

# **AGENDA**

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

March 7, 2023

# **REGULAR MEETING – 6:00 PM**

City Council Study Sessions

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

# **City Council Meetings**

Special Presentations – 5:30 P.M. First & Third Tuesday of each month – 6:00 p.m.

# **City Council Closed Sessions**

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

City Hall Council Chamber – 14177 Frederick Street

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the ADA Coordinator, at 951.413.3350 at least 72 hours before the meeting. The 72-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Ulises Cabrera, Mayor

Edward A. Delgado, Mayor Pro Tem

David Marquez, Council Member

Cheylynda Barnard, Council Member

Elena Baca-Santa Cruz, Council Member

# AGENDA CITY COUNCIL OF THE CITY OF MORENO VALLEY March 7, 2023

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

**SPECIAL PRESENTATIONS** 

1. RECOGNITION OF MORENO VALLEY UNIFIED SCHOOL DISTRICT ATHLETES

### **AGENDA**

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

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

# REGULAR MEETING – 6:00 PM MARCH 7, 2023

#### 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

David Rivera, Oasis Community Church

## **ROLL CALL**

#### INTRODUCTIONS

# PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Each Speaker will be allowed a total of three minutes to comment on any and all items which are not on the agenda which are within the subject matter jurisdiction of this City Council.

#### PUBLIC COMMENTS ON MATTERS ON THE AGENDA

If you wish to speak on any items on the consent calendar, you will have a total of three minutes to comment on all items on the consent calendar.

#### CITY COUNCIL OPENING COMMENTS

# JOINT CONSENT CALENDARS (SECTIONS A-E)

All items listed under the Consent Calendars, Sections A, B, C, D, and E are considered

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

# A. CONSENT CALENDAR-CITY COUNCIL

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

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

A.2. MINUTES - CITY COUNCIL - CLOSED SESSION - FEB 21, 2023 4:30 PM

#### Recommendation:

- 1. Approve as submitted.
- A.3. MINUTES CITY COUNCIL REGULAR MEETING FEB 21, 2023 6:00 PM

#### Recommendation:

- 1. Approve as submitted.
- A.4. MINUTES CITY COUNCIL SPECIAL MEETING (STUDY SESSION) FEB 15, 2023 6:00 PM

#### Recommendation:

- 1. Approve as submitted.
- A.5. MAYORAL APPOINTMENTS TO VARIOUS BOARDS AND COMMISSIONS (Report of: City Clerk)

#### Recommendation:

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

# ARTS COMMISSION

<u>Name</u>	<u>Position</u>	<u>Term</u>
Nia Des Verney	Teen Member	Ending 06/30/25
Evangelina Weiss	Member	Ending 06/30/24

Lizbeth Orellana	Member	Ending 06/30/24
Samantha Contreras	Member	Ending 06/30/24
Andrea Austin	Member	Ending 06/30/24

# PARKS, COMMUNITY SERVICES AND TRAILS COMMITTEE

<u>Name</u>	<u>Position</u>	<u>Term</u>
James Baker	Member	Ending 06/30/23
Sammie Luna	Member	Ending 06/30/25

# **LIBRARY COMMISSION**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Tashia S. Hillard	Member	Ending 06/30/23

# **SENIOR ADVISORY BOARD**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Rita Butler	Member	Ending 06/30/25
Hazel Lambert	Member	Ending 06/30/25

# **PLANNING COMMISSION**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Erlan Gonzalez	Member	Ending 03/31/25

# TRAFFIC SAFETY COMMITTEE

<u>Name</u>	<u>Position</u>	<u>Term</u>
Daryl Terrel	Member	Ending 06/30/24

<sup>\*</sup> Pending successful completion of a background check\*

A.6. PROHOUSING DESIGNATION PROGRAM (Report of: Community Development)

# Recommendation:

- Adopt the attached Resolution authorizing the City Manager or designee to submit an application to participate in the California Housing and Community Development Department's Prohousing Designation Program.
- A.7. GENERAL PLAN ANNUAL PROGRESS REPORT AS REQUIRED BY GOVERNMENT CODE 65400 (Report of: Community Development)

# Recommendation:

- 1. Adopt Resolution No. 2023-XX, approving the General Plan Annual Report and directing staff to submit the Annual Report to the State Office of Planning and Research and the State Department of Housing and Community Development by April 1, 2023.
- A.8. DISPOSITION, DEVELOPMENT AND AFFORDABLE HOUSING AGREEMENT BY AND AMONG MORENO VALLEY HOUSING AUTHORITY, CITY OF MORENO VALLEY, AND COURTYARDS AT COTTONWOOD II, L.P. (Report of: Financial & Management Services)
  - 1. That the City Council adopt City Council Resolution 2023-\_\_\_\_\_, which (a) approves the Disposition, Development and Affordable Housing Agreement by and among the Moreno Valley Housing Authority, City of Moreno Valley, and Courtyards At Cottonwood II, L.P., a California limited partnership (Developer), (b) authorizes the Mayor to execute and City Clerk to attest the DDAHA, (c) authorizes the City Manager to carry out the DDAHA and implementing documents with minor revisions, and (d) makes certain other findings as approved by the City Attorney.
  - 2. That the Housing Authority Board adopt Housing Authority Resolution HA 2023-\_\_\_\_, which (a) approves the Disposition, Development and Affordable Housing Agreement by and among the Moreno Valley Housing Authority, City of Moreno Valley, and Developer, (b) authorizes the Authority Chair to execute and Secretary to attest the DDAHA, (c) authorizes the Executive Director to carry out the DDAHA and implementing documents with minor revisions, and (d) makes certain other findings as approved by the City Attorney.
- A.9. APPROVE THE PUBLIC FACILITIES FEE CREDIT AGREEMENT WITH D.R. HORTON LOS ANGELES HOLDING COMPANY, INC. A CALIFORNIA CORPORATION, FOR PARKLAND IMPROVEMENTS IN TRACT 38123 (Report of: Parks & Community Services)

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

- 1. Approve the Public Facilities Fee Credit Agreement ("Agreement") with D.R. Horton Los Angeles Holding Company, Inc. a California Corporation, for parkland improvements at Tract 38123 located on the northwest corner of Alessandro Blvd. and Darwin Dr.
- 2. Authorize the City Manager and the City Manager in the Capacity as Executive Director of the CSD to execute the Public Facilities Fee Credit Agreement with D.R. Horton Los Angeles Holding Company, Inc., for parkland improvements at Tract 38123 on behalf of the City and CSD subject to the approval by the City Attorney.

A.10. APPROVE THE PUBLIC FACILITIES FEE CREDIT AGREEMENT WITH BEAZER HOMES HOLDINGS LLC, A DELAWARE CORPORATION, FOR PARKLAND IMPROVEMENT IN TRACT 37909 (Report of: Parks & Community Services)

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

- 1. Approve the Public Facilities Fee Credit Agreement ("Agreement") with Beazer Homes Holdings, LLC., a Delaware Corporation, for parkland improvements at Tract 37909, located at Iris Ave., east of Perris Blvd. and west of Kitching St.
- 2. Authorize the City Manager and the City Manager in the Capacity as Executive Director of the CSD to execute the Public Facilities Fee Credit Agreement with Beazer Homes Holdings, LLC., for parkland improvements at Tract 37909 on behalf of the City of Moreno Valley and Moreno Valley Community Services District (CSD) subject to the approval by the City Attorney.
- A.11. AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT TO JB ASPHALT PAVING CO. DBA JB BOSTICK, INC. FOR PARKING LOT PAVEMENT REHABILITATION FOR COTTONWOOD GOLF CENTER, MORENO VALLEY COMMUNITY PARK, MARCH FIELD PARK AND PEDRORENA PARK PROJECT NO. 807 0060 (Report of: Parks & Community Services)

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

- 1. Award a construction contract to JB Asphalt Paving Co., dba JB Bostick, Inc., for Parking Lot Pavement Rehabilitation for Cottonwood Golf Center, Moreno Valley Community Park, March Field Park and Pedrorena Park Project No. 807 0060-5011 and authorize the City Manager to execute a contract in substantial conformance with the attached contract in the amount of \$242,840.00, and authorize the City Manager to approve and execute any subsequent amendments subject to the approval of the City Attorney;
- 2. Authorize the issuance of a Purchase Order (PO) to JB Asphalt Paving Co., dba JB Bostick, Inc. in the amount of \$303,550.00 (bid amount plus a 25% contingency of \$60,710.00) necessary for completing the construction of this project, funded by Zone A (Fund 5011); and,
- 3. Authorize the Parks and Community Services Director to execute any subsequent change orders for JB Asphalt Paving Co., dba JB Bostick Inc.'s, contract and/or PO to not exceed the contingency amount of \$60,710.00, subject to the approval of the City Attorney.
- A.12. APPROVE THE COMBINED SYSTEM IMPACT AND FACILITIES STUDY AGREEMENT FOR THE MOVAL 115KV SUBSTATION BETWEEN THE

CITY OF MORENO VALLEY AND SOUTHERN CALIFORNIA EDISON (SCE). (Report of: Public Works)

# **Recommendations:**

- 1. Approve the Combined System Impact and Facilities Study Agreement between the City of Moreno Valley and Southern California Edison (SCE).
- 2. Authorize the City Manager to execute the Agreement on behalf of the City.
- Authorize the issuance of a Purchase Order once the Agreement has been fully executed. Authorize the City Manager to approve any necessary Purchase Order changes in accordance with the terms of the Agreement.
- A.13. PEN19-0244 (TRACT 33436) ACCEPT DEVELOPMENT IMPACT FEE (DIF) IMPROVEMENT CREDIT AGREEMENT #D23-002 FOR PALMETTO RESIDENTIAL DEVELOPMENT LOCATED AT THE NORTHWEST CORNER OF IRONWOOD AVENUE AND LASSELLE STREET. DEVELOPER: KB HOME COASTAL INC. (Report of: Public Works)

# **Recommendations:**

- Accept and approve the Development Impact Fees Improvement Credit Agreement #D23-002 (DIF Agreement) for PEN19-0244 improvements.
- 2. Authorize the City Manager to execute the DIF Agreement.
- A.14. PEN19-0168 (TRACT 32408) APPROVAL OF MAINTENANCE AGREEMENT BY AND BETWEEN THE CITY OF MORENO VALLEY AND AUBURN HOMEOWNERS ASSOCIATION FOR THE TRACT LOCATED AT THE NORTHWEST CORNER OF BAY AVENUE AND MORENO BEACH DRIVE DEVELOPER: KB HOME COASTAL INC. (Report of: Public Works)

# **Recommendations:**

- 1. Approve the Maintenance Agreement by and between the City of Moreno Valley and Auburn Homeowners Association.
- 2. Authorize the City Manager to execute the Maintenance Agreement with Auburn Homeowners Association.
- 3. Authorize the City Clerk to transmit the executed Maintenance Agreement to the Riverside County Recorder's Office for recordation.

# B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

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

Recommendation: Waive reading of all Ordinances.

B.2. MINUTES - CITY COUNCIL - CLOSED SESSION - FEBRUARY 21, 2023.(see A.2.)

# Recommendation:

- 1. Approve as submitted.
- B.3. MINUTES CITY COUNCIL REGULAR MEETING FEBRUARY 21, 2023.( see A.3)

#### Recommendation:

1. Approve as submitted.

# C. CONSENT CALENDAR - HOUSING AUTHORITY

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

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

C.2. MINUTES - CITY COUNCIL - CLOSED SESSION - FEBRUARY 21, 2023. (see A.2.)

# Recommendation:

- 1. Approve as submitted.
- C.3. MINUTES CITY COUNCIL REGULAR MEETING FEBRUARY 21, 2023. (see A.3.)

# Recommendation:

1. Approve as submitted.

# D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

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

Recommendation: Waive reading of all Ordinances.

D.2. MINUTES - CITY COUNCIL - CLOSED SESSION - FEBRUARY 21, 2023. (see A.2.)

# Recommendation:

- 1. Approve as submitted.
- D.3. MINUTES CITY COUNCIL REGULAR MEETING FEBRUARY 21, 2023. (see A.3.)

# Recommendation:

1. Approve as submitted.

# E. CONSENT CALENDAR - PUBLIC FINANCING AUTHORITY

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

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

E.2. MINUTES - CITY COUNCIL - REGULAR MEETING - FEBRUARY 21, 2023. (see A.2.)

# Recommendation:

- 1. Approve as submitted.
- E.3. MINUTES CITY COUNCIL REGULAR MEETING FEBRUARY 21, 2023. (see A.3.)

# Recommendation:

Approve as submitted.

# F. PUBLIC HEARINGS

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

the Sergeant-at-Arms.

F.1. LGL21-0017 – PUBLIC HEARING FOR ADOPTION OF THE PROPOSED RESOLUTION FOR THE FULL VACATION FOR THAT PORTION OF GATO DEL SOL AVENUE AT VIRGINIA STREET. APPLICANT: SAN DIEGO GAS & ELECTRIC (Report of: Public Works)

#### **Recommendations:**

- Conduct the Public Hearing and accept public testimony for the Full Vacation of Gato Del Sol Avenue at Virginia Street.
- 2. Adopt Resolution No. 2023-XX. A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Full Vacation for that Portion of Gato Del Sol Avenue at Virginia Street.
- 3. Direct the City Clerk to certify said resolution and transmit a copy of the resolution to the County Recorder's office for recording.

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

# H. GENERAL BUSINESS

H.1. STUDENT OF THE MONTH PROGRAM SPONSORSHIP (Report of: City Clerk)

# **Recommendation:**

That the City Council approve a \$1,000.00 sponsorship of the program conducted by Moreno Valley/Val Verde Student of the Month.

H.2. COMMERCIAL VEHICLE PARKING (Report of: Public Works)

# **Recommendation:**

- 1. Receive and File, provide any direction to staff regarding study of additional locations.
- H.3. MOMENTUM MOVAL CURRENT STRATEGIC PLAN FOR THE CITY OF MORENO VALLEY (Report of: City Manager)

#### **Recommendations:**

1. Review the currently adopted *Momentum MoVal Strategic Plan* for the City of Moreno Valley (attached), and

- 2. Direct and authorize the City Manager & Assistant City Manager/CFO/Treasurer to continue using the six (6) Strategic Plan Priorities in the *Momentum MoVal Strategic Plan* for the City of Moreno Valley as the priorities to manage the City, including, but not limited to, Budget, CIP, Programs, Services, etc.
- H.4. APPROVE CONSTRUCTION OF A BASKETBALL COURT AT PATRIOT PARK (Report of: Parks & Community Services)

#### Recommendation:

1. Approve construction of a basketball court at Patriot Park.

#### I. REPORTS

I.1. CITY COUNCIL REPORTS

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Riverside County Habitat Conservation Agency (RCHCA)

Riverside County Transportation Commission (RCTC)

Riverside Transit Agency (RTA)

Western Riverside Council of Governments (WRCOG)

Western Riverside County Regional Conservation Authority (RCA)

School District/City Joint Task Force

- I.2. EMPLOYEE ASSOCIATION REPORTS
- I.3. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)

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

**ADJOURNMENT** 

PUBLIC INSPECTION

The contents of the agenda packet are available for public inspection on the City's website at <a href="www.moval.org">www.moval.org</a> and in the City Clerk's office at 14177 Frederick Street during normal business hours.

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

# **CERTIFICATION**

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, certify that 72 hours prior to this Regular Meeting, the City Council Agenda was posted on the City's website at: <a href="www.moval.org">www.moval.org</a> and in the following three public places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley 14177 Frederick Street

Moreno Valley Library 25480 Alessandro Boulevard

Moreno Valley Senior/Community Center 25075 Fir Avenue

Jane Halstead, CMC City Clerk

Date Posted: March 2, 2023

#### **MINUTES**

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 PUBLIC FINANCING AUTHORITY
MORENO VALLEY HOUSING AUTHORITY

# CLOSED SESSION – 4:30 PM February 21, 2023

#### **CALL TO ORDER**

The Closed Session of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Housing Authority, and the Moreno Valley Public Financing Authority was called to order at 4:30 p.m. by Mayor Cabrera in the Council Chamber located at 14177 Frederick Street, Moreno Valley, California.

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

# **ROLL CALL**

Council: Ulises Cabrera Mayor

Ed Delgado Mayor Pro Tem
David Marquez Council Member
Cheylynda Barnard Council Member
Elena Baca-Santa Cruz Council Member

# PUBLIC COMMENTS ON MATTERS ON THE AGENDA ONLY

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

#### **CLOSED SESSION**

Interim City Attorney Quintanilla announced that the City Council would recess to Closed Session to discuss the item as listed on the agenda and that he did not anticipate any reportable action.

# A CONFERENCE WITH LEGAL COUNSEL - SIGNIFICANT EXPOSURE TO LITIGATION

Pursuant Government Code Section 54956.9(d)(2)(1 Potential Case)

# B CONFERENCE WITH LEGAL COUNSEL - POTENTIAL INITIATION OF LITIGATION

Pursuant to Government Code Section 54956 (d)(4)(1 Potential Case)

Mayor Cabrera recessed the City Council to the City Manager's Conference Room, second floor, City Hall, for their Closed Session at 4:32 p.m.

Mayor Cabrera reconvened the City Council in the Council Chamber from their Closed Session at 5:29 p.m.

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

Interim City Attorney Quintanilla announced that there was no reportable action taken in Closed Session.

# **ADJOURNMENT**

There being no further business to come before the City Council, Mayor Cabrera adjourned the meeting at 5:30 p.m.

# Submitted by:

Jana Halataad, CMC

Jane Halstead, CMC

City Clerk

Secretary, Moreno Valley Community Services District

Secretary, City as Successor Agency for the Community

Redevelopment Agency of the City of Moreno Valley

Secretary, Moreno Valley Housing Authority

Secretary, Board of Library Trustees

Secretary, Public Financing Authority

Approved by:

\_\_\_\_\_

Ulises Cabrera

Mayor

City of Moreno Valley

President, Moreno Valley Community Services District

Chairperson, City as Successor Agency for the Community

Redevelopment Agency of the City of Moreno Valley

Chairperson, Moreno Valley Housing Authority

Chairperson, Board of Library Trustees

Chairperson, Public Financing Authority

# MINUTES CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY February 21, 2023

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

# SPECIAL PRESENTATIONS

Moreno Valley Unified School District, Science Technology Engineering Arts Mathematics Academy Recognition.

# 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 MORENO VALLEY PUBLIC FINANCING AUTHORITY BOARD OF LIBRARY TRUSTEES

# REGULAR MEETING – 6:00 PM February 21, 2023

# **CALL TO ORDER**

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

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

# PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Pro Tem Delgado.

# **INVOCATION**

The invocation was led by Pastor Gabriel Carlson, Moreno Valley Christian Assembly

# **ROLL CALL**

Council: Ulises Cabrera Mayor

Edward A. Delgado Mayor Pro Tem
Elena Baca-Santa Cruz Council Member
David Marquez Council Member
Cheylynda Barnard Council Member

# **INTRODUCTIONS**

Staff: Jane Halstead Manager of the Office of the Mayor and City

Council/City Clerk

Patty Rodriguez Senior Deputy City Clerk

Paul Bradvica Deputy City Clerk
Steven Quintanilla Interim City Attorney

Mike Lee City Manager

Brian Mohan Assistant City Manager, Chief Financial

Officer, City Treasurer

Michael Lloyd Assistant City Manager

Manuel Mancha
Community Development Director
Melissa Walker
Public Works Director/City Engineer
Parks and Community Services Director

Tyson Voss Lieutenant Jesse Park Fire Chief

# PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Judy Brice

1. Thanked City Staff.

Tom Jerele Sr.

1. Acknowledged City events and late resident.

Daryl T.

1. Various initiatives.

Christopher Baca

1. Various City improvements.

**Bob Palomarez** 

1. Public Safety.

Jesus Aleman

1. Local artists.

Genevieve Aleman

1. Public Art.

Roy Bleckert

1. Talent in community.

Louise Palomarez

1. Freedom of speech.

Danny Zuniga

1. Local art development.

Michelle Davis

1. Compassion.

## PUBLIC COMMENTS ON MATTERS ON THE AGENDA

Daryl T

Public Safety.

Roy Bleckert

1. Council Rules and Procedures.

# CITY COUNCIL OPENING COMMENTS

None.

JOINT CONSENT CALENDARS (SECTIONS A-E)

Mayor Cabrera asked if any members of the Council would like to pull any items from the consent calendar for separate action.

Mayor Pro Tem Delgado stated he was advised by the City Attorney's Office that because he is employed by the Riverside County Sheriff's Department, and pursuant to Government Code § 1091, it requires him to recuse himself from participating in the decision related to item A.5 on the consent calendar because he has a remote interest in this matter, since he receives a salary from the Riverside County Sheriff's Department. Mayor Pro Tem Delgado stated he was also advised by the City Attorney's Office that since the item is on the consent calendar, he does not need to leave the Council Chamber during the vote.

Mayor Cabrera clarified Mayor Pro Tem Delgado's statement by saying Mayor Pro Tem Delgado will be recusing himself from the vote on item A.5.

Mayor Cabrera asked Council if there were any other items members of the Council would like to remove for separate action.

Council Member Barnard asked to pull item A.8 and item A.12 for discussion and separate vote.

Mayor Cabrera asked Council if there were any other items they would like to have pulled for separate action.

With no other items, Mayor Cabrera called for Council questions of staff.

With no Council questions of staff, Mayor Cabrera called for a vote.

Motion to approve the consent calendar made by Council Member Baca-Santa Cruz and seconded by Council Member Marquez.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT: APPROVED [UNANIMOUS]

**MOVER:** Elena Baca-Santa Cruz, Council Member

**SECONDER:** David Marquez, Council Member

AYES: Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

## A. CONSENT CALENDAR-CITY COUNCIL

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

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

A.2. City Council - Closed Session - Feb 7, 2023, 4:30 PM

# Recommendation:

- 1. Approve as submitted.
- A.3. City Council Regular Meeting Feb 7, 2023, 6:00 PM

# Recommendation:

- 1. Approve as submitted.
- A.4. COUNCIL DISCRETIONARY EXPENDITURE REPORTS FOR FISCAL YEAR 2022/2023 FROM 1. July 1, 2022, through January 31, 2023. (Report of: City Clerk)

# Recommendation:

- 1. Receive and file the Fiscal Year 2022/2023 Council Discretionary Expenditure Report for July 1, 2022, through January 31, 2023.
- A.5. ACCEPTANCE OF THE FISCAL YEAR 2022 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM AWARD (Report of: Community Development)

# **Recommendations:**

- 1. Accept the Fiscal Year 2022 Bureau of Justice Assistance Edward Byrne Memorial Justice Assistance Grant Program award of \$56,476 administered through the Riverside County Sheriff's Department;
- Authorize the City Manager, or his designee, to execute for and on behalf of the City of Moreno Valley, agreements and other related documents including any amendments required by the Bureau of Justice Assistance for participation in the Edward Byrne Memorial Justice Assistance Grant Program, subject to the approval of the City Attorney; and
- 3. Authorize the Chief Financial Officer, or his designee, to make any necessary budget adjustments as recommended in the Fiscal Impact section of this report.

RESULT: APPROVED [4 to 0]

**MOVER:** Elena Baca-Santa Cruz. Council Member

**SECONDER:** David Marquez, Council Member

AYES: Cabrera, Marquez, Barnard, Baca-Santa Cruz

**ABSTAIN:** Ed Delgado, Mayor Pro Tem

A.6. APPROVAL OF FIRST AMENDMENT TO AGREEMENT WITH CIVIC SOLUTIONS, INC., FOR PLANNING CONSULTANT SERVICES ON AN AS NEEDED BASIS (AGMT NO. 2022-72-01) (Report of: Community Development)

## **Recommendations:**

- Approve the First Amendment to Agreement for Planning Consultant Services on an As Needed Basis with Civic Solutions, Inc., and authorize the City Manager, or his designee, to execute the Amendment, and any subsequent amendments, and Purchase Orders, subject to the approval of the City Attorney, in accordance with approved terms of the agreement and within available budget as previously approved by Council;
- 2. Authorize an increase of \$500,000.00 to the not-to-exceed amount of

- the Agreement with Civic Solutions, Inc., to \$550,000.00, funded by fees paid by project applicants. Authorize the Purchasing Division Manager to approve a change order to increase Purchase Order #2023-507 to Civic Solutions, Inc.; and
- 3. Authorize the Chief Financial Officer, or his designee, to make the appropriate budget adjustments as set forth in the Fiscal Impact section of this report.
- A.7. COLLEGE PROMISE MEMORANDUM OF UNDERSTANDING (Report of: Economic Development)

# **Recommendations:**

- 1. Approve the Memorandum of Understanding (MOU) between the City of Moreno Valley (City) and the Riverside Community College District Foundation acting on behalf of Moreno Valley College (College) allowing for the allocation of \$100,000 to support the College Promise Initiative for two academic years.
- 2. Authorize the City Manager to execute the MOU as to form and all necessary documents with the College.
- A.8. MARCH JOINT POWERS AUTHORITY SUNSETTING AGREEMENTS (Item pulled from consent to Section G for separate vote)
- A.9. AUTHORIZE THE PURCHASE OF AN ELECTRIC CARGO VAN FOR THE SOLID WASTE PROGRAM (Report of: Financial & Management Services)

#### **Recommendations:**

- 1. Authorize the purchase of a 2022/2023 Electric Cargo Van to support the Solid Waste & Recycling program.
- 2. Authorized the Purchasing & Sustainability Division Manager to issue a Purchase Order to a vendor that has an Electric Cargo Van for sale that meets the needed specifications for \$75,000 plus sales tax, shipping, and modifications.
- 3. Authorize the City Manager or designee to execute the sales agreement and any needed amendments with the selected vendor that has an Electric Cargo Van, with required specifications, available for sale.
- 4. Authorize the use of the sole source procurement process since inventory and manufacturers Electric Cargo Van's are extremely limited.

- A.10. RECEIPT OF QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2022 (Report of: Financial & Management Services)
  - 1. Receive and file the Quarterly Investment Report for quarter ended December 31, 2022, in compliance with the City's Investment Policy.
- A.11. ADOPT RESOLUTION NO. 2023-04 DESIGNATING AND AUTHORIZING CERTAIN CITY OFFICIALS TO EXECUTE DOCUMENTS FOR THE CALIFORNIA VIOLENCE INTERVENTION AND PREVENTION (CalVIP) GRANT PROGRAM (Report of: Financial & Management Services)

# Recommendations:

- Adopt Resolution No. 2023-04, a Resolution of the City Council of the City of Moreno Valley, California, designating and authorizing City Manager, City Attorney and Chief Financial Officer to execute applications and documents for the purposes of obtaining and managing California Violence intervention and Prevention (CalVIP) Grant Program Funds awarded through The Board of State and Community Corrections (BSCC).
- A.12. FISCAL YEAR 2022/23 MID-YEAR BUDGET REVIEW AND APPROVAL OF THE MID-YEAR BUDGET AMENDMENTS (Item pulled from consent to Section G for separate vote)
- A.13. PURSUANT TO LANDOWNER PETITIONS, ANNEX CERTAIN PARCELS INTO COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) AMENDMENT NOS. 74 AND 75 (RESO. NOS. 2023-06 AND 2023-07) (Report of: Financial & Management Services)

# **Recommendation:**

- Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services), adopt Resolution No. 2023-06, a Resolution of the City Council of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and approving the amended map for said District (Amendment No. 74) (D.R. Horton Los Angeles Holding Company, Inc., located near the northeast corner of Alessandro Blvd. and Lasselle St.)
- Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services), adopt Resolution No. 2023-07, a Resolution of the City Council of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services)

and approving the amended map for said District (Amendment No. 75) (Hakan Buvan, located near the northeast corner of Moreno Beach Dr. and Cactus Ave., on Bradshaw Cir.)

A.14. LIST OF PERSONNEL CHANGES (Report of: Financial & Management Services)

# **Recommendation:**

- 1. Ratify the list of personnel changes as described.
- A.15. APPROVE THE AGREEMENT WITH MARKS ARCHITECTS, INC. FOR THE CITY HALL ELEVATOR MODERNIZATION PROJECT 803 0059 AND BUDGET APPROPRIATION (Report of: Public Works)

#### **Recommendations:**

- Approve the agreement with Marks Architects Inc., for a total not-toexceed amount of \$152,200 for the preparation of scope and fee documents in relation to the City Hall Elevator Modernization project 803 0059; and authorize the City Manager to execute the agreement using fund 3000 Facility Construction;
- 2. Authorize the issuance of a purchase order to Marks Architects Inc. for \$152,200 in accordance with approved terms of the agreement;
- Authorize the City Manager to execute any amendments, purchase orders and/ or change orders, contingent upon approved budget and approval of the City Attorney; and
- 4. Approve Budget Adjustments as contained in the Fiscal Impact section of this report.
- A.16. APPROVE AN INCREASE TO BMW MOTORCYCLES OF RIVERSIDE ANNUAL PURCHASE ORDER FOR FY 2022-23 (Report of: Police Department)

# Recommendation:

- Authorize a change order to increase Blanket Purchase Order #2023-274 to BMW Motorcycles of Riverside from \$50,000 to \$85,000 for FY 2022-23 year-end expenses.
- A.17. PA03-0086 (TRACT 31592) EXECUTE QUITCLAIM DEEDS TRANSFERRING THE CITY'S TITLE INTEREST IN STORM DRAIN EASEMENTS TO THE RIVERSIDE COUNTY FLOOD CONTROL AND

WATER CONSERVATION DISTRICT. DEVELOPER - KB HOME CALIFORNIA, LLC (Report of: Public Works)

# **Recommendations:**

- 1. Authorize the City Manager to execute the Quitclaim Deeds transferring all of the City's rights, title, and interest in and to the storm drain easements recorded on Tract 31592, recorded in Map Book 461, Pages 57 through 80 inclusive, in the Official Records of Riverside County, California and by separate instrument DOC#2018-0326762, to the Riverside County Flood Control and Water Conservation District (RCFC&WCD).
- 2. Direct the City Clerk to forward the signed Quitclaim Deeds to the Riverside County Flood Control and Water Conservation District for further processing and recordation.
- A.18. PEN19-0168 (TR 32408) ACCEPT DEVELOPMENT IMPACT FEE (DIF) IMPROVEMENT CREDIT AGREEMENT #D23-001 FOR AUBURN RESIDENTIAL DEVELOPMENT LOCATED AT THE NORTHWEST CORNER OF BAY AVENUE AND MORENO BEACH DRIVE. DEVELOPER: KB HOME COASTAL, INC. (Report of: Public Works)

# **Recommendations:**

- Accept and approve the Development Impact Fees Improvement Credit Agreement #D23-001 (DIF Agreement) for PEN19-0168 improvements.
- 2. Authorize the City Manager to execute the DIF Agreement.
- A.19. APPROVE AND EXECUTE THE AGREEMENT WITH ACCO ENGINEERED SYSTEMS, INC., FOURTH AMENDMENT WITH IMEG CORPORATION FOR THE PUBLIC SAFETY BUILDING HVAC REPLACEMENT PROJECT 803 0053 AND BUDGET APPROPRIATION (Report of: Public Works)

# **Recommendations:**

- Approve the Agreement for the Public Safety Building HVAC Replacement Project No. 803 0053 with Acco Engineered Systems, Inc, the lowest responsible bidder, and the Fourth Amendment with IMEG Corporation for Design and Construction Support Services, funded through Facility Construction (Fund 3000), Facilities Replacement Reserve (Fund 7330), and Equipment Replacement Reserve (Fund 7510);
- 2. Authorize the City Manager to execute the Agreement for the Public

Safety Building HVAC Replacement with Acco Engineered Systems, Inc. and Fourth Amendment for Design and Construction Support Services with IMEG Corp; and issuance of the Purchase Orders for completion after the Agreement and Amendment have been fully executed;

- 3. Authorize the City Manager to execute any subsequent related Extensions or Amendments to the Agreements within the authorized funding, subject to the approval of the City Attorney; and
- 4. Approve Budget Adjustments as contained in the Fiscal Impact section of this report.

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

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

Recommendation: Waive reading of all Ordinances.

B.2. MINUTES - CITY COUNCIL - CLOSED SESSION - FEBRUARY 7, 2023. (See Item A.2)

# Recommendation:

- 1. Approve as submitted.
- B.3. MINUTES CITY COUNCIL REGULAR MEETING FEBRUARY 7, 2023. (See Item A.3)

# Recommendation:

- 1. Approve as submitted.
- B.4. PURSUANT TO LANDOWNER PETITIONS, ANNEX CERTAIN PARCELS INTO COMMUNITY FACILITIES DISTRICT NO. 2021-01 (PARKS MAINTENANCE) AMENDMENT NOS. 59, 62, 63, 69, 72 AND 74 (RESO. NOS. CSD 2023-09 TO CSD 2023-14) (Report of: Financial & Management Services)

# **Recommendation:**

 Adopt Resolution No. CSD 2023-09, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 59) (D.R. Horton Los Angeles Holding Company, Inc., located near the northeast corner of Alessandro Blvd. and Lasselle St.).

- 2. Adopt Resolution No. CSD 2023-10, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 62) (Hakan Buvan, located near the northeast corner of Moreno Beach Dr. and Cactus Ave., on Bradshaw Cir.).
- Adopt Resolution No. CSD 2023-11, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 63) (SPSSN Inv II, 22402 Bay Ave.).
- 4. Adopt Resolution No. CSD 2023-12, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 69) (David Santibanez de la Torre, 28778 McAbee Ave.).
- 5. Adopt Resolution No. CSD 2023-13, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 72) (Marta and Luis Ernesto Interiano, 24649 La Barca Way).
- 6. Adopt Resolution No. CSD 2023-14, a Resolution of the Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2021-01 (Parks Maintenance) and approving the amended map for said District (Amendment No. 74) (Denesse Duran and Jaime Eduardo Pulido, 23433 Dome St.).

# C. CONSENT CALENDAR - HOUSING AUTHORITY

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

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

C.2. MINUTES - CITY COUNCIL - CLOSED SESSION - FEBRUARY 7, 2023. (See Item A.2)

# Recommendation:

- 1. Approve as submitted.
- C.3. MINUTES CITY COUNCIL REGULAR MEETING FEBRUARY 7, 2023. (See Item A.3)

# Recommendation:

1. Approve as submitted.

# D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

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

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

D.2. MINUTES - CITY COUNCIL - CLOSED SESSION - FEBRUARY 7, 2023. (See Item A.2)

# Recommendation:

- 1. Approve as submitted.
- D.3. MINUTES CITY COUNCIL REGULAR MEETING FEBRUARY 7, 2023. (See Item A.3)

# Recommendation:

1. Approve as submitted.

# E. CONSENT CALENDAR - PUBLIC FINANCING AUTHORITY

E.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE. Recommendation: Waive reading of all Ordinances.

E.2. MINUTES - CITY COUNCIL - CLOSED SESSION - FEBRUARY 7, 2023. (See Item A.2)

# Recommendation:

- 1. Approve as submitted.
- E.3. MINUTES CITY COUNCIL REGULAR MEETING FEBRUARY 7, 2023.(See Item A.3)

# Recommendation:

1. Approve as submitted.

# F. PUBLIC HEARINGS

F.1. APPEALS OF PLANNING COMMISSION APPROVAL OF PLOT PLAN FOR AN AUTOMOBILE PARKING LOT (Report of: Community Development)

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

A. ADOPT Resolution No. 2023-08, attached hereto, DENYING Appeals PAA22-0005 and PAA23-0003, upholding the Planning Commission's decision approving the Plot Plan for the Automobile Parking Lot

#### AND:

- 1. CERTIFYING the Initial Study/Mitigated Negative Declaration prepared for Plot Plan PEN21-0102 on file with the Community Development Department, incorporated herein by this reference, which was completed in compliance with CEQA and the CEQA Guidelines, and reflects that the Planning Commission reviewed and considered the information contained in the Initial Study/Mitigated Negative Declaration, and exercised its independent judgment and analysis of the proposed Project's potential environmental impacts; and
- 2. **ADOPTING** the Mitigation Monitoring and Reporting Program prepared for the Project, which consists of Plot Plan PEN21-0102 pursuant to CEQA and the CEQA Guidelines; and.
- B. **ADOPT** Resolution No. 2023-09 attached hereto,
  - 3. APPROVING the Planning Commission's approval of Plot Plan

PEN21-0102 based on the Recitals, Evidence contained in the Administrative Records, and Findings as set forth in Resolution No. 2023-09.

Planning Official/Manager Sean Kelleher provided the staff report.

Presentation was handed over to Interim City Attorney Steven Quintanilla to discuss legal issues with this project.

Mayor Cabrera opened the floor for Council questions of staff.

Council Member Marquez had questions for staff.

Planning Official/Manager Sean Kelleher responded to Council Member Marquez's inquiries.

With no additional Council questions of staff, Mayor Cabrera opened the public hearing.

Mayor Cabrera called for the applicant's presentation.

Frank Coyle of CASC Engineering provided introductory remarks regarding the project.

Martin Clouser provided Council with the presentation.

David Schiepe applicant for the project, provided additional remarks on the project.

With the conclusion of the applicant's presentation, Mayor Cabrera opened the floor for Council questions of the applicant.

With no Council questions of the applicant, Mayor Cabrera called for public comments to be heard.

# Jamil Dada

1. Opposes project.

Major John Kalis

1. Opposes project.

Tina Grande

1. Opposes project.

Paul Rull

1. Opposes project.

#### **Daniel Fairbanks**

1. Opposes project.

# **Grace Martin**

1. Opposes project.

# Nicholas Adcock

1. Opposes project.

# Roy Bleckert

1. Supports project.

### **Bob Palomarez**

1. Supports project.

#### Louise Palomarez

1. Supports project.

#### Michelle Davis

1. Supports project.

# **Christopher Baca**

1. Supports project.

Mayor Cabrera opened the floor for the applicant's rebuttal.

Martin Clouser and David Schiepe provided the applicant's rebuttal.

With the conclusion of the applicant's rebuttal, Mayor Cabrera closed the hearing.

Interim City Attorney Steve Quintanilla provided additional comments before Council deliberation.

Mayor Cabrera opened the floor for Council deliberation.

Council Member Marquez commented on the recent jet crash at the base, as well as the multiple warehouses built on March AFB/March JPA land. Council Member Marquez also noted he highly doubts the base will close if the project is approved, despite presumed threats.

Council Member Baca-Santa Cruz informed the residents that the letters from the March ARB are included in the agenda packet and begin on page 460 of the agenda packet.

Mayor Pro Tem Delgado thanked Council Member Baca-Santa Cruz for the explanation regarding the letter. Mayor Pro Tem Delgado stated he looks at the bigger picture of what March AFB does for not only our City and County, but the entire region.

Council Member Barnard stated there were many remedies that could have been made before getting to this point. Council Member Barnard noted that if March AFB did not want anybody to build in the clear zone, why did they not purchase the private property in this area. Council Member Barnard also noted the inconsistencies regarding the other potential uses of this property, since the main argument presented by the appellants is the preservation of life. Council Member Barnard also stated she believes this is an unfair predicament the Council has been put in, since there were many other remedies that could have resolved this issue.

Mayor Cabrera stated he is empathetic to both sides of the argument. Mayor Cabrera noted that no matter which way the vote goes, it is most likely not the end of the process for this project, as he believes the ultimate approval of this project will most likely be decided by the Courts.

With the conclusion of Council deliberation, Mayor Cabrera called for a vote.

Motion made by Council Member Marquez and seconded by Council Member Barnard to adopt Resolution 2023-08 denying appeals PA22-0005, and PA22-0003, upholding the Planning Commission's decision to approve the Plot Plan for the Automobile Parking Lot, certifying the Initial Study/Mitigated Negative Declaration prepared for Plot Plan PEN21-0102, adopting the Mitigation Monitoring and Reporting Program prepared for the project, and adopting Resolution 2023-09 approving the Planning Commissions' approval of the Plot Plan PEN21-0102 based on the Recitals, Evidence contained in the Administrative Records, and Findings as set forth in Resolution 2023-09.

Motion passed by a vote of 3-2, with Council Member Baca-Santa Cruz, Council Member Marquez, and Council Member Barnard voting yes and Mayor Pro Tem Delgado and Mayor Cabrera voting no.

RESULT: APPROVED [3 TO 2]

**MOVER:** David Marquez, Council Member **SECONDER:** Cheylynda Barnard, Council Member

AYES: David Marquez, Cheylynda Barnard, Elena Baca-Santa Cruz

NAYS: Ulises Cabrera, Ed Delgado

F.2. PUBLIC HEARING FOR ONE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM MAIL BALLOT PROCEEDING (Report of: Financial & Management Services)

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

- Conduct the Public Hearing and accept public testimony for the mail ballot proceeding for the National Pollutant Discharge Elimination System (NPDES) Residential Regulatory Rate to be applied to the property tax bill of the parcels identified herein (Hakan Buvan, located near the northeast corner of Moreno Beach Dr. and Cactus Ave., on Bradshaw Circle);
- 2. Direct the City Clerk to open and count the returned NPDES ballot;
- Verify and accept the results of the mail ballot proceeding as maintained by the City Clerk on the Official Tally Sheet and if approved, set the rate and impose the applicable NPDES Regulatory Rate on the Assessor's Parcel Numbers as mentioned;
- 4. Receive and file the Official Tally Sheet with the City Clerk's office.

Assistant City Manager Brian Mohan provided the staff report.

Mayor Cabrera called for Council questions of staff.

With no Council questions of staff, Mayor Cabrera called for public comments.

With no public comments, Mayor opened the floor for Council deliberation.

With no Council deliberation, Mayor called for a vote.

Motion made by Mayor Cabrera and seconded by Council Member Marquez to direct the City Clerk to open the ballot and read the results.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT: APPROVED [UNANIMOUS]

**MOVER:** Ulises Cabrera, Mayor

**SECONDER:** David Marquez, Council Member

AYES: Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

City Clerk, Jane Halstead opened the ballot and read the contents of the ballot, which contained one "yes" vote.

Motion made by Mayor Cabrera and seconded by Mayor Pro Tem Delgado to receive and accept the results of the ballot.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT: APPROVED [UNANIMOUS]

**MOVER:** Ulises Cabrera, Mayor

**SECONDER:** Ed Delgado, Mayor Pro Tem

AYES: Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

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

G.1. MARCH JOINT POWERS AUTHORITY SUNSETTING AGREEMENTS (Report of: Economic Development)

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

- 1. Authorize the execution of the Fourteenth Amendment to the Joint Powers Agreement among the Member Agencies ("Fourteenth Amendment") relating to March Joint Powers Authority ("Authority") in substantial conformance to the form attached herewith as Exhibit A;
- 2. Authorize the execution of a Tax and Revenue Sharing Agreement ("Agreement") among the Cities of Moreno Valley, Perris, and Riverside ("Cities") and the County of Riverside ("County") (collectively known as "Member Agencies") in substantial conformance to the form attached herewith as Exhibit B; and
- 3. Authorize the City Manager to execute subsequent amendments to effectuate said agreements.

City Manager Mike Lee provided the staff report.

Mayor Cabrera opened the floor for Council questions of staff.

Council Member Marquez had questions for staff.

City Manager Mike Lee responded to Council Member Marquez's inquiries.

With no additional Council questions, Mayor Cabrera called for public comments.

# Roy Bleckert

1. Freedom of speech.

With the conclusion of public comments, Mayor Cabrera called for Council deliberation.

With no Council deliberation, Mayor Cabrera called for a vote.

Motion made by Council Member Marquez and seconded by Mayor Pro Tem Delgado to approve the March Joint Powers Authority Sunsetting Agreements.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT: APPROVED [UNANIMOUS]
MOVER: David Marquez, Council Member
SECONDER: Ed Delgado, Mayor Pro Tem

AYES: Cabrera, Delgado, Marquez, Barnard, Baca-Santa Cruz

G.2. FISCAL YEAR 2022/23 MID-YEAR BUDGET REVIEW AND APPROVAL OF THE MID-YEAR BUDGET AMENDMENTS (Report of: Financial & Management Services)

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

- 1. Receive and file the Fiscal Year 2022/23 Mid-Year Budget Review.
- Adopt Resolution No. 2023-05. A resolution of the City Council of the City of Moreno Valley, California, adopting the revised budgets for fiscal year 2022/23.
- 3. Approve the City Position Summary.
- 4. Approve the Salary Schedules effective February 22, 2023.

# **Recommendations: That the CSD:**

1. Adopt Resolution No. CSD 2023-08. 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 (FY) 2022/23.

#### Recommendation: That the HA:

1. Adopt Resolution No. HA 2023-01. A resolution of the Moreno Valley Housing Authority of the City of Moreno Valley, California, adopting the revised operating and capital budget for Fiscal Year 2022/23.

Assistant City Manager Brian Mohan provided the staff report.

With Mayor Cabrera away from his seat on the dais, Mayor Pro Tem Delgado called for Council questions of staff.

With no questions of staff, Mayor Pro Tem Delgado called for public comments to be heard.

Public comments were heard.

#### Roy Bleckert

1. Transparency.

Assistant City Manager Brian Mohan provided clarification on the staff report.

Council Member Baca- Santa Cruz asked for further clarification.

Assistant City Manager Brian Mohan provided additional clarification.

Mayor Cabrera noted some changes he would like to see in future agendas.

Motion made by Mayor Pro Tem Delgado and seconded by Council Member Marquez to approve the Fiscal Year 2022/23 Mid-Year Budget Review and Amendments.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT: APPROVED [UNANIMOUS]

MOVER: Ed Delgado, Mayor Pro Tem

SECONDER: David Marquez, Council Member

AYES: Cabrera, Delgado, Marguez, Barnard, Baca-Santa Cruz

Assistant City Manager Brian Mohan stated for the record, only two items (A.8 and A.12) were pulled from consent for separate action. Item A.5 was voted on as part of the consent calendar, with Mayor Pro Tem Delgado recusing himself from the vote on the specific item.

#### H. GENERAL BUSINESS

H.1. ART MURAL PROGRAM DISCUSSION (Report of: City Manager)

#### Recommendations:

- Council to authorize the Assistant City Manager & Parks & Community Services Director to work with the Arts Commission to develop a Public Art Policy. The policy will reflect the mission of the Arts Commission and will include guidelines regarding submittal process, selection criteria, installation, deinstallation, insurance, agreements, community engagement, and fiscal analysis.
- 2. Provide any other direction as authorized by Council.

Assistant City Manager Brian Mohan provided the staff report.

Mayor Cabrera opened the floor for Council questions of staff.

Mayor Pro Tem Delgado asked a question of staff.

Assistant City Manager Brian Mohan responded to Mayor Pro Tem Delgado's inquiry.

Council Member Barnard asked a question of staff.

Assistant City Manager Brian Mohan responded to Council Member Barnard's inquiry.

Mayor Cabrera asked a question of staff.

Assistant City Manager Brian Mohan responded to Mayor Cabrera's inquiry.

With the conclusion of Council questions of staff, Mayor Cabrera called for public comments to be heard.

#### Byron Portillo

1. Support.

Genevieve Aleman

1. Support.

Eddie Bautista

1. Support.

Karen Vilchis

1. Support.

Juan Salinas

1. Support.

Rosy Cortez

1. Support.

Juan Navarro

1. Support.

Rony Armas

1. Support.

Brandon Carn

1. Support.

Susan Aleman

1. Support.

Sarah Lara-Teller

1. Support.

Antonio Martinez

1. Support.

Jesus Aleman

1. Support.

Louise Palomarez

1. Support and concerns.

**Christopher Baca** 

1. Support.

Tom Jerele Sr.

1. Support.

Mayor Cabrera called for Council deliberation.

Mayor Pro Tem Delgado stated he is looking forward to the art that is going to come to the City.

Council Member Barnard thanked everyone for coming out. Council Member Barnard appreciated one of the speakers and recounted the mural the resident proposed to be painted on the side of the Library on Alessandro. Council Member Barnard spoke about the importance of the Arts Commission and reminded residents of the vacancies on the Arts Commission.

Council Member Marquez thanked everyone for coming out and noted he has a personal experience with art being therapy and bringing people together. Council Member Marquez noted he fully supports this item.

Council Member Baca-Santa Cruz thanked everyone for coming out and wanted to thank one of the speakers, whose mural was selected to be created at Moreno Valley College. Council Member Baca-Santa Cruz noted her personal experiences with art growing up.

Mayor Cabrera thanked everyone for coming out and stated he liked many of the ideas that were presented by speakers. Mayor Cabrera stated he is very excited for the funding to come for these projects, as well as the possibility of adding additional funding through other public entities, grants, and private donors. Mayor Cabrera also expressed his desire to have as much public input as possible in these projects, as well as seeing equitable distribution of art throughout the Council Districts. Mayor Cabrera stated he looks forward to seeing art come to the City and recognized various speakers who came out to speak.

Mayor Cabrera called for a vote.

