

AGENDA

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

September 24, 2013

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

City Council Study Sessions

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

City Council Meetings

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

City Council Closed Sessions

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

City Hall Council Chamber - 14177 Frederick Street

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 Mel Alonzo, ADA Coordinator, at 951.413.3705 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.

Tom Owings, Mayor

Jesse L. Molina, Mayor Pro Tem
Richard A. Stewart, Council Member

Victoria Baca, Council Member
_____, Council Member

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CITY COUNCIL OF THE CITY OF MORENO VALLEY
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CALL TO ORDER – 5:30 PM

SPECIAL PRESENTATIONS

1. Proclamation Recognizing Fire Prevention Week - October 6-12, 2013
2. Proclamation Recognizing Comprehensive Immigration Reform Legislation

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

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

**REGULAR MEETING - 6:00 PM
SEPTEMBER 24, 2013**

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 Diane Gardner - Beautiful Women of God - Diane Gardner Ministries

ROLL CALL

INTRODUCTIONS

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

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

Those wishing to speak should complete and submit a BLUE speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

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JOINT CONSENT CALENDARS (SECTIONS A-D)

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

A. CONSENT CALENDAR-CITY COUNCIL

A.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

A.2 MINUTES - REGULAR MEETING OF SEPTEMBER 10, 2013 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

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

Recommendation:

1. Receive and file the Reports on Reimbursable Activities for the period of September 4-17, 2013.

A.4 FIRST AMENDMENT TO AGREEMENT NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM URBAN RUNOFF DISCHARGE PERMIT IMPLEMENTATION AGREEMENT SANTA ANA REGION (SANTA ANA DRAINAGE AREA) (Report of: Public Works Department)

Recommendations

1. Approve the First Amendment to Agreement National Pollutant Discharge Elimination System Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area).
2. Authorize the City Manager to execute said First Amendment to Agreement.
3. Direct the City Clerk to attest to said approval.

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4. Direct the City Clerk to transmit said First Amendment to Agreement to the Riverside County Flood Control and Water Conservation District.

A.5 APPROVAL OF FISCAL YEAR 2012/13 CARRYOVERS AND FISCAL YEAR 2013/14 BUDGET ADJUSTMENT RECOMMENDATIONS
(Report of: Financial & Management Services Department)

Recommendations

1. Adopt Resolution No. 2013-74. A Resolution of the City Council of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2013/14. Includes (a) the budget amendments presented in Exhibit A to be appropriated and included in the FY 2013/14 and FY 2014/15 approved budgets; (b) the operating carryover expenditures from the FY 2012/13 approved budget presented in Exhibit A, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget. The recommended appropriation changes total \$17,770 for the General Fund, \$1,627,501 for non-General Funds for a total of \$1,645,271 for all funds; and (c) Capital Improvement Program (CIP) carryover expenditures from the FY 2012/13 approved budget presented in Exhibit B, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget. The recommended appropriation changes total \$6,368,730.
2. Adopt Resolution No. SA 2013-05. A Resolution of the City of Moreno Valley as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2013/14. Includes approving the Operating carryover expenditures from the FY 2012/13 approved budget presented in Exhibit A, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget; and Capital Improvement Program (CIP) carryover expenditures from the FY 2012/13 approved budget presented in Exhibit B, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget.

A.6 PA11-0019 (P12-077) – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – CONTINENTAL EAST FUND VII, LLC., MURRIETA, CA 92562
(Report of: Public Works Department)

Recommendations

1. Accept the Agreement and Security for Public Improvements for

Continental East Fund VII, LLC., Murrieta, CA 92562.

2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

A.7 PA07-0048 (PM 35500) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – INDIAN AVENUE II LLC, NEWPORT BEACH, CA, 92660 (Report of: Public Works Department)

Recommendations

1. Accept the Agreement and Security for Public Improvements for Indian Avenue II LLC., Newport Beach, CA 92660.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.
5. Approve Parcel Map 35500.
6. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.

A.8 ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF JENNINGS COURT AND PENUNURI PLACE INTO THE CITY'S MAINTAINED STREET SYSTEM (Report of: Public Works Department)

Recommendation:

1. Adopt Resolution No. 2013-75. A Resolution of the City Council of the City of Moreno Valley, California, authorizing the acceptance of Jennings Court and Penunuri Place into the City's Maintained Street system.

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- A.9 PA06-0017 (P12-146) – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – FIRST INDUSTRIAL REALTY TRUST INC., EL SEGUNDO, CA 90245
(Report of: Public Works Department)

Recommendations

1. Accept the Agreement and Security for Public Improvements for First Industrial Realty Trust Inc., El Segundo, CA 90245.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

- A.10 APPROVE A COOPERATIVE AGREEMENT BETWEEN THE CITY OF MORENO VALLEY AND RIVERSIDE TRANSIT AGENCY (RTA) FOR THE INSTALLATION OF TRANSIT AMENITIES WITHIN THE PUBLIC RIGHT-OF-WAY
(Report of: Public Works Department)

Recommendations

1. Approve a Cooperative Agreement between the City of Moreno Valley and the Riverside Transit Agency for the installation of transit amenities within the public right-of-way.
2. Authorize the City Manager to execute the Cooperative Agreement.
3. Authorize the Public Works Director/City Engineer to execute any future amendments to the Cooperative Agreement, if needed, subject to the approval of the City Attorney.

- A.11 VALIDATION OF THE MAYOR'S APPOINTMENT OF MEMBER TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY
(Report of: Community & Economic Development Department)

Recommendations

1. Rescind the Mayor's appointment of Henry Garcia to the Oversight Board of the Successor Agency of the Community Redevelopment

Agency of the City of Moreno Valley (“Oversight Board”).

2. Validate the Mayor’s appointment of Ahmad Ansari to the Oversight Board of the Successor Agency of the Community Redevelopment Agency of the City of Moreno Valley (“Oversight Board”).

A.12 ADOPT A RESOLUTION REAPPROVING THE LOAN AGREEMENTS BETWEEN THE CITY OF MORENO VALLEY (“CITY”) AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (“SUCCESSOR AGENCY”)

(Report of: Community & Economic Development Department)

Recommendations

1. Adopt Resolution No. 2013-76. A Resolution of the City of Moreno Valley Confirming that Loan Agreements Between the Former Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley was for Loans in the combined amount of \$652,248 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish said Agreement as an Agreement between the City and the Successor Agency in Compliance with the Dissolution Act.

A.13 ADOPT A RESOLUTION REAPPROVING THE LOAN AGREEMENTS BETWEEN THE CITY OF MORENO VALLEY (“CITY”) AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (“SUCCESSOR AGENCY”)

(Report of: Community & Economic Development Department)

Recommendations

1. Adopt Resolution SA 2013-06. A Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Confirming That Loan Agreements Between the Former Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley was for Loans in the Combined Amount of \$652,248 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in Compliance with the Dissolution Act.

A.14 ADOPT A RESOLUTION REAPPROVING THE PUBLIC WORKS AGREEMENT BETWEEN THE CITY OF MORENO VALLEY (“CITY”) AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (“SUCCESSOR AGENCY”)

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(Report of: Community & Economic Development Department)

Recommendations

1. Adopt Resolution No. 2013-77. A Resolution of the City of Moreno Valley Confirming that the Public Works Agreement Between the Former Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley was for a Loan in the Amount of \$9,100,000 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in Compliance with the Dissolution Act.
2. Execute the Public Works Agreement dated July 12, 2005 (the "Existing Repayment Agreement").

- A.15 ADOPT A RESOLUTION REAPPROVING THE PUBLIC WORKS AGREEMENT BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY")
(Report of: Community & Economic Development Department)

Recommendations

1. Adopt Resolution No. SA 2013-07. A Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Confirming that the Public Works Agreement Between the Former Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley was for a Loan in the Amount of \$9,100,000 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in Compliance with the Dissolution Act.
2. Execute the Public Works Agreement dated July 12, 2005 (the "Existing Repayment Agreement").

- A.16 RESOLUTION APPROVING THE REPAYMENT AGREEMENT BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY").
(Report of: Community & Economic Development Department)

Recommendations

1. Adopt Resolution No. 2013-78. A Resolution of the City of Moreno Valley Confirming that the Repayment Agreement Between the City of

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Moreno Valley and the City of Moreno Valley, Acting in the Capacity as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, Was For a Loan in the Amount of \$150,000 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in Compliance with the Dissolution Act.

- A.17 RESOLUTION APPROVING THE REPAYMENT AGREEMENT BETWEEN THE CITY OF MORENO VALLEY (“CITY”) AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (“SUCCESSOR AGENCY”)
(Report of: Community & Economic Development Department)

Recommendations

1. Adopt Resolution No. SA 2013-08. A Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, Confirming that the Repayment Agreement between the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley Was for a Loan in the Amount of \$150,000 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in compliance with the Dissolution Act.

- A.18 RESOLUTION OF THE CITY OF MORENO VALLEY SERVING AS THE SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE INCLUDING ADMINISTRATIVE BUDGET FOR THE PERIOD OF JANUARY 1, 2014 THROUGH JUNE 30, 2014 (ROPS 13-14 B).
(Report of: Community & Economic Development Department)

Recommendations

1. Adopt Resolution No. SA 2013-09. A Resolution of the City Council of the City of Moreno Valley Serving as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving a Recognized Obligation Payment Schedule, Including Administrative Budget, for the Period of January 1, 2014 through June 30, 2014, and Authorizing the Executive Director or His Designee to Make Modifications Thereto.
2. Authorize the transmittal of the ROPS 13-14 B (“Exhibit A”) to the Oversight Board for review and approval.

- A.19 PA04-0063 (PM 32326) – ACCEPT DEVELOPMENT IMPACT FEE (DIF) IMPROVEMENT REIMBURSEMENT AND/OR CREDIT AGREEMENT #D10-002 AMENDMENT FOR PARCEL MAP NO. 32326 IMPROVEMENTS ASSOCIATED WITH THE CENTERPOINTE BUSINESS PARK BETWEEN FREDERICK STREET AND HEACOCK STREET AND CACTUS AVENUE AND BRODIAEA AVENUE. DEVELOPER - RIDGE MORENO VALLEY PROPERTY, LLC LONG BEACH, CA 90803
(Report of: Public Works Department)

Recommendations

1. Accept the Development Impact Fee Improvement Reimbursement and/or Credit Agreement #D10-002 (DIF Agreement) Amendment for Parcel Map No. 32326 improvements and right-of-way dedications.
2. Authorize the Mayor to execute the DIF Agreement Amendment.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

- B.2 MINUTES - REGULAR MEETING OF SEPTEMBER 10, 2013 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

- B.3 APPROVAL OF FISCAL YEAR 2012/13 CARRYOVERS AND FISCAL YEAR 2013/14 BUDGET ADJUSTMENT RECOMMENDATIONS
(Report of: Financial & Management Services Department)

Recommendation:

1. Adopt Resolution No. CSD 2013-17. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2013/14. Includes approving the Operating carryover expenditures from the FY 2012/13 approved budget presented in Exhibit A, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget; and Capital Improvement Program (CIP) carryover expenditures from the FY 2012/13 approved budget presented in Exhibit B, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget.

C. CONSENT CALENDAR - HOUSING AUTHORITY

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September 24, 2013

C.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

C.2 MINUTES - REGULAR MEETING OF SEPTEMBER 10, 2013 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

C.3 APPROVAL OF FISCAL YEAR 2012/13 CARRYOVERS AND FISCAL YEAR 2013/14 BUDGET ADJUSTMENT RECOMMENDATIONS

(Report of: Financial & Management Services Department)

Recommendation:

1. Adopt Resolution No. HA 2013-05. A Resolution of the Moreno Valley Housing Authority of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2013/14. Includes approving the Operating carryover expenditures from the FY 2012/13 approved budget presented in Exhibit A, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget; and Capital Improvement Program (CIP) carryover expenditures from the FY 2012/13 approved budget presented in Exhibit B, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

D.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

D.2 MINUTES - REGULAR MEETING OF SEPTEMBER 10, 2013 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

E. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration. Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Bailiff.

- E.1 PUBLIC HEARING REGARDING THE MAIL BALLOT PROCEEDING FOR APN 291-650-011 BALLOTING FOR NPDES (Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Conduct the Public Hearing and accept public testimony regarding the mail ballot proceeding for Assessor Parcel Number (APN) 291-650-011.
2. Direct the City Clerk to tabulate the National Pollutant Discharge Elimination System (NPDES) ballot for APN 291-650-011.
3. Verify and accept the results of the mail ballot proceeding as identified on the Official Tally Sheet.
4. Receive and file with the City Clerk's office the accepted Official Tally Sheet.
5. If approved, authorize and impose the NPDES maximum commercial/industrial regulatory rate to APN 291-650-011.

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

G. REPORTS

- G.1 CONSIDER THE PROCEDURAL OPTIONS TO FILL THE VACANCY ON THE COUNCIL IN DISTRICT 4 AND TAKE POSSIBLE ACTION TO FILL THE VACANCY (Report of: City Attorney Department)

Recommendations That the City Council:

1. Consider the various procedural options to fill the vacant Council seat in District 4 and take possible action to fill the vacancy by appointment or by calling for an election.
- G.2 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)
- G.3 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

H. LEGISLATIVE ACTIONS

- H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE
- H.2 ORDINANCES - 2ND READING AND ADOPTION - NONE

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

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

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

CLOSED SESSION

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

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

There is a three-minute time limit per person. Please complete and submit a BLUE speaker slip to the City Clerk. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

The Closed Session will be held pursuant to Government Code:

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

Number of Cases: 5

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

Number of Cases: 5

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

ADJOURNMENT

CERTIFICATION

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, certify that the City Council Agenda was posted in the following places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley
14177 Frederick Street

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Moreno Valley Library
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center
25075 Fir Avenue

Jane Halstead, CMC,
City Clerk

Date Posted: September 18, 2013

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September 24, 2013

MINUTES
CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY
September 10, 2013

CALL TO ORDER

SPECIAL PRESENTATIONS

1. Proclamation Recognizing National Preparedness Month - September 2013
2. Recognition of 2013 Summer Reading Program Super Readers, by Moreno Valley Friends of the Library
3. Business Spotlight
 - a) Sonora Grill Restaurant (District 5)
 - b) Tutu Barre Dance & Fitness Studio (District 4)

Business Spotlight was continued

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

**REGULAR MEETING – 6:00 PM
September 10, 2013**

CALL TO ORDER

The Joint Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Moreno Valley Housing Authority and the Board of Library Trustees was called to order at 6:24 p.m. by Mayor Tom Owings in the Council Chamber located at 14177 Frederick Street

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

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Pete Bleckert.

INVOCATION

Captain Julius Murphy - The Salvation Army - Moreno Valley Corps

ROLL CALL

Council:

Tom Owings	Mayor
Victoria Baca	Council Member
Jesse L. Molina	Council Member
Richard A. Stewart	Council Member

Staff:

Jane Halstead	City Clerk
Ewa Lopez	Deputy City Clerk
Richard Teichert	Chief Financial Officer/City Treasurer
Suzanne Bryant	City Attorney
Michelle Dawson	City Manager

Joel Ontiveros
Ahmad Ansari
Tom DeSantis
Mike McCarty
John Terell
Mike Smith

Police Chief
Public Works Director
Assistant City Manager
Parks & Community Services Director
Community and Economic Development Director
Battalion Chief

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

Alicia Espinoza, election for vacant council seat; recall; condolences to Council Member Baca for loss of her husband

Deanna Reeder, recall; time allowed for public comments at the study session meeting; charter meetings; election for vacant seat; street name change to March Memorial Drive

Wraymond Sawyer, election for vacant council seat

Tom Jerele Sr., City History

Susan Owings, Press-Enterprise article re FPPC imposing a fine on Skechers for late filing of campaign contribution statements; lawsuit against Nason Street improvements project

Robert Palomarez – jobs; growth of City's revenues; support for council

Louise Palomarez, jobs; recall

Scott Heveran, recall petition; election for vacant District 4 seat

Remaining public comments were taken after Item G.7

Pete Bleckert, March Memorial sign; vacant Council District 4 seat

Frank Wright, congratulated Mayor Pro Tem Jesse Molina on his appointment; Environmental impact report, World Logistics Center (funding, future progress); recall/ support for council; thanked staff and council for dedication

Chris Baca, vandalism of anti-recall signs; passing immigration reform resolution; vacant District 4 seat; election of vacant school board member

JOINT CONSENT CALENDARS (SECTIONS A-D) OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, MORENO VALLEY COMMUNITY SERVICES DISTRICT, COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE BOARD OF LIBRARY TRUSTEES

Mayor Tom Owings opened the agenda items for the Consent Calendars for public comments, which were received from Deanna Reeder (Items A.11 and A.12; opposes).

A. CONSENT CALENDAR-CITY COUNCIL

A.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

A.2 MINUTES - REGULAR MEETING OF JULY 9, 2013 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

A.3 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES FOR THE PERIOD OF JULY 3 - AUGUST 20, 2013. (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

A.4 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES FOR THE PERIOD OF AUGUST 21 - SEPTEMBER 9, 2013.(Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

A.5 APPROVE ECONOMIC DEVELOPMENT RATE AGREEMENT REVISION FOR MORENO VALLEY UTILITY (Report of: Public Works Department)

Recommendation:

Approve revision to the Economic Development Rate Agreement for Moreno Valley Utility.

A.6 AUTHORIZE SUBMISSION OF GRANT FUNDING APPLICATIONS FOR RIVERSIDE COUNTY TRANSPORTATION COMMISSION'S MULTI-FUNDING CALL FOR PROJECTS AND APPROVE RESOLUTION 2013-65

(Report of: Public Works Department)

Recommendations

1. Authorize the submittal of grant applications for the Riverside County Transportation Commission's (RCTC) Multi-funding Call for Projects.
2. Approve Resolution No. 2013-65. A Resolution of the City Council of the City of Moreno Valley, California indicating the City's commitment to provide a funding match for projects selected as a part of the RCTC Multi-funding Call for Projects. Resolution No. 2013-65, a Resolution of the City Council of the City of Moreno Valley, California, authorizing the submittal of applications for the RCTC Multi-Funding Call for Projects and Matching Fund Commitment

A.7 AWARD THE PURCHASE OF EMERGENCY VEHICLE PRE-EMPTION EQUIPMENT TO GLOBAL TRAFFIC TECHNOLOGIES FOR RETROFITTING 117 EXISTING SIGNALIZED INTERSECTIONS—PROJECT NO. 808 0010 70 76

(Report of: Public Works Department)

Recommendations

1. Award the purchase of Emergency Vehicle Pre-emption systems for Project No. 808 0010 70 76 to Global Traffic Technologies.
2. Authorize the Purchasing & Facilities Division Manager to execute a Purchase Order to Global Traffic Technologies, in the amount of \$319,062.39 (\$282,356.10 for the bid amount, plus sales tax and 5% contingency) - Account No. 3302-70-76-80008-660310).

A.8 APPROVAL OF PAYMENT REGISTER FOR MAY, 2013

(Report of: Financial & Management Services Department)

Recommendation:

Adopt Resolution No. 2013-66. A Resolution of the City of Moreno Valley, California approving the Payment Register for the month of May, 2013 in the amount of \$12,527,069.50. Resolution No. 2013-66, A Resolution of the City Council of the City of Moreno Valley, California, Approving the Payment Register for the Month of May, 2013.

A.9 APPROVAL OF PAYMENT REGISTER FOR JUNE, 2013

(Report of: Financial & Management Services Department)

Recommendation:

Adopt Resolution No. 2013-67. A Resolution of the City of Moreno Valley, California approving the Payment Register for the month of June, 2013 in the amount of \$22,008,214.83. A Resolution of the City Council of the City

of Moreno Valley, California Approving the Payment Register for the Month of June, 2013.

- A.10 RECEIPT OF QUARTERLY INVESTMENT REPORT – QUARTER ENDED JUNE 30, 2013
(Report of: Financial & Management Services Department)

Recommendation:

Receive and file the Quarterly Investment Report, in compliance with the City's Investment Policy.

- A.11 ADOPT RESOLUTION NO. 2013-68 APPROVING THE RELOCATION PLAN FOR ELIGIBLE OCCUPANTS OF A SINGLE FAMILY RESIDENCE LOCATED AT 13597 NASON STREET (APN 487-470-017) FOR THE NASON STREET FROM CACTUS AVENUE TO FIR AVENUE STREET IMPROVEMENT PROJECT – PROJECT NO. 801 0001 70 77
(Report of: Public Works Department)

Recommendation:

Adopt Resolution No. 2013-68 approving the Relocation Plan for eligible occupants of a single family residence located at 13597 Nason Street (APN: 487-470-017). Resolution No. 2013-68, A Resolution of the City Council of the City of Moreno Valley, California, Approving the Relocation Plan for Eligible Occupants of a single family residence located at 13597 Nason Street (APN 487-470-017) for the Nason Street from Cactus Avenue to Fir Avenue Street Improvement Project – Project No. 801 0001 70 77.

- A.12 RIGHT OF WAY EASEMENTS (APNS 487-470-023 AND 487-470-026) AND DRAINAGE EASEMENT (APN 487-470-023) FOR THE NASON STREET FROM CACTUS AVENUE TO FIR AVENUE STREET IMPROVEMENT PROJECT
PROJECT NO. 801 0001 70 77
(Report of: Public Works Department)

Recommendations

1. Adopt Resolution No. 2013-69. A Resolution of the City Council of the City of Moreno Valley, California, granting a roadway easement on City owned parcels fronting the west side of Nason Street between Alessandro Boulevard and Cottonwood Avenue known as Assessor Parcel Numbers 487-470-023 and 487-470-026.
2. Authorize the granting of roadway easements for the City owned parcels known as Assessor Parcel Numbers 487-470-023 and 487-470-026.

3. Direct the City Clerk to forward the Resolution to the Mayor for execution and the roadway Easement Deeds to the Public Works Director/City Engineer for execution and to forward the documents to the County Recorder's office for recordation for Assessor Parcel Numbers 487-470-023 and 487-470-026.
4. Adopt Resolution No. 2013-70. A Resolution of the City Council of the City of Moreno Valley, California, granting a drainage easement on a City owned parcel on the northwest corner of Alessandro Boulevard and Nason Street known as Assessor Parcel Number 487-470-023.
5. Authorize the granting of a drainage easement for the City owned parcel known as Assessor Parcel Number 487-470-023.
6. Direct the City Clerk to forward the Resolution for Assessor Parcel Number 487-470-023 to the Mayor for execution and the Drainage Easement to the Public Works Director/City Engineer for execution and to forward the documents to the County Recorder's office for recordation for Assessor Parcel Number 487-470-023.

A.13 APPROVE BIO-TOX LABORATORIES PURCHASE ORDER FOR \$125,000
(Report of: Police Department)

Recommendation:

Authorize the Moreno Valley Police Department to execute a Purchase Order to Bio-Tox Laboratories, 1965 Chicago Ave. #C, Riverside, CA 92507, for \$125,000 (Account No. 1010-60-65-40010-625099)

A.14 PA07-0080 (PM 35672) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS
(Report of: Public Works Department)

Recommendations

1. Approve Parcel Map 35672 and authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.
2. Accept the Agreement and Security for Public Improvements.
3. Authorize the Mayor to execute the Agreement.
4. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.

5. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

- A.15 PA13-0012 – APPROVAL OF PROPOSED RESOLUTION FOR THE VACATION OF A PORTION OF JOY STREET FROM CACTUS AVENUE TO BRODIAEA AVENUE
(Report of: Public Works Department)

Recommendations

1. Adopt the Resolution No. 2013-71. A Resolution of the City Council of the City of Moreno Valley, California, ordering the vacation of a portion of Joy Street from Cactus Avenue to Brodiaea Avenue.
2. Direct the City Clerk to certify said resolution and transmit a copy of the resolution to the County Recorder's office for recording.

- A.16 RECOMMENDATION TO ESTABLISH THE CLASSIFICATION OF RECYCLING SPECIALIST IN THE PUBLIC WORKS DEPARTMENT
(Report of: Administrative Services Department)

Recommendation:

Adopt the new position, class specification and salary range of the Recycling Specialist in the Public Works Department.

- A.17 APPROVAL OF PAYMENT REGISTER FOR JULY, 2013
(Report of: Financial & Management Services Department)

Recommendation:

Adopt Resolution No. 2013-72. A Resolution of the City Council of the City of Moreno Valley, California, approving the Payment Register for the month of July, 2013 in the amount of \$11,239,988.26.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

- B.2 MINUTES - REGULAR MEETING OF JULY 9, 2013 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

- B.3 REPLACEMENT OF PLAY STRUCTURES AND PLAYGROUND

SURFACING AT FAIRWAY PARK, EL POTRERO PARK, AND BETHUNE PARK

(Report of: Parks & Community Services Department)

Recommendations

1. Award Purchase Order to Miracle Recreation Equipment Company, 8445 Solution Center, Chicago, IL 60677-8004 for material and labor to replace play structures and playground surfacing at Fairway Park, El Potrero Park, and Bethune Park.
 2. Authorize the Purchasing Manager to execute a purchase order in an amount not to exceed \$381,928.11 as appropriated in FY13/14, in GL account 3006-50-57-80007-720199, project number 807 0004 50 57 3006Q.
 3. Authorize the issuance of a Purchase Order to Miracle Recreation Equipment Company, in the amount of \$381,928.11 (\$356,928.11 for the bid amount plus 7% contingency) when the contract has been signed by all parties.
 4. Authorize the Parks and Community Services Director to execute any subsequent change orders to the contract with Miracle Recreation Equipment Company, up to but not to exceed the Purchase Order contingency of \$25,000 subject to the approval of the City Attorney.
 5. Authorize the Parks and Community Services Director to accept the improvements into the Community Services District's maintained system upon acceptance of the improvements as complete.
- B.4 AMEND THE CONTRACT WITH THINK TOGETHER, INC., TO OPERATE DAY-TO-DAY ACTIVITIES AND FUNCTIONS INVOLVING THE CITY'S AFTER SCHOOL EDUCATION AND SAFETY (ASES) GRANT PROGRAM FOR FISCAL YEAR 2013-14 THROUGH FISCAL YEAR 2015-16
(Report of: Parks & Community Services Department)

Recommendations

1. Authorize the City Manager to amend the contract entered into with THINK Together, Inc., on April 26, 2011, to operate day-to-day activities and functions of the City's Prop 49 state-funded ASES after school grant program, as outlined within this document.
2. Authorize the additional revenue and expense budgets in the ASES Program Grant Fund (Fund 2202) for the ASES Grant Program in the amount of \$520,050, respectively, upon approval of the contract amendment with THINK Together, Inc.

B.5 ACCEPTANCE OF GRANT MONIES FROM THE CALIFORNIA DEPARTMENT OF EDUCATION, CHILD DEVELOPMENT SERVICES, FOR CHILD CARE SERVICES AND ADOPTION OF THE RESOLUTION TO CERTIFY THE APPROVAL OF THE GOVERNING BOARD
(Report of: Parks & Community Services Department)

Recommendations

1. Authorize the acceptance of grant money in the amount of \$547,461 for Fiscal Year (FY) 2013/2014 from the California Department of Education, Child Development Division, for the purpose of providing school age child care and development services.
2. Adopt Resolution No. CSD 2013-16. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, certifying the approval of the governing board to enter into this transaction with the California Department of Education for the purpose of providing child care and development services and to authorize the designated personnel, to sign contract documents for FY 2013/2014.

B.6 SECOND EXTENSION OF THE AGREEMENT – PROJECT NO. 2011 TREE TRIM/REMOVAL MAINTENANCE
(Report of: Financial & Management Services Department)

Recommendations

1. Approve the Second Extension of the Agreement (“Second Extension Agreement”) for Project No. 2011, Tree Trim/Removal Services, with West Coast Arborists, Inc., 2200 E. Burton Street, Anaheim, CA 92806 for tree trimming and removal services within Community Services District (CSD) zones D, E-1, E-1A, E-2, E-3, E-4, E-7, E-8, E-12, E-14, E-15, E-16, M and S.
2. Authorize the City Manager to execute the Second Extension Agreement for tree trimming/removal services with West Coast Arborists, Inc.
3. Authorize the issuance of a purchase order for services beginning September 1, 2013 to West Coast Arborists, Inc., in the not-to-exceed (NTE) amount of \$97,050.00. This amount includes \$82,705.00 for base and \$14,345.00 for additional work.
4. Authorize the City Manager to execute subsequent Extensions or Amendments to the Agreement, within Council approved annual budgeted amounts, including the authority to authorize the associated purchase order (P.O.) 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

Recommendation: Waive reading of all Ordinances.

C.2 MINUTES - REGULAR MEETING OF JULY 9, 2013 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

D.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

D.2 MINUTES - REGULAR MEETING OF JULY 9, 2013 (Report of: City Clerk's Department)

Recommendation:

Approve as submitted.

Motion to Approve Joint Consent Calendar Items A.1 through D.2 by m/Council Member Jesse L. Molina, s/Council Member Victoria Baca

Approved by a vote of 4-0.

E. PUBLIC HEARINGS

E.1 PUBLIC HEARING FOR AN AMENDMENT 4 TO DEVELOPMENT AGREEMENT 102-89, P13-027 (REGARDING TENTATIVE TRACT 24203) THE APPLICANT IS BLUE RIBBON ENTERPRISES, LLC AND HIGHLAND HILLS DEVELOPMENT CORP.

(Report of: Community & Economic Development Department)

Recommendations That the City Council:

1. RECOGNIZE that the Development Agreement Amendment will not have the potential for any direct or indirect impacts under CEQA and is therefore exempt under Section 15061 of the CEQA Guidelines.
2. ADOPT Resolution No. 2013-73. A Resolution of the City of Moreno Valley, California, Approving the Fourth Amendment to Development Agreement 102-89 (P13-027) to Extend the Term of the Agreement by Five Years and Modifying the Terms of the Agreement Related to

the Park Improvements for Tentative Tract 24203.

Mayor Tom Owings opened the public testimony portion of the public hearing; there being none, public testimony was closed.

RECOGNIZE that the Development Agreement Amendment will not have the potential for any direct or indirect impacts under CEQA and is therefore exempt under Section 15061 of the CEQA Guidelines. by m/Council Member Jesse L. Molina, s/Mayor Tom Owings

Approved by a vote of 4-0.

ADOPT Resolution No. 2013-73. A Resolution of the City of Moreno Valley, California, Approving the Fourth Amendment to Development Agreement 102-89 (P13-027) to Extend the Term of the Agreement by Five Years and Modifying the Terms of the Agreement Related to the Park Improvements for Tentative Tract 24203. by m/Council Member Jesse L. Molina, s/Council Member Victoria Baca

Approved by a vote of 4-0.

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION - none

G. REPORTS

- G.1 PUBLIC MEETING REGARDING THE MAIL BALLOT PROCEEDING FOR APN 291-650-011 BALLOTING FOR NPDES
(Report of: Financial & Management Services Department)

Recommendations That the City Council:

Accept public comments regarding the mail ballot proceeding for Assessor Parcel Number (APN) 291-650-011 for approval of the National Pollutant Discharge Elimination System (NPDES) maximum commercial/industrial regulatory rate.

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

- G.2 MONTHLY REPORT: MORENO VALLEY ANIMAL SHELTER ADOPTION RATE
(Report of: Administrative Services Department)

Recommendations That the City Council:

Receive and file the Monthly Report: Moreno Valley Animal Shelter Adoption Rate for the periods of May 1, 2013 to May 31, 2013 and June 1,

2013 to June 30, 2013.

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

- G.3 APPOINT A VOTING DELEGATE AND ALTERNATE DELEGATES FOR THE LEAGUE OF CALIFORNIA CITIES (LCC) 2013 ANNUAL CONFERENCE BUSINESS MEETING
(Report of: City Clerk's Department)

Recommendations That the City Council:

Appoint a voting delegate, and first and second alternate delegates for the League of California Cities (LCC) 2013 Annual Conference business meeting.

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

Appoint Council Member Richard A. Stewart as a voting delegate and Public Works Director Ahmad Ansari as first alternate delegate. by m/Council Member Jesse L. Molina, s/Council Member Richard A. Stewart

Approved by a vote of 4-0.

- G.4 2013 COUNCIL COMMITTEE PARTICIPATION APPOINTMENTS TO VACANT POSITIONS
(Report of: City Clerk's Department)

Recommendations That the City Council:

1. Appoint Council Member Council Member Victoria Baca to serve as the City of Moreno Valley's representative on the March Joint Powers Commission (MJPC).
2. Appoint Council Member Council Member Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the Riverside County Transportation Commission (RCTC).
3. Appoint Council Member Council Member Victoria Baca to serve as the City of Moreno Valley's alternate representative on the Riverside Transit Agency (RTA).
4. Appoint Council Member Council Member Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the Western Riverside Council of Governments (WRCOG).

5. Appoint Council Member Council Member Jesse L. Molina to serve on the City of Moreno Valley's Economic Development Subcommittee.
6. Appoint Council Member Council Member Jesse L. Molina to serve on the City of Moreno Valley's Finance Subcommittee.
7. Appoint Council Member Council Member Victoria Baca to serve as the alternate on the City of Moreno Valley's Public Safety Subcommittee.

Mayor Tom Owings opened the agenda item for public comments, which were received from Marcia Amino, Scott Heveran, Deanna Reeder, Louise Palomarez, Christopher Baca, Bob Palomarez, Elena Santa Cruz and Pete Bleckert.

Approve Recommendations Nos. 1, 2, 3 & 4 for the following agencies: MJPC, RCTC, RTA, and WRCOG committees that pay stipends. by m/Council Member Jesse L. Molina, s/Mayor Tom Owings

Approved by a vote of 3-1, Council Member Richard A. Stewart opposed.

Approve Recommendations Nos. 5, 6, & 7 for committees that are non-stipend by m/Council Member Jesse L. Molina, s/Mayor Tom Owings

Approved by a vote of 3-1, Council Member Richard A. Stewart opposed.

G.5 DISCUSSION AND APPOINTMENT REGARDING MAYOR PRO TEM POSITION (Report of: City Clerk's Department)

Recommendations That the City Council:

Select a Council Member to serve as Mayor Pro Tem for the remainder of the unexpired term.

Mayor Tom Owings nominated Council Member Jesse Molina.

Motion to conduct the selection process by voice vote. by m/Mayor Tom Owings, s/Council Member Richard A. Stewart

Approved by a vote of 4-0.

Mayor Tom Owings opened the agenda item for public comments, which

were received from Christopher Baca, Louise Palomarez, and Elena Santa Cruz.

Motion to approve nomination of Council Member Jesse Molina as Mayor Pro Tem. by m/Council Member Victoria Baca, s/Mayor Tom Owings

Approved by a vote of 4-0.

City Clerk Jane Halstead swore in Mayor Pro Tem Jesse Molina.

Recess;
Reconvened

G.6 APPOINTMENTS TO THE CITY COUNCIL ADVISORY BOARDS AND COMMISSIONS
(Report of: City Clerk's Department)

Recommendations That the City Council:

Ratify extending the expiring August 31, 2013 terms of the current City Council Advisory Board and Commission members to October 31, 2013 to allow additional time for recruitment.

Mayor Tom Owings opened the agenda item for public comments, which were received from Deanna Reeder.

Ratify extending the expiring August 31, 2013 terms of the current City Council Advisory Board and Commission members to October 31, 2013 to allow additional time for recruitment. by m/Council Member Richard A. Stewart, s/Council Member Victoria Baca

Approved by a vote of 4-0.

G.7 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

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

Thanked Technology Services staff for helping the City Council and City Clerk's office implement the new electronic voting system; announced that yesterday marked reopening of the Moreno Valley Library now being operated with LSSI, with enhanced library services and budgeted savings; last Friday a grand opening of BevMo in the TownGate Center was held; thanked CFO Teichert for attending the opening; stated that last week she appointed John Terrell as Community and Economic Development Director

and congratulated John on his promotion.

G.8 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

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

The City Attorney reported the following:

On August 27, 2013, the Internal Revenue Service signed the Closing Agreement on Final Determination Covering Specific Matters which the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley had authorized the Mayor in Closed Session on August 20, 2013 regarding the examination of the 2007 Tax Allocation Bonds. The Successor Agency has paid the \$150,000 negotiated settlement.

On July 19, 2013, a Dismissal was filed with the Riverside Superior Court in Case Number RIC 1300345 entitled Sierra Club and Residents for a Livable Moreno Valley v. the City of Moreno Valley and Ridge Moreno Valley LLC. This involved the property at the northeast corner of Frederick and Cactus.

H. LEGISLATIVE ACTIONS

H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE

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

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

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

Mayor Tom Owings

1. Stated that California Supreme Court declared that the Moreno Valley sign ordinance is unconstitutional; there is no excuse for vandalism of posted signs
2. Don Ecker, March LifeCare, made a promise to pay for the March Memorial signs; he owes the City money for these signs, as the City acted in good faith
3. Stated that negotiations are in process to purchase The Press-

Enterprise by the owner of the Orange County Register; hopes positive, unbiased articles about the City will be printed

4. Stated that if a recall is done at a special election, where turnout is low, only a handful of voters would decide the outcome

5. Quoted numbers reported by economist John Husing and WRCOG report: Measure A money are up - Moreno Valley will receive larger share for repairs and maintenance of streets; poverty level in this County is increasing and median income adjusted for inflation is going down; education level in Riverside County is one of the lowest in the State; healthcare and logistics centers are strong sectors adding jobs; manufacturing has a strong income, but the actual number of manufacturing jobs decreased because of regulations, making it not a viable alternative; construction sector has net job loss; Council needs to provide jobs as we have close to 14% unemployment, compared with 8% with Los Angeles area; need to look at the facts objectively and the rights of all people need to be taken into consideration; The report will be available on the City's Website

Council Member Richard Stewart

1. Referred to his press release and clarified his involvement with anti-corruption task force - made it clear that he was asked to cooperate and work with investigators and was not a member of the task force; primarily explained the processes on the City Council; is not aware of any criminal activities of the City Council

2. Emphasized that education is important; employers expect people to be able to read and do simple math

3. Idea of logistics centers and warehouses - have to have an open mind; most people agree to warehouses being located in another area, e.g. closed to March Base, but not close to their home

4. Stated that he is willing to contribute and to help in any way he can, and be a team member

5. With Council Members Baca, Molina and staff, will attend California League of Cities conference on Wednesday, which offers a variety of really good seminars

Mayor Pro Tem Jesse Molina

1. Thanked everybody, thanked Police Department, Fire Department, staff for doing so much with so little

2. Stated that he came to the office with an idea to unite the City; you do this by building bridges and sometimes by tearing them down

3. Thanked the City Manager for opening up cooling centers at the Conference and Recreation Center, the Library and the Senior Center

4. As Mayor Pro Tem will do what he can and take his share of the load

5. Requested to adjourn the meeting in memory of Mr. Raul Wilson and

Tiana Ricks

Council Member Baca

1. Hopes the police will find the killer of Tiana Ricks; stated she knows that police will do the best
2. Attended Emmy nomination for the “Val’s Oil” video produced by MVTV-3 staff - it was an honor to be among the best; it shows how good the team is
3. Attended National League of Cities in Las Vegas
4. Thanked Mayor for appointments made
5. Attended a ribbon cutting of BevMo - it was fantastic, great event; many people attended
6. Ulta Beauty - now we can find cosmetics here
8. Box Spring Mutual Water Company in Edgemont – continue our efforts to bring the grant money from the State so we can repair and upgrade the water infrastructure; promised that we will do something about Edgemont, it will be a wonderful place to live; need to build up this community
9. Ditto to the Mayor; stated that the majority of people love Moreno Valley and have pride in Moreno Valley; wants the City to be better; emphasized that we have the first amendment and people have the right to voice their opinion

Mayor Pro Tem Jesse Molina led closing prayer.

CLOSED SESSION - canceled

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned in memory of Raul Wilson and Tiana Ricks at 9:33 p.m. by unanimous informal consent.

Submitted by:

City Clerk Jane Halstead, CMC
Secretary, Moreno Valley Community Services District
Secretary, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
Secretary, Moreno Valley Housing Authority
Secretary, Board of Library Trustees

Approved by:

Mayor Tom Owings
President, Moreno Valley Community Services District
Chairperson, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
Chairperson, Moreno Valley Housing Authority
Chairperson, Board of Library Trustees

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Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: September 24, 2013

TITLE: CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Reports on Reimbursable Activities for the period of September 4-17, 2013.

<i>Reports on Reimbursable Activities</i>			
September 4-17, 2013			
Council Member	Date	Meeting	Cost
Victoria Baca		None	
Jesse L. Molina		None	
Tom Owings		None	
Richard A. Stewart	9/10/13	Moreno Valley Hispanic Chamber of Commerce Adelante	\$10.00

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

Department Head Approval:
Jane Halstead
City Clerk

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: September 24, 2013

TITLE: FIRST AMENDMENT TO AGREEMENT NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM URBAN RUNOFF DISCHARGE PERMIT IMPLEMENTATION AGREEMENT SANTA ANA REGION (SANTA ANA DRAINAGE AREA)

RECOMMENDED ACTION

Recommendations:

1. Approve the First Amendment to Agreement National Pollutant Discharge Elimination System Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area).
2. Authorize the City Manager to execute said First Amendment to Agreement.
3. Direct the City Clerk to attest to said approval.
4. Direct the City Clerk to transmit said First Amendment to Agreement to the Riverside County Flood Control and Water Conservation District.

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable.

BACKGROUND

The First Amendment to Agreement National Pollutant Discharge Elimination System Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area) acknowledges recent geographic and regulatory changes affecting

four cities as parties to the Agreement National Pollutant Discharge Elimination System Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area). Additionally, the First Amendment to Agreement adds one new city as a party.

On December 14, 2010, the City Council approved the Implementation Agreement and authorized the Mayor to execute the agreement. On February 9, 2011, the Riverside County Board of Supervisors approved the Implementation Agreement. Earlier today, the Riverside County Board of Supervisors was expected to approve the First Amendment to Agreement.

Staff has placed this item on the City Council agenda in response to the request from the County of Riverside to approve and sign the First Amendment to Agreement and return the executed amendment by October 1, 2013. An executed Amendment to Agreement will ensure the Implementation Agreement is accurate and assists the City to remain in compliance with the 2010 NPDES Permit.

DISCUSSION

The current Implementation Agreement is an agreement between the City of Moreno Valley, 14 other cities, the County of Riverside, and the Riverside County Flood Control and Water Conservation District (FCD), collectively (parties). The agreement establishes the responsibilities of each party concerning compliance with the 2010 National Pollutant Discharge Elimination System (NPDES) Permit. The Implementation Agreement is a requirement of the NPDES Permit. The agreement provides a means for the parties to pool resources thus reducing individual parties' costs for NPDES Permit implementation.

The First Amendment to Agreement modifies the Implementation Agreement as follows;

- Acknowledges the dual regulation agreement of the cities of Murrieta and Wildomar between the Santa Ana Regional Water Quality Control Board and the San Diego Regional Water Quality Control Board.
- Adds the newly incorporated City of Jurupa Valley as a party.
- Includes the entire corporate boundary of the City of Menifee within the Santa Ana River Watershed NPDES Permit area.

The First Amendment to Agreement has been reviewed and approved as to form by the City Attorney.

ALTERNATIVES

1. Approve the First Amendment to Agreement National Pollutant Discharge Elimination System Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area), authorize the City Manager to execute said First Amendment to Agreement, direct the City Clerk to attest to said approval and direct the City Clerk to transmit the agreement to the Riverside

County Flood Control and Water Conservation District. *Approval of this alternative acknowledges the existing geographic and regulatory changes affecting the parties, thus providing an accurate agreement to remain in compliance with the 2010 NPDES Permit.*

2. Do not approve the First Amendment to Agreement National Pollutant Discharge Elimination System Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area), authorize the City Manager to execute said First Amendment to Agreement, direct the City Clerk to attest to said approval and direct the City Clerk to transmit the agreement to the Riverside County Flood Control and Water Conservation District. *Approval of this alternative does not acknowledge the existing geographic and regulatory changes affecting the parties, thus providing an accurate agreement to remain in compliance with the 2010 NPDES Permit.*

FISCAL IMPACT

For Fiscal Year 2013/14, the City's estimated fair-share cost per the Implementation Agreement is \$79,084.00. The approved Fiscal Year 2013/14 Operating Budget has sufficient funds in Fund 2008-70-29-20453-620320 for the anticipated expenses. There are no additional fiscal impacts associated with staff's recommendations.

The Storm Water Management Program implements federal and State mandated water quality programs. Funds within the Storm Water—NPDES Fund are restricted for use to ensure the City implements necessary program components to remain in compliance with federal and State mandates of the federal Clean Water Act and the State Porter-Cologne Water Quality Control Act.

CITY COUNCIL GOALS

This action furthers City Council goals by:

- § Revenue Diversification and Preservation—It provides additional resources to implement unfunded state and Federal mandates.
- § Public Safety—It provides for enhancement of water quality and control of wastes.

SUMMARY

The First Amendment to Agreement National Pollutant Discharge Elimination System (NPDES) Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area) acknowledges recent changes affecting other parties to the agreement as well as adding a new party. Sufficient funds are budgeted in the approved Fiscal Year 2013/14 Operating Budget.

NOTIFICATION

Publication of agenda.

ATTACHMENTS

Attachment 1: First Amendment to Agreement National Pollutant Discharge Elimination System (NPDES) Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area)

Attachment 2: Copy of executed Agreement National Pollutant Discharge Elimination System (NPDES) Urban Runoff Discharge Permit Implementation Agreement Santa Ana Region (Santa Ana Drainage Area)

Prepared By:
Kent Wegelin
Storm Water Program Manager

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Mark W. Sambito, P.E.
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

FIRST AMENDMENT TO AGREEMENT

National Pollutant Discharge Elimination System
Urban Runoff Discharge Permit
Implementation Agreement
Santa Ana Region
(Santa Ana Drainage Area)

This First Amendment ("Amendment") to that certain agreement ("Agreement") entered into by and between the RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT ("DISTRICT"), the COUNTY OF RIVERSIDE ("COUNTY"), and the CITIES OF BEAUMONT, CALIMESA, CANYON LAKE, CORONA, EASTVALE, HEMET, LAKE ELSINORE, MENIFEE, MORENO VALLEY, MURRIETA, NORCO, PERRIS, RIVERSIDE, SAN JACINTO and WILDOMAR (individually, "CITY" and collectively, "CITIES") (each of the DISTRICT, COUNTY and CITIES shall be a "PARTY", and collectively, "PARTIES") with respect to establishing the responsibilities of each PARTY concerning compliance with the National Pollutant Discharge Elimination System Urban Runoff Discharge Permit issued by the California Regional Water Quality Control Board - Santa Ana Region ("RWQCB-SAR") pursuant to Order No. R8-2010-0033 ("NPDES Permit"), is entered into by and between the PARTIES and the CITY of JURUPA VALLEY with respect to the following:

RECITALS

WHEREAS, the RWQCB-SAR issued the NPDES Permit to DISTRICT, COUNTY and CITIES on January 29, 2010; and

WHEREAS, the NPDES Permit designates DISTRICT as the "Principal Permittee", and COUNTY and CITIES as "Co-Permittees"; and

WHEREAS, cooperation between the PARTIES in the administration and implementation of the NPDES Permit is in the best interests of the PARTIES; and

WHEREAS, the PARTIES entered into the Agreement to facilitate the administration and implementation of the NPDES Permit; and

WHEREAS, on July 20, 2010 and July 21, 2010 the CITIES of MURRIETA and WILDOMAR, respectively, pursuant to California Water Code section 13228, requested that the RWQCB-SAR designate the California Regional Water Quality Control Board – San Diego Region ("RWQCB-SDR") as the regulating authority for all portions of those CITIES, regardless of RWQCB jurisdictional boundaries for matters pertaining to MS4 permitting; and

WHEREAS, on July 22, 2010, the CITY of MENIFEE requested that the RWQCB-SDR designate the RWQCB-SAR as the regulating authority for all portions of the CITY, regardless of RWQCB jurisdictional boundaries for matters pertaining to MS4 permitting; and

WHEREAS, on September 28, 2010, the Executive Officers of the RWQCB-SAR and RWQCB-SDR signed Designation Agreements, pursuant to Water Code Section 13228(a), providing (1) the RWQCB-SDR authority to regulate municipal stormwater runoff from the CITIES of MURRIETA and WILDOMAR, including those portions of the CITIES that fall within the RWQCB-SAR geographic jurisdiction; and (2) the RWQCB-SAR the authority to regulate municipal stormwater runoff from all portions of the CITY of MENIFEE, including those portions that are within the RWQCB-SDR geographic jurisdiction; and

WHEREAS, in accordance with the RWQCB-SDR Permit, Order No. R9-2010-0016, the CITIES of MURRIETA and WILDOMAR are required to comply with the applicable provisions of the Santa Ana NPDES MS4 Permit, Order R8-2010-0033, pertaining to implementation of the Nutrient Total Maximum Daily Load (TMDL) for Lake Elsinore and

Canyon Lake; and

WHEREAS, Order R8-2010-0033 requires the CITY of MENIFEE to comply with TMDLs and associated MS4 permit requirements issued by the RWQCB-SDR which include the CITY of MENIFEE as a responsible PARTY; and

WHEREAS, on June 7, 2013 the RWQCB-SAR NPDES Permit Order No. R8-2010-0033 was amended with Order No. R8-2013-0024 to provide for the removal of the CITIES of MURRIETA and WILDOMAR and the addition of the newly incorporated CITIES of EASTVALE and JURUPA VALLEY; and

WHEREAS, the entire jurisdictional areas of the CITIES of MURRIETA and WILDOMAR are now regulated by the RWQCB-SDR with respect to MS4 stormwater discharges ' and are no longer subject to the RWQCB-SAR NPDES Permit except with respect to those CITIES' compliance with the Nutrient TMDL for Lake Elsinore and Canyon Lake; and

WHEREAS, portions of the jurisdictional area of the CITY of MENIFEE were previously under the jurisdiction of the RWQCB-SDR and the entire jurisdictional area of the CITY of MENIFEE is now under the jurisdiction of the RWQCB-SAR.

