” or “specified anatomical areas.”

“Adult oriented material” means accessories, paraphernalia, books, magazines, laser disks, compact discs, digital video disks, photographs, prints, drawings, paintings, motion pictures, pamphlets, videos, slides, tapes, holograms or electronically generated images or devices including computer software, or any combination thereof that is distinguished or characterized by its emphasis on matter depicting, describing or relating to “specified sexual activities” or “specified anatomical areas.” “Adult oriented material” shall include “sexually oriented merchandise.”

“Child day care facility” means any child day care facility as defined in Section 1596.750 of the California Health and Safety Code other than family day care homes.

“Establishment of an adult business” means any of the following:

1. The opening or commencement of any “adult business” (as defined above) as a new business;
2. The conversion of an existing business, whether or not an “adult business”, to any “adult business”;
3. The addition of any “adult business” to any other existing “adult business”;
4. The relocation of any “adult business”; or
5. Physical changes that expand the square footage of an existing “adult business” by more than ten (10) percent.

“Owner/permit holder” means any of the following: (1) the sole proprietor of an adult business; (2) any general partner of a partnership that owns and operates an adult business; (3) the owner of a controlling interest in a corporation that owns and operates an adult business; or (4) the person designated by the officers of a corporation to be the permit holder for an adult business owned and operated by the corporation.

“Park” means any park, playground, swimming pool, or golf course within the city that is under the city’s or the Moreno Valley Community Services District’s control, operation and management.

“Performer” means a person who is an employee or independent contractor of an adult business or any other person who, with or without any compensation or other form of consideration, provides adult live entertainment for patrons of an adult business.

“Religious institution” means a structure or facility that is used primarily for religious worship and related religious activities.

“Residential zone” means any property within the city which carries a zoning designation permitting the location of a residence, as set forth in the current zoning atlas, as may be amended from time to time. However, this does not include zones where a residence is permitted pursuant to a conditional use permit or other special permit. “Residential zone” also includes Specific Plan 168, Sunnymead Ranch, Specific Plan 193 Moreno Valley Ranch, Specific Plan 195 Hidden Springs, Specific Plan 200 Towngate, and Specific Plan 203 centerpointe as set forth in the current zoning atlas, as may be amended from time to time.

“School” means any institution of learning for minors, whether public or private, offering instruction in those courses of study required by the California Education Code and/or which is maintained pursuant to standards set by the Board of Education of the state of California. This definition includes a nursery school, kindergarten, elementary school, middle or junior high school, senior high school, or any special institution of education under the jurisdiction of the California Department of Education. For the purposes of this section, “school” does not include a vocational or professional institution of higher education, including a community or junior college, college, or university.

“Sexually oriented merchandise” means sexually oriented implements, paraphernalia, or novelty items, such as, but not limited to: dildos, auto sucks, sexually oriented vibrators, benwa balls, inflatable orifices, anatomical balloons with orifices, simulated and battery operated vaginas, and similar sexually oriented devices which are designed or marketed primarily for the stimulation of human genital organs or sado-masochistic activity or distinguished or characterized by their emphasis on matter depicting, describing or relating to “specified sexual activities” or “specified anatomical areas.”

“Specified anatomical areas” means and includes any of the following:

1. Less than completely and opaquely covered, and/or simulated to be reasonably anatomically correct, even if completely and opaquely covered:
  - a. Human genitals, pubic region;
  - b. Buttocks, anus; or
  - c. Female breasts below a point immediately above the top of the areola; or
2. Human male genitals in a discernibly turgid state, even if completely or opaquely covered.

“Specified sexual activities” means and include any of the following:

1. Simulated sexual intercourse; and/or

2. Human genitals in a state of sexual stimulation or arousal; and/or
3. Acts of human masturbation, sexual stimulation or arousal; and/or
4. Use of human or animal ejaculation, sodomy, oral copulation, coitus or masturbation; and/or
5. Masochism, erotic or sexually oriented torture, beating, or the infliction of pain, or bondage and/or restraints; and/or
6. Human excretion, urination, menstruation, vaginal or anal irrigation; and/or
7. Fondling or other erotic touching of human genitals, pubic region, buttock, or female breast.

C. Locational Restriction—Distance From Sensitive Uses.

1. In addition to the requirements of this section, no adult businesses shall be established or located in any area in the city other than in a zoning district indicated by an “A” in the Adult Business category of the Permitted Uses Table 9.02.020-1 of this title.
2. In those zoning district(s) where the adult businesses regulated by this section would otherwise be permitted uses, it shall be unlawful to establish any adult business if the location is:
  - a. Within five hundred (500) feet of any existing residential zone, park, religious establishment, school, or child day care facility. The distances set forth above shall be measured from the nearest property line of the facility or tenant space housing the adult business or the proposed adult business, and the nearest property line included within the residential zone, park, religious establishment, school or child day care facility, along a straight line extended between the two points.
  - b. Within one thousand (1,000) feet of any other adult business. The distance between any two adult businesses shall be measured from the nearest property line of the facility or tenant space housing such use or proposed use to the nearest straight line distance to the property line of the proposed use.
3. No building permit or zoning clearance, business tax receipt, adult business use permit, or other permit or entitlement for use shall be legally valid if issued to any adult business proposed to operate or to be established in the city unless the zoning and locational requirements set forth above are satisfied.

D. Adult Business Use Permit Required. All adult businesses that meet the zoning and locational requirements set forth in this section are also subject to the adult

business use permit requirements of this section as well as all other applicable ordinances of the city and laws of the state of California.

1. It shall be unlawful for any person to establish, operate, engage in, conduct, or carry on any adult business within the city of Moreno Valley unless the person first obtains, and continues to maintain in full force and effect, an adult business use permit as herein required. Any occurrence of the “establishment of an adult business,” as defined in subsection B of this section, shall require a new application for an adult business use permit. The adult business use permit shall be subject to the development and operational standards contained in subsection F of this section.

2. The city community development department director (“director”) or his or her designee shall grant or deny adult business use permits in accordance with these regulations.

3. Permit applicants shall file a written, signed, and verified application containing the following information and be accompanied by the following documents:

a. If the permit applicant is an individual, the individual shall state his or her legal name, including any aliases, and address, and shall submit satisfactory written proof that he or she is at least eighteen (18) years of age;

b. If the permit applicant is a partnership, the partners shall state the partnership’s complete name, address, the names of all partners, and whether the partnership is general or limited; and shall attach a copy of the partnership agreement, if any;

c. If the permit applicant is a corporation, the corporation shall provide its complete name, the date of its incorporation, evidence that the corporation is in good standing under the laws of the state of California, the names and capacities of all officers and directors, the name of the registered corporate agent, and the address of the registered office for service of process;

d. A signed and verified statement that the permit applicant, if an individual, or partners, officers, directors, if a partnership or corporation, has not pled guilty or nolo contendere or been convicted of an offense classified by this or any other state as a sex or sex-related offense, and: (i) more than two years have elapsed since the date of conviction or the date of release from confinement for a conviction to the date of application, whichever is the later date, if the conviction is a misdemeanor, (ii) more than five years have elapsed since the date of conviction or the date of release from confinement for a conviction to the date of application, whichever is the later date, if the conviction is a felony, or (iii) more than five years have elapsed since the date of the last conviction or the date of release from confinement for the conviction to the date of application, whichever is the later date, if the convictions are two or more misdemeanors or combination of misdemeanors offenses occurring within any twenty-four (24) month period;



e. The permit applicant(s) shall sign the application. All persons who sign the application must also provide names, aliases, addresses, and date(s) of birth;

f. If the permit applicant intends to operate the adult business under a name other than that of the permit applicant, the permit applicant shall file the fictitious name of the adult business and show proof of registration of the fictitious name;

g. A description of the type of adult business for which the permit is requested and the proposed address where the adult business will operate, plus the names and addresses of the owners and lessors of the adult business site;

h. The names of all employees, independent contractors, and other persons who will perform at the adult business, who are required by Section 9.09.035 of this chapter to obtain an adult business performer license;

i. The address to which notice of action on the application is to be mailed;

j. A dimensioned floor plan showing the interior configuration of the premises, including a statement of the total floor area occupied by the adult business. The sketch or diagram need not be professionally prepared but must be oriented to the north or some other designated street or object and drawn to a designated scale or drawn with marked dimensions of the interior of the premises to an accuracy of plus or minus six inches;

k. A site plan prepared within thirty (30) calendar days prior to the application depicting the building and the portion, thereof to be occupied by the adult business, marked to show the primary entrance, and: (i) the nearest property line of the unit or structure in which all other adult businesses within one thousand (1,000) feet of the nearest property line of the unit or structure in which will be located the adult business for which a permit is requested; and (ii) the property lines of any residential zone, religious institution, school, park, or child day care facility within five hundred (500) feet of the nearest property line of the unit or structure in which the adult business will be located and for which a permit is requested;

l. A diagram of the off-street parking areas and entries to the premises of the adult business, also showing the location of the lighting system required by Section 9.09.030(F).