Motion made by Mayor Cabrera and seconded by Council Member Marquez to authorize the Assistant City Manager and Parks and Community Services Director to work with the Arts Commission to develop a Public Art Policy, as well provide any other direction as authorized by Council.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT: APPROVED [UNANIMOUS]

MOVER: Ulises Cabrera, Mayor

**SECONDER:** David Marquez, Council Member

AYES: Cabrera, Delgado, Marguez, Barnard, Baca-Santa Cruz

- H.2. REVIEW OF OPTIONS REGARDING PROCEDURES FOR SELECTING THE MAYOR PRO TEM (Report of: City Clerk)
  - Provide direction regarding whether the Mayor Pro Tem selection process should be revised based on the one of the options described in this Staff Report.

City Clerk Jane Halstead provided the staff report.

Mayor Cabrera called for Council questions of staff.

With no Council questions of staff, Mayor Cabrera called for public comments to be heard.

#### Darly T

Suggestions.

#### Roy Bleckert

1. Equal opportunity.

#### Louise Palomarez

1. Critical comments.

Mayor Cabrera opened the floor for Council deliberation.

Mayor Pro Tem Delgado stated he is in favor of keeping the current process of the Mayor Pro Tem selection and stated he will agree with whatever the majority of Council decides.

Council Member Barnard stated she believes the Mayor Pro Tem selection should be rotational. Council Member Barnard stated in

previous years, the Mayor Pro Tem selection was once ceremonial and rotated but became a conglomerate where one section maintained the Mayor Pro Tem selection. Council Member Barnard noted the Mayor Pro Tem selection is included in the Mayoral Duties and believes this item should be discussed in the Mayoral Duties Study Session.

Mayor Cabrera stated he does not like the current process of the Mayor Pro Tem selection and believes this process should be changed and noted he would like to see the selection process turned to more of a rotational option. Mayor Cabrera stated he would like to address the changes in the current meeting, as even if this item is discussed at the Mayoral Duties Study Session, the changes will still need to be brought back to a future Council Meeting for action.

Council Member Barnard stated she would rather have the Mayoral Duties/Mayor Pro Tem selection brought back to a future meeting and dealt with all together, instead of making changes piece by piece.

Mayor Cabrera stated he is open to making changes tonight or waiting to discuss this item at the Mayoral Duties Study Session.

Mayor Pro Tem Delgado asked staff if a motion is needed to add the Mayor Pro Tem selection to the March 14th Study Session.

Interim City Attorney Steven Quintanilla stated a motion would be needed.

City Manager Mike Lee asked Mayor Cabrera and the City Council to provide more direction, if possible.

Mayor Cabrera responded stated he personally liked the equal opportunity option, which specifies the Council Member who has not served as Mayor Pro Tem for the longest period would be selected.

City Manager Mike Lee responded asking how a tie would be broken, as every election there are two new members of Council that are elected.

Mayor Cabrera recounted some of the suggestions the public speakers had suggested to break a tie.

Mayor Pro Tem Delgado asked if this information must be clarified tonight.

City Manager Mike Lee stated the more clarity provided tonight, the better it is to bring an item back.

Council Member Baca-Santa Cruz makes a motion to include Mayor Pro Tem selection to Mayoral Duties Study Session scheduled for March 14th and if determinations are made at the Study Session, any action proposed be brought to the March 21st City Council Meeting.

Mayor Cabrera asked for clarification from staff.

Interim City Attorney Steve Quintanilla provided Mayor Cabrera with clarification.

Motion made by Council Member Baca-Santa Cruz and seconded by Mayor Pro Tem Delgado to include Mayor Pro Tem selection to Mayoral Duties Study Session scheduled for March 14th and if determinations are made at the Study Session, any action proposed be brought to the March 21st City Council Meeting.

Motion passed by a vote of 5-0, with Council Member Baca-Santa Cruz, Council Member Marquez, Council Member Barnard, Mayor Pro Tem Delgado, and Mayor Cabrera voting yes.

RESULT: APPROVED [UNANIMOUS]

MOVER: Elena Baca-Santa Cruz, Council Member

**SECONDER:** Ed Delgado, Mayor Pro Tem

AYES: Cabrera, Delgado, Marguez, Barnard, Baca-Santa Cruz

H.3. SENATE BILL NO. 1439 - CONFLICTS OF INTERESTS RELATED TO CAMPAIGN CONTRIBUTIONS (Report of: City Attorney)

#### **Recommendation:**

1. That the City Council receive and file this report.

Interim City Attorney Steven Quintanilla provided the staff report.

Mayor Cabrera opened the floor for Council questions of staff.

Mayor Cabrera asked questions of staff.

Interim City Attorney Steven Quintanilla responded to Mayor Cabrera's inquiries.

With no additional Council questions of staff, public comments were called.

#### Roy Bleckert

1. Personal perspective.

#### Christopher Baca

1. Personal perspective.

Interim City Attorney Steven Quintanilla provided additional clarification to the Mayor and City Council.

With no action necessary, the item was received and filed by the City Council.

#### **I.REPORTS**

#### I.1. CITY COUNCIL REPORTS

(Informational Oral Presentation - not for Council action)

#### **March Joint Powers Commission (JPC)**

Mayor Pro Tem Delgado reported the following:

The Commission heard a fantastic presentation by Lieutenant Colonel Michael Hunter about the Southern California Air Show coming to March Air Reserve Base on April 22<sup>nd</sup> and 23<sup>rd</sup>. He shared that they are bringing in incredible displays of precision flying by the U.S. Air Force Thunderbirds and the Patriots Jet Team, the civilian-owned aerobatic jet team flown by former Thunderbird and Blue Angel pilots. The air show will also feature non-stop aerobatic demonstrations plus static on-ground displays. They will have the same shows both days and there will be no cost for attendance or parking.

#### **Riverside County Habitat Conservation Agency (RCHCA)**

Council Member Barnard reported the following:

Items covered at the RCHCA Board of Directors meeting on February 9, 2023, included identifying that the City of Moreno Valley collected a total of \$31,235 in Stephens' Kangaroo Rat Mitigation fees in the Second Quarter of Fiscal Year 2022/2023.

#### **Riverside County Transportation Commission (RCTC)**

Mayor Cabrera reported the following:

The Commission approved the Fiscal Year 2022/2023 mid-year budget adjustments for a net increase of \$2,559,200 and \$3,459,200 in revenues and expenditures, respectively.

The Commission also approved the release of the 2023 Regional Arterials Call for Projects for approximately \$85 million of 2009 Western Riverside County Measure A Regional Arterials (MARA) funds and \$50 million Transportation Uniform Mitigation Fee (TUMF) Regional Arterials funds.

#### Riverside Transit Agency (RTA)

None.

Western Riverside Council of Governments (WRCOG)

None.

Western Riverside County Regional Conservation Authority (RCA)

None.

**School District/City Joint Task Force** 

None.

#### I.2. EMPLOYEE ASSOCIATION REPORTS

None.

#### I.3. CITY MANAGER'S REPORT

- 1. Boards and Commissions.
- 2. Festival of Arts.
- 3. Upcoming Winter Storm.

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

Council Member Marquez

1. Looking forward to City art.

Council Member Barnard

- 1. Wished everyone Happy Black History Month.
- 2. Mountain View Middle School Career Day.

#### Mayor Pro Tem Delgado

1. Looking forward to City art.

#### Mayor Cabrera

- 1. Meeting dates.
- 2. Boards and Commissions.

#### **ADJOURNMENT**

There being no further business to come before the City Council, Mayor Cabrera adjourned the meeting at 11:04pm in honor of the late Timothy Caszatt.

#### **PUBLIC INSPECTION**

The contents of the agenda packet are available for public inspection on the City's website at <a href="www.moval.org">www.moval.org</a> and in the City Clerk's office at 14177 Frederick Street during normal business hours.

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#### Submitted by:

Jane Halstead, CMC

City Clerk

Secretary, Moreno Valley Community Services District Secretary, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley Secretary, Moreno Valley Housing Authority

Secretary, Board of Library Trustees

Secretary, Public Financing Authority

Approved by:

Ulises Cabrera Mayor City of Moreno Valley President, Moreno Valley Community Services District Chairperson, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley Chairperson, Moreno Valley Housing Authority Chairperson, Board of Library Trustees Chairperson, Public Financing Authority

# MINUTES CITY COUNCIL SPECIAL MEETING (STUDY SESSION) OF THE CITY OF MORENO VALLEY February 15, 2023

### MINUTES MEETING C

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

SPECIAL MEETING (STUDY SESSION) – 6:00 PM February 15, 2023

#### **CALL TO ORDER**

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

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

#### PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Cabrera.

#### **ROLL CALL**

Council: Ulises Cabrera Mayor

Edward A. Delgado Mayor Pro Tem
Elena Baca-Santa Cruz Council Member
David Marquez Council Member
Cheylynda Barnard Council Member

#### INTRODUCTIONS

Staff: Jane Halstead Manager of the Office of the Mayor and City

Council/City Clerk

Patty Rodriguez Senior Deputy City Clerk

Paul Bradvica Deputy City Clerk

Steven Quintanilla Interim City Attorney

Mike Lee City Manager

Brian Mohan Assistant City Manager, Chief Financial

Officer, City Treasurer

Michael Lloyd Assistant City Manager

Manuel Mancha

Community Development Director

Melissa Walker

Public Works Director/City Engineer

Parks and Community Services Director

Ken Reichle Chief of Police Mike Martinez Battalion Chief

#### PUBLIC COMMENTS ON MATTERS ON THE AGENDA ONLY

#### **Public Comments on A.1**

Benny Nunez

1. Hopeful for City.

James Armour

1. Community needs assessment.

Daryl T

1. Framework to end functional homelessness.

**Brandon Carn** 

1. Utilization of air force structure.

Rosa Bravo

1. Supports change.

Sammie Luna

1. Gratitude.

Rhonda Hodges

1. Bread and Water Ministry.

Fred Banuelos

1. Concerns.

Genevieve Aleman

1. Supports change.

Hyako Utsumi

- 1. Community housing.
- 2. Assembly Bill No. 682

Julie Ann Pedroza

1. Shelters vs. Placement.

Martin Cabrera Sr.

1. Supports youth.

**Bob Palomarez** 

1. Collaboration with organizations.

Tom Jerele Sr.

1. City history.

Sarah Lytle

1. Supports those experiencing homelessness.

Roy Bleckert

1. Elected officials.

Maribel Nunez

1. Housing and tenants' rights.

Christopher Baca

1. City, State, and Federal Government.

Louise Palomarez

1. Collaboration.

Jesus Aleman

1. Supports change.

#### **Public Comments on A.2**

**Bob Palomarez** 

1. Child assessments.

Roy Bleckert

1. Learning from the past.

Tom Jerele Sr.

1. Setting objectives.

James Armour

1. Core issues and preventative measure.

Christopher Baca

1. Temporary support.

Julie Ann Pedroza

1. Building housing.

Louise Palomarez

1. Potential solutions.

#### A. BUSINESS

- A.1. HOMELESS PROGRAMS (Report of: Financial & Management Services)
- A.2. HOMELESS TASK FORCE (Report of: Financial & Management Services)

Assistant City Manager Brian Mohan provided the staff report.

Homeless to Work Program presentation provided by Captain David Cain and Captain Kelly Cain of the Salvation Army.

Mayor Cabrera noted his desire to create a homeless action plan that puts all of the City's goals and resources all in one document and allow the City to evaluate and measure the success of their plan, ensuring all of the goals are met. Mayor Cabrera also expressed his interest in partnering with the local non-profits to help address homelessness. Additionally, Mayor Cabrera stated his interest in finalizing and creating the Homeless Task Force.

Council Member Marquez stated money will not the solve the homeless issue and encouraged residents to not provide money to pan handlers. Council Member Marquez also stressed the importance of the adding more social workers to the City's CBAT team.

Council Member Barnard noted it is difficult to hire more social workers due to the current burn out rate in the profession. Council Member Barnard also challenged the idea of what a "homeless person looks like". Council Member Barnard expressed her interest into looking at more affordable housing projects in the City.

Assistant City Manager Brian Mohan responded to Council Member's Barnard's inquiry regarding affordable housing projects.

Council Member Barnard also stated she would like to revisit the idea of building homeless shelters in the City. Council Member Barnard expressed her interest in diving deeper into the idea of the creation of a Homeless Task Force.

Mayor Pro Tem Delgado stated he would like to continue to utilize the City's current partnerships with the local non-profits to help address homelessness. Mayor Pro Tem Delgado agreed with Mayor Cabrera and Council Member Barnard, stating he would like the City to create a Homeless Task Force, but the Council will have to spend more time detailing the potential strategies of the Task Force. Mayor Pro Tem Delgado stated he is not in favor of homeless shelters being built in the City.

Council Member Baca-Santa Cruz asked Brian to elaborate on the "Big 13".

Assistant City Manager Brian Mohan provided additional information.

Mayor Cabrera stated he agrees with Council Member Barnard's idea of looking to in the creation of the Homeless Task Force in more detail. Mayor Cabrera also expressed interest in providing more funding to the local non-profits. Mayor Cabrera also echoed Mayor Pro Tem Delgado's concern with homeless shelters being built in the City.

Council Member Barnard stated she did not agree with the statements other members of the Council made stating they are worried if a homeless shelter is built in the City, it would attract more of the homeless population to the City.

Mayor Pro Tem Delgado stated he is in favor of helping people and providing resources, but also must keep the entire City in mind when making these decisions.

Mayor Cabrera clarified he was not saying the City shouldn't help people who come from outside of the City looking for help, but must focus on helping the people here in the City now.

Council Member Barnard stated if there are services being offered, people will come. Council Member Barnard stated if the Council is not trying to attract more people coming to the City for resources, that the City Council/City should continue to provide the current resources that are offered through the non-profits and help those non-profits acquire more funding through grants.

Mayor Pro Tem Delgado agreed that the City Council should try to provide more resources and assistance to the current non-profits operating in the City that are helping the homeless population.

Mayor Cabrera stated people have already begun to come to the City, even though there are currently no shelters being operated within the City limits. Mayor Cabrera stated the City has programs and services in place, but would like additional steps to be taken to provide more resources and funding to the local non-profits. Mayor Cabrera expressed his interest in having a non-profit incubator, similar to the City's BERC (Business and Employment Resource Center), where non-profits could go to get assistance with their paperwork or any other filings which will assist them in getting more funding.

City Manager Mike Lee provided additional clarification on what services can be offered to local non-profits at the BERC and also indicated potential additional funding is coming to the City.

Mayor Cabrera stated staff now has the details provided by the City Council on how to move forward and would like to come back to this issue at a future time with something tangible and concrete to have potential programs put in place.

Mayor Cabrera asked Council if they had any additional questions of staff.

Assistant City Manager Brian Mohan thanked the Mayor and City Council.

With no additional Council questions, Mayor Cabrera adjourned the meeting.

### (ITEMS MAY BE DEFERRED BY COUNCIL IF TIME DOES NOT PERMIT FULL REVIEW.)

#### **PUBLIC INSPECTION**

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#### **ADJOURNMENT**

There being no further business to come before the City Council, Mayor Cabrera adjourned the meeting at 10:00pm.

#### Submitted by:

Jane Halstead, CMC

City Clerk

Secretary, Moreno Valley Community Services District

Secretary, City as Successor Agency for the Community

Redevelopment Agency of the City of Moreno Valley

Secretary, Moreno Valley Housing Authority

Secretary, Board of Library Trustees

Secretary, Public Financing Authority

Approved by:

\_\_\_\_\_

Ulises Cabrera

Mayor

City of Moreno Valley

President, Moreno Valley Community Services District

Chairperson, City as Successor Agency for the Community

Redevelopment Agency of the City of Moreno Valley

Chairperson, Moreno Valley Housing Authority

Chairperson, Board of Library Trustees

Chairperson, Public Financing Authority



#### **Report to City Council**

**TO:** Mayor and City Council

**FROM:** Jane Halstead, CMC, City Clerk

AGENDA DATE: March 7, 2023

TITLE: MAYORAL APPOINTMENTS TO VARIOUS BOARDS AND

COMMISSIONS

#### **RECOMMENDED ACTION**

#### **Recommendation:**

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

#### **ARTS COMMISSION**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Nia Des Verney	Teen Member	Ending 06/30/25
Evangelina Weiss	Member	Ending 06/30/24
Lizbeth Orellana	Member	Ending 06/30/24
Samantha Contreras	Member	Ending 06/30/24
Andrea Austin	Member	Ending 06/30/24

#### PARKS, COMMUNITY SERVICES AND TRAILS COMMITTEE

<u>Name</u>	<u>Position</u>	<u>Term</u>
James Baker	Member	Ending 06/30/23
Sammie Luna	Member	Ending 06/30/25

#### **LIBRARY COMMISSION**

<u>Name</u>	<u>Position</u>	<u>Term</u>
Tashia S. Hillard	Member	Ending 06/30/23

ID#6121 Page 1

#### **SENIOR ADVISORY BOARD**

NamePositionTermRita ButlerMemberEnding 06/30/25Hazel LambertMemberEnding 06/30/25

#### **PLANNING COMMISSION**

Name Position Term
Erlan Gonzalez Member Ending 03/31/25

#### TRAFFIC SAFETY COMMITTEE

Name Position Term

Daryl Terrel Member Ending 06/30/2024

#### **CITY COUNCIL GOALS**

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

#### CITY COUNCIL STRATEGIC PRIORITIES

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

#### **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- Boards and Commission Lizbeth Orellana \_Redacted
- Boards and Commissions Reta Butler\_Redacted
- 3. Boards and Commissions Sammie Luna (Redacted)

<sup>\*</sup> Pending successful completion of a background check\*

- 4. Boards and Commissions- James Baker\_Redacted
- 5. Boards and Commissions Erlan Gonzalez\_Redacted
- 6. Boards and Commissions Nia DesVerney\_Redacted
- 7. Boards and Commissions Hazel Lambert\_Redacted
- 8. Boards and Commissons Evangelina Weiss \_Redacted
- 9. Boards and Commissions Samantha Contreras\_Redacted
- 10. Boards and Commissions Andrea Austin\_Redacted
- 11. Boards and Commissions Daryl Terrell (Redacted)

#### **APPROVALS**

Budget Officer Approval	✓ Approved	3/01/23 2:21 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	3/01/23 2:23 PM

23 FEB 23 AM 9: 27



### City of Moreno Valley

#### **Boards and Commissions**

#### Membership Application Form

Name:	Lizbeth Orellana		For Cty Clerk's Use Stamp Date and Time Received
Home Address:	Moreno '	Valley, CA 92555	
How long have y	ou resided in Moreno Valle	ey? 16 years	
	CONFIDE	ENTIAL INFORMATION	
Home Phone No. Work Phone No. Cell Phone No.	o.t o.t	Driver's License No Email Address: Date of Birth:	
Employer Name: Address:	Greenball 2197 Davis St, Moreno Valley, CA 925	Position: Marketing Res	search Assistant
	ssion applying for*: 1 <sup>st</sup> Choi community Services and Trails Committ		
Physically Ch *If applying for th Public Member *If applying for the applying for: Why do you wish I believe in the transform	allenged Person Person Expe Utilities Commission, ple er Customer of Moreno Valle he MV Citizens Public Sa Non-Profit to serve on this Board an ative power of the arts in bringing comm	pard, please indicate which poperienced in Construction Publicase indicate which position yearse indicate which position yearse Utility Business Customer afety Committee, please indicate Business Publication Commission?	olic Member ou are applying for: of Moreno Valley Utility cate which position you are lic Member expression.
This Board and/or	Commission:	s, you have which may be relevant to the Arts Commission when It comes to galhering date	a and conducting surveys about the community's arts preferences and needs.
	istration, Marketing Concentration, B.A	ave me a solid understanding of social media platforms and how t	to use them to promote events and engage with audiences.
Explain briefly you limitations.  The powers of an Arts Bo	ur understanding of what thi	is Board and/or Commission do  ng, arts advocacy, and planning and policy de  the need to work collaboratively with artists	velopment.
	e to accomplish by your pa	articipation?	to say that they live in Moreno Valley, and

be able to experience arts and culture without having to drive to another city. I want to help increase the quality of life for my friends and neighbors by providing safe, beautiful, and enjoyable outdoor spaces.

Ultimately, I hope to contribute to the creation of a more vibrant, connected, and dynamic city.

List any employment, volunteer work, or membership in a service/community organization that you have served on, or are now a member of. Please provide the name(s) of the agency (ies), contact person and dates served:
From 2020-2022, I volunteered and temporarily worked for The Bra Recyclers, A social enterprise specializing in the reuse of preloved bras to support women in need & reduce the number of bras going to landfills.
I developed a social media strategy,created content, helped create an email contact list, and collaborated with small businesses to get our message of bra recycling out into the world.
Contact Person: Elaine Birks-Mitchell,CEO and Founder. She can be contacted at Bras@brarecycling.com
What other areas of interest do you have in our City government?  I also have a great interest in Parks, Community Services and Trails Committee.
I hope to advocate for the development of more bike trails and pedestrian-friendly walkways.
I want to work with the committee to increase access to outdoor recreation for residents and visitors, and to make the city a more livable and sustainable place.
I believe making Moreno Valley a walkable city should be the overall goal.
Would you be available for meetings during the day  or evening?  Attendance of at least one (1) meeting is required prior to appointment.  Date(s) of the meeting(s) attended:
Pursuant to Resolution 2016-42 all board and commission members must be registered voters of the City of Moreno Valley.
I authorize the City of Moreno Valley to obtain and review, on a confidential basis, such information regarding me as may be contained in the California State Summary Criminal History and in records of the California Department of Motor Vehicles. Yes ■ No □ (The application shall not be considered if the NO box is checked.)
I hereby agree to attend all board or commission meetings, unless excused, and understand that I may be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, "If a member is absent without advance permission of the board or commission or of the appointing authority, from three consecutive regular meetings or from 25% of the duly scheduled meetings of the board or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy."
CERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete to the best of my knowledge. I understand that any false statements of material fact will subject me to disqualification or dismissal if appointed.  I release the City of Moreno Valley from any liability for the

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

Revised June 15, 2020

Signature

Date



Name:

### City of Moreno Valle

### **Boards and Commissions**

Membership Application Form

RETH A. BUTLER

INTERNATION OF THE
22 E2 12 E11: 12
For City Clerk's Use Stamp Date and Time Received
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ER Advisory Board
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HIT CLERK

Home Address:	KENO Valley, Ch	9 92555	
How long have you resid	ded in Moreno Valley?	174KS	
	CONFIDENTIAL	SHOUR HOLD IN SHOULD SHOW THE THE	
Home Phone No.:		Driver's License No.:	and the second
Work Phone No.:		Email Address:	
Cell Phone No.:		Date of Birth:	
Employer Name:	=h'KEd	Position:	
Address:			
2 <sup>nd</sup> Choice *If applying for the Acces	ssibility Appeals Board, ple	ease indicate which position you	are applying for:
*If applying for the Utilitie	es Commission, please ind stomer of Moreno Valley Utility	d in Construction Public Member Sicate which position you are app Business Customer of Moreno	plying for: Valley Utility
applying for:	Citizens Public Safety Co Non-Profit		າ position you are
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List any education, traini	ng, or special skills, you ha	ave which may be relevant or of p	particular benefit to
this Board and/or Comm	ission:	SICESE Instructor for4	Us noct rike
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limitations.	SINS of SENIAS, G.	UES IMPUT on PROSKANO	sand
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EXISTS, I would	LIRE TO WAR ON	bridging the gap.	Packet Pg. 6

List any employment, volunteer work, or membership in a service/community organization that you have
served on, or are now a member of. Please provide the name(s) of the agency (ies), contact person,
and dates served:
MEMBER OF THE FRIENDS of MORENO VALLEY OF THE SENIOR CENTER  FORMER DANCENCISE FUTUCATION AT THE SENIOR CENTER.  SEMIN CENTER - Pudy (951) - 413-3430/FRIENDS of MoVal - Linda
FAMER RANCELCISE FINTACCETOR OF THE SENIOR CENTER.
SEMIN CENTER - Fully (951) -413-3430/THIENDER Mobal - LINDA
SWEKINGER (951) 850-4770
What other areas of interest do you have in our City government?
Nows AT PRESENT.
Would you be available for meetings during the day or evening?
Attendance of at least one (1) meeting is required prior to appointment.
Date(s) of the meeting(s) attended:
Pursuant to Resolution 2016-42 all board and commission members must be registered voters of the
City of Moreno Valley.
I authorize the City of Moreno Valley to obtain and review, on a confidential basis, such information
regarding me as may be contained in the California State Summary Criminal History and in records of
the California Department of Motor Vehicles. Yes   No   (The application shall not be considered if
the NO box is checked.)
I hereby agree to attend all board or commission meetings, unless excused, and understand that I may
be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, "If a member is absent without advance permission of the board or commission or of the appointing
authority, from three consecutive regular meetings or from 25% of the duly scheduled meetings of the
board or commission within any fiscal year, the membership shall thereupon become vacant and shall
be filled as any other vacancy."
CERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete to
the best of my knowledge. I understand that any false statements of material fact will subject me to disqualification or dismissal if appointed. I release the City of Moreno Valley from any liability for the
use of the aforesaid information.
12/11/2022 Date
Signature
Places Note: Applications will be kept on file for potential future vacancies for one year after the application

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



### City of Moreno Valley

#### **Boards and Commissions**

#### Membership Application Form

			Stamp Date and Time Received
Name:	Sammie Luna		
Home Address:			
	Moreno Valley CA 92557		
How long have yo	u resided in Moreno Valley? 13 ye	ars	
	CONFIDENTIAL	INFORMATION	
Home Phone No	L:	Driver's License No.:	
Work Phone No.	:	Email Address:	
Cell Phone No.:		Date of Birth:	
Employer Name:	City of Riverside	Position: Administrative A	Analyst
Address: 34	35 14th St		
	verside CA 92507		
Board or Commiss 2 <sup>nd</sup> Choice Planning	sion applying for*: 1 <sup>st</sup> Choice <u>Envirol</u> Commission	ment & Historic Preservation Bo	oard
*If applying for the Public Member  *If applying for th applying for: Why do you wish	llenged Person Person Experienced  Utilities Commission, please ind Customer of Moreno Valley Utility  e MV Citizens Public Safety Co Non-Profit Busir  to serve on this Board and/or Cor city directly impacts my family as well as our resid	icate which position you Business Customer of mmittee, please indica ness Public mmission?	u are applying for: f Moreno Valley Utility Ite which position you are Member
this Board and/or	n, training, or special skills, you ha Commission: verside Public Utilities and have for the last 1	·	•
	construction as it relates to the planning com		experience in environmental
impacts as well as new	construction as it relates to the planning con	111100011.	
limitations.	r understanding of what this Board		
deals with issues conce	rning the enviroment as well as preservation	of the city's history and culture	. The planning commssion makes
decisions in regards to	zoning and new development.		
	e to accomplish by your participat	ion?	
			Packet Pg. 63

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	nbership in a service/community organization that you have
	provide the name(s) of the agency (ies), contact person,
and dates served: City of Riverside, employer: LULAC Council	3297, President 11/2021-present; JW North Alumni
	eding America Inland Empire, volunteer 11/2019-present
7 document, 1 resident, 1720 to present, 1 ee	yding / therea mand Empire, volunteer 1 //2010 present
What other areas of interest do you have in	our City government?
Would you be available for meetings during	the day ☐ or evening? ■
Attendance of at least one (1) meeting is re Date(s) of the meeting(s) attended:	quired prior to appointment.
Pursuant to Resolution 2016-42 all board ar City of Moreno Valley.	nd commission members must be registered voters of the
regarding me as may be contained in the Ca	ain and review, on a confidential basis, such information alifornia State Summary Criminal History and in records of s. Yes □ No □ (The application shall not be considered if
be removed for lack of attendance, pursuant "If a member is absent without advance pe authority, from three consecutive regular me	sion meetings, unless excused, and understand that I may to Municipal Code, Subsection 2.06.010(C) which states, rmission of the board or commission or of the appointing etings or from 25% of the duly scheduled meetings of the he membership shall thereupon become vacant and shall
the best of my knowledge. I understand the	t all statements in this application are true and complete to at any false statements of material fact will subject me to release the City of Moreno Valley from any liability for the
Sammie Luna	1/22/23
Signature	Date
Please Note: Applications will be kept on file for	or potential future vacancies for one year after the application

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



### City of Moreno Valley

#### **Boards and Commissions**

Membership Application Form

HOREHO VALLEY
23 JAN 12 PM 1: 08
For City Clark's Use

Name: JAMES C. BAKER II MORENO VALLEY CALIFORNIA 92551 Home Address: How long have you resided in Moreno Valley? 16 YEARS CONFIDENTIAL INFORMATION Home Phone No.: NA Driver's License No.: Work Phone No.: E-MAIL Email Address: Cell Phone No.: Date of Birth: Position: FORMER MV PARKS COMMISSION CHAIR Employer Name: MORENO VALLEY CONFERENCE AND RECREATION Address: Board or Commission applying for\*: 1st Choice PARKS COMMISSIONER 2<sup>nd</sup> Choice \*If applying for the Accessibility Appeals Board, please indicate which position you are applying for: ☐ Physically Challenged Person ☐ Person Experienced in Construction ☐ Public Member \*If applying for the Utilities Commission, please indicate which position you are applying for: ☐ Business Customer of Moreno Valley Utility ☐ Public Member ☐ Customer of Moreno Valley Utility Why do you wish to serve on this Board and/or Commission? PARKS /TRAILS COMMITTEE TO CONTINUE THE WORK OF SEEING TO THE PARK ACTIVITIES AND ADVANCEMENTS OF THE CITY'S PARKS AND TRAILS PROGRESS Give the general public and park attendees a path to bring forth their concerns and issues. List any education, training, or special skills, you have which may be relevant or of particular benefit to this Board and/or Commission: 10 YEARS AS MV PARK COMMISSIONER, AWARDED MV COMMUNITY CHAMPION FROM THE CPRS DISTRICT 11, PARKS SOCIETY BROWN ACT CERTIFICATES OF COMPLIANCE 2015, 2016 ,2017. INSITUTED AND COMPLETED SEVERAL PARK AND CITY PROGRAMS Explain briefly your understanding of what this Board and/or Commission does, including its powers and limitations. THE PARKS COMMISSION ACTS AS LIASON BETWEEN THE CITY COUNCIL AND GENERAL PUBLIC AND ONLY SERVES IN A ADVISORY CAPACITY What do you hope to accomplish by your participation? BASICALLY SO THAT THE GENERAL PUBLIC HAVING PARK ISSUES HAVE SOMEONE TO APPROACH AND DON'T HAVE TO TAKE IT DIRECTLY TO THE CITY HALL PUBLIC COMMENT SECTION. ENHANCE TRANSPARENTCY

List any employment, volunteer work, or membership in a service/community organization that you have served on, or are now a member of. Please provide the name(s) of the agency (ies), contact person, and dates served: "M" Landmark Improvement Project Originator, Cleaning and Lighting of the Landmark "M"
5 Time nominee for MV Citizen of the Year, City Council Candidate 2017., Multiple Award Winning
Parade Float Builder for the Parks Dept. AD Hoc Committee for US 395 project in MV. Steering Committee for MV
Boys & Girls Club, Past Owner Baker's Miracle Venture Express LLC Bus Service, Chamber, Commerce.
What other areas of interest do you have in our City government?
NONE, I just want to take care of the parks, including Patroit Park, the one I adopted in 2020
Would you be available for meetings during the day ☐ or evening? ■
Attendance of at least one (1) meeting is required prior to the appointment.  Date(s) of the meeting(s) attended: Pending as of 1/11/23
Pursuant to Resolution 2016-42 all board and commission members must be registered voters of the City of Moreno Valley.
I authorize the City of Moreno Valley to obtain and review, on a confidential basis, such information regarding me as may be contained in the California State Summary Criminal History and in records of the California Department of Motor Vehicles. Yes $\square$ No $\square$ (The application shall not be considered if the NO box is checked.)
I hereby agree to attend all board or commission meetings, unless excused, and understand that I may be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, "If a member is absent without advance permission of the board or commission or of the appointing authority, from three consecutive regular meetings or from 25% of the duly scheduled meetings of the board or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy."

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

Signature

12/2023 Date

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



### City of Moreno Valley

#### **Boards and Commissions**

#### Membership Application Form

IVIE	embership Application For	m	For City Clerk's Use Stamp Date and Time Received	
Name:	Erlan Gonzalez	Erlan Gonzalez		
Home Address:				
	Moreno Valley, CA 92555			
How long have	you resided in Moreno Valle	ey? 13 years		
	CONFIDI	ENTIAL INFORMATION		
Home Phone No Work Phone No Cell Phone No		Driver's License No.: Email Address: Date of Birth:		
Employer Name	County of Riverside	Position: Supervising Deve	elopment Specialist	
Address:	5555 Arlington Avenue			
	Riverside, CA 92504	-		
Board or Comm 2 <sup>nd</sup> Choice	ission applying for*: 1st Choi	ice Planning Commissioner		
*If applying for applying for: Why do you wis	the MV Citizens Public Sa  Non-Profit  In to serve on this Board an  planning commissioner from 2015-2017. That e	nd/or Commission? experience allowed me the opportunity to decide on project	te which position you are Member  tts that impacted existing and future residents.	
		missioner. A permanent planning commissioner appoints		
List any educati this Board and/	on, training, or special skills or Commission:	ed officials and development community. I want to construct the second of the second o	ınt or of particular benefit to	
provided me the opportu	nity to understand the role economic develo	opment, redevelopment, and affordable housing de	evelopment plays in local municipalities.	
I received my BA from	UCR and MBA from CBU which are both	h local universities.		
limitations.		nis Board and/or Commission doe serves at the pleasure of the council for reviewing m		
First, the PC is the plan	ning and development advisory board to	the City Council. Second, the PC assures the ge	eneral plan is implemented by reviewing	
development application	ons. Third, the PC function as the decision	on-making body for many development applicat	tions and proposals.	
What do you ho	pe to accomplish by your p	participation?		
First, my hope is that I con Second, that my involve	ntinue my personal contribution to Moreno Val ement creates better quality of life opportu	lley by assisting in creating diverse employment and inities for our community members. Third, listen	to different voices and perspectives	
that take into conside	eration the general public and other p	partners that result in projects with greater	community participation and input.	

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

Alternate Planning Commissioner - City of Moreno Valley April 28, 2015 - April 27, 2017

St. Christopher Catholic Church - volunteer with various groups within the Church; involved with my son's soccer team

throughout his involvement with AYSO and current Moreno Valley (MV) City Club Team.

#### What other areas of interest do you have in our City government?

My other areas of interest, aside from my primary interest in the Planning Commission is developing or becoming involved in a committee to establish identifiable

neighborhoods within the City of Moreno Valley. I believe neighborhoods establish a sense of place and allow residents to take pride in their immediate surroundings.

In my opinion, establishing and demarcating neighborhoods promotes the uniqueness and distinctiveness offered by Moreno Valley

and will foster greater community involvement and participation.

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

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

Date(s) of the meeting(s) attended: April 27, 2017 last day attended as an Alternate Planning Commissioner.

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

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

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

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



12/21/2022 Date

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



Name:

Home Address:

## City of Moreno Valley

Teen Membership Application Form

For City Clerk's Use Stamp Date and Time Receive

CONFIDENTIAL INFORMATION	
Home Phone No.: Work Phone No.: Cell Phone No.:	Driver's License No.:  E-mail Address:  Date of Birth:
Name of High School/Middle School Address: 15150 Lasselle St, More	ol: Vista Del Lago High School eno Valley, CA 92551
Commission: 1 <sup>st</sup> choice Art Comm	nission.
Why do you wish to serve on this C	
I wish to serve on the Arts commission because I wan	nt to spread my artistic ideas around the city of Moreno Valley. I want to let people know that it's
okay to be creative. I feel like we should spread more	e awareness to the art community in the city of Moreno Valley. Art is my passion and I hope to ge
involved more in my City and have a voice on what v	we can do to promote more public arts projects. I want to pursue a career in the Arts and I know
this opportunity will allow me to get more exposure of	on how we can reinforce the City's identity and civic pride through arts and culture.
Commission:	ial skills, you have which may be relevant or of particular use to this  I have been taking art classes for the past two years. A special skill of mine that I
•	I love to draw and work with paints such as watercolors. Although I have limited
	I want to pursue a career in the Arts and I know this teen opportunity will help me

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

build my skills and awareness in the Arts in my city. I will contribute my knowledge and skills as a teen member in the Arts

In my eyes, this commission gives you the chance to introduce this city to more art. It lets you plan future projects such as murals and such. I would love to take part in something like this, as I feel like it will benefit the city, and myself as well. As far as limitations, if you receive a specific role, you should never abuse your power to go out of your way to do something that will not benefit the city in a good way.

#### What do you hope to accomplish by your participation?

Commission and apply it in my future career.

If I get the opportunity to participate in the Art commission as a teen member, I hope to get to know more people who are also interested in the Arts so I can learn from them as well. I hope to spread more art awareness around this city and make it more colorful, and positive. After this commission, I would also love to continue my adventure in art, and I even hope to go to an art school in the future and take animation classes.

List any employment, volunteer work, or membership in a service/community organization that you ha
served on, or are now a member of. Please provide the name(s) of the agency(ies) and dates served Although I do not have any type of experience in community work, I would love to learn how to help others in the city of Moreno Valley. I became
aware of this position thanks to the TRIO Educational Talent Search (ETS) program through Moreno Valley College. It has been one of my goals to
more volunteer work especially in the Arts since I want to pursue a career in the Arts. I would love to have this opportunity to gain more experience
awareness on what is happening in the city of Moreno Valley and what I can do to promote more arts and culture in the city.
What other areas of interest do you have in our City government?
I would love to help with the Animal Shelter Services Commission. I would love to help give to animals who are
in need. I would be very eager to help give them to someone who would love them
Would you be available for meetings during the day $\square$ or evening? $\square$
Attendance of at least one (1) meeting is required prior to the appointment.
Date(s) of the meeting(s) attended: I have not attended a meeting at the moment.
Pursuant to Resolution 2016-42 all board or commission members must be registered voters of the C of Moreno Valley, provided they are at least 18 years old.
I hereby authorize the City of Moreno Valley to review, on a confidential basis, such information regarding as may be contained in the California State Summary Criminal History and in records of the Californ Department of Motor Vehicles. Yes $\square$ No $\square$ (Not applicable to minors)
I hereby agree to attend all Commission meetings, unless excused, and understand that I may removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, "I member is absent without advance permission of the board or commission or the appointing author from three consecutive regular meetings or from 25% of the duly scheduled meetings of the board commission within any fiscal year, the membership shall thereupon become vacant and shall be filled any other vacancy."
CERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete the best of my knowledge. I understand that any false statements of material fact will subject me disqualification or dismissal if appointed. I release the City of Moreno Valley from any liability for the unmation.
12/15/2022

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

Signature

Date



# City of Moreno Valley Boards and Commissions

Mem	ibership Application r	Par City Clay (% Upon Blamp Date and Time Honoland	
Name: Home Address:	Hazel Lambert  Moreno Valley 92557		
How long have yo	u resided in Moreno V	alley? Over 35 years	
	CONF	IDENTIAL INFORMATION	
Home Phone No. Work Phone No.:		Driver's License I Email Address: Date of Birth:	
Employer Name: Address:		Position: Consultant  Valley 92557	
Board or Commiss  2nd Choice Planning		hoice Senior Advisory Board	
*If applying for the Physically Cha *If applying for the	illenged Person Person  Putilities Commission,	Board, please indicate which position you are applying for:  Experienced in Construction Public Member  please Indicate which position you are applying for:  (etter   Hills   Rusiness Customer of Moreno Valley Utility	
"If applying for the Physically Cha" If applying for the Public Member "If applying for the applying for: Why do you wish	e Utilities Commission, Customer of Moreno \ Non-Profit to serve on this Board	Experienced in Construction Public Member please Indicate which position you are applying for: /alley Utility Business Customer of Moreno Valley Utility Safety Committee, please indicate which position you are Business Public Member	
*If applying for the Physically Cha  *If applying for the Public Member  *If applying for the applying for:  Why do you wish  I'm Interested in the weather  List any education  this Board and/or	allenged Person Person  B Utilities Commission,  T Customer of Moreno one MV Citizens Public  Non-Profit  to serve on this Board  Mare of our senior citizens and  The training, or special sky  Commission:	Experienced in Construction Public Member please Indicate which position you are applying for: /alley Utility Business Customer of Moreno Valley Utility  Safety Committee, please indicate which position you are Business Public Member and/or Commission?	
*If applying for the Physically Cha  *If applying for the Public Member  *If applying for the  applying for:  Why do you wish  I'm Interested in the weith  List any education  this Board and/or  Bechelor Degree-Business	ellenged Person Person De Utilities Commission, Customer of Moreno \ De MV Citizens Public Non-Profit To serve on this Board Hare of our senior citizens and De Commission: E/Associate Degree in Human Ser	Experienced in Construction Public Member please Indicate which position you are applying for: //alley Utility Business Customer of Moreno Valley Utility Safety Committee, please indicate which position you are Business Public Member and/or Commission? wish to ensure that services are available that support their well-being.	
*If applying for the Physically Cha  *If applying for the Public Member  *If applying for the applying for:  Why do you wish  I'm Interested in the well  List any education  this Board and/or  Bechelor Degree-Business  of Aging & Adult Service  Explain briefly you  limitations.	Illenged Person Person  Putilities Commission,  Customer of Moreno \  Non-Profit  to serve on this Board  Itare of our senior citizens and  n, training, or special sk  Commission:  Itare Council on Aging. State ce	Experienced in Construction Public Member please Indicate which position you are applying for: /alley Utility Business Customer of Moreno Valley Utility Safety Committee, please indicate which position you are Business Public Member and/or Commission? wish to ensure that services are available that support their well-being.	

and dates served:	ride the name(s) of the agency (les), contact person,
State certified Long-Term Care Ombudsman (2005-preser	
Program Director of Council on Aging-Ombudsm	an Program (2020-2021); Manager of Dept. of
Aging & Adult Services - Ombudsman Program (	(2015-2020)
What other areas of interest do you have in our ( I have a wealth of community engagement experience that I believe would support the City of Mo	City government?
Would you be available for meetings during the	day 🗆 or evening? 🗏
Attendance of at least one (1) meeting is require Date(s) of the meeting(s) attended: November 16	d prior to appointment. , 2022
Pursuant to Resolution 2016-42 all board and co City of Moreno Valley.	mmission members must be registered voters of the
regarding me as may be contained in the Californ	nd review, on a confidential basis, such information is State Summary Criminal History and in records of s 圖 No 口 (The application shall not be considered it
be removed for lack of attendance, pursuant to M "If a member is absent without advance permiss authority from three consecutive regular meeting	meetings, unless excused, and understand that I may unicipal Code, Subsection 2.06.010(C) which states, sion of the board or commission or of the appointing as or from 25% of the duly scheduled meetings of the embership shall thereupon become vacant and shall
the best of my knowledge. Lunderstand that an	tatements in this application are true and complete to y false statements of material fact will subject me to se the City of Moreno Valley from any liability for the
	11/3/22
Sigrlature	Date

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

Revised June 15, 2020



	MORELIO VILLEY
ity of Moreno Valley	22 SEP 14 PH 4: 55
Deards and Commissions	

DECEMBER 3, 1984	<b>Boards and Con</b>	nmissions	
Membership Ap	plication Form		For City Clerk's Use Stamp Date and Time Received
Name: (EVA) EV	ANGELINA	Weiss	Stamp Date and Time Received
Home Address:			
How long have you resided in	Moreno Valley?	Since 1999	,
	CONFIDENTIAL	INFORMATION	
Home Phone No.: Work Phone No.:		Driver's License No.: Email Address: Date of Birth:	
More	Baneberry no-Valley	Position: <u>rared</u> St.  CA92553	
Board or Commission applying 2 <sup>nd</sup> Choice	g for*: 1st Choice	ARTS COMM	11551011
*If applying for the Accessibility Physically Challenged Person *If applying for the Utilities Co Public Member Customer *If applying for the MV Citized applying for: Why do you wish to serve on	Person Experienced mmission, please income of Moreno Valley Utility ens Public Safety Corofit Busing Board and/or Co	d in Construction Public dicate which position you Business Customer o mmittee, please indica	c Member u are applying for: f Moreno Valley Utility
List any education, training, or this Board and/or Commission  A IN Ited  SPEAK SPAY  Lot S FI  Explain briefly your understand	ith and which fill ree time	Jellness-	
limitations.		S LOC MV.	
What do you hope to accomp  To hup  Work  L	- contin		on du for Packet Pg. 73

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List any employment, volunteer work, or membership in a service/community organization that you have served on, or are now a member of. Please provide the name(s) of the agency (ies), contact person and dates served:
What other areas of interest do you have in our City government?
with Down Syndrome.
Would you be available for meetings during the day or evening?
Attendance of at least one (1) meeting is required prior to appointment. Iwill attend at Date(s) of the meeting(s) attended: Derse and commission members must be registered voters of the
Pursuant to Resolution 2016-42 all board and commission members must be registered voters of the City of Moreno Valley.
I authorize the City of Moreno Valley to obtain and review, on a confidential basis, such information regarding me as may be contained in the California State Summary Criminal History and in records of the California Department of Motor Vehicles. Yes $\square$ No $\square$ (The application shall not be considered if the NO box is checked.)
I hereby agree to attend all board or commission meetings, unless excused, and understand that I may be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states "If a member is absent without advance permission of the board or commission or of the appointing authority, from three consecutive regular meetings or from 25% of the duly scheduled meetings of the board or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy."
CERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete to the best of my knowledge. I understand that any false statements of material fact will subject me to disqualification or dismissal if appointed. I release the City of Moreno Valley from any liability for the use of the aforesaid information.
Signature Date

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



# City of Moreno Valley

## **Boards and Commissions**

## Membership Application Form

Name:	Samantha Contreras		Stamp Date and Time Received
Home Address:			
How long have you	u resided in Moreno Valley? 6 years		
riow long have yet	a resided in Merene valley:		
	CONFIDENTIAL IN	IFORMATION	
Home Phone No.	,:	Driver's License No.:	
Work Phone No.:		Email Address:	
Cell Phone No.:		Date of Birth:	
Employer Name:	Micki Grayson	Position: Director - Office of TRIO	Programs
Address: 161	130 Laselle Street, Moreno Valley, CA 92551		
<u> </u>			
Board or Commiss 2 <sup>nd</sup> Choice	sion applying for*: 1 <sup>st</sup> Choice Arts Comi	nission	
	Accessibility Appeals Board, pleas		
*If applying for the	Utilities Commission, please indicated Customer of Moreno Valley Utility	ate which position you are a	applying for:
*If applying for the applying for:	e MV Citizens Public Safety Com Non-Profit Busines	mittee, please indicate wh	ich position you are
	to serve on this Board and/or Comr Arts Commission Board to aid in the development an		access within the community.
	provide me with the ability to increase awareness at		
,	ity members. Connecting with the community can allo , training, or special skills, you have Commission:		
I have my Bachelor's in Art I	History from the University of California, Riverside and	l my Master's in Museum Studies from Joh	nns Hopkins University.
I can benefit the Arts Comm	mission by using the knowledge I've gained from my	educational background to provide a uniq	ue and technical perspective.
Also, working at Moreno Val	alley College and with MVUSD's students and families	has positioned me to work with a diverse	group of community members.
Explain briefly your limitations.	r understanding of what this Board a	nd/or Commission does, inc	luding its powers and
	commissioner represents the community interest and,	within reason, comes up with an action p	lan to address the community's
concerns. Unfortunately du	ue to budget restraints, limited space, and even reco	ourses not all projects are achievable. Ho	owever, by thinking creatively
and partnering with other c	community resources the opportunities are endless.		
What do you hope	e to accomplish by your participation	n?	
	ess and access to the arts within Moreno Valley. Art		able to increase access
within the community can in	in-turn strengthen community ties and continued sup	oport for the rest of the community.	

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served on, or are now a member of. Please provide the name(s) of the agency (ies), contact person,
and dates served:  Education Talent Search at Moreno Valley College - 06/2018 to Present - Micki Grayson - Director of Office of TRIO Programs - 951-233-3719
What other areas of interest do you have in our City government?  General support and connections to youth, especially through education and the arts
Would you be available for meetings during the day $\square$ or evening? $\blacksquare$
Attendance of at least one (1) meeting is required prior to appointment.  Date(s) of the meeting(s) attended: I have not attended a meeting yet.
Pursuant to Resolution 2016-42 all board and commission members must be registered voters of the City of Moreno Valley.
I authorize the City of Moreno Valley to obtain and review, on a confidential basis, such information regarding me as may be contained in the California State Summary Criminal History and in records of the California Department of Motor Vehicles. Yes ■ No □ (The application shall not be considered if the NO box is checked.)
I hereby agree to attend all board or commission meetings, unless excused, and understand that I may be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, "If a member is absent without advance permission of the board or commission or of the appointing authority, from three consecutive regular meetings or from 25% of the duly scheduled meetings of the board or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy."
CERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete to the best of my knowledge. I understand that any false statements of material fact will subject me to disqualification or dismissal if appointed. I release the City of Moreno Valley from any liability for the use of the aforesaid information.
40/40/0000
<u>Please Note</u> : Applications will be kept on file for potential future vacancies for one year after the application submittal date. Applications are accepted year-round. All applications are public record; personal information may be redacted to protect applicants' privacy.