NOW, THEREFORE, the PARTIES do mutually agree as follows:

1. Removal of CITIES of MURRIETA and WILDOMAR. Upon the Effective Date of this Amendment, the CITIES of MURRIETA and WILDOMAR are no longer subject to the terms of this Agreement except as necessary to meet their respective TMDL obligations (including cost shares for regional TMDL programs paid for through this agreement, timely implementation of Comprehensive Nutrient Reduction Plan programs and requirements, and timely submittal of information needed to satisfy TMDL reporting

requirements) and except for where the CITIES of MURRIETA and WILDOMAR wish to participate in other related reports, studies or programs that may be necessary to address the Lake Elsinore and Canyon Lake Nutrient TMDL or other future TMDLs regulating the portion of the CITIES of MURRIETA and WILDOMAR within the RWQCB-SAR jurisdiction.

2. Addition of CITY of JURUPA VALLEY. Upon the Effective Date of this Amendment, the CITY of JURUPA VALLEY is a PARTY under the Agreement and shall be considered a "CITY" for purposes of all duties and responsibilities assigned, and all benefits accruing, to CITIES under the Agreement.

3. Permit Area Amendment. As used in the Agreement, the term "Permit Area" shall include the entire jurisdictional area of the CITY of MENIFEE.

4. Effective Date of Amendment. This Amendment shall become effective on the last date that both (a) duly authorized representatives of PARTIES representing a majority of the percentage contribution set forth in Section 4 of the Agreement and (b) the CITIES of JURUPA VALLEY, MENIFEE, MURRIETA and WILDOMAR sign the Amendment. Each PARTY's vote shall be calculated according to the percentage contribution of each PARTY as described in Section 4 of the Agreement.

5. Budget Responsibility of CITY of JURUPA VALLEY. Upon the Effective Date of the Amendment, the CITY of JURUPA VALLEY shall be responsible for the shared costs discussed in Section 4 of the Agreement for the current and any subsequent budget year.

6. Effectiveness of Agreement. Except as amended herein, all provisions in the Agreement remain in full force and effect.

7. Applicability of Prior Agreements. This Amendment, the Agreement and the exhibits attached hereto constitute the entire Agreement between the PARTIES with respect to the subject matter; all prior agreements, representations, statements, negotiations, and undertakings are superseded hereby.

8. Execution in Counterparts. This Amendment may be executed and delivered in any number of counterparts or copies ("counterpart") by the PARTIES hereto. When each PARTY has signed and delivered at least one counterpart to the other PARTIES hereto, each counterpart shall be deemed an original and, taken together, shall constitute one and the same agreement, which shall be binding and effective as to the PARTIES hereto.

IN WITNESS WHEREOF, the PARTIES have executed this Amendment on the dates set forth below.

RECOMMENDED FOR APPROVAL:

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By _____
WARREN D. WILLIAMS
General Manager-Chief Engineer

By _____
MARION ASHLEY, Chairman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

Date: _____

APPROVED AS TO FORM:

ATTEST:

PAMELA J. WALLS
County Counsel

KECIA HARPER-IHEM
Clerk of the Board

By _____
Karin Watts-Bazan
Principal Deputy County Counsel

By _____
Deputy

Date: _____

(SEAL)

RECOMMENDED FOR APPROVAL:

COUNTY OF RIVERSIDE

By _____
JAY ORR
Riverside County Executive Officer

By _____
JOHN J. BENOIT, Chairman
Riverside County Board of Supervisors
Fourth District

Date: _____

APPROVED AS TO FORM:

ATTEST:

PAMELA J. WALLS
County Counsel

KECIA HARPER-IHEM
Clerk of the Board

By _____
KARIN WATTS-BAZAN
Principal Deputy County Counsel

By _____
Deputy

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF BEAUMONT

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF CALIMESA

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF CANYON LAKE

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF CORONA

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF EASTVALE

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF HEMET

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF JURUPA VALLEY

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF LAKE ELSINORE

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF MENIFEE

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF MORENO VALLEY

By _____
Suzanne M. Bryant, City Attorney

By _____
Tom Owings, Mayor

ATTEST:

By _____
Jane Halstead, City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF MURRIETA

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF NORCO

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF PERRIS

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF RIVERSIDE

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF SAN JACINTO

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

APPROVED AS TO FORM:

CITY OF WILDOMAR

By _____
City Attorney

By _____
Mayor

ATTEST:

By _____
City Clerk

Date: _____

(SEAL)

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AGREEMENT

National Pollutant Discharge Elimination System
Urban Runoff Discharge Permit
Implementation Agreement
Santa Ana Region
(Santa Ana Drainage Area)

This Agreement, entered into as of this 9th day of February 2011 by the RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT (herein called DISTRICT), the COUNTY OF RIVERSIDE (herein called COUNTY), and the CITIES OF BEAUMONT, CALIMESA, CANYON LAKE, CORONA, EASTVALE, HEMET, LAKE ELSINORE, MENIFEE, MORENO VALLEY, MURRIETA, NORCO, PERRIS, RIVERSIDE, SAN JACINTO and WILDOMAR, (herein called CITIES), establishes the responsibilities of each party concerning compliance with the National Pollutant Discharge Elimination System (NPDES) Urban Runoff Discharge Permit (NPDES Permit) issued by the California Regional Water Quality Control Board - Santa Ana Region pursuant to Order No. R8-2010-0033. This Agreement effectively terminates the Implementation Agreement adopted on December 16, 2003.

RECITALS

WHEREAS, in 1987 Congress added Section 402(p) to the Federal Clean Water Act (CWA) (33 U.S.C. §1342(p)); and

WHEREAS, Section 402(p) of the CWA requires certain municipalities, industrial facilities and persons conducting certain construction activities to obtain an NPDES Permit before discharging stormwater into navigable waters; and

WHEREAS, Section 402(p) further requires the Federal Environmental Protection Agency (EPA) to promulgate regulations for NPDES Permit applications; and

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WHEREAS, EPA adopted such regulations in November 1990; and

WHEREAS, EPA delegated authority to the California Regional Water Quality Control Board-Santa Ana Region (RWQCB-SAR) to administer the NPDES permitting process within the boundaries of that region; and

WHEREAS, DISTRICT was created to provide for the control of flood and stormwaters within the County of Riverside and is empowered to investigate, examine, measure, analyze, study and inspect matters pertaining to flood and stormwaters; and

WHEREAS, the COUNTY and CITIES have land use authorities and own and operate Municipal Separate Storm Sewer System (MS4) facilities; and

WHEREAS, on August 30, 2000 DISTRICT, COUNTY and CITIES submitted an NPDES Permit Application for an area-wide NPDES Permit; and

WHEREAS, the NPDES Permit Application was submitted in accordance with the previous NPDES Permit (Order No. 96-30, NPDES No. CA 618033) which expired on March 8, 2001; and

WHEREAS, RWQCB-SAR issued a NPDES Permit to DISTRICT, COUNTY and CITIES on October 25, 2002; and

WHEREAS, on April 27, 2007 DISTRICT, COUNTY and CITIES submitted an NPDES Permit Application for an area-wide NPDES Permit; and

WHEREAS, the NPDES Permit Application was submitted in accordance with the previous NPDES Permit (Order No. R8-2002-0011, NPDES No. CA 618033) which expired on October 26, 2007; and

WHEREAS, RWQCB-SAR issued a new NPDES Permit to DISTRICT, COUNTY and CITIES on January 29, 2010; and

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WHEREAS, the NPDES Permit governing municipal stormwater discharges meets both the requirements of Section 402(p)(3)(B) of the CWA and all requirements applicable to an NPDES Permit issued under RWQCB-SARs discretionary authority in accordance with Section 402(a)(1)(B) of the CWA; and

WHEREAS, the NPDES Permit designates DISTRICT as the "Principal Permittee", and COUNTY and CITIES as "Co-Permittees"; and

WHEREAS, cooperation between DISTRICT, COUNTY and CITIES in the administration and implementation of the NPDES Permit is in the best interests of DISTRICT, COUNTY and CITIES; and

WHEREAS, DISTRICT is willing to share the expertise of its staff with COUNTY and CITIES so that they can join in implementing the requirements of the NPDES Permit; and

WHEREAS, the RWQCB-SAR and the RWQCB-San Diego Region are currently contemplating amendments to Order No. R8-2010-0033 and pending Order No. R9-2010-0016 that would effectively allow MURRIETA and WILDOMAR to be wholly regulated under Order No. R9-2010-0016 and MENIFEE to be wholly regulated under Order No. R8-2010-0033; and

WHEREAS, MURRIETA and WILDOMAR would be subject to the LAKE ELSINORE/CANYON LAKE NUTRIENT TMDL, independent of Order No. R8-2010-0033, and therefore may be interested in participating in joint programs developed under this Agreement to address the LAKE ELSINORE/CANYON LAKE NUTRIENT TMDL; and

WHEREAS, DISTRICT, COUNTY and CITIES are to perform certain activities prescribed in the NPDES Permit and related to management of the NPDES Permit compliance

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program that will benefit all parties.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. Incorporation of the NPDES Permit. The NPDES Permit issued to DISTRICT, COUNTY and CITIES by RWQCB-SAR pursuant to Order No. R8-2010-0033 is attached to this Agreement as EXHIBIT A and is hereby incorporated by reference in its entirety and made a part of this Agreement.

2. Delegation of Responsibilities. The responsibilities of each of the parties shall be as described in the NPDES Permit and reiterated as follows:

a. DISTRICT shall assume the responsibilities and meet the requirements of the NPDES Permit by complying with Section III.A (RESPONSIBILITIES OF THE PRINCIPAL PERMITTEE) and:

(1) Performing or coordinating all the joint sampling data collection and assessment requirements described in the NPDES Permit MONITORING AND REPORTING PROGRAM.

(2) Performing all of the joint reporting requirements described in the NPDES Permit MONITORING AND REPORTING PROGRAM. With respect to such joint reporting requirements,

the DISTRICT shall specifically:

(a) Prepare the required narrative for all joint reports; and

(b) Provide COUNTY and CITIES an opportunity to review and comment on any such narrative.

The cost for implementing the requirements of the joint activities shall be jointly funded as shared costs as described in paragraphs 3

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and 4 of this Agreement.

b. DISTRICT, at no cost to COUNTY and CITIES, shall assume the responsibilities and meet the requirements of the NPDES Permit by:

(1) Complying with Section III.A (RESPONSIBILITIES OF THE PRINCIPAL PERMITTEE).

(2) Complying with Sections IV (LOCAL IMPLEMENTATION PLAN), V (DISCHARGE PROHIBITIONS), VI (EFFLUENT LIMITATIONS, DISCHARGE SPECIFICATIONS AND OTHER TMDL RELATED REQUIREMENTS), VII (RECEIVING WATER LIMITATIONS), VIII (LEGAL AUTHORITY/ENFORCEMENT), IX (ILLICIT CONNECTIONS/ILLEGAL DISCHARGES (IC/ID); LITTER, DEBRIS AND TRASH CONTROL), X (SEWAGE SPILLS, INFILTRATION INTO THE MS4 SYSTEMS FROM LEAKING SANITARY SEWER LINES, SEPTIC SYSTEM FAILURES AND PORTABLE TOILET DISCHARGES), XII (NEW DEVELOPMENT (INCLUDING SIGNIFICANT

REDEVELOPMENT)), XIII (PUBLIC EDUCATION AND OUTREACH), XIV (PERMITTEE FACILITIES AND ACTIVITIES), XV (TRAINING PROGRAM FOR STORMWATER MANAGERS, PLANNERS, INSPECTORS AND MUNICIPAL CONTRACTORS), XVI (NOTIFICATION

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REQUIREMENTS), XVII (PROGRAM MANAGEMENT ASSESSMENT/DAMP REVIEW), XVIII (FISCAL RESOURCES), XIX (MONITORING AND REPORTING PROGRAM), XX (PROVISIONS), XXI (PERMIT MODIFICATION), XXII (PERMIT EXPIRATION AND RENEWAL) as they pertain to DISTRICT facilities and operations.

c. COUNTY and CITIES shall, at no cost to DISTRICT, assume the responsibilities and meet the requirements of the NPDES Permit for land area and facilities within their individual jurisdictions by:

- (1) Complying with Section III.B (RESPONSIBILITIES OF THE CO-PERMITTEES).
- (2) Complying with Sections IV (LOCAL IMPLEMENTATION PLAN), V (DISCHARGE PROHIBITIONS), VI (EFFLUENT LIMITATIONS, DISCHARGE SPECIFICATIONS AND OTHER TMDL RELATED REQUIREMENTS), VII (RECEIVING WATER LIMITATIONS), VIII (LEGAL AUTHORITY/ENFORCEMENT), IX (ILLICIT CONNECTIONS/ILLEGAL DISCHARGES (IC/ID); LITTER, DEBRIS AND TRASH CONTROL), X (SEWAGE SPILLS, INFILTRATION INTO THE MS4 SYSTEMS FROM LEAKING SANITARY SEWER LINES, SEPTIC SYSTEM FAILURES, AND PORTABLE TOILET DISCHARGES), XI

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(CO-PERMITTEE INSPECTION PROGRAMS), XII (NEW DEVELOPMENT (INCLUDING SIGNIFICANT REDEVELOPMENT)), XIII (PUBLIC EDUCATION AND OUTREACH), XIV (PERMITTEE FACILITIES AND ACTIVITIES), XV (TRAINING PROGRAM FOR STORMWATER MANAGERS, PLANNERS, INSPECTORS AND MUNICIPAL CONTRACTORS), XVI (NOTIFICATION REQUIREMENTS), XVII (PROGRAM MANAGEMENT ASSESSMENT/DAMP REVIEW), XVIII (FISCAL RESOURCES), XIX (MONITORING AND REPORTING PROGRAM), XX (PROVISIONS), XXI (PERMIT MODIFICATION), XXII (PERMIT EXPIRATION AND RENEWAL) as they pertain to COUNTY and CITIES facilities and operations.

- (3) Demonstrating compliance with all NPDES Permit requirements through timely implementation of the approved Drainage Area Management Plan (DAMP) and any approved modifications,

revisions, or amendments thereto.

- (4) Providing to DISTRICT (on DISTRICT approved forms) all information needed to satisfy the reporting requirements described in the NPDES Permit MONITORING AND REPORTING PROGRAM. The COUNTY and CITIES shall specifically:

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(a) Provide information on existing stormwater facilities and/or other data as it pertains to COUNTY or CITIES facilities when requested by DISTRICT.

(b) Submit their individual reports to DISTRICT for incorporation into DISTRICT'S narrative no later than November 1 of each year.

3. Budgets. On or before January 15 of each year, the DISTRICT shall prepare and submit a budget for the next fiscal year to the Santa Ana/Santa Margarita Technical Advisory Committee (TAC). The budget shall include anticipated costs and fees for District services or consultant services to prepare manuals, develop programs, implement programs, engage legal counsel on behalf of the Permittees or perform studies relevant to the entire Permit Area. Once consensus has been reached amongst the TAC, the budget will be submitted to the Management Steering Committee.

4. Shared Costs. In the event DISTRICT requires the services of a consultant or consultants to prepare manuals, develop programs or perform studies relevant to the entire Permit Area, the cost of said consultant services will be shared by DISTRICT, COUNTY and CITIES. The shared costs shall be allocated as follows:

<u>Party</u>	<u>Percentage Contribution</u>
DISTRICT	50
COUNTY & CITIES	50

The individual percentage contribution from COUNTY and individual CITIES shall be a function of population within the Permit Area. More specifically, such contribution shall be calculated as the population of COUNTY or individual CITIES, divided by the total population of all the Co-Permittees multiplied by 50, i.e.,:

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Contribution (%) = $50(x_n/x_{tot})$
 X_n = population of COUNTY or individual CITIES
 X_{tot} = total population of COUNTY and CITIES in
the Santa Ana Region
50 = total percentage excluding DISTRICT portion

The population of COUNTY and CITIES will be based on the latest California State Department of Finance population figures issued in May of each year.

The total shared cost of consultant services shall not exceed \$1,000,000.00 annually.

COUNTY and CITIES shall be notified of DISTRICT'S request for proposals from consultants, selection of a consultant, consultant's fee, and contract timetable and payment schedule through the TAC.

COUNTY and CITIES shall pay to DISTRICT their share of the shared costs within 60 calendar days of receipt of an invoice from DISTRICT.

In the event that a subset of the COUNTY or CITIES require the services of a consultant or consultants to prepare manuals, develop programs, implement programs, engage legal counsel, perform studies or any work to satisfy sub-regional permit requirements, the costs of said consultant services shall be shared by the involved parties, in such a manner as approved by the involved parties. The involved parties may utilize this Agreement to hire a consultant.

Tasks performed consistent to this paragraph shall not be subject to the total shared cost limit of \$1,000,000 for area-wide programs.

5. Term of the Agreement. The term of this Agreement shall commence on the date the last duly authorized representative of DISTRICT, COUNTY or CITIES executed it. The term of the Agreement shall continue to eighteen (18) months after the date that RWQCB-SAR issues a new NPDES Permit in replacement of the existing NPDES Permit (Order No. R8-

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2010-0033, NPDES No. CAS 618033) issued on January 29, 2010, unless each of the Co-Permittees either amends this agreement or withdraws in accordance with the terms of this Agreement.

6. Additional Parties. Any City which incorporates after the date of issuance of the NPDES Permit and/or after the date of execution of this Agreement may file a written request with DISTRICT asking to be added as a party. Upon receipt of such a request, DISTRICT shall solicit the approval or denial of each Co-Permittee. If a majority of the Co-Permittees, each having one, co-equal vote, approves the addition of the City, DISTRICT, on behalf of the Co-Permittees, will ask RWQCB-SAR to add the City to the NPDES Permit as an additional Co-Permittee. Once the City is made an additional Co-Permittee to the NPDES Permit, this Agreement shall be amended to reflect the addition, and the City shall, thereafter, comply with all provisions of the NPDES Permit and this Agreement. Upon execution of the amended Agreement, the City shall be responsible for the shared costs discussed in Section 4 of this Agreement for the current and any subsequent budget year.

7. Withdrawal from the Agreement. Any party may withdraw from this Agreement 60 calendar days after giving written notice to DISTRICT and RWQCB-SAR. The withdrawing party shall agree in such notice to file for a separate NPDES Permit and to comply with all of the requirements established by RWQCB-SAR. In addition, withdrawal shall constitute forfeiture of all of the withdrawing party's share of the costs paid described in Section 4 of this Agreement for that fiscal year. The withdrawing party shall be responsible for all lawfully assessed penalties as a consequence of withdrawal. The cost allocations to the remaining parties will be recalculated in the following budget year.

8. Non-compliance with Permit Requirements. Any party found in non-

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compliance with the conditions of the NPDES Permit within its jurisdictional boundaries shall be solely liable for any lawfully assessed penalties. This Agreement is not intended to and does not create any joint and several liability of the parties for such penalties. Common or joint penalties shall be calculated and allocated between the parties according to the formula outlined in Section 4 of this Agreement.

9. Amendments to the Agreement. This Agreement may be amended by consent of the parties which represent a majority of the percentage contribution as described in Section 4 of this Agreement. Each party's vote shall be calculated according to the percentage contribution of each party as described in Section 4 of this Agreement. No amendment to this Agreement shall be effective unless it is in writing and signed by the duly authorized representatives of the majority of the parties.

10. Authorized Signatories. The General Manager-Chief Engineer of DISTRICT, the Chief Executive Officer of COUNTY and the City Managers of CITIES (or their designees) shall be authorized to execute all documents and take all other procedural steps necessary to file for and obtain an NPDES Permit(s) or amendments thereto.

11. Notices. All notices shall be deemed duly given when delivered by hand; or three (3) days after deposit in the U.S. Mail, postage prepaid.

12. Governing Law. This Agreement will be governed and construed in accordance with laws of the State of California. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired hereby.

13. Consent to Waiver and Breach. No term or provision hereof shall be deemed waived and no breach excused, unless the waiver or breach is consented to in writing,

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and signed by the party or parties affected. Consent by any party to a waiver or breach by any other party shall not constitute consent to any different or subsequent waiver or breach.

14. Applicability of Prior Agreements. This Agreement and the exhibits attached hereto constitute the entire Agreement between the parties with respect to the subject matter; all prior agreements, representations, statements, negotiations and undertakings are superseded hereby.

15. Execution in Counterparts. This Agreement may be executed and delivered in any number of counterparts or copies ("counterpart") by the parties hereto. When each party has signed and delivered at least one counterpart to the other parties hereto, each counterpart shall be deemed an original and, taken together, shall constitute one and the same Agreement, which shall be binding and effective as to the parties hereto.

//
//

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

NOV 30 2010

(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By Steve Thomas
For WARREN D. WILLIAMS
General Manager-Chief Engineer

By Marion Ashley
MARION ASHLEY, Chairman
Riverside County Flood Control and
Water Conservation District
Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

PAMELA J. WALLS
County Counsel

KECIA HARPER-IHEM
Clerk of the Board

By David H.K. Huff
DAVID H.K. HUFF
Deputy County Counsel

By Kareem Banta
Deputy

(SEAL)

Agreement – National Pollutant Discharge Elimination System
Urban Runoff Discharge Permit Implementation Agreement –
Santa Ana Region

AM:cw
P8/134125

COUNTY OF RIVERSIDE

By Marion Ashley
MARION ASHLEY, Chairman
Riverside County Board of Supervisors

APPROVED AS TO FORM:

PAMELA J. WALLS
County Counsel

By David H.K. Huff
DAVID H.K. HUFF
Deputy County Counsel

ATTEST:

KECIA HARPER-IHEM
Clerk of the Board

By Kecia Harper-Ihem
Deputy

(SEAL)

APPROVED AS TO FORM:

By [Signature]
City Attorney

CITY OF BEAUMONT

By [Signature]
Mayor

ATTEST:

By [Signature] (Deputy)
City Clerk

(SEAL)

APPROVED AS TO FORM:

By *Kevin M. Davis*
City Attorney

CITY OF CALIMESA

By *Alena C. Zamora*
Mayor

ATTEST:

By *Arlene Ludes*
City Clerk

(SEAL)

APPROVED AS TO FORM:

By Elizabeth Maslyn
City Attorney

CITY OF CANYON LAKE

By [Signature]
Mayor

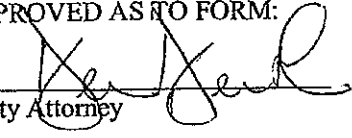
ATTEST:

By [Signature]
City Clerk

(SEAL)

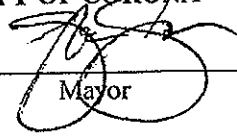
APPROVED AS TO FORM:

By _____
City Attorney



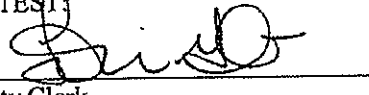
CITY OF CORONA

By _____
Mayor



ATTEST:

By _____
City Clerk



(SEAL)

APPROVED AS TO FORM:

By J. E. [Signature]
City Attorney

CITY OF EASTVALE

By [Signature]
Mayor

ATTEST:

By Judith L. Daughney [Signature]
City Clerk

(SEAL)

APPROVED AS TO FORM:

By [Signature]
City Attorney

CITY OF HEMET

By [Signature]
Mayor

ATTEST:

By [Signature]
City Clerk

(SEAL)

APPROVED AS TO FORM:

By *Barbara J. Leibke*
City Attorney

CITY OF LAKE ELSINORE

By *Michael M. ...*
Mayor

ATTEST:

By *Carol Cowley*
City Clerk

(SEAL)

APPROVED AS TO FORM:

By K. Feld
City Attorney

CITY OF MENIFEE

By Wallace Edgerton
Mayor

ATTEST:

By Bennett
City Clerk

(SEAL)

APPROVED AS TO FORM:

By *[Signature]*
Deputy City Attorney

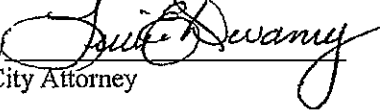
CITY OF MORENO VALLEY
By *[Signature]*
Mayor Pro Tem

ATTEST:

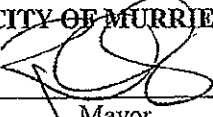
By *[Signature]*
City Clerk

(SEAL)

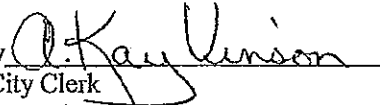
APPROVED AS TO FORM:

By 
City Attorney

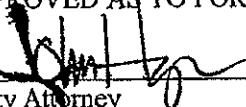
CITY OF MURRIETA

By 
Mayor

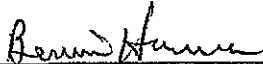
ATTEST:

By 
City Clerk
12-7-2010
(SEAL)

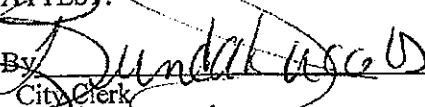
APPROVED AS TO FORM:

By 
City Attorney
John Harper

CITY OF NORCO

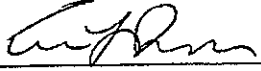
By 
Mayor Pro Tem
Berwin Hanna

ATTEST:


By 
City Clerk
Brenda K. Jacobs

(SEAL)

APPROVED AS TO FORM:

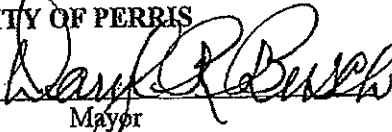
By 
City Attorney
Eric E. Dunn

ATTEST:

By 
City Clerk
Judy L. Haughney, C.M.C

(SEAL)

CITY OF PERRIS

By 
Mayor
Daryl R. Busch

APPROVED AS TO FORM:

By [Signature]
City Attorney

CITY OF RIVERSIDE

By [Signature]
Mayor

ATTEST:

By [Signature]
City Clerk

Dated: January 21, 2011

(SEAL)

APPROVED AS TO FORM:

By *J. M. Bay*
City Attorney

CITY OF SAN JACINTO

By *Dale S. Full*
Mayor

ATTEST:

By *Richard Miller*
City Clerk

(SEAL)

APPROVED AS TO FORM:

By T. J. [Signature]
Assistant City Attorney

CITY OF WILDOMAR

By Marsha Swanson
Mayor

ATTEST:

By Debbie A. Lee
City Clerk

(SEAL)

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

Report to City Council

TO: Mayor and City Council and Mayor and City Council of the City of Moreno Valley as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: September 24, 2013

TITLE: APPROVAL OF FISCAL YEAR 2012/13 CARRYOVERS AND FISCAL YEAR 2013/14 BUDGET ADJUSTMENT RECOMMENDATIONS

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. 2013-74. A Resolution of the City Council of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2013/14. Includes (a) the budget amendments presented in Exhibit A to be appropriated and included in the FY 2013/14 and FY 2014/15 approved budgets; (b) the operating carryover expenditures from the FY 2012/13 approved budget presented in Exhibit A, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget. The recommended appropriation changes total \$17,770 for the General Fund, \$1,627,501 for non-General Funds for a total of \$1,645,271 for all funds; and (c) Capital Improvement Program (CIP) carryover expenditures from the FY 2012/13 approved budget presented in Exhibit B, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget. The recommended appropriation changes total \$6,368,730.

2. Adopt Resolution No. SA 2013-05. A Resolution of the City of Moreno Valley as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2013/14. Includes approving the Operating carryover expenditures from the FY 2012/13 approved budget presented in Exhibit A, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved

Budget; and Capital Improvement Program (CIP) carryover expenditures from the FY 2012/13 approved budget presented in Exhibit B, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget.

SUMMARY

All unexpended and unencumbered appropriations lapse at fiscal year-end and revert to fund balance. Once the fiscal year-end closing process has identified the items that are encumbered by purchase order, contract, or other commitment at June 30th, these items may be presented to Council for approval as continuing appropriations in the new fiscal year. Approval of continuing appropriations is a long-standing and annual recurring budgetary procedure of the City.

Presented in Exhibit A is a list of revenue and expense appropriations reflecting any amendments to the Operating Budget approved by Council. Many of these amendments relate to items previously discussed with Council, including the issuance of the Certificates of Participation, Series 2013A (T.R.I.P. – Total Road Improvement Program), and the Corporate Yard and Library Development Impact Fee loan agreements.

DISCUSSION

As the prior fiscal year closes, certain budget activities and projects remain in process and have not yet been completed. Staff routinely reviews these items during the annual process to close the books and returns to City Council with a request to approve the carryover of budgets for projects still in process as a continuing appropriation. Encumbrances, which are commitments related to contracts for goods and services that are in process and not yet completed are included in the continuing appropriations request.

Based on a variety of reasons, staff is recommending a very limited number of budget amendments. Staff is recommending these items for Council approval now rather than holding them for a mid-year budget adjustment because they are time sensitive. Waiting on these items could cause undue burden on the respective departments. See Exhibit A for a comprehensive list of the recommended budget amendments. Many of these amendments relate to items previously discussed with Council, including the issuance of the Certificates of Participation, Series 2013A (T.R.I.P. – Total Road Improvement Program), and the Corporate Yard and Library Development Impact Fee loan agreements.

Exhibit A provides the details of staff's request for continuing appropriations for the FY 2013/14 – 2014/15 Budget for operating expenses. Exhibit B provides the detail of staff's request for continuing appropriations for the FY 2013/14 budget for the Capital Improvement Plan. Details of the CIP carryover requests are available at the project level upon request.

ALTERNATIVES

1. Approve the proposed Resolutions to adopt the budget amendments and carryover of expenditures to the FY 2013/14 – 2014/15 operating and capital budgets, as presented in Exhibits A and B to the Resolutions.
2. Provide staff with further direction.

Staff recommends Alternative 1.

FISCAL IMPACT

The FY 2013/14 – 2014/15 Operating and Capital Budgets provide the funding and expenditure plan for all operating funds. As such, it serves as the City’s financial plan for the upcoming two fiscal years. The fiscal impacts for the proposed budget amendments and carryovers are identified in Exhibits A and B to the Resolutions.

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.

ATTACHMENTS

- Attachment 1: Proposed Resolution – City Council
- Attachment 4: Proposed Resolution – Successor Agency
- Exhibit A: FYs 2013/14 and 2014/15 Proposed Budget Adjustments and Carryovers
- Exhibit B: FY 2013/14 Proposed CIP Carryovers and Re-appropriations

Prepared By:
Marshall Eyerman
Budget Officer

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred by:
Prem Kumar
Deputy Public Works Director/Assistant City Engineer

Concurred by:
Ahmad R. Ansari, P.E.
Public Works Director / City Engineer

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RESOLUTION NO. 2013-74

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2013/14

WHEREAS, the City Council approved the Operating and Capital Budgets for the City for Fiscal Years 2013/14 and 2014/15, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the City Manager has heretofore submitted to the City Council proposed amendments to the Operating and Capital Budgets for the City for Fiscal Years 2013/14 and 2014/15, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain estimates of the services, activities and projects comprising the budget, and contains expenditure requirements and the resources available to the City; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain the estimates of uses of fund balance as required to stabilize the delivery of City services during periods of operational deficits; and

WHEREAS, the City Council has made such revisions to the proposed amended Operating and Capital Budgets as so desired; and

WHEREAS, the amended Operating and Capital Budgets, as herein approved, will enable the City Council to make adequate financial plans and will ensure that City officers can administer their respective functions in accordance with such plans.

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

1. The proposed amendments to the Operating and Capital Budgets, as Exhibits A and B to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the City Council, are hereby approved and adopted as the annual Operating and Capital Budgets of the City of Moreno Valley for the Fiscal Years 2013/14 and 2014/15.
2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal years.

1
Resolution No. 2013-74
Date Adopted: September 24, 2013

3. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 24th day of September, 2013.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Resolution No. 2013-74²
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2013-74 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

3
Resolution No. 2013-74
Date Adopted: September 24, 2013

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**CITY OF MORENO VALLEY
GENERAL FUND
FY 2013/14 Proposed Operating Budget Adjustments and Carryovers**

EXHIBIT A

Department	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Financial & Management Services	1010-30-36-25110-620220	\$ 56,100	\$ 13,770	\$ -	\$ 69,870	Interim audit work completed after June 30 due to office relocation
Police	1010-60-66-40110-625099	45,500	4,000	-	49,500	Payment to Advanced Electric to cover electrical work associated with the Citywide Camera System
TOTAL		\$ 101,600	\$ 17,770	\$ -	\$ 119,370	

**CITY OF MORENO VALLEY
NON-GENERAL FUND
FY 2013/14 Proposed Operating Budget Adjustments and Carryovers**

Department/Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Public Works	2200-70-78-77311-620620	\$ 23,800	\$ 6,538	\$ -	\$ 30,338	Remaining grant funds to be expensed in FY 13/14
Public Works	6010-70-80-45511-710144	180,000	40,000	-	220,000	RHA agreement approved 11-13-12 by City Council, project is not yet complete
Community & Economic Development	2507-20-32-72701-733201	1,657,600	599,008	-	2,256,608	Remaining grant funds to be expensed in FY 13/14
Community & Economic Development	2507-20-32-72703-733201	1,738,000	531,774	-	2,269,774	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76213-620320	-	13,567	-	13,567	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76412-620320	-	62,209	-	62,209	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76601-620320	-	30,568	-	30,568	Remaining grant funds to be expensed in FY 13/14
Police	2715-60-65-76510-620320	-	130,454	-	130,454	Remaining grant funds to be expensed in FY 13/14
Parks	5011-50-58-35312-660320	-	13,000	-	13,000	Acquisition of parks equipment
Financial & Management Services	7210-30-39-25410-620299	122,500	33,024	-	155,524	Development of GIS site, contract still in process
Financial & Management Services	7210-30-39-25412-620299	10,600	6,450	-	17,050	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25412-660314	35,649	54,045	-	89,694	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25412-660410	19,399	21,390	-	40,789	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25452-720199	-	85,474	-	85,474	City clerk records management system
Non-Departmental	3000-99-99-93000-802001	-	-	2,500,000	2,500,000	Corp Yard DIF loan repayment - transfer in
Non-Departmental	2001-99-99-92001-903000	-	-	2,500,000	2,500,000	Corp Yard DIF loan repayment - transfer out
Non-Departmental	3711-99-90-93711-802001	-	-	748,992	748,992	2013 COP debt service payment - transfer in
Non-Departmental	2001-99-99-92001-903711	-	-	748,992	748,992	2013 COP debt service payment - transfer out
Non-Departmental	6010-99-99-96010-802001	-	-	150,000	150,000	MVU substation loan repayment - transfer in
Non-Departmental	2001-99-99-92001-906010	-	-	150,000	150,000	MVU substation loan repayment - transfer out
TOTAL		\$ 3,787,548	\$ 1,627,501	\$ 6,797,984	\$ 12,213,033	

-105-

Item No. A.5

CITY OF MORENO VALLEY
 NON-GENERAL FUND
 FY 2014/15 Proposed Operating Budget Adjustments and Carryovers

EXHIBIT A

Department/Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Non-Departmental	3711-99-90-93711-802001	\$ -	\$ -	\$ 931,313	\$ 931,313	2013 COP debt service payment - transfer in
Non-Departmental	2001-99-99-92001-903711	-	-	931,313	931,313	2013 COP debt service payment - transfer out
Non-Departmental	2908-99-99-92908-802001	-	-	750,000	750,000	Library DIF loan repayment - transfer in
Non-Departmental	2001-99-99-92001-902908	-	-	750,000	750,000	Library DIF loan repayment - transfer out
TOTAL		\$ -	\$ -	\$ 3,362,626	\$ 3,362,626	

**CITY OF MORENO VALLEY
GENERAL FUND
FY 2013/14 Proposed CIP Budget Adjustments and Carryovers**

EXHIBIT B

Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Project
General Fund	1010-70-77-80001-720199	\$ 144,538	\$ 59,971	\$ -	\$ 204,509	SR-60/Theodore & Wayfinding Signs
General Fund	1010-70-77-80004-720199	-	1,670	-	1,670	Edgemont Water Master Plan Summary Rpt
Gas Tax	2000-70-77-80001-720199	18,898,148	(415,457)	-	18,482,691	Nason/Cactus-Fir & Pavement Resurfacing
Gas Tax	2000-70-77-80004-720199	38,000	1,300	-	39,300	Heacock Channel
Measure A	2001-70-76-80001-720199	225,409	103,753	-	329,162	Bicycle Master Plan & Speed Hump Program
Measure A	2001-70-76-80008-720199	90,000	(3,829)	-	86,171	Traffic Signal Inventory & Equipment Upgrades
Measure A	2001-70-77-80001-720199	10,417,399	1,289,377	-	11,706,776	SIP, Pvmt Resurfacing, fed & state reimb proj
Measure A	2001-70-77-80002-720199	7,120,000	1,457	-	7,121,457	SR-60/Nason Brdg & Ann Bridge Maintenance
Measure A	2001-70-78-80001-720199	92,678	35,000	-	127,678	Pavement Rehab & Slurry Seal
Prop 42 Replacement Fund	2002-70-77-80001-720199	936,000	(93,839)	-	842,161	Gilman Springs Road
Air Quality Management	2005-70-76-80008-720199	183,795	(30,274)	-	153,521	Traffic Signal Coord & Transp Mgmt Cntr
Pub/Educ/Govt Access Prog Fund	2011-70-77-80003-720199	500,000	(111)	-	499,889	MVTV-3 Broadcast Equipment Upgrade
CDBG	2512-70-77-80001-720199	515,000	181,243	-	696,243	Dracaea Avenue and Hemlock Avenue
SCAG Article 3 Fund	2800-70-77-80001-720199	65,385	5,000	-	70,385	Citywide Sidewalks and Access Ramps
Facility Construction	3000-30-40-80003-720199	59,000	(59,000)	-	-	Renovation City Hall Building Annex #1
Facility Construction	3000-70-77-80001-720199	15,000	107,467	-	122,467	Nason/Cactus Street Improvements
Facility Construction	3000-70-77-80004-720199	849,359	400,000	-	1,249,359	Heacock Channel
Facility Construction	3000-70-77-80003-720199	2,954,709	(87,882)	-	2,866,827	Corporate Yard & Civic Center Site Imprv
PW General Capital Projects	3002-70-76-80008-720199	49,448	(26,922)	-	22,526	Traffic Mitigation & Enhancement Program
PW General Capital Projects	3002-70-77-80001-720199	1,634,451	233,818	-	1,868,269	SIP & Nason/Cactus Street Improvements
PW General Capital Projects	3002-70-77-80004-720199	3,200,000	484,562	-	3,684,562	Moreno Master Drainage Plan
TUMF Capital Projects	3003-70-77-80001-720199	9,708,509	(658,154)	-	9,050,355	SR-60/Moreno Bch & Perris/Irnwd-Manzanita
Fire Services Capital	3005-70-77-80003-720199	883,000	(18,230)	-	864,770	Remodel Firestation #48 & Security Fencing
Parks & Recreation Capital Projects	3006-50-57-80003-720199	50,000	41,315	-	91,315	Cottonwood Rec Cntr & Weston Park Imprv
Parks & Recreation Capital Projects	3006-50-57-80007-720199	1,461,500	720,074	-	2,181,574	Various Park Improvements
Capital Projects Reimbursements	3008-70-77-80001-720199	1,234,535	(128)	-	1,234,407	Day St/SR-60 to Ironwood
Capital Projects Reimbursements	3008-70-77-80003-720199	110,000	(180)	-	109,820	Morrison Park Firestation
DIF Arterial Streets Capital Projects	3301-70-77-80001-720199	627,016	28,892	-	655,908	Cactus Eastbound 3rd Lane Improvements
DIF Traffic Signal Capital Projects	3302-70-76-80008-720199	2,073,439	(84,961)	-	1,988,478	EVP, ITS Deployment, Nason/RCRM TS, TMC
DIF Traffic Signal Capital Projects	3302-70-77-80008-720199	132,000	4,068	-	136,068	Sunnymead/SR-60 EB Ramp Improvements
DIF Interchange Improv Capital Projects	3311-70-77-80001-720199	103,000	26,644	-	129,644	SR-60/Nason Bridge & SR-60/Theodore
2005 Lease Rev Bonds - Capital Admin	3401-70-77-80003-720199	60,000	220,116	-	280,116	EOC Generator & PSB Conversion
Successor Agency Capital Projects	4820-70-77-80001-720199	80,000	(80,000)	-	-	Nason/Cactus Street Improvements
Successor Agency Capital Projects	4820-70-77-80004-720199	59,000	(49,704)	-	9,296	Day Street Storm Drain Improvements
Successor Agency 2007 TAB A Capital	4821-70-77-80001-720199	1,458,583	(654,111)	-	804,472	SR-60/Moreno Beach Phase 1
Successor Agency 2007 TAB A Capital	4821-70-77-80002-720199	-	4,468,777	-	4,468,777	SR-60/Nason Bridge
Electric	6010-70-80-80005-720199	112,077	20,619	-	132,696	LRB Funded Utility Projects
Technology Services	7210-30-39-80009-720199	111,740	3,200	-	114,940	Citywide Fiber Optic Communication
Technology Services	7210-30-39-80010-720199	540,000	4,675	-	544,675	Citywide Camera Surveillance System
Facilities Maintenance	7310-18-40-80003-720199	404,000	188,514	-	592,514	City Hall 2nd Floor Rehab & City Hall Carpet
TOTAL		\$ 67,196,718	\$ 6,368,730	\$ -	\$ 73,565,448	

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Item No. A.5

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RESOLUTION NO. SA 2013-05

A RESOLUTION OF THE CITY OF MORENO VALLEY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2013/14

WHEREAS, the Mayor and City Council of the City of Moreno Valley as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley approved the Operating and Capital Budgets for the Successor Agency for Fiscal Year 2013/14, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the City Manager has heretofore submitted to the Mayor and City Council of the City of Moreno Valley as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley a proposed amendments to the Operating and Capital Budgets for the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley for Fiscal Year 2013/14, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain estimates of the services, activities and projects comprising the budget, and contain expenditure requirements and the resources available to the Successor Agency; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain the estimates of uses of fund balance as required to stabilize the delivery of Successor Agency services; and

WHEREAS, the Mayor and City Council have made such revisions to the proposed amendments to the Operating and Capital Budgets as so desired; and

WHEREAS, the amended Operating and Capital Budgets, as herein approved, will enable the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley to make adequate financial plans and will ensure that City officers can administer their respective functions in accordance with such plans.

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

1. The proposed amendments to the Operating and Capital Budgets, as Exhibits A and B to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the City Council, is hereby approved and

1

Resolution No. SA 2013-05
Date Adopted: September 24, 2013

adopted as the annual Operating and Capital Budgets of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley for the Fiscal Year 2013/14.

2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal year.
3. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 24th day of September, 2013.

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, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. SA 2013-05 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

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**CITY OF MORENO VALLEY
GENERAL FUND
FY 2013/14 Proposed Operating Budget Adjustments and Carryovers**

EXHIBIT A

Department	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Financial & Management Services	1010-30-36-25110-620220	\$ 56,100	\$ 13,770	\$ -	\$ 69,870	Interim audit work completed after June 30 due to office relocation
Police	1010-60-66-40110-625099	45,500	4,000	-	49,500	Payment to Advanced Electric to cover electrical work associated with the Citywide Camera System
TOTAL		\$ 101,600	\$ 17,770	\$ -	\$ 119,370	

**CITY OF MORENO VALLEY
NON-GENERAL FUND
FY 2013/14 Proposed Operating Budget Adjustments and Carryovers**

Department/Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Public Works	2200-70-78-77311-620620	\$ 23,800	\$ 6,538	\$ -	\$ 30,338	Remaining grant funds to be expensed in FY 13/14
Public Works	6010-70-80-45511-710144	180,000	40,000	-	220,000	RHA agreement approved 11-13-12 by City Council, project is not yet complete
Community & Economic Development	2507-20-32-72701-733201	1,657,600	599,008	-	2,256,608	Remaining grant funds to be expensed in FY 13/14
Community & Economic Development	2507-20-32-72703-733201	1,738,000	531,774	-	2,269,774	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76213-620320	-	13,567	-	13,567	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76412-620320	-	62,209	-	62,209	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76601-620320	-	30,568	-	30,568	Remaining grant funds to be expensed in FY 13/14
Police	2715-60-65-76510-620320	-	130,454	-	130,454	Remaining grant funds to be expensed in FY 13/14
Parks	5011-50-58-35312-660320	-	13,000	-	13,000	Acquisition of parks equipment
Financial & Management Services	7210-30-39-25410-620299	122,500	33,024	-	155,524	Development of GIS site, contract still in process
Financial & Management Services	7210-30-39-25412-620299	10,600	6,450	-	17,050	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25412-660314	35,649	54,045	-	89,694	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25412-660410	19,399	21,390	-	40,789	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25452-720199	-	85,474	-	85,474	City clerk records management system
Non-Departmental	3000-99-99-93000-802001	-	-	2,500,000	2,500,000	Corp Yard DIF loan repayment - transfer in
Non-Departmental	2001-99-99-92001-903000	-	-	2,500,000	2,500,000	Corp Yard DIF loan repayment - transfer out
Non-Departmental	3711-99-90-93711-802001	-	-	748,992	748,992	2013 COP debt service payment - transfer in
Non-Departmental	2001-99-99-92001-903711	-	-	748,992	748,992	2013 COP debt service payment - transfer out
Non-Departmental	6010-99-99-96010-802001	-	-	150,000	150,000	MVU substation loan repayment - transfer in
Non-Departmental	2001-99-99-92001-906010	-	-	150,000	150,000	MVU substation loan repayment - transfer out
TOTAL		\$ 3,787,548	\$ 1,627,501	\$ 6,797,984	\$ 12,213,033	

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Item No. A.5

CITY OF MORENO VALLEY
 NON-GENERAL FUND
 FY 2014/15 Proposed Operating Budget Adjustments and Carryovers

EXHIBIT A

Department/Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Non-Departmental	3711-99-90-93711-802001	\$ -	\$ -	\$ 931,313	\$ 931,313	2013 COP debt service payment - transfer in
Non-Departmental	2001-99-99-92001-903711	-	-	931,313	931,313	2013 COP debt service payment - transfer out
Non-Departmental	2908-99-99-92908-802001	-	-	750,000	750,000	Library DIF loan repayment - transfer in
Non-Departmental	2001-99-99-92001-902908	-	-	750,000	750,000	Library DIF loan repayment - transfer out
TOTAL		\$ -	\$ -	\$ 3,362,626	\$ 3,362,626	

**CITY OF MORENO VALLEY
GENERAL FUND
FY 2013/14 Proposed CIP Budget Adjustments and Carryovers**

EXHIBIT B

Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Project
General Fund	1010-70-77-80001-720199	\$ 144,538	\$ 59,971	\$ -	\$ 204,509	SR-60/Theodore & Wayfinding Signs
General Fund	1010-70-77-80004-720199	-	1,670	-	1,670	Edgemont Water Master Plan Summary Rpt
Gas Tax	2000-70-77-80001-720199	18,898,148	(415,457)	-	18,482,691	Nason/Cactus-Fir & Pavement Resurfacing
Gas Tax	2000-70-77-80004-720199	38,000	1,300	-	39,300	Heacock Channel
Measure A	2001-70-76-80001-720199	225,409	103,753	-	329,162	Bicycle Master Plan & Speed Hump Program
Measure A	2001-70-76-80008-720199	90,000	(3,829)	-	86,171	Traffic Signal Inventory & Equipment Upgrades
Measure A	2001-70-77-80001-720199	10,417,399	1,289,377	-	11,706,776	SIP, Pvmt Resurfacing, fed & state reimb proj
Measure A	2001-70-77-80002-720199	7,120,000	1,457	-	7,121,457	SR-60/Nason Brdg & Ann Bridge Maintenance
Measure A	2001-70-78-80001-720199	92,678	35,000	-	127,678	Pavement Rehab & Slurry Seal
Prop 42 Replacement Fund	2002-70-77-80001-720199	936,000	(93,839)	-	842,161	Gilman Springs Road
Air Quality Management	2005-70-76-80008-720199	183,795	(30,274)	-	153,521	Traffic Signal Coord & Transp Mgmt Cntr
Pub/Educ/Govt Access Prog Fund	2011-70-77-80003-720199	500,000	(111)	-	499,889	MVTV-3 Broadcast Equipment Upgrade
CDBG	2512-70-77-80001-720199	515,000	181,243	-	696,243	Dracaea Avenue and Hemlock Avenue
SCAG Article 3 Fund	2800-70-77-80001-720199	65,385	5,000	-	70,385	Citywide Sidewalks and Access Ramps
Facility Construction	3000-30-40-80003-720199	59,000	(59,000)	-	-	Renovation City Hall Building Annex #1
Facility Construction	3000-70-77-80001-720199	15,000	107,467	-	122,467	Nason/Cactus Street Improvements
Facility Construction	3000-70-77-80004-720199	849,359	400,000	-	1,249,359	Heacock Channel
Facility Construction	3000-70-77-80003-720199	2,954,709	(87,882)	-	2,866,827	Corporate Yard & Civic Center Site Imprv
PW General Capital Projects	3002-70-76-80008-720199	49,448	(26,922)	-	22,526	Traffic Mitigation & Enhancement Program
PW General Capital Projects	3002-70-77-80001-720199	1,634,451	233,818	-	1,868,269	SIP & Nason/Cactus Street Improvements
PW General Capital Projects	3002-70-77-80004-720199	3,200,000	484,562	-	3,684,562	Moreno Master Drainage Plan
TUMF Capital Projects	3003-70-77-80001-720199	9,708,509	(658,154)	-	9,050,355	SR-60/Moreno Bch & Perris/Irnwd-Manzanita
Fire Services Capital	3005-70-77-80003-720199	883,000	(18,230)	-	864,770	Remodel Firestation #48 & Security Fencing
Parks & Recreation Capital Projects	3006-50-57-80003-720199	50,000	41,315	-	91,315	Cottonwood Rec Cntr & Weston Park Imprv
Parks & Recreation Capital Projects	3006-50-57-80007-720199	1,461,500	720,074	-	2,181,574	Various Park Improvements
Capital Projects Reimbursements	3008-70-77-80001-720199	1,234,535	(128)	-	1,234,407	Day St/SR-60 to Ironwood
Capital Projects Reimbursements	3008-70-77-80003-720199	110,000	(180)	-	109,820	Morrison Park Firestation
DIF Arterial Streets Capital Projects	3301-70-77-80001-720199	627,016	28,892	-	655,908	Cactus Eastbound 3rd Lane Improvements
DIF Traffic Signal Capital Projects	3302-70-76-80008-720199	2,073,439	(84,961)	-	1,988,478	EVP, ITS Deployment, Nason/RRCMC TS, TMC
DIF Traffic Signal Capital Projects	3302-70-77-80008-720199	132,000	4,068	-	136,068	Sunnymead/SR-60 EB Ramp Improvements
DIF Interchange Improv Capital Projects	3311-70-77-80001-720199	103,000	26,644	-	129,644	SR-60/Nason Bridge & SR-60/Theodore
2005 Lease Rev Bonds - Capital Admin	3401-70-77-80003-720199	60,000	220,116	-	280,116	EOC Generator & PSB Conversion
Successor Agency Capital Projects	4820-70-77-80001-720199	80,000	(80,000)	-	-	Nason/Cactus Street Improvements
Successor Agency Capital Projects	4820-70-77-80004-720199	59,000	(49,704)	-	9,296	Day Street Storm Drain Improvements
Successor Agency 2007 TAB A Capital	4821-70-77-80001-720199	1,458,583	(654,111)	-	804,472	SR-60/Moreno Beach Phase 1
Successor Agency 2007 TAB A Capital	4821-70-77-80002-720199	-	4,468,777	-	4,468,777	SR-60/Nason Bridge
Electric	6010-70-80-80005-720199	112,077	20,619	-	132,696	LRB Funded Utility Projects
Technology Services	7210-30-39-80009-720199	111,740	3,200	-	114,940	Citywide Fiber Optic Communication
Technology Services	7210-30-39-80010-720199	540,000	4,675	-	544,675	Citywide Camera Surveillance System
Facilities Maintenance	7310-18-40-80003-720199	404,000	188,514	-	592,514	City Hall 2nd Floor Rehab & City Hall Carpet
TOTAL		\$ 67,196,718	\$ 6,368,730	\$ -	\$ 73,565,448	

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Item No. A.5

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

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: September 24, 2013

TITLE: PA11-0019 (P12-077) – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – CONTINENTAL EAST FUND VII, LLC., MURRIETA, CA 92562

RECOMMENDED ACTION

Recommendations:

1. Accept the Agreement and Security for Public Improvements for Continental East Fund VII, LLC., Murrieta, CA 92562.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

BACKGROUND

On July 8, 2011 the City of Moreno Valley Planning Commission approved Conditional Use Permit PA11-0019 for a two phase 98,434 square foot 139 unit (155 bed) senior assisted living facility on a 7.33 acre parcel of land. The project is located at the southwest corner of Moreno Beach Drive and Brodiaea Avenue.