4. The completed application shall be accompanied by a non-refundable application fee. The amount of such fees shall be set by the city council.

5. The completeness of an application for an adult business use permit shall be determined by the director within five business days of its submittal. If the director determines that the permit application is incomplete, the director shall immediately notify in writing the permit applicant of such fact and the reasons therefor, including any additional information necessary to render the application complete. Such writing shall

be deposited in the U.S. mail, postage prepaid, immediately upon determination that the application is incomplete. Within five business days following the receipt of an amended application or supplemental information, the director shall again determine whether the application is complete in accordance with the provisions set forth above. Evaluation and notification shall occur as provided herein until such time as the application is found to be complete.

6. The fact that a permit applicant possesses other types of state or city permits or licenses does not exempt the permit applicant from the requirement of obtaining an adult business use permit.

E. Review and Action on Application for Adult Business Use Permit.

1. Upon receipt of a completed application and payment of the application and permit fees, the director shall immediately write or stamp the application "Received" and, in conjunction with city staff, shall promptly review the information contained in the application to determine whether an adult business use permit shall be granted. Investigation shall not be grounds for the city to unilaterally delay in reviewing a completed application, nor is it grounds to extend the time period to conduct a hearing pursuant to this section.

2. Within thirty (30) calendar days of receipt of the completed application, the investigation shall be completed and the director shall notice and conduct a public hearing with notice of such hearing to be made pursuant to California Government Code Sections 65091 and 65905.

3. In reaching a decision, the director shall not be bound by the formal rules of evidence in the California Evidence Code.

4. The director shall render a written decision on the application for an adult business use permit within five business days of the public hearing required by this section. The failure of the director to render any decision within the time frames established in any part of this section shall be deemed to constitute an approval, subject to appeal to the city council, pursuant to Section 9.09.030(I). The director's decision shall be hand delivered or mailed to the applicant at the address provided in the application, and shall be provided in accordance with the requirements of this code. Any posted notices shall remain for at least ten (10) calendar days and mailed to all property owners within ~~threesix~~ **three hundred (300) feet** of the adult business.

5. Notwithstanding any provisions in this section regarding the occurrence of any action within a specified period of time, the applicant may request in writing additional time beyond that provided for in this section or may request a continuance regarding any decision or consideration by the city of the pending application. Extensions of time sought by applicants shall not be considered delay on the part of the city or constitute failure by the city to provide for prompt decisions on applications.

6. The director shall grant or deny the application in accordance with the provisions of this section, and so notify the applicant as follows:

a. The director shall write or stamp “Approved” or “Denied” on the application and date and sign such notation.

b. If the application is denied, the director shall attach to the application a statement of the reasons for the denial.

c. If the application is approved, the director shall attach to the application an adult business use permit.

7. The director shall approve the application and issue the adult business use permit upon findings that the proposed business meets the locational criteria of Section 9.09.030(C) and that the permit applicant has met, or will meet, all of the development and operational standards and requirements of this section, unless the application is denied based upon one or more of the criteria set forth in subsection (10) of this section.

8. If the director approves the application, the applicant may begin operating the adult business for which the permit was sought, subject to strict compliance with the development and operational standards and requirements of Section 9.09.030(F).

9. The permit holder shall post the permit conspicuously in the premises of the adult business.

10. The director shall deny the application if the applicant fails to establish any of the following:

a. The adult business complies with the zoning and locational standards found in Section 9.09.030(C).

b. The adult business complies with the development, operational or performance standards found in Section 9.09.030(F).

c. The permit applicant or applicant’s designated representative when dealing with a corporate entity (“collectively the applicant”) is at least eighteen (18) years of age.

d. The required application fees have been paid.

e. The application complies with Section 9.09.030(D)(3).

f. The applicant has not pled guilty, nolo contendere or been convicted of an offense classified by this or any other state as a sex-related offense and (i) less than two years have elapsed since the date of conviction or the date of release from

confinement of conviction to the date of application, whichever is the later date, if the conviction is a misdemeanor, or (ii) less than five years have elapsed since the date of conviction or the date of release from confinement of conviction to the date of application, whichever is the later date, if the conviction is a felony; or (iii) less than five years have elapsed since the date of the last conviction or the date of release from confinement for the conviction to the date of application, whichever is the later date, if the convictions are two or more misdemeanors or combination of misdemeanor offenses occurring within any twenty-four (24) month period.

11. A person cannot re-apply for an adult business use permit for a particular location within one year from the date of prior denial.

12. Any affected person may appeal the decision of the director in writing within five business days in accordance with the provisions of Section 9.09.030(I).

F. Development and Operating Standards.

1. Hours of Operation. It shall be unlawful for any owner, operator, manager or employee of an adult business to allow such adult business to remain open for business, or to permit any employee or performer to engage in a performance, solicit a performance, make a sale, solicit a sale, provide a service, or solicit a service, between the hours of twelve a.m. and ten a.m. of any day excepting here from an "adult hotel/motel."

2. Exterior Lighting Requirements. All exterior areas, including parking lots, of the adult business shall be illuminated at a minimum of one foot-candle, maintained and evenly distributed at ground level with appropriate devices to screen, deflect or diffuse the lighting in such manner as to prevent glare or reflected light from creating adverse impacts on adjoining and nearby public and private properties. Inoperable and/or broken lights shall be replaced within twenty-four (24) hours.

3. Interior Lighting Requirements. All interior areas of the adult business excepting therefrom adult hotels/motels shall be illuminated at a minimum of ten (10) foot-candle, maintained and evenly distributed at floor level. Inoperable and/or broken lights shall be replaced within twenty-four (24) hours.

4. Regulation of Adult Booth/Individual Viewing Area.

a. No adult booth/individual viewing area shall be occupied by more than one individual at a time.

b. Each adult booth/individual viewing area within the adult business shall be visible from a continuous and accessible main aisle in a public portion of the establishment, and shall not be obscured by any door, curtain, wall, two-way mirror or other device which would prohibit a person from seeing the entire interior of the adult booth/individual viewing area from the main aisle. A manager shall be stationed in the

main aisle at all times. Further, no one shall maintain any adult booth/individual viewing area in any configuration unless the entire interior wherein the picture or entertainment is viewed is visible from one main aisle. The entire body of any patron in any adult booth/individual viewing area must be visible from the main aisle without the assistance of mirrors or other device.

c. No doors are permitted on an adult booth/individual viewing area. No partially or fully enclosed adult booth/individual viewing areas or partially or fully concealed adult booth/individual viewing areas shall be permitted.

d. No holes or other openings (commonly known as “glory holes”) shall be permitted between adult booths/individual viewing areas. Any such hole or opening shall be repaired within twenty-four (24) hours using “pop” rivets to secure metal plates over the hole or opening to prevent patrons from removing the metal plates.

e. No beds shall be permitted in an adult booth/individual viewing area.

5. On-Site Manager—Security Measures. All adult businesses shall have a responsible person who shall be at least twenty-one (21) years of age and shall be on the premises to act as manager at all times during which the business is open. No performer may serve as the manager. The individual(s) designated as the on-site manager shall provide his or her name to the director to receive all complaints and be given by the owner and/or operator the responsibility and duty to address and immediately resolve all violations taking place on the premises.

6. Interior of Premises. No exterior door or window on the premises of an adult business shall be propped or kept open at anytime while the business is open and any exterior windows shall be covered with opaque coverings at all times.