# City of Moreno Valley

#### **Boards and Commissions**

DICEMBER 3, 1964	Boards and Cor	mmissions	
Mem	bership Application Form		For City Clerk's Use Stamp Date and Timo Roceived
Name:	Andrea Austin		
Home Address:	Moreno Valley, CA 92	2557	
How long have yo	u resided in Moreno Valley? 6 ye	ears	
	CONFIDENTIAL	INFORMATION	
Home Phone No. Work Phone No.:		Driver's License No.: Email Address: Date of Birth:	relativiska i produkt 2000 (1800) kun
Employer Name: Address: Co	Elementary Art Stars	Position: as needed art in	nstructor/contractor
Board or Commiss 2 <sup>nd</sup> Choice	sion applying for*: 1st Choice Arts	Comission	
Physically Cha  *If applying for the Public Member  *If applying for the applying for: Why do you wish	e Accessibility Appeals Board, plus Accessibility Appeals Board, plus Accessibility Appeals Board, plus Accessibility Person Experience of Utilities Commission, please incommendation of Moreno Valley Utility are MV Citizens Public Safety Community Description of the MV Citizens Public Safety Description of the MV Citizens Pu	d in Construction Public Dicate which position you Business Customer of ommittee, please indications Public Dimmission?	Member I are applying for: Moreno Valley Utility te which position you are Member
I will also be applying to	teach art for the community. The Art comm	nitee is another way for me to be	involved.
this Board and/or	, training, or special skills, you ha Commission: atford Career Institute, Ive been an art inst		
artist and have been a p	part of multiple exhibits in Southern Californ	ia.	
limitations.	r understanding of what this Board		
	elps plan ways to involve the community in		
They draft these plans v	which are then sent to council for voting ot a	approval.	
What do you hone	to accomplish by your participa	tion?	

I think art has many uses from education to therapy. Being a part of the committee would put me into a position to move ideas. I would like to be a part of something that helps bring art into the community and helps get people in the community more involved.

Packet Pg. 77

A.5.j List any employment, volunteer work, or membership in a service/community organization that you have served on, or are now a member of. Please provide the name(s) of the agency (ies), contact person,
and dates served:
OAR
What other areas of interest do you have in our City government?  am interesting in teaching for the community center.
am interesting in teaching for the community center.
Vould you be available for meetings during the day or evening?  Attendance of at least one (1) meeting is required prior to appointment.  Date(s) of the meeting(s) attended: Arts Commission Februrary 22, 2023
Attendance of at least one (1) meeting is required prior to appointment.  Date(s) of the meeting(s) attended: Arts Commission Februrary 22, 2023
Pursuant to Resolution 2016-42 all board and commission members must be registered voters of the City of Moreno Valley.
authorize the City of Moreno Valley to obtain and review, on a confidential basis, such information egarding me as may be contained in the California State Summary Criminal History and in records of the California Department of Motor Vehicles. Yes No Do hove is checked.
hereby agree to attend all board or commission meetings, unless excused, and understand that I may be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, all a member is absent without advance permission of the board or commission or of the appointing authority, from three consecutive regular meetings or from 25% of the duly scheduled meetings of the loard or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy."
EERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete to be best of my knowledge. I understand that any false statements of material fact will subject me to isqualification or dismissal if appointed. I release the City of Moreno Valley from any liability for the see of the aforesaid information.
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USignature — — — — — — — — — — — — — — — — — — —
Signature    Comparison   Compa

Plea sub be r



# City of Moreno Valley Boards and Commissions

Membership Application Form

	Stamp Date and Time Received
Daryl C.Terreil	
Moreno	Valley, CA 92553
u resided in Moreno Valley?	34 years
CONFIDENT	FIAL INFORMATION
	Driver's License No.:
	Email Address:
•	Date of Birth:
Lowe's Home Improvement	Position: Customer Service Associate
Moreno Valley, CA 925	553
the second of the stands	Planning Commission
sion applying for*: 1st Choice !	-istribung Continussion
lenged Person Person Experience Utilities Commission, please Customer of Moreno Valley Use MV Citizens Public Safety	y Committee, please indicate which position you are Business Public Member
, training, or special skills, yo Commission:	ou have which may be relevant or of particular benefit to
understanding of what this B	soard and/or Commission does, including its powers and
to accomplish by your partic	cipation?
	Lowe's Home Improvement  Moreno Valley, CA 928  Lowe's Home Improvement  Moreno Valley, CA 928  Accessibility Appeals Board  Ilenged Person Person Experie  Utilities Commission, please  Utilities Commission, please  Utilities Public Safety  Non-Profit  In Non-Profit  to serve on this Board and/or  training, or special skills, you  Commission:

List any employment, volunteer work, or membership in a service/community organization that you have served on, or are now a member of. Please provide the name(s) of the agency (ies), contact person, and dates served:  "see attachment!"
What other areas of interest do you have in our City government? "see attachment!"
Would you be available for meetings during the day $\square$ or evening? $\blacksquare$ Attendance of at least one (1) meeting is required prior to appointment.  Date(s) of the meeting(s) attended: 3-13-14
Pursuant to Resolution 2016-42 all board and commission members must be registered voters of the City of Moreno Valley.
I authorize the City of Moreno Valley to obtain and review, on a confidential basis, such information regarding me as may be contained in the California State Summary Criminal History and in records of the California Department of Motor Vehicles. Yes ☒ No ☐ (The application shall not be considered if the NO box is checked.)
I hereby agree to attend all board or commission meetings, unless excused, and understand that I may be removed for lack of attendance, pursuant to Municipal Code, Subsection 2.06.010(C) which states, "If a member is absent without advance permission of the board or commission or of the appointing authority, from three consecutive regular meetings or from 25% of the duly scheduled meetings of the board or commission within any fiscal year, the membership shall thereupon become vacant and shall be filled as any other vacancy."
CERTIFICATE OF APPLICANT: I certify that all statements in this application are true and complete to the best of my knowledge. I understand that any false statements of material fact will subject me to disqualification or dismissal if appointed. I release the City of Moreno Valley from any liability for the use of the aforesaid information.
2-7- 22 Date

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

#### Daryl Terrell's Planning Commission Application Attachment I

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

I want to create a city through the zoning and entitlement process where the American Dream soars for everyone by approving well-balance development projects that can migrate impact on the environment and traffic at the same time, increase property values, create workforce housing so our resident can live where they work, that attract industries that have career pathways with economic mobility to keep them off the freeway closer to home and closer to their families, that generate revenue to fund essential city services like public safety, libraries, infrastructure improvements, youth programs, and infrastructure improvements, and that will attract high quality retail and restaurants because our residents will have more disposable income as result of smart zoning decisions to support and patronize them and that incorporate architectural and aesthetic elements to connect our residents to the community where they live and establish a sense of place.

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

Currently, Commissioner, Riverside County Behavioral Health Commission (2014 to present)

Received A.A. & A.S Degrees., RCC (1991)

Received Bachelor of Arts In Political Science, UCR (1994)

Graduate, Leadership Moreno Valley (1996)

Member, The City of Moreno Valley's Traffic Safety Advisory Committee (1997 to 2004)

Board of Directors, Greater Riverside Urban League (1994 to 1995)

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

The Commission advises the City Council on planning matters and implements planning policies adopted by the City Council. They are empowered to administer the City's zoning laws, ordinances, rules and regulations that regulates the use and appearance of buildings, structures and land, that regulate location, height, and size of buildings and structures; the size and use of lots, yards, courts, and other open spaces; the percentage of a lot which may be occupied by a building or structure; and the intensity of land use, that regulate signs and billboards, that establish requirements for off-street parking and loading, that establish and maintain building setback lines. In addition, the Commission is required by State Law to take steps toward the development and adoption of the General Plan and to implement that Plan toward the orderly growth of our community.

In addition, they review environmental documents, municipal code amendments and specific plan or other policy documents and makes recommendations to the City Council on issues pertaining to General Plan Amendments, Zone Changes and policy issues regarding development. The state law governing that governs zoning planning and the general plan limits what a planning commission can do.

4. What do you hope to accomplish by your participation?

As a commissioner, I would weight the professional input given in staff reports, environmental reports, and consultant reports to render a decision that's best for our community. I would review applications and make other decisions based on the merits of the issues. I would promote equality and treat all people, projects, and perspectives equitably. Also, I would work to assure that the vision expressed in the general plan is one that works to improve the quality of life in our community. I would listen carefully and ask questions that add value to discussions. I would give full considerations to all aspects of a project including protection of the environment and the need for workforce housing and affordable housing. I would consider the interests of the entire community in reaching my decisions. I would make sound planning decisions that implement the policies expressed in the general plan.

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

Customer Service Associate, Lowe's Home Improvement, Talma, Human Resource Manager (2011 to the present)

Team Member, Target, Human Resource Manager, (2008 to 2015)

Cashier, University of California, Riverside, Human Resource Manager, (1997 to 2001)

Commissioner, Riverside County Behavioral Health Commission, Riverside County, Maria Roman (2014 to present)

Graduate, Leadership Moreno Valley (1996), Chamber of Commerce

Member, The City of Moreno Valley's Traffic Safety Advisory Committee (1997 to 2004), City of Moreno Valley, City Clerk

6. What other areas of interest do you have in our City government?

I am interested in finance, affordable housing, youth programs, public safety, homelessness, economic development.



#### **Report to City Council**

TO: Mayor and City Council

FROM: Manuel A. Mancha, Community Development Director

AGENDA DATE: March 7, 2023

TITLE: PROHOUSING DESIGNATION PROGRAM

#### **RECOMMENDED ACTION**

#### **Recommendation:**

1. Adopt the attached Resolution authorizing the City Manager or designee to submit an application to participate in the California Housing and Community Development Department's Prohousing Designation Program.

#### **SUMMARY**

The Prohousing Designation Program ("Program")was established under the 2019-2020 California State Budget Act in support of California's housing goals. The Program authorizes the California Department of Housing and Community Development (HCD) to provide incentives to jurisdictions that have policies that promote and eliminate barriers to housing production to address California's housing crisis.

#### DISCUSSION

The City of Moreno Valley is seeking authorization to apply for a Prohousing Designation under the Prohousing Designation Program, allowing the City to gain access to grant opportunities that are specifically offered to jurisdictions with this designation and receive preferential scoring for other grants and programs including the following:

- Affordable Housing & Sustainable Communities (AHSC)
- Infill Infrastructure Grant (IIG)
- Transformative Climate Communities (TCC)
- Solutions for Congested Corridors
- Local Partnership Program

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Award of the Prohousing Designation is granted to jurisdictions that exceed a minimum overall score of 30 points. Points are available in four categories including:

- Favorable Zoning and Land Use;
- Acceleration of Housing Production Timeframes;
- Reduction of Construction and Development Costs; and
- Providing Financial Subsidies

•

City Staff have reviewed each of the categories and found that existing and proposed policies and programs will exceeding the minimum requirements to achieve this designation.

#### **ALTERNATIVES**

- 1. Approve the recommended action as presented in this staff report. This alternative is recommended by staff as it will assist the City in obtaining future competitive grants that are available only to jurisdictions with Prohousing Designations and will also result in better scores on other grants that provide preference to jurisdictions with Prohousing Designations.
- Do not approve the recommended action as presented in this staff report. This
  alternative is not recommended as it will limit the City's ability to apply for certain
  grant funding in the future.

#### FISCAL IMPACT

Not Applicable.

#### NOTIFICATION

Publication of the Agenda.

#### PREPARATION OF STAFF REPORT

Prepared By: Danielle Harper-Scott Associate Planner

Concurred By: Sean Kelleher Planning Official Department Head Approval: Manuel Mancha Community Development Director

#### **CITY COUNCIL GOALS**

<u>Revenue Diversification and Preservation</u>. 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.

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

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

#### CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs
- Objective 1.5: Showcase Moreno Valley's unique assets.
- Objective 5.4: Actively and aggressively address homelessness in Moreno Valley.
- Objective 5.5: Promote a healthy community and lifestyle.

#### **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

1. Resolution No. 2023-XX - Prohousing Designation

#### **APPROVALS**

Budget Officer Approval	✓ Approved	2/26/23 6:58 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:05 AM

#### **RESOLUTION NO. 2023-XX**

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, AUTHORIZING APPLICATION TO AND PARTICIPATION IN THE PROHOUSING DESIGNATION PROGRAM

**WHEREAS**, Government Code section 65589.9 established the Prohousing Designation Program ("PDP" or "Program"), which creates incentives for jurisdictions that are compliant with state housing element requirements and that have enacted Prohousing local policies; and

WHEREAS, such jurisdictions will be designated Prohousing, and, as such, will receive additional points or other preference during the scoring of their competitive applications for specified housing and infrastructure funding; and

**WHEREAS**, the Department of Housing and Community Development ("Department") has adopted emergency regulations (Cal. Code Regs., tit. 25, § 6600 et seq.) to implement the Program ("Program Regulations"), as authorized by Government Code section 65589.9, subdivision (d); and

**WHEREAS**, the City of Moreno Valley ("Applicant") desires to submit an application for a Prohousing Designation ("Application").

#### THEREFORE, IT IS RESOLVED THAT:

- 1. Applicant is hereby authorized and directed to submit an Application to the Department.
- 2. Applicant acknowledges and confirms that it is currently in compliance with applicable state housing law.
- 3. Applicant acknowledges and confirms that it will continue to comply with applicable housing laws and to refrain from enacting laws, developing policies, or taking other local governmental actions that may or do inhibit or constrain housing production. Examples of such local laws, policies, and action include moratoriums on development; local voter approval requirements related to housing production; downzoning; and unduly restrictive or onerous zoning regulations, development standards, or permit procedures. Applicant further acknowledges and confirms that it commits itself to affirmatively furthering fair housing pursuant to Government Code section 8899.50.
- 4. If the Application is approved, Applicant is hereby authorized and directed to enter into, execute, and deliver all documents required or deemed necessary or appropriate to participate in the Program, and all amendments thereto (the "Program Documents").
- 5. Applicant acknowledges and agrees that it shall be subject to the Application; the terms and conditions specified in the Program Documents; the Program

Regulations; and any and all other applicable law.

6. The City Manager is authorized to execute and deliver the Application and the Program Documents on behalf of the Applicant for participation in the Program.

PASSED AN	ND ADOPTED this _	_day of, 20_	_, by the following vote:
AYES: [Insert#]	NOES: [Insert #]	ABSENT: [Insert#	] ABSTAIN: [Insert #]
that the foregoing industrial	is a true and full cop	y of a resolution of th g on the date abo	oes hereby attest and certify e Applicant's governing body ve-mentioned, and that the
SIGNATURE:	_		_DATE:
NAME:		TITLE	<b>Ξ</b> :



#### **Report to City Council**

TO: Mayor and City Council

FROM: Manuel A. Mancha, Community Development Director

AGENDA DATE: March 7, 2023

TITLE: GENERAL PLAN ANNUAL PROGRESS REPORT AS

**REQUIRED BY GOVERNMENT CODE 65400** 

#### **RECOMMENDED ACTION**

#### Recommendation:

 Adopt Resolution No. 2023-XX, approving the General Plan Annual Report and directing staff to submit the Annual Report to the State Office of Planning and Research and the State Department of Housing and Community Development by April 1, 2023.

#### SUMMARY

The City is required by State law (Government Code Section 65400) to prepare a General Plan Annual Report on the status of the City's General Plan and its implementation ("Annual Report"). The Annual Report must be presented to the City Council for review and acceptance before submitting it to the Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD).

#### **BACKGROUND**

Under State law, the City is required to adopt and maintain a comprehensive, long-term General Plan for its physical development, including consideration of any land located outside its boundaries that bears a relationship to its planning activities. The General Plan is at the top of the hierarchy of the City's land use regulations; zoning and other land-use decisions must conform to the General Plan. In essence, the City's General Plan serves as the blueprint for future growth and development. As a blueprint for the future, the General Plan contains goals, objectives, policies, and programs designed to provide decision-makers with information and a basis for all land use-related decisions.

ID#6118 Page 1

The General Plan must contain the following eight mandatory elements: (1) Land Use Element; (2) Circulation Element; (3) Housing Element; (4) Conservation Element; (5) Open Space Element; (6) Noise Element; (7) Environmental Justice Element and (8) Safety Element.

#### **Land Use Element**

The Land Use Element must designate the proposed general distribution, location, and extent of the following land uses: 1) housing; 2) business; 3) industry; 4) open space, which includes agriculture, natural resources, recreation, and enjoyment of scenic beauty; 5) education; 6) public buildings and grounds; 7) waste disposal facilities; and 8) other categories of public and private uses.

#### **Circulation Element**

The Circulation Element must identify the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, military airports and ports, and other local public utilities and facilities.

#### **Housing Element**

The Housing Element must identify and analyze existing and projected housing needs and establish goals, policies, quantified objectives, financial resources, and scheduled programs for housing preservation, improvement, and development.

#### **Conservation Element**

The Conservation Element must address the identification, conservation, development, and use of natural resources.

#### **Open Space Element**

The Open Space Element details comprehensive and long-range plans and measures for: 1) preserving open space for natural resources; 2) managing the production of resources; 3) outdoor recreation; 4) public health and safety; 5) military installations; and 6) Native American places, features, and objects.

#### **Noise Element**

The Noise Element considers potential noise problems in the Community.

#### **Environmental Justice Element**

The Environmental Justice Element must identify objectives and policies to reduce the unique or compounded health risks in disadvantaged communities by means that include, but not limited to, reducing pollution exposure, improving air quality, addressing the need for certain public facilities, food access, and safe and sanitary homes, and promoting physical activity.

#### **Safety Element**

The Safety Element addresses risks associated with seismic, geologic, flood, and wildfire hazards. Known seismic and other geologic hazards must be mapped, and emergency evacuation routes, firefighting water supply, and similar emergency issues must be addressed in the Safety Elemen.

#### City's General Plan

The City's MoVal 2040 General Plan, approved by City Council on June 15, 2021, incorporates all of the required elements summarized above. The following identifies when the various elements of the General Plan were adopted.

- Land Use and Community Character (2021)
- Economic Development (2021)
- Circulation (2021)
- Parks and Public Services (2021)
- Safety (2021)
- Noise (2021)
- Environmental Justice (2021)
- Healthy Community (2021)
- Open Space and Resource Conservation (2021)
- Housing Element (6<sup>th</sup> Cycle (2021-2029) certified by HCD on October 11, 2022)

#### **Planning Commission Review and Recommendation**

On February 9, 2023, the Planning Commission recommended the City Council accept and submit the Annual Report to the Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD).

#### **ANNUAL REPORT CONTENTS**

The 2022 General Plan Annual Report summarizes the City's progress toward implementing the goals, policies, and programs of the General Plan. It covers the period of January 1, 2022, through December 31, 2022. The Annual Report includes a report of all General Plan amendments recommended for approval by the Planning Commission which were subsequently approved and adopted by the City Council in 2022. In summary, three (3) General Plan Amendments and two (2) Municipal Code Amendments were approved during the annual reporting period.

#### General Plan and Municipal Code Amendments

The General Plan and Municipal Code Amendments that were approved during the reporting period are as followed:

Project	Description	Action	Location
Number			

Project Number	Description	Action	Location
PEN21-0073	Winter Omnibus – amending Sections 9.02.200, 9.02.230, 9.03.040, 9.03.050, 9.05.040, 9.07.080, 9.08.150, 9.08.260, 9.08.270, 9.08.280, 9.09.130, 9.11.040, 9.14.050, 9.15.030, 9.16.150, and 9.17.040 to Title 9 of the City of Moreno Valley Municipal Code to provide updates that comply with State requirements related to housing and housing production, streamline Code requirements to provide flexibility and clarity regarding existing requirements, and to streamline certain processes, and provide for other minor clarifications and clean-up items.	December 9, 2021 – Planning Commission recommended approval.  January 4, 2022 – City Council approval with the second reading of the zoning ordinance on January 18, 2022	Citywide
PEN21-0113	The Courtyards at Cottonwood (Phase II) – A General Plan Amendment changing the land use designation of the Project site from Public (P) to Residential 15 (R15), a Change of Zone from Public (P) to Residential 15 (R15), and Plot Plan for thirty-two affordable multiple-family apartment units.	December 9, 2021 – Planning Commission recommended approval.  January 18, 2022 – City Council approval with the second reading of the zoning ordinance on February 1, 2022	East side of Indian Street, north of Cottonwood Avenue
PEN20-0118 PEN20-0119 PEN20-0120 PEN20-0121 PEN20-0124	Amendment changing the land use designation of the Project site from Commercial (C) to Business Park/Light Industrial, a Change of Zone from Community Commercial District (CC) to Light Industrial (LI), a Tentative Parcel Map for two parcels, and Plot Plans for two industrial buildings (290,726 sq. ft. and 98,877 sq. ft.).  Spring Omnibus - amending Tables	August 26, 2021 – Planning Commission recommended approval.  January 18, 2022 – City Council approval with the second reading of the zoning ordinance on February 1, 2022  June 21, 2022 – City Council	South side of Alessandro Boulevard west of Frederick Street and east of Graham Street Citywide
	9.02.020-1 and 9.02.020-2, and Sections 9.02.140, 9.02.320, 9.09.300, 9.09.310, 9.13.040, 9.13.080, 9.14.240, and 9.16.150 of Title 9 of the City of Moreno Valley Municipal Code to provide updates that comply with State requirements related to compliance with new State Law and Housing and Community Development (HCD) requirements, streamline Code requirements to provide flexibility and clarity regarding existing requirements and to streamline certain processes, and provide for other minor clarifications and clean-up items.	approval with the second reading of the zoning ordinance on July 5, 2022	
PEN20-0162	Moreno Valley Business Center – A Plot Plan application for a light industrial warehouse building (164,187 sq. ft.).	July 14, 2022 – Planning Commission recommended approval and then a project appeal was filed.  December 6, 2022 – City Council denied the appeal and approved the project	NEC of Alessandro Boulevard and Day Street.

#### Housing

The California Department of Housing and Community Development (HCD) requires the reporting of development activity related to Housing Element implementation on specific State reporting forms. The method of reporting Housing Element implementation is established by HCD with the purpose of tracking overall housing production in a community, as well as, more specifically, the City's progress towards meeting its Regional Housing Needs Allocation (RHNA). The City's Housing Element Implementation Progress Report is included as Exhibit A to the Annual Report (Attachment 1).

In summary, 279 new residential permits were issued in 2022, including 51 multiple family (apartment) units and 228 single-family dwelling (SFD) units. As the Cycle 6 Planning Period started on October 15, 2021, permitted units from both the Projection Period (June 30, 2021-October 14, 2021) and October 15, 2021, through December 31, 2021, count towards meeting Cycle 6's RHNA allocation.

#### **ACCOMPLISHMENTS IN 2022**

The purpose of the Annual Report is to highlight significant accomplishments and summarize ongoing General Plan projects that the City has been working on since January 2022. Major accomplishments include key projects that demonstrate how the City is implementing the policy and realizing the vision of the General Plan.

Highlighted below are some of the items from the Annual Report.

#### **Community Development Department (Planning)**

- Five (5) General Plan related projects reviewed and approved by City Council.
- Twenty-two (22) major projects reviewed and approved by the Planning Commission.

#### **Public Works**

- Citywide Pavement Rehabilitation Program for Arterials and Collectors FY 2021/22 to FY 2025/26 (construction started in August 2022).
- Cottonwood Golf Center, Moreno Valley Community Park, March Field Park, and Pedrorena Park Parking Lot Pavement Rehabilitation (Design completed December 2022).
- Juan Bautista De Anza Multi-Use Improvement Trail ATP 2 and Trail Gap Closure ATP 3 (construction of both sections completed in 2022).
- SR 60-Moreno Beach Interchange project (construction ongoing).
- Public Improvements secured through bonds, etc.: \$20,746,000.

#### Moreno Valley Utility (MVU)

Accomplishments for energy efficiency in 2022 include the following:

- Completed the Eucalyptus Line Extension Project consisting of the installation of electrical infrastructure improvements allowing for service to commercial properties along Eucalyptus Ave and Memorial Way.
- Approved the installation of 490 residential solar systems totaling 2.05 MW.

#### **Parks & Community Services**

- Grand Opening and Dedication of the new Santiago Park, Moreno Valley's 33rd park, on March 23, 2022.
- Kicked off the development of a NEW Parks, Community Services & Trails Master Plan I December 2022. The new plan will be completed in November 2023.
- Grand Opening of the new Demonstration Garden (January 10, 2022) and began hosting programs including workshops, open houses, seminars, and more.
- Hundreds of residents of all ages attended the quarterly Beautify MoVal Community Days of Service, which furthered the beautification of parks throughout the City.
- The Moreno Valley Public Library received a Library Technology Services Act (LSTA) grant via the State Library to offer Our MoVal Stories family digitization and preservation services, using professional-grade scanning, photo/videography, and audio recording equipment.

#### **Financial and Management Services Department**

- Expanded free public internet access through the Wi-Fi Gardens to Box Springs, Community Park, Sunnymead Park, Adrienne Mitchell Park, and Patriot Park.
- Moreno Valley GIS updated the public and internal map viewer websites to correspond with MoVal 2040 as well as created a new zoning atlas.
- Assisted 4,141 households with Fair Housing Services.
- Provided 8 homes with energy-efficient solar systems.
- Street improvements and ADA improvements funded by HUD's Community Development Block Grant (CDBG) Program completed in 2021/22 benefited cumulatively 20,155 low-moderate income persons.

In conclusion, the General Plan Annual Report satisfies the State-mandated annual report on the implementation status of Moreno Valley's General Plan. The actions, plans, programs, and projects documented in the Annual Report represent the City's commitment to achieving the goals and objectives outlined in the State required mandated General Plan Elements.

#### **ENVIRONMENTAL**

In accordance with the California Environmental Quality Act (CEQA) and the State CEQA Guidelines, it has been determined that this item does not constitute a "Project" under CEQA in that it does not involve any discretionary action that has the potential to cause a direct or reasonably foreseeable indirect physical change in the environment, but rather it is a ministerial annual "reporting" duty the City must perform under State law.

#### **ALTERNATIVES**

1. Submit the report to the State Office of Planning and Research (OPR) and State Department of Housing and Community Development (HCD) by April 1, 2023. Staff recommends this alternative.

 Do not approve the General Plan Annual Report, do not submit the report to the State Office of Planning and Research (OPR) and State Department of Housing and Community Development (HCD), and provide alternate direction. Staff does not recommend this alternative as it would put the City at risk of being out of compliance with State law based on the required submittal deadline of April 1, 2023.

#### **FISCAL IMPACT**

There is no fiscal impact associated with the approval and recommendation of the General Plan Annual Report.

#### **NOTIFICATION**

No public notification other than accomplished with the routine posting of the meeting agenda is required for this City Council item.

#### PREPARATION OF STAFF REPORT

Prepared By: Claudia Manrique Associate Planner

Concurred By: Sean P. Kelleher Planning Official Department Head Approval: Manuel A. Mancha Community Development Director

#### CITY COUNCIL GOALS

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

#### CITY COUNCIL STRATEGIC PRIORITIES

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

Objective 1.9: Ensure the City's General Plan articulates the vision for how Moreno Valley wants to evolve over time, and provides an orderly and predictable process through which this vision is developed and implemented, including new attention to economic development, sustainability, public health, and innovation.

#### **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Resolution 2023-XX 2022 General Plan Annual Report
- 2. Exhibit A to Resolution No. 2023-XX 2022 General Plan Annual Progress Report

#### **APPROVALS**

Budget Officer Approval	✓ Approved	2/26/23 6:33 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/28/23 8:19 AM

#### RESOLUTION NO. 2023-\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE GENERAL PLAN ANNUAL REPORT AND DIRECTING STAFF TO SUBMIT THE REPORT TO THE STATE OFFICE OF PLANNING AND RESEARCH (OPR) AND STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD)

**WHEREAS**, under California law, the City is required to adopt and maintain a comprehensive, long-term General Plan for its physical development, including consideration of any land located outside its boundaries which bears a relationship to its planning activities; and

**WHEREAS**, the General Plan is at the top of the hierarchy of the City's land use regulations that all zoning and land-use decisions must be consistent with; and

**WHEREAS**, the City's General Plan serves as the blueprint for future growth and development and contains goals, objectives, policies, and programs designed to provide decision-makers with information and a basis for all land use related decisions; and

**WHEREAS**, per state law, the General Plan must contain the following elements: (1) Land Use Element; (2) Circulation Element; (3) Housing Element; (4) Conservation Element; (5) Open Space Element; (6) Noise Element; (7) Environmental Justice Element and (8) Safety Element; and

**WHEREAS**, the City has the option of including additional elements in its General Plan; and

**WHEREAS**, the City of Moreno Valley's current General Plan was adopted on June 15, 2021; and

**WHEREAS**, the City's adopted General Plan incorporates all of the statemandated elements, plus an optional Economic Development Element and a Healthy Community Element titled as follows:

- Land Use and Community Character
- Economic Development
- Circulation
- Parks and Public Services
- Safety
- Noise
- Environmental Justice
- Healthy Community
- Open Space and Resource Conservation
- Housing Element; and

**WHEREAS** pursuant to Government Code Section 65400, the City is required to prepare an annual report on the status and progress of the City's General Plan and its implementation ("Annual Report"); and

**WHEREAS**, the Annual Report must be submitted to the Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD), which must be submitted on or before April 1, 2023; and

**WHEREAS**, the Annual Report must be presented to the City Council for its review and acceptance before it is submitted to the above-referenced state agencies; and

WHEREAS, OPR suggests that the Annual Report contain the following: (1) measures associated with the implementation of the General Plan with specific reference to individual elements; (2) the degree to which the General Plan complies with OPR's General Plan Guidelines; (3) the date of the last update to the General Plan; (4) priorities for land use decision making that have been established by the City Council such as the passage of moratoria or emergency ordinances; (5) goals, policies, objectives, standards or other plan proposals that need to be added or were deleted, amended, or otherwise adjusted; (6) references to the status of any specific General Plan element or policy with a brief comment on how each advanced the implementation of the General Plan during the past year; (7) planning activities initiated such as master plans, specific plans, master environmental assessments, annexation studies, and other studies or plans; (8) General Plan amendments; and (9) major development applications processed; and

**WHEREAS**, the City is required to submit a Housing Element Annual Progress Report to the Department of Housing and Community Development (HCD) using forms prescribed by HCD; and

**WHEREAS,** the City's Strategic Plan (Momentum MoVal), adopted on August 16, 2016, included Initiative 1.9.1, which provided guidance on the preparation of the Annual Report; and

WHEREAS, the Annual Report includes vital General Plan and housing information from January 2022 to December 2022; and

**WHEREAS**, on February 9, 2023, the City Planning Commission reviewed the Annual Report and has recommended approval by City Council; and

**WHEREAS,** on March 7, 2023, the City Council of the City of Moreno Valley reviewed and considered the Annual Report in its entirety; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE,** the City Council of the City of Moreno Valley hereby resolves as follows:

Section 1. Recitals and Exhibits

That the foregoing Recitals and attached Exhibits are true and correct and are hereby incorporated by this reference.

#### Section 2. Evidence

That the City Council has considered all of the evidence submitted into the administrative record for the 2022 General Plan Annual Progress Report (PEN23-0006), including, but not limited to, the following:

- a. Moreno Valley General Plan and all other relevant provisions contained therein;
- b. The 2022 General Plan Annual Report, attached as Exhibit A;
- c. Housing Element APR reporting requirements, which each jurisdiction is required to report certain housing information in accordance with state housing law (refer to Government Code Sections 65400, 65583 and 65584), attached as Appendix A to Exhibit A; and
- d. Staff Reports prepared for the Planning Commission and he City Council's consideration and all documents, records, and references related thereto.

#### Section 3. Findings

That based on the foregoing Recitals and the Evidence contained in the Administrative Record as set forth above, the City Council finds that the General Plan Annual Report prepared for 2022 is consistent with the guidelines from the Governor's Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD).

#### Section 4. CEQA Analysis

That in accordance with the California Environmental Quality Act (CEQA) and the State CEQA Guidelines, it has been determined that this action does not constitute a "Project" under CEQA in that it does not involve any discretionary action that has the potential to cause a direct or reasonably foreseeable indirect physical change in the environment, but rather it is a ministerial annual "reporting" duty the City must perform under State law.

#### Section 5. Approval

That based on the foregoing Recitals, Evidence contained in the Administrative Record and Findings set forth above, the City Council approves the 2022 General Plan Annual Report for submission to the Governor's Office of Planning and Research (OPR) and Department of Housing and Community Development (HCD) on or before April 1, 2023.

#### Section 6. Repeal of Conflicting Provisions

That all the provisions heretofore adopted by the City Council that are in conflict with the provisions of this Resolution are hereby repealed.

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#### Section 7. Severability

That the City Council declares that, should any provision, section, paragraph, sentence or word of this Resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Resolution as hereby adopted shall remain in full force and effect.

#### Section 8. Effective Date

That this Resolution shall take effect immediately upon its adoption.

#### Section 9. Certification

That the City Clerk for the City Council shall certify to the passage of this Resolution.

#### PASSED AND ADOPTED THIS 7th day of March 2023

	CITY OF MORENO VALLEY CITY COUNCIL
ATTEST:	Ulises Cabrera Mayor of the City of Moreno Valley
Jane Halstead, City Clerk	
APPROVED AS TO FORM:	
Steven B. Quintanilla, Interim City Attorney	
Exhibits: Exhibit A: 2022 General Plan Annual Re	eport

#### **RESOLUTION JURAT**

STATE OF CALIFORNIA	)
COUNTY OF RIVERSIDE	) ss.
CITY OF MORENO VALLEY	)
certify that Resolution No. 2023	erk of the City of Moreno Valley, California, do hereby was duly and regularly adopted by the City Council of egular meeting thereof held on March 7, 2023, by the
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
(Council Members, Mayor	Pro Tem, and Mayor)
CITY CLERK	
(SEAL)	

# Exhibit A 2022 General Plan Annual Report



# GENERAL PLAN ANNUAL PROGRESS REPORT

**JANUARY 1, 2022 – DECEMBER 31, 2022** 

# **TABLE OF CONTENTS**

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#### **ATTACHMENT**

1. Appendix A - 2022 Housing Element Annual Progress Report Table

2022 General Plan Annual Report

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TERM EXPIRES

## **ACKNOWLEDGEMENTS**

CITY COUNCIL (Elected)	DISTRICT	TERM EXPIRES
Ulises Cabrera, Mayor	CITYWIDE MAYOR	November 2024
Elena Baca-Santa Cruz	1	November 2024
Edward A. Delgado	2	November 2026
David Marquez	3	November 2024
Chevlynda Barnard	4	November 2026

#### **PLANNING COMMISSION** (Appointed)

Alvin DeJohnette, Chairperson

June 30, 2025

Jeffrey D. Sims, Vice Chair

March 31, 2023

Matthew Chen

JoAnn Stephan

Omar Cobian

Ray Baker

June 30, 2025

June 30, 2025

June 30, 2025

#### **CITY MANAGER**

Mike Lee, City Manager / Economic Development Director

#### **ASSISTANT CITY MANAGER**

Michael Lloyd, Assistant City Manager (Development)
Brian Mohan, Assistant City Manager / Chief Financial Officer / City Treasurer

#### COMMUNITY DEVELOPMENT DEPARTMENT

Manuel A. Mancha, Community Development Director

#### **Planning Division**

Sean Kelleher, Planning Official
Julia Descoteaux, Senior Planner
Claudia Manrique-Miklusek, Associate Planner
Danielle Harper-Scott, Associate Planner
Gabriel Diaz, Associate Planner
Ayida Smith, Assistant Planner
Grace Espino-Salcedo, Senior Permit Technician
Summer Woodend, Permit Technician
Dijen Patel, Permit Technician
Rachel Ramirez, Senior Administrative Assistant
Patty Castreje, Administrative Assistant

## ANNUAL REPORT SUMMARY

#### **BACKGROUND**

On December 3, 1984, the City of Moreno Valley was incorporated as a general law city led by a City Council-Manager form of government. At the time of incorporation, the City of Moreno Valley consisted of 42 square miles and a population of 49,702 people. As of January 2023, the City includes 51.56 square miles with a population of 217,197 people.

The City adopted its first General Plan in 1988. The General Plan was amended and updated on July 11, 2006. The City began the process for a comprehensive General Plan update in November 2019 and was completed on June 15, 2021. The updated General Plan (MoVal 2040) recognizes the community's diverse population, distinct residential neighborhoods, neighborhood and regional commercial activities, industrial potential, and recreational amenities. MoVal 2040 comprehensively updated all the programs and policies in General Plan as well as added new Elements (Economic Development, Environmental Justice, and Healthy Community).

This document constitutes an annual report to the Planning Commission and City Council as required by state law on the updates of programs and policies in the General Plan. The document includes major projects, General Plan amendments, a status report of goal objectives, policies and programs of the current General Plan, and a Housing Program Status Report. This Annual Report includes projects and information from January 1, 2022 through and up to December 31, 2022.

The following is a summary of the current adoption status of the different required elements of the General Plan:

- Land Use and Community Character (2021)
- Economic Development (2021)
- Circulation (2021)
- Parks and Public Services (2021)
- Safety (2021)
- Noise (2021)
- Environmental Justice (2021)
- Healthy Community (2021)
- Open Space and Resource Conservation (2021)
- Housing Element (6<sup>th</sup> Cycle (2021-2029) certified by HCD on October 11, 2022)

#### **ANALYSIS**

#### **Government Code Section 65400**

California Governments Code Section 65400 requires that an annual report be made to the legislative body of the submitting jurisdiction on the status of the General Plan and progress towards its implementation prior to submittal to the Office of Planning & Research and Department of Housing and Community Development. The report must also include activity that addresses the City's share of regional housing needs. State law requires the following:

- A) A General Plan Annual Report shall be provided by April of each year to the City Council, the Office of Planning and Research (OPR) and the Department of Housing and Community Development (HCD); and
- B) A status of the General Plan and progress in its implementation shall be provided in the General Plan Annual Report; and
- C) Progress in meeting its share of the regional housing needs pursuant to Section 65584 of the Government Code shall be provided in the General Plan Annual Report.

#### **Annual Review and Housing Program Summary Report**

Pursuant to State Law, the Annual Report and Review of the City of Moreno Valley General Plan reports the progress in implementing the General Plan to the City Council. The City of Moreno Valley's Annual Report includes the following items:

- 1. A list of Accomplishments from January 2022 through December 2022
- 2. A list of General Plan Amendments from January 2022 through December 2022
- 3. Appendix A Housing Element Implementation Progress Report includes the City's progress made in meeting its share of regional housing needs pursuant to State Government Code Section 65584.
- 4. Appendix B MoVal 2040 General Plan complete list of goals, policies, objectives and programs towards implementing the City's blueprint for land use development, which was approved on June 15, 2021.

#### **Housing Element Progress**

State law requires that each jurisdiction in California include a Housing Element in its General Plan that establishes specific actions, objectives, and timelines for meeting its State mandated Regional Housing Needs Assessment (RHNA) for each income level. The RHNA is provided to jurisdictions in eight-year cycles. The current cycle is Cycle 6, which covers the time period of 2021 through 2029.

Every year the City prepares an annual Housing Element Progress Report (Appendix A) that it submits to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR) by April 1st. Shown in Table 1 is the City's progress in meeting its RHNA.

	Table 1 City of Moreno Valley Cycle 6 RHNA Progress					
Income Level	2021- 2029 RHNA (# units)	Projection Period (6/30/21-10/14/21)	2021 Units (10/15/21-12/31/21)	New Units 2022	Total Units to Date	Remaining RHNA Need (Cycle 6)
Very Low	3,779			0		3,779
Low	2,051			0		2,051
Moderate	2165	11	4	51	66	2,099
Above- Moderate	5,632	38	27	228	293	5,339
Total	13,627	49	31	279	359	13,268

As the Cycle 6 Planning Period started on October 15, 2021, permitted units from both the Projection Period (June 30, 2021-October 14, 2021) and October 15, 2021 through December 31, 2021 count towards meeting Cycle 6's RHNA allocation.

The 2022 Housing Element Annual Report also includes required data on the number of applications submitted to the City for the production of housing units, the number of applications that were approved by the Planning Commission or City Council, and the number of building permits that were issued. The intention is to monitor whether cities are limiting housing production through their approval processes by comparing the number of housing units applied for to the number that are actually constructed. The City of Moreno Valley encourages the production of new housing in the City and has a record of approving all applications that meet City standards. Table 2, taken from Table A of the 2022 Housing Element Annual Report, shows that 2,364 housing units were proposed in the applications received by the City in 2022.

Table 2			
2022 Submitted Housing Entitlement Applications Summary			
Total Housing Applications Submitted	53		
Number of Proposed Units in All Applications Received	2,364		
Total Housing Units Approved	960		
Total Housing Units Disapproved	0		
Total Housing Units in Review	1,404		

#### Moreno Valley General Plan - Goals, Objectives, Policies, and Programs

Appendix B evaluates MoVal 2040 General Plan goals and policies in a comprehensive document providing the goal/policy number, a description of each goal and policy, a discussion on implementation status, and the party responsible for carrying out each item.

- A goal is defined as a broad vision of what the community wants to achieve or provide to residents, landowners, and business owners. It is a statement of a desired condition based on community values. Goals are general in nature and usually timeless.
- A policy is a specific statement that guides decision-making. It indicates a commitment of the City to a particular course of action. A policy is based on and assists to implement the goal.

The General Plan Annual Report also summarizes the objectives leading up to the goal/policy as well as an update on existing programs.

#### **General Plan Update**

The State Office of Planning and Research (OPR) recommends that cities update their General Plan every ten (10) years. The City of Moreno Valley completed its MoVal 2040 General Plan update on June 15, 2021.

#### Strategic Plan

Momentum MoVal, the City of Moreno Valley's Strategic Plan, represents the results of active engagement by Moreno Valley residents and the City Council in charting the community's course into the future. Adopted on August 16, 2016, the document provides a course of action for the City's next comprehensive General Plan update. This includes Objective 1.9 to "Ensure the City's General Plan articulates the vision of how Moreno Valley wants to evolve over time, and provides an orderly and predictable process through which this vision is developed and implemented, including new attention to economic development, sustainability, public health, and innovation."

Initiatives included in the City's Strategic Plan articulate a plan of action for the completion of the comprehensive General Plan update. These include Initiative 1.9.3, which "includes consideration of incremental set aside of funding in the annual budget development in anticipation of future General Plan update and Initiative 1.9.4, which calls for "conducting the comprehensive update of the City's General Plan and supporting environmental document, including all mandatory elements (including the Housing Element (Cycle 6), which was certified by HCD on October 11, 2022). The comprehensive General Plan update (MoVal 2040) was approved on June 15, 2021. A Climate Action Plan was also developed.

#### <u>Assembly Bill 168 – Tribal Consultation</u>

Governor Newsom signed AB 168 into law on September 25, 2020. AB 168 closes the loophole created by SB 35 that allowed developers to gain fast-tracked approval of housing projects at locations with known tribal cultural resources, without being subject to CEQA environmental review or tribal consultation.

AB 168 also states that annual reports on the status of a City's general plan must now include information on the progress of the city in adopting or amending its general plan in compliance with its obligations to consult with California Native American tribes. In addition, local government agencies must provide formal notice to California Native American tribes affiliated with geographic areas proposed for development.

MoVal 2040, and amendments thereto, have complied with its obligations to consult with California Native American tribes, and to identify and protect, preserve, and mitigate impacts to places, features, and objects described in Sections 5097.9 and 5097.993 of the Public Resources Code, pursuant to Chapter 905 of the Statutes of 2004. California Native American Heritage Commission as well as all Tribal agencies on the City of Moreno Valley's consultation list received notification of the comprehensive General Plan Update on April 21, 2020 via certified US mail.

#### **Adopted General Plan Amendments in 2022**

The General Plan and Development Code provides the City of Moreno Valley with the tools necessary to guide the development of the City. The updated General Plan, MoVal 2040, will provide direction for the City for decades to come. Implementation of the General Plan includes key projects that demonstrate how the City of Moreno Valley is carrying out the policy and vision of the Plan.

State law allows the General Plan to be amended four times annually. This allows the General Plan to remain a current document responsive to the community's needs. Requests for amendments may be submitted by individuals or initiated by the City.

The following General Plan related projects reviewed and approved in January 2022 through December 2022 are as follows:

Project Number	Action	Description	Location
PEN21-0073	December 9, 2021 – Planning Commission recommended approval. January 4, 2022 – City Council approval with the second reading of the zoning ordinance on January 18, 2022	Winter Omnibus – amending Sections 9.02.200, 9.02.230, 9.03.040, 9.03.050, 9.05.040, 9.07.080, 9.08.150, 9.08.260, 9.08.270, 9.08.280, 9.09.130, 9.11.040, 9.14.050, 9.15.030, 9.16.150, and 9.17.040 to Title 9 of the City of Moreno Valley Municipal Code to provide updates that comply with State requirements related to housing and housing production, streamline Code requirements to provide flexibility and clarity regarding existing requirements, and to streamline certain processes, and provide for other minor clarifications and clean-up items.	•

PEN21-0113 PEN21-0114	approval. January 18, 2022– City Council approval with the	The Courtyards at Cottonwood (Phase II)  – A General Plan Amendment changing the land use designation of the Project site from Public (P) to Residential 15 (R15), a Change of Zone from Public (P) to Residential 15 (R15), and Plot Plan for thirty-two affordable multiple-family apartment units.	Indian Street, north of Cottonwood Avenue
PEN20-0119 PEN20-0120 PEN20-0121 PEN20-0124	August 26, 2021 – Planning Commission recommended approval. January 18, 2022– City Council approval with the second reading of the	Compass Danbe – A General Plan Amendment changing the land use designation of the Project site from Commercial (C) to Business Park/Light Industrial, a Change of Zone from Community Commercial District (CC) to Light Industrial (LI), a Tentative Parcel Map for two parcels, and Plot Plans for two industrial buildings (290,726 sq. ft. and 98,877 sq. ft.).	Alessandro Boulevard west of Frederick Street and east of Graham Street
	the second reading of the zoning ordinance on July 5, 2022	Spring Omnibus - amending Tables 9.02.020-1 and 9.02.020-2, and Sections 9.02.140, 9.02.320, 9.09.300, 9.09.310, 9.13.040, 9.13.080, 9.14.240, and 9.16.150 of Title 9 of the City of Moreno Valley Municipal Code to provide updates that comply with State requirements related to compliance with new State Law and Housing and Community Development (HCD) requirements, streamline Code requirements to provide flexibility and clarity regarding existing requirements and to streamline certain processes, and provide for other minor clarifications and clean-up items.	
	Planning Commission	Moreno Valley Business Center – A Plot Plan application for a light industrial warehouse building (164,187 sq. ft.).	

#### **CONCLUSION**

The City of Moreno Valley General Plan (MoVal 2040) continues to serve as an effective guide for orderly growth and development, preservation, and conservation of open space and natural resources. The document also provides for the efficient expenditure of public funds.

The City of Moreno Valley's legislative bodies will use MoVal 2040 as a primary source of long-range planning and policy direction. MoVal 2040 will guide future growth and preserve the quality of life within the community through the next planning period.

## **MAJOR MILESTONES AND PROJECTS**

The City of Moreno Valley is committed to implementing the adopted General Plan, Development Code and Design Guidelines. The Development Code and Design Guidelines, combined with the adopted Landscape Guidelines, are major tools to implement the General Plan.

The purpose of this Annual Report is to highlight significant accomplishments and summarize ongoing General Plan projects that the City of Moreno Valley has been working on since January of 2021. Major accomplishments include key projects that demonstrate how the City of Moreno Valley is carrying out the policy and vision of the General Plan. This report is prepared in accordance with Section 65040.5 of the California Government Code.

#### Community Development Department - Planning

#### General Plan Goals, Policies, and Actions

Policy LCC.1-1: Foster a balanced mix of employment, housing, educational, entertainment, and recreational uses throughout the city to support a complete community.

Policy LCC.1-2: Expand employment opportunities locally and provide sufficient lands for commercial, industrial, residential and public/quasi-public uses while ensuring that a high quality of life is maintained in Moreno Valley.

Policy LCC.1-6: Promote infill development along Alessandro, Sunnymead, and Perris to create mixed use corridors with a range of housing types at mid-to-high densities along their lengths and activity nodes at key intersections with retail/commercial uses to serve the daily needs of local residents.