On August 23, 2013 the City of Moreno Valley Planning Commission approved Amended Conditional Use Permit P12-077, amending PA11-0019. The Amended CUP

consists of a two phase 98,700 square foot 138 unit (150bed) senior assisted living and memory care facility.

The conditions of approval of the project require the developer to construct public improvements on Brodiaea Avenue and Moreno Beach Drive.

DISCUSSION

The developer of this project has completed an Agreement for Public Improvements. The developer agrees to perform and complete all of the required street improvements within twenty-four (24) months of the date the agreement is executed. The street improvements include, but are not limited to: asphalt, base, curb, gutter, sidewalk, street lights, storm drain, catch basins, striping, signage, water, sewer, and relocation of power poles. The City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required street improvements are not completed within said timeframe.

Accompanying the agreement is a Letter of Credit in the amount of \$429,000 and a Letter of Credit in the amount of \$214,500 issued by Preferred Bank.

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

ATTACHMENTS

- Attachment 1 – Vicinity Map
- Attachment 2 – Agreement for Public Improvements
- Attachment 3 – Faithful Performance Bond
- Attachment 4 – Material and Labor Bond

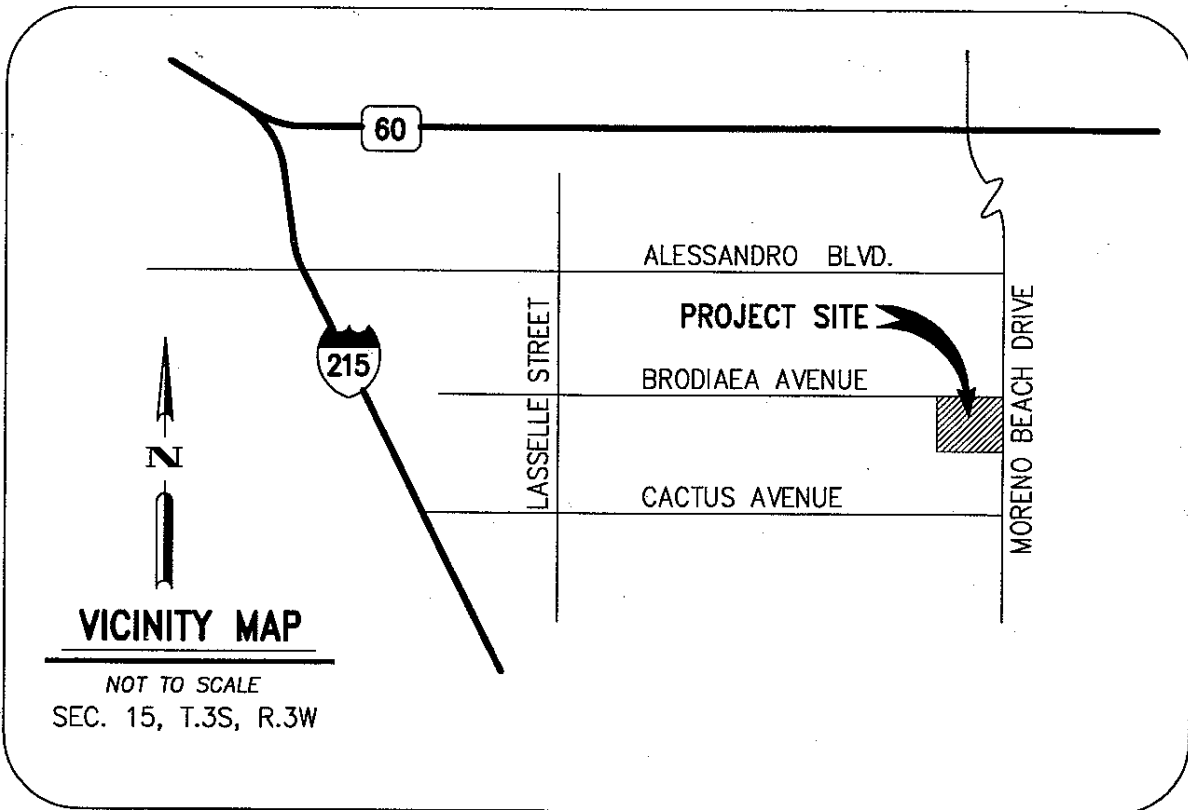
Prepared By:
Clement Jimenez, P.E.
Senior Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Mark W. Sambito, P.E.
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PA11-0019
(P12-077)

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**AGREEMENT FOR PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA11-0019 (P12-077)**

This Agreement, made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and **CONTINENTAL EAST FUND VII, LLC**, herein after called Developer, on the date the City signs this agreement.

WITNESSETH:

FIRST: Developer, for and in consideration of the approval by the City of the final map of that certain land division, or that certain other land development project, known as **PA11-0019 (P12-077)** agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within **TWENTY-FOUR (24)** months from the date this Agreement is executed, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for said project which have been approved by the City Engineer, and are on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code.

Security to guarantee the performance of this agreement shall be in the following amounts:

Faithful Performance security shall be in the sum of **FOUR HUNDRED TWENTY-NINE THOUSAND AND NO/100** Dollars (*****\$429,000.00*****). The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A attached hereto.

Labor and Material security shall be in the sum of **TWO HUNDRED FOURTEEN THOUSAND FIVE HUNDRED AND NO/100** Dollars (*****\$214,500.00*****). The estimated cost securing payment of labor and materials is fifty (50) percent of the total cost estimate of the improvements.

Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Upon entering the warranty period, the City shall retain ten percent of the original faithful performance security. Developer reserves the right to substitute the form of security, in accordance with the Moreno Valley Municipal Code, at any time during the term of this agreement, subject to approval of the City Engineer and City Attorney.

SECOND: Developer agrees to file with City, prior to the date this Agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this Agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Developer agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amounts of said bond or bonds, or both, within ten (10) days after being notified by the City Engineer that the sureties or amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is necessary to comply with said notice, he shall be in default of this Agreement unless all required improvements are completed within ninety (90) days of the date on which

the City Engineer notified the Developer of the insufficiency of said bonds. Developer reserves the right to substitute the form of security in accordance with the City's Municipal Code at any time during the term of this agreement, subject to approval by the City Engineer and City Attorney.

THIRD: Developer agrees to pay to the City the actual cost of such inspection of the works and improvements as may be required by the City Engineer. Developer further agrees that, if suit is brought upon this Agreement or any bond guaranteeing the completion of the required improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developer and guaranteed by the surety in addition to the face amount of the security, including reasonable attorney's fees, and that, upon entry of judgment, such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

FOURTH: City shall not, nor shall any officer or employee of City, except for its or their sole negligence, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this Agreement prior to the completion and approval thereof, nor shall City or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Developer, his agents or employees, in the performance of the work, and all of said liabilities are assumed by Developer. Developer agrees to protect, defend and hold harmless City and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Developer, his agents and employees, in the performance of this Agreement, or arising out of the use of any patent or patented article in the performance of this Agreement.

FIFTH: The Developer hereby grants to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the improvements. This permission shall terminate in the event that the Developer has completed the work within the time specified or any extension thereof granted by the City.

SIXTH: Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the improvements, and to protect the traveling public from such defective or dangerous conditions. The Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. The Developer's obligation under this provision shall be secured by the bonds securing performance of this Agreement.

SEVENTH: The Developer, his agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

EIGHTH: If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if the Developer violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this Agreement and notice in writing of such default shall be served upon him. The City Council shall have the power, on recommendation by the City Engineer, to terminate all rights of the Developer because of such default. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

NINTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this Agreement that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, extensions of time **may** be granted by the City from time to time, either at its own option, or upon request of Developer, and such extensions shall in no way affect the validity of this Agreement or release the surety or sureties on said bonds, Developer further agrees to maintain the aforesaid bonds in full force and effect during the terms of this Agreement, including any extensions of time as may be granted therein.

TENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

ELEVENTH: Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

City:
City Engineer
P.O. Box 88005
14177 Frederick
Moreno Valley, CA 92552-0805

Developer:
Continental East Fund VII, LLC
25467 Medical Center Drive
Suite 201
Murrieta, CA 92562

IN WITNESS WHEREOF Developer has affixed his name, address and seal.

Date approved by the City: _____

Continental East Fund VII, LLC:
Developer

BY: _____
Signature

Print/Type Name

Title

BY: _____
Signature

Print/Type Name

Title

ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY

By: _____
City Clerk

CITY OF MORENO VALLEY

By: _____
Mayor

(SEAL)

APPROVED AS TO FORM:
CITY ATTORNEY

Date: _____

By: _____
City Attorney

NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.

SIGNATURES OF DEVELOPER MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY
ORIGINAL - CITY CLERK; PINK - DEVELOPER; GREEN - SURETY; BLUE - PROJECT FILE

**EXHIBIT "A"
ENGINEER'S ESTIMATE**

Sheet 1 of 8

DATE: 07/25/13
PREPARED BY: Chris Hopper *cmg*

PROJECT: P12-077 (PA11-0019)
Renaissance Village

PUBLIC PAVEMENT SECTIONS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0.5	Thickness (ft.)		
	24085	S.F.	33.00	28,809
A.C. - Street 1	0.32	Thickness (ft.)		
	24085	S.F.	80.00	44,640
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	80.00	0
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	33.00	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	80.00	0
			SUBTOTAL:	73,449



EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: P12-077 (PA11-0019)
Renaissance Village PUBLIC STREET WORK

DATE: 07/25/13 *CMJ*
PREPARED BY: Chris Hopper

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
Pavement				
Grind & Pave 0.15'	6750	S.F.	3.25	21,938
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	70	L.F.	3.00	210
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
A.C. Berm - 6"	0	L.F.	10.00	0
A.C. Berm - 8"	0	L.F.	15.00	0
Adjust M.H. to Grade	1	EA.	800.00	800
Adjust Water Valve to Grade	0	EA.	400.00	0
Remove & Dispose Existing Pavement & Base	6750	SF	3.00	20,250
Remove Existing Curb & Gutter	0	L.F.	12.00	0
Concrete				
P.C.C. Paving - 6"	678	S.F.	6.50	4,407
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	512	L.F.	25.00	12,800
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	38	L.F.	20.00	760
Curb Only - 8"	55	L.F.	25.00	1,375
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	235	L.F.	12.00	2,820
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	657	S.F.	10.25	6,734
Sidewalk	3677	S.F.	4.25	15,627
Sidewalk (DIF Street Name)	0	S.F.	7.00	0
Sidewalk (TUMF Street Name)	0	S.F.	7.00	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	0	S.F.	10.50	0
Wheelchair Ramp	3	EA.	2,600.00	7,800
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
Miscellaneous				
Relocate Power Poles	2	EA.	30,000.00	60,000
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Erosion Control	2	AC	5,000.00	10,000
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
Reinforced P.C.C. Retaining Walls	0	C.Y.	780.00	0
				0
			SUBTOTAL	165,521
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Striping/raised pavement markers	1	L.S.	-	3,500
Traffic Striping (DIF Street -Perris Blvd)	1	L.S.	-	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	1	EA.	200.00	200
Signs and Posts	1	EA.	200.00	200
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	10000	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
			SUBTOTAL:	3,900
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	203.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
			SUBTOTAL:	0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: P12-077 (PA11-0019)
Renaissance Village

PUBLIC STREET WORK (CONTINUED)

DATE: 07/25/13
PREPARED BY: Chris Hopper

CMG

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	3	EA.	5,000.00	15,000
Street Lights (22000 lumen)	0	EA.	6,000.00	0
	SPECIAL DISTRICTS SUBTOTAL:			15,000
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
	MVU SUBTOTAL:			0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
	WQB SUBTOTAL:			0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordination)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
	TRANSPORTATION SUBTOTAL:			0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: P12-077 (PA11-0019)
Renaissance Village

PUBLIC STORM DRAIN SYSTEM

DATE: 07/25/13
PREPARED BY: Chris Hopper

CMG

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	0	L.F.	160.00	0
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	0	EA.	5500.00	0
Catch Basin (10')	0	EA.	6000.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21')	0	EA.	12500.00	0
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (10') (DIF Street Name)	0	EA.	6000.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: P12-077 (PA11-0019)
Renaissance Village

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

DATE: 07/25/13
PREPARED BY: Chris Hopper

cmj

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
Graded Swale	1103	S.F.	10.00	11,030
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000	0
			SUBTOTAL:	11,030

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT: P12-077 (PA11-0019)
Renaissance Village

PUBLIC WATER SYSTEMS

DATE: 07/25/13 *cmj*
PREPARED BY: Chris Hopper

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	42	L.F.	35.00	1,470
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	576	L.F.	60.00	34,560
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	3	EA.	1,340.00	4,020
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	1	EA.	2,300.00	2,300
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	2	EA.	4,300.00	8,600
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	0	EA.	4,000.00	0
4" Backflow Preventor	0		5,000.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	2	EA.	4,500.00	9,000
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w/ 5/8" Service	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	1	EA.	1,600.00	1,600
4" Service	2	EA.	1,800.00	3,600
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	2		200.00	400
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	2		750.00	1,500
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	2		525.00	1,050
3" Meter	1		2,500.00	2,500
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	1	EA.	3,150.00	3,150
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	235.00	0
Joint at Existing 12"	1	EA.	750.00	750
			SUBTOTAL:	74,500

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: P12-077 (PA11-0019)
Renaissance Village

PUBLIC SEWER SYSTEMS

DATE: 07/25/13 *cmj*
PREPARED BY: Chris Hopper

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	25.00	0
6" V.C. Pipe	0	L.F.	40.00	0
8" V.C. Pipe	0	L.F.	55.00	0
10" V.C. Pipe	0	L.F.	60.00	0
12" V.C. Pipe	0	L.F.	70.00	0
15" V.C. Pipe	0	L.F.	80.00	0
18" V.C. Pipe	0	L.F.	160.00	0
21" V.C. Pipe	0	L.F.	180.00	0
24" V.C. Pipe	0	L.F.	195.00	0
27" V.C. Pipe	0	L.F.	215.00	0
30" V.C. Pipe	0	L.F.	235.00	0
33" V.C. Pipe	0	L.F.	280.00	0
36" V.C. Pipe	0	L.F.	300.00	0
4" SDR - 35	0	L.F.	25.00	0
6" SDR - 35	0	L.F.	30.00	0
8" SDR - 35	80	L.F.	35.00	2,800
10" SDR - 35	0	L.F.	45.00	0
12" SDR - 35	0	L.F.	54.00	0
15" SDR - 35	0	L.F.	90.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	2	EA.	3,140.00	6,280
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie into Existing Manhole	0	EA.	2,100.00	0
Rechannell Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	1	EA.	2,000.00	2,000
Pavement around MH	0	S.F.	14.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	80	L.F.	1.20	96
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	756	S.F.	3.00	2,268
			SUBTOTAL:	13,444

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: P12-077 (PA11-0019)
Renaissance Village

DATE: 07/25/13
PREPARED BY: Chris Hopper

CMG

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$73,449
OFFSITE STREET WORK	:	\$165,521
SPECIAL DISTRICTS	:	\$15,000
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$11,030
WATER SYSTEM	:	\$74,500
SEWER SYSTEM	:	\$13,444
TRAFFIC IMPROVEMENTS	:	\$3,900
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$356,844
+20% CONTINGENCY:		\$71,369
<u>GRAND TOTAL:</u>		\$428,213

FAITHFUL PERFORMANCE SECURITY AMOUNT: \$429,000

LABOR & MATERIAL SECURITY AMOUNT: \$214,500

*The cost for securing payment of Labor and Materials is fifty (50) percent of the total cost estimate of the improvements.

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FAITHFUL PERFORMANCE STANDBY LETTER OF CREDIT

City of Moreno Valley
 County of Riverside
 State of California
 (Government Code Section 66499.1)

Date: September 18, 2013

Public Improvements US\$429,000.00

Project No. PA11-0019 (P12-077)

Standby Letter of Credit No. : STB13/00410

Surety: Preferred Bank

Principal: Continental East Fund
 VII, LLC

Address: 601 S. Figueroa Street, 29th Floor

Address: 25467 Medical Center
 Drive, Suite 200

City/Zip: Los Angeles, CA. 90017

City/Zip: Murrieta, CA. 92562

Whereas, the City Council of the City of Moreno Valley, County of Riverside, State of California, and Continental East Funds VII, LLC (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA11-0019(P12-077), which agreement is hereby referred to and made a part hereof; and,

Whereas, said principal is required under the terms of said agreement to furnish letter of Credit for the faithful performance of said agreement.

Now, Thereof, we the Principal, and Preferred Bank, as Surely, are held and firmly bound to the City of Moreno Valley in the penal sum of US\$429,000.00 (U.S. Dollars Four hundred twenty nine thousand & 00/100 only), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

To be continued on page 2



Our ref. STB13/00410

As part of the obligation secured hereby, and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The surety thereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this letter of credit, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications. Surely further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to Surety's obligations hereunder and are hereby waived by Surety.

When the work covered by the agreement is complete, the City Council of the City of Moreno Valley will accept the work and thereupon the amount of the obligation of this bond is reduced by 90 percent, with the remaining 10 percent held as security of the one-year maintenance period provided for in the agreement(s).

This Letter of Credit expired on September 8, 2014 at the our counter, however it shall be deemed automatically extended, without amendment, for additional periods of one (1) year each from the present or any future anniversary of the expiry date thereof, unless at least Sixty (60) days prior to any such date we shall notify you in writing by courier service at the above listed address that we elect not to consider this Letter of Credit extended for any such additional period.

Preferred Bank

Preferred Bank

.....
Louie Couto
Executive Vice President

.....
William Ko
Vice President

ACKNOWLEDGMENT

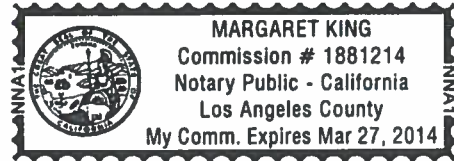
State of California
County of Los Angeles)

On September 18, 2013 before me, Margaret King, Notary Public
(insert name and title of the officer)

personally appeared Louie Couto and William Ko,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~
subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in
~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature *Margaret King* (Seal)

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MATERIAL AND LABOR STANDBY LETTER OF CREDIT

City of Moreno Valley
 County of Riverside
 State of California
 (Government Code Section 66499.2)

Date: September 18, 2013

Public Improvements US\$214,500.00

Project No. PA11-0019 (P12-077)

Standby Letter of Credit No. : STB13/00409

Surety: Preferred Bank

Principal: Continental East Fund
 VII, LLC

Address: 601 S. Figueroa Street, 29th Floor

Address: 25467 Medical Center
 Drive, Suite 200

City/Zip: Los Angeles, CA. 90017

City/Zip: Murrieta, CA. 92562

Whereas, the City Council of the City of Moreno Valley, County of Riverside, State of California, and Continental East Funds VII, LLC (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above designated public improvements, relating to PA11-0019(P12-077), which agreement is hereby referred to and made a part hereof; and,

Whereas, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment letter of credit with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

Now, therefore, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of US\$214,500.00 (U.S. Dollars Two hundred fourteen thousand five hundred & 00/100 only), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation to be awarded

To be continued on page 2



Our ref. STB13/00409

and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this letter of credit shall insure to the benefit of any and all persons, companies and corporations entitle to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this letter of credit.

Should the condition of this letter of credit be fully performed, then this obligation shall become null and void otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or the specifications accompanying the same shall in any manner affect its obligation on this letter of credit, and it does hereby waive notice of any such change, extension alteration or addition. Surety further stipulates and agrees that the provision of Section 2845 of the Civil Code are not a condition precedent to the Surety's obligation hereunder and hereby waived by the Surety.

This Letter of Credit expire on September 8, 2014 at our counter, however it shall be deemed automatically extended, without amendment, for additional periods of one (1) year each from the present or any future anniversary of the expiry date thereof, unless at least Sixty (60) days prior to any such date we shall notify you in writing by courier service at the above listed address that we elect not to consider this Letter of Credit extended for any such additional period.

Preferred Bank

Preferred Bank

.....
Louie Couto
Executive Vice President

.....
William Ko
Vice President

ACKNOWLEDGMENT

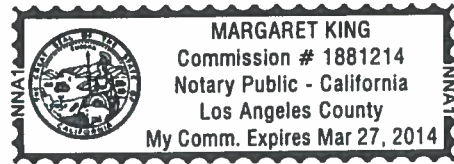
State of California
County of Los Angeles)

On September 18, 2013 before me, Margaret King, Notary Public
(insert name and title of the officer)

personally appeared Louie Couto and William Ko,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~
subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in
~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature *Margaret King* (Seal)

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

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: September 24, 2013

TITLE: PA07-0048 (PM 35500) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – INDIAN AVENUE II LLC, NEWPORT BEACH, CA, 92660

RECOMMENDED ACTION

Recommendations:

1. Accept the Agreement and Security for Public Improvements for Indian Avenue II LLC., Newport Beach, CA 92660.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.
5. Approve Parcel Map 35500.
6. Authorize the City Clerk to sign the map and transmit said map to the County Recorder's Office for recordation.

BACKGROUND

The Planning Commission of the City of Moreno Valley approved this project on October 25, 2007. Tentative Parcel Map No. 35500 (PA07-0048) is a two parcel subdivision. The developer proposes to construct a 423,112-square foot warehouse

distribution facility. The project site is located on the north side of San Michele Road approximately 600-feet east of Indian Street at the proposed intersection with San Celeste Road.

DISCUSSION

Indian Avenue II LLC, the developer of this project, has completed an Agreement for Public Improvements. The developer agrees to perform and complete all of the required street improvements within twenty-four (24) months of the date the agreement is executed. The street improvements include, but are not limited to: asphalt, base, curb, gutter, sidewalk, street lights, striping, signage, water, and sewer. The City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required street improvements are not completed within said timeframe.

Parcel Map No. 35500 is in substantial conformance with the approved tentative map. The developer has requested that the map be approved for recordation. The Conditions of Approval for this project require that the developer provide surety for the required improvements. Public improvements are to be constructed on the north side of San Michele Road approximately 600-feet east of Indian Street and on San Celeste Road between San Michele Road and Rivard Road.

Accompanying the agreement is Faithful Performance bond in the amount of \$924,000 and a Material and Labor bond in the amount of \$462,000 issued by International Fidelity Insurance Company.

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

ATTACHMENTS

- Attachment 1 – Vicinity Map
- Attachment 2 – Agreement for Public Improvements
- Attachment 3 – Faithful Performance Bond
- Attachment 4 – Material and Labor Bond

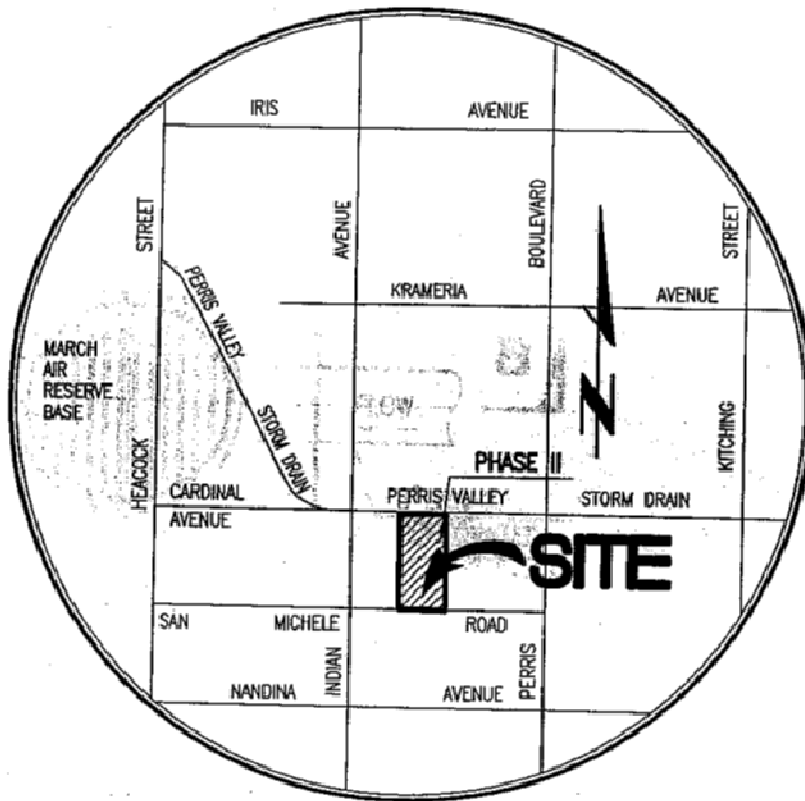
Prepared By:
Ken Hinton
Management Analyst

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Hoang Nguyen
Associate Engineer

Concurred By:
Mark W. Sambito, P.E.
Engineering Division Manager

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VICINITY MAP

N.T.S.

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PA07-0048
PM 35500

W:\LandDev\MANAGEMENT ASSISTANT\Staff Reports\Vicinity Map format surround - Portrait.doc

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**AGREEMENT FOR PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA07-0048**

This Agreement, made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and Indian Avenue II LLC, herein after called Developer, on the date the City signs this agreement.

WITNESSETH:

FIRST: Developer, for and in consideration of the approval by the City of the final map of that certain land division, or that certain other land development project, known as PA07-0048 agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within **TWENTY-FOUR (24)** months from the date this Agreement is executed, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for said project which have been approved by the City Engineer, and are on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code.

Security to guarantee the performance of this agreement shall be in the following amounts:

Faithful Performance security shall be in the sum of **NINE HUNDRED TWENTY FOUR THOUSAND AND NO/100** Dollars (*****\$924,000.00*****). The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A attached hereto.

Labor and Material security shall be in the sum of **FOUR HUNDRED SIXTY TWO THOUSAND AND NO/100** Dollars (*****\$462,000.00*****). The estimated cost securing payment of labor and materials is fifty (50) percent of the total cost estimate of the improvements.

Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Upon entering the warranty period, the City shall retain ten percent of the original faithful performance security. Developer reserves the right to substitute the form of security, in accordance with the Moreno Valley Municipal Code, at any time during the term of this agreement, subject to approval of the City Engineer and City Attorney.

SECOND: Developer agrees to file with City, prior to the date this Agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this Agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Developer agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amounts of said bond or bonds, or both, within ten (10) days after being notified by the City Engineer that the sureties or amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is necessary to comply with said notice, he shall be in default of this Agreement unless all required improvements are completed within ninety (90) days of the date on which the City Engineer notified the Developer of the insufficiency of said bonds. Developer reserves the right to

substitute the form of security in accordance with the City's Municipal Code at anytime during the term of this agreement, subject to approval by the City Engineer and City Attorney.

THIRD: Developer agrees to pay to the City the actual cost of such inspection of the works and improvements as may be required by the City Engineer. Developer further agrees that, if suit is brought upon this Agreement or any bond guaranteeing the completion of the required improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developer and guaranteed by the surety in addition to the face amount of the security, including reasonable attorney's fees, and that, upon entry of judgment, such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

FOURTH: City shall not, nor shall any officer or employee of City, except for its or their sole negligence, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this Agreement prior to the completion and approval thereof, nor shall City or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Developer, his agents or employees, in the performance of the work, and all of said liabilities are assumed by Developer. Developer agrees to protect, defend and hold harmless City and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Developer, his agents and employees, in the performance of this Agreement, or arising out of the use of any patent or patented article in the performance of this Agreement.

FIFTH: The Developer hereby grants to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the improvements. This permission shall terminate in the event that the Developer has completed the work within the time specified or any extension thereof granted by the City.

SIXTH: Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the improvements, and to protect the traveling public from such defective or dangerous conditions. The Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. The Developer's obligation under this provision shall be secured by the bonds securing performance of this Agreement.

SEVENTH: The Developer, his agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

EIGHTH: If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if the Developer violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this Agreement and notice in writing of such default shall be served upon him. The City Council shall have the power, on recommendation by the City Engineer, to terminate all rights of the Developer because of such default. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

NINTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this Agreement that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, extensions of time may be granted by the City from time to time, either at its own option, or upon request of Developer, and such extensions shall in no way affect the validity of this Agreement or release the surety or sureties on said bonds, Developer further agrees to maintain the aforesaid bonds in full force and effect during the terms of this Agreement, including any extensions of time as may be granted therein.

TENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

ELEVENTH: Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

City:
City Engineer
P.O. Box 88005
14177 Frederick
Moreno Valley, CA 92552-0805

Developer:
Indian Avenue II LLC,
100 Bayview Circle
Suite 310
Newport Beach, CA and 92660

IN WITNESS WHEREOF Developer has affixed his name, address and seal.

Date approved by the City: _____

Indian Avenue II LLC :
Developer

BY: _____
Signature

Print/Type Name

Title

BY: _____
Signature

Print/Type Name

Title

ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY

By: _____
City Clerk

(SEAL)

CITY OF MORENO VALLEY

By: _____
Mayor

APPROVED AS TO FORM:
CITY ATTORNEY

Date: _____

By: _____
City Attorney

NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.

SIGNATURES OF DEVELOPER MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY
ORIGINAL - CITY CLERK; PINK - DEVELOPER; GREEN - SURETY; BLUE - PROJECT FILE

**EXHIBIT "A"
ENGINEER'S ESTIMATE
OFF-SITE IMPROVEMENTS**

DATE: 09/10/13
PREPARED BY: Duke Aghaian

PROJECT: PA07-0048
MORENO VALLEY COMMERCE PARK PHASE 2
SAN CELESTE ROAD & RIVARD ROAD

PUBLIC STREET WORK			QUANTITY	UNIT	UNIT PRICE	TOTAL
TYPE						
Street Work						
Roadway Excavation			0	C.Y.	29.00	0
A.B. Class II - Street 1	1	Thickness (ft.)				
"A" ST. & RIVARD RD	58810	S.F.	4263	Ton	33.00	140,679
A.C. - Street 1	0.5	Thickness (ft.)				
A ST. & RIVARD RD	58810	S.F.	2131	Ton	80.00	170,480
Roadway Excavation			1510	C.Y.	29.00	43,790
					SUBTOTAL:	354,949

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Trench Repaving	0	S.F.	12.00	0
Curb Transition	0	L.F.	25.00	0
Adjust M.H. to Grade	0	EA.	630.00	0
Adjust Water Valve to Grade	2	EA.	500.00	1,000
Remove Existing Curb & Gutter	290	L.F.	12.00	3,480
Sawcut AC pavement	300	L.F.	2.00	600
Remove Existing sidewalk	2100	S.F.	2.50	5,250
Remove Existing AC pavement	9572	S.F.	3.00	28,716
AC overlay (1 1/2" min)	1845	S.F.	3.00	5,535
Concrete				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 8"		L.F.	25.00	0
Curb and Gutter - 8"	1223	L.F.	30.00	36,690
Curb Only - 6"		L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
A.C. Curb 6"	75	L.F.	12.00	900
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	993	S.F.	10.25	10,178
Sidewalk	7510	S.F.	4.25	31,918
Edge of pavement treatment	1043	S.F.	14.00	14,602
Driveway Approach - 8"	3445	S.F.	10.50	36,173
Wheelchair Ramp Cactus Avenue	2	EA.	2,600.00	5,200
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
Miscellaneous				
Curb Pocket for Sewer Manhole	0	EA.	5,000.00	0
Remove Existing chain link fence	665	L.F.	1.50	998
Erosion Control	2	AC	5,000.00	7,500
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
Remove Sign	3	EA.	200.00	600
			SUBTOTAL:	189,339

Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Signal (Interconnect, Controller)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	45000	0
Traffic Signal Interconnect	0	L.F.	30.00	0
Traffic Striping/raised pavement markers	1	L.S.	15000	15,000
Traffic Striping	0	L.S.	--	0
Remove existing striping	0	LS	15,000.00	0
Stop Sign	1	EA.	200.00	200
Signs and Posts	5	EA.	200.00	1,000
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	0	0
Traffic Control (DIF Street Name)	1	L.S.	10000	10,000
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Remove existing TS Interconnect conduit/cable	0	EA.	10.00	0
Adjust to grade existing traffic signal controller	0	EA.	1,500.00	0
			SUBTOTAL:	26,200

Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	196.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0

SUBTOTAL: 0

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
<i>Special Districts</i>				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	5325	S.F.	6.00	31,950
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	5	EA.	6,000.00	30,000
Street lights 3" conduit	0	LF	2.00	0
Street lights 1.5" conduit	1354	LF	2.00	2,708
Pull box	5	EA.	180.00	900
SPECIAL DISTRICTS SUBTOTAL:				65,558
<i>Moreno Valley Utilities</i>				
Electrical Utility Infrastructure	0	L.S.	0.00	0
Adjust Exist. Transformer				
Cap Existing 2" Gas	0	ea	1,500.00	0
MVU SUBTOTAL:				0
<i>Water Quality Basin</i>				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA	0	0
Outlets	0	EA	0	0
Risers	0	EA	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
<i>Transportation Engineering</i>				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordinator)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
<i>Pipes - Water System</i>				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	537	L.F.	55.00	29,535
16" CML&C	0	L.F.	120.00	0
12" CML&C	0	L.F.	95.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
<i>Valves - Water System</i>				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	4	EA.	2,300.00	9,200
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	1	EA.	2,400.00	2,400
Relocate 2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	2	EA.	4,300.00	8,600
1.5" Backflow Preventor, Pad & Cover	0	EA.	3,000.00	0
6" Blow Off	0	EA.	4,000.00	0

	0	0.00	0
Fire Hydrants - Water System			
6" Standard Fire Hydrants	0 EA.	4,000.00	0
6" Super Fire Hydrants	2 EA.	4,500.00	9,000
Relocate Fire Hydrants	0 EA.	3,000.00	0
Services Connections			
1" Service	0 EA.	800.00	0
1" Service w 5/8" meter	0 EA.	2,000.00	0
1 1/2" Service	0 EA.	1,100.00	0
2" Service	2 EA.	1,600.00	3,200
12" Fire service connection	2 EA.	4,500.00	9,000
Fittings - Water System			
Misc. Fittings 4"	0	120.00	0
Misc. Fittings 6"	0	160.00	0
Misc. Fittings 8"	0	200.00	0
Misc. Fittings 10"	0	240.00	0
Misc. Fittings 12"	0	750.00	0
	0	0.00	0
Water Meters - Water System			
5/8" Meter	0	230.00	0
1" Meter	0	320.00	0
1 1/2" Meter	0	420.00	0
2" Meter	2	525.00	1,050
Adjust Water Meter Box	0	235.00	0
10" DDC	2	10,000.00	20,000
Relocate Water Meter	0	1,000.00	0
Hot Tap Connections - Water System			
6" Hot Tap	0 EA.	1,750.00	0
8" Hot Tap	0 EA.	2,200.00	0
12" Hot Tap	1 EA.	3,150.00	3,150
Hot Tap Service Clamp	0 EA.	1,000.00	0
Water Service	0 EA.	330.00	0
	0	0.00	0
Miscellaneous - Water System			
Thrust Block	8 CY	150.00	1,200
Jack & Bore	0 L.F.	300.00	0
Joint at Existing 8"	0 EA.	650.00	0
Adjust Water Meter Box to Grade	0 EA.	150.00	0
Relocate 24" waterline	0 LF	75.00	0
Remove 12" waterline	0 LF	20.00	0
Remove and relocate existing CTS	0 EA.	2,500.00	0
Relocate 12" waterline	0 LF	50.00	0
		SUBTOTAL:	96,335

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	25.00	0
6" V.C. Pipe	45	L.F.	40.00	1,800
8" V.C. Pipe	428	L.F.	55.00	23,540
10" V.C. Pipe	0	L.F.	60.00	0
12" V.C. Pipe	0	L.F.	70.00	0
15" V.C. Pipe	0	L.F.	80.00	0
18" V.C. Pipe	0	L.F.	160.00	0
21" V.C. Pipe	0	L.F.	180.00	0
24" V.C. Pipe	0	L.F.	195.00	0
27" V.C. Pipe	0	L.F.	215.00	0
30" V.C. Pipe	0	L.F.	235.00	0
33" V.C. Pipe	0	L.F.	280.00	0
36" V.C. Pipe	0	L.F.	300.00	0
4" SDR - 35	0	L.F.	25.00	0
6" SDR - 35	0	L.F.	30.00	0
8" SDR - 35	0	L.F.	35.00	0
10" SDR - 35	0	L.F.	45.00	0
12" SDR - 35	0	L.F.	54.00	0
15" SDR - 35	0	L.F.	90.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	1	EA.	730.00	730
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	3	EA.	3,140.00	9,420
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0

Shallow Manhole	0 EA.	3,300.00	0
Adjust Manhole to Grade	0 EA.	630.00	0
Tie Into Existing Manhole	0 EA.	2,100.00	0
Rechannel Existing Manhole	0 EA.	1,500.00	0
Join Existing 8" Pipe	1 EA.	1,500.00	1,500
Join Existing 12" Pipe	0 EA.	2,000.00	0
	0	0.00	0
Miscellaneous - Sewer System			
Wyes	1 EA.	90.00	90
TV Sewer	0 L.F.	1.20	0
Trench Paving	0 S.F.	5.00	0
Pavement Replacement	0 S.F.	3.00	0
		SUBTOTAL:	37,080

ENGINEER'S ESTIMATE

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: MORENO VALLEY COMMERCE PARK PAHSE 2 DATE: 09/10/13
PREPARED BY: Duke Aghaian

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$354,949
OFFSITE STREET WORK	:	\$189,339
SPECIAL DISTRICTS	:	\$65,558
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$0
WATER SYSTEM	:	\$96,335
SEWER SYSTEM	:	\$37,080
TRAFFIC IMPROVEMENTS	:	\$26,200
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$769,461
+20% CONTINGENCY:		\$153,892
GRAND TOTAL:		\$923,353

BOND AMOUNT: \$924,000



Haideok I. Aghaian 9/10/13
 HAIDOOK I. AGHAIAN, PE DATE
 RCE NO. 43293 EXP. 3/31/14

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FAITHFUL PERFORMANCE BOND

**City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)**

Public Improvements \$924,000

Project No. PA07-0048

Bond No. _____

Premium _____

Surety Aon Risk Solutions

Principal Indian Avenue II LLC

Address 707 Wilshire Boulevard, Suite 2600

Address 100 Bayview Circle, Suite 310

City/Zip Los Angeles, CA, 90017

City/Zip Newport Beach, CA 92660

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **INDIAN AVENUE II LLC.**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0048**, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and Aon Risk Solutions, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of **NINE HUNDRED TWENTY FOUR THOUSAND AND NO/100** Dollars (*****\$924,000.00*****), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND (Page 2 of 2)

PROJECT NO. PA07-0048

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to Surety's obligations hereunder and are hereby waived by Surety.

When the work covered by the agreement is complete, the City Council of the City of Moreno Valley will accept the work and thereupon the amount of the obligation of this bond is reduced by 90%, with the remaining 10% held as security for the one-year maintenance period provided for in the agreement(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named on _____, 20_____.

NAME OF PRINCIPAL: Indian Avenue II LLC.
Company Name

AUTHORIZED SIGNATURE(S): By

_____	_____
Name	Title
_____	_____
Name	Title

NAME OF SURETY: Aon Risk Solutions
Company Name

AUTHORIZED SIGNATURE: _____
ITS ATTORNEY-IN-FACT

**ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY**

Approved as to form:

Date: _____

City Attorney
City of Moreno Valley

W:\LandDev\MANAGEMENT ASSISTANT\Agreement Bond Packets\Boiler - Faithful Performance Bond.DOC

M A T E R I A L A N D L A B O R B O N D

**City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)**

Public Improvements \$462,000

Project No. PA07-0048

Bond No. _____

Premium _____

Surety Aon Risk Solutions

Principal Indian Avenue II LLC

Address 707 Wilshire Boulevard, Suite 2600

Address 100 Bayview Circle, Suite 310

City/Zip Los Angeles, CA, 90017

City/Zip Newport Beach, CA, 92660

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **INDIAN AVENUE II LLC**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA07-0048**, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of **FOUR HUNDRED SIXTY TWO THOUSAND AND NO/100** Dollars (*****\$462,000.00*****), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

MATERIAL AND LABOR BOND (Page 2 of 2)
PROJECT NO. PA07-0048

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or the specifications accompanying the same shall in any manner affect its obligation on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. Surety further stipulates and agrees that the provision of Section 2845 of the Civil Code are not a condition precedent to the Surety's obligations hereunder and hereby waived by the Surety.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on _____, 20____.

NAME OF PRINCIPAL: Indian Avenue II LLC
Company Name

AUTHORIZED SIGNATURE(S):

_____	_____
Name	Title
_____	_____
Name	Title

NAME OF SURETY: Aon Risk Solutions
Company Name

AUTHORIZED SIGNATURE: _____
ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY

Approved as to form:
Date: _____

City Attorney
City of Moreno Valley

W:\LandDev\MANAGEMENT ASSISTANT\Agreement Bond Packets\Boiler - Material Labor Bond.DOC



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

Report to City Council

TO: Mayor and City Council

FROM: Ahmad Ansari, Public Works Director/City Engineer

AGENDA DATE: September 24, 2013

TITLE: ADOPT THE RESOLUTION AUTHORIZING ACCEPTANCE OF JENNINGS COURT AND PENUNURI PLACE INTO THE CITY'S MAINTAINED STREET SYSTEM

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. 2013-75. A Resolution of the City Council of the City of Moreno Valley, California, authorizing the acceptance of Jennings Court and Penunuri Place into the City's Maintained Street system.

ADVISORY BOARD/COMMISSION RECOMMENDATION

Not applicable

BACKGROUND

On January 4, 1990, Parcel Map 24350 was approved by the Planning Commission of the City of Moreno Valley. On November 5, 1998, the Community and Economic Development Department approved Parcel Map 27548. Parcel Maps 27548 and 24350 are located at the north end of Morton Road at Jennings Court and Penunuri Place.

DISCUSSION

The completed improvements have received a final inspection, and the improvements were completed in accordance with the approved plans and the standards of the City of Moreno Valley. In accordance with the Streets and Highway Code, the method for acceptance of improvements, per Section 1806, (a), and (b), is by action of the

governing body, by resolution. It is therefore appropriate to accept those improvements into the City's maintained street system.

ALTERNATIVES

1. Adopt the proposed Resolution authorizing the acceptance of Jennings Court and Penunuri Place into the City's Maintained Street system. *The required improvements have been completed according to City of Moreno Valley Standards and approved plans, therefore should be included in the City's maintained street system.*
2. Do not adopt the proposed Resolution authorizing the acceptance of Jennings Court and Penunuri Place into the City's Maintained Street system. *The required improvements have been completed according to City of Moreno Valley Standards and approved plans, therefore should be included in the City's maintained street system.*

FISCAL IMPACT

The acceptance of these street improvements into the City's maintained street system will create an additional fiscal impact to the street maintenance program of the City (Fund 2000-Gas Tax, Fund 2001-Measure "A", and Fund 2008-NPDES). Fund 2000 is restricted to the construction and maintenance of streets and roadways. Fund 2001 is restricted for transportation projects only for the purposes of construction, maintenance and operation of streets and roadways. The County Service Area (CSA) levy collected from property owners support current NPDES Permit programs and reduce the level of General Fund support necessary to remain in compliance with unfunded federal mandates, as administered by the State. Funds collected from the CSA 152 annual levy are restricted for use only within the Storm Water Management program).

NOTIFICATION

Publication of agenda

ATTACHMENTS

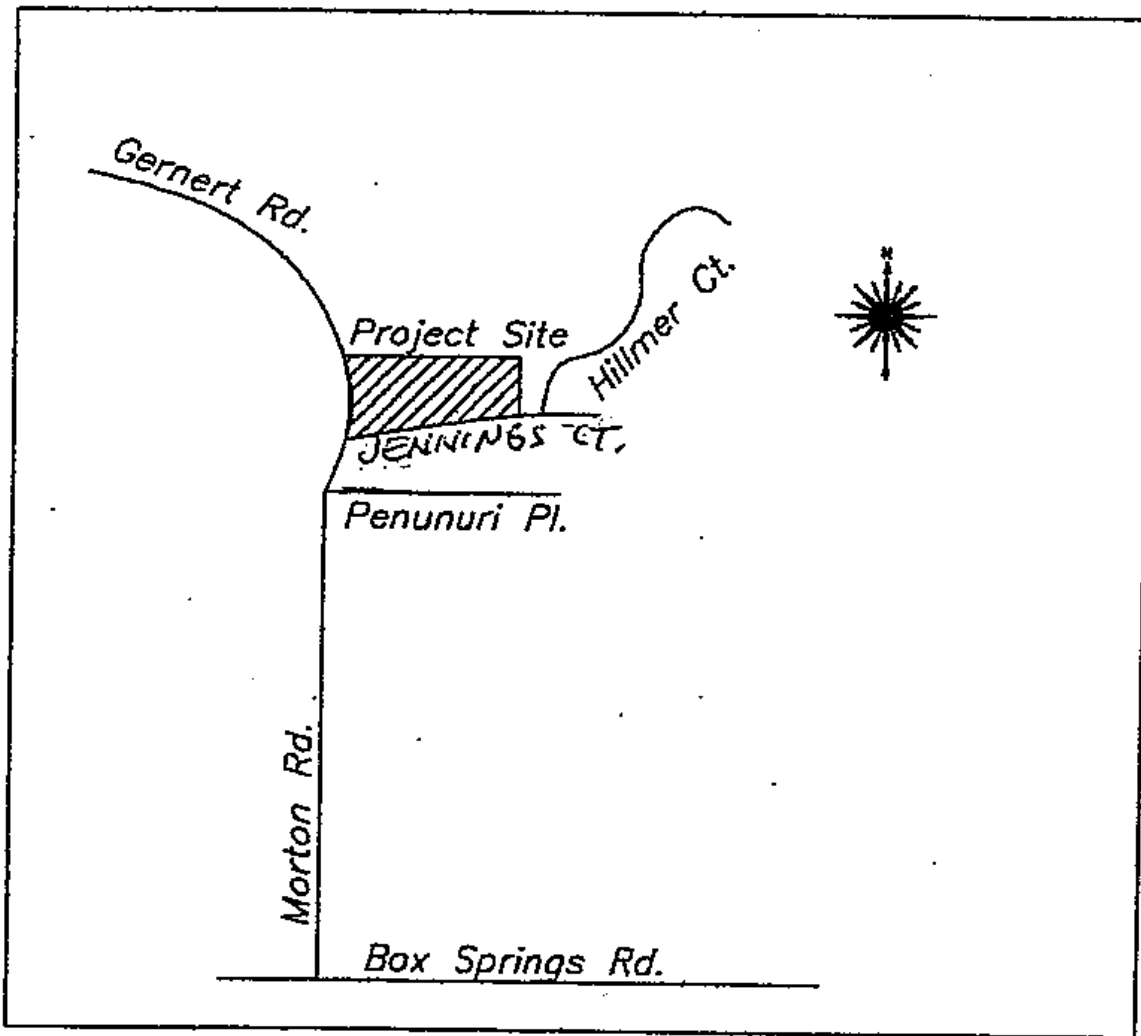
- Attachment 1 – Vicinity Map
- Attachment 2 – Proposed Resolution

Prepared By:
 Mark W. Sambito, P.E.
 Engineering Division Manager

Department Head Approval:
 Ahmad R. Ansari, P.E.
 Public Works Director/City Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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Vicinity Map
Not To Scale

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

Attachment 1

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RESOLUTION NO. 2013-75

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING THE ACCEPTANCE OF JENNINGS COURT AND PENUNURI PLACE INTO THE CITY'S MAINTAINED STREET SYSTEM

WHEREAS, the City Engineer has determined that the public improvements constructed on Jennings Court and Penunuri Place were constructed according to the approved plans on file with the City of Moreno Valley; and

WHEREAS, the City Engineer has determined that those improvements were inspected during construction and were completed in an acceptable manner; and

WHEREAS, the City Engineer has requested that the City Council authorize the acceptance of Jennings Court and Penunuri Place into the City's maintained street system; and

WHEREAS, it is in accordance with Streets and Highway Code, Section 1806, (a) and (b), for City Council to perform this action by resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS: that Jennings Court and Penunuri Place are accepted into the City's maintained street system.