7. Signs. All adult businesses shall comply with the following sign requirements in addition to those of the Moreno Valley Municipal Code. Should a conflict exist between the requirements of the Moreno Valley Municipal Code and this subsection, the more restrictive shall prevail.

a. If an adult business does not serve alcohol, it shall post a notice inside the establishment, within ten (10) feet of every entrance used by customers for access to the establishment, stating that persons below the age of eighteen (18) years of age are prohibited from entering onto the premises or within the confines of the adult business. This notice shall be posted on a wall in a place of prominence. The dimensions of the notice shall be no less than six inches by six inches, with a minimum typeface of twenty-five (25) points on contrasting background. If the adult business serves alcohol, it shall comply with all notice and posting requirements of the Alcoholic Beverage Control Department.

b. No adult oriented material shall be displayed in window areas or any area where it would be visible from any location other than within the confines of the adult business.

8. Regulation of Public Restroom Facilities. If the adult business is required to provide restrooms for patron use, it shall provide separate restroom facilities for male and female patrons. The restrooms shall be free from adult oriented material. Only one person shall be allowed in each restroom at any time, unless otherwise required by law, in which case the adult business shall employ a restroom attendant of the same sex as the restroom users who shall be present in the public portion of the restroom during operating hours. The attendant shall ensure that no person of the opposite sex is permitted into the restroom, and that not more than one person is permitted to enter a restroom stall, unless otherwise required by law, and that the restroom facilities are used only for their intended sanitary purposes. Access to restrooms for patron use shall not require passage through an area used as a dressing area by performers.

9. Trash. All interior trash cans shall be emptied into a single locked trash bin lined with a plastic bag at least once a day.

10. Adult Live Entertainment Additional Operating Requirements. The following additional requirements shall apply to adult businesses providing adult live entertainment:

a. No person shall perform adult live entertainment for patrons of an adult business except upon a permanently fixed stage at least eighteen (18) inches above the level of the floor.

b. No performer shall be within ten (10) feet of a patron while the performer is performing. This ten (10) foot separation shall be marked by a continuous railing or other physical barrier designed to obstruct any contact between the performer and the patron(s).

c. No performer shall have physical contact with any patron, and no patron shall have physical contact with any performer, while the performer is performing on the premises. In addition, while on the premises, no performer shall have physical contact with a patron and no patron shall have physical contact with a performer, which physical contact involves the touching of the clothed or unclothed genitals, pubic area, buttocks, cleft of the buttocks, perineum, anal region, or female breast with any part or area of any other person's body either before or after any adult live entertainment by such performer. This prohibition does not extend to incidental touching. Patrons shall be advised of the separation and no touching requirements by signs conspicuously displayed and placed on the barrier between patrons and performers and utilizing red or black printing of letters not less than one inch in size. And, if necessary, patrons shall also be advised of the separation and no touching requirements by employees or independent contractors of the establishment.

d. All persons, except therefrom performers while performing on the fixed stage, while on or about the premises or tenant space, shall wear at a minimum an opaque covering which covers their specified anatomical areas.

e. If patrons wish to pay or tip performers, payment or tips shall be placed in containers placed at least ten (10) feet from the stage or other area used by the performers. Patrons shall not throw money to performers, hand money directly to performers, place money in the performers' costumes or otherwise place or throw money on the stage. Patrons shall be advised of this requirement by signs conspicuously displayed and placed on the barrier between patrons and performers and utilizing red or black printing of letters not less than one inch in size.

f. The adult business shall provide dressing rooms for performers, that are separated by gender and exclusively dedicated to the performers' use and which the performers shall use. Same gender performers may share a dressing room. Patrons shall not be permitted in dressing rooms.

g. The adult business shall provide an entrance/exit to the establishment for performers that is separate from the entrance/exit used by patrons, which the performers shall use at all times.

h. The adult business shall provide access for performers between the stage and the dressing rooms that is completely separated from the patrons. If such separate access is not physically feasible, the adult business shall provide a minimum three foot wide walk aisle for performers between the dressing room area and the stage, with a railing, fence or other barrier separating the patrons and the performers capable of (and which actually results in) preventing any physical contact between patrons and performers and the patrons must also be seven feet away from the walk aisle. Nothing in this section is intended to exempt the adult business from compliance with the provisions of Title 24 of the California Code of Regulations pertaining to accessibility.

i. Fixed rail(s) at least thirty (30) inches in height shall be maintained establishing the separations between performers and patrons required by this subsection.

#### 11. Adult Motion Picture Theater—Additional Operating Requirements.

The following additional requirements shall apply to adult motion picture theaters:

a. If the theater contains a hall or auditorium area, the area shall comply with each of the following provisions:

i. Have individual, separate seats, not couches, benches, or the like, to accommodate the maximum number of persons who may occupy the hall or auditorium area;

ii. Have a continuous main aisle alongside the seating areas in order that each person seated in the hall or auditorium area shall be visible from the aisle at all times;

iii. Have a sign posted in a conspicuous place at or near each entrance to the hall or auditorium area which lists the maximum number of persons who may occupy the hall or auditorium area, which number shall not exceed the number of seats within the hall or auditorium area; and

b. If an adult motion picture theater is designed to permit outdoor viewing by patrons seated in automobiles, it shall have the motion picture screen so situated, or the perimeter of the establishment so fenced, that the material to be seen by those patrons may not be seen from any public right-of-way, child day care facility, public park, school, or religious institution or any residentially zoned property occupied with a residence.

#### G. Transfer of Adult Businesses or Adult Business Use Permits.

1. A permit holder shall not operate an adult business under the authority of an adult business use permit at any place other than the address of the adult business stated in the application for the permit.

2. In the event of a transfer of ownership of the adult business or the adult business use permit, the new owner shall be fully informed of the requirements of this division, including the operational and development standards of Section 9.09.030(F) and the provisions relating to adult business performer licenses.

3. In the event of a transfer of the adult business or the adult business use permit, the transferee must provide the director with the following information within seven business days of the transfer:

a. If the transferee is an individual, the individual shall state in writing his or her legal name, including any aliases, and address, and shall submit satisfactory written proof that he or she is at least eighteen (18) years of age.

b. If the transferee is a partnership, the partners shall state the partnership's complete name, address, the names of all partners, and whether the partnership is general or limited; and shall attach a copy of the partnership agreement, if any.

c. If the transferee is a corporation, the corporation shall provide its complete name, the date of its incorporation, evidence that the corporation is in good standing under the laws of the state of California, the names and capacities of all officers and directors, the name of the registered corporate agent, and the address of the registered office for service of process.



d. The names of all employees, independent contractors, and other persons who will perform at the adult business, who are required by Section 9.09.035 to obtain an adult business performer license.

H. Suspension or Revocation of Adult Business Use Permits.

1. On determining that grounds for permit suspension or revocation exist, the director or his or her designee shall furnish written notice of the proposed suspension or revocation to the permit holder. Such notice shall set forth the time and place of a public hearing and the ground or grounds upon which the hearing is based, the pertinent Moreno Valley Municipal Code Sections, and a brief statement of the factual matters in support thereof. The notice shall be mailed, postage prepaid, addressed to the last known address of the permit holder, or shall be delivered to the permit holder personally, at least ten (10) days prior to the hearing date. Public hearings pursuant to this section shall be noticed in accordance with Government Code Sections 65091 and 65905 and conducted by the city manager or his or her designee, which designee may include a retired judge. Public hearings pursuant to this section shall be conducted in accordance with procedures established by the city manager but, at a minimum shall include the following:

a. All parties involved shall have the right to offer testimonial, documentary, and tangible evidence bearing upon the issues and may be represented by counsel.

b. The city manager or his or her designee shall not be bound by the formal rules of evidence.

c. Any hearing under this section may be continued for a reasonable time for the convenience of a party or a witness at the request of the permit holder. Extensions of time or continuances sought by a permit holder shall not be considered delay on the part of the city or constitute failure by the city to provide for prompt decisions on permit suspensions or revocations.

d. The city manager or his or her designee's decision may be appealed in accordance with Section 9.09.030(I).