Policy LCC.1-12: Balance levels of employment and housing within the community to provide more opportunities for Moreno Valley residents to work locally, cut commute times, and improve air quality.

Goal LCC-4: Expand the range of housing types in Moreno Valley and ensure a variety of options to suit the needs of people of all ages and income levels.

Policy LCC.4-1: Promote a range of residential densities throughout the community to encourage a mix of housing types in varying price ranges and rental rates.

Policy LCC.4-6: Cater to the needs of larger, multi-generational families by both promoting the development of 3 and 4-bedroom homes and by facilitating construction of accessory dwelling units.

#### **Major Development Projects in 2022**

Major development projects reviewed and approved in January 2022 through December 2022 include:

Project Number	Action	Description	Location
	Planning Commission	Master Plot Plan for the development of a retail shopping center including a market/grocery store; a Plot Plan for a tunnel car wash; and two Conditional Use Permits for drive-through restaurant pads on approximately 4.5 acres in the Corridor Mixed Use (COMU) District.	SWC of Iris Avenue and Perris Boulevard
PEN21-0135 PEN21-0311 PEN21-0136 PEN21-0311	Commission	Tentative Tract Map (TTM 38123) to subdivide 33.57 gross acres into one hundred and seventy-seven (177) single-family lots and a Conditional Use Permit for a Planned Unit Development.	Boulevard and Lasselle
PEN18-0038	February 24, 2022	Conditional Use Permit for a service station with food mart (Arco AM/PM) and an adjacent retail tenant space.	SWC of Hemlock Avenue and Redlands Boulevard
PEN21-0192	February 24, 2022	Conditional Use Permit for a cannabis microbusiness (Moreno Valley-Fresh Farms, LLC).	SWC of Box Springs Road and Day Street, in the existing Canyon Springs Plaza
PEN21-0106 PEN21-0107 PEN21-0108 PEN21-0109 PEN21-0110	March 24, 2022		Eastside of Old 215 Frontage Road, south of Bay Avenue
PEN21-0206 PEN21-0300 PEN22-0006	April 14, 2022	•	SWC Perris Boulevard and Krameria Avenue

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PEN21-0005	,	Conditional Use Permit for a retail cannabis dispensary (Sunnymead Retail) located at 24175 Sunnymead Boulevard.	South side of Sunnymead Boulevard, east of Heacock Street
PEN21-0043 PEN21-0044 PEN21-0045		Tentative Condo Map 34544 for Cottonwood Residential Development consisting of 23 lots with 92 attached multi- family units (Cottonwood Village)	Northside of Cottonwood Avenue, east of Perris Boulevard
PEN21-0254		Conditional Use Permit for the operation of a Cannabis Microbusiness, including retail sales, manufacturing, and distribution operations at 24124 Sunnymead Boulevard.	North side of Sunnymead Boulevard, east of Heacock Street
PEN21-0149	<b>,</b> ,	A Conditional Use Permit for the operation of a Commercial Cannabis Dispensary (The Bakery) within the existing Vista Paint building that will be converted into a new tenant suite.	NEC of Sunnymead Boulevard and Frederick Street
PEN21-0249			South side of Sunnymead Boulevard, west of Indian Street, in the existing Sundance Plaza
PEN22-0063	•	•	NWC of Iris Avenue and Lasselle Street, in the existing Lakeside Plaza
PEN22-0037	•	Conditional Use Permit for the operation of a Commercial Cannabis Dispensary (Shango Alessandro).	SWC of Alessandro Boulevard and Indian Street
PEN22-0091 PEN21-0184	• /	Conditional Use Permit for a Planned Unit Development and Tentative Tract Map 38236 for 204 single-family residential lots in the Downtown Center (DC) District (DR Horton).	

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	September 22, 2022		Northside of Alessandro
PEN21-0291		Single-Family Residential	Boulevard, west of Nason
		Planned Unit Development and	Street
		Tentative Tract Map 38625 for	
		225 single-family residential	
		lots in the Downtown Center	
		(DC) District (Pacifica).	
	October 27, 2022		Northside of Eucalyptus
PEN22-0072		Permit for a 4-story hotel with	Avenue, east of Day Street ,
			in the existing Towngate
		Specific Plan (SP 200).	Square Center
PEN22-0106	October 27, 2022	Conditional Use Permit for the	NEC of Ironwood Avenue
	, ====		and Kitching Street
		cell site facility, including a 65-	
		foot-tall monopine tower at the	
		Palm Canyon Community	
		Church (25550 Ironwood	
		Avenue).	
PEN22-0103	November 17, 2022	Conditional Use Permit for a	NWC of Perris Boulevard
, 0.00	, 2022		and Atwood Avenue, in the
			existing Zono's Plaza
		tonam opaco.	DAIGUING ZONO O 1 IdZd
PEN22-0022	December 8, 2022	Plot Plan for a 192-unit	SWC of Alessandro
1 21122 0022	Docombor o, 2022	apartment complex (Crystal	Boulevard and Lasselle
		Cove).	Street
		0000).	Ou dot
DENIOS OOFG	December 9, 2022	Tantativa Tract Man 20262 to	NICC of Indian Characterist
PEN22-0056	December 8, 2022		NEC of Indian Street and
		subdivide 1.79 acres into 8	Angella Way
		single-family lots.	
DENIO4 0045	December 0, 0000	Tentetive Treet Mars 20004	NICC of Irio Average and
	December 8, 2022		NEC of Iris Avenue and
PEN21-0216		which consolidates seven	Emma Lane, west of Perris
		parcels into five parcels, and a	boulevard
		Plot Plan for a 426-unit	
		apartment complex.	
DENI24 0474	December 22, 2022	Conditional Llas Down it for the	SEC of Alessandra
PEN21-01/4	December 22, 2022		SEC of Alessandro
		operation of a cannabis	Boulevard and Indian Street,
		microbusiness within an	in the existing Sunnymead
		existing building at 24595	Village Center
		existing building at 24595 Alessandro Boulevard.	Village Center

#### **Administratively Approved Housing in 2022**

Administratively approved residential development projects reviewed and approved in January 2022 through December 2022 are as follows:

Project Number	Action	Description	Location
	January 4, 2022	ADU/Garage Conversion	Cobble Creek Drive
PEN21-0186	January 4, 2022	ADU/Garage Conversion	Unity Street
PEN21-0178	January 14, 2022	ADU/Garage Conversion	Birchwood Drive
PEN21-0231	January 18, 2022	ADU - Garage Conversion	Palmwood Drive
PEN21-0226	March 15, 2022	ADU - Detached Garage Conversion	Atwood Avenue
PEN21-0309	March 22, 2022	ADU/Garage Conversion	Quartz Road
PEN21-0278	March 31, 2022	Junior ADU/Garage Conversion	Escondido Court
PEN21-0232	April 6, 2022	Attached Accessory Dwelling Unit (ADU)	Rimview Road
PEN21-0324	April 19, 2022	ADU/Garage Conversion	Kalmia Avenue
PEN22-0028	June 6, 2022	ADU/Garage Conversion	Blue Ribbon Lane
PEN21-0269	June 21, 2022	Accessory Dwelling Unit (ADU)  – detached	Alpha Street
PEN21-0267	June 27, 2022	Accessory Dwelling Unit (ADU)  – detached	Bay Avenue
PEN22-0007	July 14, 2022	Custom Home	Featherbrook Court
PEN21-0304	August 8, 2022	ADU/Garage Conversion	Dracaea Avenue
PEN21-0253	August 10, 2022	Custom Home	Atwood Avenue
PEN21-0296	August 10, 2022	Custom Home	Highland Boulevard

PEN21-0264	August 16, 2022	Custom Home (Duplex)	Elm Court
PEN21-0320	August 22, 2022	Accessory Dwelling Unit (ADU)  – detached	Cayman Circle
PEN21-0247	August 24, 2022	ADU/Garage Conversion	Fir Avenue
PEN21-0315	August 24, 2022	Accessory Dwelling Unit (ADU)  – detached	Quebrada Court
PEN21-0119	August 31, 2022	Accessory Dwelling Unit (ADU)  – detached	Alba Way
PEN21-0182	October 3, 2022	Custom Home	Cottonwood Avenue
PEN21-0190	October 5, 2022	Custom Home	Kitching Street
PEN21-0306	October 24, 2022	Accessory Dwelling Unit (ADU) – detached	Anthony Place
PEN22-0067	November 18, 2022	Custom Home and Accessory Dwelling Unit (ADU) - detached	Myers Avenue

#### **Technology Updates in 2022**

The City of Moreno Valley received funding under the Department of Housing and Community Development's SB 2 Planning Grants Program. With a City Team (SimpliCITY Team) including staff members from Planning, Building and Safety, Land Development, Fire Prevention, Parks and Community Services, Maintenance and Operations, Special Districts, Media and Technology Services, the first task completed under the SB2 grant was the City's new Digital Plan Room in April 2021.

The Digital Plan Room has reduced the amount of review time for plan checks by eliminating the need to deliver and return plans for each plan check. The City fully transitioned from 100% paper review to 100% electronic plan review overnight. These advances have earned the City's online services the distinction of being a truly reliable, always-open-never-closing, digital counter.

In 2022, the SimpliCITY Team worked to further improve the virtual counter experience. The development of an online guide for all applications will make day-to-day business, paying online fees, and searching records even easier. Further software upgrades were also made and went live on January 3, 2023.

The City's Digital Plan Room is accessible at <a href="https://www.moval.org/simplicity">www.moval.org/simplicity</a>.

#### **Public Works**

#### General Plan Goals, Objectives, Policies

Policy C.1-1: Support regional infrastructure investments for all modes to relieve congestion and support healthy communities in the City of Moreno Valley.

Goal C-2: Plan, design, construct, and maintain a local transportation network that provides safe and efficient access throughout the City and optimizes travel by all modes.

Policy C.2-1: Design, plan, maintain, and operate streets using complete streets principles for all types of transportation projects including design, planning, construction, maintenance, and operations of new and existing streets and facilities. Encourage street connectivity that aims to create a comprehensive, integrated, connected network for all modes.

Policy C.3-D: Update ITS Master Plan to include latest technology and innovations, and continue investment to expand ITS and citywide camera system.

Policy PPS.4-5: Facilitate installation of advanced technology infrastructure, including, but not limited to, infrastructure for high-speed internet access and solar energy.

#### **Major Projects and Activities**

#### Capital Projects Division

- Phase 1 Citywide Pavement Rehabilitation Program for Arterials and Collectors FY21/22 to FY25/26 (Construction started August 2022)
- Phase 2 Citywide Pavement Rehabilitation Program for Arterials and Collectors FY25/26 to FY30/31 (Construction started December 2022)
- Phase 1 Citywide Pavement Rehabilitation Program for Local Streets FY21/22 to FY25/26 (Construction started in August 2022)
- Phase 2 Citywide Pavement Rehabilitation Program for Local Streets FY25/26 to FY30/31(Construction started in December 2022)
- Phase 1 Pavement Rehabilitation Program for Various Local Streets CDBG FY21/22 (Construction completed December 2022)
- Phase 2 Pavement Rehabilitation Program for Various Local Streets CDBG FY22/23 (Construction started December 2022)
- Juan Bautista De Anza Multi-Use Improvement Trail ATP 2 (Construction completed September 2022)
- Juan Bautista De Anza Trail Gap Closure ATP 3 (Construction completed December 2022)
- Juan Bautista De Anza Multi-Use Improvement Trail ATP 4 (Construction awarded December 2022)
- ADA Access Ramps Improvements FY 2021/22 (Construction completed September 2022)
- SR 60- Moreno Beach Interchange project (Construction ongoing)
- Corporate Yard Office Building F (Design started December 2022)
- Cottonwood Golf Center, Moreno Valley Community Park, March Field Park, and Pedrorena Park Parking Lot Pavement Rehabilitation (Design completed December 2022)

#### Land Development Division

- Public Improvements Secured through bonds: \$20,746,000
- Private Development Reviews Completed: 2,871
- Private Development Inspections Conducted: 7,091
- Permits Issued: 632

#### Maintenance & Operations

- Over 4,000 potholes were filled throughout Moreno Valley in 2022.
- Graffiti abatement crews responded to over 11,000 locations across Moreno Valley.
- Over 314 miles of roadway were striped throughout 2022, and over 18,000 miles of curbs were swept throughout the year.

#### Moreno Valley Utility (MVU)

Accomplishments for energy efficiency in 2022 include the following:

- Statistics for Energy Efficiency programs:
  - Completed 258 energy audits
  - Performed tune-ups on 1,302 tons of HVAC systems
  - Changed 309 AC system filters
  - Installed 347 smart thermostats
  - Provided 4,663 LED lamps to replace inefficient lighting
  - Saved 3,907,952 kWh annually
- Completed the Eucalyptus Line Extension Project consisting of the installation of electrical infrastructure improvements allowing for service to commercial properties along Eucalyptus Ave and Memorial Way.
- Approved the installation of 490 residential solar systems totaling 2.05 MW

#### **PARKS & COMMUNITY SERVICES**

#### General Plan Goals, Objectives, Policies

Policy PPS.1-6 Prioritize the maintenance and, where feasible, improvement of parks and recreational facilities to ensure safe, attractive facilities that are responsive to community needs.

Policy PPS.1-7 Provide on-going opportunities for public involvement and input into the park planning process, including priorities for amenities, facilities, programming, and improvements.

Policy PPS.1-8 Continue to encourage existing volunteer, service club and community group efforts to maintain and improve parks, such as "Beautify MoVal."

Policy HC1-4: Support community education programs on healthy eating habits and lifestyles, including topics such as nutrition, physical activity, and vegetable gardening.

Policy PPS.2-5 Partner with public and private entities to provide community services that support families and meet the diverse needs of community members of all ages, backgrounds, and interests.

Actions HC.1-K: Increase public awareness of youth program opportunities in Moreno Valley. Efforts may include, but are not limited: to helping to create and maintain a central directory of youth programs serving Moreno Valley and the school district; ensuring the directory is available online, as well as through guidance counselors; and targeting increasing participation in existing programs and increasing subsidized program spots for low-income youth.

Policy E.4-3: Support efforts to enhance education, increase high school graduation rates, and improve workforce readiness.

Action E.4-C: Work with local colleges, school districts, and other education and training providers to develop and implement applicable training programs and identify joint opportunities to spur growth of new and emerging job clusters and promote entrepreneurialism.

Action E.4-D: Identify and market local life-long learning opportunities, including workstudy programs, internships, online learning, and expanded curriculum offerings, in collaboration with educational institutions, businesses, and non-profit organizations.

Action PPS.1-E: Work with Moreno Valley Unified School District and Val Verde Unified School District to expand shared use of parks and recreational facilities.

#### **Major Projects and Activities**

#### Parks

- The Civic Center Amphitheater and Park hosted many successful events over the past year including Moval Rocks Summer Concert Series, Moval Movies in the Park, 4<sup>th</sup> of July Celebration, El Grito, Day of the Dead and Snow Day.
- The Parks team conducted over 1,200 classes throughout 2022, and nearly 1,400 classes at the Senior Community Center.
- Hundreds of residents of all ages attended the quarterly Beautify MoVal Community Days of Service, which furthered the beautification of parks throughout the City.
- The City opened Santiago Park, Moreno Valley's 33rd park, on March 23, 2022.
- Opened the latest extension of the Juan Bautista de Anza Trail from El Potrero Park to Lake Perris (Section 3) on May 18, 2022.
- Grand Opening of the new Demonstration Garden (January 10, 2022) and began hosting programs including workshops, open houses, seminars, and more.
- Kicked off the development of a NEW Parks, Community Services & Trails Master Plan I December 2022. The new plan will be completed in November 2023.
- Parks broke ground on a NEW LED Sports Field Lighting Project at Victoriano Park. Lighting dedication is planned for Monday, January 30, 2023.
- The Moreno Valley City Council approved the \$6 million Parks Rehabilitation and Refurbishment Program, the largest single parks investment in the City's history. Under the plan, all 33 of Moreno Valley's parks will receive various upgrades.
- The City Council also approved a \$4.4 million expansion of the Moreno Valley Senior Center.

#### **Library**

The Moreno Valley Public Library (MVPL) joined the California Library Literacy Services program, becoming eligible for ongoing funding for three fiscal years (2021/2022, 2022/2023, 2023/2024), to support Read MoVal/Talk MoVal adult literacy and family

literacy services. The Library introduced monthly Family Literacy Socials for families with children younger than 12 years old and Kinder Camp readiness programs for prereaders and their parents.

All public workstations in the Computer Lab and Children's area at the Main Library were replaced with new Dell Optiplex All-in-One computers. Decommissioned public workstations from the Main Library were transferred to the Riverside County Community Action Partnership for free refurbishment and placement in eligible households in Moreno Valley.

MVPL received a Library Technology Services Act (LSTA) grant via the State Library to offer Our MoVal Stories family digitization and preservation services, using professional-grade scanning, photo/videography, and audio recording equipment.

For Earth Day, MVPL collaborated with Parks & Community Services and the non-profit Neighborhood Forest organization to distribute 345 trees to children and their families for planting.

The State Library awarded MVPL a 2022 Lunch at the Library grant, with Moreno Valley Friends of the Library as fiscal sponsor, to enhance library summer reading programs at the Main Library where Moreno Valley Unified School District (MVUSD) served free meals to children and to bring pop-up libraries to Celebration Park where MVUSD served summer meals and to Bethune Park where Val Verde Unified School District (VVUSD) served summer meals.

The Iris Plaza Library Branch introduced weekly *Game On!* sessions for teens and young adults at its location, which provides opportunities for local high school students from both school districts to practice and engage in friendly eSports competitions.

#### FINANCIAL & MANAGEMENT SERVICES DEPARTMENT

#### General Plan Goals, Objectives, Policies

Policy PPS.4-5: Facilitate installation of advanced technology infrastructure, including, but not limited to, infrastructure for high-speed internet access and solar energy.

Action PPS.2-B: Pursue funding from public, private, or philanthropic sources to expand community facilities and programs to better serve the needs of Moreno Valley residents.

Housing Program 5-E: Continue to administer the Mobile Home Grant Program to address substandard living conditions for very low-income owner-occupants and pursue new funding sources, such as those available through HCD's Mobile Home Park Rehabilitation and Resident Ownership Program (MPRROP). Market program via City communications and continue to distribute program material to mobile home parks.

Housing Program 6-A: Promote the use of solar energy and other environmentally sound, energy-efficient methods for heating and cooling homes, consistent with adopted building,

mechanical, and plumbing codes. Provide information through the website and newsletters to residents, highlighting the availability of financial incentives available through federal, State, and local government programs such as the County of Riverside Home Weatherization Program, Western Riverside Council of Governments' HERO program, and funding for solar projects for low-income homeowners available through the GRID Alternatives program.

Policy EJ.2-3: Actively promote efforts to repair, improve, and rehabilitate substandard housing conditions in collaboration with the Fair Housing Council of Riverside.

Action EJ.2-C: Continue to implement recommendations made in the City of Moreno Valley's Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan.

Action EJ.4-D: Explore innovative options for increasing citizen involvement, such as participatory budgeting

Action EJ.4-E: Periodically audit City hiring practices with the goal of identifying areas of improvement for workforce diversity beyond federally required Equal Employment Opportunity reports.

Policy HC.2-5: Expand opportunities for residents to volunteer their time and talents to contribute to community health and quality of life. Expand opportunities for interaction between community members, elected officials, commission members and City staff and for partnerships between the City and community groups that revolve around making Moreno Valley a healthier place for all residents. Expand opportunities for residents to socially connect across generations and culture at the neighborhood level and citywide.

Policy OSRC.4-1: Reduce the amount of solid waste disposed in landfills by promoting source reduction and recycling throughout Moreno Valley and by expanding the range of programs and information available to local residents and businesses, consistent with State requirements.

#### **Major Projects and Activities**

#### Technology Services Division

- Free, public Wi-Fi service funded by HUD's Community Development Block Grant (CDBG) Program benefited cumulatively 15,713 low to moderate-income persons and 47,215 residents in total
- Expanded free public internet access through the Wi-Fi Gardens to Box Springs,
   Community Park, Sunnymead Park, Adrienne Mitchell Park, and Patriot Park
- Created working maps for changes to the Zoning layer
- Conducted parcel analysis for areas of change
- Updated the Zoning and Overlay layers to correspond with the new General Plan
- Created new Zoning Atlases
- Updated Zoning and General Plan layers on the public and internal map viewers
- Created and printed Zoning and General Plan Map exhibits
- Municipal Information Systems Association of California (MISAC) award for Excellence in Information Technology Practices for the 20th consecutive year.

#### Administration/Housing

The City of Moreno Valley remains committed to maximizing existing resources and opportunities to achieve a better quality of life for its low to moderate-income residents.

- Assisted 4,141 households with Fair Housing Services
- Provided street outreach to eighteen (18) persons
- Provided 8 homes with energy efficiency solar systems
- Aided 47,991 individuals through public services, including senior services, employment resources, youth services, and the MoVal Policing program
- Street improvements and ADA improvements funded by HUD's Community Development Block Grant (CDBG) Program completed in 2021/22 benefited cumulatively 20,155 low-moderate income persons
- The City administered various CDBG-CV programs that benefited 1,975 individuals to prevent, prepare for, and respond to the Coronavirus

#### **PUBLIC SAFETY**

#### General Plan Goals, Objectives, Policies

Goal S-1: Protect life and property from natural and human-made hazards.

Goal S-2: Provide effective response to disasters and emergencies.

#### **Major Projects and Activities**

- Our Moreno Valley Firefighters responded to over 20,000 calls for service, including 16,000 emergency medical calls and nearly 700 fire calls. Moreno Valley police officers responded to over 120,000 calls for service throughout 2022.
- The Moreno Valley City Council approved a massive \$5.5 million investment into public safety, hiring more motor deputies, a Fire Medic Squad, and a Park Ranger.
- The City's Fire Prevention Team inspected over 1,300 businesses and over 500 apartments, ensuring Moreno Valley remains safe from fire.
- Our police officers continue to make illegal fireworks a top non-emergency priority, issuing thousands of dollars in tickets throughout 2022.
- Thousands of residents got to know their Moreno Valley first responders during the annual Public Safety Expo and National Night Out.

## **Appendix A - 2022 Housing Element Annual Progress Report Table**

### Please Start Here

General Information						
Jurisidiction Name	Moreno Valley					
Reporting Calendar Year	2022					
	Contact Information					
First Name	Claudia					
Last Name	Manrique					
Title	Associate Planner					
Email	claudiam@moval.org					
Phone	9514133225					
	Mailing Address					
Street Address	14177 Frederick St					
City	Moreno Valley					
Zipcode	92553					

**Optional:** Click here to import last year's data. This is best used when the workbook is new and empty. You will be prompted to pick an old workbook to import from. Project and program data will be copied exactly how it was entered in last year's form and must be updated. If a project is no longer has any reportable activity, you may delete the project by selecting a cell in the row and typing ctrl + d.

Click here to download APR Instructions

11\_16\_22

Optional: This runs a macro which checks to ensure all required fields are filled out. The macro will create two files saved in the same directory this APR file is saved in. One file will be a copy of the APR with highlighted cells which require information. The other file will be list of the problematic cells, along with a description of the nature of the error.

Optional: Save before running. This copies data on Table A2, and creates another workbook with the table split across 4 tabs, each of which can fit onto a single page for easier printing. Running this macro will remove the comments on the column headers, which contain the instructions. Do not save the APR file after running in order Please save your file as Jurisdictionname2022 (no spaces). Example: the city of to preserve comments once it is reopened.

Optional: This macro identifies dates entered that occurred outside of the reporting year. RHNA credit is only given for building permits issued during the reporting year.

Link to the online system: <a href="https://apr.hcd.ca.gov/APR/login.do">https://apr.hcd.ca.gov/APR/login.do</a>

### **Submittal Instructions**

San Luis Obispo would save their file as SanLuisObispo2022

Housing Element Annual Progress Reports (APRs) forms and tables must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1 of each year for the prior calendar year; submit separate reports directly to both HCD and OPR pursuant to Government Code section 65400. There are two options for submitting APRs:

- 1. Online Annual Progress Reporting System Please see the link to the online system to the left. This allows you to upload the completed APR form into directly into HCD's database limiting the risk of errors. If you would like to use the online system, email APR@hcd.ca.gov and HCD will send you the login information for your jurisdiction. Please note: Using the online system only provides the information to HCD. The APR must still be submitted to OPR. Their email address is opr.apr@opr.ca.gov.
- 2. **Email -** If you prefer to submit via email, you can complete the excel Annual Progress Report forms and submit to HCD at APR@hcd.ca.gov and to OPR at opr.apr@opr.ca.gov. Please send the Excel workbook, not a scanned or PDF copy of the tables.

Jurisdiction	Moreno Valley	
Reporting Year	2022	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

# ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

# Table A Housing Development Applications Submitted

		F	Project Identifier		Unit Ty	/pes	Date Application Submitted		P	roposed Un	nits - Afforda 5	bility by Hou	sehold Inco	omes	6	Total Approved Units by Project	Total Disapproved Units by Project 8	Streamlining 9	Density Bo
Prior APN <sup>+</sup>	Current APN	Street Address	Project Name <sup>+</sup>	Local Jurisdiction Tracking ID <sup>+</sup>	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted+ (see instructions)	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income	Total <u>PROPOSED</u> Units by Project	APPROVED	Total <u>DISAPPROVED</u> Units by Project	Was <u>APPLICATION</u> <u>SUBMITTED</u> Pursuant to GC 65913.4(b)? (SB 35 Streamlining)	Ddi the housing development application seek incentives or concessions pursuant to Government Code section 65915?
Summary Row: St	art Data Entry Below							0	C	0	0	0	1303	1061	2364	960	0		
	292191021		Custom Home Review - Webb Street 1	PEN22-0002	SFD	0	01/04/2022							1	1			No	No
	292191022	WEBB ST	Custom Home Review - Webb Street 2	PEN22-0003	SFD	0	01/04/2022							1	1			No	No
	259371009	FEATHERBROOK C	Custom Home Review - Featherbrook	PEN22-0007	SFD	0	01/06/2022							1	1			No	No
	478166030		Custom Home Review - Mendoza	PEN22-0019	SFD	0	01/19/2022							1	1			No	No
	481210011		Custom Home Review	PEN22-0067	SFD	0	03/31/2022							1	1			No	No
	488051003	24936 MYERS AVE		PEN22-0097	ADU	0	05/09/2022							1	1			No	No
	478040018	CURTIS CIR	Custom Home Review - Curtis Cir.	PEN22-0081	SFD	0	04/08/2022							1	1			No	No
	292212005	12178 ZINNIA ST	Custom Home Review - FIRE REBUILD	PEN22-0099	SFD	0	05/10/2022							1	1			No	No
	263132022	21704 DRACAEA A	Custom Home Review - Campista	PEN22-0165	SFD	0	08/01/2022							1	1			No	No
	473174012	KALMIA AVE	Custom Home Review - Desai 1	PEN22-0209	SFD	0	10/06/2022							1	1			No	No
	473174012	KALMIA AVE	Custom Home Review - Desai 2	PEN22-0210	SFD	0	10/06/2022							1	1			No	No
	474250011		Custom Home Review - Sadik	PEN22-0213	SFD	0	10/06/2022							1	1			No	No
	474250060		Custom Home Review	PEN22-0219	SFD	0	10/12/2022							1	1			No	
	474120010		Custom Home Review	PEN22-0224	SFD	0	10/25/2022							1	1			No	+
			Custom Home Review - Cienfuegos Rivas CUP (PUD), TTM 38236, Single Family Residential	PEN22-0254 PEN22-0091	SFD SFD	0	12/06/2022 04/26/2022							1 204	204	. 204		No No	INO
	486240010		· , ,	PEN22-0091 PEN22-0162	SFD	0	07/19/2022							67	20 <del>4</del>	204	•	No.	
	484030028		, ,	PEN22-0022	5+	R	01/26/2022						200	01	200	192		No	
			u i	PEN22-0029	5+	R	02/04/2022						88		88	3		No	No
	484242020		9 9 1	PEN22-0034	5+	R	02/07/2022						64		64			No	No
	486091005		·	PEN22-0084	2 to 4	R	04/22/2022						3		3	3		No	No
	486280002, 486280004		Plot Plan with Hearing - Rocas Grande II Apartments  Plot Plan with Hearing - Album Towngate Senior Apartments	PEN22-0109 PEN22-0110	5+	R	06/02/2022 08/31/2022						460		460			No	No
	291650036 291130017		Plot Plan with hearing - Abum Towngate Senior Apartments	PEN22-0176	5+ 5+	R	11/07/2022						150 36		150			No.	NO
			,	PEN22-0060	SFD	0	03/17/2022							3	30			No	No
	475150042		, , , , , , , , , , , , , , , , , , , ,	PEN22-0167	SFD	0	08/05/2022							2	2			No	113
				PEN22-0208	SFD	0	10/06/2022							2	2			No	
	475090003		·	PEN22-0223	SFD	0	10/25/2022							3	3	3		No	No
	479140022		Tentative Condo Map 34544 & Plot Plan	PEN22-0010	SFD	0	01/10/2022							92	92	92		No	
	478250001		Cottonwood Collection - single family residential	PEN22-0013, PEN22-0014, PEN22-0015, PEN22-0016 & PEN22-0017	SFD	O	01/18/2022							60	60			No	No
	316110030	ANGELLA WY	Tentative Tract Map 38363 - single family residential	PEN22-0056	SFD	0	03/16/2022							8	8	88	<u> </u>	No	No
		27381 COTTONWO	Tentative Tract Map 38443 single-family residential (GPA/CZ/CUP/EIS) - Sunset Crossings	PEN22-0130 PEN22-0133 PEN22-0134 PEN22-0135 PEN22-0136	SFD	O	06/07/2022							133	133			No	No
	488210006, 488210020		Tentative Tract Map 38442 - single family residential (CUP & EIS) - Alessandro Walk	PEN22-0131, PEN22-0138, PEN22-0137	SFD	0	06/07/2022							108	108			No	No
	316030002, 316030018, 316030019		(GPA/CZ/CUP/EIS) - South of Iris 2021, LLC	PEN22-0156 PEN22-0157 PEN22-0158 PEN22-0159 PEN22-0160	SFD	0	07/11/2022							78	78			No	No

Note: "+" indicates an optional field Reporting Year 2022 (Jan. 1 - Dec. 31) Cells in grey contain auto-calculation formulas **Planning Period** 6th Cycle 10/15/2021 - 10/15/2029 Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units Affordability by Household Incomes - Building Permits Affordability by Household Incomes - Certificates of Occupancy **Density Bonus** Affordability by Household Incomes - Completed Entitlement Above Moderate-Income

Allowable Allowable Residential Gross Floor Area)

Above Moderate-Income

Allowable Units Owner of Other Incontives, Concessions, Waivers, or Other Modifications (Excluding Parking Waivers or Parking Modifications)

Allowable Residential Gross Floor Area)

Above Moderate-Income

Allowable Residential Gross Floor Area)

Above Moderate-Income

Allowable Residential Gross Floor Area)

Assistance Programs for Deed Restriction Type (Mayselect multiple - see instructions)

Allowable Residential Gross Floor Area)

Above Moderate-Income

Allowable Income?

Assistance Programs for Deed Restriction Type (Mayselect multiple - see instructions)

Allowable Residential Gross Floor Area)

Assistance Programs for Deed Restriction Type (Mayselect multiple - see instructions)

Allowable Residential Gross Floor Area)

Assistance or deed restrictions, Certificates of Occupancy or Other Modifications (Excluding Parking Waivers or Parking Modifications)

Allowable Residential Gross Floor Area)

Assistance or deed restriction (years) (if affordable without floor or Other Modifications (Excluding Parking Waivers or Parking Modifications)

Allowable Residential Gross Floor Area)

Assistance or deed re 9 0 484030028 ALESSANDRO BLVD Plot Plan with Hearing - Crystal Cove Apartments PEN22-0022 5+ DC Zoning is considered Moderate Multiple Family Rental Units /COMU Zoning District (Density up to 25 DU per acre) Income 316110030 ANGELLA WY Tentative Tract Map 38363 - single family residential PEN22-0056 SFD 486270015 14140 BLUE RIBBON LN Admin Plot Plan (ADU-Garage Conversion) PEN22-0028 ADU DC Zoning is considered Moderate Income 473120069 QUINCY ST Extension of Time - Tentative Tract Map 31206 (SF) PEN22-0004 SFD 484231015 PERRIS BLVD Extension of Time - Tentative Tract Map 33607 (Condos) PEN22-0009 SFA 0 0 N N 5/12/2022 20 481140025 FIR AVE Extension of Time - Senior Apartment Complex PEN22-0036 5+ DC Zoning is considered Moderate 484020006 ALESSANDRO BLVD Extension of Time - Springs at Alessandro Apartments PEN22-0058 5+ DC Zoning is considered Moderate INDIAN ST Extension of Time - Tentative Tract Map 32716 (SF) PEN22-0090 SFD 487461006 COTTONWOOD AVE Extension of Time - Tentative Tract Map 37643 (SF) PEN22-0095 SFD O 
 478090030
 BRADSHAW CIR
 Extension of Time - Tentative Tract Map 37462 (SF)
 PEN22-0174
 SFD
 O

 474161035
 11970 MATHEWS RD
 Detached ADU - 1200 SF (PEN19-0258)
 BFR20-0104
 ADU
 R

 2010/270144
 41770 00 NOTANTINE OID
 Detached ADU + 4000 0F (PEN19-0400)
 REP3/1 0000
 ADU
 R
 296212057 23386 DIZA ST 649 SF Attached ADU [PEN21-0014] BFR21-0220 ADU R 12/19/2022 316052024 24664 GOYA AVE 632 SQ FT New Attached ADU [PEN21-0120] BFR21-0277 ADU R

485101013 24801 GOLD STAR DR 326 SF ADU (Garage Conversion) - portion of existing 3
BFR21-0285 ADU R 0 N N 292222033 23775 HEMLOCK AVE Attached ADU/1332 SF ADU (2nd floor of the existing BER 22-0004 ADU B 217 SF Addition = 497 SF ADU [PEN21-0029 - Master PC BFR22-0009 ADU Conversion) Studio w/separate entry - DID NOT REQUIRE BFR22-0038 ADU REQUIRE AN ENTITLEMENT APPLICATION BFR22-0044 ADU R 1 0 N N BFR22-0056 ADU R ENTITLEMENT APPLICATION

ADU (Garage Conversion) - 600 SF [PEN21-0226]

BER 22-0071

ADU R

1 1/04/2022 0 0 N N bath/kitchen/laundry) - DID NOT REQUIRE AN BFR22-0103 ADU 0 0 N N 291344043 22824 CHAMBRAY DR JADU - 256 SF - DID NOT REQUIRE AN ENTITLEMENT PERCONAL ABUSE BY A DISCRIPTION B 0 0 N N 0 0 N N REQUIRE AN ENTITLEMENT APPLICATION BFR22-0134 ADU 09/30/2020 10/24/2022 Bldg 3 (18 units) (PEN16-0123) DC Zoning is considered Moderate 10/24/2022 DC Zoning is considered Moderate Income The project is publicly-privately funded residential apt) - 17048 SF (Affordable Units) (PEN19-0110) with a combination of Neighborhood Stabilization Program (NSP), HOME 20 0 N N HOME Other, DB R 10 5/26/2020 20 10 10 6/1/2021 6/30/2022 Affordable Housing Agreement is required as part of the approval of the project. Also a parking reduction (20%) Investment Partnerships Program (HOME) funds, state tax credits and private funds on Moreno Valley Housing 482161021 24560 COTTONWOOD AVE The Courtyards at Cottonwood - Bldg B (2 story - 30 BFR20-0061 5+ residential apts) -31889 SF (Affordable Units) (PEN19-The project is publicly-privately funded with a combination of Neighborhood Stabilization Program (NSP), HOME 6/30/2022 30 0 N N HOME Other, DB 6/1/2021 5/26/2020 30 15 Affordable Housing Agreement is required as part of the approval of the project. Also a parking reduction (20%). Investment Partnerships Program (HOME) funds, state tax credits and private funds on Moreno Valley Housing 482161023 24540 COTTONWOOD AVE The Courtyards at Cottonwood - Bldg C (2 story - 30 BFR20-0062 5+ The project is publicly-privately funded residential apts) - 31889 SF (Affordable Units) (PEN19-30 0 N N HOME Other, DB 6/1/2021 5/26/2020 30 15 6/30/2022 fordable Housing Agreement is required as part of the approval of the project. Also a parking reduction (20%  $^{\circ}$ Rental Projects in R10 -R20 COMU. The Courtyards at Cottonwood - Bldg A (residential portion - BFR20-0060 482161022 24580 COTTONWOOD AVE 2nd floor) - 1325 SF (Manager Unit) 6/1/2021 12/1/2022 DC Zoning is considered Moderate Manager Unit for the Courtyards at Cottonwood Apts Income

Rental Projects in R10 -R20, COMU 8 DC Zoning is considered Moderate Income
Rental Projects in R10 -R20, COMU & 486280054 14330 LASSELLE ST "Villa Annette" New 18158 SF Residential Building Type 2 - BFR20-0136 5+ DC Zoning is considered Moderate Building Permit renewed on 6/9/22 Income
Rental Projects in R10 -R20, COMU & 09/30/2020 Bldg 9 (14 units) (PEN16-0123) DC Zoning is considered Moderate Market Rate Condos - For Sale TR 32142 Aspen Hills - Building 22 - Phase 1 - 4 plex (Units BFT21-0524 SFA 8/22/2022 Market Rate Condos - For Sale 1-4) - Attached Townhomes (PA04-0051) Market Rate Condos - For Sale Market Rate Condos - For Sale 1-4) - Attached Townhomes (PA04-0051) Market Rate Condos - For Sale 1-6) - Attached Townhomes (PA04-0051) Market Rate Condos - For Sale 1-4) - Attached Townhomes (PA04-0051) Market Rate Condos - For Sale 1-4) - Attached Townhomes (PA04-0051) 07/19/2022 Market Rate Condos - For Sale 1-4) - Attached Townhomes (PA04-0051) Market Rate Condos - For Sale 1-4) - Attached Townhomes (PA04-0051) Market Rate Condos - For Sale 1-6) - Attached Townhomes (PA04-0051) Market Rate Condos - For Sale 1-4) - Attached Townhomes (PA04-0051) 263132030 13177 EDGEMONT ST 9-12 Apollo III Development - Building #3 Units 9 thru 12 - (1) BFR20-0079 5+ ental Projects in R10 -R20, COMU Quadplex (4264 SF 2 Bedroom Res, 1692 SF Garages, 616 DC Zoning is considered Moderate Income SF Patios, 170 SF Porches) [PEN18-0064] 11/14/2019 12/16/2020 04/27/2022 Rental Projects in R10 -R20, COMU & Quadplex (4264 SF 2 Bedroom Res, 1692 SF Garages, 616 DC Zoning is considered Moderate SF Patios, 170 SF Porches) [PEN18-0064] Income Rental Projects in R10 -R20, COMU & Duplex (2130 SF Res, 846 SF Garages, 308 SF Patios, 76 DC Zoning is considered Moderate SF Porches) [PEN18-0064] property on SEPTIC (Reference Permit#299012 in 1985 for 06/07/2022 01/27/2022 06/10/2022 488430025 12708 SCREE WAY SFD 1542 SF BFT21-0413 SFD O

488430026 12716 SCREE WAY Beazer Hyde Park - TR 36933 PH 31, Lot 103 - Plan 2B - BFT21-0414 SFD O 06/10/2022 488430027 12724 SCREE WAY SFD 1542 SF,
SFD 1542 SF,
488410012 27157 GILDED WAY Beazer Hyde Park - TR 36933 PH 28, Lot 12 - Plan 3BR - BFT21-0146 SFD O 10/27/2010 CONVERSION and CofO for Beazer Hyde Park TR 36933, Lot 98, Plan 2R (Original Permit # BFT18-0020 / PEN21-6/23/2022 tory SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 486240011 27868 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 1 Plan 3 Lot 63; BFT21-0439 SFD O 6/20/2022 Two Story SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 6/20/2022 One Story SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 6/23/2022 tory SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 6/23/2022 ry SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 486240011 27849 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 1 Plan 1 Lot 67; BFT21-0443 SFD O Two Story SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 486240011 27812 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 2 Plan 1 Lot 56; BFT21-0471 SFD O 12/28/2018 1 1 1/10/2022 7/12/2022 ry SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 486240011 27836 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 2 Plan 3 Lot 59: BFT21-0474 SFD O 7/12/2022 Two Story SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 486240011 27844 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 2 Plan 1 Lot 60; BFT21-0475 SFD O 7/12/2022 One Story SFD 1898 sf, GARAGE 415 sf, FRONT PORCH TR 31590 Alessandro Blvd - Del Sol - PH 2 Plan 2 Lot 69; BFT21-0476 SFD O 12/28/2018 7/14/2022 One Story SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 7/20/2022 Two Story SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 486240011 27764 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 3 Plan 4 Lot 50; BFT21-0494 SFD O 7/20/2022 ry SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 486240011 27772 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 3 Plan 3 Lot 51; BFT21-0495 SFD O 7/20/2022 Two Story SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 486240011 27780 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 3 Plan 1 Lot 52; BFT21-0496 SFD O 7/20/2022 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 80 sf -TR 31590 Alessandro Blvd - Del Sol - PH 3 Plan 2 Lot 53; BFT21-0497 SFD O 12/28/2018 7/20/2022 One Story SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 7/21/2022 tory SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 486240011 27804 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 3 Plan 4 Lot 55; BFT21-0499 SFD O 7/21/2022 ry SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 486240011 27801 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 3 Plan 4 Lot 71; BFT21-0500 SFD O 7/21/2022 Two Story SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 486240011 27789 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 3 Plan 3 Lot 72; BFT21-0501 SFD O 12/28/2018 8/1/2022 Two Story SFD 2537 sf, GARAGE 428 sf, FRONT PORCH TR 31590 Alessandro Blvd - Del Sol - PH 4 Plan 1 Lot 73; BFT21-0516 SFD O 8/1/2022 One Story SFD 1898 sf, GARAGE 415 sf, FRONT PORCH e Story SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 486240011 27753 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 4 Plan 4 Lot 75; BFT21-0518 SFD O 12/28/2018 8/22/2022 48624001 27717 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 4 Plan 2 Lot 78; BFT21-0521 SFD 0 8/22/2022 Two Story SFD 2617 sf, GARAGE 498 sf, FRONT PORCH

ANNUAL ELEMENT PROGRESS REPORT **Jurisdiction** Moreno Valley Note: "+" indicates an optional field Housing Element Implementation Reporting Year 2022 (Jan. 1 - Dec. 31) Cells in grey contain auto-calculation formulas **Planning Period** 6th Cycle 10/15/2021 - 10/15/2029 TR 31590 Alessandro Blvd - Del Sol - PH 5 Plan 2 Lot 46: BFT22-0007 8/31/2022 tory SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 8/31/2022 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 168 sf -TR 31590 Alessandro Blvd - Del Sol - PH 5 Plan 4 Lot 48; BFT22-0009 SFD 8/31/2022 Two Story SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 8/31/2022 o Story SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 9/1/2022 0 N N 9/1/2022 Two Story SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 486240011 27645 SOLITUDE AVE TR 31590 Alessandro Blvd - Del Sol - PH 6 Plan 1 Lot 84: BFT22-0048 SFD O 9/13/2022 486240011 14169 SUMMER RUN CT TR 31590 Alessandro Blvd - Del Sol - PH 7 Plan 2 Lot 34; BFT22-0067 SFD O 9/30/2022 SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 69 sf -9/30/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 30 sf -9/30/2022 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 81 sf -9/30/2022 SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 86 sf -486240011 14154 SUMMER RUN CT TR 31590 Alessandro Blvd - Del Sol - PH 7 Plan 2 Lot 38; BFT22-0071 SFD O 12/28/2018 10/11/2022 486240011 14160 SUMMER RUN CT TR 31590 Alessandro Blvd - Del Sol - PH 7 Plan 4 Lot 39; BFT22-0072 SFD O 12/28/2018 10/11/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 30 sf -10/11/2022 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 168 sf -10/11/2022 SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 58 sf -10/11/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 72 sf -486240011 27774 BRODIAEA AVE TR 31590 Alessandro Blvd - Del Sol - PH 8 Plan 1 Lot 92; BFT22-0098 SFD O 12/28/2018 10/11/2022 48624001 27788 BRODIAEA AVE TR 31590 Alessandro Blvd - Del Sol - PH 8 Plan 3 Lot 93; BFT22-0099 SFD O 12/28/2018 10/17/2022 SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 86 sf -48624001 27802 BRODIAEA AVE TR 31590 Alessandro Blvd - Del Sol - PH 8 Plan 2 Lot 94; BFT22-0100 SFD O 12/28/2018 10/17/2022 SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 56 sf -10/17/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 30 sf -10/17/2022 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 80 sf -486240011 27676 BRODIAEA AVE TR 31590 Alessandro Blvd - Del Sol - PH 9 Plan 4 Lot 85; BFT22-0120 SFD O 12/28/2018 12/19/2022 486240011 27690 BRODIAEA AVE TR 31590 Alessandro Blvd - Del Sol - PH 9 Plan 2 Lot 86; BFT22-0121 SFD O 12/28/2018 12/19/2022 SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 69 sf -TR 31590 Alessandro Blvd - Del Sol - PH 9 Plan 1 Lot 87; BFT22-0122 SFD O 12/28/2018 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 168 sf -12/19/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 72 sf -12/28/2022 SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 44 sf -TR 31590 Alessandro Blvd - Del Sol - PH 10 Plan 4 Lot 8; BFT22-0161 SFD O 12/28/2022 12/28/2022 0 N N 12/28/2022 1 0 N N SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 80 sf -486581007 27728 MALTBY AVE TR 31590 Alessandro Blvd - Del Sol - PH 10 Plan 3 Lot 28; BFT22-0165 SFD O 10/11/2022 37 sf, GARAGE 428 sf, FRONT PORCH 58 sf -486581008 27740 MALTBY AVE TR 31590 Alessandro Blvd - Del Sol - PH 10 Plan 4 Lot 29; BFT22-0166 SFD O 10/11/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 72 sf -| Note | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 10/11/2022 486580017 14114 STRATUS CT TR 31590 Alessandro Blvd - Del Sol - PH 11 Plan 2 Lot 17; BFT22-0174 SFD O 10/11/2022 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 80 sf -486580020 27718 LUMINOUS AVE TR 31590 Alessandro Blvd - Del Sol - PH 11 Plan 4 Lot 20; BFT22-0176 SFD O 10/17/2022 17 sf, GARAGE 498 sf, FRONT PORCH 72 sf -486580021 27730 LUMINOUS AVE TR 31590 Alessandro Blvd - Del Sol - PH 11 Plan 3 Lot 21; BFT22-0177 SFD O 10/17/2022 SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 58 sf -486581001 27739 LUMINOUS AVE TR 31590 Alessandro Blvd - Del Sol - PH 11 Plan 2 Lot 22; BFT22-0178 SFD O 12/28/2018 10/17/2022 SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 69 sf -486581002 27727 LUMINOUS AVE TR 31590 Alessandro Blvd - Del Sol - PH 11 Plan 4 Lot 23; BFT22-0179 SFD O 10/17/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 30 sf -12/19/2022 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 148 sf -486581004 27703 LUMINOUS AVE TR 31590 Alessandro Blvd - Del Sol - PH 11 Plan 2 Lot 25; BFT22-0181 SFD O 12/28/2018 12/19/2022 19 sf, GARAGE 413 sf, FRONT PORCH 64 sf -TR 31590 Alessandro Blvd - Del Sol - PH 12 Plan 1 Lot 10: BFT22-0194 SFD O 12/19/2022 SFD 1898 sf, GARAGE 415 sf, FRONT PORCH 168 sf -486580011 14121 RADIANCE CT TR 31590 Alessandro Blvd - Del Sol - PH 12 Plan 4 Lot 11; BFT22-0195 SFD O 12/28/2018 12/19/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 30 sf -TR 31590 Alessandro Blvd - Del Sol - PH 12 Plan 2 Lot 12; BFT22-0196 SFD O 12/28/2022 SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 69 sf -TR 31590 Alessandro Blvd - Del Sol - PH 12 Plan 3 Lot 13; BFT22-0197 SFD O 12/28/2022 SFD 2537 sf, GARAGE 428 sf, FRONT PORCH 44 sf -TR 31590 Alessandro Blvd - Del Sol - PH 12 Plan 1 Lot 14; BFT22-0198 SFD O 12/28/2018 12/28/2022 1898 sf, GARAGE 415 sf, FRONT PORCH 81 sf -486580015 14106 RADIANCE CT TR 31590 Alessandro Blvd - Del Sol - PH 12 Plan 4 Lot 15; BFT22-0199 SFD O 12/28/2022 SFD 2617 sf, GARAGE 498 sf, FRONT PORCH 30 sf -TR 31590 Alessandro Blvd - Del Sol - PH 12 Plan 2 Lot 18; BFT22-0200 SFD O 12/28/2022 SFD 2319 sf, GARAGE 413 sf, FRONT PORCH 61 sf -TR 31590 Alessandro Blvd - Del Sol - PH 13A Plan 3 Lot 5; BFT22-0218 SFD O 12/28/2018 12/28/2022 SFD 1898 sf,

