



**City of Moreno Valley
Finance Subcommittee Meeting
Minutes of March 26, 2024**

1. Call to Order

Mayor Pro Tem Cheylynda Bernard called the meeting to order at 3:51 pm. The following attendees were present at the meeting:

Subcommittee Members:

Cheylynda Bernard, Mayor Pro Tem
Ed Delgado, Council Member (Alternate)

Staff Members:

Brian Mohan, Assistant City Manager
Launa Jimenez, Chief Financial Officer/City Treasurer
Melissa Walker, Public Works Director
Ashley Aparicio, Senior Management Analyst
Stephanie Cuff, Senior Management Analyst
Viviana McDaniel, Grants Division Manager
Rebekah Key, Senior Grants Accountant
Rose Layman, Senior Grants Analyst
Valeria Martin, Senior Grants Analyst
Felicia London, Special Districts Division Manager
Christina Zepeda, Executive Assistant
Mayra Fragozo, Senior Administrative Assistant

2. Public Comments

None

3. Approval of Minutes

ACTION: Mayor Pro Tem Bernard motioned to approve the meeting minutes of February 27, 2024, and Council Member Delgado seconded to approve the minutes. For the record, Council Member Delgado was not present for the February 27, 2024 meeting but he did review the printed minutes and approved.

4. Action Items

A. MEASURE A LOCAL STREETS AND ROADS FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR FISCAL YEAR (FY) 2024/25 – 2028/29

Launa Jimenez, CFO/City Treasurer, provided a verbal summary. Annual submittal of the Measure A Plan and MOE to the Riverside County Transportation Commission (RCTC) is required for continued receipt of Measure A funds, which



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can only be used for Transportation-related purposes. Measure A is a voter-approved half-cent sales tax initiative to pay for regional transportation improvements in Riverside County and is administered by RCTC. Voters originally approved the measure in 1988 for a 20-year term, but in 2002, voters extended the measure through 2039. There is a Traffic Congestion Relief Plan that is circulating, which is an additional one cent sales tax initiative. Both have constitutional amendments to Revenue and Taxation Code 7251.1, so it does not affect the City's ability to impose its own transaction and use tax as this code limits the maximum to 2%.

The Measure A plan is currently being finalized and will be attached to the staff report when it goes to Council in April. The plan includes a project status report for FY 2023/24 Measure A funded operations and CIP projects that are part of the Council-approved biennial two-year CIP. The purpose of this report is to document progress to date on engineering, right-of-way acquisition, construction, and anticipated project completion dates. Also included are the operational and project budgets for FY2024/25, which were already approved by the City Council. General estimated budgets for FY 2025/26-2028/29 are also included.

The City is required to provide an executed Maintenance of Effort (MOE) Certification Statement indicating that Measure A funds will not replace local discretionary funds used for the city's transportation issues but will be in addition to the city's funds for transportation purposes. The City's MOE base year amount, which was approved by the RCTC at its July 2011 meeting, is \$1,459,153. The MOE requirement is met by the Public Works Department General Fund operating budgets. The approval of the plan does not obligate any Measure A expenditures. Staff may forward an amendment to RCTC if there are any changes throughout the fiscal year. The City is scheduled to receive \$6,392,000 in Measure A revenue by Fiscal Year 2023/24 year-end and an estimated \$6,367,000 in funding for FY 2024/25. The Measure A CIP for Fiscal Year 2024/25 – 2028/29 must be submitted to RCTC by 4/29/24.

Ed Delgado, Council Member, inquired about RCTC's projection estimates and asked if ARPA funding was included. Brian Mohan, Assistant City Manager, stated that ARPA funding was separate funding. Normal funding for street related purposes is Gas Tax, what you pay at the pump also includes a sales tax component, also known as HUTA, RCTC Measure A, and SB1. CIP projects in the Measure A CIP were already approved by the Council in June.

No further questions were asked from Mayor Pro Tem Bernard or Council Member Delgado.



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Launa Jimenez, CFO/City Treasurer, stated at this time she is looking for a motion and a second to approve Action Item A MEASURE A LOCAL STREETS AND ROADS FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR FISCAL YEAR (FY) 2024/25 – 2028/29.