2. A permit may be suspended or revoked based on the following causes arising from the acts or omissions of the permit holder, or an employee, independent contractor, partner, director, or manager of the permit holder:

a. The building, structure, equipment, or location used by the adult business fails to comply with all provisions of these regulations and this section relating to adult businesses, including the adult business development and operational standards contained in Section 9.09.030(F), and all other applicable building, fire, electrical, plumbing, health, and zoning requirements of the Moreno Valley Municipal Code.

b. The permit holder has failed to obtain or maintain all required city permits.

c. The permit holder has made any false, misleading, or fraudulent statement of material fact in the application for an adult business use permit.

d. The permit is being used to conduct an activity different from that for which it was issued.

e. The permit holder has failed to submit and/or update the information pertaining to performers in accordance with Section 9.09.030(D).

f. That an individual employed by the adult business (whether classified as an employee or independent contractor) has been convicted of two or more sex-related offenses that occurred in or on the licensed premises within a twelve (12) month period and was an employee of the adult business at the time the offenses were committed.

g. That the use for which the approval was granted has ceased to exist or has been suspended for six months or more.

h. That the transferee/new owner of an adult business or adult business use permit failed to comply with the requirements of Section 9.09.030(G).

i. The permit holder, partner, director, or manager has knowingly allowed or permitted, and has failed to make a reasonable effort to prevent the occurrence of any of the following on the premises of the adult business; or a permittee has been convicted of violating any of the following state laws on the premises of the adult business:

i. Any act of unlawful sexual intercourse, sodomy, oral copulation, or masturbation.

ii. Use of the establishment as a place where unlawful solicitations for sexual intercourse, sodomy, oral copulation, or masturbation openly occur.

iii. Any conduct constituting a criminal offense which requires registration under Section 290 of the California Penal Code.

iv. The occurrence of acts of lewdness, assignation, or prostitution, including any conduct constituting violations of Sections 315, 316, 318 of the California Penal Code.

v. Any act constituting a violation of provisions in the California Penal Code relating to obscene matter or distribution of harmful matter to minors, including, but not limited to, Sections 311 through 313.4.

vi. Any act constituting a felony involving the sale, use, possession, or possession for sale of any controlled substance specified in Sections 11054, 11055, 11056, 11057, or 11058 of the California Health & Safety Code.

vii. An act or omission in violation of any of the requirements of this division if such act or omission is with the knowledge, authorization, or approval of the permit holder or is as a result of the permit holder's negligent supervision of the employees of the adult facility. This includes the allowance of activities that are or become a public nuisance which includes the disruptive conduct of business patrons whether on or immediately off the premises where such patrons disturb the peace, obstruct traffic, damage property, engage in criminal conduct, violate the law and otherwise impair the free enjoyment of life and property.

3. After holding the hearing in accordance with the provisions of this section, if the city manager or his or her designee finds and determines that there are grounds for suspension or revocation, the planning commission shall impose one of the following:

- a. Suspension of the permit for a specified period not to exceed six months;
- or
- b. Revocation of the permit.

The city manager or his or her designee shall render a written decision that shall be hand delivered or overnight mailed to the permit holder within five business days of the public hearing.

Any affected person may appeal the decision of the city manager or his or her designee in writing within five business days in accordance with the provisions of Section 9.09.030(l).

In the event a permit is revoked pursuant to this section, another adult business use permit to operate an adult business shall not be granted to the permittee within twelve (12) months after the date of such revocation.

I. Appeal Procedures.

1. After approval, denial, suspension or revocation of a permit, any affected person may appeal the decision to the city council in writing within five business days after the written decision. Said appeal shall be filed with the city clerk.

2. Consideration of an appeal of the decision shall be at a public hearing, notice of which shall be given pursuant to California Government Code Sections 65091 and 65905 and which hearing shall occur within thirty (30) calendar days of the filing or initiation of the appeal.

3. The city council action on the appeal of the decision shall be by a majority vote of the members present and upon the conclusion of the de novo public hearing, the city council shall grant or deny the appeal. The city council's decision shall be final and conclusive and shall be rendered in writing within five business days of the hearing,

such written decision to be immediately mailed to the party appealing the planning commission's decision.

4. In reaching its decision, the city council shall not be bound by the formal rules of evidence.

5. Notwithstanding any provisions in this section regarding the occurrence of any action within a specified period of time, the applicant may request additional time beyond that provided for in this division or may request a continuance regarding any decision or consideration by the city of the pending appeal. Extensions of time sought by applicants shall not be considered delay on the part of the city or constitute failure by the city to provide for prompt decisions on applications.

6. Failure of the city council to render a decision to grant or deny an appeal of a permit denial within the time frames established by this section shall be deemed to constitute an approval of the adult business use permit.

7. The time for a court challenge to a decision of the city council is governed by California Code of Civil Procedure Section 1094.8.

8. Notice of the city council's decision and its findings shall include citation to California Code of Civil Procedure Section 1094.8.

9. Any applicant or permit holder whose permit has been denied, suspended, or revoked pursuant to this section shall be afforded prompt judicial review of that decision as provided by California Code of Civil Procedure Section 1094.8.

J. Display of Adult Business Use Permit. Every adult business shall display at all times during business hours the permit issued pursuant to the provisions of this section for such adult business in a conspicuous place so that the same may be readily seen by all persons entering the adult business.

K. Employment of and Services Rendered to Persons Under the Age of Eighteen (18) Years Prohibited—Twenty-one (21) if Liquor is Served.

1. Employees. Employees of an adult business must be at least eighteen (18) years of age. It shall be unlawful for any owner, operator, manager, partner, director, officer, employee, or other person in charge of any adult business to employ, contract with, or otherwise retain any services in connection with the adult business with or from any person who is not at least eighteen (18) years of age. If liquor is served at the adult business, employees of the adult business must be at least twenty-one (21) years of age. If liquor is served at the adult business, it shall be unlawful for any owner, operator, manager, partner, director, officer, employee, or other person in charge of any adult business to employ, contract with, or otherwise retain any services in connection with the adult business with or from any person who is not twenty-one (21) years of age.

And said persons shall exercise reasonable care in ascertaining the true age of persons seeking to contract with, be employed by, or otherwise service the adult business.

The provisions of this subsection do not apply to service employees (e.g., janitors, repair and maintenance workers, or similar service workers) whose work is not conducted during the normal hours of operation as set forth in Section 9.09.030(F)(a).

2. Patrons. Patrons of an adult business must be at least eighteen (18) years of age. It shall be unlawful for any owner, operator, manager, partner, director, officer, employee, or other person in charge of any adult business to permit to enter or remain within the adult business any person who is not at least eighteen (18) years of age. If liquor is served at the adult business, patrons must be at least twenty-one (21) years of age. If liquor is served at the adult business, it shall be unlawful for any owner, operator, manager, partner, director, officer, employee, or other person in charge of any adult business to permit to enter or remain within the adult business any person who is not at least twenty-one (21) years of age. And said persons shall exercise reasonable care in ascertaining the true age of persons entering the adult business.

3. X-rated Movies. The selling, renting and/or displaying of X-rated movies, videotapes, digital video disks (DVDs), compact disks (CDs) and laser disks shall be restricted to persons at least eighteen (18) years of age. If an establishment that is not otherwise prohibited from providing access to the establishment to persons under eighteen (18) years of age sells, rents, or displays movies, videos, DVDs, CDs, or laser disks that have been rated "X" or rated "NC-17" by the motion picture rating industry ("MPAA"), or which have not been submitted to the MPAA for a rating, and which consist of images that are distinguished or characterized by an emphasis on depicting or describing specified sexual activities or specified anatomical areas, said movies, videos, DVDs, CDs, and laser disks shall be located in a specific section of the establishment from which persons under the age of eighteen (18) shall be prohibited.

L. Inspections. Each owner, operator, manager, employee of an adult business or other person in charge of an adult business shall permit representatives of the police department, health department, fire department, planning department, license and code services division and other city departments, to inspect the adult business for the purpose of ensuring compliance with the laws and operating standards applicable to adult businesses at any time it is occupied or open for business. Such inspections shall be conducted in a reasonable manner.

M. Employment of Performers Without Valid License Unlawful. It shall be unlawful for any owner, operator, manager, permit holder, partner, director, officer, agent, employee or other person in charge of an adult business which provides live entertainment displaying specified anatomical areas or specified sexual activities to allow any person to perform such entertainment who is not in possession of a valid, unrevoked, unsuspended adult business performer license issued in compliance with Chapter 11.07.