TR 31590 Alessandro Blvd - Del Sol - PH 13A Plan 2 Lot 30; BFT22-0221 SFD 0

1 12/28/2022 1 12/28/2022 9/14/2021 Market Rate Condos - For Sale 1C - SFD 1524 sf, GARAGE 419 sf, PORCH 42 sf - MVU 12/11/2014 482582039 24911 GOSSAMER CT TR 36708 Century Comm-Mesa Verde PH 10 - Lot 38 - Plan BFT21-0340 5AR - SFD 2677 sf, GARAGE 418 sf, PORCH 97 sf 9/14/2021 Market Rate Condos - For Sale (OPTION: Multi Gen Suite) - MVU Release 9/14/2021 1AR - SFD 1524 sf, GARAGE 419 sf, PORCH 44 sf - MVU Market Rate Condos - For Sale 482582039 14583 GULFSTREAM LN TR 36708 Century Comm-Mesa Verde PH 10 - Lot 21 - Plan BFT21-0334 9/14/2021 Market Rate Condos - For Sale 1C - SFD 1524 sf, GARAGE 419 sf, PORCH 42 sf - MVU 9/14/2021 Market Rate Condos - For Sale 1BR - SFD 1524 sf, GARAGE 419 sf, PORCH 42 sf - MVU 9/14/2021 Market Rate Condos - For Sale 3B - SFD 2322 sf, GARAGE 467 sf, PORCH 91 sf - MVU 482582039 24906 GOSSAMER CT TR 36708 Century Comm-Mesa Verde PH 10 - Lot 34 - Plan BFT21-0336 SFD 9/14/2021 Market Rate Condos - For Sale 3AR - SFD 2322 sf, GARAGE 467 sf, PORCH 91 sf - MVU 482582039 24914 GOSSAMER CT TR 36708 Century Comm-Mesa Verde PH 10 - Lot 35 - Plan BFT21-0337 SF 12/11/2014 9/14/2021 Market Rate Condos - For Sale 4CR - SFD 2404 sf, GARAGE 424 sf, PORCH 53 sf - MVU 482582039 24923 GOSSAMER CT TR 36708 Century Comm-Mesa Verde PH 10 - Lot 37 - Plan BFT21-0339 9/14/2021 Market Rate Condos - For Sale 4AR - SFD 2404 sf, GARAGE 424 sf, PORCH 53 sf - MVU 9/14/2021 Market Rate Condos - For Sale 3B - SFD 2322 sf, GARAGE 467 sf, PORCH 91 sf - MVU 9/14/2021 Market Rate Condos - For Sale 1A - SFD 1524 sf, GARAGE 419 sf, PORCH 44 sf - MVU 482710001 14533 GULFSTREAM LN TR 36708 Century Comm-Mesa Verde PH 11 - Lot 26 - Plan BFT21-0354 SFD Market Rate Condos - For Sale 6/30/2021 1CR - SFD 1524 sf, GARAGE 419 sf, PORCH 42 sf - MVU Market Rate Condos - For Sale Market Rate Condos - For Sale Market Rate Condos - For Sale 3CR - SFD 2322 sf, GARAGE 467 sf, PORCH 91 sf - MVU Market Rate Condos - For Sale Market Rate Condos - For Sale Market Rate Condos - For Sale 2AR - SFD 2191 sf, GARAGE 419 sf, PORCH 89 sf - MVU Release

TR 36708 Century Comm-Mesa Verde PH 11 - Lot 33 - Plan

BFT21-0361

SFD

1

S 10/20/2021 Market Rate Condos - For Sale 3C - SFD 2322 sf, GARAGE 467 sf, PORCH 91 sf - MVU TR 36708 Century Comm-Mesa Verde PH 11 - Lot 28 - Plan BFT21-0356 SFD Market Rate Condos - For Sale 1BR - SFD 1524 sf, GARAGE 419 sf, PORCH 42 sf - MVU 482710001 24912 GULFSTREAM LN TR 36708 Century Comm-Mesa Verde PH 12 - Lot 54 - Plan BFT21-0407 SFD 12/11/2014 12/7/2021 Market Rate Condos - For Sale 4AR - SFD 2404 sf, GARAGE 424 sf, PORCH 53 sf - MVU Market Rate Condos - For Sale 10/20/2021 1C - SFD 1524 sf, GARAGE 419 sf, PORCH 42 sf - MVU Market Rate Condos - For Sale Market Rate Condos - For Sale 10/20/2021 Market Rate Condos - For Sale 2AR - SFD 2191 sf, GARAGE 419 sf, PORCH 89 sf - MVU 10/20/2021 Market Rate Condos - For Sale 482710005 24905 GULFSTREAM LN TR 36708 Century Comm-Mesa Verde MODEL and SALES BFT22-0038 SFD 10/20/2021 Market Rate Condos - For Sale OFFICE CONVERSION & CofO - Lot 3 - Plan 3AR - SFD 482710005 24915 GULFSTREAM LN TR 36708 Century Comm-Mesa Verde MODEL BFT22-0037 SFD 11/13/2020 Market Rate Condos - For Sale CONVERSION & CofO - Lot 2 - Plan 4B - SFD 2404 sf, Market Rate Condos - For Sale 1B - SFD 1524 sf, GARAGE 419 sf, PORCH 42 sf - MVU Market Rate Condos - For Sale 1C - SFD 1524 sf, GARAGE 419 sf, PORCH 42 sf - MVU 11/13/2020 5/19/2022 Market Rate Condos - For Sale Meritage Homes/Legacy Park TR 36760 PH 12-Enclave, BFT21-0455 SFD ritage Homes/Legacy Park TR 36760 PH 12-Enclave, BFT21-0456 5E - Lot 33, SFD 2320 sf; Garage 427 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 12-Enclave, BFT21-0457 SFD Plan 6A - Lot 34, SFD 2771 sf; Garage 427 sf; Front Porch Plan 5D - Lot 35, SFD 2320 sf; Garage 421 sf; Front Porch - Lot 36, SFD 1910 sf; Garage 419 sf; Front Porch 485250008 15566 RAPTOR RD Homes/Legacy Park TR 36760 PH 12-Enclave, BFT21-0461 E - Lot 57, SFD 2948 sf; Garage 423 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 13-Enclave, BFT21-0506 SFD Plan 6E - Lot 38, SFD 2771 sf; Garage 427 sf; Front Porch Plan 5B - Lot 39, SFD 2320 sf; Garage 421 sf; Front Porch 1/24/2022 - Lot 40, SFD 2948 sf; Garage 423 sf; Front Porch 1/24/2022 1/24/2022 n 5A - Lot 59, SFD 2320 sf; Garage 421 sf; Front Porch Plan 7E - Lot 60, SFD 2948 sf; Garage 423 sf; Front Porch Plan 6B - Lot 61, SFD 2771 sf; Garage 427 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 14-Enclave, BFT22-0022 SFD ın 6B - Lot 14, SFD 2771 sf; Garage 427 sf; Front Porch 2/9/2022 7B - Lot 16, SFD 2948 sf; Garage 423 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 14-Enclave, BFT22-0025 Plan 6D - Lot 17, SFD 2771 sf; Garage 427 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 14-Enclave, BFT22-0026 SFD Plan 5A - Lot 18, SFD 2320 sf; Garage 421 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 14-Enclave, BFT22-0027 SFD ın 4B - Lot 19, SFD 1910 sf; Garage 419 sf; Front Porch 2/9/2022 Meritage Homes/Legacy Park TR 36760 PH 15-Enclave, BFT22-0051 Plan 5B - Lot 11, SFD 2320 sf; Garage 421 sf; Front Porch 3/14/2022 Plan 4D - Lot 12, SFD 1910 sf; Garage 419 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 15-Enclave, BFT22-0053 SFD 7A - Lot 13, SFD 2948 sf; Garage 423 sf; Front Porch 3/14/2022 E - Lot 50, SFD 2948 sf; Garage 423 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 15-Enclave, BFT22-0056 Plan 6A - Lot 51, SFD 2771 sf; Garage 427 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 15-Enclave, BFT22-0057 SFD 3/14/2022 Plan 5D - Lot 52, SFD 2320 sf; Garage 421 sf; Front Porch Meritage Homes/Legacy Park TR 36760 PH 16-Enclave, BFT22-0075 SFD lan 5E - Lot 3, SFD 2320 sf; Garage 421 sf; Front Porch 44 4/5/2022 B - Lot 5, SFD 2320 sf; Garage 421 sf; Front Porch 44 Meritage Homes/Legacy Park TR 36760 PH 16-Enclave, BFT22-0078 Plan 6D - Lot 6, SFD 2771 sf; Garage 427 sf; Front Porch 55 Meritage Homes/Legacy Park TR 36760 PH 16-Enclave, BFT22-0079 SFD 4/5/2022 Plan 7E - Lot 7, SFD 2948 sf; Garage 423 sf; Front Porch 39 Meritage Homes/Legacy Park TR 36760 PH 16-Enclave, BFT22-0080 SFD Plan 5A - Lot 8, SFD 2320 sf; Garage 421 sf; Front Porch 44 1 4/5/2022 4/5/2022 Meritage Homes/Legacy Park TR 36760 PH 16-Enclave, BFT22-0083 Plan 4D - Lot 48, SFD 1910 sf; Garage 419 sf; Front Porch TR 36760 Meritage Homes Legacy Park - Arbor MODEL BFT22-0092 CONVERSION & CofO - Lot 85 - Plan 1 - SFD 1926 sf, GARAGE 421 sf, PORCH 24 sf - MVU Release

ıt: Exhibit A to Resolution No. 2023-XX - 2022 General Plan Annual Progress Report (6118 : ANNUAL PROGRESS REPORT AS REQU

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Jurisdiction         Moreno Valley           Reporting Year         2022         (Jan. 1 - Dec. 31)           Planning Period         6th Cycle         10/15/2021 - 10/15/2029	ANNUAL ELEMENT PROGRESS REPORT  Housing Element Implementation	Note: "+" indicates an optional field  Cells in grey contain auto-calculation formulas						
485251013 15601 AVENGER DR TR 36760 Meritage Homes Legacy Park - Arbor MODEL BFT22-0093 SFD CONVERSION & CofO - Lot 86 - Plan 3X - SFD 2197 sf, GARAGE 421 sf, PORCH 106 sf - MVU Release  485240001 24568 LANCER PL Meritage Homes/Legacy Park TR 36760 PH 17-Enclave, Plan 6B - Lot 1, SFD 2771 sf; Garage 427 sf; Front Porch 55	1 8/24/2017 1 1 8/24/2017 1	1     3/25/2022       1     5/11/2022	1	1 9/30/2022 1 1 0 1 0	N N	N		
Sf - MVU release   Meritage Homes/Legacy Park TR 36760 PH 17-Enclave,   BFT22-0104   SFD	1 8/24/2017 1 1 8/24/2017 1	1 5/11/2022 1 5/11/2022	1	1 10/11/2022 1 0 1 10/11/2022 1 0 1 10/11/2022 1 0	N N	N N		
485250014	1     8/24/2017     1       1     8/24/2017     1       1     8/24/2017     1       1     8/24/2017     1	1     5/11/2022       1     5/11/2022       1     5/11/2022       1     5/11/2022	1 1	1     1     0       1     10/11/2022     1     0       1     10/11/2022     1     0	N N	N		
20 sf - MVU release  485241001 24565 LANCER PL Meritage Homes/Legacy Park TR 36760 PH 17-Enclave, Plan 4E - Lot 45, SFD 1910 sf; Garage 419 sf; Front Porch 20 sf - MVU release  485241002 24553 LANCER PL Meritage Homes/Legacy Park TR 36760 PH 17-Enclave, Plan 7B - Lot 46, SFD 2948 sf; Garage 423 sf; Front Porch 39 sf - MVU release  20 sf - MVU release  BFT22-0109 SFD O 39 sf - MVU release	1 8/24/2017 1 1 8/24/2017 1	1 5/11/2022 1 5/11/2022	1	1 10/11/2022 1 0 1 10/11/2022 1 0	N N	N N		
485250023 15541 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 19-Enclave, BFT22-0155 SFD Plan 7B - Lot 69, SFD 2948 sf; Garage 423 sf; Front Porch 39 sf - MVU release  485250024 15553 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 19-Enclave, BFT22-0156 SFD Plan 5D - Lot 70, SFD 2320 sf; Garage 421 sf; Front Porch 44 sf - MVU release 485250025 15565 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 19-Enclave, BFT22-0157 SFD	1     8/24/2017     1       1     8/24/2017     1	1     5/25/2022       1     5/25/2022	1	1 12/9/2022 1 0 1 12/9/2022 1 0 1 0 1 12/9/2022 1 0 1 0 1 12/28/2022 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 0 1 12/28/2022 1 1 1 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1	N N	N N		
Plan 6E - Lot 71, SFD 2771 sf; Garage 427 sf; Front Porch 55 sf - MVU release  485251004 15574 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 19-Enclave, Plan 4B - Lot 77, SFD 1910 sf; Garage 419 sf; Front Porch 20 sf - MVU release  485251005 15562 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 19-Enclave, Plan 6A - Lot 78, SFD 2771 sf; Garage 427 sf; Front Porch O Plan 6A - Lot 78, SFD 2771 sf; Garage 427 sf; Front Porch O O O O O O O O O O O O O O O O O O O	1     8/24/2017     1       1     8/24/2017     1       1     8/24/2017     1       1     8/24/2017     1	1     5/25/2022       1     5/25/2022       1     5/25/2022       1     5/25/2022	1	1 1 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0	N N	N		
55 sf - MVU release  485251006 15550 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 19-Enclave, BFT22-0160 SFD  Plan 5E - Lot 79, SFD 2320 sf; Garage 421 sf; Front Porch  485250026 15577 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 18-Enclave, BFT22-0167 SFD  Plan 5A - Lot 72, SFD 2320 sf; Garage 421 sf; Front Porch  O  O	1 8/24/2017 1 1 8/24/2017 1	1     5/25/2022       1     5/25/2022	1	1 12/28/2022 1 0 1 12/28/2022 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0	N N	N N		
485250027 15589 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 18-Enclave, BFT22-0168 SFD Plan 4D - Lot 73, SFD 1910 sf; Garage 419 sf; Front Porch 20 sf - MVU release 485251001 15612 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 18-Enclave, BFT22-0169 SFD Plan 6D - Lot 74, SFD 2771 sf; Garage 427 sf; Front Porch O  FE of MVU release	1 8/24/2017 1 1 8/24/2017 1	1     5/25/2022       1     5/25/2022       1     5/25/2022	1	1     12/28/2022       1     1       1     12/28/2022       1     0       1     12/8/2022       1     12/8/2022	N N	N		
485251002 15600 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 18-Enclave, Plan 6E - Lot 75, SFD 2771 sf; Garage 427 sf; Front Porch 55 sf - MVU release  485251003 15588 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 18-Enclave, Plan 7A - Lot 76, SFD 2948 sf; Garage 423 sf; Front Porch 70 29 sf - MVU release  485250016 24749 LIGHTNING WAY Meritage Homes/Legacy Park TR 36760 PH 20-Enclave, Plan 5E - Lot 62, SFD 2320 sf; Garage 421 sf; Front Porch 90 255 sf - MVU release 90 25 SFD 90 2771 sf; Garage 427 sf; Front Porch 90 25 SFD 90 2771 sf; Garage 427 sf; Front Porch 90 25 SFD 90 2771 sf; Garage 427 sf; Front Porch 90 25 SFD 90 2771 sf; Garage 427 sf; Front Porch 90 25 SFD 90 2771 sf; Garage 427 sf; Front Porch 90 2771 sf; Garage 427	1     8/24/2017     1       1     8/24/2017     1       1     8/24/2017     1       1     8/24/2017     1	1     5/25/2022       1     5/25/2022       1     5/25/2022       1     6/30/2022	1	1 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1	N N	N		
44 sf - MVU release  485250017 24739 LIGHTNING WAY Meritage Homes/Legacy Park TR 36760 PH 20-Enclave, BFT22-0202 SFD  Plan 7D - Lot 63, SFD 2948 sf; Garage 423 sf; Front Porch  39 sf - MVU release  485250018 24727 LIGHTNING WAY Meritage Homes/Legacy Park TR 36760 PH 20-Enclave, BFT22-0203 SFD  Plan 6A - Lot 64, SFD 2771 sf; Garage 427 sf; Front Porch  O		1 6/30/2022 1 6/30/2022	1		N N	N 1 N 1	Destroyed O  Destroyed O	12/14/2022 - DEMO due to Fireburn of SFD includes foundation. SFD was destroyed by Fire prior to the occupancy of the new buyer.  12/14/2022 - DEMO due to Fireburn of SFD includes foundation. SFD was destroyed by Fire prior to the occupancy of the new buyer.
55 sf - MVU release  485250019	1 8/24/2017 1 1 8/24/2017 1	1     6/30/2022       1     6/30/2022	1		N N	N 1 N 1	Destroyed O  Destroyed O	12/14/2022 - DEMO due to Fireburn of SFD includes foundation. SFD was destroyed by Fire prior to the occupancy of the new buyer.  12/14/2022 - DEMO due to Fireburn of SFD includes foundation. SFD was destroyed by Fire prior to the occupancy of the new buyer.
485250021 15517 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 20-Enclave, Plan 6D - Lot 67, SFD 2771 sf; Garage 427 sf; Front Porch S5 sf - MVU release  485250022 15529 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 20-Enclave, Plan 4A - Lot 68, SFD 1910 sf; Garage 419 sf; Front Porch O20 sf - MVU release  485251007 15538 HAWK ST Meritage Homes/Legacy Park TR 36760 PH 20-Enclave, PBFT22-0208 SFD Plan 6B - Lot 80, SFD 2771 sf; Garage 427 sf; Front Porch O	1     8/24/2017     1       1     8/24/2017     1	1     6/30/2022       1     6/30/2022	1	1 1 12/22/2022 1 0 1 12/22/2022 1 0 1 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 12/22/2022 1 0 1 0 1 12/22/2022 1 0 1 0 1 12/22/2022 1 0 1 0 1 12/22/2022 1 0 1 0 1 12/22/2022 1 0 1 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1	N N	N N		
55 sf - MVU release 485251010 15565 AVENGER DR Meritage Homes/Legacy Park TR 36760 Build Out-Enclave, BFT22-0213 SFD Plan 6A - Lot 83, SFD 2771 sf; Garage 427 sf; Front Porch 55 sf - MVU release 485251011 15577 AVENGER DR Meritage Homes/Legacy Park TR 36760 Build Out-Enclave, BFT22-0214 SFD Plan 7B - Lot 84, SFD 2948 sf; Garage 423 sf; Front Porch O	1     8/24/2017     1       1     8/24/2017     1       1     8/24/2017     1       1     8/24/2017     1	1     6/30/2022       1     9/7/2022       1     9/7/2022	1		N N	N		
39 sf - MVU release	1 8/24/2017 1 1 8/24/2017 1	1 9/13/2021 1 9/13/2021	1	1 12/29/2022 1 0 1 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1	N N	N N		
2520 SI, 259541009  23124 SAMANTHA PL  TR 24203 KB Boulder Ridge PH 8 - Plan 3CR, Lot 44 - SFD 2091 sf, GARAGE 417 sf, PORCH 33 sf - (Very High Fire Hazard Severity Zone) - SCE Release  O  259531004  9631 TRAILHEAD LN  TR 24203 KB Boulder Ridge Build Out - Plan 2RA, Lot 61 - SFD 1751 sf (Very High Fire Hazard Severity Zone)  O  O	1 10/9/2018 1 1 10/9/2018 1	1 4/14/2020 1 9/2/2021	1	1     2/24/2022     1     0       1     2/24/2022     1     0	N N	N N		
259531006 9659 TRAILHEAD LN TR 24203 KB Boulder Ridge Build Out - Plan 3RB, Lot 63 - SFD O  259532002 9652 TRAILHEAD LN TR 24203 KB Boulder Ridge Build Out - Plan 1B, Lot 67 - SFD 1551 sf, GARAGE 418 sf, PORCH 72 sf - (Very High Fire Hazard Severity Zone)  259532003 9638 TRAILHEAD LN TR 24203 KB Boulder Ridge Build Out - Plan 3A, Lot 68 - BFT21-0126 SFD	1 10/9/2018 1 1 10/9/2018 1	1 9/2/2021 1 9/2/2021	1	1     2/24/2022     1     0       1     2/24/2022     1     0	N N	N N		
SFD 2091 sf, GARAGE 417 sf, PORCH 42 sf - (Very High Fire Hazard Severity Zone)	1     10/9/2018     1       1     10/9/2018     1       1     10/9/2018     1       1     10/9/2018     1	1     9/2/2021       1     9/13/2021       1     9/13/2021       1     9/2/2021	1 1 1	1     2/24/2022     1     0       1     2/24/2022     1     0       1     2/24/2022     1     0       1     2/28/2022     1     0	N N N	N		
SFD 1751 sf, (Very High Fire Hazard Severity Zone)	1 10/9/2018 1 1 6/24/2003 1	1 9/13/2021 1 12/17/2018	1	1     3/3/2022     1     0       1     3/7/2022     1     0	N N	N N N N N N N N N N N N N N N N N N N		
259530001	1     10/9/2018     1       1     5/14/2015     1       1     5/14/2015     1       1     5/14/2015     1	1     8/30/2021       1     5/31/2018       1     8/7/2018	1 1 1	1     3/7/2022     1     0       1     4/14/2022     1     0       1     4/14/2022     1     0       1     4/14/2022     1     0	N N N	N		
SFD 3061	1     5/14/2015     1       1     5/14/2015     1       1     5/14/2015     1       1     4/1/2005     1       1     4/1/2005     1	1 12/16/2019 1 7/26/2021	1 1 1	1     4/14/2022     1     0       1     4/14/2022     1     0       1     8/18/2022     1     0       1     8/18/2022     1     0       1     8/18/2022     1     0	N N N N N	N N N N N N N N N N N N N N N N N N N		
A81342041   24647 IRONWOOD AVE   PM 33637 - "Ironwood" Lot 41 Plan 1D - SFD 2014 sf   BFT20-0164   SFD   O (PEN17-0096)	1 4/1/2005 1 1 4/1/2005 1 1 10/21/2020 1		1 1 1	1     8/18/2022     1     0       1     8/18/2022     1     0       1     7/20/2022     1     0	N N N	N         N           N         ADU		Attached ADU/Partial Garage Conversion to ADU
A85220015			0 0 0		N N N	N 1 N 1 N 1 N 1	Destroyed O  Destroyed O  Demolished O  Demolished O	Fire-damaged structure - SFD was required to be demolished (3/29/2022)  Fire-damaged structure - SFD was required to be demolished (1/13/2022)  SFD demolished 5/4/22 (previous fire damage)  SFD demolished 5/4/22 (previous fire damage)
488190028 27383 COTTONWOOD AVE Full demolition of SFD including all utilities and foundation Full demolition of SFD including all utilities and foundation (positive asbestos report)  BOD22-0021 SFD O  BOD22-0022 SFD O			0 0 0 0		N N	N 1 N 1	Demolished O  Demolished O	SFD demolished 5/4/22 (previous fire damage)  SFD demolished 5/4/22 (previous fire damage)  SFD demolished 5/4/22 (previous fire damage)
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1,890

Jurisdiction	Moreno Valley	
Reporting Year	2022	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

1,890

Extremely Low-Income Units\*

## ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.

Please contact HCD if your data is different than the material supplied here

						Tah	le B							
					Danianali			D						
							ds Allocation							
					Permit	ted Units Iss	ued by Afford	lability						
		1					3	4						
Inco	me Level	RHNA Allocation by Income Level	Projection Period - 06/30/2021- 10/14/2021	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total Units to Date (all years)	Total Remaining RHNA by Income Level
	Deed Restricted	3,779		-	-	-	-	-	-	-	-	-		3,77
/ery Low	Non-Deed Restricted	·	-	-	-	-	-	-	-	-	-	-		
011	Deed Restricted Non-Deed Restricted	2,051			-	-	-	-	-	-	-	-	-	2,05
_OW	Deed Restricted		-	-	-	-	-	-	-	-	-	-		
Moderate	Non-Deed Restricted	2,165	11	- 4	51		-		-	-	-		66	2,09
Above Moderate		5,632	38	27	228	-	-	-	-	-	-	-	293	5,33
Total RHNA		13,627		Į.										,
Γotal Units			49	31	279	-	-	-	-	-	-	-	359	13,268
			P	Progress toward ex	tremely low-incom	e housing need. a	s determined purs	uant to Governme	nt Code 65583(a)(1	l).				_
		5		•		<b>J</b>				,			6	7
		Extremely low-income Need		2021	2022	2023	2024	2025	2026	2027	2028	2029	Total Units to Date	Total Units Remaining

\*Extremely low-income houising need determined pursuant to Governmet Code 65583(a)(1). Value in Section 5 is default value, assumed to be half of the very low-income RHNA. May be overwritten.

Note: units serving extremely low-income households are included in the very low-income RHNA progress and must be reported as very low-income units in section 7 of Table A2. They must also be reported in the extremely low-income category (section 13) in Table A2 to be counted as progress toward meeting the extremely low-income housing need determined pursuant to Government Code 65583(a)(1).

Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will only include units that were permitted since the start of the planning period. Projection Period units are in a separate column.

Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at apr@hcd.ca.gov.

Jurisdiction	Moreno Valley	
Reporting Year	2022	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

# ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Project Identif  1  Street Address			Date of Rezone	RHN		ied or Rezoned to		Shortfall Housin Rezone Type	g Need and No	Net-Loss Law		Si	tes Description			
1			Date of Rezone	RHN	NA Shortfall by Hou	usehold Income Cate	gory	Rezone Type				Si	tes Description			
1 Street Address			2									O.	tes Bescription			
Street Address			The state of the s			3		4	5	6	7		3	9	10	11
	Project Name <sup>+</sup>	Local Jurisdiction Tracking ID <sup>+</sup>	Date of Rezone	Very Low-Income	Low-Income	Moderate-Income	Above Moderate- Income	Rezone Type	Parcel Size (Acres)	General Plan Designation	Zoning	Minimum Density Allowed	Maximum Density Allowed	Realistic Capacity	Vacant/Nonvacant	Description of Existing Uses
Intry Below																
Ent	ry Below	ry Below														

## **ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation**

Jurisdiction Reporting Year Moreno Valley 2022

studios and 1-bedroom units for students and other households with

limited financial resources.

(Jan. 1 - Dec. 31)

#### Table D

	Program Implementation Status purs	suant to GC Section	65583
	Housing Programs Prog	•	
Describe progress of a	I programs including local efforts to remove governmental constraints to the element.	•	ent, and development of housing as identified in the housing
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
	/ I Action 1-A: Review and update the General Plan periodically (if an update g is needed) to ensure that growth trends are addressed.	Ongoing 2021-2029	The General Plan was adopted in June 2021. General Plan amendments are being reviewed as they are submitted.
	Action 1-B:		
H-1 Con't	Target one mixed-use project over the planning period  Encourage development of a variety of housing types through zoning	Update Code by 2021; thereafter ongoing and as opportunities arise	The Municipal Code was updated in 2021 to meet these provisions. Annual updates have provided for further diversity.
H-1 Con't	Action 1-C: Target one mixed-use project with a residential component over the planning period (2021-2029) Foster a diverse mix of housing types and densities in proximity to employment, shopping, transit, recreation, and other services by focusing new development on vacant and underutilized sites in the Center Mixed Use, Corridor Mixed Use, and Downtown Center General Plan land use designations.	Ongoing and a opportunities arise	The Municipal Code was updated in 2021 to meet these provisions. Annual updates have provided for further diversity.
H-1 Con't		-	Ongoing
H-1 Con't	Action 1-E: Outreach and involvement of non-profit and for-profit housing developers Engage non-profit and for-profit developers in an advisory role in developing Annual Action Plans for Consolidated Plan implementation. This may include surveys, focus group discussions, and one-on-one consultation. Summarize consultation activities in Annual Action Plans.	Start in 2022 and conduct consultation annually throughout the planning period	Ongoing
H-1 Con't	Action 1-F: Facilitate production of higher density housing in strategic locations to meet RHNA requirements and further community objectives As of June 1, 2022 Moreno Valley is one of 263 California communities subject to SB 35 streamlining provisions that offer an expedited approval process for residential and mixed use projects in urbanized areas proposing to provide at least 10 percent of their units as affordable housing. SB 35 streamlining provisions apply to the majority of sites in the COMU designation as well as to portions of Sunnymead Village and therefore represent an additional incentive for higher density housing in and adjacent the city's key transit corridors. To promote opportunities and incentives for higher density housing that will help the City meet its RHNA requirements and address community priorities, the City will promote opportunities for SB 35 development in Moreno Valley. Activities may include creating fact sheets, posting information to the website, and highlighting opportunities during pre-development application consultations.	April 2023, reporting annually by April of each year thereafter via Annual Progress Report to HCD.	As of January 2023, No Applications have been made by developers at this time.
H-1 Con't	Action 1-G: Facilitate production of affordable housing and smaller units that can be "affordable by design." A key objective of the 2040 General Plan is to facilitate the redevelopment and revitalization of the Moreno Valley Mall in order to enhance its role as an activity center within the community and a destination within the region. Central to this objective is the introduction of higher density housing on the site, including apartments, condominiums, and townhomes that cater to the needs of residents of all ages and stages of life. IGP Business Group, the owner of the Moreno Valley Mall, is preparing an amendment to the Towngate Specific Plan for the redevelopment of approximately 60 acres of the 80.33-acre property to integrate a dynamic mix of retail, office, personal service, and residential uses. IGP Business Group envisions the construction of up to 1,600 new multi-family housing units on a 15.2-acre portion of the redevelopment area, which would be subdivided into at least four parcels to facilitate phased construction of the project. The City will continue to meet with the property at least quarterly, work proactively to ensure parcelization at appropriate sizes and, as needed, will identify additional regulatory or process incentives to facilitate on-site provision of studios and 1-bedroom units for students and other households with	April 2024, with adoption of Towngate Specific Plan amendments	n Amendments to the Towngate specific plan are in review. The <sup>C</sup> Draft EIR was Circulated on November 27, 2022.

H-1 Con't	Action 1-H: Increase opportunity for innovative housing types Encourage Innovative and 'Non-Traditional' Forms of Housing. Provide opportunities and facilitate innovative housing approaches in financing, design, construction and types of housing to increase the variety and supply of lower and moderate-income housing. Examples include co-housing, eco-housing, manufactured housing, new construction or rehabilitation self-help or "sweat equity" housing for first time lower or moderate-income homeowners, and cooperatives or joint ventures between owners, developers and nonprofit groups in the provision of affordable housing.		Winter omnibus allows for single-family residential housing within all residential districts opening the door for more flexible standards. (2022)
H-1 Con't	Action 1-I: Encourage Manufactured Housing. Continue to allow manufactured housing units in single-family detached areas, consistent with State law requirements, to provide a mix of affordable and moderate-income homes. The City's Zoning Ordinance allows manufactured housing by right in single-family detached areas in the HR, RR, R1, RA2, R2, R3 and R5 districts, so long as the housing is placed on permanent foundations in compliance with all applicable building regulations; is certified under the National Manufactured Housing Construction and Safety Standards Act of 1974 and was constructed not more than ten (10) years prior to request to install; and is compatible with the immediate area and meets the development standards of the underlying district. Review the Planning and Zoning Code to identify and address any requirements that may restrict or prevent the construction of modular housing. (Goal of 20 moderate income manufactured housing units)	Ongoing 2024	Ongoing
H-1 Con't		funds by Q1 2023; (b) Rehabilitation ongoing, with targeted completion of all 152 units by 2028	Ongoing
H-1 Con't	Action 1-K: To promote high-density housing near transportation opportunities. Periodically review parking standards for senior and affordable housing developments that are located in proximity to transit stops and evaluate opportunities to revise with a view to further incentivizing such projects.	Complete first review of this cycle by no later than	
H-1 Con't	Action 1-L: To ensure consistency between the concurrent update to the 2040 General Plan and the 2021-29 Housing Element, the City shall prepare an update to Title 9 (Planning and Zoning) of the Municipal Code, an update to the City's Zoning Map, and rezone identified Inventory sites in all RHNA income levels with the view of ensuring residential density development standards are consistent with adopted planning documents (see Appendix D for List of Sites to be Rezoned). Inventory sites identified for rezoning include targeted efforts to expand the supply of available residential land, up-zone existing neighborhoods in areas of opportunity or in high quality neighborhood transit areas, and to allow and encourage mixed- use zoning.	Rezoned by October 15, 2022	Appendix D List of Sites rezone complete.
H-1 Con't	Action 1-M: Compliance with State ADU laws. Amend the Planning and Zoning Code to update the ADU ordinance in order to comply with State law. Modifications would include, but are not limited to, allowing ADUs in multifamily zones and removing the current requirement of one parking space per bedroom for an ADU.  Action 1-N: Given that Moreno Valley's existing housing stock is	2021	Completed with Spring Omnibus (2021)
H-1 Con't	predominantly single-family homes and that analysis of local market conditions indicates robust demand for smaller units in the city, there is strong potential for ADU development to help meet local housing needs. However, the cost and complexity of designing an ADU and navigating the permitting process can be an impediment for homeowners. Recognizing this, the City will facilitate construction of ADUs in the future by offering pre-approved, code-compliant ADU construction plans that will minimize time and costs associated with design development, plan check review, and plan check fees for homeowners. Pre-approved plans will be made publicly available by Q2 of 2023 and promoted through outreach activities (see Program 1-M). (Goal of 15 ADUs/JADUs annually each year throughout the planning period for a total of 120 units by 2029).	2023	Ongoing (LEAP funding extension in process)
H-1 Con't	Action 1-O: Facilitate the development of affordable ADUs and JADUs. Develop incentives and tools to facilitate ADU construction for very low-, low- and moderate-income households. Incentives may include flexible zoning requirements, development standards, or processing incentives that facilitate the creation of ADUs, such as reduced parking requirements, or website information on resources and technical assistance.	2024	Ongoing (SB2 & LEAP funding extension in process)
H-1 Con't	Action 1-P: Facilitate the development of affordable ADUs. Develop and implement an ADU outreach plan to promote the construction of smaller units that are "affordable by design" in single-family neighborhoods. Outreach activities could include providing information via the City's website, and/or educational workshops.	2024	Ongoing (SB2 & LEAP funding extension in process)
H-1 Con't	Action 1-Q: Track progress toward Sixth Cycle RHNA production goals ensure compliance with State law. The City will monitor ADU and JADU permitting/construction trends and affordability in Moreno Valley, reporting performance in its Housing Element Annual Progress Reports. If actual performance is not in line with projections in October 2025, the City will review and take action as needed to ensure compliance with "no-net loss"	each year thereafter (b)	General Plan Annual Progress Report will be submitted to HCD & OPR by April 1, 2023

Action/Program 2-A: 451 new housing units (likely in a horizontal mixed use format) on identified vacant commercial properties with a combined area of 31.32 acres throughout Moreno Valley to further the City's fair housing objectives, consistent with State law

To promote the development of higher density housing along key corridors and ensure a distribution of units that furthers the City's fair housing objectives consistent with State law, the City will amend the planning and zoning code to (1) permit housing at up to 30 dwelling units per acre by right (consistent with Government Code 65583.2 (h) and (i)) on vacant commercial properties, primarily located in the eastern part of Rezoning complete within In process the city along Moreno Beach Boulevard, a major north-south arterial 3 years served by transit and (2) incorporate development standards that facilitate construction at the maximum permitted density. These sites range from 0.99 acres to 8.32 acres in size and are free of environmental constraints, including Alquist-Priolo zones, flood zones, and areas with hazardous materials contamination. Current zoning does not allow for housing development. The implementation mechanism could be either a change to permitted use tables in the code or creation of a floating housing overlay zone.

ACTION/FIOGRAM 2-D. 440 NEW HOUSING UNITS ANDITIONINE TO LOW AND VERY Low Income Households on properties owned by religious facilities. Churches, synagogues, and mosques can be important partners in providing affordable housing in Moreno Valley, and representatives of the local faith-based community have expressed interest in pursuing affordable housing projects, particularly projects that offer a pathway to success for socio-economically disadvantaged community members or provide housing for at risk and homeless youth. Focus group discussions identified cost and experience with residential development as the principal challenges for faith-based organizations. Therefore, to facilitate production of affordable housing projects on properties owned by religious facilities, the City will:

a. Amend the planning and zoning code to permit residential development at up to 30 dwelling units per acre by-right (consistent with Government Code 65583.2 (h) and (i)) on church, synagogue, and mosque properties where affordable housing is proposed. The City has identified 30 properties of sufficient size with a combined area of 105.5 acres. All these properties have vacant land and/or surface parking lots that can accommodate housing in areas free of environmental constraints. The Code amendment may take the form of a zoning overlay, change to permitted use tables, or changes in development standards.

b. Provide a program of technical assistance and development support to faith-based organizations wishing to pursue affordable housing developments on their properties. This may include the preparation of factsheets; introductions to qualified design professionals, construction contractors, property management firms, and affordable housing operators; consultations on navigating the development application process.

c. Proactively conduct outreach to faith-based organizations in Moreno Valley to raise awareness of programs and incentives available to them for affordable housing development. This may include mailers, phone calls, meetings, and publication of information on the City's website.

Action/Program 2-C: Continue to track affordable housing units citywide. This includes monitoring the method by which units remain affordable to lower-income households (i.e., covenants, deed restrictions, loans, etc.). Compile report annually with preparation of Housing Element Annual

Progress Report. Action/Program 2-D: The Ivioval 2040 General Plan Incorporates a newly created Corridor Mixed Use (COMU) designation designed to accommodate higher density housing along key transit corridors in Moreno Valley. Minimum permitted residential density in the COMU designation is 15 dwelling units per acre and maximum is 25 dwelling units per acre prior to application of any density bonus. This range was set on the basis of consultations with affordable and market rate developers and analysis of recent development trends in the city and surrounding region, reflective of local conditions and real estate economic fundamentals that present a significant financial feasibility challenge for construction at higher densities. Given the outreach and analysis that year underpins the COMU designation, the City believes that it is appropriate to facilitate the development of higher density housing and a broader range of typologies that will be affordable to households of all ages, abilities and incomes; however, the City commits to monitoring development within the COMU designation and assessing the need to increase density annually throughout the planning period. The City will amend the planning and zoning code to increase it to the regional default density by October 2025.

(a) Rezoning complete within 3 years or 1 year of statutory deadline as applicable; (b) April of year following rezoning; In process (c) ongoing with regular reporting annually by April of each year thereafter via Annual

Progress Report to HCD.

Annually by March 31, Ongoing 2021-2029

2023, reporting Work to amend the Municipal/Zoning Code is in process. annually by April of each One COMU 192-unit apartment complex was approved on thereafter via December 8, 2022, by Planning Commission (PEN22-0022) Annual Progress Report with a density of 24 dwelling units per acre.

H-2 Con't

H-2 Con't

H-2:

affordable

Suitable

persons with special needs,

including housing for lower

income households, large

households, the disabled,

and senior citizens and

shelter for the homeless.

housing

single parent

H-2 Con't

H-2 Con't	Action/Program 2-E: Permits for 5,830 lower income units, including 1,890 extremely low, 1,889 very low, and 2,052 low-income units, consistent with the City's regional allocation of such units for the planning period Recognizing that local funding capacity for affordable housing has been severely diminished by the dissolution of redevelopment agencies, the City will continue to facilitate production of affordable housing, including units targeted to extremely low income (ELI) households and persons with special needs (elderly, disabled/developmentally disabled, large households, female-headed households, homeless, and farmworkers), through the following efforts:  a. Provide administrative assistance upon request to developers seeking available State and federal funding and/or tax credits for the construction of low- and moderate-income housing.  b. Facilitate projects that incorporate affordable units by granting modifications to development standards, expediting the review process, and/or providing financial incentives consistent with City regulations and State law.  c. Contact affordable housing developers at least once each year to identify opportunities and connect them with available assistance programs.  d. Whenever feasible, provide targeted assistance for special needs housing and extremely low income (ELI) units will be provided through density bonuses and/or regulatory incentives, modified development standards and fee deferrals.		Ongoing
H-2 Con't	Action/Program 2-F: Ten (10) accessibility modifications annually throughout the planning period.  Use available funds to provide grants to assist with accessibility modifications to housing for elderly and disabled persons.	annual progress reporting via the Consolidated Annual Performance and Evaluation Report	Ongoing
H-2 Con't	Action/Program 2-G: Opportunity for increased number of family-sized rental housing units.  Identify and implement as feasible regulatory incentives and/or development standards that can help promote the development of rental housing units with three or more bedrooms suitable for families.	2022-2023	In process
H-2 Con't	Action/Program 2-H: Focus outreach in areas of highest proportion of cost burdened households and highest gentrification risk as identified with Cal Enviroscreen data and other sources.  In collaboration with non-profit groups and educational institutions in Moreno Valley and the surrounding area, establish a program to facilitate home sharing and tenant matching opportunities as viable options to make efficient use of existing housing that will help address the housing needs of seniors, people living with disabilities, people living with developmental disabilities, people at risk of homelessness and single heads of households. The program should:  a. Assist in outreach in identifying potential owners, such as seniors who wish to remain in their home or new buyers who could afford single family homes with the extra income potential.  b. Assist in publicizing and helping to identify potential renters interested in home sharing opportunities.  c. Consider opportunities for renters who do not have vehicles to be matched at locations that have limited parking available.	Identify potential partners by 2024; consult partners and establish program by 2025; conduct outreach and publicize opportunities at least annually each year after establishment.	
H-2 Con't	Action/Program 2-I: Target one project of a minimum of 40 units for extremely-low and very-low incomes over the planning period Through the Moreno Valley Housing Authority, if funding is available, or through interested certified Community Housing Development Organizations (CHDO) and/or non-profit organizations, pursue a program to purchase affordability covenants on existing multiple-family units, subject to restrictions that the affordability covenants would be in effect for not less than 30 years, and that at least 20 percent of the units would be affordable to extremely low- and very low- income households. In the event that efforts are not successful, the City will:  • Coordinate with qualified entities  • Ensure compliance with noticing the tenants  • Assist with funding or support funding applications  • Provide outreach education and support to tenants	Ongoing 2021-2029	Ongoing
H-2 Con't	Action/Program 2-J: Maintain a list of mortgage lenders participating in the California Housing Finance Agency (CHFA) program and refer the program to builders or corporations interested in developing housing in the City.  Action/Program 2-K: Twenty (20) units over the planning period	Update the list annually and maintain it throughout the planning period	In process
H-2 Con't	Continue to offer incentives such as reduction in development standards, and expedited permit processing in exchange for affordability covenants on units in multiple-family developments.	Ongoing 2021-2029	Ongoing
H-2 Con't H-2 Con't	Action/Program 2-L: Update the Municipal Code to permit permanent supportive housing to be developed by-right in all multifamily and mixeduse zones, consistent with AB 2162.  Action/Program 2-M: Promote the development of 20 rental units with two or three bedrooms over the planning period  Prioritize resources such as HOME funds, California Housing Finance Agency single-family and multiple-family programs, HUD Section 208/811	2022 Ongoing 2021-2029	Winter Municipal Code omnibus (2022)
11-2 OUIT	loans for the development of rental projects that provide units with two or three bedrooms.	Origollig 202 1-2029	Ongoing
H-2 Con't	Action/Program 2-N: Update the Municipal Code to remove constraints to the development of emergency shelters, including the 500-foot distance requirement from residentially zoned properties and establish parking requirements based on staffing level only, consistent with AB 139 and SB 2.	2022	In process

H-2 Con't	Action/Program 2-O: Update the Municipal Code to permit the development of Low Barrier Navigation Centers by-right in all mixed-use and nonresidential zones permitting multifamily uses, consistent with AB	2022	In process
H-2 Con't	101. Action/Program 2-P: State law requires that any employee housing providing accommodations for six or fewer employees be treated as a single-family structure with a residential land use designation and that no conditional use permit, zoning variance, or other zoning clearance shall be required of employee housing that serves six or fewer employees that is not required of a family dwelling of the same type in the same zone. The City will update the Municipal Code to comply with California Code, Health and Safety Code Section 17021.5.	2022	In process
H-3: Removal or mitigation of constraints to the maintenance, improvement, and development of affordable housing, where appropriate and legally possible.	Action/Program 3-A: Goal to create 752 affordable units over the planning cycle. Continue to offer additional incentives including a reduction in development impact fees to projects that make 100 percent of their units available to lower income households. The City currently offers a 50 percent reduction of the development impact fee and park land impact mitigation fee for units affordable to very low income households, and 25 percent reduction of the development impact fee and park land impact mitigation fee for units affordable to low income	2022-2023	In process
H-3 Con't	Action/Program 3-B: Goal to create 752 affordable units over the planning cycle. Continue to defer payment of development impact sees for affordable units until issuance of Certificate of Occupancy.  Action/Program 3-C: Goal to create 752 affordable units over the planning	2022-2023	In process
H-3 Con't	cycle. Continue to exempt Traffic Uniform Mitigation Fee (TUMF) for qualifying affordable projects as provided for in the adopted fee ordinance.	2022-2023	In process
H-3 Con't	Action/Program 3-D: Encourage the consolidation of smaller, adjacent lots in a centrally located area of the city where higher density would support retail vitality and more frequent/reliable transit service. Offer incentives to encourage the development of higher density housing in the Sunnymead Village area, which has numerous small vacant and underutilized lots in proximity to transit stops, parks, and shopping. Incentives may include reductions in development standards (e.g., parking, common open space), expedited permit processing, or subsidizing a portion of development costs with available funding.	Ongoing 2021-2029	Ongoing
H-3 Con't	Action/Program 3-E: Implement electronic plan check software to streamline the development application process and facilitate plan check corrections and resubmittals.	Launch in 2021, thereafter, implement on an ongoing basis 2021- 2029	In process
H-3 Con't	Action/Program 3-F: Update Title 9 of the Municipal Code to permit group homes for 6 or fewer and 7 or more persons in all residential zones with objective standards to facilitate approval certainty. Incorporate objective standards to guide the integration of these facilities into existing neighborhood contexts.	2022	In process
H-3 Con't	Action/Program 3-G: Update Title 9 of the Municipal Code to establish a reasonable accommodations process that complies with federal and State law.	2022	Winter Municipal Code omnibus (2022)
H-3 Con't	Action/Program 3-H: Update Title 9 of the Municipal Code to eliminate requirements for minimum dwelling sizes in multiple-family projects and to clarify that standards for minimum lot size, width and depth apply to new lots that are created under the Subdivision Map Act, and not to existing lots.	2022	Winter Municipal Code omnibus (2022)
H-3 Con't	Action/Program 3-I: Update Title 9 of the Municipal Code (Section 9.09.170) for consistency with the provisions of State law related to emergency shelters (Section 65583.(a)(4)(A)). Action/Program 3-J: Comply with SB 1087 (Government Code Section	2021	In process Completed
H-3 Con't	65589.7), provide a copy of the adopted Housing Element to water and sewer providers immediately upon adoption and will work with water and sewer providers to adopt written policies and procedures that grant priority for service allocations to proposed developments that include housing units affordable to lower income households.	2021	
H-3 Con't	Action/Program 3-K: Work collaboratively to address shortfall of funding for affordable housing. In coordination with other jurisdictions in Riverside County and the SCAG region, as appropriate, lobby for modifications to address unfunded State mandates and to provide opportunities for additional funding for affordable housing. Specific modifications include, but are not limited to, the following:  a. Address unfunded mandates and expenses local governments must incur to comply with State requirements.  b. Assist local governments in meeting their affordable housing requirements and identify alternatives means of funding through the State of California to replace Redevelopment.	2022-2023	In process
H-3 Con't	BSMWC would be eligible; coordinate with BSMWC on an annual basis if necessary.  Support Box Springs Mutual Water Company (BSMWC) in pursuit of funding to upgrade water conveyance and treatment infrastructure in the Edgemont area. Potential funding sources may include the California State Water Resources Control Board's Safe and Affordable Drinking Water (SADW) Fund Program or other California Climate Investment programs.	2023-2024	N/A
H-4: Increased opportunities for homeownership.	Action/Program 4-A: Continue to provide favorable home purchasing options to lower and moderate- income households, when funds are available, through the County of Riverside's First Time Homebuyers Down Payment Assistance Program and homeownership assistance with the County Mortgage Credit Certificate (MCC) program. Promote the availability of these programs by publicizing them on the City's website and coordinating with lenders and real estate professionals to raise awareness among eligible segments of the population, including African Americans who have a disproportionately low rate of homeownership in Moreno Valley.	Ongoing 2021-2029; develop outreach and public education strategies by 2023	In process