APPROVED AND ADOPTED this 24th day of September, 2013.

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, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2013-75 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)



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

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: September 24, 2013

TITLE: PA06-0017 (P12-146) – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – FIRST INDUSTRIAL REALTY TRUST INC., EL SEGUNDO, CA 90245

RECOMMENDED ACTION

Recommendations:

1. Accept the Agreement and Security for Public Improvements for First Industrial Realty Trust Inc., El Segundo, CA 90245.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

BACKGROUND

On August 23, 2007, the City of Moreno Valley Planning Commission approved PA06-0017, a plot plan for two distribution warehouse buildings totaling 569,200 square feet on approximately 28.64 acres of land located at the northeast corner of Perris Boulevard and Edwin Road, south of the Perris Valley Storm Drain channel.

On February 26, 2013, the Community & Economic Development Department of the City of Moreno Valley approved P12-146, an amended plot plan for a 555,670 square

foot warehouse building, effectively replacing the two previously approved buildings with one building.

The conditions of approval of the project require the developer to construct public improvements on Perris Boulevard, Edwin Road, and Kitching Street.

DISCUSSION

The developer of this project has completed an Agreement for Public Improvements. The developer agrees to perform and complete all of the required street improvements within twenty-four (24) months of the date the agreement is executed. The street improvements include, but are not limited to: asphalt, base, curb, gutter, sidewalk, raised landscape median, street lights, storm drain, catch basin, striping, signage, water, and sewer. The City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required street improvements are not completed within said timeframe.

Accompanying the agreement is Faithful Performance bond in the amount of \$2,798,000 and a Material and Labor bond in the amount of \$1,399,000.

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

ATTACHMENTS

- Attachment 1 – Vicinity Map
- Attachment 2 – Agreement for Public Improvements
- Attachment 3 – Faithful Performance Bond
- Attachment 4 – Material and Labor Bond

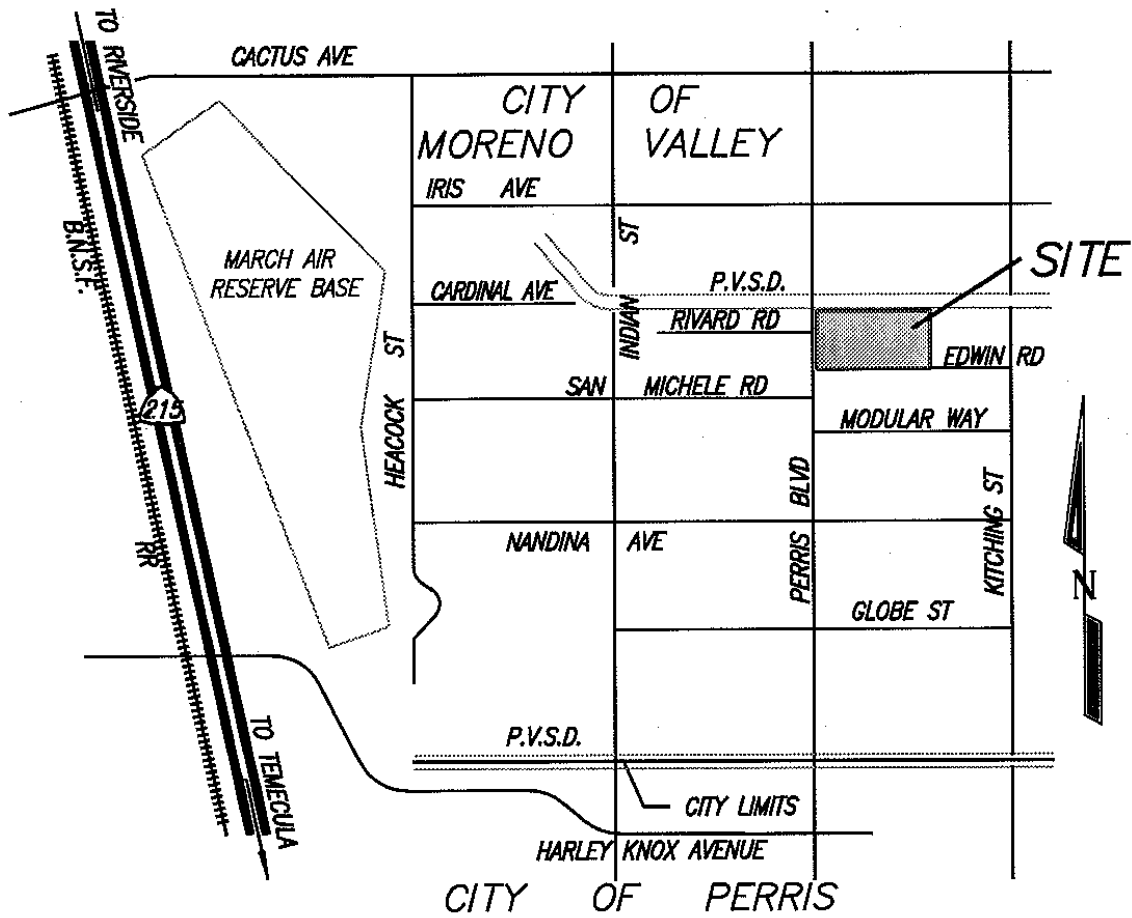
Prepared By:
Clement Jimenez, P.E.
Senior Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Mark W. Sambito, P.E.
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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VICINITY MAP

NOT TO SCALE

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PA06-0017 (P12-146)

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**AGREEMENT FOR PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA06-0017 (P12-146)**

This Agreement, made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and First Industrial Realty Trust, Inc., herein after called Developer, on the date the City signs this agreement.

WITNESSETH:

FIRST: Developer, for and in consideration of the approval by the City of the final map of that certain land division, or that certain other land development project, known as PA06-0017 (P12-146) agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within **TWENTY-FOUR (24)** months from the date this Agreement is executed, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for said project which have been approved by the City Engineer, and are on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code.

Security to guarantee the performance of this agreement shall be in the following amounts:

Faithful Performance security shall be in the sum of **TWO MILLION SEVEN HUNDRED NINETY-EIGHT THOUSAND AND NO/100** Dollars (*****\$2,798,000.00*****). The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A attached hereto.

Labor and Material security shall be in the sum of **ONE MILLION THREE HUNDRED NINETY-NINE THOUSAND AND NO/100** Dollars (*****\$1,399,000.00*****). The estimated cost securing payment of labor and materials is fifty (50) percent of the total cost estimate of the improvements.

Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Upon entering the warranty period, the City shall retain ten percent of the original faithful performance security. Developer reserves the right to substitute the form of security, in accordance with the Moreno Valley Municipal Code, at any time during the term of this agreement, subject to approval of the City Engineer and City Attorney.

SECOND: Developer agrees to file with City, prior to the date this Agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this Agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Developer agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amounts of said bond or bonds, or both, within ten (10) days after being notified by the City Engineer that the sureties or amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is necessary to comply with said notice, he shall be in default of this Agreement unless all required improvements are completed within ninety (90) days of the date on which the City Engineer notified the Developer of the insufficiency of said bonds. Developer reserves the right to

substitute the form of security in accordance with the City's Municipal Code at any time during the term of this agreement, subject to approval by the City Engineer and City Attorney.

THIRD: Developer agrees to pay to the City the actual cost of such inspection of the works and improvements as may be required by the City Engineer. Developer further agrees that, if suit is brought upon this Agreement or any bond guaranteeing the completion of the required improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developer and guaranteed by the surety in addition to the face amount of the security, including reasonable attorney's fees, and that, upon entry of judgment, such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

FOURTH: City shall not, nor shall any officer or employee of City, except for its or their sole negligence, be liable or responsible for any accident, loss or damage happening or occurring to the works specified in this Agreement prior to the completion and approval thereof, nor shall City or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Developer, his agents or employees, in the performance of the work, and all of said liabilities are assumed by Developer. Developer agrees to protect, defend and hold harmless City and the officers and employees thereof from all loss, liability or claim because of, or arising out of the acts or omissions of Developer, his agents and employees, in the performance of this Agreement, or arising out of the use of any patent or patented article in the performance of this Agreement.

FIFTH: The Developer hereby grants to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the improvements. This permission shall terminate in the event that the Developer has completed the work within the time specified or any extension thereof granted by the City.

SIXTH: Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the improvements, and to protect the traveling public from such defective or dangerous conditions. The Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. The Developer's obligation under this provision shall be secured by the bonds securing performance of this Agreement.

SEVENTH: The Developer, his agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

EIGHTH: If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if the Developer violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this Agreement and notice in writing of such default shall be served upon him. The City Council shall have the power, on recommendation by the City Engineer, to terminate all rights of the Developer because of such default. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

NINTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this Agreement that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, extensions of time **may** be granted by the City from time to time, either at its own option, or upon request of Developer, and such extensions shall in no way affect the validity of this Agreement or release the surety or sureties on said bonds, Developer further agrees to maintain the aforesaid bonds in full force and effect during the terms of this Agreement, including any extensions of time as may be granted therein.

TENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

ELEVENTH: Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

City:
City Engineer
P.O. Box 88005
14177 Frederick
Moreno Valley, CA 92552-0805

Developer:
First Industrial Realty Trust, Inc.,
898 N. Sepulveda, Suite 750
El Segundo, CA 90245

IN WITNESS WHEREOF Developer has affixed his name, address and seal.

Date approved by the City: _____

First Industrial Realty Trust, Inc.:
Developer

BY: _____
Signature

Print/Type Name

Title

BY: _____
Signature

Print/Type Name

Title

ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY

By: _____
City Clerk

(SEAL)

CITY OF MORENO VALLEY

By: _____
Mayor

APPROVED AS TO FORM:
CITY ATTORNEY

Date: _____

By: _____
City Attorney

NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.

SIGNATURES OF DEVELOPER MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY ORIGINAL - CITY CLERK; PINK - DEVELOPER; GREEN - SURETY; BLUE - PROJECT FILE

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 1 of 8

9-10-13

PROJECT: First 36 Logistics Project
P12-146
PA06-0017

PUBLIC PAVEMENT SECTIONS

DATE: 07/01/13
PREPARED BY: Robert Berndt

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Edwin	1	Thickness (ft.)		
	29950	S.F.	2171 Ton	33.00
A.C. - Edwin	0.5	Thickness (ft.)		71,643
	29950	S.F.	1085 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	86,800
A.B. Class II - Kitching	0.83	Thickness (ft.)		0
	3330	S.F.	200 Ton	33.00
A.C. - Kitching	0.42	Thickness (ft.)		6,600
	3330	S.F.	101 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	8,080
A.B. Class II - Perris Me	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Perris Median	1.25	Thickness (ft.)		0
	1780	S.F.	161 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	12,880
A.B. Class II - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
	0			0
Street Work - DIF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
				0
Street Work - TUMF				
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 1	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 2	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 3	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
Roadway Excavation		0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	33.00
A.C. - Street 4	0	Thickness (ft.)		0
	0	S.F.	0 Ton	80.00
				0
			SUBTOTAL:	186,003

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT: First 36 Logistics Project
P12-146 PUBLIC STREET WORK
PA06-0017

DATE: 07/01/13
PREPARED BY: Robert Berndt

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
Pavement				
Grind & Pave 0.15'	0	S.F.	3.25	0
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	1204	S.Y.	2.25	2,709
Paving Fabric	0	S.Y.	1.20	0
Sawcut	1570	L.F.	3.00	4,710
Utility Trench	0	L.F.	17.00	0
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
A.C. Berm - 6"	0	L.F.	10.00	0
A.C. Berm - 8"	0	L.F.	15.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	400.00	0
Remove & Dispose Existing Pavement & Base	3558	SF	3.00	10,674
Remove Existing Curb & Gutter	150	L.F.	12.00	1,800
Concrete				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	520	L.F.	30.00	15,600
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	1190	L.F.	25.00	29,750
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	1820	S.F.	10.25	18,655
Sidewalk	1310	S.F.	4.25	5,568
Sidewalk (DIF Street Name)	0	S.F.	7.00	0
Sidewalk (TUMF Street Name)	0	S.F.	7.00	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	1190	S.F.	10.50	12,495
Wheelchair Ramp	4	EA.	2,600.00	10,400
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
Miscellaneous				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Erosion Control	0	AC	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
Reinforced P.C.C. Retaining Walls	0	C.Y.	780.00	0
				0
				SUBTOTAL
				112,361
Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Striping/raised pavement markers	1	L.S.	--	3,774
Traffic Striping (DIF Street -Perris Blvd)	1	L.S.	--	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	0	EA.	200.00	0
Signs and Posts	0	EA.	200.00	0
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	0	EA.	200.00	0
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	10000	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
				SUBTOTAL:
				3,774
Bondable Street Work Only (not plan checked)				
Undergrounding of Utilities	0	L.F.	203.00	0
Cluster Mail Boxes	0	EA.	4,500.00	0
Relocate Mailbox	0	EA.	350.00	0
Relocate Cluster Mailbox	0	EA.	1,200.00	0
Monuments	0	EA.	300.00	0
Relocate Trees	0	EA.	2,500.00	0
				SUBTOTAL:
				0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: First 36 Logistics Project
P12-146
PA06-0017

PUBLIC STREET WORK (CONTINUED)

DATE: 07/01/13
PREPARED BY: Robert Berndt

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	3	EA.	6,000.00	18,000
	SPECIAL DISTRICTS SUBTOTAL:			18,000
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
	MVU SUBTOTAL:			0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
	WQB SUBTOTAL:			0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordination)	1	EA.	272,000.00	272,000
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
	TRANSPORTATION SUBTOTAL:			272,000

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: First 36 Logistics Project
P12-146
PA06-0017
PUBLIC STORM DRAIN SYSTEM

DATE: 07/01/13
PREPARED BY: Robert Berndt

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	152	L.F.	160.00	24,320
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	2680	L.F.	190.00	509,200
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	1200	L.F.	210.00	252,000
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	1	EA.	5000.00	5,000
Manhole No. 2	1	EA.	7200.00	7,200
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	1	EA.	5500.00	5,500
Catch Basin (10')	0	EA.	6000.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21')	0	EA.	12500.00	0
Local Depressions	1	EA.	535.00	535
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (10') (DIF Street Name)	0	EA.	6000.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: First 36 Logistics Project
P12-146
PA06-0017

DATE: 07/01/13
PREPARED BY: Robert Berndt
PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	2	EA.	6500.00	13,000
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	1	EA.	5500.00	5,500
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	1	EA.	600.00	600
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
Remove RCP	36	L.F.	40	1,440
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000	0
			SUBTOTAL:	824,295

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT: First 36 Logistics Project
P12-146
PA06-0017
PUBLIC WATER SYSTEMS

DATE: 07/01/13
PREPARED BY: Robert Berndt

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	805	L.F.	60.00	48,300
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	2	EA.	2,300.00	4,600
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	1	EA.	2,400.00	2,400
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	0	EA.	4,000.00	0
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	1	EA.	4,000.00	4,000
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w/ 5/8" Service	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	0	EA.	1,600.00	0
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	3		750.00	2,250
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	1	EA.	3,150.00	3,150
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0
Jack & Bore	0	L.F.	300.00	0
Joint at Existing 8"	0	EA.	650.00	0
Adjust Water Meter Box to Grade	0	EA.	235.00	0
	0		0.00	0

SUBTOTAL: 64,700

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: First 36 Logistics Project
P12-146
PA06-0017
PUBLIC SEWER SYSTEMS

DATE: 07/01/13
PREPARED BY: Robert Berndt

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	25.00	0
6" V.C. Pipe	19	L.F.	40.00	760
8" V.C. Pipe	0	L.F.	55.00	0
10" V.C. Pipe	0	L.F.	60.00	0
12" V.C. Pipe	853	L.F.	70.00	59,710
15" V.C. Pipe	0	L.F.	80.00	0
18" V.C. Pipe	0	L.F.	160.00	0
21" V.C. Pipe	0	L.F.	180.00	0
24" V.C. Pipe	0	L.F.	195.00	0
27" V.C. Pipe	0	L.F.	215.00	0
30" V.C. Pipe	0	L.F.	235.00	0
33" V.C. Pipe	0	L.F.	280.00	0
36" V.C. Pipe	0	L.F.	300.00	0
4" SDR - 35	0	L.F.	25.00	0
6" SDR - 35	0	L.F.	30.00	0
8" SDR - 35	0	L.F.	35.00	0
10" SDR - 35	0	L.F.	45.00	0
12" SDR - 35	0	L.F.	54.00	0
15" SDR - 35	0	L.F.	90.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	1	EA.	730.00	730
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	2	EA.	3,140.00	6,280
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechannell Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
Pavement around MH	0	S.F.	14.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	1760	S.F.	3.00	5,280
			SUBTOTAL:	72,760

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: First 36 Logistics Project
P12-146
PA06-0017

DATE: 07/01/13
PREPARED BY: Robert Berndt

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$186,003
OFFSITE STREET WORK	:	\$112,361
SPECIAL DISTRICTS	:	\$18,000
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$272,000
STORM DRAIN SYSTEM	:	\$824,295
WATER SYSTEM	:	\$64,700
SEWER SYSTEM	:	\$72,760
TRAFFIC IMPROVEMENTS	:	\$3,774
BONDABLE WORK (not plan checked)	:	\$0
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$1,553,893
+20% CONTINGENCY:		\$310,779
<u>SUB TOTAL:</u>		\$1,864,671
+50% ADDITIONAL CONTINGENCY (PLANS NOT APPROVED)		\$932,336
<u>GRAND TOTAL:</u>		\$2,797,007

FAITHFUL PERFORMANCE SECURITY AMOUNT: \$2,798,000



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FAITHFUL PERFORMANCE BOND

**City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)**

Public Improvements	<u>\$2,798,000</u>	Project No.	<u>PA06-0017 (P12-146)</u>
Bond No.	_____	Premium	_____
Surety	_____	Principal	<u>First Industrial Realty Trust, Inc.</u>
Address	_____	Address	<u>898 N. Sepulveda, Suite 750</u>
City/Zip	_____	City/Zip	<u>El Segundo, CA 90245</u>

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **FIRST INDUSTRIAL REALTY TRUST, INC.**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA06-0017 (P12-146)**, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and _____, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of **TWO MILLION SEVEN HUNDRED NINETY-EIGHT THOUSAND AND NO/100** Dollars (*****\$2,798,000.00*****), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND (Page 2 of 2)
PROJECT NO. PA06-0017 (P12-146)

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to Surety's obligations hereunder and are hereby waived by Surety.

When the work covered by the agreement is complete, the City Council of the City of Moreno Valley will accept the work and thereupon the amount of the obligation of this bond is reduced by 90%, with the remaining 10% held as security for the one-year maintenance period provided for in the agreement(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named on _____, 20_____.

NAME OF PRINCIPAL: First Industrial Realty Trust, Inc.
Company Name

AUTHORIZED SIGNATURE(S): By

_____	_____
Name	Title
_____	_____
Name	Title

NAME OF SURETY: _____
Company Name

AUTHORIZED SIGNATURE: _____
ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY

Approved as to form:

Date: _____

City Attorney
City of Moreno Valley

M A T E R I A L A N D L A B O R B O N D

**City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)**

Public Improvements: \$1,399,000.00

Project No.: PA06-0017 (P12-146)

Bond No.: _____

Premium: _____

Surety: _____

Principal: First Industrial Realty Trust, Inc.

Address: _____

Address: 898 N. Sepulveda, Suite 750

City/Zip: _____

City/Zip: El Segundo, CA, 90245

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and **FIRST INDUSTRIAL REALTY TRUST, INC.**, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to **PA06-0017 (P12-146)**, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of **ONE MILLION THREE HUNDRED NINETY-NINE THOUSAND AND NO/100** Dollars **(***\$1,399,000.00***)**, lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

MATERIAL AND LABOR BOND (Page 2 of 2)
PROJECT NO. PA06-0017 (P12-146)

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or the specifications accompanying the same shall in any manner affect its obligation on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. Surety further stipulates and agrees that the provision of Section 2845 of the Civil Code are not a condition precedent to the Surety's obligations hereunder and hereby waived by the Surety.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on _____, 20____.

NAME OF PRINCIPAL: First Industrial Realty Trust, Inc.
Company Name

AUTHORIZED SIGNATURE(S): By:

_____	_____
Name	Title
_____	_____
Name	Title

NAME OF SURETY: _____
Company Name

AUTHORIZED SIGNATURE: _____
ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY

Approved as to form:

Date: _____

City Attorney
City of Moreno Valley



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

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, Public Works Director/City Engineer

AGENDA DATE: September 24, 2013

TITLE: APPROVE A COOPERATIVE AGREEMENT BETWEEN THE CITY OF MORENO VALLEY AND RIVERSIDE TRANSIT AGENCY (RTA) FOR THE INSTALLATION OF TRANSIT AMENITIES WITHIN THE PUBLIC RIGHT-OF-WAY

RECOMMENDED ACTION

Recommendations:

1. Approve a Cooperative Agreement between the City of Moreno Valley and the Riverside Transit Agency for the installation of transit amenities within the public right-of-way.
2. Authorize the City Manager to execute the Cooperative Agreement.
3. Authorize the Public Works Director/City Engineer to execute any future amendments to the Cooperative Agreement, if needed, subject to the approval of the City Attorney.

ADVISORY BOARD/COMMISSION RECOMMENDATION

N/A

BACKGROUND

On October 31, 2006, the City entered into a Bus Shelter Maintenance and Advertising agreement with RTA to provide on-call bus shelter services and to grant advertising rights. This agreement outlined the construction, installation and repairs of bus shelters and mostly focused on advertising guidelines for RTA or RTA's contractor at existing and proposed bus stop locations within the City.

Recently, RTA changed their policy and has decided they will no longer provide advertising and/or public service announcements at existing and new bus shelters.

DISCUSSION

With the new direction taken, RTA has requested that the City enter into a new cooperative agreement that is similar to the existing agreement but excludes the advertising rights. Since advertising at bus shelters has rarely been used in the City there will be no impact or change in public use or expectations.

The new agreement will grant RTA a license to construct, erect, install, use, operate, repair, maintain, clean, and service public transit amenities at their own expense. For the purpose of this report, transit amenities includes, but is not limited to, bus turnouts, shelter pads, retaining walls, bus shelters, benches, trash receptacles, lighting, kiosks, and route signage.

The cooperative agreement will allow RTA to continue providing maintenance services and to construct needed transit amenities within the public right-of-way.

ALTERNATIVES

1. Approve cooperative agreement with RTA as presented. Authorize the City Manager to execute the Cooperative Agreement in the form hereto. Authorize the Public Works Director/City Engineer to execute any future amendments to the Cooperative Agreement if needed, subject to the approval of the City Attorney. *This alternative will allow RTA to continue providing maintenance and allow construction of transit amenities within the public right-of-way.*
2. Do not approve cooperative agreement with RTA as presented. Do not authorize the City Manager to execute the Cooperative Agreement in the form hereto. Do not authorize the Public Works Director/City Engineer to execute any future amendments to the Cooperative Agreement if needed, subject to the approval of the City Attorney. *If such agreement is not approved, RTA will not be able to provide maintenance or construct transit amenities within the public right-of-way.*

FISCAL IMPACT

As part of the agreement, contractors working on behalf of RTA will be required to secure an encroachment permit and pay all associated fees. Costs for staff time will be recovered in accordance within the latest adopted fee schedule. There will be no impact to the General Fund.

CITY COUNCIL GOALS

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

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

ATTACHMENTS

Attachment 1: Cooperative Agreement

Prepared By:
Edward I. Init
Senior Engineering Technician

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Eric Lewis, P.E., T.E.
City Traffic Engineer

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

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**COOPERATIVE AGREEMENT
BETWEEN
CITY OF MORENO VALLEY
AND
RIVERSIDE TRANSIT AGENCY**

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THIS AGREEMENT is effective this ____ day of _____, 2013, by and between the Riverside Transit Agency, located at 1825 Third Street, Riverside, California 92507, a joint powers agency of the state of California (hereinafter referred to as "RTA"), and the City of **Moreno Valley, 14177 Frederick Street, Moreno Valley, California 92552, a Municipal Corporation** of the State of California (hereinafter referred to as "CITY"). Collectively RTA and CITY may be referred to as "PARTIES", or sometimes individually referred to as "PARTY".

WITNESSETH:

WHEREAS, RTA provides public transportation services for the western portion of Riverside County; and

WHEREAS, CITY is a municipality in the western portion of Riverside County; and

WHEREAS, CITY desires public transit amenities, which may include but are not limited to, bus turnouts, shelter pads, retaining walls, bus shelters, benches, trash receptacles, lighting, kiosks and route signage (hereinafter referred to as "AMENITIES") at various locations within the CITY's jurisdiction; and

WHEREAS, CITY desires to grant RTA license to construct, erect, install, use, operate, repair, maintain, clean and service AMENITIES, as further set forth in this Agreement and pursuant to the terms hereof; and,

WHEREAS, RTA and CITY agree to cooperate in the provision of AMENITIES within the CITY's boundaries; and

WHEREAS, the purpose of this Agreement is to establish the mutually agreeable terms and conditions of the PARTIES.

NOW, THEREFORE, in consideration of the mutual benefits to the PARTIES hereto, and in consideration of the covenants and conditions herein contained, the

1 PARTIES agree as follows:
2

3 **ARTICLE 1. COMPLETE AGREEMENT**

4 This Agreement, including all exhibits and documents incorporated herein and
5 made applicable by reference, constitutes the complete and exclusive statement of the
6 terms and conditions of the Agreement between RTA and CITY and it supersedes all
7 prior representations, understandings, and communications regarding the services
8 provided hereunder. The invalidity in whole or in part of any provision of this Agreement
9 shall not affect the validity of other provisions.
10

11 **ARTICLE 2. DESIGNATION OF AUTHORITY**

12 A. RTA’s Chief Executive Officer, or designee, shall have the authority to act
13 for and exercise any of the rights of RTA as set forth in this Agreement.

14 B. CITY’s **City Manager** or designee shall have the authority to act for and
15 exercise any of the rights of CITY as set forth in this Agreement.
16

17 **ARTICLE 3. TERM AND TERMINATION**

18 This Agreement shall be effective on the date first written above and shall remain
19 in full force and effect until terminated by either PARTY by giving thirty (30) days written
20 notice to the other PARTY.
21

22 **ARTICLE 4. NOTICES**

23 All notices hereunder and communications regarding the interpretation of the terms
24 of this Agreement, or changes thereto, shall be effected by delivery of said notices in
25 person, via electronic mail, or by depositing said notices in the U.S. mail, registered or
26 certified mail, returned receipt requested, postage prepaid and addressed as follows:

27 **To CITY:**
28 City of Moreno Valley
29 14177 Frederick Street
30 P.O. Box 88005
31 Moreno Valley, CA 92552-0805

To RTA:
Riverside Transit Agency
1825 Third Street
P.O. Box 59968
Riverside, CA 92517-1968

1 **ATTENTION:** City Manager
2
3 (951) 413-3020 Fax: (951) 413-3750
4 cmoffice@moval.org

ATTENTION: V. Rouzaud, Chief
Procurement & Logistics Officer
(951) 565-5180 Fax: (951) 565-5001
vrouzaud@riversidetransit.com

6 **ARTICLE 5. CITY RESPONSIBILITIES**

7 A. CITY shall grant RTA right to construct, erect, install, use, operate, repair,
8 maintain, clean and service AMENITIES on CITY right-of-way or CITY owned property
9 in locations identified by RTA and approved by CITY.

10 B. CITY shall not unduly withhold its approval of location and permits.

11 C. CITY shall require RTA to pay any fees, costs, and permit charges
12 regularly assessed by CITY.

13 D. CITY shall approve permit applications within thirty (30) days from
14 submission.

15 E. CITY shall provide RTA a minimum of ten (10) working days notice, and
16 seek mutually agreeable arrangements, in the event it requires AMENITIES be relocated
17 or removed, temporarily or otherwise, for road repair, construction, etc., or in the event
18 said AMENITIES become a public nuisance, cause a sight obstruction, or any other
19 related problem, which affects the health, safety, and well-being of the general public.

20 F. City shall provide RTA a minimum of twenty four (24) hours notice for
21 graffiti removal and vandalism repair.

22 G. CITY shall permit solar power for illumination at AMENITIES location as
23 needed to ensure the health, safety, and well-being of the general public.

24
25 **ARTICLE 6. RTA RESPONSIBILITIES**

26 A. Except where the PARTIES have mutually agreed, in writing, to share the
27 cost of one or more specific AMENITIES, RTA shall, at its own cost and expense,
28 purchase, construct, erect, install, use, operate, repair, maintain, clean and service
29 AMENITIES.

30 1. Routine Maintenance. RTA shall clean AMENITIES, and collect
31 trash (where receptacles are provided), including trash and debris within fifteen (15) feet

1 of AMENITIES, once a week, or, as needed, for repairs.

2 2. Graffiti and Vandalism. RTA shall use reasonable methods and
3 materials to deter and prevent graffiti and other acts of vandalism, including retrofitting
4 existing AMENITIES covered by this Agreement with graffiti and vandalism resistant
5 materials. RTA shall remove any and all graffiti, and repair vandalized AMENITIES,
6 within twenty four (24) hours from receipt of notification by CITY. If such graffiti is not
7 removed or repairs made, CITY may remove such graffiti or make said repairs and RTA
8 shall reimburse CITY for the fully burdened costs of such removal or repair.

9 B. Except as otherwise mutually agreed upon, RTA shall adhere to all CITY
10 permitting procedures.

11 C. RTA shall, within thirty (30) days from notifying CITY, remove AMENITIES
12 and restore the location to its original condition, concrete slab excepted, when service
13 adjustments, regulatory or site conditions change so as to render AMENITIES
14 unnecessary.

15 D. RTA shall, within ten (10) working days from receipt of notification by
16 CITY, seek mutually agreeable arrangements to relocate or remove AMENITIES,
17 temporarily or otherwise, and restore the location to its original condition, concrete slab
18 excepted, for road repair, construction, etc., or in the event said AMENITIES become a
19 public nuisance, cause a sight obstruction, or any other related problem, which affects
20 the health, safety, and well-being of the general public.

21

22 **ARTICLE 7. INDEPENDENT CONTRACTOR**

23 A. CITY is an independent contractor and not a beneficiary or employee of
24 RTA within the meaning of any Workers' Compensation law, or any law which would
25 entitle benefits arising out of any state or federal unemployment or old age fund or
26 similar law, or any right or privilege extended by RTA to its employees. CITY has no
27 power to bind RTA, by contract or otherwise, except as herein provided.

28 B. RTA is an independent contractor and not a beneficiary or employee of
29 CITY within the meaning of any Workers' Compensation law, or any law which would
30 entitle benefits arising out of any state or federal unemployment or old age fund or

1 similar law, or any right or privilege extended by CITY to its employees. RTA has no
2 power to bind CITY, by contract or otherwise, except as herein provided.

3

4 **ARTICLE 8. THIRD PARTY RIGHTS**

5 No third party shall be deemed to have any rights hereunder against any of the
6 PARTIES hereto as a result of this Agreement.

7

8 **ARTICLE 9. INDEMNITY**

9 A. RTA shall defend, indemnify and hold CITY, its officers, agents and
10 employees harmless from and against any and all liability, loss, expense (including
11 reasonable attorney's fees), or claims for injury or damages arising out of the
12 performance of this Agreement but only in proportion to and to the extent such liability,
13 loss expense, attorney's fees, or claims for injury or damages are caused by or result
14 from the AMENITIES or the negligent or intentional acts or omissions of RTA, its
15 officers, agents, employees or subcontractors.

16 B. CITY shall defend, indemnify and hold RTA, its officers, agents and
17 employees harmless from and against any and all liability, loss, expense (including
18 reasonable attorney's fees), or claims for injury or damages arising out of the
19 performance of this Agreement but only in proportion to and to the extent such liability,
20 loss expense, attorney's fees, or claims for injury or damages are caused by or result
21 from the presence of any appurtenance, other than the AMENITIES, constructed,
22 erected or installed on CITY owned property as a result of this Agreement by mutual
23 consent of the PARTIES; or the negligent or intentional acts or omissions of CITY, its
24 officers, agents, or employees.

25

26 **ARTICLE 10. ASSIGNMENT**

27 A. This Agreement shall not be assigned or transferred by CITY without
28 RTA's prior written consent. In the event of dissolution of CITY, this Agreement shall
29 terminate at the option of RTA.

30 B. This Agreement shall not be assigned or transferred by RTA without
31 CITY's prior written consent. In the event of dissolution of RTA, this Agreement shall

1 terminate at the option of CITY.
2

3 **ARTICLE 11. AMENDMENTS**

4 A. This MOU may only be amended by written mutual consent of both
5 PARTIES. The amendment shall be in writing and signed by both PARTIES hereto.

6 B. No oral understanding not incorporated herein shall be binding on any of
7 the PARTIES hereto.
8

9 **ARTICLE 12. MODIFICATION**

10 No modification of this Agreement shall be effective unless made in writing and
11 signed by both PARTIES.
12

13 **ARTICLE 13. INSURANCE**

14 RTA shall submit to CITY certificates of insurance of the types and in the
15 amounts described below. Such insurance shall be maintained throughout the term of
16 this Agreement.

17 A. Commercial General Liability Insurance. Occurrence version Commercial
18 General Liability Insurance or equivalent form with a combined single limit of not less
19 than \$1,000,000.00 per occurrence. Such insurance shall:

20 1. Name CITY and its respective officers, employees and agents as
21 additional insured.

22 2. Contain a provision that no termination, cancellation, or change of
23 coverage or of insured or additional insured effective until after thirty (30) days notice to
24 CITY.

25 3. Be primary with respect to any insurance or self-insurance
26 programs covering CITY and its respective officers, employees and agents; and

27 B. Business Automobile Liability Insurance. Business Automobile Liability
28 Insurance or equivalent form with a combined single limit of not less than \$1,000,000.00
29 per occurrence. Such insurance shall include coverage for owned, hired and non-
30 owned automobiles.

1 C. Professional Liability Insurance. Errors and omissions liability insurance
2 with a limit of not less than \$1,000,000.00 per occurrence or claim, \$2,000,000.00
3 aggregate. Professional liability insurance shall only be required of design or
4 engineering professionals.

5 D. Workers' Compensation Insurance. Workers' Compensation Insurance as
6 required by the state of California, with statutory limits and Employers' Liability
7 Insurance with limits of not less than \$1,000,000.00 per accident for bodily injury or
8 disease.

9

10 **ARTICLE 14. EQUAL OPPORTUNITY**

11 A. By signing this Agreement, RTA certifies that it does not discriminate
12 against any employee or applicant for employment because of race, color, creed,
13 religion, age, sex, marital status, national origin, ancestry, physical handicap or medical
14 condition, except as provided in California Labor Code Section #1402, in connection
15 with employment, upgrading, promotion, or transfer, recruitment, or recruitment
16 advertising, layoff or termination, rates of pay or other forms of compensation and
17 selection for training, including apprenticeship.

18 B. RTA agrees to cause the foregoing provisions to be inserted in all
19 contracts and subcontracts for any work covered by this Agreement, so that such
20 provisions will be binding upon each subcontractor provided that the foregoing
21 provisions shall not apply to contracts or subcontracts for standard commercial supplies
22 or raw materials.

23

24 **ARTICLE 15. GOVERNING LAW AND VENUE**

25 This Agreement shall be governed by and construed in accordance with
26 the laws of the state of California. Venue shall be in Riverside County, California.

27

28 **ARTICLE 16. FORCE MAJEURE**

29 Either PARTY shall be excused from performing its obligations under this
30 Agreement during the time and to the extent that it is prevented from performing by an
31 unforeseeable cause beyond its control, including but not limited to: any incidence of

1 fire, flood; acts of God; commandeering of material, products, plants or facilities by the
2 federal, state or local government; national fuel shortage; or a material act or omission
3 by the other PARTY; when satisfactory evidence of such cause is presented to the other
4 PARTY, and provided further that such nonperformance is unforeseeable, beyond the
5 control and is not due to the fault or negligence of the PARTY not performing.
6

7 **IN WITNESS WHEREOF**, the PARTIES hereto have caused this Agreement to be
8 executed on the date first above written.
9

10 **RIVERSIDE TRANSIT AGENCY**

CITY OF MORENO VALLEY

11
12 By _____
13 Larry Rubio
14 Chief Executive Officer

By _____
City Manager

15
16 APPROVED AS TO FORM:

APPROVED AS TO FORM:

17
18 By _____
19 Kennard R. Smart, Jr.
20 General Counsel

By _____
City Attorney



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

Report to City Council

TO: Mayor and City Council

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: September 24, 2013

TITLE: VALIDATION OF THE MAYOR'S APPOINTMENT OF MEMBER TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY

RECOMMENDED ACTION

Recommendations:

1. Rescind the Mayor's appointment of Henry Garcia to the Oversight Board of the Successor Agency of the Community Redevelopment Agency of the City of Moreno Valley ("Oversight Board").
2. Validate the Mayor's appointment of Ahmad Ansari to the Oversight Board of the Successor Agency of the Community Redevelopment Agency of the City of Moreno Valley ("Oversight Board").

SUMMARY

This report recommends that the Council of the City of Moreno Valley rescind the current Mayor's appointment of Henry Garcia to the Oversight Board and validate the Mayor's appointment of Ahmad Ansari, the current Public Works Director for the City, as the new appointee of the Mayor to the Oversight Board.

DISCUSSION

Health and Safety Code section 34179(a) provides in pertinent part that the mayor of a city that formed a redevelopment agency may appoint a member to the Oversight Board. The Mayor has appointed Ahmad Ansari to replace the former City Manager, Henry Garcia.

ABx1 26 (the “Dissolution Act”) provides for an Oversight Board to be duly constituted, to consist of seven members. The Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley convened its initial meeting on March 6, 2012. The seven individuals and authorities designated under the Dissolution Act for an oversight board were appointed, as follows:

Jamil Dada, appointed by Riverside County Board of Supervisors
 Henry Garcia, appointed by Mayor of Moreno Valley
 Glenn Moss, appointed by Riverside County Board of Supervisors
 Chris Carlson, appointed by Chancellor of California Community Colleges
 Dave Slawson, appointed by Eastern Municipal Water District
 John Strickler, appointed by Mayor of Moreno Valley
 Mays Kakish, appointed by Riverside County Schools Superintendent

ALTERNATIVES

1. Rescind the current Mayor’s appointment of Henry Garcia to the Oversight Board and validate the Mayor’s appointment of Ahmad Ansari to the Oversight Board. *Staff recommends this alternative as it allows the City to be represented on the Oversight Board.*
2. Decline to rescind the current Mayor’s appointment of Henry Garcia to the Oversight Board and validate the Mayor’s appointment of Ahmad Ansari to the Oversight Board. *Staff does not recommend this alternative, which would result in the City not having the required members represented on the Oversight Board.*

FISCAL IMPACT

Appointing members to the Oversight Board is a recommended provision pursuant to the ABx1 26. There is no fiscal impact associated with appointing a member to the Oversight Board.

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

None

Prepared By:
Anochar Clark
Sr. Financial Analyst

Department Head Approval:
John Terell
Community & Economic Development
Director

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

Report to City Council

TO: Mayor and City Council

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: September 24, 2013

TITLE: ADOPT A RESOLUTION REAPPROVING THE LOAN AGREEMENTS BETWEEN THE CITY OF MORENO VALLEY (“CITY”) AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (“SUCCESSOR AGENCY”)

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. 2013-76. A Resolution of the City of Moreno Valley Confirming that Loan Agreements Between the Former Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley was for Loans in the combined amount of \$652,248 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish said Agreement as an Agreement between the City and the Successor Agency in Compliance with the Dissolution Act.

SUMMARY

This report recommends that the Council reapprove the Loan Agreements dated January 3, 2007 and December 11, 2007 (the “Existing Repayment Agreement” – Exhibit A) and the repayment schedule (Exhibit B) to reestablish that the Existing Repayment Agreement was legally binding, and was made for legitimate redevelopment purposes. ABx1 26 provides that loan agreements, contracts or arrangements between the city that created a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency. As amended by AB 1484 (Chapter 26, Statutes of 2012), AB 1484 contents that a loan agreement between the City and

the Community Redevelopment Agency of the City of Moreno Valley shall be deemed to be enforceable obligations provided that the oversight board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation and such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance (DOF). Successor Agency received the “Finding of Completion” from the DOF on May 24, 2013 (Attachment 2).

DISCUSSION

The Community Redevelopment Agency of the City of Moreno Valley (RDA) was created on December 29, 1984. On January 9, 1986, the RDA entered into a Cooperation Agreement with the City of Moreno Valley (City) that provided for the City to perform a range of administrative functions, and complete capital projects on behalf of the RDA.

On January 3, 2007, and subsequently on December 11, 2007, the City Council approved Loan Agreements between the City and the former Community Redevelopment Agency of the City of Moreno Valley (the “Former Redevelopment Agency”). At the time, in order to facilitate financing other needed redevelopment projects, the RDA requested to re-borrow payments that were previously made toward the City’s Towngate Acquisition Note (\$518,520 and \$133,728 respectively = \$652,248 combined).

In June 2011, the State of California passed ABx1 26 that abolished redevelopment agencies statewide. The law became effective on January 31, 2012. The City established the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley on February 1, 2012.

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; provided that Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) further provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An

enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has been induced to bear the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, costs related to in-house staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The staff of the Successor Agency and the staff of the City (as a general law city) proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from property tax revenues (specifically, from the Redevelopment Property Tax Trust Fund) in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

In addition, pursuant to Health & Safety Code Section 34191.4(b), as added by AB 1484, after a successor agency obtains a finding of completion pursuant to Health & Safety Code Section 34179.7, upon application by the successor agency to its oversight board, in addition to certain other activities which become permitted, a loan agreement between (i) the City that created the Redevelopment Agency (the City of Moreno Valley) and (ii) the Redevelopment Agency (the Community Redevelopment Agency of the City of Moreno Valley) shall be deemed to be enforceable obligations provided that the Oversight Board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation. Such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance. In the case of Moreno Valley, the Successor Agency has received such a finding of completion from the DOF by correspondence dated as of May 24, 2013 (the “Finding of Completion”)

Once the Oversight Board makes the findings described above, the accumulated interest on the remaining principal amount shall be recalculated, in each case, from the origination (of such loan) at the interest rate earned as to funds deposited in the Local Agency Investment Fund (“LAIF”); thereafter, each such loan shall be repaid to the City in accordance with a defined schedule over a “reasonable” term at an interest rate not to exceed the interest rate earned on funds deposited into LAIF. Repayment is, per Section 34191.4 of the Health & Safety Code, subject to other limitations set forth in that Section. No particular guidance is provided under Section 34191.4 concerning the frequency with which calculations as to interest rates applicable under LAIF shall be determined.

City staff now presents to the City Council approved Loan Agreements dated January 3, 2007, and December 11, 2007, respectively between the City and the former Community Redevelopment Agency of the City of Moreno Valley (the “Former Redevelopment Agency”) be reapproved, and requests that the Oversight Board

consent to the Successor Agency reapproving the Existing Repayment Agreement upon making of the finding contained in the enclosed resolution. The prior approvals of the City Council, the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

ALTERNATIVES

1. Adopt the attached proposed resolution reapproving the Existing Repayment Agreement. *Staff recommends this alternative as the action will allow the existing agreement to be deemed an enforceable obligation.*
2. Decline to adopt the attached proposed resolution which would not allow the City to receive repayment from the Successor Agency. *Staff does not recommend this alternative.*

FISCAL IMPACT

The recommended action will allow the City to receive loan repayments per the Repayment Schedule to the General Fund from the Successor Agency. The combined loan amounts total \$652,248 plus interest at the legally allowable rate

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

- Attachment 1 – Proposed Resolution
- Exhibit A – Existing Repayment Agreement
- Exhibit B – Repayment Schedule
- Attachment 2 – Finding of Completion Letter

Prepared By:
Anochar Clark
Sr. Financial Analyst

Concurred By:
Richard Teichert
Chief Financial Officer

Department Head Approval:
John Terrell
Community & Economic Development
Director

RESOLUTION NO. 2013-76

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY CONFIRMING THAT LOAN AGREEMENTS BETWEEN THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY WAS FOR LOANS IN THE COMBINED AMOUNT OF \$652,248 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE CITY AND THE SUCCESSOR AGENCY TO RE-ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (“Redevelopment Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. (“CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley (“City”); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies (“Dissolution Act”); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the “Successor Agency”) and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency's affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 (“Oversight Board”); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

1
Resolution No. 2013-76
Date Adopted: September 24, 2013

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance (“DOF”) pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the City Council has reviewed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the “Existing Repayment Agreement” (set forth as Exhibit “A” hereto) between the former Redevelopment Agency and the City and hereby finds and determines that the Existing Repayment Agreement, was in the nature of a loan, with the Redevelopment Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and constitutes enforceable obligations and shall be recognized as re-entered into as between the Successor Agency and the City; and

WHEREAS, subject to approval of the Oversight Board, the City Council desires to and would be authorized to re-establish said Existing Repayment Agreement upon DOF’s issuance of a Finding of Completion to the Successor Agency and to re-establish said agreements subject to and in compliance with Health & Safety Code section 34191.4, and with repayment schedules (set forth as Exhibit “B” hereto), as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MORENO VALLEY AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

SECTION 2. The City Council finds and determines that (i) the Existing Repayment Agreement was made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4; (ii) the Existing Repayment Agreement in the combined amount of \$652,248 plus allowable interest constitutes enforceable obligations; and (iii) the loan repayments, to the extent governed by Section 34191.4 and not Section 34178, are reasonable and conform to Section 34191.4.

SECTION 3. Upon approval by the Oversight Board, the City and the Successor Agency shall be deemed to re-establish said Existing Repayment Agreement, including without limitation as to the Existing Repayment Agreement the provisions (set forth as Exhibit “A” hereto) for the benefit of the City, and shall be deemed to re-establish said

2
Resolution No. 2013-76
Date Adopted: September 24, 2013

agreement in compliance with Exhibit "B" hereto and subject to and in conformance with Health & Safety Code section 34191.4, and shall include such matters on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective upon approval.

SECTION 5. The City Council directs the City Manager to forward a copy of this Resolution to each of the Successor Agency and the Oversight Board.

SECTION 6. The City Clerk shall maintain on file as a public record this Resolution.

APPROVED AND ADOPTED this 24th day of September 2013.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

3
Resolution No. 2013-76
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2013-76 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

4
Resolution No. 2013-76
Date Adopted: September 24, 2013

LOAN AGREEMENT

EXHIBIT A

THIS LOAN AGREEMENT ("Agreement") is entered into as of the twenty third day of January, 2007, by and between the CITY OF MORENO VALLEY (herein the "City") and the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (herein the "Agency").

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. From time to time since the activation of the Agency, the City and the Agency have entered into agreements, including agreements under which the City has made moneys available to the Agency. Some of these agreements have provided for loans by the City to the Agency; these instruments have included without limitation promissory notes and prior agreements which have been denominated as "Cooperation Agreement(s)" and/or "Loan Agreement(s)" (collectively, the "Prior Agreements").