N. Amortization—Subsequent Location of Sensitive Uses. An adult business or establishment operating as a conforming use with an approved adult business use permit from the city shall not be rendered a nonconforming use by the subsequent location of residential zones, religious institutions, schools, day care facilities, or parks within the locational limitations of Section 9.09.030(C). For purposes of this section, a use shall be deemed to be subsequently located if it commences following the date an application for an adult business use permit is filed pursuant to Section 9.09.030(D).

O. Regulations Non-Exclusive. The provisions of this section regulating adult businesses are not intended to be exclusive, and compliance therewith shall not excuse non-compliance with any other regulations pertaining to the operation of businesses as adopted by the city council of the city of Moreno Valley.

P. Violations.

1. Any owner, operator, manager, employee or independent contractor of an adult business violating or permitting, counseling, or assisting the violation of any of these provisions regulating adult businesses shall be subject to any and all civil remedies, including permit revocation. All remedies provided herein shall be cumulative and not exclusive. Any violation of these provisions shall constitute a separate violation for each and every day during which such violation is committed or continued.

2. The restrictions imposed pursuant to this section are part of a regulatory licensing process, and do not constitute a criminal offense. Notwithstanding any other provision of the Moreno Valley Municipal Code, the city does not impose a criminal penalty for violations of the provisions of this ordinance related to sexual conduct or activities.

Q. Public Nuisance. In addition to the remedies set forth in Section 9.09.030(P) above, any adult business that is operating in violation of these provisions regulating adult businesses is hereby declared to constitute a public nuisance and, as such, may be abated or enjoined from further operation.

R. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this section and the ordinance to which it is a part, or any part thereof is held for any reason to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, the remaining sections, subsections, paragraphs, sentences, clauses, and phrases shall not be affected thereby. The city council hereby declares that it would have adopted this section and the ordinance to which it is a part regardless of the fact that one or more sections, subsections, paragraphs, sentences, clauses, or phrases may be determined to be unconstitutional, invalid, or ineffective. (Ord. 694 § 1.1, 2005; Ord. 613 § 2, 2002)

### 9.14.040 Tentative maps—Information required.

#### A. Tentative Subdivision Maps.

1. The following information shall be shown on and verified or accompany tentative subdivision maps with any other supplementary information that the community development department or city engineer may deem necessary and reasonable:

a. Tract number, title of map, assessor's parcel number and legal description of property, not including tract name;

b. Name, address and telephone number of owner and land divider, and name, address and telephone number of person preparing map;

c. Ownership information on additional property owned adjacent or contiguous to the land to be subdivided;

d. Approximate total acreage of property and lot size, net and gross for a typical lot and for each irregular lot, overall dimensions, north arrow, scale and date;

e. Subdivision boundary line and detailed vicinity map showing relationship to surrounding community;

f. Names, location, right-of-way widths, and improvements of adjacent streets, alleys, railroads, transmission lines, pipelines, sewers and existing structures, both above and below ground;

g. Names, locations, widths of right-of-way for proposed streets, alleys and easements, and the approximate grades of proposed and existing streets and approximate street centerline radii of curves;

h. Streets, alleys and right-of-way providing legal access to the property;

i. If private streets are proposed, they shall be so noted on the tentative map;

j. Names of utility purveyors, locations and widths of existing and proposed public utility easements:

i. When specific areas for subsurface disposal are required, those areas shall be delineated, and

ii. Any known existing wells on the property or within two hundred (200) feet of the subdivision boundary shall be indicated on the tentative map;

k. Water courses, channels, existing culverts and drain pipes, including existing and proposed facilities for control of storm waters;

l. Land areas subject to overflow, inundation or flood hazard;

m. Any land or right-of-way to be dedicated for public use;

n. Identify common areas and open spaces;

o. Proposed lot lines and approximate dimensions;

p. Adjoining property and lot lines;

q. Maximum contour interval shall be as required by the city engineer. The contour lines shall extend three hundred (300) feet beyond the exterior boundaries of the property when adjacent property is unimproved or vacant unless otherwise determined by the city engineer. Copies of the U.S.G.S. topographic maps are acceptable when approved by the city engineer. County flood control and county road department base maps may be acceptable;

r. Site Grading.

i. Whenever any area of the proposed subdivision has a gradient of five percent or more, as measured between natural contours, the following information shall be shown on, or accompany, the tentative map:

(A) The proposed cuts and fills in the subdivision:

(1) All cut and fill slopes or combination thereof shall be made no steeper than 2:1 (two horizontal to one vertical), and their height shall be no greater than ten (10) feet. Exceptions to these standards may be permitted as follows:

(i) Cut Slopes. Slope ratios steeper than 2:1 and slope heights in excess of ten (10) feet vertically shall be considered if they are recommended to be safe in a slope feasibility report written by either a registered geotechnical engineer or a registered engineering geologist. The slope stability report must also include recommendations for erosion control and landscaping of the proposed grading;

(ii) Fill Slopes. Fill slopes with heights in excess of ten (10) feet vertically (on a slope of 2:1) may be allowed if they are recommended to be safe in a slope stability report written by a registered geotechnical engineer. The slope stability report must also include recommendations for erosion control and landscaping of the proposed grading;

(iii) Based on the slope stability report, fill slopes greater than ten (10) feet may need to be constructed at a more gentle slope ratio (e.g., 3:1 or 4:1), in order to achieve stability.



- (2) Cuts and fills in areas of subsurface sewage disposal shall be in accordance with the sewage disposal feasibility report recommendations.
- (B) The elevations of all individual building pads in the subdivision;
- (C) The elevations at the perimeter of the subdivision;
- (D) The relationship to adjoining land and development.
- ii. Where grading will tie into adjacent natural terrain, final manufactured slopes shall be blended into the existing terrain.
- s. Existing use and zoning of property immediately surrounding tract;
- t. Existing zoning and proposed land use of property within the proposed tract (single-family, multiple-family, commercial, industrial); and
- u. A list of the names and addresses of the owners of real property located within ~~three~~ **six hundred (3600)** feet of the exterior boundaries of the property to be considered, as shown on the latest equalized assessment roll, and any update issued by the county assessor.
2. Reports and written statements on the following matters shall accompany the tentative map:
- a. Proposed method of control of storm water, including data as to amount of runoff, and the approximate grade and dimensions of the proposed facilities;
- b. A written statement (Land Division Form SAN 53) from the health officer stating that a water purveyor under permit has agreed in writing to serve all lots in the land division; and
- c. A written statement (Land Division Form SAN 53) from the health officer stating the type of sewage disposal that will be permitted. To aid in this determination a sewer feasibility letter or a sewage disposal feasibility report and regional water quality control board clearance or other pertinent information shall be required.
3. If the land division lies within a special zone shown on the map prepared by the state geologist pursuant to the Alquist-Priolo Geologic Hazard Zone Act, a geologic report or waiver thereof pursuant to the provisions of this title shall accompany the tentative map;
4. A program for control of soil erosion in conformity with this chapter shall be submitted for land division in blow sand areas.
- B. Tentative Parcel Maps.

1. The following information shall be shown and verified or accompany all tentative parcel maps and any other information that the community development department or city engineer may deem necessary and reasonable:

a. Parcel map identification number, assessor's parcel number, title of map, and legal description of property but not including tract name;

b. Name and address of owner and land divider and name and address of person preparing map;

c. Approximate total acreage of property and lot size net and gross for a typical lot and for each irregular lot, overall dimensions, north arrow, scale and date;

d. Land division boundary line and vicinity map showing relationship to surrounding community;

e. Assessor's map book and page numbers of adjoining land divisions;

f. Names, locations, right-of-way, width and improvements of existing adjacent streets, alleys, railroads and existing structures, both above and below ground;

g. Names, location, widths of rights-of-way or proposed streets, alleys and easements, and the approximate grades of proposed streets and approximate street centerline radii of curves;

h. Streets, alleys and right-of-way providing legal access to the property;

i. If private streets are proposed, it shall be so noted on the tentative map;

j. Names of utility purveyors, location and width of existing and proposed known public utility easements:

i. When specific areas for subsurface sewage disposal systems are required, the location and width of the disposal areas is required,

ii. Any known existing wells on the property or within two hundred (200) feet of the subdivision boundary shall be indicated on the tentative map;

k. Water courses, channels, existing culverts and drain pipes, including existing and proposed facilities for control of storm waters;

l. Land areas subject to overflow, inundation or flood hazard;

m. Any land or right-of-way to be dedicated for public use and right-of-way for railroads and other uses;