H-4 Con't	Action/Program 4-B: Continue to provide homebuyer support, including down payment and closing cost assistance and foreclosure prevention resources, through the through homebuyer programs such as those offered by the California Housing Finance Agency (CHFA). Publicize the availability of these programs on the City's website and/or other avenues, such as social media campaigns targeted to the most at-risk segments of the population, including Native Americans, African Americans, and Hispanic residents.	Ongoing 2021-2029; develop outreach and public education strategies by 2023	In process
H-4 Con't	Action/Program 4-C: Maintain relationships with local lenders, developers and other constituencies such as realtors, and non-profit organizations through applications workshops and other events that emphasize specific opportunities, issues, and ideas for future housing development in		In process
H-4 Con't	Moreno Valley.  Action/Program 4-D: Continue to provide funds for Homebuyer  Assistance Program (HAP) silent seconds and work with approved lenders that have HAP experience. The goal of the program is to provide homeownership for low and moderate-income families. Work with the County to ensure that efforts are made to raise awareness of eligibility among African Americans in particular, recognizing the relatively lower rate of homeownership for this segment of the population.	Ongoing 2021-2029	In process
H-5: Enhanced quality of existing residential neighborhoods in Moreno Valley, through maintenance and preservation, while minimizing displacement impacts.	Action/Program 5-A: Available Neighborhood Stabilization Program funding (NSP 3 funds) was used for the Courtyards at Cottonwood project to acquire and redevelop an abandoned and foreclosed residential property that might otherwise have become a source of abandonment and blight. The City has a portfolio of NSP properties that includes single-family and multi-family properties and the Moreno Valley Housing Authority will continue to administer covenants through annual inspections.	Ongoing 2021-2029, with reporting through annual compliance check	In process
H-5 Con't	Action/Program 5-B: Ensure building safety and integrity of residential neighborhoods through code enforcement. Enforcement actions may include issuance of a permit prior to construction, repair, addition to, or relocation of any residential structure.	Ongoing 2021-2029	In process
H-5 Con't	Action/Program 5-C: Monitor substandard dwellings and in cases where repair is not financially feasible, remove when necessary and feasible. (Goal of 3 units per year during the planning cycle)	Ongoing 2021-2029	In process
H-5 Con't	Action/Program 5-D: Continue to administer a program to provide grant funds for neighborhood beautification in targeted neighborhoods. (Goal of 3 units per year during the planning cycle)	Ongoing 2021-2029	In process
H-5 Con't	Action/Program 5-E: Continue to administer the Mobile Home Grant Program to address substandard living conditions for very low-income owner-occupants and pursue new funding sources, such as those available through HCD's Mobile Home Park Rehabilitation and Resident Ownership Program (MPRROP). Market program via City communications and continue to distribute program material to mobile home parks. (Target of 3 mobile homes per year during the planning	Ongoing 2021-2029	In process
H-5 Con't	Action/Program 5-F: Provide enhanced code compliance services in the CDBG target areas with funding of up to 5,000 hours of code enforcement in the CDBG target areas.	Ongoing 2021-2029	In process
H-5 Con't	Action/Program 5-G: Conduct four (4) annual neighborhood clean-ups as part of the Keep MoVal Beautiful program. Throughout the year, community groups and volunteers will be invited to clean up a park, street segment, or other areas that need care, improving the living environment of residents.	Ongoing 2021-2029	In process
H-5 Con't	Action/Program 5-H: Place-Based Community Revitalization Efforts. Dedicate staff resources and funding for place-based community revitalization activities that improve the quality of life in Moreno Valley's DACs and low income neighborhoods. These strategies, which complement programs to preserve affordable housing (1-J), prevent displacement (7-D), promote safe and sanitary housing (5-E and 5-F), and beautify neighborhoods (5-D, 5-F) focus on the environmental justice priorities identified in the Genera Plan: air quality, drinking water quality in the BSMWC service area, and healthy food access, access to parks, community safety, safe routes to school, complete streets, and livable neighborhoods and streets.	Ongoing 2021-2029	In process
H-6: Proactive energy conservation and waste reduction activities in all residential neighborhoods.	Action/Program 6-A: Promote the use of solar energy and other environmentally sound, energy efficient methods for heating and cooling homes, consistent with adopted building, mechanical and plumbing codes. Provide information through the website and newsletters to residents, highlighting the availability of financial incentives available through federal, State, and local government programs such as the County of Riverside Home Weatherization Program, Western Riverside Council of Governments' HERO program, and funding for solar projects for low-income homeowners available through the GRID Alternatives program.	Ongoing 2021-2029	In process
H-6 Con't	Action/Program 6-B: Continue to offer incentives for residential housing units built to green building standards that exceed the requirements of the City's building code. Through its Density Bonus Program for green building and energy efficiency, the City currently offers a density bonus of up to 5 percent to developers of multifamily residential housing dwelling units in the R10, R15, R20, R30, and SP204-Village Residential zones. Extend this incentive to qualifying multifamily residential housing dwelling units in the Center Mixed Use (CEMU) and Corridor Mixed Use (COMU) general plan land use designations subsequent to adoption by the City Council.	Ongoing 2021-2029	In process

		Ongoing 2021-2029	Ongoing
	construction practices by: a. Restricting the use of chloroflourocarbons (CFCs), hydrochloroflourocarbons (HCFCs), and halons in mechanical equipment and building materials;		
H-6 Con't	<ul><li>b. Promoting the use of products that are durable and allow efficient end- of-life disposal (recyclable);</li><li>c. Requiring large project applicants to submit a construction waste</li></ul>		
	management plan for City approval; d. Promoting the use of locally or regionally available materials; and		
II 7. Fauch ausing	e. Promoting the use of cost-effective design and construction strategies that reduce resource and environmental impacts.		Ongoing
H-7: Equal housing opportunity for all residents of Moreno Valley,	Action/Program 7-A: In conjunction with the Riverside County Fair Housing Council (RCFHC), support RCFHC's efforts regarding mediation and enforcement of rights and RCFHC's efforts to eliminate housing	On main a 2004 2000 (a)	Ongoing
sex, marital status,	discrimination by actively tracking and pursuing any complaints within Moreno Valley. Additional specific actions will include:	Ongoing 2021-2029; (a) publish information by 2022 and update	
ancestry, national origin, color, or handicap.	<ul><li>a. Make information detailing fair housing practices available at City Hall and on the City's website.</li><li>b. Partner with the RCFHC to conduct workshops and seminars about landlord and tenant responsibilities and rights.</li></ul>	annually as appropriate; (b) annually	
	Action/Program 7-B: Partner with the RCFHC, the Inland Valley Realtors Association, and affordable housing operators to develop and conduct	Conduct first trainings by end of 2024	In process
H-7 Con't	trainings on anti-discrimination and fair housing practices for realtors and property managers. Develop separate training for each group and		
	conduct them at regular intervals through the planning period.  Action/Program 7-C: Collaborate with the Riverside County Housing  Authority to develop a Landlord Incentive Program to promote the	2023	In process
	participation of rental property owners in the HCV program. The program will involve outreach to raise awareness among property owners		
H-7 Con't	throughout the city and consider best practices to incentivize new landlords to participate in the program. Incentives offered to new and returning landlords may include one-time enrollment bonuses; no-loss		
	bonuses that bridge between date of Request for Tenancy Approval (RFTA) submittal to start date of Housing Assistance Payment contract;		
	and/or payment for normal wear and tear damage to the rental unit in excess of security deposit. Additional or increased incentives may be offered for properties in areas of highest opportunity.		
	Action/Program 7-D: Collaborate with the County of Riverside, Lift to Rise, Inland SoCal United Way, and other partners to explore options and seek funding for rental assistance programs, such as the MoVal Rental Rescue	2023	In process
H-7 Con't	Program, currently funded by the U.S. Department of the Treasury to provide emergency rental and financial assistance in an effort to keep		
	Moreno Valley residents affected by COVID-19 housed. Programs should be targeted to segments of the population most at risk of displacement, including Native Americans, African Americans and Hispanic renters.		
	Action/Program 7-E: Work with the Housing Authority of the County of Riverside to encourage voucher holders to select rental housing in high	Ongoing 2021-2029, with annual progress	Ongoing
H-7 Con't	reduce the geographic concentration of Section 8 housing in any area of Moreno Valley.	reporting via the Consolidated Annual Performance and Evaluation Report	
	Action/Program 7-F: Pursuant to HUD-LA guidance, amend the definitions of the following terms found in the Planning and Zoning Code	2022	Completed
H-7 Con't	to help eliminate potential impediments to fair housing choice in Moreno Valley: "disability," "supportive housing," "transitional housing," "residential care facilities," and "special needs populations." Definitions will be		
H-7 COIIT	amended for consistency with the federal Fair Housing Act, the California Fair Employment and Housing Act, and the California the Health and Safety Code as appropriate. Additionally, the Planning and Zoning Code		
	will be revised to indicate the residential zones in which transitional and supportive housing is permitted.  Action/Program 7-G: The housing needs of persons with developmental		Ongoing
	disabilities are typically not addressed by Title 24 Regulations, and require, in addition to basic affordability, slight modifications to existing		0 0
	units, and in some instances, a varying range of supportive housing facilities. To accommodate residents with developmental disabilities, the City will seek State and federal monies, as funding becomes available, in		
	support of housing construction and rehabilitation targeted for persons with developmental disabilities. Additionally, the City will undertake the		
H-7 Con't	following specific actions:  a. Update the Planning and Zoning Code to provide regulatory incentives, such as expedited permit processing, and fee waivers and deferrals, to	Ongoing 2021-2029; (a) 2024; (b) annually; (c)	
H-7 COIIT	projects targeted for persons with developmental disabilities. b. To further facilitate the development of units to accommodate persons with developmental disabilities, the City shall conduct outreach to	2025	
	developers of supportive housing to encourage development of projects targeted for special needs groups.  c. As housing is developed or identified, Moreno Valley will work with the		
	Inland Regional Center to implement an outreach program informing families within the city of housing and services available for persons with developmental disabilities. Information will be made available on the City's		
	website.		

Moreno Valley 2022 (Jan. 1 - Dec. 31) 6th Cycle 10/15/2021 - 10/15/2029

## ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation (CCR Title 25 §6202)

Note: "+" indicates an optional field Cells in grey contain auto-calculation formulas

Planning Period	6th Cycle	10/15/2021 - 10/15/2029				(CCR Title 25	§6202)		
					Tab				
			Com	mercial Develop	ment Bonus App	roved pursuant	to GC Section 65915.7		
	Project	ldentifier			Units Constru	cted as Part of Agre	ement	Description of Commercial Development Bonus	Commercial Development Bonus  Date Approved
		1				2		3	4
APN	Street Address	Project Name <sup>+</sup>	Local Jurisdiction Tracking ID <sup>+</sup>	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Description of Commercial Development Bonus	Commercial Development Bonus  Date Approved
Summary Row: Start	t Data Entry Below								

**Annual Progress Report** 

January 2020

Jurisdiction	Moreno Valley	
Reporting Period	2022	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

# ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

#### Table F

#### Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)

Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.

Activity Type		Units that Do Not Co Listed for Information		<b>\</b> <sup>+</sup>	Note - Because the counted, please conta	statutory require	ve the password that	The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1 <sup>+</sup> . For detailed reporting requirements, see the chcklist here:	
	Extremely Low- Income <sup>+</sup>	Very Low-Income <sup>+</sup>	Low-Income <sup>+</sup>	TOTAL UNITS*	Extremely Low- Income <sup>+</sup>	Very Low- Income <sup>+</sup>	Low-Income <sup>+</sup>	TOTAL UNITS	https://www.hcd.ca.gov/community- development/docs/adequate-sites-checklist.pdf
	ı			1					
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Units									
Mobilehome Park Preservation									
Total Units by Income									

JurisdictionMoreno ValleyReporting Period2022(Jan. 1 - Dec. 31)Planning Period6th Cycle10/15/2021 - 10/15/2029

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

Note: "+" indicates
an optional field

Cells in grey contain auto-calculation formulas

Table F2

Above Moderate Income Units Converted to Moderate Income Pursuant to Government Code section 65400.2									
For up to 25 percent of a jurisdiction's moderate-income regional housing need allocation, the planning agency may include the number of units in an existing multifamily building that were converted to deed-restricted rental housing for moderate-income households by the imposition of affordability covenants and restrictions for the unit. Before adding information to this table, please ensure housing developments meet the requirements described in Government Code 65400.2(b).									
Project Identifier  Unit Types  Affordability by Household Incomes After Conversion  Units credited toward Above Moderate RHNA  Notes									
1	2 3	4	5	6					

		r roject identifici			0,,,,,	ypoo	Anoradomity by Household Incomes After Conversion			RHNA						
		1			2	3				4				5		6
Prior APN <sup>+</sup>	Current APN	Street Address	Project Name <sup>+</sup>	Local Jurisdiction Tracking ID <sup>†</sup>	Unit Category (2 to 4,5+)	Tenure R=Renter	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low-Income Deed Restricted	Low- Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income	Total Moderate Income Units Converted from Above Moderate	Date Converted	<u>Notes</u>
Summary Row: S	Summary Row: Start Data Entry Below															

Jurisdiction	Moreno Valley		NOTE: This table must only be filled out if the housing element sites inventory contains a site which is or was owned by the reporting	Note: "+" indicates an optional field
			, , , , , , , , , , , , , , , , , , , ,	Cells in grey contain auto-calculation
Reporting Period	2022	(Jan. 1 - Dec. 31)	during the reporting year.	formulas
				-

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

			nousing Element Si	tes inventory that ha	ve been sold, leased, or other	wise disposed of	
		Identifier 1		2	3	4	
APN	Street Address	Project Name <sup>+</sup>	Local Jurisdiction Tracking ID <sup>+</sup>	Deallatia Caracit	Entity to whom the site transferred	Intended Use for Site	
ummary Row: St	art Data Entry Below						
	İ	1		<u> </u>			

A.7.b

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ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

			ment Impleme			
	For Riverside Cour		<mark>ease format the A</mark> Table H wned Surplus Sit	PN's as follows:999-	999-999	
	Parcel Identifier	Locally C	miou oui piuo oii	Designation	Size	Notes
1 APN	2 Street Address/Intersection	3 Existing Use	4 Number of Units	5 Surplus Designation	Parcel Size (in acres)	7 Notes
Summary Row: Star	t Data Entry Below					

Moreno Valley

NOTE: SB 9 PROJECTS ONLY. This table only needs to be completed if there were lot splits applied for pursuant to Government Code 66411.7 OR units constructed pursuant to 65852.21.

Housing Element Implementation Units entitled/permitted/constructed must also be reported in Table A2. Applications for these units must be reported in Table A.

	Un	nits Constructed	Pursuant to Gove	ernment Code 65852.	Table I 21 and Applicat	ions for Lot Splits	Pursuant to Go	vernment Code	66411.7 (SB9)
		Identifier	Turodant to Cove	Project Type	Date			onstructed	0041111 (000)
		1		2	3	4			
APN	Street Address	Project Name <sup>+</sup>	Local Jurisdiction Tracking ID <sup>+</sup>		Date	Very Low Income	Low Income	Moderate Income	Above Moderate Income
ummary Row: Star	t Data Entry Below		, and the second						
animaly now. Otal	Data Entry Bolow								

**Annual Progress Report** 

January 2020

Jurisdiction	Moreno Valley	
Reporting Period	2022	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

NOTE: STUDENT HOUSING WITH DENSITY BONUS ONLY. This table only needs to be completed if there were student housing projects WITH a density bonus approved pursuant to Government Code65915(b)(1)(F)

# ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

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Cells in g

							Table J					
		Student he	ousing developm	ent for lower income s	students for whi	ch was granted a	density bonus	pursuant to sub	paragraph (F) of	paragraph (1) of	f subdivision (b) o	of Section 659
	Project	ldentifier		Project Type	Date	Units (Beds/Student Capacity) Approved						
	_	1	_	2	3			_	4	_		
APN	Street Address	Project Name <sup>+</sup>	Local Jurisdiction Tracking ID <sup>+</sup>	<b>Unit Category</b> (SH - Student Housing)	Date	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low- Income Deed Restricted	Low- Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income
ummary Row: Sta	art Data Entry Below											
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Jurisdiction	Moreno Valley	
Reporting Year	2022	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

Building Permits Issued by Affordability Summary					
Income Level		Current Year			
Vorulou	0				
Very Low	Non-Deed Restricted	0			
Low	Deed Restricted	0			
Low	Non-Deed Restricted	0			
Moderate	Deed Restricted	0			
Moderate	Non-Deed Restricted	51			
Above Moderate		228			
Total Units		279			

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Units by Structure Type	Entitled	Permitted		Completed
SFA		52	48	14
SFD		417	180	247
2 to 4		0	0	0
5+		484	14	155
ADU		24	37	6
MH		0	0	0
Total		977	279	422

Housing Applications Summary				
Total Housing Applications Submitted:	53			
Number of Proposed Units in All Applications Received:	2,364			
Total Housing Units Approved:	960			
Total Housing Units Disapproved:	0			

Use of SB 35 Streamlining Provisions				
Number of Applications for Streamlining	0			
Number of Streamlining Applications Approved	0			
Total Developments Approved with Streamlining	0			
Total Units Constructed with Streamlining	0			

Units Constructed - SB 35 Streamlining Permits								
Income Rental Ownership Total								
Very Low	0	0	0					
Low	0	0	0					
Moderate	0	0	0					
Above Moderate	0	0	0					
Total	0	0	0					

Cells in grey contain auto-calculation formulas

JurisdictionMoreno ValleyReporting Year2022(Jan. 1 - Dec. 31)

## ANNUAL ELEMENT PROGRESS REPORT

Local Early Action Planning (LEAP) Reporting (CCR Title 25 §6202)

Please update the status of the proposed uses listed in the entity's application for funding and the corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the eligible uses specified in Section 50515.02 or 50515.03, as applicable.

Total Award Amount \$ 500,000.00 | Total award amount is auto-populated based on amounts entered in rows 15-26.

Task	\$ Amount Awarded	\$ Cumulative Reimbursement Requested	Task Status	Other Funding	Notes
Zoning Consistency/Zoning Code Update	\$0.00	\$0.00	In Progress	None	Title of the first Task
I: Project Initiation	\$10,000.00	\$0.00	In Progress	None	
Task 2: Preparation of Summary and Recommendations	\$100,000.00	\$0.00	In Progress	None	Two omnibus Municipal Code Amendments completed. Two more in progress.
Task 3: Administrative Draft Zoning Code and Updated Zoning Map	\$275,000.00	\$0.00	In Progress	None	GIS has completed the updated zoning map and related zoning atlas. Planning has completed 2 Municipal Code Amendments.
Task 4: Website Materials	\$5,000.00	\$0.00	In Progress	None	Revision to scope of work in progress
Task 5: Hearings (Planning Commission and City Council)	\$10,000.00	\$0.00	In Progress	None	Revision to scope of work in progress
II: Update of Conditions of Approval and Integration with Case Track System	\$0.00	\$0.00	Other (Please Specify in Notes)	None	Revision to scope of work in progress
Task 1: Project Initiation	\$20,000.00	\$0.00	Other (Please Specify in Notes)	None	Revision to scope of work in progress
Task 2: Preparation of Comprehensive Update to conditions of approval for development services	\$60,000.00	\$0.00	Other (Please Specify in Notes)	None	Revision to scope of work in progress
Task 3: Technical Support and Final Testing in ACP	\$20,000.00	\$0.00	Other (Please Specify in Notes)	None	Revision to scope of work in progress
					EXECUTED AMENDED AGREEMENT NUMBER 19-PGP-14007 AM.1 between HCD and the City of Moreno Valley (December 9, 2022), allowing for an extension of time on the LEAP grant until September 2023.

Summary of entitlements, building permits, and certificates of occupancy (auto-populated from Table A2)

Completed Entitlement Issued by Affordability Summary Income Level Current Year		
Very Low	Non-Deed Restricted	0
1	Deed Restricted	0
Low	Non-Deed Restricted	0
	Deed Restricted	0
Moderate	Non-Deed Restricted	508
Above Moderate		469
Total Units		977

Building Permits Issued by Affordability Summary				
Income Level Current Year				
Manual and	Deed Restricted	0		
Very Low	Non-Deed Restricted	0		
1	Deed Restricted	0		
Low	Non-Deed Restricted	0		
Madausta	Deed Restricted	0		
Moderate	Non-Deed Restricted	51		
Above Moderate		228		
Total Units		279		

Certificate of Occupancy Issued by Affordability Summary		
Income Lev	vel .	Current Year
Mamil au	Deed Restricted	40
Very Low	Non-Deed Restricted	0
,	Deed Restricted	40
Low	Non-Deed Restricted	0
Madavata	Deed Restricted	0
Moderate	Non-Deed Restricted	81
Above Moderate		261
Total Units		422
	•	



### **Report to City Council**

TO: Mayor and City Council

Mayor and City Council Acting in its Capacity as Chairman and Commissioners of the Moreno Valley

Housing Authority (HA)

**FROM:** Brian Mohan, Assistant City Manager

AGENDA DATE: March 7, 2023

TITLE: DISPOSITION, DEVELOPMENT AND AFFORDABLE

HOUSING AGREEMENT BY AND AMONG MORENO VALLEY HOUSING AUTHORITY, CITY OF MORENO VALLEY, AND COURTYARDS AT COTTONWOOD II, L.P.

### **RECOMMENDED ACTION**

- 1. **That the City Council** adopt City Council Resolution 2023-\_\_\_\_\_, which (a) approves the Disposition, Development and Affordable Housing Agreement by and among the Moreno Valley Housing Authority, City of Moreno Valley, and Courtyards At Cottonwood II, L.P., a California limited partnership (Developer), (b) authorizes the Mayor to execute and City Clerk to attest the DDAHA, (c) authorizes the City Manager to carry out the DDAHA and implementing documents with minor revisions, and (d) makes certain other findings as approved by the City Attorney.
- 2. **That the Housing Authority Board** adopt Housing Authority Resolution HA 2023-\_\_\_\_, which (a) approves the Disposition, Development and Affordable Housing Agreement by and among the Moreno Valley Housing Authority, City of Moreno Valley, and Developer, (b) authorizes the Authority Chair to execute and Secretary to attest the DDAHA, (c) authorizes the Executive Director to carry out the DDAHA and implementing documents with minor revisions, and (d) makes certain other findings as approved by the City Attorney..

### SUMMARY

Phase II of the Courtyards at Cottonwood implements a General Plan Amendment for development and operation of "Phase II" of the Courtyards at Cottonwood affordable housing development. Courtyards at Cottonwood, L.P. has completed and operates an existing intergenerational multi-family affordable rental housing project that was

ID#6092 Page 1

completed in June 2022 and consists of 80-affordable units and one on-site manager unit. The "Phase II Project" is the proposed addition of 32 units, all covenanted as affordable housing for a 55-year Affordability Period, and includes additional parking, appurtenances, and reciprocal access and joint use of the Phase I and Phase II common facilities and amenities pursuant to a Joint Use Agreement.

### **DISCUSSION**

Attached with this agenda report is the proposed Disposition, Development and Affordable Housing Agreement ("DDAHA") among Courtyards at Cottonwood II, L.P., a California limited partnership ("Developer"), the City, and the Authority, for consideration and action by the City Council and Housing Authority Board. Under the DDAHA, the Authority will sell to Developer the Phase II Site and Developer will plan, construct, develop, own, manage and maintain the new 32 unit multi-family affordable housing project with appurtenant improvements, community facilities for tenancy and occupancy by Eligible Households ("Phase II Project"). The Phase II Site is a vacant 1.61-acre parcel directly adjacent to Phase I at the northeast corner of Cottonwood Avenue and Indian Street (APN 482-161-026). As noted, the Phase I Project and Phase II Project will be subject to an Agreement for Joint Use of Common Area Amenity Facilities and Grant Of Reciprocal Nonexclusive Easements for joint use of the common facilities and amenities onsite at the two-phase development. The Authority owns fee title to the Phase II Site, which real property was at dissolution, and is presently, a "housing asset" that vested in the housing successor upon dissolution of the former redevelopment agency as of February 1, 2012.

The salient provisions and objectives of the DDAHA include: (1) the terms, conditions, and performance obligations of the parties to carry out the planning, design, construction, and operation of the 32-unit Phase II Project in compliance with the Entitlement and DDAHA; (2) sale of the Phase II Site by the Authority to Developer; (3) enter into the Authority Loan that evidences the purchase price for the land; (4) City will provide certain impact fee waivers; (5) set forth the Authority's rights under Intercreditor and Subordination Agreement instruments related to the Developer's Construction and Permanent financing; (6) establish senior conditions, covenants and restrictions as set forth in the City Covenants Agreement and Authority Regulatory Agreement; and (7) establish Developer's rights and obligations with regard to construction, completion and operation of the Phase II Project on the Phase II Site.

The Phase II Housing Units will be occupied by Eligible Households that qualify as Extremely Low Income, Very Low Income, or Low Income, and based on income level will be leased to the tenant at the Affordable Rent applicable to the Housing Unit. The "Unit Mix" among the 32 Housing Units includes 2-bedroom, 3-bedroom, and 4 bedroom apartments as follows:

- Two (2) 2-bedroom Housing Units for 30% AMI Extremely Low Income;
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income;
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income:
- Two (2) 2-bedroom Housing Units for 45% AMI Very Low Income;
- Four (4) 2-bedroom Housing Unit for 50% AMI Very Low Income;

- Six (6) 2-bedroom Housing Units for 60% AMI Lower Income;
- Two (2) 3-bedroom Housing Unit for 30% AMI Extremely Low Income;
- One (1) 3-bedroom Housing Unit for 40% AMI Very Low Income;
- One (1) 3-bedroom Housing Unit for 45% AMI Very Low Income;
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low;
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income;
- Six (6) 3-bedroom Housing Units for 60% AMI Lower Income;
- One (1) 4-bedroom Housing Unit for 30% Extremely Low Income;
- One (1) 4-bedroom Housing Unit for 40% Very Low Income;
- One (1) 4-bedroom Housing Unit for 45% Very Low Income; and
- One (1) 4-bedroom Housing Unit for 50% Very Low Income.

Pursuant to the DDAHA, the Phase II Project will be subject to the terms of the Authority Regulatory Agreement and City Covenants Agreement that set forth the affordable housing covenants and detail the terms of use, ownership, transfer, operation, maintenance and management of the development. Both agreements will be recorded against the Phase II Site as, and shall remain, senior and nonsubordinate to monetary liens and other encumbrances for the 55-year Affordability Period. The City Covenants Agreement implements the Entitlement, the City's density bonus ordinance, and the State Density Bonus Law, Government Code Section 65915, et seq.

In June 2022 in connection with the Developer's application to the California Tax Credit Allocation Committee ("TCAC") for the reservation of Tax Credits for the Phase II Project, the City Council and Authority Board approved a Preliminary Award Letter after a duly noticed public hearing by which the sale and conveyance of the Phase II Site was approved. The DDAHA implements that disposition in compliance with applicable laws. Further, in 2021 and 2022, the Planning Commission and then the City Council considered and approved a series of discretionary decisions that comprise the land use "Entitlement" for the Phase II Project, including a General Plan Amendment and making certain findings pursuant to CEQA.

Under the DDAHA, if approved, the Phase II Site will be sold and conveyed to Developer for the appraised value of \$380,000, with the purchase price paid through carry-back financing by an Authority Loan to be repaid through Residual Receipts, which loan is evidenced by the Authority Loan Note and secured by the Authority Loan Deed of Trust that will be subordinate to the Developer's construction and permanent financing. The Authority Loan Note will accrue 1% simple interest per annum with a term of not less than 55 years, and annual Residual Receipts payments are due by Developer to the Authority.

Developer applied for and received a reservation of 9% Tax Credits and has received funding commitments from the County of Riverside, including \$4,000,000 to be sourced from Permanent Local Housing Allocation ("PLHA") program funds and eight Section 8 project based housing choice vouchers ("PBVs"). The Developer has selected Citibank for construction and permanent financing and CREA as the Investor Limited Partner with equity installment payments to Developer totaling approximately \$9,238,988 pursuant to a limited partnership agreement.

Pursuant to the Joint Use Agreement, the Phase II residents will have full access to all joint use amenities, including: (i) 4,840 square-foot community building with

management, leasing services, tenant services and maintenance offices, (ii) maintenance garage, (iii) computer lab, (iv) laundry room, (v) restrooms, (vi) mail kiosk, (vii) community full kitchen, (viii) community pool, (ix) tot lot, (x) basketball court, and (xi) senior fitness course; in addition, the onsite manager's unit is located in the Phase I Project on the second floor of the community building; additionally, the Phase II Project will include drought tolerant landscaping, with passive courtyard areas that include seating, tables and chairs and BBQs for tenants. The Phase II Project will add 52 parking spaces, including 27 assigned covered parking spaces, 5 unassigned covered parking spaces, 15 unassigned accessible spaces, and 5 electric vehicle charging stations spaces.

The proposed DDAHA and this staff report have been available for public review prior to this joint public meeting. All actions required by all applicable law with respect to the proposed DDAHA have been taken in an appropriate and timely manner, and staff recommends the City Council and Authority Board adopt their respective resolutions.

### **ALTERNATIVES**

- 1. Adopt the City Council and Housing Authority Resolutions, respectively, that approve the Disposition, Development and Affordable Housing Agreement; authorize the City Manager and Executive Director of the Housing Authority to execute project related documents; authorize the City Manager and Executive Director to consider and approve future amendments as approved by the City Attorney that do not substantively increase or amend Moreno Valley's obligations or materially change uses; approve necessary revenue and expenditure appropriations. Staff recommends this alternative as it will allow the City and Housing Authority to dedicate this vacant parcel to this affordable housing development.
- 2. Do not adopt the approve the City Council and Housing Authority Resolutions, respectively. Staff does not recommend this alternative as it will not allow the City to dedicate this vacant parcel to this affordable housing development and further the goals and objectives of the City's Housing Element and the Authority's objective, as the housing successor, to cause development of covenanted affordable housing pursuant to the Housing Authorities Law and applicable provisions of the Dissolution Law.

### FISCAL IMPACT

Under the DDAHA, if approved, the Moreno Valley Housing Authority will sell the Phase II Site, a 1.61 acre vacant parcel, to Developer for development and operation of the Phase II Project. The purchase price of \$380,000 will be evidenced by the carry-back financing of the Authority Loan that will be repaid through Residual Receipts payments over the term of the 55-year Affordability Period.

Under the DDAHA, if approved, the City would reduce or waive development impact fees as eligible under the Municipal Code, Density Bonus Program for Affordable Housing, Section 9.03.050, et seq. that provides for waivers, incentives and concessions, which were approved for this Phase II Development under the Entitlement;

the estimated fee waivers are approximately \$421,431.

### **NOTIFICATION**

The public has been notified through the publication of the agenda for the joint meeting of the City Council and Authority Board.

### PREPARATION OF STAFF REPORT

Prepared By: Department Head Approval:

Dena Heald Brian Mohan

Deputy Finance Director Assistant City Manager

Chief Financial Officer/City Treasurer

### CITY COUNCIL AND HOUSING AUTHORITY GOALS

The DDAHA implements the Housing Element of the City's General Plan, and carries out the Authority's obligation as the housing successor to cause development of affordable housing pursuant to the Housing Authorities Law and the Dissolution Law, in particular Health and Safety Code Section 34176.1.

### **CITY COUNCIL STRATEGIC PRIORITIES**

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

### **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Courtyards at Cottonwood Phase II Site Plan
- 2. City Resolution 2023- xx for Courtyards at Cottonwood Phase II
- 3. Housing Authority Resolution HA 2023- xx for Courtyards at Cottonwood Phase II
- 4. DRAFT Disposition, Development and Affordable Housing Agreement

### **APPROVALS**

### CITY COUNCIL GOALS

None

### **CITY COUNCIL STRATEGIC PRIORITIES**

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

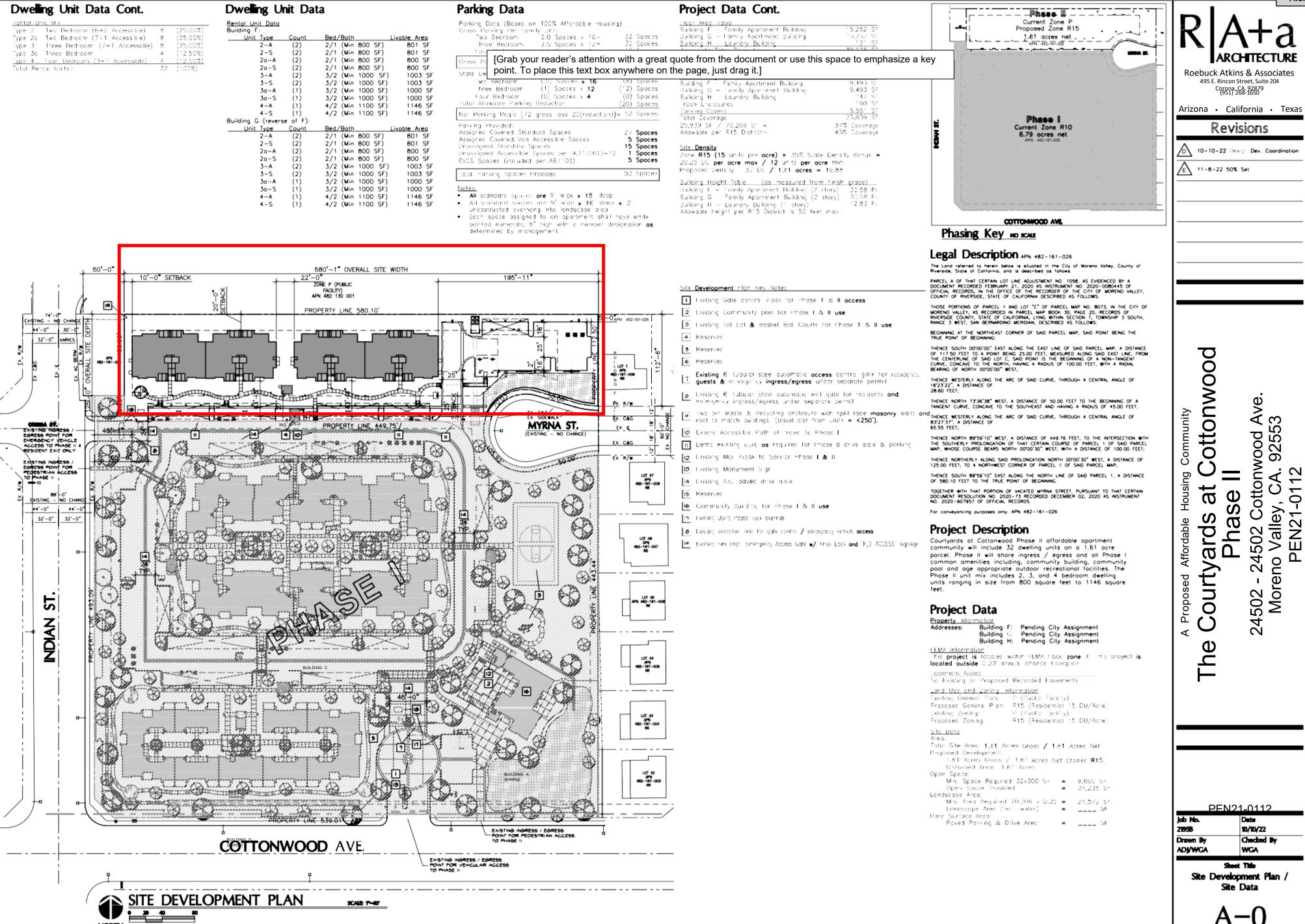
### **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Courtyards at Cottonwood Phase II Site Plan
- 2. Reso Housing Authority Phase II 4874-8266-7600\_2
- 3. Reso City Council Phase II 4873-2918-2288\_2
- 4. Draft Disposition Development and Affordable Housing Agreement

### **APPROVALS**

Budget Officer Approval	✓ Approved	2/27/23 8:35 AM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:02 AM





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### RESOLUTION NO. HA 2023-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY HOUSING **AUTHORITY, CALIFORNIA APPROVING** THE DISPOSITION, **DEVELOPMENT** AFFORDABLE HOUSING AGREEMENT THAT INCLUDES SALE OF VACANT LAND (APN -161-026) TO COURTYARDS AT COTTONWOOD II, L.P. FOR DEVELOPMENT AND OPERATION OF PHASE II OF THE COURTYARDS AT COTTONWOOD. A 32-UNIT AFFORDABLE HOUSING PROJECT: AUTHORIZING THE HOUSING AUTHORITY CHAIR TO EXECUTE AND SECRETARY TO ATTEST THE DDAHA: AUTHORIZING THE EXECUTIVE DIRECTOR TO CARRY OUT THE DDAHA AND IMPLEMENTING DOCUMENTS; AND MAKING CERTAIN OTHER FINDINGS IN CONNECTION THEREWITH

WHEREAS, the Moreno Valley Housing Authority ("Authority") is a housing authority duly established and operating as a local housing authority pursuant to the California Housing Authority Law, Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code ("HAL"); and

WHEREAS, the Authority also serves as the housing successor to the now dissolved Community Redevelopment Agency of the City of Moreno Valley ("Former Agency") and administers that certain low and moderate housing asset fund ("LMIHAF") under Division 24, Part 1.85 of the California Health and Safety Code ("HSC"), in particular Sections 34176 and 34176.1 ("Dissolution Law"); and

WHEREAS, the City of Moreno Valley ("City") is a California municipal corporation; and

WHEREAS, the Authority is empowered under the HAL and Dissolution Law to enter into agreements and to carry out affordable housing projects and programs benefiting Extremely Low, Very Low, and Low Income persons, families, and households; and

WHEREAS, the Authority is authorized under the HAL and Dissolution Law to provide financial assistance for the development of multifamily residential affordable housing within the City; and

WHEREAS, the City is obligated by State law and the Housing Element of the General Plan to plan for the community's supply of low to moderate income housing; and

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WHEREAS, in furtherance of the objectives of the Dissolution Law, the HAL and the Housing Element of the General Plan, the City and the Authority desire to improve and increase the community's supply of multi-family affordable housing available at an affordable rent and affordable housing cost; and

WHEREAS, Authority determines there is a continuing need in the community for multi-family apartment units to be available for the longest feasible period to persons and families of Extremely Low Income, Very Low Income, and Low Income at an Affordable Rent, as those terms are defined in the Disposition, Development and Affordable Housing Agreement described below and in applicable state law; and

WHEREAS, the Authority, as housing successor under the Dissolution Law, is obligated to utilize funds in the LMIHAF to cause "development" (defined in HSC 34176.1) of affordable housing for Extremely Low, Very Low, and Low Income households available at an Affordable Rent; and

WHEREAS, Courtyards at Cottonwood, L.P. has completed and operates an 81-unit multi-family affordable rental housing project ("Phase I Project") on certain real property located at the northeast corner of Cottonwood Avenue and Indian Street, in the City of Moreno Valley, County of Riverside, State of California; and

WHEREAS, pursuant to that certain proposed *Disposition, Development and Affordable Housing Agreement* ("DDAHA") among Courtyards at Cottonwood II, L.P., a California limited partnership ("Developer"), the City, and the Authority, as presented at this meeting, Authority will sell to Developer the Phase II Site and thereon Developer shall plan, construct, develop, own, manage and maintain a new 32 unit multi-family affordable housing project with appurtenant improvements, community facilities (shared with the Phase I Project), and resident and guest parking, for tenancy and occupancy by Eligible Households ("Phase II Project"), which will be developed and operated on that certain vacant 1.61-acre parcel directly adjacent to the Phase I Project at the northeast corner of Cottonwood Avenue and Indian Street (APN 482-161-026) ("Phase II Site"); and

WHEREAS, the Phase I Project and Phase II Project will be subject to a certain Agreement for Joint Use of Common Area Amenity Facilities and Grant Of Reciprocal Nonexclusive Easements ("REA") for joint use of the common facilities and amenities onsite at the two-phase development; and

WHEREAS, capitalized terms used in this Resolution are as defined in the DDAHA unless otherwise defined herein; and

WHEREAS, the Authority owns fee title to the Phase II Site, which real property was at dissolution, and is presently, a "housing asset" that vested in the housing successor at dissolution of the Former Agency; and

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WHEREAS the Phase II Housing Units will be occupied by Eligible Households based on income level and leased at an Affordable Rent applicable to the Housing Unit covenanted with the following unit mix:

- Two (2) 2-bedroom Housing Units for 30% AMI Extremely Low Income;
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income;
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income;
- Two (2) 2-bedroom Housing Units for 45% AMI Very Low Income;
- Four (4) 2-bedroom Housing Unit for 50% AMI Very Low Income;
- Six (6) 2-bedroom Housing Units for 60% AMI Lower Income;
- Two (2) 3-bedroom Housing Unit for 30% AMI Extremely Low Income;
- One (1) 3-bedroom Housing Unit for 40% AMI Very Low Income;
- One (1) 3-bedroom Housing Unit for 45% AMI Very Low Income;
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low;
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income;
- Six (6) 3-bedroom Housing Units for 60% AMI Lower Income;
- One (1) 4-bedroom Housing Unit for 30% Extremely Low Income;
- One (1) 4-bedroom Housing Unit for 40% Very Low Income;
- One (1) 4-bedroom Housing Unit for 45% Very Low Income; and
- One (1) 4-bedroom Housing Unit for 50% Very Low Income.

WHEREAS, pursuant to the DDAHA, the Phase II Project will be subject to the terms of the Authority Regulatory Agreement and City Covenants Agreement that set forth the affordable housing covenants, and detail the terms of use, ownership, transfer, operation, maintenance and management of the development, which agreements will be recorded against the Phase II Site as, and shall remain, senior and nonsubordinate to monetary liens and other encumbrances for the 55-year Affordability Period; and

WHEREAS, pursuant to the DDAHA the Phase II Site will be sold and conveyed to Developer for the appraised value of \$380,000, with the purchase price paid through carry-back financing through an Authority Loan to be repaid through Residual Receipts, which loan is evidenced by the Authority Loan Note and secured by the Authority Loan Deed of Trust that will be subordinate to the Developer's construction and permanent financing; the Authority Loan Note will accrue 1% simple interest per annum with a term of not less than 55 years; annual Residual Receipts payments are due by Developer to the Authority; and

WHEREAS, under the proposed DDAHA, the City would reduce or waive development impact fees as eligible under the Municipal Code, Density Bonus Program

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for Affordable Housing, Section 9.03.050, et seq. that provides for waivers, incentives and concessions, which were approved for this Phase II Development under the Entitlement; the estimated fee waivers are approximately \$421,431; and

WHEREAS, pursuant to the REA, the Phase II residents will have full access to all joint use amenities, including: (i) 4,840 square-foot community building management, leasing services, tenant services and maintenance (ii) maintenance garage, (iii) computer lab, (iv) laundry room. (v) restrooms. (vi) mail kiosk, (vii) community full kitchen, (viii) community pool, (ix) tot lot, (x) basketball court, and (xi) senior fitness course; in addition, the onsite manager's unit is located in the Phase I Project on the second floor of the community building; additionally, the Phase II Project will include drought tolerant landscaping, with passive courtyard areas that include seating, tables and chairs and BBQs for tenants

WHEREAS, in connection with that certain Preliminary Award Letter approved by the City Council and the Authority Board after a duly noticed public hearing in June 2022, the disposition of the Phase II Site was approved and the DDAHA will implement that disposition; and

WHEREAS, as described in the DDAHA, the City's Planning Commission and thereafter the City Council considered and approved the series of discretionary decisions that comprise the land use "Entitlement" for the Phase II Project, including making certain findings pursuant to CEQA; and

WHEREAS, the Phase II Project is within the envelope of development approved by the actions that comprise the Entitlement, including the CEQA findings made by the City Planning Commission and City Council thereunder, and while based on such prior action no further action or posting under CEQA are necessary to approve the DDAHA and for Developer to undertake the Phase II Project; and

WHEREAS, the DDAHA will implement the Housing Element of the City's General Plan, and carry out the Authority's obligation as the housing successor to cause development of affordable housing pursuant to HAL and the Dissolution Law, in particular Health and Safety Code Section 34176.1; and

WHEREAS, on March 7, 2023 at an open public meeting, the Authority encouraged and received public input and comment, whether for, against or neutral, to the DDAHA and Phase II Project and the Authority has reviewed and desires to approve, enter into and implement the DDAHA with Developer; and

WHEREAS, the proposed DDAHA and a staff report have been available for public review prior to the joint public meeting; and

WHEREAS, all actions required by all applicable law with respect to the proposed DDAHA have been taken in an appropriate and timely manner; and

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WHEREAS, the Authority has duly considered all of the terms and conditions of the proposed DDAHA and believes that the development of the Phase II Site with the Phase II Project is in the best interests of the Moreno Valley community and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND ORDERED BY THE MORENO VALLEY HOUSING AUTHORITY AS FOLLOWS:

<u>Section 1</u>. The Authority finds and determines the foregoing recitals are true and correct and are a substantive part of this Resolution.

<u>Section 2</u>. The Authority approves the Disposition, Development and Affordable Housing Agreement among the Authority, the City, and Developer with such changes mutually agreed upon by the Authority Executive Director (or his authorized representative), the City Manager on behalf of the City, the City Attorney and special counsel, and Developer as are minor and in substantial conformance with the form of the DDAHA that has been submitted with this action item. Further:

- (a) The Chair and the Authority Secretary are hereby authorized to execute and attest, respectively, the DDAHA, and the Authority Executive Director and Secretary are authorized to execute and attest the applicable Attachments and related implementing instruments, on behalf of the Authority; and
- (b) Copies of the final form of the DDAHA, when duly executed and attested, shall be placed on file in the office of the Secretary (City Clerk) and a complete copy shall be attached as a part of this Resolution; and
- (c) Further, the Authority Executive Director (or his authorized representative) is authorized to implement the DDAHA and take all further actions and execute all documents referenced therein, and/or necessary and appropriate to carry out the Phase II Project pursuant to the DDAHA; and
- (d) The Authority Executive Director (or his authorized representative) is hereby authorized to the extent necessary during the implementation of the DDAHA and implementation agreement(s), if any, to make technical or minor changes and interpretations thereto after execution, as necessary to properly implement and carry out the DDAHA, provided any and all such changes shall not in any manner materially affect the rights and obligations of the Authority thereunder.

<u>Section 3</u>. In addition to the authorization of Section 2 above, inclusive of 2.(a) to (d) above, the Executive Director (and his authorized representative) is hereby authorized, on behalf of the Authority, to sign all other documents necessary or appropriate to carry out and implement the DDAHA, including causing the issuance of warrants in

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implementation thereto, and to administer the Authority's obligations, responsibilities and duties to be performed under the DDAHA.

<u>Section 4</u>. The City's previous actions and findings, as lead agency, under CEQA made in connection with the Entitlement apply to the DDAHA and Phase II Project and no other action or findings under CEQA are required by the Authority.

<u>Section 5</u>. The Authority Secretary shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 7th day of March, 2023.