C. Without amending, limiting, or modifying the Prior Agreements and the ongoing effectiveness of such Prior Agreements (as such agreements may be modified by the amended and restated Cooperation Agreement between the City and Agency of even date herewith), which shall remain in effect according to their terms for the greatest time legally allowable, the City desire to loan and the Agency desire to borrow the amounts identified in this Agreement on the terms and conditions herein set forth.

AGREEMENTS

1. The City agrees to disburse to the Agency, as a loan, the amount of Five Hundred Eighteen Thousand Five Hundred and Twenty Dollars (\$518,520)(the "Loan Amount") within thirty (30) days following the date first set forth above, as such date may be extended upon mutual agreement of the Agency (acting through its Executive Director) and the City (acting through its City Manager).

2. The Agency agrees to pay the City, with interest, the Loan Amount from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code ("Tax Increment") and the Agency pledges the Tax Increment to repayment of its indebtedness to the City hereunder, subject to Section 3, below. The parties recognize that repayment may occur over a period of several years. Interest shall accrue on all amounts payable by the Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (12%) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to: (i) prior express pledges, if any, by the Agency of Tax Increment, to the extent of such pledges; (ii) the Amended and Restated Cooperation Agreement between the City and the Agency dated as of July 1, 2005; (iii) the Purchase and Sale Agreement between the City and the Agency dated as of May 1, 2005; and (iv) to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness. In addition, the Agency shall have the sole and exclusive right to subordinate such pledge for the benefit of the City to such other pledges as the Agency may make with respect to repayment of other indebtedness incurred by the Agency in carrying out the Project.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 *et seq.* of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: Robert G. Gutierrez
Robert G. Gutierrez
City Manager

Attest:

Alice Reed
Alice Reed
City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY

By: Robert G. Gutierrez
Robert G. Gutierrez
Executive Director

Attest:

Alice Reed
Alice Reed
Agency Secretary

Approved as to Form
Date 1/31/07
By: RDG
City Attorney
Moreno Valley

LOAN AGREEMENT

THIS LOAN AGREEMENT ("Agreement") is entered into as of the eleven day of December, 2007, by and between the **CITY OF MORENO VALLEY** (herein the "City") and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Agency").

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. From time to time since the activation of the Agency, the City and the Agency have entered into agreements, including agreements under which the City has made moneys available to the Agency. Some of these agreements have provided for loans by the City to the Agency; these instruments have included without limitation promissory notes and prior agreements which have been denominated as "Cooperation Agreement(s)" and/or "Loan Agreement(s)" (collectively, the "Prior Agreements").

C. Without amending, limiting, or modifying the Prior Agreements and the ongoing effectiveness of such Prior Agreements (as such agreements may be modified by the amended and restated Cooperation Agreement between the City and Agency of even date herewith), which shall remain in effect according to their terms for the greatest time legally allowable, the City desire to loan and the Agency desire to borrow the amounts identified in this Agreement on the terms and conditions herein set forth.

AGREEMENTS

1. The City agrees to disburse to the Agency, as a loan, the amount of One Hundred Thirty Three Thousand Seven Hundred and Twenty Eight Dollars (\$133,728)(the "Loan Amount") within thirty (30) days following the date first set forth above, as such date may be extended upon mutual agreement of the Agency (acting through its Executive Director) and the City (acting through its City Manager).

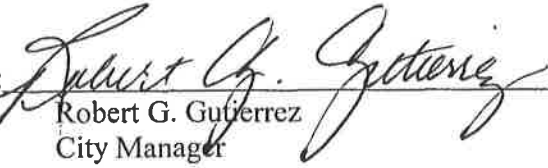
2. The Agency agrees to pay the City, with interest, the Loan Amount from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code ("Tax Increment") and the Agency pledges the Tax Increment to repayment of its indebtedness to the City hereunder, subject to Section 3, below. The parties recognize that repayment may occur over a period of several years. Interest shall accrue on all amounts payable by the Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (12%) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to: (i) prior express pledges, if any, by the Agency of Tax Increment, to the extent of such pledges; (ii) the Amended and Restated Cooperation Agreement between the City and the Agency dated as of July 1, 2005; (iii) the Purchase and Sale Agreement between the City and the Agency dated as of May 1, 2005; and (iv) to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness. In addition, the Agency shall have the sole and exclusive right to subordinate such pledge for the benefit of the City to such other pledges as the Agency may make with respect to repayment of other indebtedness incurred by the Agency in carrying out the Project.

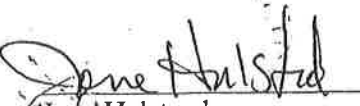
4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 *et seq.* of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

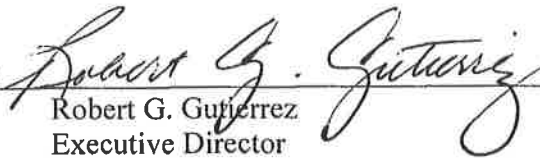
CITY OF MORENO VALLEY

By: 
Robert G. Gutierrez
City Manager

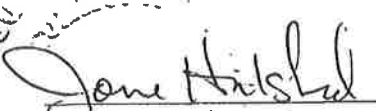
Attest:


Jane Halstead
City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY

By: 
Robert G. Gutierrez
Executive Director

Attest:


Jane Halstead
Agency Secretary

2007 Loans (Combined) to RDA - Loans #1 and #2

EXHIBIT B

Year	Fiscal Year	Principal	Accumulated Interest	Annual Interest	Principal Payment	Interest Payment	Total Payment	
1/2007	7/06			0.3860%				
	1/07	652,248.00						
	7/07	652,248.00	-	1,258.84	-	-	-	
	1/08	652,248.00	1,258.84	1,258.84	-	-	-	
	7/08	652,248.00	2,517.68	1,258.84	-	-	-	
	1/08	652,248.00	3,776.52	1,258.84	-	-	-	
	7/08	652,248.00	5,035.36	1,258.84	-	-	-	
	1/09	652,248.00	6,294.20	1,258.84	-	-	-	
	7/09	652,248.00	7,553.04	1,258.84	-	-	-	
	1/10	652,248.00	8,811.88	1,258.84	-	-	-	
	7/10	652,248.00	10,070.72	1,258.84	-	-	-	
	1/11	652,248.00	11,329.56	1,258.84	-	-	-	
	7/11	652,248.00	12,588.40	1,258.84	-	-	-	
	1/12	652,248.00	13,847.24	1,258.84	-	-	-	
	7/12	652,248.00	15,106.08	1,258.84	-	-	-	
	1/13	652,248.00	16,364.92	1,258.84	-	-	-	
	7/13	652,248.00	17,623.76	1,258.84	-	-	-	
	1/14	652,248.00	18,882.60	1,258.84	-	-	-	
ROPS 14/15A	1	7/14	652,248.00	20,141.44	1,258.84	(278,599.72)	(21,400.28)	(300,000.00) *
ROPS 14/15B	2	1/15	373,648.28	-	721.14	(373,648.28)	(721.14)	(374,369.42)
ROPS 15/16A	3	7/15	-	-	-	-	-	-
ROPS 15/16B	4	1/16	-	-	-	-	-	-

* Note - Payment will begin based on AB 1484 Statute on the ROPS 14/15A and is estimated to be completed on ROPS 14/14B.

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DEPARTMENT OF
FINANCE

Attachment 2

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator
City of Moreno Valley
Community & Economic Development Department
14177 Frederick Street
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County
Auditor-Controller
California State Controller's Office

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

Report to City Council

TO: Mayor and City Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: September 24, 2013

TITLE: ADOPT A RESOLUTION REAPPROVING THE LOAN AGREEMENTS BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY")

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution SA 2013-06. A Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Confirming That Loan Agreements Between the Former Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley was for Loans in the Combined Amount of \$652,248 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in Compliance with the Dissolution Act.

SUMMARY

This report recommends that the Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley reapprove the Loan Agreements dated January 3, 2007 and December 11, 2007 (the "Existing Repayment Agreement" – Exhibit A) and the Repayment Schedule (Exhibit B) to reestablish that the Existing Repayment Agreement was legally binding, and was made

for legitimate redevelopment purposes. ABx1 26 provides that loan agreements, contracts or arrangements between the city that created a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency. As amended by AB 1484 (Chapter 26, Statutes of 2012), AB 1484 contents that a loan agreement between the City and the Community Redevelopment Agency of the City of Moreno Valley shall be deemed to be enforceable obligations provided that the oversight board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation and such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance (DOF). Successor Agency received the “Finding of Completion” from the DOF on May 24, 2013 (Attachment 2).

DISCUSSION

The Community Redevelopment Agency of the City of Moreno Valley (RDA) was created on December 29, 1984. On January 9, 1986, the RDA entered into a Cooperation Agreement with the City of Moreno Valley (City) that provided for the City to perform a range of administrative functions, and complete capital projects on behalf of the RDA.

On January 3, 2007, and subsequently on December 11, 2007, the City Council acting as the members of the Board of Directors of the Community Redevelopment Agency approved Loan Agreements between the City and the former Community Redevelopment Agency of the City of Moreno Valley (the “Former Redevelopment Agency”). At the time, in order to facilitate financing other needed redevelopment projects, the RDA requested to re-borrow the amounts that were previously paid toward the City’s Towngate Acquisition Note (\$518,520 and \$133,728 respectively = \$652,248 combined).

In June 2011, the State of California passed ABx1 26 that abolished redevelopment agencies statewide. The law became effective on January 31, 2012. The City established the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley on February 1, 2012.

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; provided that Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) further provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has been induced to bear the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, costs related to in-house staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The staff of the Successor Agency and the staff of the City (as a general law city) proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from property tax revenues (specifically, from the Redevelopment Property Tax Trust Fund) in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

In addition, pursuant to Health & Safety Code Section 34191.4(b), as added by AB 1484, after a successor agency obtains a finding of completion pursuant to Health & Safety Code Section 34179.7, upon application by the successor agency to its oversight board, in addition to certain other activities which become permitted, a loan agreement between (i) the City that created the Redevelopment Agency (the City of Moreno Valley) and (ii) the Redevelopment Agency (the Community Redevelopment Agency of the City of Moreno Valley) shall be deemed to be enforceable obligations provided that the Oversight Board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation. Such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance. In the case of Moreno Valley, the Successor Agency has received such a finding of completion from the DOF by correspondence dated as of May 24, 2013 (the “Finding of Completion”)

Once the Oversight Board makes the findings described above, the accumulated interest on the remaining principal amount shall be recalculated, in each case, from the origination (of such loan) at the interest rate earned as to funds deposited in the Local Agency Investment Fund (“LAIF”); thereafter, each such loan shall be repaid to the City in accordance with a defined schedule over a “reasonable” term at an interest rate not to exceed the interest rate earned on funds deposited into LAIF. Repayment is, per Section 34191.4 of the Health & Safety Code, subject to other limitations set forth in that Section. No particular guidance is provided under Section 34191.4 concerning the

frequency with which calculations as to interest rates applicable under LAIF shall be determined.

Successor Agency staff now presents to the City Council acting in their capacity as the Successor Agency of the City of Moreno Valley approved Loan Agreements dated January 3, 2007, and December 11, 2007 respectively, between the City and the former Community Redevelopment Agency of the City of Moreno Valley (the "Former Redevelopment Agency") to be reapproved, and requests that the Oversight Board consent to the Successor Agency reapproving the Existing Repayment Agreement upon making of the finding contained in the enclosed resolution. The prior approvals of the City Council, the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

ALTERNATIVES

1. Adopt the attached proposed resolution reapproving the Existing Repayment Agreement and the Repayment Schedule. *Staff recommends this alternative as the action will allow the existing agreement to be deemed an enforceable obligation.*
2. Decline to adopt the attached proposed resolution which would not allow the City serving as the Successor Agency to fulfill its debt obligation of the former RDA. *Staff does not recommend this alternative.*

FISCAL IMPACT

The recommended action will allow the Successor Agency to make a loan repayment to the General Fund. The combined loan amounts total \$652,248 plus interest at the legally allowable rate.

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

Attachment 1 – Proposed Resolution
Exhibit A – Existing Repayment Agreement
Exhibit B – Repayment Schedule
Attachment 2 – Finding of Completion Letter

Prepared By:
Anochar Clark
Sr. Financial Analyst

Concurred By:
Richard Teichert
Chief Financial Officer

Department Head Approval:
John Terell
Community & Economic Development
Director

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RESOLUTION NO. SA 2013-06

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY CONFIRMING THAT LOAN AGREEMENTS BETWEEN THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY WAS FOR LOANS IN THE COMBINED AMOUNT OF \$652,248 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE CITY AND THE SUCCESSOR AGENCY TO RE-ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (“Redevelopment Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. (“CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley (“City”); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies (“Dissolution Act”); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the “Successor Agency”) and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency's affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 (“Oversight Board”); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

1
Resolution No. SA 2013-06
Date Adopted: September 24, 2013

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance (“DOF”) pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the governing board of the Successor Agency has reviewed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the “Existing Repayment Agreement” (set forth as Exhibit “A” hereto) between the former Redevelopment Agency and the City and hereby finds and determines that the Existing Repayment Agreement, was in the nature of a loan, with the Redevelopment Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and constitutes enforceable obligations and shall be recognized as re-entered into as between the Successor Agency and the City; and

WHEREAS, subject to approval of the Oversight Board, the Successor Agency desires to and would be authorized to re-establish said Existing Repayment Agreement upon DOF's issuance of a Finding of Completion to the Successor Agency and to re-establish said agreements subject to and in compliance with Health & Safety Code section 34191.4, and with repayment schedules (set forth as Exhibit “B” hereto), as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis; and

WHEREAS, Health & Safety Code Section 34173(h) provides that “The city... that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

SECTION 2. The Successor Agency finds and determines that: (i) the Existing Repayment Agreement was made for legitimate redevelopment purposes within the

2
Resolution No. SA 2013-06
Date Adopted: September 24, 2013

meaning of Health & Safety Code Section 34191.4; (ii) the Existing Repayment Agreement in the combined amount of \$652,248, plus allowable interest, constitutes enforceable obligations; and (iii) the loan repayments, to the extent governed by Section 34191.4 and not Section 34178, are reasonable and conform to Section 34191.4.

SECTION 3. Upon approval by the Oversight Board, the Successor Agency shall be deemed to re-establish said Existing Repayment Agreement, including without limitation as to the Existing Repayment Agreement the provisions (set forth as Exhibit "A" hereto), and shall be deemed to re-establish said agreement in compliance with Exhibit "B" hereto and subject to and in conformance with Health & Safety Code section 34191.4, and shall include such matters on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective upon approval.

SECTION 5. The Successor Agency directs its Executive Director to forward a copy of this Resolution to the Oversight Board.

SECTION 6. The Successor Agency shall maintain on file as a public record this Resolution.

APPROVED AND ADOPTED this 24th day of September 2013.

Mayor of the City of Moreno Valley,
Acting in the capacity of the Successor Agency

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

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Resolution No. SA 2013-06
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. SA 2013-06 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

4
Resolution No. SA 2013-06
Date Adopted: September 24, 2013

LOAN AGREEMENT

EXHIBIT A

THIS LOAN AGREEMENT ("Agreement") is entered into as of the twenty third day of January, 2007, by and between the CITY OF MORENO VALLEY (herein the "City") and the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (herein the "Agency").

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. From time to time since the activation of the Agency, the City and the Agency have entered into agreements, including agreements under which the City has made moneys available to the Agency. Some of these agreements have provided for loans by the City to the Agency; these instruments have included without limitation promissory notes and prior agreements which have been denominated as "Cooperation Agreement(s)" and/or "Loan Agreement(s)" (collectively, the "Prior Agreements").

C. Without amending, limiting, or modifying the Prior Agreements and the ongoing effectiveness of such Prior Agreements (as such agreements may be modified by the amended and restated Cooperation Agreement between the City and Agency of even date herewith), which shall remain in effect according to their terms for the greatest time legally allowable, the City desire to loan and the Agency desire to borrow the amounts identified in this Agreement on the terms and conditions herein set forth.

AGREEMENTS

1. The City agrees to disburse to the Agency, as a loan, the amount of Five Hundred Eighteen Thousand Five Hundred and Twenty Dollars (\$518,520)(the "Loan Amount") within thirty (30) days following the date first set forth above, as such date may be extended upon mutual agreement of the Agency (acting through its Executive Director) and the City (acting through its City Manager).

2. The Agency agrees to pay the City, with interest, the Loan Amount from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code ("Tax Increment") and the Agency pledges the Tax Increment to repayment of its indebtedness to the City hereunder, subject to Section 3, below. The parties recognize that repayment may occur over a period of several years. Interest shall accrue on all amounts payable by the Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (12%) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to: (i) prior express pledges, if any, by the Agency of Tax Increment, to the extent of such pledges; (ii) the Amended and Restated Cooperation Agreement between the City and the Agency dated as of July 1, 2005; (iii) the Purchase and Sale Agreement between the City and the Agency dated as of May 1, 2005; and (iv) to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness. In addition, the Agency shall have the sole and exclusive right to subordinate such pledge for the benefit of the City to such other pledges as the Agency may make with respect to repayment of other indebtedness incurred by the Agency in carrying out the Project.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 *et seq.* of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: Robert G. Gutierrez
Robert G. Gutierrez
City Manager

Attest:

Alice Reed
Alice Reed
City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY

By: Robert G. Gutierrez
Robert G. Gutierrez
Executive Director

Attest:

Alice Reed
Alice Reed
Agency Secretary

Approved as to Form
Date 1/31/07
By: [Signature]
City Attorney
Moreno Valley

LOAN AGREEMENT

THIS LOAN AGREEMENT ("Agreement") is entered into as of the eleven day of December, 2007, by and between the **CITY OF MORENO VALLEY** (herein the "City") and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Agency").

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. From time to time since the activation of the Agency, the City and the Agency have entered into agreements, including agreements under which the City has made moneys available to the Agency. Some of these agreements have provided for loans by the City to the Agency; these instruments have included without limitation promissory notes and prior agreements which have been denominated as "Cooperation Agreement(s)" and/or "Loan Agreement(s)" (collectively, the "Prior Agreements").

C. Without amending, limiting, or modifying the Prior Agreements and the ongoing effectiveness of such Prior Agreements (as such agreements may be modified by the amended and restated Cooperation Agreement between the City and Agency of even date herewith), which shall remain in effect according to their terms for the greatest time legally allowable, the City desire to loan and the Agency desire to borrow the amounts identified in this Agreement on the terms and conditions herein set forth.

AGREEMENTS

1. The City agrees to disburse to the Agency, as a loan, the amount of One Hundred Thirty Three Thousand Seven Hundred and Twenty Eight Dollars (\$133,728)(the "Loan Amount") within thirty (30) days following the date first set forth above, as such date may be extended upon mutual agreement of the Agency (acting through its Executive Director) and the City (acting through its City Manager).

2. The Agency agrees to pay the City, with interest, the Loan Amount from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code ("Tax Increment") and the Agency pledges the Tax Increment to repayment of its indebtedness to the City hereunder, subject to Section 3, below. The parties recognize that repayment may occur over a period of several years. Interest shall accrue on all amounts payable by the Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (12%) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to: (i) prior express pledges, if any, by the Agency of Tax Increment, to the extent of such pledges; (ii) the Amended and Restated Cooperation Agreement between the City and the Agency dated as of July 1, 2005; (iii) the Purchase and Sale Agreement between the City and the Agency dated as of May 1, 2005; and (iv) to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness. In addition, the Agency shall have the sole and exclusive right to subordinate such pledge for the benefit of the City to such other pledges as the Agency may make with respect to repayment of other indebtedness incurred by the Agency in carrying out the Project.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 *et seq.* of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: Robert G. Gutierrez
Robert G. Gutierrez
City Manager

Attest:

Jane Halstead
Jane Halstead
City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY

By: Robert G. Gutierrez
Robert G. Gutierrez
Executive Director

Attest:

Jane Halstead
Jane Halstead
Agency Secretary

2007 Loans (Combined) to RDA - Loans #1 and #2

EXHIBIT B

Year	Fiscal Year	Principal	Accumulated Interest	Annual Interest	Principal Payment	Interest Payment	Total Payment	
1/2007	7/06			0.3860%				
	1/07	652,248.00						
	7/07	652,248.00	-	1,258.84	-	-	-	
	1/08	652,248.00	1,258.84	1,258.84	-	-	-	
	7/08	652,248.00	2,517.68	1,258.84	-	-	-	
	1/08	652,248.00	3,776.52	1,258.84	-	-	-	
	7/08	652,248.00	5,035.36	1,258.84	-	-	-	
	1/09	652,248.00	6,294.20	1,258.84	-	-	-	
	7/09	652,248.00	7,553.04	1,258.84	-	-	-	
	1/10	652,248.00	8,811.88	1,258.84	-	-	-	
	7/10	652,248.00	10,070.72	1,258.84	-	-	-	
	1/11	652,248.00	11,329.56	1,258.84	-	-	-	
	7/11	652,248.00	12,588.40	1,258.84	-	-	-	
	1/12	652,248.00	13,847.24	1,258.84	-	-	-	
	7/12	652,248.00	15,106.08	1,258.84	-	-	-	
	1/13	652,248.00	16,364.92	1,258.84	-	-	-	
	7/13	652,248.00	17,623.76	1,258.84	-	-	-	
	1/14	652,248.00	18,882.60	1,258.84	-	-	-	
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ROPS 14/15B	2	1/15	373,648.28	-	721.14	(373,648.28)	(721.14)	(374,369.42)
ROPS 15/16A	3	7/15	-	-	-	-	-	-
ROPS 15/16B	4	1/16	-	-	-	-	-	-

* Note - Payment will begin based on AB 1484 Statute on the ROPS 14/15A and is estimated to be completed on ROPS 14/14B.

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DEPARTMENT OF
FINANCE

Attachment 2

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator
City of Moreno Valley
Community & Economic Development Department
14177 Frederick Street
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County
Auditor-Controller
California State Controller's Office

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Item No. A.13

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

Report to City Council

TO: Mayor and City Council

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: September 24, 2013

TITLE: ADOPT A RESOLUTION REAPPROVING THE PUBLIC WORKS AGREEMENT BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY")

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. 2013-77. A Resolution of the City of Moreno Valley Confirming that the Public Works Agreement Between the Former Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley was for a Loan in the Amount of \$9,100,000 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in Compliance with the Dissolution Act.
2. Execute the Public Works Agreement dated July 12, 2005 (the "Existing Repayment Agreement").

SUMMARY

This report recommends that the Council reapprove the Public Works Agreement dated July 12, 2005 (the "Existing Repayment Agreement" – Exhibit A) and the repayment schedule (Exhibit B) to reestablish that the Existing Repayment Agreement in the amount of \$9,100,000 was legally binding, and was made for legitimate redevelopment purposes. ABx1 26 provides that loan agreements, contracts or arrangements between the city that created a redevelopment agency and the redevelopment agency are invalid

and shall not be binding on the successor agency. As amended by AB 1484 (Chapter 26, Statutes of 2012), AB 1484 contents that a loan agreement between the City and the Community Redevelopment Agency of the City of Moreno Valley shall be deemed to be enforceable obligations provided that the oversight board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation and such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance (DOF), and to execute the Public Works Agreement dated July 12, 2005. The Successor Agency received the “Finding of Completion” from the DOF on May 24, 2013 (Attachment 2).

DISCUSSION

The Community Redevelopment Agency of the City of Moreno Valley (RDA) was created on December 29, 1984. On January 9, 1986, the RDA entered into a Cooperation Agreement with the City of Moreno Valley (City) that provided for the City to perform a range of administrative functions, and complete capital projects on behalf of the RDA.

On July 12, 2005, the City Council approved Resolution No. 2005-61 authorizing the execution of the Public Works Agreement between the City and RDA to undertake and complete the public improvements of the Sunnymead Boulevard (Attachment 3). The RDA is responsible for the \$9.1 million of such improvements. The project was completed by the City on behalf of the RDA in May of 2011.

In June 2011, the State of California passed ABx1 26 that abolished redevelopment agencies statewide. The law became effective on January 31, 2012. The City established the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley on February 1, 2012.

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; provided that Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) further provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An

enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has been induced to bear the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, related costs to staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The staff of the Successor Agency and the staff of the City (as a general law city) proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from property tax revenues (specifically, from the Redevelopment Property Tax Trust Fund) in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

In addition, pursuant to Health & Safety Code Section 34191.4(b), as added by AB 1484, after a successor agency obtains a finding of completion pursuant to Health & Safety Code Section 34179.7, upon application by the successor agency to its oversight board, in addition to certain other activities which become permitted, a loan agreement between (i) the City that created the Redevelopment Agency (the City of Moreno Valley) and (ii) the Redevelopment Agency (the Community Redevelopment Agency of the City of Moreno Valley) shall be deemed to be enforceable obligations provided that the Oversight Board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation. Such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance. In the case of Moreno Valley, the Successor Agency has received such a finding of completion from the DOF by correspondence dated as of May 24, 2013 (the “Finding of Completion”)

Once the Oversight Board makes the findings described above, the accumulated interest on the remaining principal amount shall be recalculated, in each case, from the origination (of such loan) at the interest rate earned as to funds deposited in the Local Agency Investment Fund (“LAIF”); thereafter, each such loan shall be repaid to the City in accordance with a defined schedule over a “reasonable” term at an interest rate not to exceed the interest rate earned on funds deposited into LAIF. Repayment is, per Section 34191.4 of the Health & Safety Code, subject to other limitations set forth in that Section. No particular guidance is provided under Section 34191.4 concerning the frequency with which calculations as to interest rates applicable under LAIF shall be determined.

City staff now presents to the City Council approved Public Works Agreement dated July 12, 2005, between the City and the former Community Redevelopment Agency of the City of Moreno Valley (the “Former Redevelopment Agency”) as evidenced by the accompanying resolution; be reapproved, and the Agreement be executed and requests

that the Oversight Board consent to the Successor Agency reapproving the Existing Repayment Agreement upon making of the finding contained in the enclosed resolution. The prior approvals of the City Council, the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

ALTERNATIVES

1. Adopt the attached proposed resolution approving and executing the Existing Repayment Agreement. *Staff recommends this alternative as the action will allow the existing agreement to be deemed an enforceable obligation.*
2. Decline to adopt the attached proposed resolution which would not allow the City to receive repayment from the Successor Agency. *Staff does not recommend this alternative.*

FISCAL IMPACT

The recommended action would allow the City to receive a loan repayment of \$600,000 annually to the General Fund from the Successor Agency. The annual loan repayment will repay the original loan principal amount of \$9,100,000 with no interest allowed on the loan amount. The repayments will begin on ROPS 14-15 A and continue for a 16 year period until the amount is repaid.

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

Attachment 1 – Proposed Resolution
Exhibit A – Existing Repayment Agreement
Exhibit B – Repayment Schedule
Attachment 2 – Finding of Completion Letter
Attachment 3 – Resolution No. 2005-61

Prepared By:
Anochar Clark
Sr. Financial Analyst

Concurred By:
Richard Teichert
Chief Financial Officer

Department Head Approval:
John Terell
Community & Economic Development
Director

RESOLUTION NO. 2013-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY CONFIRMING THAT THE PUBLIC WORKS AGREEMENT BETWEEN THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY WAS FOR A LOAN IN THE AMOUNT OF \$9,100,000 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE CITY AND THE SUCCESSOR AGENCY TO RE-ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (“Redevelopment Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. (“CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley (“City”); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies (“Dissolution Act”); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the “Successor Agency”) and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency's affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 (“Oversight Board”); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

1
Resolution No. 2013-77
Date Adopted: September 24, 2013

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance (“DOF”) pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the City Council has reviewed, and executed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the “Existing Repayment Agreement” (set forth as Exhibit “A” hereto) between the former Redevelopment Agency and the City and hereby finds and determines that the Existing Repayment Agreement, was in the nature of a loan, with the Redevelopment Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and constitutes enforceable obligations and shall be recognized as re-entered into as between the Successor Agency and the City; and

WHEREAS, subject to approval of the Oversight Board, the City Council desires to and would be authorized to re-establish said Existing Repayment Agreement upon DOF’s issuance of a Finding of Completion to the Successor Agency and to re-establish said agreements subject to and in compliance with Health & Safety Code section 34191.4, and with repayment schedules as set forth in Exhibit “B” hereto, as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MORENO VALLEY AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

SECTION 2. The City Council finds and determines that (i) the Existing Repayment Agreement was made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4; (ii) the Existing Repayment Agreement in the amount of \$9.1 million constitutes enforceable obligations; and (iii) the loan repayments, to the extent governed by Section 34191.4 and not Section 34178, are reasonable and conform to Section 34191.4.

SECTION 3. Upon approval by the Oversight Board, the City and the Successor Agency shall be deemed to re-establish said Existing Repayment Agreement, including without limitation as to the Existing Repayment Agreement the provisions (set forth as Exhibit “A” hereto) for the benefit of the City, and shall be deemed to re-establish said

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Resolution No. 2013-77
Date Adopted: September 24, 2013

agreement in compliance with Exhibit "B" hereto and subject to and in conformance with Health & Safety Code section 34191.4, and shall include such matters on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective upon approval.

SECTION 5. The City Council directs the City Manager to forward a copy of this Resolution to each of the Successor Agency and the Oversight Board.

SECTION 6. The City Clerk shall maintain on file as a public record this Resolution.

APPROVED AND ADOPTED this 24th day of September 2013.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

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Resolution No. 2013-77
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2013-77 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

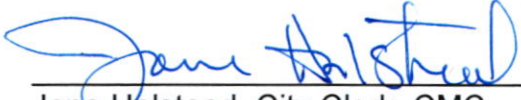
4
Resolution No. 2013-77
Date Adopted: September 24, 2013

DECLARATION

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify and attest that I have reviewed the official documents for the City of Moreno Valley and hereby declare that on July 12, 2005, the City Council approved The Public Works Agreement, Exhibit "B" as shown on Resolution No. 2005-61. The ministerial action of signing Exhibit "B" (The Public Works Agreement) to Resolution No. 2005-61 was not completed but it was approved by the City Council as shown on Resolution No. 2005-61.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Moreno Valley, this 18th day of September, 2013.



Jane Halstead, City Clerk, CMC
City of Moreno Valley, California



THE PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT ("Agreement") is entered into as of July 12, 2005 (the "Date of the Agreement"), by and between the **CITY OF MORENO VALLEY** (herein the "City") and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Agency").

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. It is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area").

D. The City Council of the City and the governing board of the Agency have determined that, subject to the making of appropriate findings pursuant to Section 33445 of the California Health and Safety Code (and such other statutory provisions as may be applicable), the Agency and City agree to have the City provide public improvements on behalf of the Agency, with a portion of the cost to be borne by the Agency on the terms and conditions herein set forth; such improvements as are to be provided pursuant to this Agreement, as more fully described in Exhibit "A" hereto, shall constitute the "Designated Public Improvements".

E. The City and the Agency desire to enter into this Agreement:

(1) To set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) To provide that the Agency will be responsible to bear One Hundred Percent (100%) of the cost of the Designated Public Improvements, up to a maximum amount of \$ 9.1 million (which resulting amount constitutes the "Agency Amount"). Now therefore,

AGREEMENTS

1. The City shall undertake and complete the Designated Public Improvements on or before the second anniversary of the Date of Agreement. On or before completion of the Designated Public Improvements, the City shall submit to the Agency a statement of the costs incurred by the City for the Designated Public Improvements.

2. The Agency agrees to pay the City the Agency Amount. No interest shall accrue on the Agency Amount.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to all other obligations or indebtedness heretofore or hereafter voluntarily incurred by the Agency, except to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 et seq. of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: _____
City Manager

ATTEST:

City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY

By: _____
Chairperson

ATTEST:

Agency Secretary

ATTEST:

City Attorney

Sunnymead Boulevard Public Works Agreement

EXHIBIT B

	Year	Fiscal Year	Principal	Accumulated Interest	0.000% Annual Interest	Principal Payment	Interest Payment	Total Payment*
	11/2005	2005-06	9,100,000.00					
ROPS 14/15A	1	7/14	9,100,000.00	-	-	(300,000.00)	-	(300,000.00)
ROPS 14/15B	2	1/15	8,800,000.00	-	-	(300,000.00)	-	(300,000.00)
ROPS 15/16A	3	7/15	8,500,000.00	-	-	(300,000.00)	-	(300,000.00)
ROPS 15/16B	4	1/16	8,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	5	7/16	7,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	6	1/17	7,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	7	7/17	7,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	8	1/18	7,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	9	7/18	6,700,000.00	-	-	(300,000.00)	-	(300,000.00)
	10	1/19	6,400,000.00	-	-	(300,000.00)	-	(300,000.00)
	11	7/19	6,100,000.00	-	-	(300,000.00)	-	(300,000.00)
	12	1/20	5,800,000.00	-	-	(300,000.00)	-	(300,000.00)
	13	7/20	5,500,000.00	-	-	(300,000.00)	-	(300,000.00)
	14	1/21	5,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	15	7/21	4,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	16	1/22	4,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	17	7/22	4,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	18	1/23	4,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	19	7/23	3,700,000.00	-	-	(300,000.00)	-	(300,000.00)
	20	1/24	3,400,000.00	-	-	(300,000.00)	-	(300,000.00)
	21	7/24	3,100,000.00	-	-	(300,000.00)	-	(300,000.00)
	22	1/25	2,800,000.00	-	-	(300,000.00)	-	(300,000.00)
	23	7/25	2,500,000.00	-	-	(300,000.00)	-	(300,000.00)
	24	1/26	2,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	25	7/26	1,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	26	1/27	1,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	27	7/27	1,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	28	1/28	1,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	29	7/28	700,000.00	-	-	(300,000.00)	-	(300,000.00)
	30	1/29	400,000.00	-	-	(300,000.00)	-	(300,000.00)
	31	7/29	100,000.00	-	-	(100,000.00)	-	(100,000.00)

*Note - Payment will begin based on AB 1484 Statute on the ROPS 14-15A and is estimated to be completed in FY 2029-2030

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DEPARTMENT OF
FINANCE

Attachment 2

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator
City of Moreno Valley
Community & Economic Development Department
14177 Frederick Street
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County
Auditor-Controller
California State Controller's Office

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A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PUBLIC WORKS AGREEMENT WITH THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a duly constituted redevelopment agency and is undertaking certain activities necessary for redevelopment under the provisions of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.) and pursuant to the Redevelopment Plan (the "Plan") for the Moreno Valley Redevelopment Project, which is sometimes referred to as Project No. 1 (the "Project"); and

WHEREAS, it is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area"); and

WHEREAS, each of the City Council of the City of Moreno Valley and the governing board of the Agency has determined that the public health and safety will be promoted by the provision of those certain public improvements described in Exhibit "A" hereto (the "Designated Public Improvements"); and

WHEREAS, the Designated Public Improvements are located in and would be of benefit to the Project Area; and

WHEREAS, the City and the Agency have proposed to and desire to enter into an agreement attached as EXHIBIT B and made a part herein by reference; and

WHEREAS, without amending, limiting, or modifying any prior agreements between the City and the Agency ("Prior Agreements") and the ongoing effectiveness of such Prior Agreements, which shall remain in effect according to their terms for the greatest time legally allowable, the Agency and the City desire to approve the Public Works Agreement; and

WHEREAS, the Agency has the general purpose of redevelopment and the elimination of blight and the provision of public facilities as set forth in the Plan; and

WHEREAS, pursuant to Health and Safety Code Section 33445, the Agency is authorized, as provided in its redevelopment plan, to assist in the installation and construction of public improvements within the Project Area of the Project (the "Project Area"); and

WHEREAS, Section 33445 provides, in part, that notwithstanding Section 33440, an agency may, with the consent of the legislative body, pay all or part of the value of the land

for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly owned either within or without the project area, if the legislative body determines:

(1) That the buildings, facilities, structures, or other improvements are of benefit to the project area or the immediate neighborhood in which the project is located, regardless of whether the improvement is within another project area, or in the case of a project area in which substantially all of the land is publicly owned that the improvement is of benefit to an adjacent project area of the agency.

(2) That no other reasonable means of financing the buildings, facilities, structures, or other improvements, are available to the community.

(3) That the payment of funds for the acquisition of land or the cost of buildings, facilities, structures, or other improvements will assist in the elimination of one or more blighting conditions inside the project area or provide housing for low- or moderate-income persons, and is consistent with the implementation plan adopted pursuant to Section 33490; and

WHEREAS, the Agency desires to proceed to support the construction and provision of the Designated Public Improvements by provision of the "Agency Amount" (as described in the Public Works Agreement) for such improvements; and

WHEREAS, the Agency and the City of Moreno Valley (the "City") have explored all possible funding sources for the Designated Public Improvements, including federal, state, and local sources, and the efforts of private property owners and developers; and

WHEREAS, the City has sought to obtain from private property owners and developers resources to provide for provision of the Designated Public Improvements; and

WHEREAS, there are no other reasonable means available to the Agency and the City to finance the Designated Public Improvements other than Agency funds in the Agency Amount; and

WHEREAS, the City has reviewed evidence, including both oral testimony and writings, in connection with this matter, and has determined that the foregoing recitals, and each of them, are true and correct, and further has determined that the provision of the Designated Public Improvements is in the best interests of the Agency and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements.


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

Section 1. The City Council finds and determines that: (i) the provision of the Designated Public Improvements is of benefit to the Project Area and the neighborhood in which such Improvements are to be situated; (ii) no other reasonable means of financing the Designated Public Improvements are available to the community; and (iii) the payment

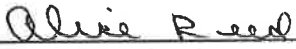
by the Agency of funds, in the amount of the Agency Amount, for the Designated Public Improvements will assist in the elimination of one or more blighting conditions within the Project Area and is consistent with the adopted implementation plan.

Section 2. The City Council authorizes and directs the Mayor or the City Manager to execute on behalf of the City the Public Works Agreement. The City further authorizes and directs staff to take all actions necessary and appropriate to implement the participation by the City pursuant to the Public Works Agreement.

APPROVED AND ADOPTED this 12th day of July, 2005.

By:  _____
Mayor

ATTEST:

 _____
City Clerk

APPROVED AS TO FORM:

 _____
City Attorney

RESOLUTION JURAT

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

I, ALICE REED, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2005-61 as duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 12th day of July, 2005, by the following vote:

AYES: Council Members Batey, Flickinger, West, White, and Mayor Stewart
NOES: None
ABSENT: None
ABSTAIN: None

Alice Reed

CITY CLERK

(SEAL)

Resolution No. 2005-61
Adopted July 12, 2005

EXHIBIT "A" TO RESOLUTION

The Sunnymead Boulevard Revitalization Project is a large scale revitalization that involves major in street decorative enhancements through the 2 mile commercial corridor between Frederick Street and Perris Boulevard. The project includes parkway improvements, landscaping, median installation to promote safer traffic flow, banners, and street furniture.

EXHIBIT "B" TO RESOLUTION

THE PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT ("Agreement") is entered into as of July 12, 2005 (the "Date of the Agreement"), by and between the **CITY OF MORENO VALLEY** (herein the "City") and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Agency").

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. It is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area").

D. The City Council of the City and the governing board of the Agency have determined that, subject to the making of appropriate findings pursuant to Section 33445 of the California Health and Safety Code (and such other statutory provisions as may be applicable), the Agency and City agree to have the City provide public improvements on behalf of the Agency, with a portion of the cost to be borne by the Agency on the terms and conditions herein set forth; such improvements as are to be provided pursuant to this Agreement, as more fully described in Exhibit "A" hereto, shall constitute the "Designated Public Improvements".

E. The City and the Agency desire to enter into this Agreement:

(1) To set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) To provide that the Agency will be responsible to bear One Hundred Percent (100%) of the cost of the Designated Public Improvements, up to a maximum amount of \$ 9.1 million (which resulting amount constitutes the "Agency Amount"). Now therefore,

AGREEMENTS

1. The City shall undertake and complete the Designated Public Improvements on or before the second anniversary of the Date of Agreement. On or before completion of the Designated Public Improvements, the City shall submit to the Agency a statement of the costs incurred by the City for the Designated Public Improvements.

2. The Agency agrees to pay the City the Agency Amount. No interest shall accrue on the Agency Amount.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to all other obligations or indebtedness heretofore or hereafter voluntarily incurred by the Agency, except to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 et seq. of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: _____
City Manager

ATTEST:

City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY

By: _____
Chairperson

ATTEST:

Agency Secretary

ATTEST:

City Attorney

EXHIBIT "A"

The Sunnymead Boulevard Revitalization Project is a large scale revitalization that involves major in street decorative enhancements through the 2 mile commercial corridor between Frederick Street and Perris Boulevard. The project includes parkway improvements, landscaping, median installation to promote safer traffic flow, banners, and street furniture.

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

Report to City Council

TO: Mayor and City Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: September 24, 2013

TITLE: ADOPT A RESOLUTION REAPPROVING THE PUBLIC WORKS AGREEMENT BETWEEN THE CITY OF MORENO VALLEY (“CITY”) AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (“SUCCESSOR AGENCY”)

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. SA 2013-07. A Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Confirming that the Public Works Agreement Between the Former Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley was for a Loan in the Amount of \$9,100,000 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in Compliance with the Dissolution Act.
2. Execute the Public Works Agreement dated July 12, 2005 (the “Existing Repayment Agreement”).

SUMMARY

This report recommends that the Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley reapprove the Public Works Agreement dated July 12, 2005 (the “Existing Repayment Agreement” –

Exhibit A) and the repayment schedule (Exhibit B) to reestablish that the Existing Repayment Agreement in the amount of \$9,100,000 was legally binding, and was made for legitimate redevelopment purposes. ABx1 26 provides that loan agreements, contracts or arrangements between the city that created a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency. As amended by AB 1484 (Chapter 26, Statutes of 2012), AB 1484 contents that a loan agreement between the City and the Community Redevelopment Agency of the City of Moreno Valley shall be deemed to be enforceable obligations provided that the oversight board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation and such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance (DOF). Successor Agency received the “Finding of Completion” from the DOF on May 24, 2013 (Attachment 2).

DISCUSSION

The Community Redevelopment Agency of the City of Moreno Valley (RDA) was created on December 29, 1984. On January 9, 1986, the RDA entered into a Cooperation Agreement with the City of Moreno Valley (City) that provided for the City to perform a range of administrative functions, and complete capital projects on behalf of the RDA.

On July 12, 2005, the RDA approved Resolution No. RDA 2005-07 authorizing the execution of the Public Works Agreement between the City and RDA to undertake and complete the public improvements of the Sunnymead Boulevard (Attachment 3). The RDA is responsible for the \$9.1 million of such improvements. The project was completed by the City on behalf of the RDA in May of 2011.

In June 2011, the State of California passed ABx1 26 that abolished redevelopment agencies statewide. The law became effective on January 31, 2012. The City established the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley on February 1, 2012.

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; provided that Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) further provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for

administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has been induced to bear the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, Costs related to in-house staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The staff of the Successor Agency and the staff of the City (as a general law city) proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from property tax revenues (specifically, from the Redevelopment Property Tax Trust Fund) in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

In addition, pursuant to Health & Safety Code Section 34191.4(b), as added by AB 1484, after a successor agency obtains a finding of completion pursuant to Health & Safety Code Section 34179.7, upon application by the successor agency to its oversight board, in addition to certain other activities which become permitted, a loan agreement between (i) the City that created the Redevelopment Agency (the City of Moreno Valley) and (ii) the Redevelopment Agency (the Community Redevelopment Agency of the City of Moreno Valley) shall be deemed to be enforceable obligations provided that the Oversight Board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation. Such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance. In the case of Moreno Valley, the Successor Agency has received such a finding of completion from the DOF by correspondence dated as of May 24, 2013 (the “Finding of Completion”).

Once the Oversight Board makes the findings described above, the accumulated interest on the remaining principal amount shall be recalculated, in each case, from the origination (of such loan) at the interest rate earned as to funds deposited in the Local Agency Investment Fund (“LAIF”); thereafter, each such loan shall be repaid to the City in accordance with a defined schedule over a “reasonable” term at an interest rate not to exceed the interest rate earned on funds deposited into LAIF. Repayment is, per Section 34191.4 of the Health & Safety Code, subject to other limitations set forth in that Section. No particular guidance is provided under Section 34191.4 concerning the frequency with which calculations as to interest rates applicable under LAIF shall be determined.

Successor Agency staff now presents to the City Council acting in their capacity as the Successor Agency of the City of Moreno Valley approved Public Works Agreement dated July 12, 2005, between the City and the former Community Redevelopment Agency of the City of Moreno Valley (the "Former Redevelopment Agency") as evidenced by the accompanying resolution; be reapproved, and the Agreement be executed, and requests that the Oversight Board consent to the Successor Agency reapproving the Existing Repayment Agreement upon making of the finding contained in the enclosed resolution. The prior approvals of the City Council, the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

ALTERNATIVES

1. Adopt the attached proposed resolution reapproving, and executing the Existing Repayment Agreement. *Staff recommends this alternative as the action will allow the existing agreement to be deemed an enforceable obligation.*
2. Decline to adopt the attached proposed resolution which would not allow the City, serving as the Successor Agency, to fulfill its debt obligation of the former RDA. *Staff does not recommend this alternative.*

FISCAL IMPACT

The recommended action would allow the Successor Agency to make a loan repayment of \$600,000 annually to the General Fund. The annual loan repayment will repay the original loan principal amount of \$9,100,000 with no interest allowed on the loan amount. The repayments will begin on ROPS 14-15 A and continue for a 16 year period until the amount is repaid.

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

Attachment 1 – Proposed Resolution
 Exhibit A – Existing Repayment Agreement
 Exhibit B – Repayment Schedule
 Attachment 2 – Finding of Completion Letter
 Attachment 3 – Resolution No. RDA 2005-07

Prepared By:
 Anochar Clark
 Sr. Financial Analyst

Department Head Approval:
 John Terell
 Community & Economic Development
 Director

Concurred By:
Richard Teichert
Chief Financial Officer

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RESOLUTION NO. SA 2013-07

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY CONFIRMING THAT THE PUBLIC WORKS AGREEMENT BETWEEN THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY WAS FOR A LOAN IN THE AMOUNT OF \$9,100,000 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE CITY AND THE SUCCESSOR AGENCY TO RE-ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (“Redevelopment Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. (“CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley (“City”); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies (“Dissolution Act”); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the “Successor Agency”) and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency's affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 (“Oversight Board”); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

1
Resolution No. SA 2013-07
Date Adopted: September 24, 2013

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance (“DOF”) pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the governing board of the Successor Agency has reviewed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the “Existing Repayment Agreement” (set forth as Exhibit “A” hereto) between the former Redevelopment Agency and the City and hereby finds and determines that the Existing Repayment Agreement was in the nature of a loan, with the Redevelopment Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and constitutes enforceable obligations and shall be recognized as re-entered into as between the Successor Agency and the City; and

WHEREAS, subject to approval of the Oversight Board, the Successor Agency desires to and would be authorized to re-establish said Existing Repayment Agreement upon DOF's issuance of a Finding of Completion to the Successor Agency and to re-establish said agreements subject to and in compliance with Health & Safety Code section 34191.4, and with repayment schedules (set forth as Exhibit “B” hereto), as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis; and

WHEREAS, Health & Safety Code Section 34173(h) provides that “The city... that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

SECTION 2. The Successor Agency finds and determines that: (i) the Existing Repayment Agreement was made for legitimate redevelopment purposes within

2
Resolution No. SA 2013-07
Date Adopted: September 24, 2013

the meaning of Health & Safety Code Section 34191.4; (ii) the Existing Repayment Agreement in the amount of \$9.1 million constitutes enforceable obligations; and (iii) the loan repayments, to the extent governed by Section 34191.4 and not Section 34178, are reasonable and conform to Section 34191.4.

SECTION 3. Upon approval by the Oversight Board, the Successor Agency shall be deemed to re-establish said Existing Repayment Agreement, including without limitation as to the Existing Repayment Agreement the provisions (set forth as Exhibit "A" hereto), and shall be deemed to re-establish said agreement in compliance with Exhibit "B" hereto and subject to and in conformance with Health & Safety Code section 34191.4, and shall include such matters on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective upon approval.

SECTION 5. The Successor Agency directs its Executive Director to forward a copy of this Resolution to the Oversight Board.

SECTION 6. The Successor Agency shall maintain on file as a public record this Resolution.

Mayor of the City of Moreno Valley,
Acting in the capacity of the Successor
Agency

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

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Resolution No. SA 2013-07
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. SA 2013-07 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)


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Resolution No. SA 2013-07
Date Adopted: September 24, 2013

DECLARATION

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify and attest that I have reviewed the official documents for the Community Redevelopment Agency of the City of Moreno Valley and hereby declare that on July 12, 2005, the Community Redevelopment Agency of the City of Moreno Valley approved The Public Works Agreement, Exhibit "B" as shown on Resolution No. RDA 2005-07. The ministerial action of signing Exhibit "B" (The Public Works Agreement) to Resolution No. RDA 2005-07 was not completed but it was approved by the Community Redevelopment Agency of the City of Moreno Valley as shown on Resolution RDA No. 2005-07.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Moreno Valley, this 18th day of September, 2013.



Jane Halstead, City Clerk, CMC
City of Moreno Valley, California



THE PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT ("Agreement") is entered into as of July 12, 2005 (the "Date of the Agreement"), by and between the **CITY OF MORENO VALLEY (herein the "City") and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Agency").**

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. It is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area").