- n. Identify common areas and open spaces;
- o. Proposed lot lines and approximate dimension;
- p. Adjoining property and lot lines;
- q. Maximum contour interval shall be as required by the city engineer. The contour lines shall extend three hundred (300) feet beyond the exterior boundaries of the property when adjacent property is unimproved or vacant unless otherwise determined by the city engineer. Copies of U.S.G.S. topographic maps are acceptable only when other information is not available. County flood control and county road department base maps may be acceptable;
- r. Existing use and zoning of property immediately surrounding tentative map;
- s. Existing zoning and proposed land use of property within the parcel map (single-family, multifamily, commercial or industrial);
- t. A statement as to whether the tentative map includes the entire contiguous ownership of the land divider or only a portion thereof;
- u. A list of the names and addresses of the owners of real property located within ~~three~~ **six hundred (300600)** feet of the exterior boundaries of the property to be considered, as shown on the last equalized assessment roll, and any update issued by the county assessor; and
- v. Site Grading.
  - i. Whenever any area of the proposed subdivision has a gradient of five percent or more, as measured between natural contours, the following information shall be shown on, or accompany, the tentative map:
    - (A) The proposed cuts and fills in the subdivision:
      - (1) All cut and fill slopes or combinations thereof shall be made no steeper than 2:1 (two horizontal to one vertical), and their height shall be no greater than ten (10) feet. Exceptions to these standards may be permitted as follows:
        - (i) Cut Slopes. Slope ratios steeper than 2:1 and slope heights in excess of ten (10) feet vertically shall be considered if they are recommended to be safe in a slope stability report written by either a registered geotechnical engineer or a registered engineering geologist. The slope stability report must also include recommendations for erosion control and landscaping of the proposed grading.

(ii) **Fill Slopes.** Fill slopes with heights in excess of ten (10) feet vertically (on a slope of 2:1) may be allowed if they are recommended to be safe in a slope stability report written by a registered geotechnical engineer. The slope stability report must also include recommendations for erosion control and landscaping of the proposed grading.

(iii) Based on the slope stability report, fill slopes greater than ten (10) feet may need to be constructed at a more gentle slope ratio (e.g., 3:1 or 4:1), in order to achieve stability.

(2) Cuts and fills in areas of subsurface sewage disposal shall be in accordance with the sewage disposal feasibility report recommendations;

(B) The elevations of all individual building pads in the subdivision;

(C) The elevations at the perimeter of the subdivision;

(D) The relationship to adjoining land and development.

ii. Where grading will tie into adjacent natural terrain, final manufactured slopes shall be blended into the existing terrain.

2. Reports and written statements on the following matters shall accompany the tentative map:

a. Proposed method of control of storm water, including data as to amount of runoff, and the approximate grade and dimensions of the proposed facilities;

b. A written statement (Form SAN 53) from the health officer, stating the type of sewage disposal and water supply that will be permitted shall be submitted for all commercial and industrial parcel maps.

3. If the land division lies within a special studies zone shown on the map prepared by the state geologist, pursuant to the Alquist-Priolo Geologic Hazard Zone Act, a geologic report or waiver thereof pursuant to the provisions of this title shall accompany all tentative parcel maps.

4. Request to waive the final map for any parcel map division shall be filed at the time of the filing of the tentative parcel map. (Ord. 694 § 1.1, 2005; Ord. 475 § 1.4, 1995; Ord. 386 §§ 1.23, 1.24, 1993; Ord. 359, 1992)

Attachment 3

“Modified Code Sections 9.02.060, 9.02.070, and 9.02.080”

Redevelopment Finding – Strikeout/Underline

9.02.060 Conditional use permits.

A. Purpose and Intent. A conditional use permit is intended to allow the establishment of those uses which have some special impact or uniqueness such that their effect on the surrounding environment cannot be determined in advance of the use being proposed for a particular location. The permit application process allows for the review of location, design, configuration of improvements, and potential impact on the surrounding area based on fixed and established standards.

B. Authority. Authority for approval of conditional use permits shall be vested with the planning commission, except as described herein. Conditional use permit applications shall be subject to the major development review procedures pursuant to Section 9.02.030(B) of this chapter and public hearing procedures pursuant to Section 9.02.200 of this chapter. The community development director may approve conditional use permits for uses identified with the “◆” symbol in Table 9.02.020-1 of this chapter if: (1) the use is proposed within an existing building with no expansion; and (2) the building or use is located more than three hundred (300) feet from a residential zone; and (3) there are fewer than three residences within three hundred (300) feet in a nonresidential zone. Projects may be referred to the planning commission at the discretion of the community development director.

C. Required Findings. A conditional use permit may be approved in whole or in part, if all of the following findings can be made:

1. The proposed project is consistent with the goals, objectives, policies and programs of the general plan;

2. The proposed project complies with all applicable zoning and other regulations;

3. The proposed project will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity;

~~4. The project conforms with any applicable provisions of any city redevelopment plan;~~

~~4.5.~~ The location, design and operation of the proposed project will be compatible with existing and planned land uses in the vicinity.

Attachment: Modified Code sections - Redevelopment finding - Strikeout underline (3686 : Municipal Code Amendment to several sections of

D. Conditions of Approval. In approving a conditional use permit, the approving authority shall impose conditions of approval for the project regarding on-site improvements, off-site improvements, the manner in which the site is used and any other conditions as may be deemed necessary to protect the public health, safety and welfare and ensure that the project will be developed in accordance with the purpose and intent of this title.

E. Revisions or Modifications. Revisions or modifications of conditional use permits may be requested by the applicant. Further, the planning commission may periodically review, modify or revoke a conditional use permit.

1. Revisions or Modifications Requested by Applicant. A revision or modification to an approved conditional use permit such as, but not limited to, change in conditions, expansions, intensity or hours of operation may be requested by an applicant. The requested revision or modification shall be processed in the same manner as the original conditional use permit.

2. Review by Planning Commission. The planning commission may periodically review any conditional use permit to ensure that it is being operated in a manner consistent with conditions of approval or in a manner which is not detrimental to the public health, safety or welfare, or materially injurious to properties in the vicinity. If, after review, the commission deems that there is sufficient evidence to warrant a full examination, then a public hearing date shall be set. At such public hearing, the planning commission may modify or revoke the permit pursuant to the provisions of Section 9.02.260 of this chapter. (Ord. 694 § 1.1, 2005; Ord. 512 § 1.3, 1997; Ord. 475 § 1.4, 1995; Ord. 405 § 1.16, 1993; Ord. 386 § 1.3, 1993; Ord. 359, 1992)

### 9.02.070 Plot plan.

A. Purpose and Intent. The purpose of this section is to provide a mechanism by which all new construction of industrial, commercial or multiple-family residential can be reviewed when not subject to other discretionary review processes which have review authority over project design. Unless a specific application for a particular use is identified within this title, the plot plan application shall be used to implement the major development review process requirements.

#### B. Authority.

1. Except as otherwise provided herein, authority for approval of plot plans shall be vested with the planning commission. Plot plan applications shall be subject to major development review procedures pursuant to Section 9.02.200 of this chapter.

2. The community development director may approve projects within industrial districts or commercial districts without a public hearing, when such projects are located greater than three hundred (300) feet from a residential zone and there are fewer than three residences within three hundred (300) feet in a nonresidential zone. The community development director, however, may approve the expansion of existing commercial and industrial uses regardless of their distance to residential zones or residential uses. The decision of the community development director may be appealed to the planning commission.

3. Authority to act on a plot plan application which depends on approval of another enabling application(s), but not limited to, a variance or general plan amendment, shall be vested with the review body authorized to act on the enabling application(s).

C. Required Findings. A plot plan may be approved in whole or in part, if all of the following findings can be made:

1. The proposed project is consistent with the goals, objectives, policies and programs of the general plan;

2. The proposed project complies with all applicable zoning and other regulations;

3. The proposed project will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity;

~~4. The project conforms with any applicable provisions of any city redevelopment plan;~~

~~4.5.~~ The location, design and operation of the proposed project will be compatible with existing and planned land uses in the vicinity.

D. Conditions of Approval. In approving a plot plan, the approving authority shall impose conditions of approval for the project regarding on-site improvements, off-site improvements, the manner in which the site is used and any other conditions as may be deemed necessary to protect the public health, safety and welfare and ensure that the project will be developed in accordance with the purpose and intent of this title.