ATTEST:	Chair Moreno Valley Housing Authority
Secretary	
APPROVED AS TO FORM:	
General Counsel	

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# STATE OF CALIFORNIA ) COUNTY OF RIVERSIDE ) ss. CITY OF MORENO VALLEY ) I, Jane Halstead, Secretary of the Moreno Valley Housing Authority hereby certifies that Resolution No. HA 2023-\_\_\_ was duly and regularly adopted by the Authority Board at a regular meeting thereof held on the 7th day of March, 2023 by the following vote: AYES: NOES: ABSENT: ABSTAIN: (Authority Board Members, Chair and Vice Chair)

**SECRETARY** 

(SEAL)

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### RESOLUTION NO. 2023-\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA APPROVING DISPOSITION, DEVELOPMENT **AND AFFORDABLE** HOUSING AGREEMENT FOR DEVELOPMENT AND OPERATION OF PHASE II OF THE COURTYARDS AT COTTONWOOD, A 32-UNIT AFFORDABLE HOUSING DEVELOPMENT UNDER THE MORENO MUNICIPAL CODE: AUTHORIZING THE MAYOR TO EXECUTE AND CITY CLERK TO ATTEST THE DDAHA: AUTHORIZING THE CITY MANAGER TO CARRY OUT THE IMPLEMENTING DOCUMENTS: AND DDAHA AND MAKING CERTAIN OTHER FINDINGS IN CONNECTION **THEREWITH** 

WHEREAS, the City of Moreno Valley ("City") is a California municipal corporation; and

WHEREAS, the Moreno Valley Housing Authority ("Authority") is a housing authority duly established and operating as a local housing authority pursuant to the California Housing Authority Law, Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code ("HAL"); and

WHEREAS, the Authority also serves as the housing successor to the now dissolved Community Redevelopment Agency of the City of Moreno Valley ("Former Agency") and administers that certain low and moderate housing asset fund ("LMIHAF") under Division 24, Part 1.85 of the California Health and Safety Code ("HSC"), in particular Sections 34176 and 34176.1 ("Dissolution Law"); and

WHEREAS, the City and Authority are empowered under the HAL, Dissolution Law, and Government Code to enter into agreements and to carry out affordable housing projects and programs benefiting Extremely Low, Very Low, and Low Income persons, families, and households; and

WHEREAS, the City and Authority are authorized under the HAL, Dissolution Law and Government Code to provide financial assistance for the development of multifamily residential affordable housing within the City; and

WHEREAS, the City is obligated by State law and the Housing Element of the General Plan to plan for the community's supply of low to moderate income housing; and

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WHEREAS, in furtherance of the objectives of the Housing Element of the General Plan, the City and Authority desire to improve and increase the community's supply of multi-family affordable housing available at an affordable rent; and

WHEREAS, the City Council determines there is a continuing need in the community for multi-family apartment units to be available for the longest feasible period to persons and families of Extremely Low Income, Very Low Income, and Low Income at an Affordable Rent, as those terms are defined in the Disposition, Development and Affordable Housing Agreement described below and in applicable state law; and

WHEREAS, Courtyards at Cottonwood, L.P. has completed and operates an 81-unit multi-family affordable rental housing project ("Phase I Project") on certain real property located at the northeast corner of Cottonwood Avenue and Indian Street, in the City of Moreno Valley, County of Riverside, State of California; and

WHEREAS, pursuant to that certain proposed *Disposition, Development and Affordable Housing Agreement* ("DDAHA") among Courtyards at Cottonwood II, L.P., a California limited partnership ("Developer"), the City, and the Authority, as presented at this meeting, Authority will sell to Developer the Phase II Site and thereon Developer shall plan, construct, develop, own, manage and maintain a new 32-unit multi-family affordable housing project with appurtenant improvements, community facilities (shared with the Phase I Project), and resident and guest parking, for tenancy and occupancy by Eligible Households ("Phase II Project"), which will be developed and operated on that certain vacant 1.61-acre parcel directly adjacent to the Phase I Project at the northeast corner of Cottonwood Avenue and Indian Street (APN 482-161-026) ("Phase II Site"); and

WHEREAS, the Phase I Project and Phase II Project will be subject to a certain Agreement for Joint Use of Common Area Amenity Facilities and Grant Of Reciprocal Nonexclusive Easements ("REA") for joint use of the common facilities and amenities onsite at the two-phase development; and

WHEREAS, capitalized terms used in this Resolution are as defined in the DDAHA unless otherwise defined herein; and

WHEREAS, the Authority owns fee title to the Phase II Site, which real property was at dissolution, and is presently, a "housing asset" that vested in the housing successor at dissolution of the Former Agency; and

WHEREAS the Phase II Housing Units will be occupied by Eligible Households based on income level and leased at an Affordable Rent applicable to the Housing Unit covenanted with the following unit mix:

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- Two (2) 2-bedroom Housing Units for 30% AMI Extremely Low Income;
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income;
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income;
- Two (2) 2-bedroom Housing Units for 45% AMI Very Low Income;
- Four (4) 2-bedroom Housing Unit for 50% AMI Very Low Income;
- Six (6) 2-bedroom Housing Units for 60% AMI Lower Income;
- Two (2) 3-bedroom Housing Unit for 30% AMI Extremely Low Income;
- One (1) 3-bedroom Housing Unit for 40% AMI Very Low Income;
- One (1) 3-bedroom Housing Unit for 45% AMI Very Low Income;
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low;
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income;
- Six (6) 3-bedroom Housing Units for 60% AMI Lower Income;
- One (1) 4-bedroom Housing Unit for 30% Extremely Low Income;
- One (1) 4-bedroom Housing Unit for 40% Very Low Income;
- One (1) 4-bedroom Housing Unit for 45% Very Low Income; and
- One (1) 4-bedroom Housing Unit for 50% Very Low Income.

WHEREAS, pursuant to the DDAHA, the Phase II Project will be subject to the terms of the Authority Regulatory Agreement and City Covenants Agreement that set forth the affordable housing covenants and detail the terms of use, ownership, transfer, operation, maintenance and management of the development, which agreements will be recorded against the Phase II Site as, and shall remain, senior and nonsubordinate to monetary liens and other encumbrances for the 55-year Affordability Period; and

WHEREAS, the City Covenants Agreement implements the Entitlement, the City's density bonus ordinance, and the State Density Bonus Law, Government Code Section 65915, *et seq.*; and

WHEREAS, pursuant to the DDAHA the Phase II Site will be sold and conveyed to Developer for the appraised value of \$380,000, with the purchase price paid through carry-back financing through an Authority Loan to be repaid through Residual Receipts, which loan is evidenced by the Authority Loan Note and secured by the Authority Loan Deed of Trust that will be subordinate to the Developer's construction and permanent financing; the Authority Loan Note will accrue 1% simple interest per annum with a term of not less than 55 years; annual Residual Receipts payments are due by Developer to the Authority; and

WHEREAS, under the proposed DDAHA, the City would reduce or waive development impact fees as eligible under the Municipal Code, Density Bonus Program Page 3

for Affordable Housing, Section 9.03.050, *et seq.* that provides for waivers, incentives and concessions, which were approved for this Phase II Development under the Entitlement; the estimated fee waivers are approximately \$421,431; and

WHEREAS, pursuant to the REA, the Phase II residents will have full access to all joint use amenities, including: (i) 4,840 square-foot community building management, leasing services, tenant services and maintenance (ii) maintenance garage, (iii) computer lab, (iv) laundry room. (v) restrooms. (vi) mail kiosk, (vii) community full kitchen, (viii) community pool, (ix) tot lot, (x) basketball court, and (xi) senior fitness course; in addition, the onsite manager's unit is located in the Phase I Project on the second floor of the community building; additionally, the Phase II Project will include drought tolerant landscaping, with passive courtyard areas that include seating, tables and chairs and BBQs for tenants

WHEREAS, in connection with that certain Preliminary Award Letter approved by the City Council and Authority Board after a duly noticed public hearing in June 2022, the sale and conveyance of the Phase II Site was approved and the DDAHA will implement that disposition; and

WHEREAS, as described in the DDAHA, the City's Planning Commission and thereafter the City Council considered and approved a series of discretionary decisions that comprise the land use "Entitlement" for the Phase II Project, including making certain findings pursuant to CEQA; and

WHEREAS, the Phase II Project is within the envelope of development approved by the actions that comprise the Entitlement, including the CEQA findings made by the City Planning Commission and City Council thereunder, and while based on such prior action no further action or posting under CEQA are necessary to approve the DDAHA and for Developer to undertake the Phase II Project; and

WHEREAS, the DDAHA will implement the Housing Element of the City's General Plan, and carry out the Authority's obligation as the housing successor to cause development of affordable housing pursuant to HAL and the Dissolution Law, in particular Health and Safety Code Section 34176.1; and

WHEREAS, on March 7, 2023 at an open public meeting, the Authority encouraged and received public input and comment, whether for, against or neutral, to the DDAHA and Phase II Project and the Authority has reviewed and desires to approve, enter into and implement the DDAHA with Developer; and

WHEREAS, the proposed DDAHA and a staff report have been available for public review prior to the joint public meeting; and

WHEREAS, all actions required by all applicable law with respect to the proposed DDAHA have been taken in an appropriate and timely manner; and

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WHEREAS, the City Council has duly considered all of the terms and conditions of the proposed DDAHA and believes that the development of the Phase II Site with the Phase II Project is in the best interests of the Moreno Valley community and in accord with the public purposes and provisions of applicable state and local laws and requirements.

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

<u>Section 1</u>. The City Council finds and determines the foregoing recitals are true and correct and are a substantive part of this Resolution.

<u>Section 2</u>. The City Council approves the Disposition, Development and Affordable Housing Agreement among the City, the Authority, and Developer with such changes mutually agreed upon by the City Manager or his authorized representative), the Authority Executive Director on behalf of the Authority, the City Attorney and special counsel, and Developer as are minor and in substantial conformance with the form of the DDAHA that has been submitted with this action item. Further:

- (a) The Mayor and City Clerk are hereby authorized to execute and attest, respectively, the DDAHA, and the City Manager and City Clerk are authorized to execute and attest the applicable Attachments and related implementing instruments, on behalf of the City; and
- (b) Copies of the final form of the DDAHA, when duly executed and attested, shall be placed on file in the office of the City Clerk and a complete copy shall be attached as a part of this Resolution; and
- (c) Further, the City Manager (or his authorized representative) is authorized to implement the DDAHA and take all further actions and execute all documents referenced therein, and/or necessary and appropriate to carry out the Phase II Project pursuant to the DDAHA; and
- (d) The City Manager (or his authorized representative) is hereby authorized to the extent necessary during the implementation of the DDAHA and implementation agreement(s), if any, to make technical or minor changes and interpretations thereto after execution, as necessary to properly implement and carry out the DDAHA, provided any and all such changes shall not in any manner materially affect the rights and obligations of the City thereunder.

<u>Section 3</u>. In addition to the authorization of Section 2 above, inclusive of 2.(a) to (d) above, the City Manager (and his authorized representative) is hereby authorized, on behalf of the City, to sign all other documents necessary or appropriate to carry out and implement the DDAHA, including causing the issuance of warrants in implementation

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thereto, and to administer the City's obligations, responsibilities and duties to be performed under the DDAHA.

<u>Section 4</u>. The City's previous actions and findings, as lead agency, under CEQA made in connection with the Entitlement apply to the DDAHA and Phase II Project and no other action or findings under CEQA are required by the City Council.

Section 5. The City Clerk shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 7th day of March 2023.

ATTEST:	Mayor of the City of Moreno Valley
City Clerk	
APPROVED AS TO FORM:	
City Attorney	

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	RESOLUTION JURAT
STATE OF CALIFORNIA	)
COUNTY OF RIVERSIDE	) ss.
CITY OF MORENO VALLEY	)
certify that Resolution No. 2023	lerk of the City of Moreno Valley, California, do hereby was duly and regularly adopted by the City Council regular meeting thereof held on the 7 <sup>th</sup> day of March, 2023
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
(Council Members, Mayo	r Pro Tem and Mayor)
CITY CLERK	
(SEAL)	

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# DISPOSITION, DEVELOPMENT AND AFFORDABLE HOUSING AGREEMENT

by and among the

### MORENO VALLEY HOUSING AUTHORITY

and the

**CITY OF MORENO VALLEY** 

and

COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership

(Phase II: 9% Tax Credits 32 Housing Units)

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# DISPOSITION, DEVELOPMENT AND AFFORDABLE HOUSING AGREEMENT (Phase II: 9% Tax Credits 32 Housing Units)

This **DISPOSITION**, **DEVELOPMENT AND AFFORDABLE HOUSING AGREEMENT** (**Phase II: 9% Tax Credits 32 Housing Units**) ("Agreement"), dated, for identification purposes only, as of March 7, 2023 ("Date of Agreement"), is entered into by and among the **MORENO VALLEY HOUSING AUTHORITY**, a public body, corporate and politic ("Authority"), the **CITY OF MORENO VALLEY**, a municipal corporation ("City") and **COURTYARDS AT COTTONWOOD II, L.P.**, a California limited partnership ("Developer").

### <u>RECITALS</u>

- **A.** City, as part of its functions as a municipal corporation under the Constitution and laws of the State of California and in connection with its municipal code is authorized to promote the provision of affordable housing for all income segments of the community. City is authorized to enter into agreements in connection therewith.
- **B.** Authority is a California housing authority formed by the City Council of the City of Moreno Valley ("City Council") acting under the California Housing Authorities Law, Part 2 of Division 24, Section 34200, *et seq.*, of the Health and Safety Code ("HAL"); further, Authority serves as the "housing successor" to the former Community Redevelopment Agency of the City of Moreno Valley, a dissolved redevelopment agency ("Former Agency") pursuant to Part 1.85 of Division 24 of the Health and Safety Code, in particular Sections 34176 and 34176.1 ("Dissolution Law" or "Housing Successor Law") and the Dissolution Law references and incorporates certain affordable housing laws set forth in Health and Safety Code Section 33000, *et seq.* that survived the dissolution of all California redevelopment agencies and remain effective as to housing successors, including the Authority ("CRL"). Statutory references in this Agreement are to the California Health and Safety Code ("HSC") unless otherwise stated.
- C. Developer is a California limited partnership and joint venture entity for which its administrative general partner is RBD Cottonwood, LLC, or its Affiliate, and for which its managing general partner is KDI Courtyards LLC, a California limited liability company. Developer and its Affiliate entities are experienced in the planning, construction, development, operation, management and maintenance of affordable multi-family housing throughout California.
- **D.** Under the HAL, Dissolution Law, and applicable provisions of the CRL, the Authority is authorized and empowered to enter into agreements for the production, improvement, or preservation of affordable housing to households of limited income, with such housing to be available at Affordable Rent (as defined herein).
- **E.** City previously activated the Former Agency that operated under the California Redevelopment Law, Part 1 of Division 24, Section 33000, *et seq.* of the Health and Safety Code ("CRL").
- **F.** The Redevelopment Plan for the Moreno Valley Redevelopment Project ("Redevelopment Project") was adopted by Ordinance No. 154 by the City Council of the City of Moreno Valley (as amended, the "Redevelopment Plan"). The redevelopment project area for the Redevelopment Plan as so amended constituted the former "Project Area" administered by the

Former Agency prior to dissolution of all California redevelopment agencies on and as of February 1, 2012.

- **G.** Prior to dissolution, in the course of conducting its affordable housing activities in implementation of the Redevelopment Plan and the CRL, the Redevelopment Agency acquired certain land, including without limitation that property described herein as the "Two Parcel Area". The Two Parcel Area is the location of the two-phased affordable housing development commonly referred to as "Courtyards at Cottonwood".
- **H.** City previously caused the preparation and recording in the Official Records of a lot line adjustment and parcel map that subdivided the Two Parcel Site into the "Phase I Site" of approximately 6.79 acres and the Phase II Site of approximately 1.61 acres ("Phase II Site" or "Site").
- I. Courtyards at Cottonwood, L.P. ("Phase I Developer") owns the Phase I Site and thereon has completed construction and development of, and now owns and operates an 81-unit multifamily affordable rental housing project ("Phase I Project").
- **J.** Pursuant to this Agreement, the Phase II Project, including construction of the Phase II Development thereon, shall occur on the Phase II Site, which is depicted on Attachment No. 1, Map of Phase II Site.
- **K.** Pursuant to this Agreement and related instruments and agreements referenced herein, Developer desires to, and hereby agrees to, construct, complete and operate on the Phase II Site a new 32-unit multifamily affordable rental housing project that will be the second phase of the Courtyards at Cottonwood affordable housing development, with joint access and use between the two developments pursuant to that certain Joint Use Agreement, all as more fully defined and described herein ("Phase II Project").
- L. In 2021 and 2022, the City of Moreno Valley Planning Commission ("Planning Commission") and the City Council of the City of Moreno Valley ("City Council") held a series public hearings regarding and approved the following resolutions and ordinances, with conditions of approval, that comprise the land use entitlement for development and operation of the Phase II Project on the Phase II Site, including:
  - (i) Planning Commission Resolution No. 2021-48 dated December 9, 2021 recommending to the City Council approval of a Mitigation Monitoring and Reporting Program and certification of Negative Declaration for the Phase II Project on the Phase II Site;
  - (ii) Planning Commission Resolution No. 2021-49 dated December 9, 2021 recommending to the City Council approval of General Plan Amendment (PEN 21-0113) amending the General Plan Land Use Map to change the land use designation from Public (P) to Residential 15 (R15) for the Phase II Site including the necessary and corresponding amendments to the City's Zoning Atlas;
  - (iii) Planning Commission Resolution No. 2021-50 dated December 9, 2021 recommending to the City Council approval of change of zone (PEN 21-0114) to amend the City Zoning Atlas from Public (P) District to Residential 15 District (R15);

- (iv) Planning Commission Resolution No. 2021-51 dated December 9, 2021 recommending to the City Council approval of Plot Plan (PEN 21-0112) the 32-UNIT Phase II Project on the Phase II Site;
- (v) City Council Resolution No. 2022-12 dated January 18, 2022 adopting a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Courtyards At Cottonwood Phase II Project on the Phase II Site;
- (vi) City Council Resolution No. 2022-13 dated January 18, 2022 approving approved General Plan Amendment (PEN21-0113) amending the General Plan Land Use Map and changing the land use designation for the Phase II Site from Public (P) to Residential 15 (R15) and the necessary and corresponding amendments to the City's Zoning Atlas;
- (vii) City Council Resolution Number 2022-14 dated January 18, 2022 approving Plot Plan (PEN 21-0112) for a 32-unit affordable housing project located on the Phase II Site; and
- (viii) City Council Ordinance No. 986 dated February 1, 2022 approving the change of zone (PEN 21-0114) amending the City Zoning Atlas from Public (P) District to Residential 15 (R15) District, for the Phase II Site (Parcel B);

Together (i) through (viii) above is referred to as the "Entitlement" and reference is made to the specific resolutions and ordinances and related discretionary and ministerial approvals by the City that comprise such Entitlement; this Agreement does not intend to restate all details of same but such actions are hereby incorporated by reference and referred to as the Entitlement; therefore, development of affordable housing is authorized to occur on the Phase II Site, subject to each particular development meeting applicable City Code requirements.

- **M.** By this Agreement, Authority agrees to sell to Developer the Phase II Site and thereon Developer hereby agrees to plan, construct, develop, own, manage and maintain a new 32-unit multi-family affordable housing Project with appurtenant improvements, community facilities (shared with the Phase I Project), and resident and guest parking, for tenancy and occupancy by Eligible Households.
- N. Pursuant to the Entitlement, the onsite parking in Phase II includes 53 parking spaces, with (i) 27 assigned covered parking spaces, (ii) five (5) assigned uncovered parking spaces, (iii) 15 unassigned accessible spaces, and (iv) five (5) EVCS spaces.
- O. Each and all Housing Units in the Phase II Project shall be occupied by Eligible Households and leased at an Affordable Rent based on the Riverside County Area Median Income ("AMI") applicable to the Housing Unit all in accordance with the following unit mix, with parenthetical designations of which units are "non-PBV") and which units are assigned PBVs by the County during the term of that certain Housing Assistance Payment Contract entered into between the County and Developer ("County HAP"):
  - Two (2) 2-bedroom Housing Units for 30% AMI Extremely Low Income Households (PBV designated PBV units);
  - One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income Households (PBV designated unit);

- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income Households (non-PBV);
- Two (2) 2-bedroom Housing Units for 45% AMI Very Low Income Households (non-PBV);
- Four (4) 2-bedroom Housing Unit for 50% AMI Very Low Income Households (non-PBV);
- Six (6) 2-bedroom Housing Units for 60% AMI Lower Income Households (non-PBV);
- Two (2) 3-bedroom Housing Unit for 30% AMI Extremely Low Income Households (PBV designated units);
- One (1) 3-bedroom Housing Unit for 40% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 45% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income Households (non-PBV)
- Six (6) 3-bedroom Housing Units for 60% AMI Lower Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 30% Extremely Low Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 40% Very Low Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 45% Very Low Income Households (non-PBV); and
- One (1) 4-bedroom Housing Unit for 50% Very Low Income Households (non-PBV).
- **P.** All Housing Units shall be leased at an "Affordable Rent" and in conformance with the "Prescribed Income Levels" throughout the "Affordability Period" (as defined below) as those terms are defined hereinafter.
- **Q.** The Phase II Project is intended to implement Authority's goals and objectives under the HAL, Dissolution Law and CRL, under the City's 2021-2028 Housing Element of the General Plan, and in furtherance of the Authority and City's goals and objectives to provide in the community decent, safe and sanitary affordable housing and to increase, improve and preserve housing available at affordable housing cost for income-Eligible Households.
- **R.** Developer prepared and submitted an application to and has received a reservation of 9% Low Income Tax Credits as generally provided for under Section 42 of the Internal Revenue Code and/or California Revenue and Taxation Code Sections 17057.5, 17058, 23610.4 and 23610.5 and California HSC Section 50199, *et seq.* ("Tax Credits"). Developer provided evidence to

Authority that Developer has obtained a preliminary reservation of 9% Tax Credits as set forth in that certain "Reservation Letter" dated September 28, 2022 issued by and from TCAC to Developer.

- S. By this Agreement, Authority will sell the Phase II Site to Developer and issue to Developer the "Authority Loan" in an original principal amount of Three Hundred and Eighty Thousand Dollars (\$380,000), which is equal to the appraised fair market value of the Phase II Site and which loan is structured as a "Residual Receipts" loan to be repaid from the "Authority's Share of Residual Receipts" as set forth and subject to the terms and conditions herein.
- T. Developer acknowledges that the Phase II Site upon which the Phase II Project will be developed and operated is a "housing asset" of the Authority's Low to Moderate Income Housing Asset Fund ("LMIHAF"), which was reviewed and approved by the State of California, Department of Finance ("DOF") as such, and therefor is subject to applicable provisions of the Dissolution Law and CRL in implementation of this Agreement.
- U. The PBVs issued to Developer by the County are intended to subsidize eight (8) of the Housing Units for occupancy by income-eligible persons and families. The County requires that the eight (8) PBVs will be allocated among the Housing Units as follows: (i) two (2) 2-bedroom units for 30% AMI Extremely Low Income Households, (ii) one (1) 2-bedroom unit for 40% AMI Very Low Income Households, (iii) two (2) 3-bedroom units for 30% AMI Extremely Low Income Households, (iv) one (1) 3-bedroom unit for 40% AMI Very Low Income Household, (v) one (1) 3-bedroom unit for 50% AMI Very Low Income Household.
- V. Further, in connection with the reservation and implementation of the Tax Credits, Developer applied for and has received funding commitments for completion and operation of the Phase II Project from (i) County of Riverside (as described above), (ii) Primary Construction Lender for the construction loan in an estimated original principal amount of \$9,424,642, (iii) Primary Permanent Lender for the permanent loan in an estimated original principal amount of \$2,827,475, (iv) CREA, LLC ("CREA") as the Investor Limited Partner for the equity investment in the Tax Credits in an estimated amount of \$9,238,988, and (v) other funding programs, which, subject to the normal and customary processes of such lenders and investor, Developer will have adequate funding, together with the Authority Loan (and concurrent closing for the County PLHA Loan and County PBVs), will be and remain sufficient to defray the costs to undertake, complete and operate the Phase II Project.
- **W.** The PBVs issued to Developer by the County are intended to subsidize eight (8) Housing Units. The County requires that the eight (8) PBVs will be allocated among the Housing Units as described in Recital O. above.
- X. Further, in connection with the reservation and implementation of the Tax Credits, Developer applied for and has received funding commitments for completion and operation of the Phase II Project from (i) County of Riverside (as described above), (ii) Primary Construction Lender for the construction loan in an estimated original principal amount of \$9,354,904, (iii) Primary Permanent Lender for the permanent loan in an estimated original principal amount of \$2,725,708, (iv) CREA, LLC ("CREA") as the Investor Limited Partner for the equity investment in the Tax Credits in an estimated amount of \$9,238,895, and (v) other funding programs, which, subject to the normal and customary processes of such lenders and investor, Developer will have adequate funding, together with the Authority Loan (and concurrent closing for the County PLHA Loan and County

PBVs), will be and remain sufficient to defray the costs to undertake, complete and operate the Phase II Project.

- Y. Developer acknowledges and agrees that it will comply with the requirements pertaining to such funding sources; provided that Developer shall remain obligated to comply with all provisions hereof, with the result that the most restrictive provisions shall apply in each case.
- **Z.** This Agreement is in the vital and best interest of the City and the health, safety and welfare of its residents and furthers the public policies of Authority.
- **NOW, THEREFORE**, for and in consideration of the mutual promises, covenants, and conditions herein contained, the parties hereto agree as follows:

#### 1. DEFINITIONS AND INTERPRETATION

- **1.1 Defined Terms**. As used in this Agreement (and in all other Project Documents, unless otherwise defined), the following capitalized terms shall have the following meanings:
- "Affiliate" means any person or entity directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with Developer, which shall include each of the constituent partners or members of Developer's limited partnership. (but not the Investor Limited Partner.) The term "control," as used in the immediately preceding sentence, means, with respect to a person that is a corporation, the right to exercise, directly or indirectly, at least fifty percent (50%) of the voting rights attributable to the shares of the controlled corporation, and, with respect to a person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled person.
- "Affiliated Person" means, when used in reference to a specific person, any person that directly or indirectly controls or is controlled by or under common control with the specified person, any person that is an officer or director of, a trustee of, or a general partner, managing member or operator in, the specified person or of which the specified person is an officer, director, trustee, general partner or managing member, or any person that directly or indirectly is the beneficial owner of ten percent (10%) or more of any class of the outstanding voting securities of the specified person.
- "Affordability Period" means a period of not less than fifty-five (55) years commencing as of the Authority Conveyance of the Phase II Site to Developer.
- "Affordable Rent" shall mean the maximum amount of out-of-pocket housing cost to be charged monthly by Developer and paid by each of the Eligible Households that qualify as an Extremely Low, 40% AMI Very Low, 45% AMI Very Low, 50% AMI Very Low, or Low Income Households at the applicable Prescribed Income Levels for the Housing Units at the Phase II Development as determined and calculated pursuant to the affordable rent and the rent limitations according to TCAC, the Tax Credit Rules, and Tax Credit Regulatory Agreement applicable to Phase II in accordance herewith. For purposes of Affordable Rent, the monthly housing payment shall mean the total of monthly payments by each tenant household of a Housing Unit for use and occupancy of a Housing Unit and facilities associated therewith, including a reasonable allowance for utilities for an adequate level of service, as set forth in more detail herein Section 4.2 hereof.

Further, the term includes the total of monthly payments by the tenants of a Housing Unit for (a) use and occupancy for the Unit and facilities associated therewith, (b) any separately charged fees or service charges assessed by Developer which are required of all tenants of the Housing Units, other than security deposits, (c) a reasonable allowance for utilities not included in (a) or (b) above, including garbage collection, sewer, water, electricity and gas, as determined by regulation of Housing Authority of the County of Riverside pursuant to 24 C.F.R. Section 5.600 *et seq.* or by the California Utility Allowance Calculator as permitted by TCAC, and (d) possessory interest, taxes or other fees or charges assessed for the use of the Housing Units and facilities associated therewith by a public or private entity other than Developer; provided that the rent charged as to any Housing Unit shall not exceed Affordable Rent.

Under this Agreement and for purposes of Affordable Rent in the operation of the Phase II Project the following Affordable Rents are acceptable for the applicable income category:

- To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for 30% AMI Extremely Low Income Households (5 Housing Units) shall not exceed the most restrictive income standard of HSC Section 50106 or Tax Credit Rules. The Affordable Rent for 30% AMI Extremely Low Income Households shall not exceed the most restrictive standard of the calculations under HSC Sections 50052.5 and 50053 or Tax Credit Rules:
- To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for 40% AMI Very Low (4 Housing Units), 45% AMI Very Low (4 Housing Units), and 50% AMI Very Low Income Households (7 Housing Units) (for a total of 15 Very Low Income Housing Units) shall not exceed the most restrictive standard of HSC 50105 or Tax Credit Rules as adjusted for the applicable AMI of 40%, 45% or 50%; and
- To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for Low Income Households (12 Housing Units) shall not exceed the most restrictive income standard of HSC Section 50079.5 or Tax Credit Rules. The Affordable Rent shall not exceed the most restrictive standard of the calculations under HSC Sections 50052.5 and 50053 or Tax Credit rules.

While it is anticipated that the rent standards under the Tax Credit Rules will be less restrictive, i.e., allow for a higher monthly rent, than those otherwise allowable under HSC 50052.5 and 50053; nonetheless, it is the responsibility of Developer to comply with the definition of Affordable Rent and all affordable housing standards herein.

"Annual Authority Monitoring Charge" means the sum of One Thousand Six Hundred Dollars (\$1600.00), i.e., Fifty Dollars (\$50.00) per Housing Unit, payable on or before June 15 of each Year following completion of the Phase II Improvements.

"Annual County Monitoring Charge" means a monitoring charge imposed by the County from time to time, payable to the County on or before June 15 of each Year following completion of the Phase II Development.

"Applicable Federal Rate" means the interest rate set by the United States Treasury from time to time pursuant to Section 1288(b) of the Internal Revenue Code. The Applicable Federal Rate is published by the Internal Revenue Service in monthly revenue rulings.

- "Applicable Interest Rate" means the following rates: (a) as to amounts paid when due with respect to which the Applicable Interest Rate is made applicable by this Agreement, one percent (1%) per annum, simple interest and (b) as to amounts not paid when due, the lesser of (i) seven percent (7%) per annum, simple interest, and (ii) the maximum rate permitted by applicable law.
- "Applicable Percentage" means fifty percent (50%) of Residual Receipts; provided that in the event the County makes the County PLHA Loan (\$4,000,000.00), the Applicable Percentage (payable to Authority) will be ten percent (10%) of Residual Receipts.
- "Area" and "AMI" mean the Riverside Primary Metropolitan Statistical Area, as periodically defined by HUD.
  - "**Audit**" is defined in Section 4.17.1.
- "Audited Financial Statement" means an audited financial statement, including without limitation a profit and loss statement, generated by Cohn Reznick, or another third party certified public accountant acceptable to Authority in its reasonable discretion, showing, for the previous Year, in an easily readable format, Gross Revenues, Operating Expenses, Debt Service, Capital Replacement Reserve, Operating Reserve, General Partner Fee, Limited Partner Fee and Residual Receipts.
- "Authority", as defined in the first paragraph hereof, means the Moreno Valley Housing Authority, a public body, corporate and politic, acting as a housing authority exercising governmental functions and powers and organized under the HAL, and any assignee of or successor to its rights, powers and responsibilities.
- "Authority Grant Deed" means a grant deed substantially in the form of Attachment No. 6 to this Agreement by which the Authority will convey the Phase II Site to Developer subject to the terms and conditions of this Agreement.
  - "Phase II Escrow" is described in Section 2.2.
- "Authority Loan Amount" means an amount equal to the appraised value of the Phase II Site, which as of the Date of Agreement is Three Hundred Eighty Thousand Dollars (\$380,000.00).
- "Authority Loan Deed of Trust" means that certain deed of trust securing the Authority Loan Note substantially in the form of Attachment No. 14.
- "Authority Loan Note" means that certain promissory note evidencing the Authority Loan and such note is secured by the Authority Loan Deed of Trust, and set forth substantially in the form of Attachment No. 13.
  - "Authority Loan Policy" is defined in Section 2.4.
- "Authority Regulatory Agreement" or "Regulatory Agreement" means that certain regulatory agreement with conditions, covenants and restrictions affecting the Phase II Site and Phase II Development and is set forth in Attachment No. 11 to this Agreement. From the date of recording in the Official Records and throughout the Affordability Period, the Authority Regulatory Agreement is and shall remain a senior encumbrance against the Phase II Site, nonsubordinate to all monetary liens.

"Authority Share of Residual Receipts" means (i) a base amount of Residual Receipts equal to ten percent (10%) to Authority while the County PLHA Loan remains outstanding and fifty percent (50)% after repayment of the County PLHA Loan, and (ii) to the extent applicable, the Additional Amount of Residual Receipts.

"Base Pro Forma" or "Financing Assumptions" means Attachment No. 15 hereto. The Financing Assumptions are utilized solely for the purposes of certain parameters under this Agreement and do not otherwise constitute a part of this Agreement. The Financing Assumptions may be amended and modified by the mutual agreement of the Developer and Authority, and if so modified, then the amended version of such Financing Assumptions shall be appended (and deemed appended) to this Agreement. The failure of any financing assumptions shall not excuse performance by Developer under this Agreement.

"Basic Concept Drawings" is defined in Section 4.2.1 hereof.

"Building Permit" means the building permit(s) issued by City and required for the Phase II Development.

"Capital Replacement Reserve" means a reserve fund to be established by Developer and maintained throughout the Affordability Period as a capital replacement reserve; amounts shall initially be in the minimum amount of Three Hundred Dollars (\$300.00) per Housing Unit per Year and may be increased annually following the issuance of a Certificate of Completion/Release of Construction Covenants for the Phase II Development by three percent (3.0%) per Year, or such other amount as the Executive Director and the Developer shall mutually approve. Interest earned on moneys held in the Capital Replacement Reserve shall be retained in the Capital Replacement Reserve unless otherwise directed by the Permanent Lender. To the extent Developer is required to maintain a Capital Replacement Reserve by any Approved Construction and/or Permanent Lender or the Limited Partner, Developer shall receive a credit hereunder for such amounts maintained by it in compliance such Approved Construction and/or Permanent Lender or Limited Partner capital replacement reserve requirement. It is contemplated that the Capital Replacement Reserve will be held by the Permanent Lender.

"Certificate of Completion/Release of Construction Covenants" means that certain instrument evidencing the Developer's obligation to cause and complete construction of the Phase II Development, the form of which is set forth in Attachment No. 9 to this Agreement.

"Certificate of Continuing Program Compliance" means the Certificate to be filed by Developer or its property manager on behalf of Developer with Authority, which Certificate shall be substantially in the form attached hereto as Attachment No. 4.

"City", as defined in the first paragraph hereof, means the City of Moreno Valley, a California municipal corporation.

"City Code" means the Municipal Code of the City of Moreno Valley as may be amended from time to time, including without limitation the Uniform Codes.

"Conditions Precedent" are set forth in Section 3.2.

"Construction Security" shall mean and include payment and performance bonds from responsible sureties admitted in the State of California in the amount of 100% of the construction costs for the Phase II Development (as detailed in Developer's GC Contract) and, with respect to the performance bond, naming each and both the Authority and City as dual co-obligees, along with reasonably satisfactory evidence demonstrating said Contractor's financial strength (such as the two most recent financial statements of Contractor) and reputation for quality and timely work and performance necessary to complete construction of the Phase II Development in accordance with Developer's Construction Contract. The payment and performance bonds, once obtained and delivered, the payment bond shall remain in full force and effect until thirty-five (35) days after the date of recordation of the Notice of Completion/Release of Construction Covenants and the performance bond will be released one year after said date.

"City Covenants" means that certain part of the Entitlement issued by the City to Developer pursuant to and in implementation of the City Code and State Density Bonus Law, Government Code Section 65915, et seq., which the City requires be entered into and caused to be recorded in the Official Records, County of Riverside a "density bonus housing agreement" prior to issuance of any Grading or Building permits for multifamily rental housing project. Pursuant to the DBL and Entitlement, the terms of the City Covenants shall run with the Phase II Site for the life of the Affordability Period and shall be an remain an encumbrance senior and nonsubordinate to each and all monetary liens for the term thereof. The form of the City Covenants is Attachment No. 10 to this Agreement.

"City Impact Fees" means those facility fees, road improvement fees, and other fees identified by City as development impact fees, including street improvements and/or street improvement fees, required by City and retained by City in connection with the development of the Phase II Development. The City Impact Fees are estimated at Four Hundred Twenty-One Thousand Four Hundred Thirty-One Dollars (\$431,131); provided that the amount designated for fees as of the time of payment to City shall control.

"City Waived Fees" means those certain fees that are authorized to be waived by the City in connection with the construction of the Phase II Project, which as of the Date of Agreement such estimated waived fees total approximately \$421,431.

"City Manager" means the City Manager of the City, or his or her designee.

"Closing" is defined in Section 2.2.4 herein and including both the closing of the Phase II Conveyance and the closing of Developer's Primary Construction Loan.

"Contractor" means a construction contractor, duly licensed in the State of California and bonded and insured as required herein, performing the Construction work for the Phase II Development or any other Improvements that comprise the Phase II Development.

"Conversion" means the closing of the Primary Permanent Loan and repayment of any construction period only financing.

"Conveyance" means the conveyance of the Phase II Site by the Authority Deed in conformity with this Agreement.

- "Conveyance Price" means the appraised value of the Phase II Site based on an independent appraisal not older than six (6) months from the date of the Closing of Escrow for disposition of the Phase II Site by the Authority to Developer.
  - "Cost Savings" is defined in Section 4.17 hereof.
  - "County" means the County of Riverside, California.
- "County PLHA Loan" means a loan in the original principal amount of Four Million Dollars (\$4,000,000.00) to be provided by the County to the Developer for the Phase II Development.
- "CPI" means United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for Urban Wage Earners and Clerical Workers, Subgroup "All Items," for the Los Angeles-Riverside-Riverside County area, 1982-84 = 100, or successor or equivalent index in case such index is no longer published.
  - "Date of Agreement" means March 7, 2023.
- "Debt Service" means required debt service payments for the Primary Construction Loan and/or the Primary Permanent Loan including the funding obligations in respect of all reserves or escrows required thereunder and scheduled payments as approved as part of the Final Financing Package.
  - "**Default**" is defined in Section 7.1 hereof.
- "Deferred Developer Fee" means approximately One Hundred Fifty One Thousand Sixty-Six Dollars (\$151,066) of the Developer Fee. The Deferred Developer Fee is to be paid from cash flow from the Phase II Development. The amount of the Deferred Developer Fee may be modified provided that the prior written approval of the Executive Director is obtained.
- "Design Development Drawings" means drawings more detailed than conceptual drawings or plans.
  - "**Determination Date**" means the sixtieth (60<sup>th</sup>) day after the Date of Agreement.
  - "Developer" means Courtyards at Cottonwood II, L.P., a California limited partnership.
- "Developer Fee" means the lesser of: (i) One Million Nine Hundred Fifty-Three Thousand One Hundred Sixty-Seven Dollars (\$1,953,167.00), or (ii) that amount of a fee to Developer as a developer fee included within basis in connection with the preliminary reservation of Tax Credits; the Developer Fee as received by Developer shall be limited to such amount or such other amount as may be approved by TCAC at the placed in service date.
  - "Developer Title Policy" is defined in Section 2.8.
  - "Developer's Share of Residual Receipts" means fifty percent (50%) of Residual Receipts.
- "Development" or "Phase II Development" means the new 32-unit apartment complex and associated improvements as required by this Agreement to be: (i) constructed by Developer upon the Phase II Site, with related offsite improvements, if any, as more particularly described in the

Entitlement, the Scope of Development, and final Development Plans, and (ii) operated as an affordable housing complex in conformity with the Authority Grant Deed, City Covenants, Authority Regulatory Agreement, Authority Deed of Trust, Notice of Affordability Restriction and the Joint Use Agreement that provides joint and reciprocal access to, maintenance and management, and use of the amenities onsite in the Phase I Project and onsite in the Phase II Project.

"Development Plans" means conceptual drawings, Design Development Drawings, Final Plans, and any other plans or drawings which describe or pertain to the construction of the Phase II Development.

"District" has the meaning set forth therefor in Recital G.

"Eligible Household" means a household having an income which conforms to the Prescribed Income Levels as more particularly set forth in this Agreement.

"Entitlement" means and includes the series of Planning Commission and City Council resolutions and ordinances described Recital L., which together include each application and discretionary action of the City, through its administrators, and, as applicable by the City Council, Planning Commission, or other boards or commissions for construction, development and operation of the Phase II Project, and this Agreement, including the findings in compliance with the California Environmental Quality Act ("CEQA"), Conditional Use Permits and any and all conditions of approval related thereto, as set forth in the conditions of approval for the Phase II Project.

"Environmental Laws" means all laws, ordinances and regulations relating to Hazardous Materials, including, without limitation: the Clean Air Act, as amended, 42 U.S.C. Section 7401, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 6901, et seq.; the Comprehensive Environment Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986, "CERCLA"), 42 U.S.C. Section 9601, et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651, the Emergency Planning and Community Right to Know Act of 1986, 42 U.S.C. Section 11001 et seq.; the Mine Safety and Health Act of 1977, as amended, 30 U.S.C. Section 801 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. Section 300f et seq.; all comparable state and local laws, laws of other jurisdictions or orders and regulations; and all laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the State, City, or any other political subdivision in which the Phase II Site is located, and of any other political subdivision, agency or instrumentality exercising jurisdiction over Authority, Developer, or the Phase II Site.

"Escrow Holder" means First American Title Insurance Company, Riverside office, or another mutually acceptable escrow holder.

"Event of Default" or "Default" has the meaning set forth in Section 7.1.

"Executive Director" and "City Manager" mean the Authority's Executive Director and City Manager the City, or his or her designee(s). Whenever the consent, approval or other action of the "Executive Director" or "City Manager" is required herein such consent may be provided by the Executive Director or City Manager's authorized designee(s), or he or she may choose to submit to

the Authority Board and City Council for consideration and action to approve or disapprove such request.

**"Extremely Low Income Households"** means households earning not greater than thirty percent (30%) of the Median Income for the Area as provided under the *most restrictive* income standard of HSC Section 50106 or Tax Credit Rules.

"Extremely Low Income Unit" means a Housing Unit required by this Agreement to be occupied at Affordable Rent by an Extremely Low Income Household.

"Fair Housing Laws" means the Fair Housing Act of 1968 as amended from time to time (42 U.S. Code Sections 3601-3619 and 3631), the Unruh Civil Rights Act (California Civil Code Section 51), California Government Code Section 12920, the prohibition against discrimination on the basis of marital status per Smith v. Fair Employment & Housing Commission, 12 Cal. 4th 1143 (1996), and the prohibition on discrimination based upon personal characteristic or trait, such as physical attributes or a tenant's receipt of public assistance (per *Harris v. Capital Growth Investors XIV*, 52 Cal. 3d 1142 (1991).

"Federal Program Limitations" means compliance with all applicable federal regulations, if any, relating to fair housing and non-discrimination applicable to the Phase II Project and rules and regulations made applicable to the Phase II Project due to the provision of Section 8 Assistance by the County. Developer covenants, acknowledges, and agrees it is subject to the HAL and all Federal Program Limitations, whichever are most restrictive and to the extent applicable to the Phase II Project), in connection with its performance under this Agreement, and agrees it shall endeavor to cause the use and operation of the Phase II Site to conform to the Federal Program Limitations.

"Final Development Budget" means a detailed enumeration of all projected costs of construction of the Phase II Development, including all costs and off-site improvements required to be constructed under this Agreement.

"Final Financing Package" is defined in Section 4.15.1 hereof.

"Final Plans" has the meaning established therefor in Section 4.2.2.

"General Partner Fee" means a fee if charged by the general partner; provided that the General Partner Fee together with the Limited Partner Fee shall not for any Year exceed the amount permitted under this Agreement for the Partnership Related Fees (as such fees are aggregated).

"Governmental Requirements" shall mean all laws, ordinances, statutes, codes, rules, regulations, orders, and decrees of the United States, the State of California, the County, the City, or any other political subdivision in which the Phase II Site is located, and of any other political subdivision, agency, or instrumentality exercising jurisdiction over Developer or the Phase II Site, as may be amended from time to time.

"Gross Revenues" means the sum of: the total rental income and all other revenues or income received by the Developer or its successors or assigns in connection with the Phase II Development, including without limitation Housing Rent, laundry charges (as received by Developer) or consideration received from an entity that contracts to provide laundry services, payments in connection with Section 8 certificates, if any, cable income or consideration received

from an entity that contracts to provide cable services, each of (i) amounts paid to Developer or any Affiliated Person on account of Operating Expenses for further disbursement by Developer or such affiliate to a third party or parties, including, without limitation, grants received to fund social services or other housing supportive services at the Phase II Development; (ii) late charges and interest paid on rentals; (iii) rents and receipts from licenses, concessions, vending machines, coin laundry, and similar sources; (iv) other fees, charges, or payments not denominated as rental but payable to Developer in connection with the rental of office, retail, storage, or other space in the Phase II Development; (v) consideration received in whole or in part for the cancellation, modification, extension or renewal of leases; and (vi) interest and other investment earnings on security deposits, reserve accounts and other Development accounts to the extent disbursed, but does not include: (x) the proceeds of the sale of Tax Credits to finance the Phase II Development; (y) Refinancing Net Proceeds (provided the refinancing is permitted by and is accomplished in accordance with the Authority Deed and this Agreement); and (z) insurance proceeds applied to reconstruct or repair the Phase II Development.

"HAL" means the California Housing Authorities Law, Part 2 of Division 24, Section 34200, et seq., of the Health and Safety Code.

"Hazardous Material" or "Hazardous Materials" means and include any substance, material, or waste which is or becomes regulated by any local governmental authority, including the County, the Regional Water Quality Control Board, the State of California, or the United States Government, including, but not limited to, any material or substance which is: (i) defined as a "hazardous waste," "acutely hazardous waste," "restricted hazardous waste," or "extremely hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter Presley Tanner Hazardous Substance Account Act); (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (v) petroleum; (vi) asbestos and/or asbestos containing materials; (vii) lead based paint or any lead based or lead products; (viii) polychlorinated biphenyls, (ix) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act (33 U.S.C. Section 1317); (x) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq. (42 U.S.C. Section 6903); (xi) Methyl tertiary Butyl Ether; (xii) defined as "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601, et seq. (42 U.S.C. Section 9601); (xiii) any other substance, whether in the form of a solid, liquid, gas or any other form whatsoever, which by any Governmental Requirements either require special handling in its use, transportation, generation, collection, storage, handling, treatment or disposal, or is defined as "hazardous" or harmful to the environment; and/or (xiv) lead based paint pursuant to and defined in the Lead Based Paint Poisoning Prevention Act, Title X of the 1992 Housing and Community Development Act, 42 U.S.C. § 4800, et seq., specifically §§ 4821–4846, and the implementing regulations thereto. Notwithstanding the foregoing, "Hazardous Materials" shall not include such products in quantities below attainment levels identified in one or more of the enactments identified above as Governmental Requirements, including those products and amounts as are customarily used in the construction, maintenance, rehabilitation, management, operation and residence of residential developments or associated buildings and grounds, or typically used in residential activities in a

manner typical of other comparable residential developments, or substances commonly ingested by a significant population living within the Phase II Development, including without limitation alcohol, aspirin, tobacco and saccharine.

"Hazardous Materials Contamination" means the contamination (whether presently existing or hereafter occurring) of the improvements, facilities, soil, groundwater, air or other elements on, in, or under the Phase II Site by Hazardous Materials, or the contamination of the buildings, facilities, soil, groundwater, air or other elements on, in or of any other property as a result of Hazardous Materials at any time (whether before or after the Date of Agreement) emanating from the Phase II Site.

"HCD" means the Housing and Community Development Department of the State of California.

"High Quality" means and refers to the condition of the Phase II Project and the standard of maintenance and upkeep of the improvements (interior and exterior), hardscape, and landscaping commensurate with High Quality affordable housing developments in Riverside County, such as apartment complexes owned and operated by an Affiliate of Developer, or by Jamboree Housing Corporation, or other highly regarded owners and developers of High Quality affordable housing rental complexes in Riverside County. When determining comparable affordable apartment complexes, the age of the improvements shall be considered. Further, comparable High Quality affordable apartment complexes shall be those that are subject to enhanced maintenance and property management standards comparable to those set forth herein of this Agreement, and which are managed by experienced, professional property management companies.

"Housing Units", "Housing Unit" means the thirty-two (32) apartment units that are part of the Phase II Development on the Phase II Site, which shall be constructed, owned, leased, managed, maintained, and operated by Developer for occupancy by Eligible Households at the Prescribed Income Levels and at an Affordable Rent for the Affordability Period. Each and all of the Housing Units are affordable housing units and part of the affordable housing project referred to herein as the Phase II Project.

"Income Verification" means the form of income verification that Developer shall cause to be completed by each and all prospective tenants, and all continuing tenants to qualify as an Eligible Household; the form of an Income Verification is set forth in Attachment No. 12, which form may be modified from time-to-time by City and Authority.

"Indemnitees" is defined in Section 1.6.2 and shall include: Moreno Valley Housing Authority, City of Moreno Valley, Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Successor Agency"), and all of their elected and appointed officials, officers, employees, attorneys, agents, volunteers and representatives.

"Intercreditor and Subordination Agreement" means one or more estoppel, intercreditor and/or subordination agreement(s) or instrument(s) as may be requested by a Primary Lender relating to the Primary Construction Loan (and/or Primary Permanent Loan), and, as applicable, Investor Limited Partner, and/or other subordinate lenders for approval by the Executive Director and Authority legal counsel, subject to the terms thereof shall in no event require or otherwise include subordination or modification of the City Covenants or Authority Regulatory Agreement (or County Regulatory Agreement). Within five (5) business days of Developer's receipt thereof, Developer

shall provide to Authority and City complete, legible copy(ies) of the loan commitment(s) issued by the proposed Primary Lender for the Primary Construction Loan (and, as applicable, Primary Lender for the Primary Permanent Loan) and, as applicable, Investor Limited Partner and/or County, along with Word versions of the requested form(s) of estoppel, intercreditor and/or subordination instrument(s) requested by the Primary Lender, and, as applicable, others, which Intercreditor and Subordination Agreement, and each form thereof, shall be subject to the review and approval of the Authority, City and legal counsel in their sole, reasonable discretion.