ACTION: Mayor Pro Tem Bernard motioned to approve Action Item A and Council Member Delgado seconded.

5. Advisory Items

A. PUBLIC HEARING TO REVIEW THE CDBG, HOME, & ESG PROJECT SELECTIONS FOR INCLUSION IN FISCAL YEAR 2024/25 ANNUAL ACTION PLAN

Launa Jimenez, CFO/City Treasurer, provided a verbal summary. The City is required to submit an Annual Action Plan to the US Department of Housing and Urban Development (HUD). The Plan identifies how the CDBG, HOME, and ESG program funds will be utilized to provide programs and projects that benefit low and moderate-income households and neighborhoods. The application submittal deadline to receive funding for sub-recipients was on January 31, 2024. On April 16, 2024, there will be a Public Hearing to review and consider project selections for the draft Annual Action Plan. On May 7, 2024, there will be a Public Hearing to approve the FY 2024/25 Annual Action Plan, and on May 13, 2024, staff will submit the approved FY 2024/25 Annual Action Plan to HUD.

The HOME Investment Partnership Program objective is to expand the supply of decent and affordable housing, particularly housing for low and very low-income residents. The estimated allocation for HOME for FY2024/25 is \$755,989. The Emergency Solutions Grants Program (ESG) objectives are to assist, protect, and improve living conditions for the homeless. The estimated allocation for ESG for FY2024/25 is \$169,365. The ESG program requires a 100% match that will be met by the City's ESG subrecipients. Due to the HUD match requirements, this funding is the most difficult funding to find partners.

The Community Development Block Grant program objectives are to develop viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate-income. The grantee can only use funds to assist eligible activities that meet one of the three national objectives of the program, benefit low and moderate-income persons, aid in the prevention or elimination of slums and blight, or meet community development needs having a particular urgency.



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Also, at least 70% of the funds must be spent (over a period of up to 3 years) for activities that address the national objective of benefiting low and moderate-income individuals. The estimated allocation for CDBG for FY2024/25 is \$1,979,019.

Although we receive a considerable amount of CDBG funding, HUD restricts or caps the Public Service allocation to only 15% of the total CDBG allocation, which is only or less than \$297K. It is a very delicate balance to try and provide funding to all the sub-recipients that have applied. Our independent consultant Avant Garde is conducting the application review process and the preliminary draft of the CDBG, HOME, and ESG program summaries and funding recommendations. Funding recommendations will be presented at the Public Hearing scheduled for April 16, 2024.

Ed Delgado, Council Member, inquired about upgrades for low-income areas. Launa Jimenez, CFO/City Treasurer, advised there is a CDBG map of the City and those areas have already been determined. Brian Mohan, Assistant City Manager, stated it's called a tract map. Ed Delgado, Council Member, asked if this is like Section 8. Brian Mohan, Assistant City Manager, stated it is but we don't necessarily have Section 8 through Moreno Valley, but rather through the Riverside County Continuum of Care (CoC). He also stated usually there is a waiting list and vouchers are available through COC.

No further questions were asked from Mayor Pro Tem Bernard or Council Member Delgado.

6. Chief Financial Officer/City Treasurer Comments

Launa Jimenez, CFO/City Treasurer, advised that the next Finance Subcommittee meeting is scheduled for April 23, 2024 and all future meetings are on the Fourth Tuesday of each month at 3:45 pm.

7. Council Member Comments

Mayor Pro Tem Bernard thanked staff.
Council Member Delgado thanked staff.

8. Adjournment

Meeting adjourned at 4:05 P.M.



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Prior Meeting Attendance

Board Member	7/25/23	8/22/23	9/26/23	10/24/23	11/28/23	12/26/23	1/23/24
Mayor Ulises Cabrera	NM	NM	NM	X	X	NM	X
Mayor Pro Tem Cheylynda Bernard	NM	NM	NM	X	X	NM	X
Council Member Ed Delgado (Alternate)							

Board Member	2/27/24	3/26/24	4/23/24	5/28/24	6/25/24		
Mayor Ulises Cabrera	X						
Mayor Pro Tem Cheylynda Bernard	X	X					
Council Member Ed Delgado (Alternate)		X					