E. Modifications or Revisions. Modification or revision of plot plans may be requested by the applicant. A modification or revision to an approved plot plan may include, but shall not be limited to, change in conditions, expansion, intensity, or hours of operation. The requested modification or revision shall be processed in the same manner as the original plot plan.

F. Notice. Notice of plot plan public hearing and the proposed environmental determination shall be provided, as specified in Section 9.02.200 of this title. For plot plan applications not subject to review at a public hearing, but requiring notice, the notice shall be provided for the decision date in the same manner and time frames, as described in Section 9.02.200 of this title. (Ord. 694 § 1.1, 2005; Ord. 575 § 2.2, 2000; Ord. 475 § 1.4, 1995; Ord. 449 § 1.2, 1995; Ord. 405 §§ 1.9, 1.10, 1.17, 1993; Ord. 386 § 1.4, 1993; Ord. 359, 1992)



### 9.02.080 Administrative plot plan.

A. Purpose and Intent. The purpose of this section is to provide an administrative application under which development proposals listed as subject to the minor development review process may be processed. Unless a specific application for a particular use is identified within this title, the administrative plot plan application shall be used to implement the minor development review process requirements.

B. Authority. The community development director may approve administrative plot plans subject to the requirements, provisions and intentions of this title.

C. An administrative plot plan may be approved if all of the following findings can be made:

1. The proposed project is consistent with the goals, objectives, policies and programs of the general plan;

2. The proposed project complies with all applicable zoning and other regulations;

3. The proposed project will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity;

4. ~~The project conforms with any applicable provisions of any city redevelopment plan;~~

45. Landscaping Setbacks. In any commercial or industrial district, the community development director may decrease minimum setbacks by not more than ten (10) percent where the proposed setback area is in character with the surrounding neighborhood, and where such decrease will not unreasonably affect contiguous sites.

D. Revisions or Modifications. Revisions or modifications to an administrative plot plan shall be processed in the same manner as the original administrative plot plan.


E. Conditions of Approval. In approving an administrative plot plan, the approving authority shall impose conditions of approval for the project regarding on-site improvements, off-site improvements, the manner in which the site is used and any other conditions as may be deemed necessary to protect the public health, safety and welfare and ensure that the project will be developed in accordance with the purpose and intent of this title. (Ord. 757 § 2.5, 2008; Ord. 694 § 1.1, 2005; Ord. 475 § 1.4, 1995; Ord. 405 § 1.18, 1993; Ord. 386 § 1.5, 1993; Ord. 359, 1992)

# City of Moreno Valley Discussion of Public Hearing Noticing



# Current Public Hearing Noticing


- Publish notice in a newspaper
- Mail to property owners within 300'
- Mail notice to property owner and applicant



## Notice of PUBLIC HEARING

This may affect your property. Please read.  
Notice is hereby given that a Public Hearing will be held by the Planning Commission of the City of Moreno Valley on the following item(s):

**CASES:** PEN18-0082 – Conditional Use Permit  
**APPLICANT:** William Chu  
**OWNER:** Steve L'Hommedieu  
**REPRESENTATIVE:** Thienes Engineering, Inc.  
**LOCATION:** North side of Alessandro Boulevard and approximately 300 east of Kitching Street  
**PROPOSAL:** The applicant is requesting approval of a Conditional Use Permit for a 116 bed, 88,760 square foot skilled nursing facility on 4.55 acres in the R10 zone. The project will include three single-story buildings with interior courtyards.  
**ENVIRONMENTAL DETERMINATION:** Mitigated Negative Declaration  
**COUNCIL DISTRICT:** 3




**PLANNING COMMISSION HEARING**  
 City Council Chamber, City Hall  
 14177 Frederick Street  
 Moreno Valley, Calif. 92553  
**DATE AND TIME:** December 13, 2018 at 7 PM  
**CONTACT PLANNER:** Jeff Bradshaw  
**PHONE:** (951) 413-3224

Upon request and in compliance with the Americans with Disabilities Act of 1990, any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Guy Pegan, ADA Coordinator, at 951.413.3120 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Attachment: CDD\_Study Session\_Noticing Powerpoint (3686 : Municipal Code

# Current Public Hearing Noticing

- Notices mailed 10 days in advance
- Newspaper ad 10 days in advance
- Post site 10 days in advance
- Agendas serve as additional notice (minimum 72 hours in advance)



## Notice of PUBLIC HEARING

This may affect your property. Please read.  
Notice is hereby given that a Public Hearing will be held by the Planning Commission of the City of Moreno Valley on the following item(s):

**CASES:** PEN18-0082 – Conditional Use Permit  
**APPLICANT:** William Chu  
**OWNER:** Steve L'Hommedieu  
**REPRESENTATIVE:** Thienes Engineering, Inc.  
**LOCATION:** North side of Alessandro Boulevard and approximately 300 east of Kitching Street  
**PROPOSAL:** The applicant is requesting approval of a Conditional Use Permit for a 110 bed, 68,750 square foot skilled nursing facility on 4.55 acres in the R10 zone. The project will include three single-story buildings with interior courtyards.  
**ENVIRONMENTAL DETERMINATION:** Mitigated Negative Declaration  
**COUNCIL DISTRICT:** 3


Any person interested in any listed proposal can contact the Community Development Department, Planning Division, at 14177 Frederick St., Moreno Valley, California, during normal business hours (7:30 a.m. to 5:30 p.m., Monday through Thursday and Fridays from 7:30 a.m. to 4:30 p.m.), or may telephone (951) 413-3206 for further information. The associated documents will be available for public inspection at the above address.

In the case of Public Hearing items, any person may also appear and be heard in support of or opposition to the project or recommendation of adoption of the Environmental Determination at the time of the Hearing.

The Planning Commission, at the Hearing or during deliberations, could approve changes or alternatives to the proposal.

If you challenge any of these items in court, you may be limited to raising only those items you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the Public Hearing.

Upon request and in compliance with the Americans with Disabilities Act of 1990, any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Guy Pagan, ADA Coordinator, at 951 413-3120 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.



**LOCATION** N ↑

**PLANNING COMMISSION HEARING**  
 City Council Chamber, City Hall  
 14177 Frederick Street  
 Moreno Valley, Calif. 92553

**DATE AND TIME:** December 13, 2018 at 7 PM  
**CONTACT PLANNER:** Jeff Bradshaw  
**PHONE:** (951) 413-3224

# Additional Noticing Provided

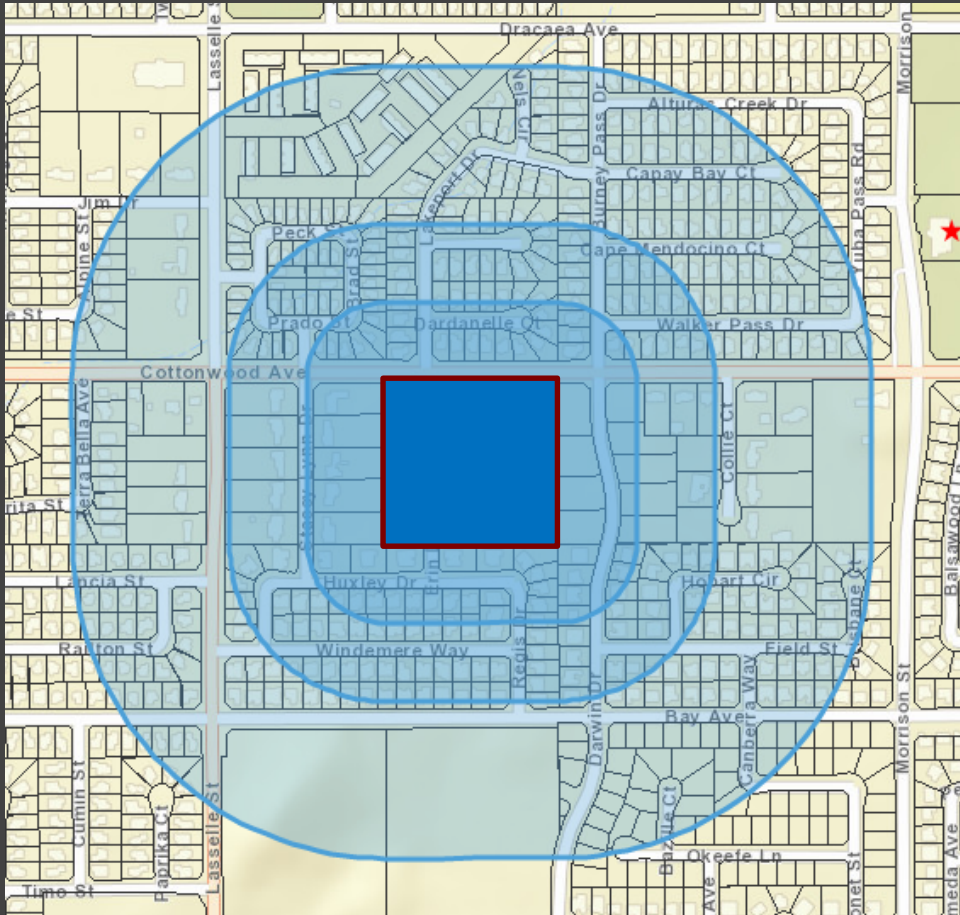
- Sign with public notice on the project site
- 4 x 4 (16 square feet)
  - Visible from street
  - Bright background
  - Readable Font