D. The City Council of the City and the governing board of the Agency have determined that, subject to the making of appropriate findings pursuant to Section 33445 of the California Health and Safety Code (and such other statutory provisions as may be applicable), the Agency and City agree to have the City provide public improvements on behalf of the Agency, with a portion of the cost to be borne by the Agency on the terms and conditions herein set forth; such improvements as are to be provided pursuant to this Agreement, as more fully described in Exhibit "A" hereto, shall constitute the "Designated Public Improvements".

E. The City and the Agency desire to enter into this Agreement:

(1) To set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) To provide that the Agency will be responsible to bear One Hundred Percent (100%) of the cost of the Designated Public Improvements, up to a maximum amount of \$ 9.1 million (which resulting amount constitutes the "Agency Amount"). Now therefore,

AGREEMENTS

1. The City shall undertake and complete the Designated Public Improvements on or before the second anniversary of the Date of Agreement. On or before completion of the Designated Public Improvements, the City shall submit to the Agency a statement of the costs incurred by the City for the Designated Public Improvements.

2. The Agency agrees to pay the City the Agency Amount. No interest shall accrue on the Agency Amount.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to all other obligations or indebtedness heretofore or hereafter voluntarily incurred by the Agency, except to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 et seq. of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: _____
City Manager

ATTEST:

City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY

By: _____
Chairperson

ATTEST:

Agency Secretary

ATTEST:

City Attorney

Sunnymead Boulevard Public Works Agreement

EXHIBIT B

	Year	Fiscal Year	Principal	Accumulated Interest	0.000% Annual Interest	Principal Payment	Interest Payment	Total Payment*
	11/2005	2005-06	9,100,000.00					
ROPS 14/15A	1	7/14	9,100,000.00	-	-	(300,000.00)	-	(300,000.00)
ROPS 14/15B	2	1/15	8,800,000.00	-	-	(300,000.00)	-	(300,000.00)
ROPS 15/16A	3	7/15	8,500,000.00	-	-	(300,000.00)	-	(300,000.00)
ROPS 15/16B	4	1/16	8,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	5	7/16	7,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	6	1/17	7,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	7	7/17	7,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	8	1/18	7,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	9	7/18	6,700,000.00	-	-	(300,000.00)	-	(300,000.00)
	10	1/19	6,400,000.00	-	-	(300,000.00)	-	(300,000.00)
	11	7/19	6,100,000.00	-	-	(300,000.00)	-	(300,000.00)
	12	1/20	5,800,000.00	-	-	(300,000.00)	-	(300,000.00)
	13	7/20	5,500,000.00	-	-	(300,000.00)	-	(300,000.00)
	14	1/21	5,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	15	7/21	4,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	16	1/22	4,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	17	7/22	4,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	18	1/23	4,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	19	7/23	3,700,000.00	-	-	(300,000.00)	-	(300,000.00)
	20	1/24	3,400,000.00	-	-	(300,000.00)	-	(300,000.00)
	21	7/24	3,100,000.00	-	-	(300,000.00)	-	(300,000.00)
	22	1/25	2,800,000.00	-	-	(300,000.00)	-	(300,000.00)
	23	7/25	2,500,000.00	-	-	(300,000.00)	-	(300,000.00)
	24	1/26	2,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	25	7/26	1,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	26	1/27	1,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	27	7/27	1,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	28	1/28	1,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	29	7/28	700,000.00	-	-	(300,000.00)	-	(300,000.00)
	30	1/29	400,000.00	-	-	(300,000.00)	-	(300,000.00)
	31	7/29	100,000.00	-	-	(100,000.00)	-	(100,000.00)

*Note - Payment will begin based on AB 1484 Statute on the ROPS 14-15A and is estimated to be completed in FY 2029-2030

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DEPARTMENT OF
FINANCE

Attachment 2

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator
City of Moreno Valley
Community & Economic Development Department
14177 Frederick Street
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County
Auditor-Controller
California State Controller's Office

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A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PUBLIC WORKS AGREEMENT WITH THE CITY OF MORENO VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a duly constituted redevelopment agency and is undertaking certain activities necessary for redevelopment under the provisions of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.) and pursuant to the Redevelopment Plan (the "Plan") for the Moreno Valley Redevelopment Project, which is sometimes referred to as Project No. 1 (the "Project"); and

WHEREAS, it is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area"); and

WHEREAS, each of the City Council of the City of Moreno Valley and the governing board of the Agency has determined that the public health and safety will be promoted by the provision of those certain public improvements described in Exhibit "A" hereto (the "Designated Public Improvements"); and

WHEREAS, the Designated Public Improvements are located in and would be of benefit to the Project Area; and

WHEREAS, the City and the Agency have proposed to and desire to enter into an agreement attached as EXHIBIT B and made a part herein by reference; and

WHEREAS, without amending, limiting, or modifying any prior agreements between the City and the Agency ("Prior Agreements") and the ongoing effectiveness of such Prior Agreements, which shall remain in effect according to their terms for the greatest time legally allowable, the Agency and the City desire to approve the Public Works Agreement; and

WHEREAS, the Agency has the general purpose of redevelopment and the elimination of blight and the provision of public facilities as set forth in the Plan; and

WHEREAS, pursuant to Health and Safety Code Section 33445, the Agency is authorized, as provided in its redevelopment plan, to assist in the installation and construction of public improvements within the Project Area of the Project (the "Project Area"); and

WHEREAS, Section 33445 provides, in part, that notwithstanding Section 33440, an agency may, with the consent of the legislative body, pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or

other improvement which is publicly owned either within or without the project area, if the legislative body determines:

(1) That the buildings, facilities, structures, or other improvements are of benefit to the project area or the immediate neighborhood in which the project is located, regardless of whether the improvement is within another project area, or in the case of a project area in which substantially all of the land is publicly owned that the improvement is of benefit to an adjacent project area of the agency.

(2) That no other reasonable means of financing the buildings, facilities, structures, or other improvements, are available to the community.

(3) That the payment of funds for the acquisition of land or the cost of buildings, facilities, structures, or other improvements will assist in the elimination of one or more blighting conditions inside the project area or provide housing for low- or moderate-income persons, and is consistent with the implementation plan adopted pursuant to Section 33490; and

WHEREAS, the Agency desires to proceed to support the construction and provision of the Designated Public Improvements by provision of the "Agency Amount" (as described in the Public Works Agreement) for such improvements; and

WHEREAS, the Agency and the City of Moreno Valley (the "City") have explored all possible funding sources for the Designated Public Improvements, including federal, state, and local sources, and the efforts of private property owners and developers; and

WHEREAS, the City has sought to obtain from private property owners and developers resources to provide for provision of the Designated Public Improvements; and

WHEREAS, there are no other reasonable means available to the Agency and the City to finance the Designated Public Improvements other than Agency funds in the Agency Amount; and

WHEREAS, the Agency has reviewed evidence, including both oral testimony and writings, in connection with this matter, and has determined that the foregoing recitals, and each of them, are true and correct, and further has determined that the provision of the Designated Public Improvements is in the best interests of the Agency and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements.


NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY DOES RESOLVE AS FOLLOWS:

Section 1. The Agency finds and determines that: (i) the provision of the Designated Public Improvements is of benefit to the Project Area and the neighborhood in which such Improvements are to be situated; (ii) no other reasonable means of financing the Designated Public Improvements are available to the community; and (iii) the payment by Agency of funds for the Designated Public Improvements will assist in the elimination of


one or more blighting conditions within the Project Area and is consistent with the adopted implementation plan.

Section 2. The Agency authorizes and directs the Chairperson to execute on behalf of the Agency the Public Works Agreement. The Agency further authorizes and directs staff to take all actions necessary and appropriate to implement the participation by the Agency pursuant to the Public Works Agreement.


APPROVED AND ADOPTED this 12th day of July, 2005.

By: 
Mayor of the City of Moreno Valley,
Acting in the capacity of Chairperson of the
Community Redevelopment Agency of the
City of Moreno Valley

ATTEST:


City Clerk, acting in the capacity of
Secretary of the Community
Redevelopment Agency of the
City of Moreno Valley

APPROVED AS TO FORM:


City Attorney, acting in the capacity
of General Counsel of the Community
Redevelopment Agency of the
City of Moreno Valley

RESOLUTION JURAT

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

I, ALICE REED, Secretary of the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that RDA Resolution No. 2005-07 was duly and regularly adopted by the Agency Members of the Community Redevelopment Agency of the City of Moreno Valley at a regular meeting thereof held on the 12th day of July, 2005 by the following vote:

AYES: Agencymembers Batey, Flickinger, West, White, and Chairman Stewart
NOES: None
ABSENT: None
ABSTAIN: None



SECRETARY

(SEAL)

Resolution No. RDA 2005-07
Adopted July 12, 2005

EXHIBIT "A" TO RESOLUTION

The Sunnymead Boulevard Revitalization Project is a large scale revitalization that involves major in street decorative enhancements through the 2 mile commercial corridor between Frederick Street and Perris Boulevard. The project includes parkway improvements, landscaping, and median installation to promote safer traffic flow, banners, and street furniture.

EXHIBIT "B" TO RESOLUTION

THE PUBLIC WORKS AGREEMENT

THIS **PUBLIC WORKS AGREEMENT** ("Agreement") is entered into as of July 12, 2005 (the "Date of the Agreement"), by and between the **CITY OF MORENO VALLEY** (herein the "City") and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Agency").

R E C I T A L S

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. It is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area").

D. The City Council of the City and the governing board of the Agency have determined that, subject to the making of appropriate findings pursuant to Section 33445 of the California Health and Safety Code (and such other statutory provisions as may be applicable), the Agency and City agree to have the City provide public improvements on behalf of the Agency, with a portion of the cost to be borne by the Agency on the terms and conditions herein set forth; such improvements as are to be provided pursuant to this Agreement, as more fully described in Exhibit "A" hereto, shall constitute the "Designated Public Improvements".

E. The City and the Agency desire to enter into this Agreement:

(1) To set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) To provide that the Agency will be responsible to bear One Hundred Percent (100%) of the cost of the Designated Public Improvements, up to a maximum amount of \$ 9.1 million (which resulting amount constitutes the "Agency Amount"). Now therefore,

AGREEMENTS

1. The City shall undertake and complete the Designated Public Improvements on or before the second anniversary of the Date of Agreement. On or before completion of the Designated Public Improvements, the City shall submit to the Agency a statement of the costs incurred by the City for the Designated Public Improvements.

2. The Agency agrees to pay the City the Agency Amount. No interest shall accrue on the Agency Amount.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to all other obligations or indebtedness heretofore or hereafter voluntarily incurred by the Agency, except to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 et seq. of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: _____
City Manager

ATTEST:

City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY

By: _____
Chairperson

ATTEST:

Agency Secretary

ATTEST:

City Attorney

EXHIBIT "A"

The Sunnymead Boulevard Revitalization Project is a large scale revitalization that involves major in street decorative enhancements through the 2 mile commercial corridor between Frederick Street and Perris Boulevard. The project includes parkway improvements, landscaping, median installation to promote safer traffic flow, banners, and street furniture.

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

Report to City Council

TO: Mayor and City Council

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: September 24, 2013

TITLE: RESOLUTION APPROVING THE REPAYMENT AGREEMENT BETWEEN THE CITY OF MORENO VALLEY (“CITY”) AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY (“SUCCESSOR AGENCY”).

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. 2013-78. A Resolution of the City of Moreno Valley Confirming that the Repayment Agreement Between the City of Moreno Valley and the City of Moreno Valley, Acting in the Capacity as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, Was For a Loan in the Amount of \$150,000 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in Compliance with the Dissolution Act.

SUMMARY

This report recommends that the Council approves the IRS Agreement (the “Repayment Agreement”) and the Repayment Schedule by adopting the resolution. ABx1 26 provides that loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency. ABx1 26 provides, in part, at Health & Safety Code Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

The Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley and the Commissioner of Internal Revenue (the "Service") entered into an agreement in settlement of issues raised in an examination of the 2007 Tax Allocation Bonds, Series A and 2007 Special Tax Refunding Bonds (collectively, the "Bonds"), dated and issued on November 29, 2007. The settlement required an immediate payment in the amount of \$150,000. This payment had to be paid by the City General Fund on behalf of the Successor Agency, since the Successor Agency did not have the authority to make the immediate payment. The City now seeks reimbursement of the amount paid on behalf of the Successor Agency.

DISCUSSION

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; but Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has borne the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, related costs to house staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The staff of the Successor Agency and the staff of the City (as a general law city) proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from the Redevelopment Property Tax Trust Fund in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

City staff now presents to the City Council an agreement between the City and the Successor Agency as evidenced by the accompanying resolution; and requests that the Oversight Board consent to the Successor Agency approving the Repayment Agreement upon making of the finding contained in the enclosed resolution. The prior approvals of the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

ALTERNATIVES

1. Adopt the attached proposed resolution approving the Repayment Agreement. *Staff recommends this alternative as the action will allow the agreement to be deemed an enforceable obligation.*
2. Decline to adopt the attached proposed resolution which would not allow the City to receive repayment from the Successor Agency. *Staff does not recommend this alternative.*

FISCAL IMPACT

The recommended action will allow the City to receive a loan repayment of \$150,000 to the General Fund from the Successor Agency. This action reimburses the City General Fund for a \$150,000 payment made to the Internal Revenue Service to immediately settle a claim with the IRS, on behalf of the Successor Agency.

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

Attachment 1 – Proposed Resolution
Exhibit A – Repayment Agreement
Exhibit B – IRS Repayment Schedule
Attachment 2 – Finding of Completion

Prepared By:
Anochar Clark
Senior Financial Analyst

Department Head Approval:
John Terrell
Community & Economic Development Director

Concurred By:
Richard Teichert
Chief Financial Officer

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RESOLUTION NO. 2013-78

A RESOLUTION OF THE CITY OF MORENO VALLEY CONFIRMING THAT THE REPAYMENT AGREEMENT BETWEEN THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY, ACTING IN THE CAPACITY AS THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY WAS FOR A LOAN IN THE AMOUNT OF \$150,000 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE SUCCESSOR AGENCY TO ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (“Redevelopment Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. (“CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley (“City”); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies (“Dissolution Act”); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the “Successor Agency”) and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency’s affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 (“Oversight Board”); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

1

Resolution No. 2013-78
Date Adopted: September 24, 2013

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance (“DOF”) pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the City Council has reviewed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the “Repayment Agreement” between the Successor Agency and the City and hereby finds and determines that the Repayment Agreement, was in the nature of a loan, with the Successor Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes and constitutes enforceable obligations and shall be recognized as entered into as between the Successor Agency and the City; and

WHEREAS, subject to approval of the Oversight Board, the City Council desires to and would be authorized to establish said Repayment Agreement upon DOF’s issuance of a Finding of Completion to the Successor Agency and to establish said agreements subject to and in compliance with the Health & Safety Code and with repayment schedules as set forth in Exhibit “B” hereto, as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MORENO VALLEY AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

SECTION 2. The City Council finds and determines that (i) the Repayment Agreement was made for legitimate redevelopment purposes within the meaning of Health & Safety Code; (ii) the Repayment Agreement constitutes enforceable obligations in the amount of \$150,000; and (iii) the loan repayments, to the extent governed by Section 34173(h), are reasonable and conform to Section 34173(h).

SECTION 3. Upon approval by the Oversight Board, the Successor Agency shall be deemed to establish said Repayment Agreement, including without limitation as to the Repayment Agreement the provisions set forth Exhibit “A” hereto) for the benefit of the City, and shall be deemed to establish said agreement in compliance with Exhibit “B” hereto and subject to and in conformance with Health & Safety Code section 34173(h), and shall include such matters on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective upon approval.

2
Resolution No. 2013-78
Date Adopted: September 24, 2013

SECTION 5. The City Council directs the City Manager to forward a copy of this Resolution to each of the Successor Agency and the Oversight Board.

SECTION 6. The City Clerk shall maintain on file as a public record this Resolution.

APPROVED AND ADOPTED this 24th day of September 2013.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

3
Resolution No. 2013-78
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2013-78 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

4
Resolution No. 2013-78
Date Adopted: September 24, 2013

SUCCESSOR AGENCY REPAYMENT AGREEMENT

THIS **SUCCESSOR AGENCY REPAYMENT AGREEMENT**(the “Agreement”) is entered into as of September 24, 2013, by and between the **CITY OF MORENO VALLEY**, a municipal corporation (herein the “City”) and the **CITY OF MORENO VALLEY, ACTING SOLELY IN THE CAPACITY AS THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the “Successor Agency”).

RECITALS

A. Pursuant to the provisions of the California Redevelopment Law (Health & Safety Code Section 33000 et seq.[the “Redevelopment Law”]), the City Council of the City of Moreno Valley, activated the Community Redevelopment Agency of the City of Moreno Valley (the “Redevelopment Agency”).

B. By legislation enacted in 2011 (ABx1 26, the “2011 Dissolution Measure”), redevelopment agencies throughout California were dissolved, which dissolution was effective February 1, 2012. Under the 2011 Dissolution Measure, administration of activities of the former Redevelopment Agency is to be conducted by a successor agency, as prescribed under Part 1.85, Chapter 3 of the 2011 Dissolution Measure. The City has been designated as the Successor Agency for such purposes. Subsequently, the California Legislature enacted AB 1484 (Chapter 26, Statutes of 2012; “AB 1484” and, together with the 2011 Dissolution Measure as amended thereby, the “Dissolution Act”).

C. Pursuant to the Redevelopment Law, as amended by the Dissolution Act, the Successor Agency will be performing duties, including without limitation the administration of certain moneys and properties formerly held by the Redevelopment Agency, the provision of information, submittal of reports and interacting with an oversight board as established pursuant to the Dissolution Act with respect to the former Redevelopment Agency (the “Oversight Board”). The Successor Agency is performing a public function.

D. The Dissolution Act provides, at Section 34173(h), Section 34178 and Section 34191.4(b), that a successor entity wishing to enter or reenter into agreement with the city that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board.

E. The City and the Successor Agency desire to enter into this Agreement, which Agreement has been duly presented to the Oversight Board, which has approved and authorized the Successor Agency to enter into this Agreement with the City.

AGREEMENT

1. The City has heretofore borne the sum of One Hundred-Fifty Thousand Dollars (\$150,000) (the "Existing Amounts") in connection with costs associated with the dissolution of the Redevelopment Agency and the Closing Agreement on Final Determination Covering Specific Matters between the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley and the Commissioner of Internal Revenue (the "IRS Agreement") which shall hereafter be treated as advances to the Successor Agency for the purposes of this Agreement.

2. The City may, to the extent permitted by law, but is not required to, advance necessary funds to the Successor Agency or to expend funds on behalf of the Successor Agency for implementation of the Dissolution Act. Additional advances will be made in accordance with such budgets as are adopted from time to time by the Successor Agency and approved by the Oversight Board.

3. The Successor Agency agrees to pay the City, with interest, an amount equal to the Accrued Amount and all expenditures made and obligations and liabilities incurred by the City pursuant to this Agreement from funds allocated to the Successor Agency. City will periodically compute amounts owing under this Agreement. Interest shall accrue on all amounts payable by the Successor Agency pursuant to this Agreement at the rate of the lesser of (i) seven percent (7%) per annum, or (ii) the interest rate determined from time to time for the Local Agency Investment Fund ("LAIF"). Payment shall be made in accordance with the schedule of payments set forth as Exhibit "B" hereto (the "Repayment Schedule").

4. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: _____
Mayor

ATTEST:

City Clerk

CITY OF MORENO VALLEY SOLELY IN
ITS CAPACITY AS SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF MORENO
VALLEY

By: _____
Mayor

ATTEST:

City Clerk

**CLOSING AGREEMENT ON FINAL DETERMINATION
COVERING SPECIFIC MATTERS**

Under section 7121 of the Internal Revenue Code of 1986, as amended (the "Code"), the City of Moreno Valley, EIN: 33-0076484 in its capacity as a municipal corporation and as the successor agency (the "Successor") to the Community Redevelopment Agency of the City of Moreno Valley, California, EIN 33-0076484 (the "Issuer") and the Commissioner of Internal Revenue (the "Service") make this closing agreement (the "Agreement").

WHEREAS, the parties have determined the following facts and made the following legal conclusions and representations:

- A. This Agreement is in settlement of issues raised in an examination of the \$54,160,000, 2007 Tax Allocation Bonds, Series A and 2007 Special Tax Refunding Bonds (collectively, the "Bonds"), dated and issued on November 29, 2007.
- B. The Service has conducted an examination of the Bonds and concluded that, because the Issuer might not have reasonably expected to expend a portion of the proceeds of the Bonds in a timely manner and, in fact, did not expend a portion of the proceeds of the Bonds in a timely manner, the Bonds fail to meet the requirements of section 103 of the Code. Specifically, because of the failure to expend the proceeds of the Bonds in a timely manner, the Bonds are hedge bonds as defined under section 149(g)(3)(A); and the Issuer did not meet the requirements of section 149(g)(2). Under section 149(g)(1), it is provided that section 103(a) shall not apply to any hedge bond unless, with respect to the issue of which such bond is a part, the requirements of sections 149(g)(2) and 149(f)(3) are met. Thus, section 149(g)(1) precludes the exclusion of interest on the Bonds under section 103.
- C. The Service has not formally asserted any claims against the Issuer or the Successor or sought to tax any holders of the Bonds on interest income on the Bonds.
- D. The Successor and the Service desire to resolve the issue raised during the examination of the Bonds and identified in Paragraph B.
- E. The terms of this Agreement were arrived at by negotiation between the Successor and the Service, and may differ from the terms of settlement of other bond issues examined or to be examined by the Service.

NOW, IT IS HEREBY DETERMINED AND AGREED PURSUANT TO THIS CLOSING AGREEMENT EXECUTED BY THE PARTIES HERETO UNDER CODE SECTION 7121, THAT FOR FEDERAL INCOME TAX PURPOSES:

CLOSING AGREEMENT between the City of Moreno Valley, EIN 33-0076484 (the "Successor") and the Commissioner of Internal Revenue (the "Service")

1. Prior to the execution and delivery of this Agreement, the Successor shall cause to be electronically paid the sum of \$150,000.00 (One Hundred-Fifty Thousand Dollars and Zero Cents) (the "Settlement Amount") to the Service via the Electronic Federal Tax Payment System and in accordance with the directions contained in Exhibit A of this Agreement. Payment of the Settlement Amount shall not be made from proceeds of bonds described in section 103(a) of the Code.
2. The Settlement Amount paid by the Successor pursuant to this Agreement is not refundable, or subject to credit or offset under any circumstance.
3. This Agreement is executed with respect to the taxability of interest paid on the Bonds.
4. Interest paid on the Bonds is excludable from gross income under section 103 of the Code, unless a violation occurs pursuant to Paragraph 5 of this Agreement
5. The Service may take any appropriate action with respect to the taxability of interest paid on the Bonds for any violation occurring after June 30, 2013, with the exception of the violation identified in Paragraph B of this Agreement.
6. This Agreement may not be cited or relied upon by any person or entity whatsoever as precedent in the disposition of any other case.
7. This Agreement is final and conclusive, except that:
 - a) The matter it relates to may be reopened in the event of fraud, malfeasance, or misrepresentation of a material fact;
 - b) It is subject to sections of the Code that expressly provide that effect be given to their provisions (including any stated exceptions for section 7122) notwithstanding any other law or rule of law; and
 - c) If it relates to a tax period ending after the effective date of this agreement, it is subject to any law enacted after the Agreement date that applies to that tax period.

This space intentionally left blank.

CLOSING AGREEMENT between the City of Moreno Valley, EIN 33-0076484 (the "Successor") and the Commissioner of Internal Revenue (the "Service")

By signing, the above parties certify that they have read and agreed to the terms of this Agreement.

SUCCESSOR: City of Moreno Valley

EIN: 33-0076484

Attest:

By:

Tom Owings
SIGNATURE

Jane H. [Signature]
City Clerk

Tom Owings
NAME (PLEASE PRINT)

Mayor
TITLE

8/20/13
DATE

COMMISSIONER OF INTERNAL REVENUE:

BY:

St A [Signature]
SIGNATURE

STEVEN A. CHAMBERLIN
ACTING DIRECTOR, TAX EXEMPT BONDS

NAME AND TITLE

8/27/13
DATE

Exhibit A
Taxpayer Information Worksheet for
Electronic Federal Tax Payment System Deposit

This Agreement requires the electronic deposit of an amount to the U.S. Treasury through the Electronic Federal Tax Payment System (EFTPS) as a term for resolution of certain identified matters related to the tax-exempt treatment of interest income paid on a municipal obligation. This payment must be deposited in accordance with the directions contained in this Exhibit.

Please carefully review the taxpayer information listed below and immediately report any errors to the IRS Tax Exempt Bonds employee assigned to your case. If, to the best of your knowledge, the information is correct, then please deposit all required payments through the EFTPS (either *EFTPS – Direct* or *EFTPS – Through a Financial Institution*) accurately and in accordance with this information and the terms of this Agreement.

1. Total Amount of Tax Deposit: **\$150,000.00**
2. Taxpayer's Employee Identification Number (EIN): **33-0076484**
3. Taxpayer Name Control (4 characters): **COMM**
4. Taxpayer Name (up to 35 characters): **Community Redevelopment Agency of the City of Moreno Valley**
5. Tax Type (5 characters): **80384**
6. Tax Year (2 digits): **07**
7. Tax Month (2 digits): **11**

Your financial institution may call the EFTPS Financial Institution Helpline for questions or assistance at **1-800-605-9876** (Monday – Friday, 8:00 a.m. – 8:00 p.m., Eastern Standard Time).

NOTE: If you are not enrolled in *EFTPS – Direct* or *EFTPS – Through a Financial Institution*, or otherwise wish to use the Same Day Payment option, then please provide your financial institution with the information listed above and direct them to accurately deposit your payments utilizing the following routing and account numbers:

Receiving ABA/Routing Number: **091036164 FRB MPLS ETA**
Receiving FI Name: **US TREAS SINGLE TX**
Beneficiary: **330076484:COMM:COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY:80384:07:11**

Beneficiary Name: **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY**

Beneficiary FI: **20092900IRS**

If the financial institution has difficulty transmitting the EFTPS same-day payment, please call **1-800-382-0045** (Monday – Friday, 7:45 a.m. – 4:30 p.m. Central Standard Time) to receive assistance from a Customer Service Representative at the Minneapolis Federal Reserve Bank.

CONSENT TO DISCLOSE TAX INFORMATION

I hereby consent, pursuant to section 6103(c) of the Internal Revenue Code of 1986 (as amended), to the disclosure of return information (as defined in section 6103(b)(2)) relating to the Closing Agreement (Agreement) between the City of Moreno Valley (the "Successor") in its capacity as a municipal corporation and as the successor agency to Community Redevelopment Agency of the City of Moreno Valley and the Commissioner of Internal Revenue, executed by the Successor on 8/20/2013 as follows:

The Internal Revenue Service may disclose the existence and subject matter of the Agreement under the following circumstances:

- a. In the event of a default by Successor on any term in the Agreement; or
- b. To the extent that the Internal Revenue Service deems necessary to correct any material misstatement with respect to the Agreement in response to a public statement by Successor, or an agent of Successor.

Such disclosure may be made to Members of Congress, the press, and the general public, and may be made by any means, including press releases and notices in Internal Revenue Service publications.

This authorization is applicable only to the taxability under section 103 of the Internal Revenue Code of interest paid on \$54,160,000.00 Tax Allocation Bonds, 2007 Series A and 2007 Special Tax Refunding Bonds from November 29, 2007 to June 30, 2013. I am aware that in the absence of this authorization, the returns and return information of Community Redevelopment Agency of the City of Moreno Valley, are confidential and may not be disclosed except as authorized by the Internal Revenue Code.

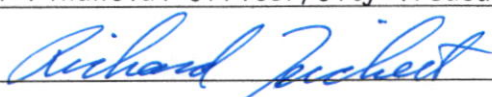
I certify that I have the authority to execute this consent on behalf of Successor:

Successor: City of Moreno Valley

EIN: 33-0076484

By: Richard Teichert

Title: Chief Financial Officer/City Treasurer

Signature: 

Date: 8/20/13

SCHEDULE OF PAYMENTS

Fiscal Year	Interest	Principal	Total
FY 2013-2014		\$150,000.00	\$150,000.00

Note: Repayment to be listed on ROPS 13-14B in the single repayment amount of \$150,000.

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DEPARTMENT OF
FINANCE

Attachment 2

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator
City of Moreno Valley
Community & Economic Development Department
14177 Frederick Street
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County
Auditor-Controller -317-
California State Controller's Office

Item No. A.16

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

Report to City Council

TO: Mayor and City Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: September 24, 2013

TITLE: RESOLUTION APPROVING THE REPAYMENT AGREEMENT BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY")

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. SA 2013-08. A Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, Confirming that the Repayment Agreement between the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley and the City of Moreno Valley Was for a Loan in the Amount of \$150,000 and for Legitimate Redevelopment Purposes and Further Authorizing the Successor Agency to Establish Said Agreement as an Agreement Between the City and the Successor Agency in compliance with the Dissolution Act.

SUMMARY

This report recommends that the Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley approves the IRS Agreement (the "Repayment Agreement") and the repayment schedule by adopting the resolution. ABx1 26 provides that loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency. ABx1 26 provides, in part, at Health & Safety Code Section 34178, as amended by AB 1484 (Chapter 26,

Statutes of 2012) that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Under section 7121 of the Internal Revenue Code of 1986, as amended (the "Code"), the City of Moreno Valley, in its capacity as a municipal corporation and as the Successor Agency and the Commissioner of Internal Revenue (the "Service") entered into an agreement in settlement of issues raised in an examination of the 2007 Tax Allocation Bonds, Series A and 2007 Special Tax Refunding Bonds (collectively, the "Bonds"), dated and issued on November 29, 2007. The settlement required an immediate payment in the amount of \$150,000. This payment had to be paid by the City General Fund on behalf of the Successor Agency, since the Successor Agency did not have the authority to make the immediate payment. The City now seeks reimbursement of the amount paid on behalf of the Successor Agency.

DISCUSSION

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; provided that Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) further provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has been induced to bear the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, related costs to house staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The staff of the Successor Agency and the staff of the City (as a general law city) proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from

property tax revenues (specifically, from the Redevelopment Property Tax Trust Fund) in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

Successor Agency staff now presents to the City Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley an agreement between the City and the Successor Agency as evidenced by the accompanying resolution; and requests that the Oversight Board consent to the Successor Agency approving the Repayment Agreement upon making of the finding contained in the enclosed resolution. The prior approvals of the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

ALTERNATIVES

1. Adopt the attached proposed resolution approving the Repayment Agreement. *Staff recommends this alternative as the action will allow the agreement to be deemed an enforceable obligation.*
2. Decline to adopt the attached proposed resolution which would not allow the City to receive repayment from the Successor Agency. *Staff does not recommend this alternative.*

FISCAL IMPACT

The recommended action will allow the Successor Agency to make a loan repayment of \$150,000 to the General Fund. This action reimburses the City General Fund for a \$150,000 payment made to the Internal Revenue Service to immediately settle a claim with the IRS, on behalf of the Successor Agency.

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

Attachment 1 – Proposed Resolution
Exhibit A – IRS Agreement
Exhibit B – IRS Repayment Schedule
Attachment 2 – Finding of Completion

Prepared By:
Anochar Clark
Senior Financial Analyst

Department Head Approval:
John Terrell
Community & Economic Development Director

Concurred By:
Richard Teichert
Chief Financial Officer

RESOLUTION NO. SA 2013-08

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY CONFIRMING THAT A REPAYMENT AGREEMENT BETWEEN THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY WAS FOR A LOAN IN THE AMOUNT OF \$150,000 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE SUCCESSOR AGENCY TO ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (“Redevelopment Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. (“CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley (“City”); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies (“Dissolution Act”); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the “Successor Agency”) and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency’s affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 (“Oversight Board”); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

1

Resolution No. SA 2013-08
Date Adopted: September 24, 2013

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance (“DOF”) pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the governing board of the Successor Agency has reviewed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the “Repayment Agreement” between the former Redevelopment Agency and the City and hereby finds and determines that the Repayment Agreement, was in the nature of a loan, with the Redevelopment Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes and constitutes enforceable obligations and shall be recognized as entered into as between the Successor Agency and the City; and

WHEREAS, subject to approval of the Oversight Board, the Successor Agency desires to and would be authorized to establish said Repayment Agreement upon DOF's issuance of a Finding of Completion to the Successor Agency and to establish said agreements subject to and in compliance with the Health & Safety Code and with the Repayment Schedule as set forth in Exhibit “B” hereto, as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

SECTION 2. The Successor Agency finds and determines that: (i) the Repayment Agreement was made for legitimate redevelopment purposes within the meaning of Health & Safety Code; (ii) the Repayment Agreement constitutes enforceable obligations in the amount of \$150,000; and (iii) the loan repayments, to the extent governed by Section 34173(h) are reasonable and conform to Section 34173(h).

SECTION 3. Upon approval by the Oversight Board, the Successor Agency shall be deemed to establish said Repayment Agreement, including without limitation as to the Repayment Agreement provisions (set forth Exhibit “A” hereto) for the benefit of the City, and shall be deemed to establish said agreement in compliance with Exhibit “B” hereto and subject to and in conformance with Health & Safety Code section 34173(h), and shall include such matters on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective upon approval.

SECTION 5. The Successor Agency directs the City Manager to forward a copy of this Resolution to each of the Successor Agency and the Oversight Board.

SECTION 6. The City Clerk shall maintain on file as a public record this Resolution.

APPROVED AND ADOPTED this 24th day of September 2013.

Mayor of the City of Moreno Valley,
Acting in the capacity of the Successor Agency

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

3
Resolution No. SA 2013-08
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. SA 2013-08 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

4
Resolution No. SA 2013-08
Date Adopted: September 24, 2013

SUCCESSOR AGENCY REPAYMENT AGREEMENT

THIS **SUCCESSOR AGENCY REPAYMENT AGREEMENT**(the “Agreement”) is entered into as of September 24, 2013, by and between the **CITY OF MORENO VALLEY**, a municipal corporation (herein the “City”) and the **CITY OF MORENO VALLEY, ACTING SOLELY IN THE CAPACITY AS THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the “Successor Agency”).

RECITALS

A. Pursuant to the provisions of the California Redevelopment Law (Health & Safety Code Section 33000 et seq.[the “Redevelopment Law”]), the City Council of the City of Moreno Valley, activated the Community Redevelopment Agency of the City of Moreno Valley (the “Redevelopment Agency”).

B. By legislation enacted in 2011 (ABx1 26, the “2011 Dissolution Measure”), redevelopment agencies throughout California were dissolved, which dissolution was effective February 1, 2012. Under the 2011 Dissolution Measure, administration of activities of the former Redevelopment Agency is to be conducted by a successor agency, as prescribed under Part 1.85, Chapter 3 of the 2011 Dissolution Measure. The City has been designated as the Successor Agency for such purposes. Subsequently, the California Legislature enacted AB 1484 (Chapter 26, Statutes of 2012; “AB 1484” and, together with the 2011 Dissolution Measure as amended thereby, the “Dissolution Act”).

C. Pursuant to the Redevelopment Law, as amended by the Dissolution Act, the Successor Agency will be performing duties, including without limitation the administration of certain moneys and properties formerly held by the Redevelopment Agency, the provision of information, submittal of reports and interacting with an oversight board as established pursuant to the Dissolution Act with respect to the former Redevelopment Agency (the “Oversight Board”). The Successor Agency is performing a public function.

D. The Dissolution Act provides, at Section 34173(h), Section 34178 and Section 34191.4(b), that a successor entity wishing to enter or reenter into agreement with the city that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board.

E. The City and the Successor Agency desire to enter into this Agreement, which Agreement has been duly presented to the Oversight Board, which has approved and authorized the Successor Agency to enter into this Agreement with the City.

AGREEMENT

1. The City has heretofore borne the sum of One Hundred-Fifty Thousand Dollars (\$150,000) (the "Existing Amounts") in connection with costs associated with the dissolution of the Redevelopment Agency and the Closing Agreement on Final Determination Covering Specific Matters between the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley and the Commissioner of Internal Revenue (the "IRS Agreement") which shall hereafter be treated as advances to the Successor Agency for the purposes of this Agreement.

2. The City may, to the extent permitted by law, but is not required to, advance necessary funds to the Successor Agency or to expend funds on behalf of the Successor Agency for implementation of the Dissolution Act. Additional advances will be made in accordance with such budgets as are adopted from time to time by the Successor Agency and approved by the Oversight Board.

3. The Successor Agency agrees to pay the City, with interest, an amount equal to the Accrued Amount and all expenditures made and obligations and liabilities incurred by the City pursuant to this Agreement from funds allocated to the Successor Agency. City will periodically compute amounts owing under this Agreement. Interest shall accrue on all amounts payable by the Successor Agency pursuant to this Agreement at the rate of the lesser of (i) seven percent (7%) per annum, or (ii) the interest rate determined from time to time for the Local Agency Investment Fund ("LAIF"). Payment shall be made in accordance with the schedule of payments set forth as Exhibit "B" hereto (the "Repayment Schedule").

4. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: _____
Mayor

ATTEST:

City Clerk

CITY OF MORENO VALLEY SOLELY IN
ITS CAPACITY AS SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF MORENO
VALLEY

By: _____
Mayor

ATTEST:

City Clerk

**CLOSING AGREEMENT ON FINAL DETERMINATION
COVERING SPECIFIC MATTERS**

Under section 7121 of the Internal Revenue Code of 1986, as amended (the "Code"), the City of Moreno Valley, EIN: 33-0076484 in its capacity as a municipal corporation and as the successor agency (the "Successor") to the Community Redevelopment Agency of the City of Moreno Valley, California, EIN 33-0076484 (the "Issuer") and the Commissioner of Internal Revenue (the "Service") make this closing agreement (the "Agreement").

WHEREAS, the parties have determined the following facts and made the following legal conclusions and representations:

- A. This Agreement is in settlement of issues raised in an examination of the \$54,160,000, 2007 Tax Allocation Bonds, Series A and 2007 Special Tax Refunding Bonds (collectively, the "Bonds"), dated and issued on November 29, 2007.
- B. The Service has conducted an examination of the Bonds and concluded that, because the Issuer might not have reasonably expected to expend a portion of the proceeds of the Bonds in a timely manner and, in fact, did not expend a portion of the proceeds of the Bonds in a timely manner, the Bonds fail to meet the requirements of section 103 of the Code. Specifically, because of the failure to expend the proceeds of the Bonds in a timely manner, the Bonds are hedge bonds as defined under section 149(g)(3)(A); and the Issuer did not meet the requirements of section 149(g)(2). Under section 149(g)(1), it is provided that section 103(a) shall not apply to any hedge bond unless, with respect to the issue of which such bond is a part, the requirements of sections 149(g)(2) and 149(f)(3) are met. Thus, section 149(g)(1) precludes the exclusion of interest on the Bonds under section 103.
- C. The Service has not formally asserted any claims against the Issuer or the Successor or sought to tax any holders of the Bonds on interest income on the Bonds.
- D. The Successor and the Service desire to resolve the issue raised during the examination of the Bonds and identified in Paragraph B.
- E. The terms of this Agreement were arrived at by negotiation between the Successor and the Service, and may differ from the terms of settlement of other bond issues examined or to be examined by the Service.

NOW, IT IS HEREBY DETERMINED AND AGREED PURSUANT TO THIS CLOSING AGREEMENT EXECUTED BY THE PARTIES HERETO UNDER CODE SECTION 7121, THAT FOR FEDERAL INCOME TAX PURPOSES:

CLOSING AGREEMENT between the City of Moreno Valley, EIN 33-0076484 (the "Successor") and the Commissioner of Internal Revenue (the "Service")

1. Prior to the execution and delivery of this Agreement, the Successor shall cause to be electronically paid the sum of \$150,000.00 (One Hundred-Fifty Thousand Dollars and Zero Cents) (the "Settlement Amount") to the Service via the Electronic Federal Tax Payment System and in accordance with the directions contained in Exhibit A of this Agreement. Payment of the Settlement Amount shall not be made from proceeds of bonds described in section 103(a) of the Code.
2. The Settlement Amount paid by the Successor pursuant to this Agreement is not refundable, or subject to credit or offset under any circumstance.
3. This Agreement is executed with respect to the taxability of interest paid on the Bonds.
4. Interest paid on the Bonds is excludable from gross income under section 103 of the Code, unless a violation occurs pursuant to Paragraph 5 of this Agreement
5. The Service may take any appropriate action with respect to the taxability of interest paid on the Bonds for any violation occurring after June 30, 2013, with the exception of the violation identified in Paragraph B of this Agreement.
6. This Agreement may not be cited or relied upon by any person or entity whatsoever as precedent in the disposition of any other case.
7. This Agreement is final and conclusive, except that:
 - a) The matter it relates to may be reopened in the event of fraud, malfeasance, or misrepresentation of a material fact;
 - b) It is subject to sections of the Code that expressly provide that effect be given to their provisions (including any stated exceptions for section 7122) notwithstanding any other law or rule of law; and
 - c) If it relates to a tax period ending after the effective date of this agreement, it is subject to any law enacted after the Agreement date that applies to that tax period.

This space intentionally left blank.

CLOSING AGREEMENT between the City of Moreno Valley, EIN 33-0076484 (the "Successor") and the Commissioner of Internal Revenue (the "Service")

By signing, the above parties certify that they have read and agreed to the terms of this Agreement.

SUCCESSOR: City of Moreno Valley

EIN: 33-0076484

Attest:

By:

Tom Owings
SIGNATURE

Jane H. [Signature]
City Clerk

Tom Owings
NAME (PLEASE PRINT)

Mayor
TITLE

8/20/13
DATE

COMMISSIONER OF INTERNAL REVENUE:

BY:

St A [Signature]
SIGNATURE

STEVEN A. CHAMBERLIN
ACTING DIRECTOR, TAX EXEMPT BONDS

NAME AND TITLE

8/27/13
DATE

Exhibit A
Taxpayer Information Worksheet for
Electronic Federal Tax Payment System Deposit

This Agreement requires the electronic deposit of an amount to the U.S. Treasury through the Electronic Federal Tax Payment System (EFTPS) as a term for resolution of certain identified matters related to the tax-exempt treatment of interest income paid on a municipal obligation. This payment must be deposited in accordance with the directions contained in this Exhibit.

Please carefully review the taxpayer information listed below and immediately report any errors to the IRS Tax Exempt Bonds employee assigned to your case. If, to the best of your knowledge, the information is correct, then please deposit all required payments through the EFTPS (either *EFTPS – Direct* or *EFTPS – Through a Financial Institution*) accurately and in accordance with this information and the terms of this Agreement.

1. Total Amount of Tax Deposit: **\$150,000.00**
2. Taxpayer's Employee Identification Number (EIN): **33-0076484**
3. Taxpayer Name Control (4 characters): **COMM**
4. Taxpayer Name (up to 35 characters): **Community Redevelopment Agency of the City of Moreno Valley**
5. Tax Type (5 characters): **80384**
6. Tax Year (2 digits): **07**
7. Tax Month (2 digits): **11**

Your financial institution may call the EFTPS Financial Institution Helpline for questions or assistance at **1-800-605-9876** (Monday – Friday, 8:00 a.m. – 8:00 p.m., Eastern Standard Time).

NOTE: If you are not enrolled in *EFTPS – Direct* or *EFTPS – Through a Financial Institution*, or otherwise wish to use the Same Day Payment option, then please provide your financial institution with the information listed above and direct them to accurately deposit your payments utilizing the following routing and account numbers:

Receiving ABA/Routing Number: **091036164 FRB MPLS ETA**
Receiving FI Name: **US TREAS SINGLE TX**
Beneficiary: **330076484:COMM:COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY:80384:07:11**

Beneficiary Name: **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY**

Beneficiary FI: **20092900IRS**

If the financial institution has difficulty transmitting the EFTPS same-day payment, please call **1-800-382-0045** (Monday – Friday, 7:45 a.m. – 4:30 p.m. Central Standard Time) to receive assistance from a Customer Service Representative at the Minneapolis Federal Reserve Bank.

CONSENT TO DISCLOSE TAX INFORMATION

I hereby consent, pursuant to section 6103(c) of the Internal Revenue Code of 1986 (as amended), to the disclosure of return information (as defined in section 6103(b)(2)) relating to the Closing Agreement (Agreement) between the City of Moreno Valley (the "Successor") in its capacity as a municipal corporation and as the successor agency to Community Redevelopment Agency of the City of Moreno Valley and the Commissioner of Internal Revenue, executed by the Successor on 8/20/2013 as follows:

The Internal Revenue Service may disclose the existence and subject matter of the Agreement under the following circumstances:

- a. In the event of a default by Successor on any term in the Agreement; or
- b. To the extent that the Internal Revenue Service deems necessary to correct any material misstatement with respect to the Agreement in response to a public statement by Successor, or an agent of Successor.

Such disclosure may be made to Members of Congress, the press, and the general public, and may be made by any means, including press releases and notices in Internal Revenue Service publications.

This authorization is applicable only to the taxability under section 103 of the Internal Revenue Code of interest paid on \$54,160,000.00 Tax Allocation Bonds, 2007 Series A and 2007 Special Tax Refunding Bonds from November 29, 2007 to June 30, 2013. I am aware that in the absence of this authorization, the returns and return information of Community Redevelopment Agency of the City of Moreno Valley, are confidential and may not be disclosed except as authorized by the Internal Revenue Code.

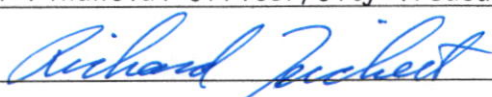
I certify that I have the authority to execute this consent on behalf of Successor:

Successor: City of Moreno Valley

EIN: 33-0076484

By: Richard Teichert

Title: Chief Financial Officer/City Treasurer

Signature: 

Date: 8/20/13

SCHEDULE OF PAYMENTS

Fiscal Year	Interest	Principal	Total
FY 2013-2014		\$150,000.00	\$150,000.00

Note: Repayment to be listed on ROPS 13-14B in the single repayment amount of \$150,000.

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DEPARTMENT OF
FINANCE

Attachment 2

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator
City of Moreno Valley
Community & Economic Development Department
14177 Frederick Street
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,


STEVE SZALAY
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County
Auditor-Controller
California State Controller's Office

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

Report to City Council

TO: Mayor and City Council acting in their capacity as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: September 24, 2013

TITLE: RESOLUTION OF THE CITY OF MORENO VALLEY SERVING AS THE SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE INCLUDING ADMINISTRATIVE BUDGET FOR THE PERIOD OF JANUARY 1, 2014 THROUGH JUNE 30, 2014 (ROPS 13-14 B).

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. SA 2013-09. A Resolution of the City Council of the City of Moreno Valley Serving as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving a Recognized Obligation Payment Schedule, Including Administrative Budget, for the Period of January 1, 2014 through June 30, 2014, and Authorizing the Executive Director or His Designee to Make Modifications Thereto.
2. Authorize the transmittal of the ROPS 13-14 B ("Exhibit A") to the Oversight Board for review and approval.

ADVISORY BOARD/COMMISSION RECOMMENDATION

N/A

BACKGROUND

ABX1 26 requires the Successor Agency to approve a Recognized Obligation Payment Schedule (“ROPS”) for each six-month period. The required content of the ROPS, set forth in Health and Safety Code Section 34177(l)(1), details all of the Agency’s legally binding and enforceable obligations, anticipated payments, and sources of payments. Recognized obligations include bonds, loans, judgments, settlements, any legally binding and enforceable agreements or contracts, and contracts and agreements for agency administration or operation.

AB 1484 further clarifies certain matters associated with the dissolution of RDAs and addresses substantive issues related to administrative processes, affordable housing activities, and repayment of loans from communities, use of existing bond proceeds, and the disposition or retention of former RDA assets.

The City of Moreno Valley is the Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley (RDA) pursuant to Part 1.85 of Division 24 of the Health and Safety Code. As Successor Agency, the City is responsible for winding down the affairs of the redevelopment agency including disposing of its assets; making payments and performing other obligations due for Enforceable Obligations of the former RDA. In order to facilitate the process, on February 28, 2012, the City Council adopted Resolution No. 2012-13 approving a Recognized Obligation Payment Schedule for the period of January 1, 2012 through June 30, 2012, and on April 10, 2012, adopted Resolution No. 2012-22, approving a Second Recognized Obligation Payment Schedule (Original “ROPS 2”) for the period of July 1, 2012 through December 31, 2012. Most recently, on February 26, 2013, the City Council adopted Resolution No. 2013-02 approving a Recognized Obligation Payment Schedule (ROPS 13-14 A) for the period of July 1, 2013 through December 31, 2013.

DISCUSSION

Enforceable Obligation Payment Schedule

In accordance with ABX1 26, the Successor Agency is required to adopt an Enforceable Obligation Payment Schedule (“EOPS”). The EOPS lists all of the Agency’s legally binding and enforceable agreement obligations and anticipated payments. Enforceable obligations include bonds, loans, judgments, settlements, any legally binding and enforceable agreements or contracts, and contracts and agreements for agency administration or operation costs.

Section 34177(a)(1) of ABX1 26 provides that upon the dissolution of the Agency, the Successor Agency may only make those payments required pursuant to the most recent Enforceable Obligation Payment Schedule adopted by the Agency and the Successor Agency, and until such time the Recognized Obligation Payment Schedule becomes operative.

Recognized Obligation Payment Schedule

ABX1 26 requires the Successor Agency to approve a Recognized Obligation Payment Schedule (“ROPS”). The ROPS supersedes the EOPS, and is required for each six-month period.