# Residential Tentative Tract Map

- 84 property owners within 300' radius
  - Estimated mailer cost: \$ 52
  - Newspaper cost \$ 175
  - Posting on site cost \$346

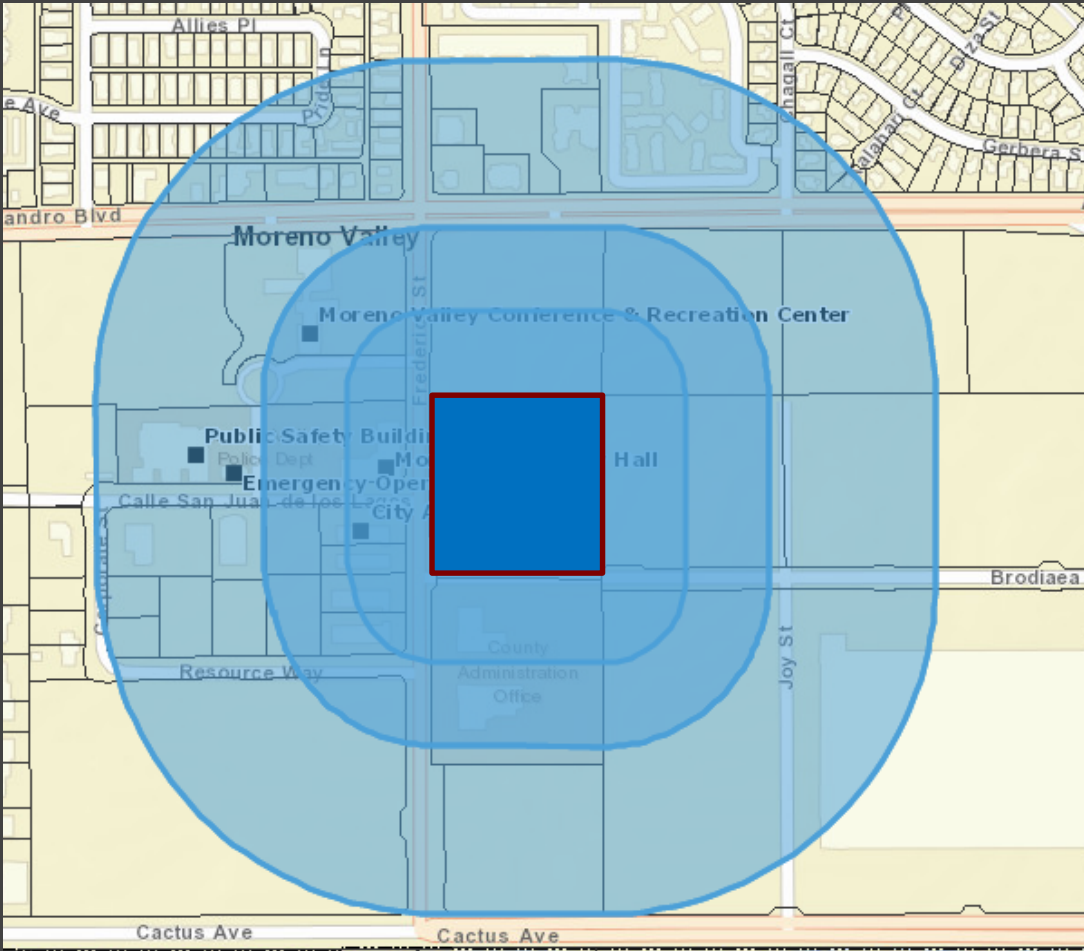
Total = \$573
- 600' radius = 232 mailers, adds \$91.76
- 1200' radius = 559 mailers, adds \$294.50



Attachment: CDD\_Study Session\_Noticing Powerpoint (3686 : Municipal Code

# Industrial Development

- Approximately 13 property owner notices mailed for 300' radius
  - Estimated mailer cost: \$ 8
  - Newspaper cost \$ 175
  - Posting on site cost \$346
- 600' radius = 19 mailers, adds \$3.72
- 1200' radius = 70 mailers, adds \$35.34



# Social Media Options

- Post notices on City website
- Nextdoor
- Facebook
- Twitter
  
- City Calendar
- City App (News, Calendar)

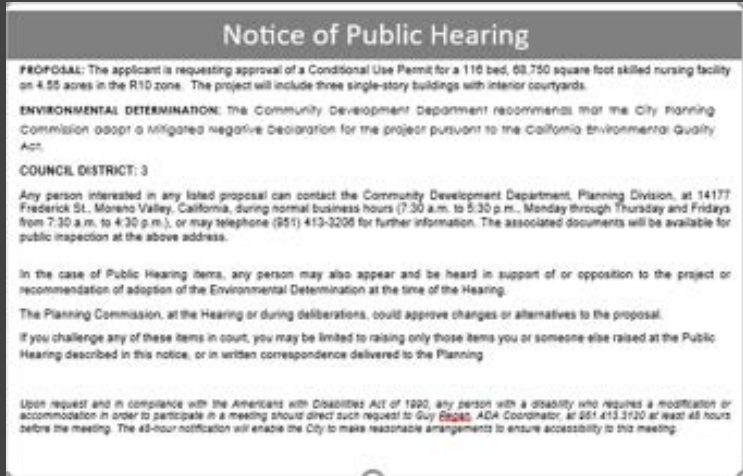
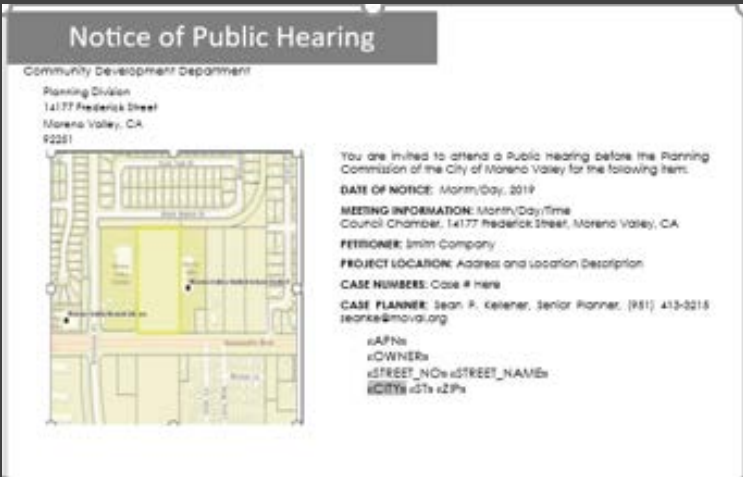


Attachment: CDD\_Study Session\_Noticing Powerpoint (3686 : Municipal Code



# Modified Notice Option– Postcard Mailer

- Currently mail notices in a City Logo white business envelope
- Change to postcard format
  - More visible, direct information



Attachment: CDD\_Study Session\_Noticing Powerpoint (3686 : Municipal Code

# Recommendations

- Change to postcard format
  - More likely to be read
- Expand noticing radius to 600'
  - Reaches additional property owners
  - Requires code amendment
- Post notices on City website
- Reiterate availability to social media sites
- Continue to not use exemption if > 1,000 properties

Thank You