Similar to the EOPS, the required content of the ROPS, set forth in Health and Safety Code Section 34177(l)(1), details all of the Agency’s legally binding and enforceable obligations, anticipated payments, and sources of payments. Recognized obligations include bonds, loans, judgments, settlements, any legally binding and enforceable agreements or contracts, and contracts and agreements for agency administration or operation costs. The attached ROPS 13-14 B, including administrative budget, sets forth the enforceable obligations for the period of January 1, 2014 through June 30, 2014.

Once approved, the ROPS 13-14 B, including administrative budget, will be submitted to the Oversight Board for review and approval. Upon approval by the Oversight Board, a copy of the approved ROPS will be transmitted to the County-Auditor Controller, the State Controller’s Office, the Department of Finance, and posted to the City’s website.

ALTERNATIVES

1. Adopt the attached proposed resolution, which approves the Recognized Obligation Payment Schedule, including administrative budget, for the period of January 1, 2014 through June 30, 2014, and authorizing the transmittal of said Schedules to the Oversight Board for review and approval. *Staff recommends this alternative because it allows the City serving as the Successor Agency to make required payments, including debt service payments, in accordance with the State legislation.*
2. Decline to adopt the attached proposed resolution which would not allow the City, serving as the Successor Agency, to maintain the operations, and fulfill debt obligations of the former RDA as required by law. *Staff does not recommend this alternative.*

FISCAL IMPACT

The Recognized Obligation Payment Schedule provides the details necessary for the City serving as the Successor Agency to fulfill the former RDA’s legally binding and enforceable agreements. The ROPS 13-14 B will serve as authorization to pay obligations listed during the noted period including allowable administrative costs of \$125,000. There could be some impact to the General Fund to absorb costs that exceed allowable costs approved by the Department of Finance, and expenses that are no longer paid by the former Redevelopment Agency. Staff estimates that this cost will be approximately \$100,000 for fiscal year 2013-2014.

SUMMARY

As Successor Agency, the City is responsible for winding down the affairs of the redevelopment agency including disposing of its assets; making payments and performing other obligations due for Enforceable Obligations of the former RDA. The Recognized Obligation Payment Schedules for the stated periods provides the details necessary for the City serving as the Successor Agency to fulfill the former RDA's legally binding and enforceable agreements as required by law.

NOTIFICATION

No public notice is required prior to the City Council taking action on this item. However, the agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas.

ATTACHMENTS

Attachment 1 – Proposed Resolution
Exhibit A - Recognized Obligation Payment Schedule (ROPS 13-14 B) and
Administrative Budget

Prepared By:
Anochar Clark
Sr. Financial Analyst

Department Head Approval:
John Terell
Community & Economic Development
Director

Concurred By:
Richard Teichert
Chief Financial Officer

RESOLUTION NO. SA 2013-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY SERVING AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE, INCLUDING ADMINISTRATIVE BUDGET, FOR THE PERIOD OF JANUARY 1, 2014 THROUGH JUNE 30, 2014 AND AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO MAKE MODIFICATIONS THERETO

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley ("Agency") is a community redevelopment agency organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, et seq. ("CRL") and has been authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Moreno Valley ("City"); and

WHEREAS, the Agency was established pursuant to the Redevelopment Law. The Agency was activated on February 18, 1986, by City Ordinance No. 50. The City Council adopted and approved the Redevelopment Plan for the Project Area by Ordinance 87-154 of the City on December 29, 1987 (the "Original Plan"), as subsequently amended by Ordinance No. 448 of the City adopted January 10, 1995, Ordinance No. 556 of the City adopted December 14, 1999, and Ordinance No. 732 adopted December 19, 2006 (as so amended, the "Amended Redevelopment Plan", the area of which is referred to herein as the "Project Area"); and

WHEREAS, Parts 1.8, 1.85 and 1.9 of Division 24 of the Health and Safety Code were added to the CRL by ABX1 26 and ABX1 27, which measures purport to become effective immediately. ABX1 26 and ABX1 27, which are trailer bills to the 2011-12 budget bills, were approved by both houses of the Legislature on June 15, 2011 and signed by the Governor on June 28, 2011; and

WHEREAS, Part 1.85 of the CRL ("Part 1.85") provides for the statewide dissolution of all redevelopment agencies, including the Agency, as of October 1, 2011 (which date has been deemed to be February 1, 2012 pursuant to a decision by the California Supreme Court), and provides that, thereafter, a successor agency to administer the enforceable obligations of the Agency and otherwise wind up the Agency's affairs, all subject to the review and approval by an oversight committee; and

WHEREAS, Part 1.8 of the CRL ("Part 1.8") provides for the restriction of activities and authority of the Agency in the interim period prior to dissolution to certain "enforceable obligations" and to actions required for the general winding up of affairs, preservation of assets, and certain other goals delineated in Part 1.8; and

WHEREAS, in connection with the implementation of those provisions of ABX1 26 which require the adoption of an enforceable obligation schedule, the City

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Resolution No. SA 2013-09
Date Adopted: September 24, 2013

serving as the Successor Agency has previously adopted an amended enforceable obligation schedule in the form previously submitted (the "Amended Enforceable Obligation Schedule") and has authorized the City Manager or his designee to augment, modify or revise such Amended Enforceable Obligation Schedule; and

WHEREAS, ABX1 26 further requires the adoption of an Initial Recognized Obligation Payment Schedule; such initial Recognized Obligation Payment Schedule was approved by Resolution No. 2012-13 of the City of Moreno Valley serving as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Successor Agency") on February 28, 2012; and

WHEREAS, ABX1 26 further requires the adoption of a Recognized Obligation Payment Schedule for every six month period; and

WHEREAS, an oversight board, as provided under ABX1 26 ("Oversight Board") has been established for the former Agency; and

WHEREAS, pursuant to ABX1 26 and the implementation thereof, the Successor Agency desires to adopt a Recognized Obligation Payment Schedule, including administrative budget, for the period covering January 1, 2014 through June 30, 2014 ("ROPS 13-14 B"), in the form submitted herewith. The ROPS 13-14 B is attached hereto, marked as Exhibit "A", and is incorporated herein by reference. By this resolution, the City Council, on behalf of the Successor Agency, approves and authorizes the transmittal of the ROPS 13-14 B to the Oversight Board; and

WHEREAS, given the adoption of ABX1 26, the City Council, on behalf of the City acting in its capacity as Successor Agency to the Agency, has duly considered this Resolution and has determined that the adoption of this Resolution is in the best interests of the City, in its capacity as Successor Agency to the Agency, and the health, safety, and welfare of the residents of the City, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, SERVING AS THE SUCCESSOR AGENCY, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this resolution by this reference, and constitute a material part of this resolution.

SECTION 2. The Successor Agency approves for transmittal to the Oversight Board the Recognized Obligation Payment Schedule for the period January 1, 2014 through June 30, 2014 ("Exhibit A"), including the administrative budget for the period, with such augmentation, modification, additions or revisions as the Executive Director of the Successor Agency or his designee may make before transmittal to the Oversight Board.

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Resolution No. SA 2013-09
Date Adopted: September 24, 2013

SECTION 3. The Successor Agency is authorized and directed to submit ROPS 13-14 B to the California Department of Finance upon approval by the Oversight Board.

SECTION 4. The Successor Agency shall maintain on file as a public record this Resolution and ROPS 13-14 B as approved hereby.

SECTION 5. This Resolution shall be effective immediately upon adoption.

SECTION 6. The City Clerk shall certify to the adoption of this resolution.

APPROVED AND ADOPTED this 24th day of September 2013.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

3
Resolution No. SA 2013-09
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. SA 2013-09 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

4
Resolution No. SA 2013-09
Date Adopted: September 24, 2013

Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary

Filed for the January 1, 2014 through June 30, 2014 Period

EXHIBIT A

Name of Successor Agency: Moreno Valley
Name of County: Riverside

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)		
A Funding Sources (B+C+D):		\$ -
B Bond Proceeds Funding (ROPS Detail)		-
C Reserve Balance Funding (ROPS Detail)		-
D Other Funding (ROPS Detail)		-
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 4,151,799
F Non-Administrative Costs (ROPS Detail)		4,026,799
G Administrative Costs (ROPS Detail)		125,000
H Current Period Enforceable Obligations (A+E):		\$ 4,151,799

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I Enforceable Obligations funded with RPTTF (E):		4,151,799
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)		-
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 4,151,799

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L Enforceable Obligations funded with RPTTF (E):		4,151,799
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)		-
N Adjusted Current Period RPTTF Requested Funding (L-M)		4,151,799

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named agency.

_____	_____
Name	Title
/s/ _____	_____
Signature	Date

-347-

Item No. A.18

Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund Balances
(Report Amounts in Whole Dollars)

ent to Health and Safety Code section 34177(l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an able obligation.

B	C	D	E	F	G	H	I	J	K	
	Fund Sources									
	Bond Proceeds		Reserve Balance		Other	RPTTF		Total		
	Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	Non-Admin	Admin			
Fund Balance Information by ROPS Period									Comments	
ROPS III Actuals (01/01/13 - 6/30/13)										
1	Beginning Available Fund Balance (Actual 01/01/13) Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)				1,462,215		46,132		\$ 1,508,347	
2	Revenue/Income (Actual 06/30/13) Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller						6,457,643	152,953	\$ 6,610,596	
3	Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13) Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs				-		6,619,351	152,953	\$ 6,772,304	
4	Retention of Available Fund Balance (Actual 06/30/13) Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III								\$ -	
5	ROPS III RPTTF Prior Period Adjustment Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.		No entry required						\$ -	
6	Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)		\$ -	\$ -	\$ -	\$ 1,462,215	\$ -	\$ (115,576)	\$ -	\$ 1,346,639
ROPS 13-14A Estimate (07/01/13 - 12/31/13)										
7	Beginning Available Fund Balance (Actual 07/01/13) (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)		\$ -	\$ -	\$ -	\$ 1,462,215	\$ -	\$ (115,576)	\$ -	\$ 1,346,639
8	Revenue/Income (Estimate 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller						1,990,957	181,500	\$ 2,172,457	
9	Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)				1,462,215		1,875,132	181,500	\$ 3,518,847	
10	Retention of Available Fund Balance (Estimate 12/31/13) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A								\$ -	
11	Ending Estimated Available Fund Balance (7 + 8 - 9 - 10)		\$ -	\$ -	\$ -	\$ 0	\$ -	\$ 249	\$ -	\$ 249

Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail
January 1, 2014 through June 30, 2014
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P	
										M						Six-Month Total
										Funding Source						
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			
Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin												
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired							
								\$ 130,684,424						\$ 4,151,799		
1	2007 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	11/29/2007	08/01/2038	Wells Fargo Bank	Debt service payments for bonds issued to finance various capital projects	Original Area	76,140,896	N				\$ 2,254,284	\$ 2,254,284		
2	2007 Special Tax Refunding Bonds - Towngate 87-1	Bonds Issued On or Before 12/31/10	11/29/2007	12/01/2021	Wells Fargo Bank	Debt service payments for bonds issued to finance the acquisition of public facilities	Original Area	8,955,160	N				591,174	\$ 591,174		
3	Improvement Area No. 1 Special Tax Refunding Bonds	Bonds Issued On or Before 12/31/10	11/29/2007	10/01/2023	Wells Fargo Bank	Debt service payments for bonds issued to finance the construction of public facilities	Original Area	2,665,525	N				138,591	\$ 138,591		
4	CFD No. 3 - Auto Mall Refinance	Bonds Issued On or Before 12/31/10	04/05/2000	09/30/2013	Wells Fargo Bank	Debt service payments for bonds issued to finance the construction of public facilities	Original Area		Y					\$ -		
5	2011 Refunding of 97 LRB Bonds	Revenue Bonds Issued After 12/31/10	01/01/2011	11/01/2022	Bank of America	Debt service payments for bonds issued to finance the construction of a public facility	Original Area	1,275,000	N				75,000	\$ 75,000		
-349-	2005 Lease Revenue Bonds	City/County Loans On or Before 6/27/11	06/01/2005	11/01/2035	Wells Fargo Bank	Debt service payments for bonds issued to finance Sunnymead Blvd project	Original Area	9,318,673	N					\$ -		
	On-going Housing Monitoring Requirements	Project Management Costs	01/01/2014	06/30/2014	City of Moreno Valley/Successor Agency	Costs to perform the recertification and monitoring of housing units	Original Area	20,000	N				20,000	\$ 20,000		
	Contract for Legal Services	Admin Costs			Stradling, Yocca, Carlson & Rauth	Legal services - General	Original Area		N					\$ -		
9	Contract for Legal Services	Admin Costs			Kronick Moskovitz Tiedemann & Girard	Legal services - Oversight Board Legal Counsel	Original Area		N					\$ -		
10	Contract for Abatement of Properties	Property Maintenance	07/01/2009	07/30/2014	Fire Prevention/Inland Empire Property Service, Inc.	Nuisance/weed abatement of Agency owned properties	Original Area	3,750	N				3,750	\$ 3,750		
11	Contract for Audit Services	Professional Services	02/10/2011		Lance Soll & Iunghard, LLP or Approved Audit Firm	Preparation of Annual Audit	Original Area	15,000	N				15,000	\$ 15,000		
12	Contract for Special Tax Reporting	Admin Costs	01/01/2011		Willdan/Staff Administration	Preparation of Continuing Disclosure Report	Original Area		N					\$ -		
13	CalPERS Retirement Liability	Unfunded Liabilities	01/01/2014		The California Public Employees' Retirement System (CalPERS)	Unfunded PERS Retirement Liability Acct	Original Area	572,282	N					\$ -		
14	Retiree Medical Trust (CERBT)	Unfunded Liabilities	01/01/2014		California Employers' Retiree Medical Trust(CERBT)/CalPERS	Unfunded Retiree Medical Trust Acct	Original Area	179,835	N					\$ -		
Item No. A-18	Agency Loans #1 & #2	City/County Loans On or Before 6/27/11	01/23/2007	06/30/2028	City of Moreno Valley	City/Agency Loan Agreement	Original Area	652,248	N					\$ -		
	Price Club Acquisition Note	Third-Party Loans	05/07/1992	05/07/2015	The Price Family Charitable Fund	Participation Agreement	Original Area	795,730	N				350,000	\$ 350,000		
	Towngate Acquisition Note	City/County Loans After 6/27/11	05/03/2004		City of Moreno Valley	Participation Agreement	Original Area	16,656,325	N				370,000	\$ 370,000		
	Moss Bros. Autogroup Participation Agreement	OPA/DDA/Construction	05/25/2010	11/25/2010	Moss Bros. Autogroup	Participation Agreement	Original Area		Y					\$ -		
	Robertson's Ready Mix, Inc. OPA	OPA/DDA/Construction	09/26/2006		Robertson's Ready Mix, Inc.	Owner Participation Agreement	Original Area	4,000,000	N					\$ -		
	Hemlock Family Apartments	Third-Party Loans	03/08/2011		Rancho Belago, Inc.	Affordable Housing Agreement	Original Area	57,000	N				57,000	\$ 57,000		
	Rancho Dorado Apts - South (Second Phase)	Third-Party Loans			Moreno Valley Housing Authority/MV Rancho Dorado Limited Partnership	Affordable Housing Agreement	Original Area		Y					\$ -		
	Rancho Dorado Apts - South (Second Phase)	Legal			Stradling, Yocca, Carlson & Rauth	Legal services - Specific to Affordable Housing Agreement w/ Rancho Dorado Apts.	Original Area		Y					\$ -		
															7	

Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail
January 1, 2014 through June 30, 2014
 (Report Amounts in Whole Dollars)

B	C	D	E	F	G	H	I	J	K					P	
									L						Six-Month Total
									M						
									N		O				
Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin				
	Project Name / Debt Obligation	Obligation Type													
	Rancho Dorado Apts - South (Second Phase)	Professional Services			Strickler Association	Title & Closing Costs	Original Area		Y						\$ -
24	Payroll Costs/Operating Costs	Admin Costs			City of Moreno Valley/Employees	Successor Agency's Payroll & Operating Costs	Original Area	125,000	N					125,000	\$ 125,000
25	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			Excel	Capital Project Contract, CIP 79221	Original Area		Y						\$ -
26	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			Harris & Assoc.	Capital Project Contract, CIP 79221	Original Area		Y						\$ -
27	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			City of Moreno Valley, cost allocation, and extra admin. costs	Project Management CIP 79221	Original Area		Y						\$ -
28	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			City Consultants	Project Management CIP 79221	Original Area		Y						\$ -
29	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			Gibbs, Giden, Locher, Turner & Senet LLP	Additional Legal Fees - CIP 79221	Original Area		Y						\$ -
30	Storm Drain/Day Street to Cottonwood CIP 79222	Litigation			Gibbs, Giden, Locher, Turner & Senet	Contractual Services PO# 42123 CIP 79222	Original Area		Y						\$ -
	Storm Drain/Day Street to Cottonwood CIP 79222	Improvement/Infrastructure			City of Moreno Valley	Project Management CIP 79222	Original Area		Y						\$ -
	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			DMC Design	Contractual Services PO#40920 CIP 79724	Original Area		Y						\$ -
33	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			AEI-CASC	Contractual Services PO#35423 CIP 79724	Original Area		Y						\$ -
34	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			Group Delta	Contractual Services PO#39328 CIP 79724	Original Area		Y						\$ -
35	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			KDM Meridian	Contractual Services PO#41865 CIP 79724	Original Area		Y						\$ -
36	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			STI Inc.	Contractual Services PO#41859 CIP 79724	Original Area		Y						\$ -
37	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			City of Moreno Valley	Project Management CIP 79724	Original Area		Y						\$ -
38	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			VA Consulting	Capital Project Contract, CIP 79725	Original Area		Y						\$ -
39	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			City of Moreno Valley	Project Management CIP 79725	Original Area		Y						\$ -
40	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			United Inspection (Geotech)	Capital Project Contract, CIP 79725	Original Area		Y						\$ -
41	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			VA Consulting Inc. (Survey)	Capital Project Contract, CIP 79725	Original Area		Y						\$ -
42	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			SME&C (Contractor)	Capital Project Contract, CIP 79725	Original Area		Y						\$ -
43	Indian Basin, Appurtenant CIP 79726	Improvement/Infrastructure			Lim & Nascimento Engineering	Contractual Services PO#35828 CIP 79726	Original Area		Y						\$ -
44	Indian Basin, Appurtenant CIP 79726	Improvement/Infrastructure			City of Moreno Valley, cost allocation, and minor expenses	Project Management CIP 79726	Original Area		Y						\$ -
45	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			AEI-CASC Engineering	Capital Project Contract, CIP 79727	Original Area		Y						\$ 8

Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail
January 1, 2014 through June 30, 2014
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P
										M					
										N		O			
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	Six-Month Total
										Funding Source					
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
46	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			City of Moreno Valley, cost allocation, and minor expenses	Project Management CIP 79727	Original Area		Y						\$ -
47	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			Contractor	Capital Project Contract, CIP 79727	Original Area		Y						\$ -
48	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			Survey Consultant	Project Management CIP 79727	Original Area		Y						\$ -
49	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			Geotechnical Consultant	Capital Project Contract, CIP 79727	Original Area		Y						\$ -
50	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			Southern California Edison	Project Management CIP 79727	Original Area		Y						\$ -
51	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Singer & Coffin, APC	Legal services CIP 79718	Original Area		Y						\$ -
52	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			City of Moreno Valley	Project Management and associated costs CIP 79718	Original Area		Y						\$ -
53	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Staff Consultants	Project Management CIP 79718	Original Area		Y						\$ -
-351-	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Moreno Valley Utility	Lighting CIP 79718	Original Area		Y						\$ -
	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Caltrans	State-furnished materials CIP 79718	Original Area		Y						\$ -
	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Caltrans	State source inspection fees CIP 79718	Original Area		Y						\$ -
	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			CHP	Construction zone enforcement (COZEEP) CIP 79718	Original Area		Y						\$ -
57	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Parsons Transportation	Design-related costs CIP 79718	Original Area		Y						\$ -
58	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Falcon Engineering	Construction mgmt and Inspection Services CIP 79718	Original Area		Y						\$ -
59	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Contractor	Construction Contract CIP 79718	Original Area		Y						\$ -
60	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Survey Consultant	Construction Services - Survey CIP 79718	Original Area		Y						\$ -
61	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Geotechnical Consultant	Construction Services - Geotechnical CIP 79718	Original Area		Y						\$ -
62	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			SCE	Utility relocation CIP 79718	Original Area		Y						\$ -
63	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			EMWD	Permits/Fees, CIP 79718	Original Area		Y						\$ -
64	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			RCFC&WCD	Permits/Fees, CIP 79718	Original Area		Y						\$ -
	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			City of Moreno Valley	Project Management and associated costs CIP 79731	Original Area		Y						\$ -
	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			City of Moreno Valley	City-furnished equipment - CIP 79731	Original Area		Y						\$ -
	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			City of Moreno Valley	Project Management and associated costs CIP 79731	Original Area		Y						\$ -
	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Parsons Transportation	Design-related costs CIP 79731	Original Area		Y						\$ -
	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Parsons Transportation	Construction support CIP 79731	Original Area		Y						\$ -
	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Falcon Engineering	Constructability review CIP 79731	Original Area		Y						\$ -
	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Falcon Engineering	Construction mgmt and Inspection Services CIP 79731	Original Area		Y						\$ -

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Item No. A.18

Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail
January 1, 2014 through June 30, 2014
 (Report Amounts in Whole Dollars)

B	C	D	E	F	G	H	I	J	K					P		
									L						Six-Month Total	
									M							
									N		O					
Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin					
	Project Name / Debt Obligation	Obligation Type														
	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			So. Calif. Edison	Utility Relocation CIP 79731	Original Area		Y							\$ -
74	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Caltrans	State-furnished materials CIP 79731	Original Area		Y							\$ -
75	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Caltrans	State source inspection fees CIP 79731	Original Area		Y							\$ -
76	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			CHP	CHP - construction zone enforcement (COZEEP) CIP 79731	Original Area		Y							\$ -
77	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Powell Constructors, Inc.	Construction Contract CIP 79731	Original Area		Y							\$ -
78	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Survey Consultant	Construction Svcs - Survey CIP 79731	Original Area		Y							\$ -
79	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Geotechnical Consultant	Construction Svcs - Geotechnical CIP 79731	Original Area		Y							\$ -
80	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			RCFC&WCD	Permits/Fees, CIP 79731	Original Area		Y							\$ -
81	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			EMWD	Permits/Fees, CIP 79731	Original Area		Y							\$ -
	Hemlock Family Apartments	Professional Services	07/01/2014	06/30/2014	Strickler Association	Project Management	Original Area	2,000	N					2,000		\$ 2,000
	Public Works Agreement	City/County Loans On or Before 6/27/11			City of Moreno Valley	Public Works Agreement	Original Area	9,100,000	N							\$ -
84	IRS Repayment Agreement	Miscellaneous	08/27/2013		City of Moreno Valley	IRS Repayment Agreement	Original Area	150,000						150,000		\$ 150,000
																\$ -
																\$ -
																\$ -
																\$ -
																\$ -
																\$ -
																\$ -
																\$ -

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
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Recognized Obligation Payment Schedule 13-14B - Notes January 1, 2014 through June 30, 2014	
Item #	Notes/Comments

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
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**THE CITY OF MORENO VALLEY SERVING AS THE SUCCESSOR AGENCY FOR
THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO
VALLEY**

Budget Worksheet Report

For the period
January 1, 2014 -
June 30, 2014

<u>Account Number</u>		
Fund	4800	SUCCESSOR AGENCY ADMINISTRATION
Department	20	Community & Economic
Division	31	CEDD - Business Support & Neighborhood Programs
Section	20801	Successor Agency Administration
<u>Personnel Services</u>		
<u>Regular</u>		
611110	Salaries, Regular	\$ 69,747.00
<u>Total: Regular</u>		\$ 69,747.00
<u>Additional</u>		
611699	Salaries, Addl - Other	\$ 1,400.00
<u>Total: Additional</u>		\$ 1,400.00
<u>Benefits</u>		
612110	Benefits - PERS & ERPD Def Comp	\$ 18,750.00
612120	Benefits - Bank	\$ 9,648.00
612130	Benefits - Medicare	\$ 1,005.00
612140	Benefits - Group Life Insurance	\$ 485.50
612145	Benefits - ST/LT Disability	\$ 121.50
612150	Benefits - Addl % Mgmt Pkg	\$ 241.00
612160	Benefits - Annuity	\$ 228.50
<u>Total: Benefits</u>		\$ 30,479.50
<u>Total: Personnel Services</u>		\$ 101,626.50
<u>Contractual Services</u>		
<u>Professional</u>		
620230	Professional Svcs - Legal Svcs	\$ 17,500.00
620299	Professional Svcs - Other	\$ 473.50
<u>Total: Professional</u>		\$ 17,973.50
<u>Communications</u>		
620410	Communications	\$ 250.00
<u>Total: Communications</u>		\$ 250.00
<u>Training & Travel</u>		
620510	Training & Travel	\$ 250.00
<u>Total: Training & Travel</u>		\$ 250.00
<u>Total: Contractual Services</u>		\$ 18,473.50
<u>Materials & Supplies</u>		
<u>Materials & Supplies-Postage &</u>		
630120	Postage - Overnight	\$ 50.00
<u>Total: Materials & Supplies-</u>		\$ 50.00
<u>Materials & Supplies-Operating</u>		
630210	Oper Suppl - Office	\$ 1,250.00
630214	Oper Suppl - Printing & Binding	\$ 100.00
<u>Total: Materials & Supplies-</u>		\$ 1,350.00
<u>Total: Materials & Supplies</u>		\$ 1,400.00
<u>Fixed Charges</u>		
<u>ISF Charges</u>		
690220	ISF - Risk - Workers Comp	\$ 1,500.00
<u>Total: ISF Charges</u>		\$ 1,500.00
<u>Administrative Charges</u>		
692012	Admin Chrg - OPEB	\$ 2,000.00
<u>Total: Administrative Charges</u>		\$ 2,000.00
<u>Total: Fixed Charges</u>		\$ 3,500.00
<u>Total: Successor Agency Administration</u>		\$ 125,000.00

EXHIBIT A



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

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: September 24, 2013

TITLE: PA04-0063 (PM 32326) – ACCEPT DEVELOPMENT IMPACT FEE (DIF) IMPROVEMENT REIMBURSEMENT AND/OR CREDIT AGREEMENT #D10-002 AMENDMENT FOR PARCEL MAP NO. 32326 IMPROVEMENTS ASSOCIATED WITH THE CENTERPOINTE BUSINESS PARK BETWEEN FREDERICK STREET AND HEACOCK STREET AND CACTUS AVENUE AND BRODIAEA AVENUE. DEVELOPER - RIDGE MORENO VALLEY PROPERTY, LLC LONG BEACH, CA 90803

RECOMMENDED ACTION

Recommendations:

1. Accept the Development Impact Fee Improvement Reimbursement and/or Credit Agreement #D10-002 (DIF Agreement) Amendment for Parcel Map No. 32326 improvements and right-of-way dedications.
2. Authorize the Mayor to execute the DIF Agreement Amendment.

SUMMARY

This report recommends approval of Development Impact Fee (DIF) credit against future DIF Fee Obligations for buildings yet to be constructed within the Centerpointe Business Park or elsewhere within the City limits by the same developer.

The City's Municipal Code, Chapter 3.42, "Commercial and Industrial Development Impact Fees" requires the developer to pay Development Impact Fees (DIF). The DIF covers the developer's fair share of the costs to construct improvements and right-of-way dedications that help mitigate the traffic impacts and burdens on the City's network of arterial streets and traffic signals generated by the project.

At the time the developer was to pay project Development Impact Fees, the City did not have a DIF Improvement Credit Agreement and so no DIF Credit was issued to the developer for qualifying public improvements completed on Cactus Avenue and Heacock Street. On August 26, 2009, the City created a DIF Improvement Credit Agreement in accordance with the City's DIF Policy which was approved on August 26, 2008.

As part of the project conditions of approval, the developer constructed required DIF-related public improvements and dedicated right-of-way. In accordance with the City's Municipal Code, Section 3.42.110, the "Credit for Improvements provided by Developer" will allow the developer to receive a credit for qualifying public improvements. As stated previously, the developer did not receive any DIF Credit for qualifying improvements constructed. Therefore, the developer is entitled to receive a DIF Reimbursement. The developer's DIF Reimbursement amount, which may be used as a credit towards payment of future DIF fee obligations for other projects within the City, is based on the lower of the DIF Study Costs and the Actual Costs of Construction. The Actual Costs of Construction were verified by City Staff.

DISCUSSION

On July 14, 2005, the Planning Commission of the City of Moreno Valley approved Tentative Parcel Map No. 32326. The tentative parcel map is a 126 acre subdivision into 9 parcels for industrial buildings.

On May 9, 2006, the City Council of the City of Moreno Valley approved Parcel Map No. 32326 (PA04-0063) and accepted the Agreement for Public Improvements and Letters of Credit as securities for Parcel Map No. 32326 Phase 1 Improvements in the amount of \$4,243,000 for Faithful Performance and \$2,121,500 for Material and Labor. The Letters of Credit were issued by LaSalle Bank N.A.

On July 11, 2006, the City Council of the City of Moreno Valley accepted the Agreement for Public Improvements and Letters of Credit as securities for Parcel Map No. 32326 Phase 2 Improvements in the amount of \$14,365,000 for Faithful Performance and \$7,182,500 for Material and Labor. The Letters of Credit were issued by LaSalle Bank N.A.

The developer of Parcel Map No. 32326 was required to construct improvements and dedicate right-of-way on Cactus Avenue and Heacock Street as well as to certain DIF Program intersections. The developer is eligible to receive a DIF Reimbursement for specific improvements constructed including earthwork, construction of new pavement and base, grinding and paving, sawcut and removal of existing pavement, traffic control, signing and striping, traffic signals, curb, gutter, sidewalk, relocation of power poles, and drainage improvements including catch basins, local depressions, and storm drain lines not maintained by Riverside County Flood Control and Water Conservation District.

The developer has completed all of the required public improvements in accordance with the Agreement for Public Improvements. The improvements have been accepted by the City for maintenance. Per the DIF Improvement Reimbursement and/or Credit Agreement, the amount of reimbursement is the least of the DIF Study Costs, Actual Construction Costs as Verified by City Staff, and the DIF Fee Obligation. Refer to Exhibit “D” – DIF Reimbursement Calculation Table of the DIF Improvement Reimbursement and/or Credit Agreement. The DIF Improvement Reimbursement and/or Credit Agreement is attached to this Staff Report as Attachment 1. Based on the information provided by the developer, the DIF Reimbursement for this project is \$2,633,443 for Arterial Streets and \$209,500 for Traffic Signals. As stated previously, in accordance with the DIF Improvement Reimbursement and/or Credit Agreement and also the City’s DIF Policy, the developer has the option of applying all or a portion of the DIF Reimbursement as DIF Credits against DIF Fee Obligations of future projects within the City.

ALTERNATIVES

1. Accept the Development Impact Fee Improvement Reimbursement and/or Credit Agreement #D10-002 (DIF Agreement) Amendment for Parcel Map No. 32326 improvements and right-of-way dedications and authorize the Mayor to execute the DIF Agreement.
2. Do not accept the Development Impact Fee Improvement Reimbursement and/or Credit Agreement #D10-002 (DIF Agreement) Amendment for Parcel Map No. 32326 improvements and right-of-way dedications and do not authorize the Mayor to execute the DIF Agreement. *Not approving staff’s recommendation would result in no DIF reimbursement being provided to the developer.*

FISCAL IMPACT

No fiscal impact is anticipated.

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

Publication of agenda.

ATTACHMENTS

Attachment 1 – DIF Improvement Reimbursement and/or Credit Agreement Amendment

Prepared By:
Clement Jimenez
Senior Engineer, P.E.

Prepared By:
Ken Hinton
Management Analyst

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Mark W. Sambito, P.E.
Engineering Division Manager

DEVELOPMENT IMPACT FEES
IMPROVEMENT REIMBURSEMENT AND/OR CREDIT AGREEMENT
FOR CENTERPOINTE BUSINESS PARK (“CBP”)
NUMBER 10-002

PM 32326 (Phase 1 and Phase 2)

EXISTING BUILDINGS: Building 4 — 779,016 SF; Building 5 — 180,043 SF;
Building 6 — 532,926 SF; Building 8 — 231,382 SF; Building 9 — 130,002 SF;

FUTURE BUILDINGS: Building 1 ---80,862 SF; Building 2---106,702 SF; Building 3---
391,231 SF*; Building 7A---49,994 SF; Building 7B---49,973 SF; Building 10 — 353,869
SF*; Building 11 — 155,664 SF*

***Projects have not been entitled and square footages are estimates only**
and subject to change

This Development Impact Fees Improvement Reimbursement and/or Credit Agreement for Centerpointe Business Park (“CBP”) (hereinafter “Agreement”) is made and entered into as of the date the City signs this Agreement, by and between the City of Moreno Valley, a municipal corporation, hereinafter referred to as "City" and the undersigned Developer, hereinafter referred to as "Developer."

RECITALS

WHEREAS, Developer has constructed the buildings listed above as “Existing Buildings” and has plans to construct the “Future Buildings” as listed above all within the CBP, which is depicted on Exhibit “A” attached hereto and incorporated herein by reference; and

WHEREAS, Developer and City entered into an Agreement for Public Improvements , dated May 9, 2006 (Parcel Map 32326 Phase 1) and July 11, 2006 (Parcel Map 32326 Phase 2), which Agreement for Public Improvements sets forth all obligations of the Developer for Public Improvements that were a condition of approval for Parcel Map 32326 (Phase 1 and Phase 2) (hereinafter referred to as the "Project"), some of which are eligible for Development Impact Fees (hereinafter referred to as "DIF") reimbursement and/or credits (hereinafter "DIF Reimbursements and/or DIF Credits") under this Agreement; and

WHEREAS, all of the public improvements required for the Project under the Agreement for Public Improvements have been completed and accepted by the City; and

WHEREAS, the City of Moreno Valley Municipal Code Chapter 3.38 "Residential Development Impact Fees" and Chapter 3.42 "Commercial and Industrial Development Impact Fees" requires Developer to pay the DIF for projects identified in the most recently adopted DIF study (hereinafter referred to as "DIF Obligation") which covers the Project's fair share of the costs to construct improvements that help mitigate the impacts and burdens on the City's local systems generated by the Project and that are necessary to provide City services and protect the safety, health, and welfare of residential and non-residential users; and

WHEREAS, certain improvements set forth in the Agreement for Public Improvements are also identified in the City's DIF Program as improvements that are to be funded from DIF; identified improvements are set forth in Exhibit B attached hereto and hereby incorporated by reference and are hereinafter referred to as the "DIF Eligible Improvements"; and

WHEREAS, the City and Developer now desire to enter into this Agreement to provide a means by which the Developer may receive a DIF Reimbursement or DIF Credit pursuant to Section 4.0 below for DIF Eligible Improvements which have been constructed by the Developer for the subject Project and accepted by the City, subject to the terms and limitations set forth in this Agreement.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, Developer and City hereby agree as follows:

1.0 General Provisions.

1.1. Incorporation of Recitals. The Parties hereby affirm the facts and provisions set forth in the above Recitals and agree to their incorporation herein as though set forth in full.

1.2. Incorporation of the Agreement for Public Improvements. The Parties hereby confirm that the terms, conditions and requirements set forth in the Agreement for Public Improvements have been fully completed by Developer and accepted by the City.

2.0 DIF Obligation.

2.1. Developer's DIF Obligation. Developer hereby agrees and accepts that, as of the date the City signs this Agreement, the Developer's DIF Obligation to the City for the Existing and Proposed Buildings is Three Million Six Hundred Fifty Thousand, Seven Hundred Fifty Eight Dollars (\$3,650,758) per Exhibit D, Line 3 for arterial streets and traffic signals, said improvements having been already constructed by Developer and accepted by City (hereinbefore

and hereinafter referred to as the "DIF Obligation"). Certain of the DIF Obligations are subject to DIF Reimbursement and/or DIF Credit as set forth in Sections 3 and 4 below.

2.2. Effect of Agreement. Notwithstanding anything in this Agreement, Developer acknowledges that the DIF Obligation is established by the provisions of the City of Moreno Valley Municipal Code Chapter 3.38 “Residential Development Impact Fees, “ or Chapter 3.42 “Commercial and Industrial Development Impact Fees,” and that this Agreement does not alter, limit, increase or reduce the obligations under those code sections nor prevent City from adjusting or correcting the DIF Obligation amount to conform to the requirements of the Municipal Code.

3.0 DIF Reimbursement and/or DIF Credit Limitations.

3.1. Calculation of DIF Reimbursement and/or DIF Credit. Pursuant to the City of Moreno Valley Municipal Code Sections 3.38.150 “Credit for Improvements Provided by Developers” (residential), or 3.42.110 “Credit for Improvements Provided by Developers” (commercial and industrial), and in accordance with the City's Development Impact Fee Credit and Reimbursement Policy, as adopted by the City Council on August 26, 2008, (the "Credit and Reimbursement Policy") and in consideration of Developer's obligations under the Conditions of Approval for the Project and the Agreement for Public Improvements to construct the DIF Improvements, the amount of DIF Reimbursement and/or DIF Credit shall be \$2,842,943 per Exhibit D, Line 6 .

3.2. Effect of Agreement. Notwithstanding the foregoing, Developer acknowledges that the amount of DIF Reimbursements and/or DIF Credits is established by the provisions of the City of Moreno Valley Municipal Code and the DIF Credit and Reimbursement

Policy and this agreement shall not prevent City from adjusting or correcting the DIF Reimbursement and/or DIF Credit amounts set forth in future agreements to conform to the requirements of the City's Municipal Code.

4.0 DIF Reimbursement and/or DIF Credit. In that Developer's DIF Obligation has actually been paid but Developer has not received full DIF Reimbursement and/or DIF Credit, as defined in this Agreement, for which the Developer would have been otherwise eligible under the DIF Credit and Reimbursement Policy, and since construction of the DIF Eligible Improvements have been completed and accepted by the City, Developer may request a future reimbursement and/or credit of DIF actually paid, subject to the procedures and limitations contained in this Section of the Agreement and the provisions of the DIF Credit and Reimbursement Policy and subject to available funding for reimbursement for the particular component of DIF under the terms of said Policy. The amount eligible for a reimbursement and/or credit will be in accordance with Section 4.1 of this Agreement.

4.1. Maximum DIF Reimbursement and/or DIF Credit. The amount of a DIF Reimbursement and/or DIF Credit shall be \$2,842,943. In no event shall the aggregate amount of DIF Reimbursement and/or DIF Credit exceed the cost of the DIF Eligible Improvements as identified on Exhibit B attached hereto and incorporated herein. Actual DIF Reimbursement is subject to available funding within the fund balance of each respective component of the DIF as provided for in the Credit and Reimbursement Policy. Eligibility for DIF Reimbursement and/or DIF Credit shall expire if not funded within ten (10) years of the date of this Agreement.

4.2. Submittal Requirements. The Developer submitted a written request for a DIF Reimbursement and/or DIF Credit to the City Engineer within one hundred twenty (120) calendar days of the City's acceptance of the constructed DIF Improvements. City acknowledges and agrees that the Developer submitted to the City Engineer complete documentation organized in a three-ring binder of actual construction costs for the DIF Eligible Improvements constructed by the Developer. Such documentation included, but was not limited to, the documents supporting the information set forth in the Actual Cost Verification Submittal List, attached hereto and incorporated herein as Exhibit "C". The City Engineer has verified and approved the actual construction costs incurred by the Developer in its construction of the DIF Eligible Improvements (hereinafter referred to as "Verified Costs") as shown on Exhibit "C" attached hereto and incorporated herein.

4.3. DIF Reimbursement and/or DIF Credit Calculation (completed by City). As of the date hereof, the amount of DIF Reimbursement and/or DIF Credit for which Developer is eligible is \$2,842,943 and as set forth in Item 6 in Exhibit D "DIF Reimbursement Calculation Table" attached hereto and hereby incorporated by reference.

4.4. DIF Reimbursement and/or DIF Credit Eligibility. Developer is eligible for DIF Reimbursement and/or DIF Credit of the Reimbursement Eligibility Amount of \$2,842,943 for a period not to exceed ten (10) years from the date this Agreement is executed by the City. Reimbursement shall be paid only from funds collected for the Streets and Traffic Signals components of the DIF and only when available under the City's Credit and Reimbursement Policy. Developer shall have no right to reimbursement from any other funds of the City or any of its related entities. Any partial DIF Reimbursement paid or DIF Credit (as defined in Section 4.0 above) applied by the City shall reduce the Reimbursement Eligibility

Amount. Except as expressly set forth in Section 4.5 below, Reimbursement Eligibility rights shall not be transferred or otherwise alienated without the express prior written consent of the City in its sole discretion.

4.5. Credit Transfer for Unfunded DIF Reimbursement and/or DIF Credit Eligibility. To the extent that Developer has Reimbursement Eligibility Amounts which are both unpaid and unfunded by the City and which have not expired under the ten (10) year limitation set forth above, Developer shall receive partial or full DIF credits (“DIF Credits”) on another development project within the City owned or controlled by Developer and which has received all necessary approvals, on a dollar for dollar basis(a “Credit Transfer”). City acknowledges and agrees that if Developer sells the Project to an unaffiliated third party, the Credit Transfer for the Project can be used by Developer on another Developer-owned project within the City. Written application shall be made to the City and Developer shall provide any and all documentation and other information the City may reasonably request. The City shall not unreasonably withhold approval of such a Credit Transfer.

5.0 No Interest. Developer shall not be entitled to any interest, or any other cost or time value adjustment, for DIF paid to the City whether or not subsequently reimbursed or credited under Section 4.0 .

6.0 Term of Agreement. For purposes of Reimbursement Eligibility and Credit Transfer, this Agreement shall remain in effect for a period not to exceed ten (10) years from the date of execution by the City.

7.0 General.

7.1. Assignment. Except as specifically set forth in this Agreement, this Agreement shall not be assigned by any Party without the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld. Notwithstanding the first sentence of this Section 7.1, City agrees that Developer may assign the rights for any full or partial DIF Reimbursements and/or DIF Credits under this Agreement to any affiliated or unaffiliated third party by providing City with written notice of such assignment and a release of all claims to the DIF Reimbursement and/or DIF Credit so assigned. All assignees and successors in interest shall assume and become obligated to perform all obligations and be entitled to all benefits of the original Party.

7.2. Amendment. This Agreement may only be amended in writing signed by the Parties.

7.3. Law, Venue and Jurisdiction. This Agreement shall be governed by the laws of the State of California. Venue and Jurisdiction of all matters arising out, pertaining to, or in any way related to this Agreement shall be vested in the Superior Court of the State of California, in and for the County of Riverside, California.

7.4. Notices. Any notices to be given pursuant to this Agreement shall be in writing and delivered by First Class Mail addressed to the Parties as follows:

City: City Engineer
City of Moreno Valley
Post Office Box 88005
Moreno Valley, CA 92552-0805

Developer: Ridge Moreno Valley Property, LLC
201 Covina Avenue, Suite 8
Long Beach, CA 90803
Attn: Dennis Rice

With copy to: Rutan & Tucker, LLP
611 Anton Blvd., Suite 1400
Costa Mesa, CA 92626
Attn: Ski Harrison, Esq.

7.5. Entire Agreement. This Agreement is the final, complete and exclusive statement of the Agreement of the Parties with respect to the subject matter hereof and supersedes and replaces any prior oral or written agreements between the Parties addressing the same subject matter.

(SIGNATURE PAGE TO FOLLOW)

IN WITNESS WHEREOF, the Parties hereto have caused their authorized representatives to execute this Agreement.

CITY OF MORENO VALLEY,
a California municipal corporation

By: _____
Mayor

Its: _____

Date: _____

ATTEST: _____
City Clerk

Date: _____

APPROVED AS TO FORM:

City Attorney

Date: _____

RIDGE MORENO VALLEY, LLC
a Delaware limited liability company, doing
business in California as Ridge Moreno Valley
Property LLC)

By: Ridge 191, LLC
By: Ridge HMAN Investors, LLC
By: Ridge Property Trust

By: _____

Name: _____

Its: _____

Date: _____

Ridge MV Lot 3, a Delaware limited liability
company

By: Ridge Property Trust, its sole member

By: _____

Name: _____

Its: _____

Date: _____

SIGNING INSTRUCTION TO THE DEVELOPER:

All signatures on the Contract Agreement on behalf of the Developer must be acknowledged before a notary public. In the event that the Developer is a corporation, the president or vice-president plus the secretary of/or an assistant secretary of the corporation must sign. Corporate seal may be affixed hereto.



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

Report to City Council

TO: Mayor and City Council Acting in their Capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: September 24, 2013

TITLE: APPROVAL OF FISCAL YEAR 2012/13 CARRYOVERS AND FISCAL YEAR 2013/14 BUDGET ADJUSTMENT RECOMMENDATIONS

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. CSD 2013-17. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2013/14. Includes approving the Operating carryover expenditures from the FY 2012/13 approved budget presented in Exhibit A, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget; and Capital Improvement Program (CIP) carryover expenditures from the FY 2012/13 approved budget presented in Exhibit B, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget.

SUMMARY

All unexpended and unencumbered appropriations lapse at fiscal year-end and revert to fund balance. Once the fiscal year-end closing process has identified the items that are encumbered by purchase order, contract, or other commitment at June 30th, these items may be presented to Council for approval as continuing appropriations in the new fiscal year. Approval of continuing appropriations is a long-standing and annual recurring budgetary procedure of the City.

Presented in Exhibit A is a list of revenue and expense appropriations reflecting any amendments to the Operating Budget approved by Council. Many of these amendments relate to items previously discussed with Council, including the issuance of the Certificates of Participation, Series 2013A (T.R.I.P. – Total Road Improvement Program), and the Corporate Yard and Library Development Impact Fee loan agreements.

DISCUSSION

As the prior fiscal year closes, certain budget activities and projects remain in process and have not yet been completed. Staff routinely reviews these items during the annual process to close the books and returns to City Council with a request to approve the carryover of budgets for projects still in process as a continuing appropriation. Encumbrances, which are commitments related to contracts for goods and services that are in process and not yet completed are included in the continuing appropriations request.

Based on a variety of reasons, staff is recommending a very limited number of budget amendments. Staff is recommending these items for Council approval now rather than holding them for a mid-year budget adjustment because they are time sensitive. Waiting on these items could cause undue burden on the respective departments. See Exhibit A for a comprehensive list of the recommended budget amendments. Many of these amendments relate to items previously discussed with Council, including the issuance of the Certificates of Participation, Series 2013A (T.R.I.P. – Total Road Improvement Program), and the Corporate Yard and Library Development Impact Fee loan agreements.

Exhibit A provides the details of staff's request for continuing appropriations for the FY 2013/14 – 2014/15 Budget for operating expenses. Exhibit B provides the detail of staff's request for continuing appropriations for the FY 2013/14 budget for the Capital Improvement Plan. Details of the CIP carryover requests are available at the project level upon request.

ALTERNATIVES

1. Approve the proposed Resolutions to adopt the budget amendments and carryover of expenditures to the FY 2013/14 – 2014/15 operating and capital budgets, as presented in Exhibits A and B to the Resolution.
2. Provide staff with further direction.

Staff recommends Alternative 1.

FISCAL IMPACT

The FY 2013/14 – 2014/15 Operating and Capital Budgets provide the funding and expenditure plan for all operating funds. As such, it serves as the City's financial plan

for the upcoming two fiscal years. The fiscal impacts for the proposed budget amendments and carryovers are identified in Exhibits A and B to the Resolutions.

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.

ATTACHMENTS

Attachment 1: Proposed Resolution

Exhibit A: FYs 2013/14 and 2014/15 Proposed Budget Adjustments and Carryovers

Exhibit B: FY 2013/14 Proposed CIP Carryovers and Re-appropriations

Prepared By:
Marshall Eyerman
Budget Officer

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred by:
Prem Kumar
Deputy Public Works Director/Assistant City Engineer

Concurred by:
Ahmad R. Ansari, P.E.
Public Works Director / City Engineer

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RESOLUTION NO. CSD 2013-17

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2013/14

WHEREAS, the CSD Board approved the Operating and Capital Budgets for the City for Fiscal Years 2013/14, a copy of which, as may have been amended by the CSD Board, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the City Manager has heretofore submitted to the President and Board Members of the Moreno Valley Community Services District proposed amendments to the Operating and Capital Budgets for the District for Fiscal Year 2013/14, a copy of which, as may have been amended by the District's Board of Directors, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain estimates of the services, activities and projects comprising the budget, and contain expenditure requirements and the resources available to the Community Services District; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain the estimates of uses of fund balance as required to stabilize the delivery of CSD services during periods of operational deficits; and

WHEREAS, the President and Board of Directors have made such revisions to the proposed amended Operating and Capital Budgets as so desired; and

WHEREAS, the amended Operating and Capital Budgets, as herein approved, will enable the Community Services District to make adequate financial plans and will ensure that District officers can administer their respective functions in accordance with such plans.

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The proposed amendments to the Operating and Capital Budgets, as Exhibit A and B to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the Community Services District's Board of Directors, is hereby approved and adopted as the annual Operating and Capital Budgets of the Moreno Valley Community Services District for the Fiscal Year 2013/14.

1
Resolution No. CSD 2013-17
Date Adopted: September 24, 2013

2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal year.
3. Pursuant to Section 61047 of the California Government Code, compensation for the City Council acting in the capacity of the Directors of the Community Services District, shall be \$100 per meeting or for each day's service rendered as a Director, not to exceed six days or \$600 in any calendar month. In addition, the Directors shall be compensated for actual and necessary traveling and incidental expenses incurred while on official business.
4. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 24th day of September, 2013.

Mayor of the City of Moreno Valley,
Acting in the capacity of President of the
Moreno Valley Community Services District

ATTEST:

City Clerk, acting in the capacity of
Secretary of the Moreno Valley
Community Services District

APPROVED AS TO FORM:

City Attorney, acting in the capacity
of General Counsel of the Moreno
Valley Community Services District

2
Resolution No. CSD 2013-17
Date Adopted: September 24, 2013

RESOLUTION JURAT

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

I, Jane Halstead, Secretary of the Moreno Valley Community Services District, Moreno Valley, California do hereby certify that Resolution No. CSD 2013-17 was duly and regularly adopted by the Board of Directors of the Moreno Valley Community Services District at a regular meeting held on the 24th day of September, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Boardmembers, Vice-President and President)

SECRETARY

(SEAL)

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**CITY OF MORENO VALLEY
GENERAL FUND
FY 2013/14 Proposed Operating Budget Adjustments and Carryovers**

EXHIBIT A

Department	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Financial & Management Services	1010-30-36-25110-620220	\$ 56,100	\$ 13,770	\$ -	\$ 69,870	Interim audit work completed after June 30 due to office relocation
Police	1010-60-66-40110-625099	45,500	4,000	-	49,500	Payment to Advanced Electric to cover electrical work associated with the Citywide Camera System
TOTAL		\$ 101,600	\$ 17,770	\$ -	\$ 119,370	

**CITY OF MORENO VALLEY
NON-GENERAL FUND
FY 2013/14 Proposed Operating Budget Adjustments and Carryovers**

Department/Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Public Works	2200-70-78-77311-620620	\$ 23,800	\$ 6,538	\$ -	\$ 30,338	Remaining grant funds to be expensed in FY 13/14
Public Works	6010-70-80-45511-710144	180,000	40,000	-	220,000	RHA agreement approved 11-13-12 by City Council, project is not yet complete
Community & Economic Development	2507-20-32-72701-733201	1,657,600	599,008	-	2,256,608	Remaining grant funds to be expensed in FY 13/14
Community & Economic Development	2507-20-32-72703-733201	1,738,000	531,774	-	2,269,774	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76213-620320	-	13,567	-	13,567	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76412-620320	-	62,209	-	62,209	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76601-620320	-	30,568	-	30,568	Remaining grant funds to be expensed in FY 13/14
Police	2715-60-65-76510-620320	-	130,454	-	130,454	Remaining grant funds to be expensed in FY 13/14
Parks	5011-50-58-35312-660320	-	13,000	-	13,000	Acquisition of parks equipment
Financial & Management Services	7210-30-39-25410-620299	122,500	33,024	-	155,524	Development of GIS site, contract still in process
Financial & Management Services	7210-30-39-25412-620299	10,600	6,450	-	17,050	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25412-660314	35,649	54,045	-	89,694	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25412-660410	19,399	21,390	-	40,789	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25452-720199	-	85,474	-	85,474	City clerk records management system
Non-Departmental	3000-99-99-93000-802001	-	-	2,500,000	2,500,000	Corp Yard DIF loan repayment - transfer in
Non-Departmental	2001-99-99-92001-903000	-	-	2,500,000	2,500,000	Corp Yard DIF loan repayment - transfer out
Non-Departmental	3711-99-90-93711-802001	-	-	748,992	748,992	2013 COP debt service payment - transfer in
Non-Departmental	2001-99-99-92001-903711	-	-	748,992	748,992	2013 COP debt service payment - transfer out
Non-Departmental	6010-99-99-96010-802001	-	-	150,000	150,000	MVU substation loan repayment - transfer in
Non-Departmental	2001-99-99-92001-906010	-	-	150,000	150,000	MVU substation loan repayment - transfer out
TOTAL		\$ 3,787,548	\$ 1,627,501	\$ 6,797,984	\$ 12,213,033	

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Item No. B.3

CITY OF MORENO VALLEY
 NON-GENERAL FUND
 FY 2014/15 Proposed Operating Budget Adjustments and Carryovers

EXHIBIT A

Department/Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Non-Departmental	3711-99-90-93711-802001	\$ -	\$ -	\$ 931,313	\$ 931,313	2013 COP debt service payment - transfer in
Non-Departmental	2001-99-99-92001-903711	-	-	931,313	931,313	2013 COP debt service payment - transfer out
Non-Departmental	2908-99-99-92908-802001	-	-	750,000	750,000	Library DIF loan repayment - transfer in
Non-Departmental	2001-99-99-92001-902908	-	-	750,000	750,000	Library DIF loan repayment - transfer out
TOTAL		\$ -	\$ -	\$ 3,362,626	\$ 3,362,626	

**CITY OF MORENO VALLEY
GENERAL FUND
FY 2013/14 Proposed CIP Budget Adjustments and Carryovers**

EXHIBIT B

Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Project
General Fund	1010-70-77-80001-720199	\$ 144,538	\$ 59,971	\$ -	\$ 204,509	SR-60/Theodore & Wayfinding Signs
General Fund	1010-70-77-80004-720199	-	1,670	-	1,670	Edgemont Water Master Plan Summary Rpt
Gas Tax	2000-70-77-80001-720199	18,898,148	(415,457)	-	18,482,691	Nason/Cactus-Fir & Pavement Resurfacing
Gas Tax	2000-70-77-80004-720199	38,000	1,300	-	39,300	Heacock Channel
Measure A	2001-70-76-80001-720199	225,409	103,753	-	329,162	Bicycle Master Plan & Speed Hump Program
Measure A	2001-70-76-80008-720199	90,000	(3,829)	-	86,171	Traffic Signal Inventory & Equipment Upgrades
Measure A	2001-70-77-80001-720199	10,417,399	1,289,377	-	11,706,776	SIP, Pvmt Resurfacing, fed & state reimb proj
Measure A	2001-70-77-80002-720199	7,120,000	1,457	-	7,121,457	SR-60/Nason Brdg & Ann Bridge Maintenance
Measure A	2001-70-78-80001-720199	92,678	35,000	-	127,678	Pavement Rehab & Slurry Seal
Prop 42 Replacement Fund	2002-70-77-80001-720199	936,000	(93,839)	-	842,161	Gilman Springs Road
Air Quality Management	2005-70-76-80008-720199	183,795	(30,274)	-	153,521	Traffic Signal Coord & Transp Mgmt Cntr
Pub/Educ/Govt Access Prog Fund	2011-70-77-80003-720199	500,000	(111)	-	499,889	MVTV-3 Broadcast Equipment Upgrade
CDBG	2512-70-77-80001-720199	515,000	181,243	-	696,243	Dracaea Avenue and Hemlock Avenue
SCAG Article 3 Fund	2800-70-77-80001-720199	65,385	5,000	-	70,385	Citywide Sidewalks and Access Ramps
Facility Construction	3000-30-40-80003-720199	59,000	(59,000)	-	-	Renovation City Hall Building Annex #1
Facility Construction	3000-70-77-80001-720199	15,000	107,467	-	122,467	Nason/Cactus Street Improvements
Facility Construction	3000-70-77-80004-720199	849,359	400,000	-	1,249,359	Heacock Channel
Facility Construction	3000-70-77-80003-720199	2,954,709	(87,882)	-	2,866,827	Corporate Yard & Civic Center Site Imprv
PW General Capital Projects	3002-70-76-80008-720199	49,448	(26,922)	-	22,526	Traffic Mitigation & Enhancement Program
PW General Capital Projects	3002-70-77-80001-720199	1,634,451	233,818	-	1,868,269	SIP & Nason/Cactus Street Improvements
PW General Capital Projects	3002-70-77-80004-720199	3,200,000	484,562	-	3,684,562	Moreno Master Drainage Plan
TUMF Capital Projects	3003-70-77-80001-720199	9,708,509	(658,154)	-	9,050,355	SR-60/Moreno Bch & Perris/Irnwd-Manzanita
Fire Services Capital	3005-70-77-80003-720199	883,000	(18,230)	-	864,770	Remodel Firestation #48 & Security Fencing
Parks & Recreation Capital Projects	3006-50-57-80003-720199	50,000	41,315	-	91,315	Cottonwood Rec Cntr & Weston Park Imprv
Parks & Recreation Capital Projects	3006-50-57-80007-720199	1,461,500	720,074	-	2,181,574	Various Park Improvements
Capital Projects Reimbursements	3008-70-77-80001-720199	1,234,535	(128)	-	1,234,407	Day St/SR-60 to Ironwood
Capital Projects Reimbursements	3008-70-77-80003-720199	110,000	(180)	-	109,820	Morrison Park Firestation
DIF Arterial Streets Capital Projects	3301-70-77-80001-720199	627,016	28,892	-	655,908	Cactus Eastbound 3rd Lane Improvements
DIF Traffic Signal Capital Projects	3302-70-76-80008-720199	2,073,439	(84,961)	-	1,988,478	EVP, ITS Deployment, Nason/RRCMC TS, TMC
DIF Traffic Signal Capital Projects	3302-70-77-80008-720199	132,000	4,068	-	136,068	Sunnymead/SR-60 EB Ramp Improvements
DIF Interchange Improv Capital Projects	3311-70-77-80001-720199	103,000	26,644	-	129,644	SR-60/Nason Bridge & SR-60/Theodore
2005 Lease Rev Bonds - Capital Admin	3401-70-77-80003-720199	60,000	220,116	-	280,116	EOC Generator & PSB Conversion
Successor Agency Capital Projects	4820-70-77-80001-720199	80,000	(80,000)	-	-	Nason/Cactus Street Improvements
Successor Agency Capital Projects	4820-70-77-80004-720199	59,000	(49,704)	-	9,296	Day Street Storm Drain Improvements
Successor Agency 2007 TAB A Capital	4821-70-77-80001-720199	1,458,583	(654,111)	-	804,472	SR-60/Moreno Beach Phase 1
Successor Agency 2007 TAB A Capital	4821-70-77-80002-720199	-	4,468,777	-	4,468,777	SR-60/Nason Bridge
Electric	6010-70-80-80005-720199	112,077	20,619	-	132,696	LRB Funded Utility Projects
Technology Services	7210-30-39-80009-720199	111,740	3,200	-	114,940	Citywide Fiber Optic Communication
Technology Services	7210-30-39-80010-720199	540,000	4,675	-	544,675	Citywide Camera Surveillance System
Facilities Maintenance	7310-18-40-80003-720199	404,000	188,514	-	592,514	City Hall 2nd Floor Rehab & City Hall Carpet
TOTAL		\$ 67,196,718	\$ 6,368,730	\$ -	\$ 73,565,448	

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Item No. B.3

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

Report to City Council

TO: Mayor and City Council Acting in their Capacity as Chairman and Commissioners of the Moreno Valley Housing Authority

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: September 24, 2013

TITLE: APPROVAL OF FISCAL YEAR 2012/13 CARRYOVERS AND FISCAL YEAR 2013/14 BUDGET ADJUSTMENT RECOMMENDATIONS

RECOMMENDED ACTION

Recommendation:

1. Adopt Resolution No. HA 2013-05. A Resolution of the Moreno Valley Housing Authority of the City of Moreno Valley, California, Adopting the Revised Operating and Capital Budgets for Fiscal Year 2013/14. Includes approving the Operating carryover expenditures from the FY 2012/13 approved budget presented in Exhibit A, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget; and Capital Improvement Program (CIP) carryover expenditures from the FY 2012/13 approved budget presented in Exhibit B, that are recommended to be re-appropriated to be completed as a component of the FY 2013/14 Approved Budget.

SUMMARY

All unexpended and unencumbered appropriations lapse at fiscal year-end and revert to fund balance. Once the fiscal year-end closing process has identified the items that are encumbered by purchase order, contract, or other commitment at June 30th, these items may be presented to Council for approval as continuing appropriations in the new fiscal year. Approval of continuing appropriations is a long-standing and annual recurring budgetary procedure of the City.

Presented in Exhibit A is a list of revenue and expense appropriations reflecting any amendments to the Operating Budget approved by Council. Many of these

amendments relate to items previously discussed with Council, including the issuance of the Certificates of Participation, Series 2013A (T.R.I.P. – Total Road Improvement Program), and the Corporate Yard and Library Development Impact Fee loan agreements.

DISCUSSION

As the prior fiscal year closes, certain budget activities and projects remain in process and have not yet been completed. Staff routinely reviews these items during the annual process to close the books and returns to City Council with a request to approve the carryover of budgets for projects still in process as a continuing appropriation. Encumbrances, which are commitments related to contracts for goods and services that are in process and not yet completed are included in the continuing appropriations request.

Based on a variety of reasons, staff is recommending a very limited number of budget amendments. Staff is recommending these items for Council approval now rather than holding them for a mid-year budget adjustment because they are time sensitive. Waiting on these items could cause undue burden on the respective departments. See Exhibit A for a comprehensive list of the recommended budget amendments. Many of these amendments relate to items previously discussed with Council, including the issuance of the Certificates of Participation, Series 2013A (T.R.I.P. – Total Road Improvement Program), and the Corporate Yard and Library Development Impact Fee loan agreements.

Exhibit A provides the details of staff's request for continuing appropriations for the FY 2013/14 – 2014/15 Budget for operating expenses. Exhibit B provides the detail of staff's request for continuing appropriations for the FY 2013/14 budget for the Capital Improvement Plan. Details of the CIP carryover requests are available at the project level upon request.

ALTERNATIVES

1. Approve the proposed Resolutions to adopt the budget amendments and carryover of expenditures to the FY 2013/14 – 2014/15 operating and capital budgets, as presented in Exhibits A and B to the Resolution.
2. Provide staff with further direction.

Staff recommends Alternative 1.

FISCAL IMPACT

The FY 2013/14 – 2014/15 Operating and Capital Budgets provide the funding and expenditure plan for all operating funds. As such, it serves as the City's financial plan for the upcoming two fiscal years. The fiscal impacts for the proposed budget amendments and carryovers are identified in Exhibits A and B to the Resolutions.

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.

ATTACHMENTS

Attachment 1: Proposed Resolution

Exhibit A: FYs 2013/14 and 2014/15 Proposed Budget Adjustments and Carryovers

Exhibit B: FY 2013/14 Proposed CIP Carryovers and Re-appropriations

Prepared By:
Marshall Eyerman
Budget Officer

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred by:
Prem Kumar
Deputy Public Works Director/Assistant City Engineer

Concurred by:
Ahmad R. Ansari, P.E.
Public Works Director / City Engineer

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RESOLUTION NO. HA 2013-05

A RESOLUTION OF THE MORENO VALLEY HOUSING AUTHORITY OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED OPERATING AND CAPITAL BUDGETS FOR FISCAL YEAR 2013/14

WHEREAS, the Chairman and Commissioners of the Moreno Valley Housing Authority approved the Operating and Capital Budgets for the City for Fiscal Year 2013/14, a copy of which, as may have been amended by the Commissioners, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the City Manager has heretofore submitted to the Chairman and Commissioners of the Moreno Valley Housing Authority proposed amendments to the Operating and Capital Budgets for the Authority for Fiscal Year 2013/14, a copy of which, as may have been amended by the Housing Authority's Board of Directors, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain estimates of the services, activities and projects comprising the budget, and contains expenditure requirements and the resources available to the Housing Authority; and

WHEREAS, the said proposed amendments to the Operating and Capital Budgets contain the estimates of uses of fund balance as required to stabilize the delivery of Housing Authority services; and

WHEREAS, the Chairman and Commissioners have made such revisions to the proposed amended Operating and Capital Budgets as so desired; and

WHEREAS, the amended Operating and Capital Budgets, as herein approved, will enable the Housing Authority to make adequate financial plans and will ensure that Housing Authority officers can administer their respective functions in accordance with such plans.

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

1. The proposed amendments to the Operating and Capital Budgets, as Exhibits A and B to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the Chairman and Commissioners, is hereby approved and adopted as the annual Operating and Capital Budgets of the Moreno Valley Housing Authority for the Fiscal Year 2013/14.
2. The amounts of proposed expenditures, which include the uses of fund

balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal year.

3. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 24th day of September, 2013.

Mayor of the City of Moreno Valley,
Acting in the capacity of Chairman of the
Moreno Valley Housing Authority

ATTEST:

City Clerk, acting in the capacity of
Secretary of the Moreno Valley
Housing Authority

APPROVED AS TO FORM:

City Attorney, acting in the capacity
of General Counsel of the Moreno
Valley Housing Authority

RESOLUTION JURAT

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

I, Jane Halstead, Secretary of the Moreno Valley Housing Authority of the City of Moreno Valley, California, do hereby certify that Resolution No. HA 2013-05 was duly and regularly adopted by the Commissioners of the Moreno Valley Housing Authority at a regular meeting thereof held on the 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Agency Members, Vice Chairman and Chairman)

SECRETARY

(SEAL)

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**CITY OF MORENO VALLEY
GENERAL FUND
FY 2013/14 Proposed Operating Budget Adjustments and Carryovers**

EXHIBIT A

Department	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Financial & Management Services	1010-30-36-25110-620220	\$ 56,100	\$ 13,770	\$ -	\$ 69,870	Interim audit work completed after June 30 due to office relocation
Police	1010-60-66-40110-625099	45,500	4,000	-	49,500	Payment to Advanced Electric to cover electrical work associated with the Citywide Camera System
TOTAL		\$ 101,600	\$ 17,770	\$ -	\$ 119,370	

**CITY OF MORENO VALLEY
NON-GENERAL FUND
FY 2013/14 Proposed Operating Budget Adjustments and Carryovers**

Department/Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Public Works	2200-70-78-77311-620620	\$ 23,800	\$ 6,538	\$ -	\$ 30,338	Remaining grant funds to be expensed in FY 13/14
Public Works	6010-70-80-45511-710144	180,000	40,000	-	220,000	RHA agreement approved 11-13-12 by City Council, project is not yet complete
Community & Economic Development	2507-20-32-72701-733201	1,657,600	599,008	-	2,256,608	Remaining grant funds to be expensed in FY 13/14
Community & Economic Development	2507-20-32-72703-733201	1,738,000	531,774	-	2,269,774	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76213-620320	-	13,567	-	13,567	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76412-620320	-	62,209	-	62,209	Remaining grant funds to be expensed in FY 13/14
Police	2705-60-67-76601-620320	-	30,568	-	30,568	Remaining grant funds to be expensed in FY 13/14
Police	2715-60-65-76510-620320	-	130,454	-	130,454	Remaining grant funds to be expensed in FY 13/14
Parks	5011-50-58-35312-660320	-	13,000	-	13,000	Acquisition of parks equipment
Financial & Management Services	7210-30-39-25410-620299	122,500	33,024	-	155,524	Development of GIS site, contract still in process
Financial & Management Services	7210-30-39-25412-620299	10,600	6,450	-	17,050	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25412-660314	35,649	54,045	-	89,694	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25412-660410	19,399	21,390	-	40,789	Completion of upgrade to the microwave radio systems
Financial & Management Services	7210-30-39-25452-720199	-	85,474	-	85,474	City clerk records management system
Non-Departmental	3000-99-99-93000-802001	-	-	2,500,000	2,500,000	Corp Yard DIF loan repayment - transfer in
Non-Departmental	2001-99-99-92001-903000	-	-	2,500,000	2,500,000	Corp Yard DIF loan repayment - transfer out
Non-Departmental	3711-99-90-93711-802001	-	-	748,992	748,992	2013 COP debt service payment - transfer in
Non-Departmental	2001-99-99-92001-903711	-	-	748,992	748,992	2013 COP debt service payment - transfer out
Non-Departmental	6010-99-99-96010-802001	-	-	150,000	150,000	MVU substation loan repayment - transfer in
Non-Departmental	2001-99-99-92001-906010	-	-	150,000	150,000	MVU substation loan repayment - transfer out
TOTAL		\$ 3,787,548	\$ 1,627,501	\$ 6,797,984	\$ 12,213,033	

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Item No. C.3

CITY OF MORENO VALLEY
 NON-GENERAL FUND
 FY 2014/15 Proposed Operating Budget Adjustments and Carryovers

EXHIBIT A

Department/Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Description - Proposed Adjustment
Non-Departmental	3711-99-90-93711-802001	\$ -	\$ -	\$ 931,313	\$ 931,313	2013 COP debt service payment - transfer in
Non-Departmental	2001-99-99-92001-903711	-	-	931,313	931,313	2013 COP debt service payment - transfer out
Non-Departmental	2908-99-99-92908-802001	-	-	750,000	750,000	Library DIF loan repayment - transfer in
Non-Departmental	2001-99-99-92001-902908	-	-	750,000	750,000	Library DIF loan repayment - transfer out
TOTAL		\$ -	\$ -	\$ 3,362,626	\$ 3,362,626	

**CITY OF MORENO VALLEY
GENERAL FUND
FY 2013/14 Proposed CIP Budget Adjustments and Carryovers**

EXHIBIT B

Fund	GL Account	FY 2013/14 Amended Budget	Proposed Carryover	Proposed Adjustments	Revised Budget	Project
General Fund	1010-70-77-80001-720199	\$ 144,538	\$ 59,971	\$ -	\$ 204,509	SR-60/Theodore & Wayfinding Signs
General Fund	1010-70-77-80004-720199	-	1,670	-	1,670	Edgemont Water Master Plan Summary Rpt
Gas Tax	2000-70-77-80001-720199	18,898,148	(415,457)	-	18,482,691	Nason/Cactus-Fir & Pavement Resurfacing
Gas Tax	2000-70-77-80004-720199	38,000	1,300	-	39,300	Heacock Channel
Measure A	2001-70-76-80001-720199	225,409	103,753	-	329,162	Bicycle Master Plan & Speed Hump Program
Measure A	2001-70-76-80008-720199	90,000	(3,829)	-	86,171	Traffic Signal Inventory & Equipment Upgrades
Measure A	2001-70-77-80001-720199	10,417,399	1,289,377	-	11,706,776	SIP, Pvmt Resurfacing, fed & state reimb proj
Measure A	2001-70-77-80002-720199	7,120,000	1,457	-	7,121,457	SR-60/Nason Brdg & Ann Bridge Maintenance
Measure A	2001-70-78-80001-720199	92,678	35,000	-	127,678	Pavement Rehab & Slurry Seal
Prop 42 Replacement Fund	2002-70-77-80001-720199	936,000	(93,839)	-	842,161	Gilman Springs Road
Air Quality Management	2005-70-76-80008-720199	183,795	(30,274)	-	153,521	Traffic Signal Coord & Transp Mgmt Cntr
Pub/Educ/Govt Access Prog Fund	2011-70-77-80003-720199	500,000	(111)	-	499,889	MVTV-3 Broadcast Equipment Upgrade
CDBG	2512-70-77-80001-720199	515,000	181,243	-	696,243	Dracaea Avenue and Hemlock Avenue
SCAG Article 3 Fund	2800-70-77-80001-720199	65,385	5,000	-	70,385	Citywide Sidewalks and Access Ramps
Facility Construction	3000-30-40-80003-720199	59,000	(59,000)	-	-	Renovation City Hall Building Annex #1
Facility Construction	3000-70-77-80001-720199	15,000	107,467	-	122,467	Nason/Cactus Street Improvements
Facility Construction	3000-70-77-80004-720199	849,359	400,000	-	1,249,359	Heacock Channel
Facility Construction	3000-70-77-80003-720199	2,954,709	(87,882)	-	2,866,827	Corporate Yard & Civic Center Site Imprv
PW General Capital Projects	3002-70-76-80008-720199	49,448	(26,922)	-	22,526	Traffic Mitigation & Enhancement Program
PW General Capital Projects	3002-70-77-80001-720199	1,634,451	233,818	-	1,868,269	SIP & Nason/Cactus Street Improvements
PW General Capital Projects	3002-70-77-80004-720199	3,200,000	484,562	-	3,684,562	Moreno Master Drainage Plan
TUMF Capital Projects	3003-70-77-80001-720199	9,708,509	(658,154)	-	9,050,355	SR-60/Moreno Bch & Perris/Irnwd-Manzanita
Fire Services Capital	3005-70-77-80003-720199	883,000	(18,230)	-	864,770	Remodel Firestation #48 & Security Fencing
Parks & Recreation Capital Projects	3006-50-57-80003-720199	50,000	41,315	-	91,315	Cottonwood Rec Cntr & Weston Park Imprv
Parks & Recreation Capital Projects	3006-50-57-80007-720199	1,461,500	720,074	-	2,181,574	Various Park Improvements
Capital Projects Reimbursements	3008-70-77-80001-720199	1,234,535	(128)	-	1,234,407	Day St/SR-60 to Ironwood
Capital Projects Reimbursements	3008-70-77-80003-720199	110,000	(180)	-	109,820	Morrison Park Firestation
DIF Arterial Streets Capital Projects	3301-70-77-80001-720199	627,016	28,892	-	655,908	Cactus Eastbound 3rd Lane Improvements
DIF Traffic Signal Capital Projects	3302-70-76-80008-720199	2,073,439	(84,961)	-	1,988,478	EVP, ITS Deployment, Nason/RCRM TS, TMC
DIF Traffic Signal Capital Projects	3302-70-77-80008-720199	132,000	4,068	-	136,068	Sunnymead/SR-60 EB Ramp Improvements
DIF Interchange Improv Capital Projects	3311-70-77-80001-720199	103,000	26,644	-	129,644	SR-60/Nason Bridge & SR-60/Theodore
2005 Lease Rev Bonds - Capital Admin	3401-70-77-80003-720199	60,000	220,116	-	280,116	EOC Generator & PSB Conversion
Successor Agency Capital Projects	4820-70-77-80001-720199	80,000	(80,000)	-	-	Nason/Cactus Street Improvements
Successor Agency Capital Projects	4820-70-77-80004-720199	59,000	(49,704)	-	9,296	Day Street Storm Drain Improvements
Successor Agency 2007 TAB A Capital	4821-70-77-80001-720199	1,458,583	(654,111)	-	804,472	SR-60/Moreno Beach Phase 1
Successor Agency 2007 TAB A Capital	4821-70-77-80002-720199	-	4,468,777	-	4,468,777	SR-60/Nason Bridge
Electric	6010-70-80-80005-720199	112,077	20,619	-	132,696	LRB Funded Utility Projects
Technology Services	7210-30-39-80009-720199	111,740	3,200	-	114,940	Citywide Fiber Optic Communication
Technology Services	7210-30-39-80010-720199	540,000	4,675	-	544,675	Citywide Camera Surveillance System
Facilities Maintenance	7310-18-40-80003-720199	404,000	188,514	-	592,514	City Hall 2nd Floor Rehab & City Hall Carpet
TOTAL		\$ 67,196,718	\$ 6,368,730	\$ -	\$ 73,565,448	

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Item No. C.3

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

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: September 24, 2013

TITLE: PUBLIC HEARING REGARDING THE MAIL BALLOT PROCEEDING FOR APN 291-650-011 BALLOTING FOR NPDES

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Conduct the Public Hearing and accept public testimony regarding the mail ballot proceeding for Assessor Parcel Number (APN) 291-650-011.
2. Direct the City Clerk to tabulate the National Pollutant Discharge Elimination System (NPDES) ballot for APN 291-650-011.
3. Verify and accept the results of the mail ballot proceeding as identified on the Official Tally Sheet.
4. Receive and file with the City Clerk's office the accepted Official Tally Sheet.
5. If approved, authorize and impose the NPDES maximum commercial/industrial regulatory rate to APN 291-650-011.

ADVISORY BOARD/COMMISSION RECOMMENDATION

N/A

BACKGROUND

To comply with the 1972 Federal Clean Water Act, Land Development, a division of the Public Works Department, requires that new development projects participate in the appropriate NPDES regulatory rate to fund federally mandated programs. The City

Council adopted the residential regulatory rate on June 10, 2003, and the commercial/industrial regulatory rate on January 10, 2006.

Conditions of Approval for APN 291-650-011 require that the property owner provide a funding source to help support the Stormwater Management program. Approving the NPDES maximum commercial/industrial regulatory rate through a mail ballot proceeding fulfills this requirement.

DISCUSSION

In compliance with Proposition 218, which requires that any new or proposed increase in property-related assessments, fees, or charges be submitted to property owners for approval, a mail ballot proceeding is being conducted to give the property owner of APN 291-650-011 the option to approve or oppose the collection of the NPDES maximum commercial/industrial regulatory rate on the property tax bill or as a monthly charge on a utility bill. Property owners are given two opportunities to address the legislative body regarding the charge(s) they are being balloted on. These two opportunities are the Public Meeting on September 10, 2013 and the Public Hearing on September 24, 2013, when the results of the ballot proceeding will be announced.

Public agencies are to obtain Permits to discharge urban stormwater runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels. New development projects are subject to the current NPDES Permit requirements for stormwater management as mandated by the Federal Clean Water Act. If approved by the property owner, the City will annually inspect site design, source and treatment control Best Management Practices, monitor maintenance records for those on-site facilities, and perform annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State. Provided the mail ballot is approved, the City will also be authorized to levy the NPDES maximum commercial/industrial regulatory rate on the annual property tax bill or as a monthly charge on a utility bill.

ALTERNATIVES

1. **Conduct the Public Hearing**, tabulate the ballot, verify, and accept the results of the mail ballot proceeding as identified on the Official Tally Sheet, receive and file with the City Clerk's office the accepted Official Tally Sheet, and if approved, authorize and impose the NPDES maximum commercial/industrial regulatory rate to APN 291-650-011 (and any division thereof). *This alternative will fulfill the 45-day noticing period and Public Hearing requirements as mandated by Proposition 218.*
2. **Do not conduct the Public Hearing**, tabulate the ballot, verify, or accept the results of the mail ballot proceeding for APN 291-650-011. *This alternative would be contrary to Proposition 218 mandates.*

FISCAL IMPACT

For fiscal year (FY) 2013/14, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$223 per parcel. Beginning FY 2014/15, the NPDES Maximum Commercial/Industrial Regulatory Rate shall be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

The NPDES rates collected from property owners support the current Permit programs and reduce the level of General Fund support necessary to remain in compliance with unfunded federal mandates, as administered by the State. Funds collected from the NPDES rates are restricted for use only within the Stormwater Management program.

CITY COUNCIL GOALS

Advocacy

Management of the stormwater will ensure that water pollutants are discharged in compliance with federal mandates and City policies.

Revenue Diversification and Preservation

The NPDES maximum commercial/industrial regulatory rate provides funding for program costs, which includes administration.

SUMMARY

The action before the City Council is to accept public testimony, tabulate the returned ballot, verify, and accept the results of the mail ballot proceeding for APN 291-650-011.

NOTIFICATION

The property owner of APN 291-650-011 has been given a 45-day noticing period to review the ballot documents. The documents included a notice to the property owner, map of the project area, ballot, instructions for marking and returning the ballot, and a postage-paid envelope for returning the ballot to the City Clerk. (See Attachments 1 and 2.)

Newspaper advertising for the September 10, 2013, Public Meeting and September 24, 2013, Public Hearing was published in The Press-Enterprise on August 30, 2013. Additionally, the Public Hearing notification was published on September 5 and again on September 12, 2013.

ATTACHMENTS

Attachment 1: Original Miguel's Jr mail ballot packet

Attachment 2: Updated ballot and notice for Miguel's Jr

Prepared by:
Jennifer Terry,
Management Analyst

Department Head Approval:
Richard Teichert
Chief Financial Officer

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

Concurred by:
Mark W. Sambito, P.E.
Engineering Division Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

TEL: 951.413.3480
 FAX: 951.413.3498
 WWW.MOVAL.ORG



14331 FREDERICK STREET, SUITE 2
 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

SDG Investments LLC
 P.O. Box 1083
 Corona, CA 92878

July 3, 2013

NOTICE TO PROPERTY OWNER-MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMERCIAL/INDUSTRIAL REGULATORY RATE FOR APN 291-650-011

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 ("The Right to Vote on Taxes Act"). As a result, any new or proposed increase in a property-related charge requires approval of the charge by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of Assessor's Parcel Number (APN) 291-650-011 the opportunity to express support for or opposition to the approval of the NPDES Maximum Commercial/Industrial Regulatory Rate and services. Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Background

The City shall provide the services necessary to meet mandates of the Federal Clean Water Act. The current NPDES Permit, as administered by the State, regulates the volume and amount of pollutants in stormwater runoff from all development types. NPDES Maximum Commercial/Industrial Regulatory Rate provides financial support for inspecting site design, source and treatment control Best Management Practices, monitoring maintenance records for those on-site facilities, and performing annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall annually inspect site design, source and treatment control Best Management Practices, verify monitoring and maintenance records for those on-site facilities, and perform annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley shall determine the type of services necessary to comply with NPDES Permit requirements and levy the rate applicable for that service. The rate levied shall not exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2013/14, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$223 per parcel. The total amount of the NPDES rates levied for FY 2012/13 for the program as a whole was \$409,809.00.

Annual Adjustment

Beginning in FY 2014/15, the NPDES Maximum Commercial/Industrial Regulatory Rate shall be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum Commercial/Industrial Regulatory Rate, the annual levy amount will be assessed to APN 291-650-011 (and any division thereof) and shall be placed on the Riverside County property tax bill or as a monthly charge on a utility bill. The NPDES Maximum Commercial/Industrial Regulatory Rate will be levied each following year at the proposed rate, which may include an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding the City has scheduled one (1) Public Meeting and one (1) Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

<u>Public Meeting</u>	<u>Public Hearing</u>
Tuesday, August 27, 2013 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)	Tuesday, September 10, 2013 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)

Tabulation of returned ballots will commence after the close of the Public Hearing. All ballots received shall be tabulated under the direction of the City Clerk in compliance with the current Policy For Conducting Mail Ballot Proceedings Policy #1.12.

Effect if Approval of the Charges is Approved

Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate will be confirmed if the ballot is marked in favor of the NPDES rate. Approving the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Effect if Approval of the Charges is Not Approved

Not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to meet federally mandated NPDES Permit requirements may result in noncompliance with the Conditions of Approval. If the returned valid ballot is marked opposing the NPDES rate, then the rate will not be levied on the property tax bill.

For More Information

If you have any questions about the proposed program, the annual rate, or about the mail ballot proceeding process, please contact Jennifer Terry, Management Analyst, Special Districts, a

Division of the Financial and Management Services Department, Monday through Thursday
from 7:30 a.m. to 6:00 p.m. at 951.413.3505 or via email at JenniferT@moval.org.

Completing Your Ballot

The enclosed ballot shall be submitted to the City Clerk in support of or opposition to the proposed program and annual charge. Please follow the instructions listed below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box.**
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted.*
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the Public Hearing to be held on **Tuesday, September 10, 2013**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:



A check mark substantially inside a box;



An X mark substantially inside a box;



A dot or oval mark substantially inside a box;



A completely shaded or filled mark substantially inside a box;



A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;



A circle around the box and/or associated clause; or



A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

Miguel's Jr Restaurant PA12-0055

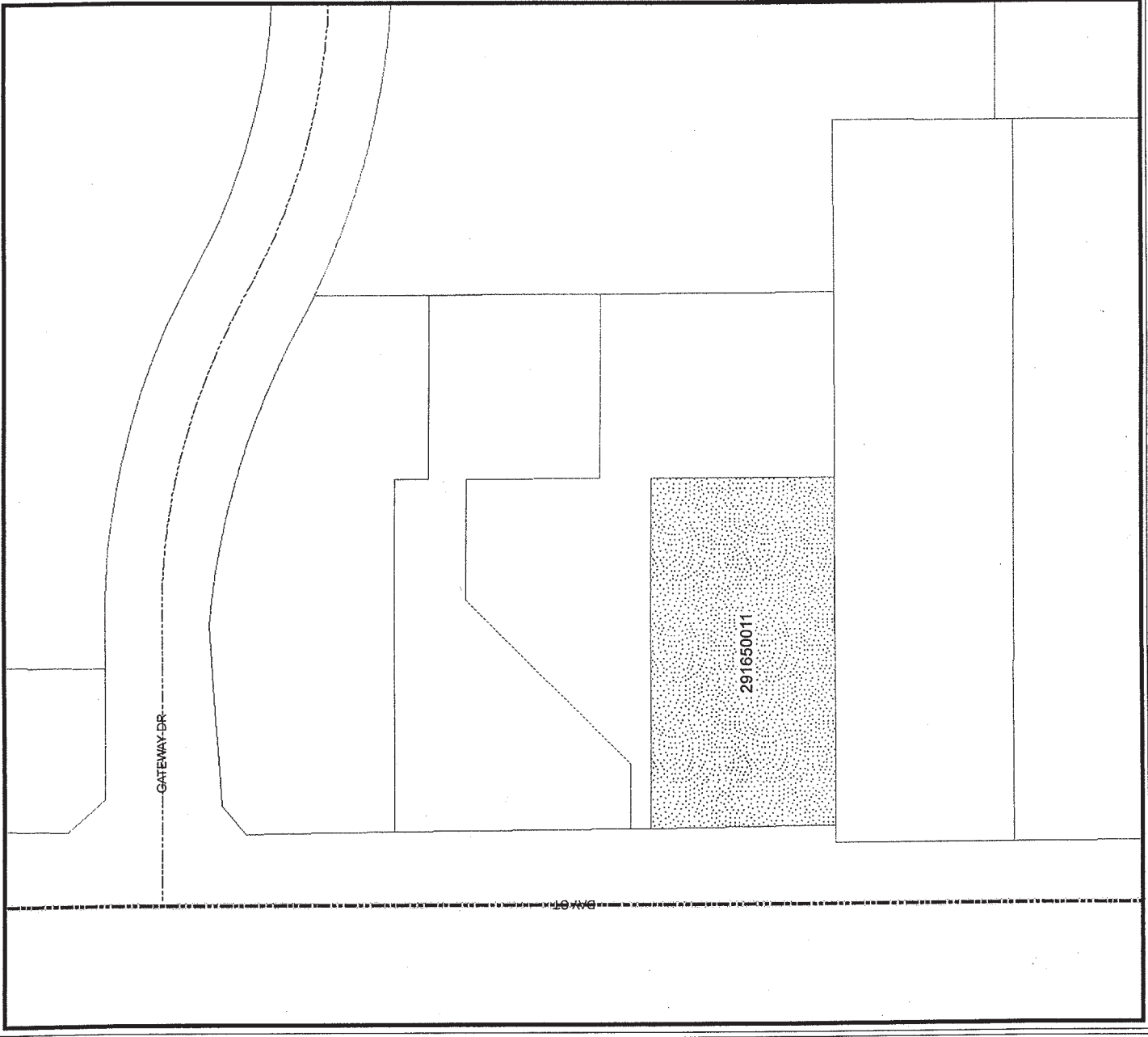
- Median
- - - Landscaped Areas
- APN
- 291650011
- ~ Roads
- Parcels
- City Boundary

Map reflects all changes indicated on Riverside County Assessor Maps as of July 1, 2013.



G:\V\PSDAMiguel's Jr PA12-0055.mxd

The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Data and information on this map is subject to update and modification. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map. This map is not to be recycled or resold.



COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE NPDES RATE SCHEDULE
 Adopted by the City Council on January 10, 2006

LEVEL 1	LEVEL II												
<p align="center">NPDES Administration (Not covered by CSA 152)</p> <p>Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various stormwater reports and data collection and management.</p> <p>Level I is levied on all parcels conditioned for the NPDES Rate Schedule.</p>	<p align="center">Site Design, Source Control and Treatment Control BMPs Monitoring and Maintenance</p> <p>Costs associated with stormwater and non-stormwater runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site stormwater compliance activities, review of site-specific technical reports and treatment control BMP maintenance records.</p>												
<p>Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics</p>	<p>Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics</p>												
<table border="1"> <tr> <td>PROPOSED PARCEL RATE</td> <td>Per Month</td> <td>Per Year</td> </tr> <tr> <td></td> <td align="center">\$2.67</td> <td align="center">\$32.00</td> </tr> </table>	PROPOSED PARCEL RATE	Per Month	Per Year		\$2.67	\$32.00	<table border="1"> <tr> <td>PROPOSED PARCEL RATE</td> <td>Per Month</td> <td>Per Year</td> </tr> <tr> <td></td> <td align="center">\$12.58</td> <td align="center">\$151.00</td> </tr> </table>	PROPOSED PARCEL RATE	Per Month	Per Year		\$12.58	\$151.00
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	\$2.67	\$32.00											
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Inflation Factor Adjustments

- FY 2006/2007 - 4.5% = (\$33.00 & \$158.00)
- FY 2007/2008 - 3.1% = (\$34.00 & \$163.00)
- FY 2008/2009 - 4.2% = (\$35.00 & \$170.00)
- FY 2009/2010 - no change = (\$35.00 & \$170.00)
- FY 2010/2011 - no change = (\$35.00 & \$170.00)
- FY 2011/2012 - 3.8% = (\$36.00 & \$176.00)
- FY 2012/2013 - 2.7% = (\$37.00 & \$181.00)
- FY 2013/2014 - 2.0% = (\$38.00 & \$185.00) rounded to the nearest dollar

**OFFICIAL MAIL BALLOT for
Assessor's Parcel Number (APN) 291-650-011**

**National Pollutant Discharge Elimination System (NPDES)
Maximum Commercial/Industrial Regulatory Rate**

YES* — as property owner of APN 291-650-011, I approve the NPDES Maximum Commercial/Industrial Regulatory Rate and services. For fiscal year (FY) 2013/14, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$223 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the Riverside County property tax bill or as a monthly charge on a utility bill. Beginning FY 2014/15, the maximum regulatory rate shall be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City will annually inspect site design, source and treatment control Best Management Practices, verify monitoring and maintenance records for those on-site facilities, and perform annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State.

NO** — as property owner of APN 291-650-011, I do not approve the NPDES Maximum Commercial/Industrial Regulatory Rate and services. I understand that not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to fund federally mandated NPDES Permit requirements shall result in noncompliance with the project's Conditions of Approval. The NPDES maximum commercial/industrial regulatory rate shall not be levied on the Riverside County property tax bill.

Assessor Parcel Number	YES*	NO**	NPDES Maximum Commercial/Industrial Regulatory Rate
291-650-011 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$223

This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the Public Hearing to be held on September 10, 2013, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called.

PROPERTY OWNER SIGNATURE DATE

Please remember to mark the appropriate box, sign and date the ballot and return to the City Clerk's office in the enclosed envelope prior to the close of the September 10, 2013 Public Hearing

TEL: 951.413.3480
FAX: 951.413.3498
WWW.MOVAL.ORG



Attachment 2

14331 FREDERICK STREET, SUITE 2
P. O. BOX 88005
MORENO VALLEY, CA 92552-0805

SDG Investments LLC
P.O. Box 1083
Corona, CA 92878

August 28, 2013

NOTICE TO PROPERTY OWNER-MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMERCIAL/INDUSTRIAL REGULATORY RATE FOR APN 291-650-011

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 ("The Right to Vote on Taxes Act"). As a result, any new or proposed increase in a property-related charge requires approval of the charge by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of Assessor's Parcel Number (APN) 291-650-011 the opportunity to express support for or opposition to the approval of the NPDES Maximum Commercial/Industrial Regulatory Rate and services. Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Background

The City shall provide the services necessary to meet mandates of the Federal Clean Water Act. The current NPDES Permit, as administered by the State, regulates the volume and amount of pollutants in stormwater runoff from all development types. NPDES Maximum Commercial/Industrial Regulatory Rate provides financial support for inspecting site design, source and treatment control Best Management Practices, monitoring maintenance records for those on-site facilities, and performing annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements, as administered by the State.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall annually inspect site design, source and treatment control Best Management Practices, verify monitoring and maintenance records for those on-site facilities, and perform annual inspections of the affected areas to ensure compliance with federally mandated NPDES Permit requirements.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley shall determine the type of services necessary to comply with NPDES Permit requirements and levy the rate applicable for that service. The rate levied shall not exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2013/14, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$223 per parcel. The total amount of the NPDES rates levied for FY 2012/13 for the program as a whole was \$409,809.00.

Annual Adjustment

Beginning in FY 2014/15, the NPDES Maximum Commercial/Industrial Regulatory Rate shall be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum Commercial/Industrial Regulatory Rate, the annual levy amount will be assessed to APN 291-650-011 (and any division thereof) and shall be placed on the Riverside County property tax bill or as a monthly charge on a utility bill. The NPDES Maximum Commercial/Industrial Regulatory Rate will be levied each following year at the proposed rate, which may include an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding the City has scheduled one (1) Public Meeting and one (1) Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

<u>Public Meeting</u>	<u>Public Hearing</u>
Tuesday, September 10, 2013 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)	Tuesday, September 24, 2013 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)

Tabulation of returned ballots will commence after the close of the Public Hearing. All ballots received shall be tabulated under the direction of the City Clerk in compliance with the current Policy For Conducting Mail Ballot Proceedings Policy #1.12.

Effect if Approval of the Charges is Approved

Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate will be confirmed if the ballot is marked in favor of the NPDES rate. Approving the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Conditions of Approval to provide a funding source for the NPDES program.

Effect if Approval of the Charges is Not Approved

Not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to meet federally mandated NPDES Permit requirements may result in noncompliance with the Conditions of Approval. If the returned valid ballot is marked opposing the NPDES rate, then the rate will not be levied on the property tax bill.

For More Information

If you have any questions about the proposed program, the annual rate, or about the mail ballot proceeding process, please contact Jennifer Terry, Management Analyst, Special Districts, a

Division of the Financial and Management Services Department, Monday through Thursday from 7:30 a.m. to 6:00 p.m. at 951.413.3505 or via email at JenniferT@moval.org.

Completing Your Ballot

The enclosed ballot shall be submitted to the City Clerk in support of or opposition to the proposed program and annual charge. Please follow the instructions listed below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box.**
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted.*
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the Public Hearing to be held on **Tuesday, September 24, 2013**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:



A check mark substantially inside a box;



An X mark substantially inside a box;



A dot or oval mark substantially inside a box;



A completely shaded or filled mark substantially inside a box;



A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;



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**OFFICIAL MAIL BALLOT for
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NO** — as property owner of APN 291-650-011, I do not approve the NPDES Maximum Commercial/Industrial Regulatory Rate and services. I understand that not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to fund federally mandated NPDES Permit requirements shall result in noncompliance with the project's Conditions of Approval. The NPDES maximum commercial/industrial regulatory rate shall not be levied on the Riverside County property tax bill.

Assessor Parcel Number	YES*	NO**	NPDES Maximum Commercial/Industrial Regulatory Rate
291-650-011 (and any division thereof)	<input type="checkbox"/>	<input type="checkbox"/>	\$223

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PROPERTY OWNER SIGNATURE DATE

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

Report to City Council

TO: Mayor and City Council

FROM: Suzanne Bryant, City Attorney

AGENDA DATE: September 24, 2013

TITLE: CONSIDER THE PROCEDURAL OPTIONS TO FILL THE VACANCY ON THE COUNCIL IN DISTRICT 4 AND TAKE POSSIBLE ACTION TO FILL THE VACANCY

RECOMMENDED ACTION

Recommendations: That the City Council:

1. That the City Council consider the various procedural options to fill the vacant Council seat in District 4 and take possible action to fill the vacancy by appointment or by calling for an election.

ADVISORY BOARD/COMMISSION RECOMMENDATION

N/A.

BACKGROUND

The vacancy in District 4 commenced on the effective date of the resignation which was August 13, 2013.

DISCUSSION

State law provides that once a vacancy occurs on the City Council, the City Council, shall, within 60 days of the commencement of the vacancy, fill the vacancy by appointment or by calling a special election. Govt. Code § 36512.

The Council has these options:

Appoint a Successor for the Unexpired Term — The Council may appoint a successor, who would hold office for the unexpired term of the former incumbent (which would be until December 9, 2014). Govt. Code § 36512(b).

Call a Special Election to Fill the Vacancy — The Council may call a special election to fill the vacancy. The special election would then be held on the next regularly established election date not less than 114 days from the call of the special election. Govt. Code § 36512(b). The next regularly established election date that is more than 114 days from today is Tuesday, April 8, 2014. The specially elected Council Member would hold office for the unexpired term of the Council Member's seat (which, assuming that the election results will be certified by May would mean that the winner of the special election would hold office until December 9, 2014, which is approximately seven months). An estimate of the cost for a stand-alone special election could be approximately \$50,000 per the Registrar of Voters. If the Council wants to call for a special election, the Council should direct staff to include such item on the agenda for October 8, 2013.

The Council may also adopt an ordinance specifying that the person appointed to fill a City Council vacancy will serve only until the date of a special election which could be April 8, 2014. Under this option, the special election to fill the remainder of the term must be called immediately. (See Govt. Code § 36512(c)(3).) If the Council chooses this course of action, it would have to call the special election immediately following the effective date of the ordinance. If the Council opts to have such an ordinance drafted and then call for a special election pursuant to that ordinance, the Council should direct staff to include such item on the agenda for October 8, 2013.

If no action is taken by the City Council during the 60 day period (i.e. prior to October 12, 2013), the vacancy shall be filled at the next regularly scheduled established election date which, per the City Clerk, would be April 8, 2014. Govt Code § 36512(d)(3). The individual elected to office would serve until December 9, 2014 for a term of approximately seven months.

FISCAL IMPACT

There is very little fiscal impact if the Council chooses to make an appointment. The cost for a special election is approximately \$50,000.

NOTIFICATION

Publication of the agenda.

Prepared By:
Suzanne Bryant
City Attorney

Concurred By:
Jane Halstead
City Clerk

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