"Investor Limited Partner" means each tax credit limited partner of Developer for the Phase II Project. As of the Date of Agreement, Developer has selected CREA, LLC ("CREA") as the Investor Limited Partner for the Phase II Project; the terms of such equity investment are set forth in a letter from CREA to Developer dated November 18, 2022. The Base Pro Forma and commitment evidence this Investor Limited Partner's equity investment in the Phase II Project is \$9,238,988.00.

"Kingdom" means Kingdom Development Inc., a California nonprofit public benefit corporation.

"Legal Description of the Phase II Site" means Attachment No. 2 to this Agreement.

"Low and Moderate Income Housing Asset Fund" or "LMIHAF" means moneys which prior to dissolution of redevelopment were required under the CRL to be deposited into a fund created by the Former Agency under Health and Safety Code Section 33334.2 and 33334.3, which funds are now housing assets of the LMIHAF pursuant to the Dissolution Law. Due to dissolution of the Former Agency, on and as of February 1, 2012, to the present and following into the future, the Authority serves as the "housing successor" to the Former Agency and thereby the LMIHAF is the Authority's fund established, administered, and subject to the requirements of the Dissolution Law, in particular HSC Sections 34176 and 34176.1, as existing and hereafter amended.

"Low Income Households" or "Lower Income Households" means households earning not greater than sixty percent (60%) of Median Income as provided under the *most restrictive* income standard of HSC Section 50079.5 or Tax Credit Rules.

"Low Income Unit" and "Low Income Units" mean a Housing Unit required by this Agreement to be occupied at Affordable Rent by a Low Income Household (and Very Low and/or Extremely Low Income Households also qualify for and may occupy such unit.) There are twelve (12) Low Income Units in the Phase II Project.

"Map of the Phase II Site" means Attachment No. 1 to this Agreement.

"Materially Adverse Conditions" are surface or subsurface conditions of the Phase II Site which: (i) are not apparent from a visual inspection of the surface of the Phase II Site; and (ii) (a) include the presence of Hazardous Materials at the Phase II Site in excess of currently applicable levels permitted under federal or state law, or (b) include the presence of conditions not typically found in properties within City and which a mutually acceptable independent third party geotechnical and/or environmental assessment and remediation firm retained by Developer estimates will increase development costs by over Three Hundred Thousand Dollars (\$300,000.00).

"Maturity Date" is defined and Section 3.1. and is set forth and established in the Authority Loan Note.

"Memorandum of Agreement" means a memorandum of agreement in the form of Attachment No. 17 to this Agreement.

"Median Income" or "AMI" means area median income for Riverside County, California, as set forth by the *most restrictive* standard of the Tax Credit Rules or HSC Sections 50079.5 and 50105 and the implementing regulations of State HCD in the Cal Code Regulations.

"Milestones" means each of the following: (i) making of the Required Submittals; and (ii) implementing Required Submittal Modifications.

"Notice" means a notice in the form prescribed by Section 8.2 hereof.

"Notice of Affordability Restrictions" means an instrument substantially in the form of Attachment No. 5, which instrument is caused to be recorded pursuant to the Dissolution Law and other applicable provisions of the CRL.

"Official Records" means, unless the context otherwise requires, the official land records of the Riverside County, California.

"Operating Budget" and "Annual Budget" shall mean the annual operating budget for Phase II that sets forth the projected Operating Expenses for the upcoming year that are subject to and shall be submitted for review and approval by Executive Director, in his/her reasonable discretion, each year during the Affordability Period. The Phase II Operating Budget shall be in substantially the form attached hereto as Attachment No. 16 and incorporated herein, or such other form as may be required by Authority from time to time.

"Operating Expenses" means actual, reasonable and customary costs, fees and expenses directly incurred and for which payment has been made and which are attributable to the operation, maintenance, and management of the Phase II Development, and consisting of only the following (and such additional items, if any, as to which the prior written approval of the Executive Director is first obtained. Such approval shall be granted, granted subject to conditions, or refused at the sole and absolute discretion of the Executive Director): painting, cleaning, repairs and alterations; landscaping; utilities; rubbish removal; sewer charges; costs incurred to third parties in connection with generating laundry charges (but in no event to exceed the laundry charges); real and personal property taxes and assessments; insurance premiums; security; advertising, promotion and publicity; office, janitorial, cleaning and building supplies; actual and customary salary payable to an on-site manager which directly and exclusively benefits residents of the Phase II Development; the actual and customary salary paid for one assistant manager, one on-site maintenance manager and such other on-site management personnel, if any, which directly and exclusively benefit residents of the Phase II Development, subject to the prior written approval of the Executive Director who must act reasonably with regard to such written approval; a management fee ("Management Fee") (excluding any on-site management personnel) of not to exceed six percent (6%) of Gross Revenues; purchase, repairs, servicing and installation of appliances, equipment, fixtures and furnishings; reasonable and customary fees and expenses of accountants, attorneys, consultants and other professionals as incurred commencing after the completion of the Phase II Development (as evidenced by the issuance by City of a certificate of occupancy for the corresponding building developed as part of the Phase II Development) in connection with the operation of the Phase II Development by Developer; repayment of loans, if any, made by one or more of the Limited Partners in accordance with the Partnership Agreement; the Limited Partner Fee; the General Partner Fee; tax credit adjuster payments after review and reasonable verification by Authority of documents provided by Developer; any unpaid portion of the Developer Fee; on-site service provider fees for tenant social services up to Ten Thousand Dollars (\$10,000) in any Year, as such amount is adjusted for inflation based upon the lesser of (i) CPI for the prior Year, or (ii) three percent (3%) as applied per Year measured from the Phase II Conveyance); the Annual Authority Monitoring Charge; the Annual County Monitoring Charge; payments of deductibles in connection with casualty insurance claims not normally paid from reserves; the amount of uninsured losses actually replaced, repaired or restored and not paid from reserves; tenant improvements that are not included in the costs of the Phase II Development, and payments made by the Developer to satisfy indemnity obligations and other payments by the Developer pursuant to this Agreement and the Authority Deed other than to the Developer, partners or other related persons; provided, however, that payments to parties related to Developer for Operating Expenses must not exceed market rates. The Operating Expenses shall not include non-cash expenses, including without limitation, depreciation. The Operating Expenses shall be reported in the Audited Financial Statement and shall be broken out in line item detail.

"Operating Reserve" means a reserve account in the approximate amount of One Hundred Eight Thousand Six Hundred Thirty-One Dollars (\$108,631.00) to be funded using equity and to be applied to defray Operating Expenses. The Operating Reserve shall be funded by an installment of Tax Credit Equity, which is a target amount equal to three (3) months of (i) Debt Service on the permanent Primary Loan and (ii) Operating Expenses pursuant to an approved Annual Budget ("Target Amount"); provided, a larger Operating Reserve may be maintained if required by the Primary Lender or Investor Limited Partner. The Operating Reserve shall thereafter be replenished from Annual Project Revenue to maintain the Operating Reserve balance of the Target Amount.

"Partnership Agreement" or "LPA" means the agreement(s) which set(s) forth the terms of Developer's (or its approved Affiliate(s)) limited partnership, as such agreement(s) may be amended from time to time, so long as consistent with the requirements of this Agreement. The Partnership Agreement shall include provisions that incorporate or otherwise conform to the cash flow priorities included in the definition of "Residual Receipts" set forth in this Agreement. Developer shall provide copies of any amendments or modifications to the Partnership Agreement to the Authority within fifteen (15) days following execution thereof.

"Partnership Related Fees" or "Limited Partner Fees" shall mean the following fees of Developer (or partners thereof pursuant to the Partnership Agreement) which are actually paid in the following order of priority:

(a) a limited partner asset management fee payable to the Investor Limited Partner of Developer in the amount of Five Thousand Dollars (\$5,000) (increasing by three percent (3%) annually); and

(b) a general partner(s) (administrative and/or managing partner(s)) partnership management fee payable to the general partner(s) of Developer in the amount of Twenty Thousand Dollars (\$20,000) (increased annually by three percent (3%).)

In no event shall the fees for Phase II described in (a) and (b) above together cumulatively exceed Twenty Five Thousand Dollars (\$25,000), increased annually as described in clauses (a) and (b) above. In the event insufficient Annual Project Revenues exist to provide for payment of all or part of the specific Partnership Related Fees listed above, no interest shall accrue on the unpaid portions of such Partnership Related Fees, but the unpaid balance will be added to the Partnership Related Fees due in the next following years.

Upon exit of the Investor Limited Partner, the Partnership Fees shall be reduced by the amount of the Limited Partner Fee.

"Permitted Senior Lien" means collectively, the deeds of trust securing the Primary Construction Loan and the Primary Permanent Loan.

#### "Permitted Transfer" means any of the following:

- a. A conveyance of a security interest in Developer's estate in the Phase II Site in connection with any Permitted Senior Lien, and any subsequent transfer of title by foreclosure, foreclosure deed, or other conveyance instrument in lieu of foreclosure in connection therewith;
- b. A conveyance of the Phase II Site by Developer to an Affiliate, provided however, nothing in this subpart b. shall be construed to allow or otherwise consent to the Resyndication of the Phase II Project in any manner whatsoever. In the event of any form of Resyndication of the Phase II Project is proposed by Developer (or any third party), then Developer shall provide prompt written notice to Authority and in no event shall any form of Resyndication be construed as permitted, deemed permitted, preapproved, deemed preapproved, or otherwise authorized by this Agreement, except with the prior written consent of the Authority in its sole and absolute discretion;
- c. The inclusion of equity participation by Developer by addition of limited partners to Developer's limited partnership, or similar mechanisms;
  - d. The lease for occupancy of the Housing Units;
- e. The granting of easements or permits to facilitate development of the Phase II Site in accordance with this Agreement and the Entitlement;
- f. The withdrawal, removal, transfer, and/or replacement of: (i) Investor Limited Partner with an Affiliate of the Investor Limited Partner, or (ii) General Partner with its Affiliate or an Affiliate of the Investor Limited Partner, all subject and pursuant to the terms of the Developer's Partnership Agreement. Additionally, such withdrawal, removal, transfer, and/or replacement shall not constitute a default under any of the Project Documents evidencing and/or implementing the Authority Loan and this Agreement; provided however, in the event of the removal of the Developer's General Partner for cause in accordance with the Partnership Agreement as described in this subpart (f), the nomination and selection of the new permanent replacement General Partner is not a Permitted Transfer and shall be and remain subject to the Authority's prior review and consent as a "Transfer" pursuant to the requirements of this Agreement; and

g. Any transfer approved in writing by the Authority's Executive Director prior to such transfer with such approval at her or his sole discretion.

**"Phase II Project"** is defined in the Recitals and comprises the new 32-unit affordable housing development that will be a companion multi-family rental project to the Phase I Project.

**"Phase II Site"** means the 1.66-acre parcel upon which the Phase II Project will be constructed and operated; and means the real property interest described with more particularity by the Legal Description of the Phase II Site; and the Phase II Site Map depicts the Phase II Site.

"Prescribed Income Levels" means income levels for the Eligible Household tenants of the Housing Units that conform to definition of Housing Units with the prescribed unit mix as to unit size (number of bedrooms) and income levels based on the Riverside County AMI in accordance with the following unit mix (with parenthetical designations of which units are "non-PBV" and which units are assigned PBVs by the County during the term of the County HAP):

- Two (2) 2-bedroom Housing Units for 30% AMI Extremely Low Income Households (PBV designated PBV units);
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income Households (PBV designated unit);
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income Households (non-PBV);
- Two (2) 2-bedroom Housing Units for 45% AMI Very Low Income Households (non-PBV);
- Four (4) 2-bedroom Housing Unit for 50% AMI Very Low Income Households (non-PBV);
- Six (6) 2-bedroom Housing Units for 60% AMI Lower Income Households (non-PBV);
- Two (2) 3-bedroom Housing Unit for 30% AMI Extremely Low Income Households (PBV designated units);
- One (1) 3-bedroom Housing Unit for 40% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 45% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income Households (non-PBV)
- Six (6) 3-bedroom Housing Units for 60% AMI Lower Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 30% Extremely Low Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 40% Very Low Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 45% Very Low Income Households (non-PBV);
   and
- One (1) 4-bedroom Housing Unit for 50% Very Low Income Households (non-PBV).

"Primary Construction Loan" means, collectively, the mortgage loans and letters of credit obtained by Developer from an Approved Construction Lender. As of the Date of Agreement, Developer has selected, and received a commitment from, Citibank as its Primary Construction Lender to issue the Primary Construction Loan. The Base Pro Forma evidences that amount of the Primary Construction Loan is \$9,424,642.

"Primary Lender" or "Lender" means each of the responsible financial lending institutions or entities approved by Authority and City under this Agreement, which provide the Primary Construction Loan or the Primary Permanent Loan, including construction loan(s) or permanent loan(s) for the construction, development, and/or operation of the Phase II Project. A Lender shall not include the financial entities or agencies commonly referred to as CalHFA, FannieMae or FreddieMac; provided however, the foregoing prohibition shall not be construed to prohibit a transfer or assignment of the Primary Construction Loan or Primary Permanent Loan on the secondary market so long as such transfer does not require a rider, amendment or other modification to this Agreement, the City Covenants, Authority Regulatory Agreement, or Authority Loan Documents or other transaction document to which the City and/or Authority is/are party(ies), signatory(ies) or intended beneficiary(ies). As of the Date of Agreement, Developer has selected Citibank as its Primary Lender to issue the Primary Construction Loan. The following institutional lenders may also be a Primary Lender subject to City and Authority review and approval of each and any loan commitment and implementing documents therefor: CIT Bank, Bank of America, California Community Reinvestment Corporation ("CCRC"), Union Bank, Wells Fargo Bank, U.S. Bank, Century Housing, or another mutually acceptable reputable and established bank, savings and loan association, or other similar financial institution or a state agency or instrumentality, but not California Housing Finance Agency ("CalHFA"), Federal National Mortgage Association ("Fannie Mae") or Federal Home Loan Mortgage Corp. ("FreddieMac"). And, following the issuance of a Certificate of Completion/Release of Construction Covenants, a Primary Lender may include: (1) a "qualified institutional buyer" ("QIB") as defined in Rule 144A promulgated under the Securities Act of 1933, as in effect on the date hereof, that is a financial institution or commercial bank having capital and surplus of \$5,000,000,000 or more, (2) an affiliate of the Primary Permanent Lender, (3) a trust or custodial arrangement established by the Primary Permanent Lender or one of its affiliates or any state or local government or any agency or entity which is a political subdivision of a federal, state or local government (a "Governmental Entity"), in each case (i) the beneficial interests in which will be owned only by QIBs, or (ii) the beneficial interests in which will be rated in the "BBB" category or higher without regard to modifier (or the equivalent investment grade category) by at least one nationally recognized rating agency, or (4) a Governmental Entity.

"Primary Permanent Loan" means, collectively, the mortgage loans obtained by Developer from an Approved Permanent Lender in an amount limited to satisfaction of the outstanding balance of the Primary Construction Loan or in an amount in excess of such outstanding balance so long as such excess proceeds are used to pay (or prepay) Developer Fee, Cost Overrun Amounts, the Annual Authority Monitoring Charge and outstanding development costs. The Base Pro Forma evidences that the estimated amount of the Primary Permanent Loan is \$2,827,475.

"**Principals**" means James M. Jernigan, William Leach, KDI Courtyards LLC, a California limited liability company, Rancho Belago Developers, Inc., a California corporation, RBD Cottonwood, LLC, a California limited liability company, and Kingdom.

"Project Documents" means, collectively, this Agreement, City Covenants, Authority Regulatory Agreement, Authority Grant Deed, Authority Loan Note, Authority Deed of Trust, Notice

of Affordability Restrictions, Request for Notice, Memorandum of Agreement, all other Attachments to this Agreement, and any other agreement, document, or instrument that Authority requires in connection with the execution of this Agreement or from time to time to effectuate the purposes of this Agreement.

"Reciprocal Easement Agreement" or "Joint Use Agreement" or "REA" means that certain joint use and reciprocal easement agreement for joint use, access, and enjoyment of and between the amenities, access, and related exterior improvements of the Phase I Project and Phase II Project.

"Recordable Documents" means the following: (i) Authority Grant Deed; (ii) City Covenants; (iii) Authority Regulatory Agreement; (iv) County Regulatory Agreement; (v) Primary Loan deed of trust; (vi) 1-UCC Financing Statement by Developer in favor of an Approved Construction and/or Permanent Lender (as construction lender) for filing as a fixture filing among Official Records; (vii) the Notice of Affordability Restrictions; (viii) Request for Notice, and (ix) such other instruments, if any, as shall be approved by Executive Director as necessary or convenient to effectuate and implement the initial financing of the Phase II Development (and the permanent financing thereof).

"Refinancing Net Proceeds" means the proceeds of any Authority-approved refinancing of any of the Primary Construction Loan or the Primary Permanent Loan or other approved financing secured by the interest of Developer in the Phase II Site, net of: (i) the amount of the existing financing which is satisfied out of such proceeds; (ii) reasonable and customary costs and expenses incurred in connection with the refinancing; (iii) the costs of improvements to the Phase II Site which constitute the Phase II Development, including hard and soft costs to the extent approved in writing by the Executive Director prior to the closing of the refinancing; (iv) the balance of authorized loans to the Phase II Development made by the limited partners of Developer for development or operating deficits, amounts expended to maintain compliance with the Tax Credit Rules, or contributions for capital expenditures in excess of available Project revenues, if any, including interest at the Applicable Federal Rate; (v) the balance, if any, of operating loans or development loans made by the partners of Developer to the Phase II Development, including interest at the Applicable Federal Rate; (vi) payment of unpaid Tax Credit adjustment amounts or reimbursement of Tax Credit adjustment amounts paid by the administrative and/or managing general partners and/or the guarantors to the Phase II Development pursuant to the approved Partnership Agreement, if any; and (vii) the payment to the administrative general partner of Developer of a refinancing fee, which fee is and shall be subject to the approval of the Executive Director at the time of each refinancing and which shall not exceed five percent (5%) of the amount of the approved refinancing.

"Related Entity" means Kingdom, a Principal, or an entity in which any interest is held by Developer or one or more of the Principals.

"Relocation" or "Relocation Laws" means all applicable federal and state relocation laws and regulations, including without limitation, (i) the relocation obligations of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), 42 U.S.C. 4201–4655, and the implementing regulations thereto set forth in 49 C.F.R. Part 24, (ii) the California Relocation Assistance Act, Government Code Section 7260, et seq. and the implementing regulations thereto set forth in Title 25, Section 6000, et seq. of the California Code of Regulations, and (iii) any other applicable federal, state or local enactment, regulation or practice providing for relocation assistance, benefits, or compensation for moving and for property interests (including without limitation

goodwill and furnishings, fixtures and equipment, and moving expenses), and (iv) any federal law or regulation prohibiting payment of relocation benefits or assistance to persons ineligible for relocation benefits or assistance.

"Reporting Amount" means the sum of \$1600 per Year in the event Developer fails to deliver to Authority, during any Year, a full and adequate report that conforms to HSC Section 33418, HAL and Dissolution Law, including HSC Section 34176.1.

"Request for Notice" or "Request for Notice of Default" shall mean the request for notice of default pursuant to Civil Code Section 2924b to be recorded against the Phase II Site in connection with the Escrow for disposition of the Phase II Site substantially in the form attached hereto as Attachment No. 7 and fully incorporated by this reference.

"Residual Receipts" for a particular Year means Gross Revenues for the corresponding Year less (i) Debt Service payments made during such Year on the Primary Construction Loan or the Primary Permanent Loan in amounts not in excess of the amounts due and payable during such Year (and not including prepayments); and (ii) the sum of (a) Operating Expenses and, to the extent funded, (b) payments of the Deferred Developer Fee; and (b) payments made to the Capital Replacement Reserve as made during the corresponding Year up to the amount indicated therefor in the Base Pro Forma and Financial Assumptions. All calculations of Residual Receipts shall be made annually, on or before May 15 for the preceding Year, on a cash (and not accrual) basis and the components thereof shall be subject to verification and approval, on an annual basis, based upon conformity with the terms of this Agreement and the Authority Deed, by Authority.

The allocation of Residual Receipts under this Agreement is reflective of the circumstance that one hundred percent (100%) of the moneys used to acquire the Phase II Site were sourced from the Former Agency's housing fund, as succeeded by and accounted for as a housing asset in the LMIHAF. Each Year while the County PLHA Loan is outstanding, Developer shall allocate Residual Receipts as follows: (i) Developer shall disburse: (A) to the County forty percent (40%) percent of Residual Receipts while the County PLHA Loan is outstanding, (B) to the Authority ten percent (10%) of Residual Receipts as the Base Amount of Residual Receipts, and (C) the balance of fifty percent (50%) of Residual Receipts may be retained by Developer. In each Year post-repayment of the County PLHA Loan, Developer shall allocate Residual Receipts as follows: (1) the Base Amount of Residual Receipts shall increase to fifty percent (50%) to Authority, and (2) Developer may continue to retain fifty percent (50%) of Residual Receipts. In addition to the percentages of Residual Receipts to Authority set forth in the two preceding sentences, the equivalent percentage of Net Refinancing Proceeds shall be remitted to Authority (and, as applicable, to County), which amount shall be applied toward repayment, first and prorate to the Authority Loan Note and County PLHA Loan promissory note.

Further, for each Year that one or more of the following events occur(s), Authority shall receive one hundred percent (100%) of the moneys, if any, that result from "Additional Amount of Residual Receipts": (i) a Transfer; (ii) the obtaining of grant moneys not reflected in or in excess of amounts indicated therefor in the Base Pro Forma and Financing Assumptions; and/or (iii) the funding of a loan in excess of amounts outstanding when then-existing loans (and, in the case of a loan upon conversion from construction to permanent, an amount in excess of the outstanding loan amount after applying an infusion of equity attributable to the Tax Credits; each of the events described in the foregoing sentence (i), (ii), or (iii) shall constitute an "Overage Event" and the amount by which such Overage Event results in the receipt by Developer of amounts in excess of

those set forth in the Financing Assumptions, then Authority (and County, pro rata) shall be entitled to increase the amount of the Authority Loan Note to reflect such Overage Amounts and Developer shall cooperate in evidencing such increase.

"Residual Receipts Note Payments" or "Note Payments" means all payments required to be made pursuant to the Authority Loan Note under this Agreement.

**"Residual Receipts Report"** shall mean the annual report that is part of the Annual Financial Report defined in Section 5.3 herein that is completed by Developer and submitted to Authority for the Phase II Project; this report shall be calculated using cash basis accounting. It is understood the Residual Receipts Report is subject to all of the terms and conditions set forth in this Agreement. The summary of the items in the Residual Receipts Report is not intended to supersede or modify the more complete description in this Agreement; in the event of any inconsistency between the Residual Receipts Report and this Agreement, this Agreement shall govern.

"Resyndication" shall mean the application for and obtaining by Developer or any successor or assign of Developer of a new allocation of federal and state low income housing tax credits for the Phase II Project; this term excluding the Reservation of Tax Credits for Phase II described and defined as a part of the financing of the Phase II Project under this Agreement. In no event shall a Resyndication of the Phase II Project occur, including without limitation amendment of the Prescribed Income Levels for the Housing Units, without the prior review, approval and consent of the Executive Director in his or her sole and complete discretion.

"Schedule of Performance" means Attachment No. 3 to this Agreement.

"Scope of Development" means Attachment No. 8 to this Agreement.

"Section 3 Clause" and "Section 3" means and refer to Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, as amended. City and Authority have available Section 3 "checklist" and other forms related to Section 3 compliance, and Developer agrees to and shall use and apply applicable provisions thereof as to each and all Contractor(s), subcontractor(s), or other contractor(s), as applicable, with forms to be utilized in all contracts and subcontracts to which Section 3 applies and to the extent required by 24 CFR part 75. For purposes of this Section 3 Clause and compliance thereto, whenever the word "contractor" is used it means and include, as applicable, Developer, Contractor, other contractor(s), and subcontractor(s).

For ease of reference relating to Section 3 requirements, as of the Date of Agreement, access the following links:

https://www.hud.gov/section3 and https://www.ecfr.gov/current/title-24/subtitle-A/part-75.

Developer hereby acknowledges and agrees the responsibility for compliance with all Section 3 Clause federal requirements as to Developer, its Contractor, or other contractor(s), subcontractor(s), and other agents is the primary obligation of Developer. Developer shall provide or cause to be provided to its Contractor, and each of its other contractor(s), subcontractor(s) and agents a checklist for compliance with Section 3 federal requirements, to obtain from such Contractor, and other contractor(s), subcontractor(s), and agents all applicable items, documents, and other evidence of compliance with the items, actions, and other provisions within the checklist, and to submit all such completed Section 3 documentation and proof of compliance to the Executive Director.

**"Section 8 Laws"** shall mean and include both the Housing Choice Voucher and the Project-Based (PBV) Voucher Programs, 42 U.S.C. 1437f and 3535(d), and the implementing regulations therefor in the Code of Federal Regulations, Parts 982 and 983.

"Section 8 Portable Vouchers" and "Portable Vouchers" shall mean each and all Section 8 tenant-based vouchers, certificates of family participation under the Section 8 Laws, in particular, 24 CFR part 882 (Rental Certificate Program), rental vouchers under 24 CFR part 887 (Rental Voucher Program) as such now exist and as may hereafter be amended, or other tenant-based rental assistance programs issued or otherwise administered by a public housing authority under the Section 8 Laws.

"Subcontractor" and "Subcontractors" means, individually and collectively, one or more subcontractors hired by Developer's General Contractor for the Phase II Development to perform and complete, or to engage and supervise others to perform and complete, the construction of the Phase II Development and all other on-site and off-site improvements required to be constructed in connection with the Phase II Project, all of which shall be in accordance with the Scope of Development, the Entitlement, and the Final Plans. Each of the Subcontractors shall be selected after competitive bidding and City (and Authority) representatives shall have every reasonable right and opportunity to observe and review all material stages of such competitive bidding process, including a right to review the invitation to bidders, each bid package, each responsive bid form, each submitted bid package and the right to be present when each bid is opened by Developer and/or the General Contractor. Developer shall submit to City information regarding the entity serving as the Subcontractor for any portion of the Phase II Development required to be constructed in connection therewith in accordance with the Scope of Development, the Entitlement, and the Final Plans, including all required licenses, certifications, insurance, etc., as requested by the City Manager.

"Tax Credit Amount" means that amount which, per the Base Pro Forma, represents the projected yield from the marketing of the Tax Credits under the Base Pro Forma and may not correspond to the amount of tax credits ultimately available.

"Tax Credit Rent" means that maximum rent permitted to be paid for a household corresponding to an income category set forth in this agreement (such as 50% of Median Income) under the Tax Credit Rules.

"Tax Credit Rules" means Section 42 of the Internal Revenue Code and/or California Revenue and Taxation Code Sections 17057.5, 17058, 23610.4 and 23610.5 and California Health and Safety Code Section 50199, *et seq.*, and the rules and regulations implementing the foregoing, including without limitation the program regulations promulgated by TCAC.

"**Tax Credits**" means 9% Housing Tax Credits granted pursuant to Section 42 of the Internal Revenue Code and/or California Revenue and Taxation Code Sections 17057.5, 17058, 23610.4 and 23610.5 and California Health and Safety Code Section 50199, *et seq.* 

"TCAC" means the Tax Credit Allocation Committee of the State of California.

"Third Party Costs" are defined and described in Section 8.15 herein.

"**Title Company**" shall be First American Title Insurance Company or another title insurer mutually acceptable to Authority and Developer.

- "**Transfer**" means a sale, lease or other disposition of any interest in or use of the Phase II Site or the Phase II Project.
- "Transfer Net Proceeds" shall mean the proceeds of any transfer, in whole or in part, of Developer's interest in the Phase II Site or any sale, assignment, sublease, or other transfer, in whole or in part of Developer's interests in the Phase II Site, net reasonable and customary costs and expenses incurred in connection with such transfer.
- "Uniform Codes" means each of the following as in effect from time to time as approved by City: the Uniform Building Code, Uniform Housing Code, National Electrical Code, Uniform Plumbing Code, Uniform Mechanical Code, and Uniform Code for Abatement of Dangerous Buildings.
- "Very Low Income Households" means those households earning not greater than fifty percent (50%) of Median Income, adjusted for actual household size, as provided under the *most restrictive* income standard of HSC Section 50105 or Tax Credit Rules. The term shall include: (i) 30% Extremely Low Income Households; (ii) 40% AMI Very Low Income Households; (iii) 45% AMI Very Low Income Households, and (v) 50% AMI Very Low Income Households.
- "Very Low Income Unit" means a Housing Unit occupied at Affordable Rent by a Very Low Income Household. (An Extremely Low Income Household also qualifies for and may occupy such unit.)
- **"30% AMI Extremely Low"** shall mean those households earning not greater than thirty percent (30%) of Median Income, adjusted for household size, those households earning not greater than fifty percent (50%) of Median Income, adjusted for actual household size, as provided under the *most restrictive* income standard of HSC or Tax Credit Rules.
- **"40% AMI Very Low Income Households"** and/or **"40% AMI Very Low"** shall mean those households earning not greater than forty percent (40%) of Median Income, adjusted for household size, as provided under the *most restrictive* income standard of HSC or Tax Credit Rules. Further, 40% AMI Households also include 30% AMI Households.
- "45% AMI Very Low Income Households" and/or "45% AMI Very Low" shall mean those households earning not greater than forty-five percent (45%) of Median Income, adjusted for household size, as provided under the *most restrictive* income standard of HSC or Tax Credit Rules. Further, 45% AMI Households also include 30% AMI Households and 40% AMI Households.
- **"50% AMI Very Low Income Households"** and/or **"50% AMI Very Low"** shall mean those households earning not greater than fifty percent (50%) of Median Income, adjusted for household size, as provided under the *most restrictive* income standard of HSC or Tax Credit Rules. Further, 50% AMI Very Low include 45% AMI Very Low, 40% AMI Very Low, and 30% AMI Extremely Low Eligible Households.
- **"60% AMI Low"** shall mean those households earning not greater than sixty percent (60%) of Median Income, adjusted for household size, as provided under the *most restrictive* income standard of HSC or Tax Credit Rules. Further, 60% AMI Low include 50% AMI Very Low, 45% AMI Very Low 40% AMI Very Low, and 30% AMI Extremely Low Eligible Households.

- "Year" means the period commencing as of the Phase II Conveyance and ending as of December 31 of that calendar year, then each succeeding calendar year thereafter during the Affordability Period terminating as of the last day of the Affordability Period.
- 1.2 Singular and Plural Terms. Any defined term used in the plural in this Agreement or any Project Document shall refer to all members of the relevant class and any defined term used in the singular shall refer to any number of the members of the relevant class.
- 1.3 References and Other Terms. Any reference to this Agreement or any Project Document shall include such document both as originally executed and as it may from time to time be modified. References herein to Articles, Sections and Exhibits shall be construed as references to this Agreement unless a different document is named. References to subparagraphs shall be construed as references to the same Section in which the reference appears. The term "document" is used in its broadest sense and encompasses agreements, certificates, opinions, consents, instruments and other written material of every kind. The terms "including" and "include" mean "including (include) without limitation."
- **1.4 Exhibits Incorporated**. All attachments and exhibits to this Agreement, as now existing and as the same may from time to time be modified, are incorporated herein by this reference.

## 1.5 Representations and Warranties.

- **1.5.1 Authority Representations**. Authority represents and warrants to Developer as follows:
- (a) <u>Authority</u>. Authority is a public body, corporate and politic, acting hereunder as a housing authority existing pursuant to the Housing Authorities Law, which has been authorized to transact business pursuant to action of City. Authority has full right, power and lawful authority to convey the Phase II Site as provided herein and the execution, performance, and delivery of this Agreement by Authority has been fully authorized by all requisite actions on the part of Authority. The parties who have executed this Agreement on behalf of Authority are authorized to bind Authority by their signatures hereto.
- (b) <u>Litigation</u>. To the best of Authority's knowledge, there are no actions, suits, material claims, legal proceedings, or any other proceedings involving the Authority affecting the Phase II Site or any portion thereof, at law or in equity before any court or governmental agency, domestic or foreign.
- (c) <u>No Conflict</u>. Authority and City's execution, delivery, and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which Authority is a party or by which it is bound.
- (d) <u>No Authority Bankruptcy</u>. Authority is not the subject of a bankruptcy proceeding.

Until the Phase II Conveyance of the Phase II Site, Authority shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 1.5.1 not to be true as of the Phase II Conveyance, immediately give written notice of such

fact or condition to Developer. Such exception(s) to a representation shall not be deemed a breach by Authority hereunder, but shall constitute an exception which Developer shall have a right to approve or disapprove if such exception would have an effect on the development and/or operation of the Phase II Site. If Developer elects to accept the Phase II Conveyance and possession of the Phase II Site following disclosure of such information, Authority's representations and warranties contained herein shall be deemed to have been made as of the Phase II Conveyance, subject to such exception(s). If, following the disclosure of such information, Developer elects to not accept the Phase II Conveyance of and possession of the Phase II Site, then this Agreement shall automatically terminate, and neither party shall have any further rights, obligations or liabilities hereunder. The representations and warranties set forth in this Section 1.5.1 shall survive the Phase II Conveyance.

- **1.5.2 Developer Representations**. Developer represents and warrants to each of City and Authority as follows:
- (a) <u>Authority</u>. Developer is a duly organized limited partnership organized within and in good standing under the laws of the State of California. Developer has full right, power and lawful authority to lease and accept title to and possession of the Phase II Site and undertake all obligations as provided herein and the execution, performance and delivery of this Agreement by Developer has been fully authorized by all requisite actions on the part of Developer. The parties who have executed this Agreement on behalf of Developer are authorized to bind Developer by their signatures hereto.
- (b) <u>Litigation</u>. To the best of Developer's knowledge, there are no actions, suits, material claims, legal proceedings, or any other proceedings affecting Developer, at law or in equity before any court or governmental agency, domestic or foreign.
- (c) <u>No Conflict</u>. Developer's execution, delivery, and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which Developer is a party or by which it is bound.
- (d) <u>No Developer Bankruptcy</u>. Developer is not the subject of a bankruptcy proceeding.
- (e) <u>Developer Experience</u>; <u>Sophisticated Party</u>. The Principals of Developer are sophisticated parties, with substantial experience in the acquisition, rehabilitation, development, financing, obtaining financing for, marketing, and operation of affordable housing projects, including rental projects, and with the negotiation, review, and preparation of agreements and other documents in connection with such activities. Developer is familiar with and has reviewed all laws and regulations pertaining to the development and operation of the Phase II Development, including without limitation the Tax Credit Rules, and has obtained advice from any advisers of its own choosing in connection with this Agreement.
- (f) <u>Developer Knowledge of Phase II Site, Suitability</u>. Developer studied the condition of the Phase II Site prior to the acquisition of the Phase II Site by Developer is familiar with the condition of the Phase II Site. Developer has determined that the Phase II Site is suitable for the development proposed by Developer as further described in this Agreement.
- (g) <u>Due Authorization and Execution; Studies Completed</u>. Developer has duly authorized the execution of this Agreement, including without limitation the attachments hereto.

Developer is ready, willing and able to execute the Authority Regulatory Agreement, City Covenants, Authority Note, Authority Deed of Trust, Request for Notice, Notice of Affordability Restrictions, and all documents necessary to effectuate the disposition of the Phase II Site by Authority to Developer and has conducted all studies necessary to proceed with the Phase II Development. Prior to the Phase II Conveyance, Developer shall execute and deposit with Authority (to be held pending satisfaction of the Conditions Precedent as set forth in Section 3.2 hereunder) the City Covenants, the Authority Regulatory Agreement, the Authority Note, the Authority Deed of Trust, and all documents necessary to effectuate the Phase II Conveyance as provided in this Agreement.

Until the Phase II Conveyance, Developer shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 1.5.2 not to be true as of the Phase II Conveyance, immediately give written notice of such fact or condition to each of City and Authority. Such exception(s) to a representation shall not be deemed a breach by Developer hereunder, but shall constitute an exception which each of City and Authority shall have a right to approve or disapprove if such exception would have an effect on the development and/or operation of the Phase II Site. If Authority elects to proceed with the Phase II Conveyance following disclosure of such information, Developer's representations and warranties contained herein shall be deemed to have been made as of the Phase II Conveyance, subject to such exception(s). If, following the disclosure of such information, Authority or City elects to not close Escrow, then this Agreement and the Escrow shall automatically terminate, and neither party shall have any further rights, obligations or liabilities hereunder. The representations and warranties set forth in this Section 1.5.2 shall survive the Phase II Conveyance.

- **1.5.3 City Representations**. City represents and warrants to Developer as follows:
- (a) <u>Authority</u>. City has full right, power and lawful authority concerning the execution, performance, and delivery of this Agreement by City has been fully authorized by all requisite actions on the part of City. The parties who have executed this Agreement on behalf of City are authorized to bind City by their signatures hereto.
- (b) <u>Litigation</u>. To the best of City's knowledge, there are no actions, suits, material claims, legal proceedings, or any other proceedings involving the City affecting the Phase II Site or any portion thereof, at law or in equity before any court or governmental agency, domestic or foreign.
- (c) <u>No Conflict</u>. City's execution, delivery, and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which City is a party or by which it is bound.
- (d) <u>No City Bankruptcy</u>. City is not the subject of a bankruptcy proceeding.

Until the Phase II Conveyance, Authority shall, upon learning of any fact or condition that would cause any of the warranties and representations in this Section 1.5.3 not to be true as of the Phase II Conveyance, immediately give written notice of such fact or condition to Developer. Such exception(s) to a representation shall not be deemed a breach by the Authority hereunder, but shall constitute an exception which Developer shall have a right to approve or disapprove if such

exception would have an effect on the development and/or operation of the Phase II Site. If Developer elects to accept the Phase II Conveyance and possession of the Phase II Site following disclosure of such information, Authority's representations and warranties contained herein shall be deemed to have been made as of the Phase II Conveyance, subject to such exception(s). If, following the disclosure of such information, Developer elects to not accept the Phase II Conveyance of and possession of the Phase II Site, then this Agreement shall automatically terminate, and neither party shall have any further rights, obligations or liabilities hereunder. The representations and warranties set forth in this Section 1.5.3 shall survive the Phase II Conveyance.

#### 1.6 Environmental Condition of the Phase II Site.

**1.6.1 Review by Developer.** Developer shall conduct and complete its evaluation of the Phase II Site and inform Authority and City in writing as to its conclusions on or prior to the Determination Date.

1.6.2 **Indemnification**. Developer shall save, protect, pay for, defend (with counsel acceptable to each of Authority and City), indemnify and hold harmless each and all of the Indemnitees from and against any and all liabilities, suits, actions, claims, demands, penalties, damages (including, without limitation, penalties, fines and monetary sanctions), losses, costs or expenses (including, without limitation, consultants' fees, investigation and laboratory fees, attorneys' fees and remedial and response costs and third-party claims or costs) (the foregoing are hereinafter collectively referred to as "Liabilities") that may now or in the future be incurred or suffered by Indemnitees by reason of, resulting from, in connection with or arising in any manner whatsoever as a direct or indirect result of: (i) the acquisition and/or ownership of the Phase II Site by Developer; (ii) the ownership and/or use of any land and/or improvements located within the corporate limits of the City that is owned by the Developer; (iii) the presence, use, release, escape, seepage, leakage, spillage, emission, generation, discharge, storage, or disposal of any Hazardous Materials in, on, under, or about, or the transportation of any such Hazardous Materials to or from, the Phase II Site occurring after the Closing or caused or contributed to by Developer; (iv) the violation, or alleged violation, of any statute, ordinance, order, rule, regulation, permit, judgment, or license relating to the use, generation, release, leakage, spillage, emission, escape, discharge, storage, disposal, or transportation of Hazardous Materials in, on, under, or about, or to or from, the Phase II Site (occurring after the earlier to owner of (a) the conduct of due diligence activities by Developer on the Phase II Site or (b) the Phase II Conveyance); (v) the establishment or modification of land use entitlements or land use designations as to the Phase II Site; (vi) the disposition of the Phase II Site by Authority to Developer; (vii) claims, if any, for Relocation benefits or assistance arising from or related to the acquisition, disposition or use of the Phase II Site, or any other land and/or improvements located within the corporate limits of the City that is owned by the Developer; (viii) the physical and environmental condition of the Phase II Site caused or contributed to by Developer or occurring after the Closing; and (ix) any Liabilities caused or contributed to by acts or omissions of Developer relating to any Environmental Laws and other Governmental Requirements relating to Hazardous Materials and/or the environmental and/or physical condition of the Phase II Site. The foregoing indemnification shall continue in full force and effect regardless of whether such condition, liability, loss, damage, cost, penalty, fine, and/or expense shall accrue or be discovered before or after the termination of the Affordability Period. This indemnification supplements and in no way limits the indemnification set forth in Section 4.7. The foregoing indemnification shall not be deemed to include Liabilities to the extent caused by the sole active gross negligence or willful misconduct of an Indemnitee or Indemnitees.

- 1.6.3 Duty to Prevent Hazardous Material Contamination. During the construction, development, operation and management of the Phase II Development, Developer shall take all necessary precautions to prevent the release of any Hazardous Materials into the environment on or under the Phase II Site. Such precautions shall include, but not be limited to, compliance with all Environmental Laws and other Governmental Requirements. Developer shall notify each of City and Authority, and provide to each of City and Authority a copy or copies of any notices of violation, notices to comply, citations, inquiries, clean up or abatement orders, cease and desist orders, reports filed pursuant to self-reporting requirements and reports filed or applications made pursuant to all Environmental Laws and other Governmental Requirements, and Developer shall report to each of City and Authority, as soon as possible after each incident, any unusual or potentially important incidents in the event of a release of any Hazardous Materials into the environment.
- 1.6.4 Release of Indemnitees by Developer. Developer hereby waives, releases and discharges forever the Indemnitees from all present and future claims, demands, suits, legal and administrative proceedings and from all liability for damages, losses, costs, liabilities, fees and expenses, including attorneys' fees, court and litigation costs and fees of expert witnesses, present and future, arising out of or in any way connected with Developer's possession or use of the Phase II Site, improvement of the Phase II Site, and the ownership and/or use of any other land or improvements located within the corporate limits of the City that are owned by the Developer, in accordance with this Agreement, the Scope of Development, and the Entitlement obtained by Developer for the Phase II Project, and for the operation of the Phase II Project on the Phase II Site, of any Hazardous Materials on the Phase II Site from the activities of Developer or arising from and after the Closing, or the existence of Hazardous Materials contamination in any state on, under, or about the Phase II Site, from the activities of Developer or arising from and after the Closing.

In connection with the foregoing, Developer acknowledges that it is aware of and familiar with the provisions of Section 1542 of the California Civil Code that provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

## **Developer Initials**

As such relates to this Section 1.6.5, Developer hereby waives and relinquishes all rights and benefits that it may have under Section 1542 of the California Civil Code.

1.6.5 Environmental Inquiries. Developer shall notify each of City and Authority upon receipt, and provide to Authority a copy or copies, of the following environmental permits, disclosures, applications, entitlements or inquiries relating to one or more of the Phase II Site, and the Phase II Project: notices of violation, notices to comply, citations, inquiries, clean up or abatement orders, cease and desist orders, reports filed pursuant to self-reporting requirements and reports filed or applications made pursuant to any Environmental Laws and other applicable Governmental Requirements relating to Hazardous Materials and underground tanks, and Developer

shall report to each of City and Authority, as soon as possible after each incident, all material information relating to or arising from such incident, including, but not limited to, the following:

- (a) All required reports of releases of Hazardous Materials, including notices of any release of Hazardous Materials as required by any Governmental Requirements;
- (b) All notices of suspension of any permits relating to Hazardous Materials;
- (c) All notices of violation from federal, state or local environmental authorities relating to Hazardous Materials;
- (d) All orders under the State Hazardous Waste Control Act and the State Hazardous Substance Account Act and corresponding federal statutes, concerning investigation, compliance schedules, clean up, or other remedial actions;
- (e) All orders under the Porter Cologne Act, including corrective action orders, cease and desist orders, and clean up and abatement orders;
- (f) Any notices of violation from OSHA or Cal OSHA concerning employees' exposure to Hazardous Materials;
- (g) All complaints and other pleadings filed against Developer relating to Developer's storage, use, transportation, handling or disposal of Hazardous Materials on or about the Phase II Site; and
- (h) Any and all other notices, citations, inquiries, orders, filings or any other reports containing information which would have a materially adverse effect on the Phase II Site or Authority's liabilities or obligations relating to Hazardous Materials.

In the event of a release of any Hazardous Materials into the environment, Developer shall, as soon as possible after obtaining knowledge of the release, furnish to each of City and Authority a copy of any and all reports relating thereto and copies of all correspondence with governmental agencies relating to the release. Upon request of City and/or Authority, but subject to any limitations imposed by law or by court order, Developer shall furnish to each of City and Authority a copy or copies of any and all other environmental entitlements or inquiries relating to or affecting the Phase II Site in Developer's possession and/or shall notify each of City and Authority of any environmental entitlements or inquiries relating to or affecting the Phase II Site within Developer's actual or constructive knowledge if Developer is not in possession of same, including, but not limited to, all permit applications, permits and reports including, without limitation, those reports and other matters which may be characterized as confidential. For all purposes of this Agreement, information in the possession of the Kingdom or one or more Related Entity shall also be deemed to be in the possession of the Developer.

## 2. DISPOSITION OF THE PHASE II SITE; ESCROW; TITLE.

**2.1** Conveyance of Phase II Site. In accordance with and subject to all the terms, covenants, and conditions of this Agreement, Authority agrees to sell the Phase II Site to Developer, and Developer agrees to purchase the Phase II Site from Authority for the Conveyance Price. The conveyance of the Phase II Site is to be accomplished as set forth in Sections 2.1 to 2.4 hereof and

the disposition and Closing are subject to the Conditions Precedent set forth herein. In consideration of Authority executing and delivering the Authority Grant Deed, Developer agrees to comply with and cause the use and operation of the Phase II Project on the Phase II Site to conform to the Authority Grant Deed, City Covenants, Authority Regulatory Agreement, and Notice of Affordability Restrictions throughout the Affordability Period.

- **2.1.1** Conveyance Price; CBRE Appraisal of Phase II Site. As of the Date of Agreement an independent appraisal report dated as of December 19. 2022 was prepared for the City and Authority by CBRE Group, Inc., File No. CB22US131334-1, which concluded the appraised fair market value of the Phase II Site is \$380.000.
- **2.1.2 Acreage**. All references in this Agreement to acreage are approximate; the price for the Phase II Site as payable by Developer will not change regardless of whether the actual acreage of the Phase II Site differs from the acreage figures set forth in this Agreement.
- **2.2 Phase II Escrow**. The parties shall open an escrow ("Phase II Escrow") with the Escrow Holder, by the time established therefor in the Schedule of Performance for the Phase II Conveyance, and the recordation and delivery of documents herein. Authority, City, and Developer agree to execute such escrow instructions as may be reasonably required to implement this Section 2.2. The obligation of Authority to deliver the Authority Grant Deed, Authority Regulatory Agreement, Notice of Affordability Restrictions and, the obligation of City to deliver the City Covenants, all to Escrow and to proceed with the Phase II Conveyance is contingent upon the satisfaction of the Conditions Precedent as set forth herein.
- **2.2.1 Costs of Phase II Escrow**. Developer agrees to and shall pay for any and all escrow and title fees and costs, and documentary transfer taxes, if any, that arise from Escrow.
- 2.2.2 Escrow Instructions. This Agreement constitutes the joint escrow instructions of Developer, City and Authority, and the Escrow Holder to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts reasonably necessary to close this Escrow. Insurance policies for fire or casualty are not to be transferred, and Authority and City (as applicable) will cancel its/their own policies concurrent with or promptly after the Phase II Conveyance. All funds received in the Escrow shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check from such account.

If in the reasonable opinion of any of Developer, City or Authority it is necessary or convenient in order to accomplish the Phase II Conveyance, such party may require that the parties sign supplemental escrow instructions; provided that if there is any inconsistency between this Agreement and the supplemental escrow instructions, then the provisions of this Agreement shall control. The parties agree to execute such other and further documents as may be reasonably necessary, helpful or appropriate to effectuate the provisions of this Agreement. The Phase II Conveyance shall take place when the Conditions Precedent have been satisfied. Escrow Holder is instructed to release Authority's escrow closing and Developer's escrow closing statements to the respective parties.

**2.2.3 Authority of Escrow Holder**. Escrow Holder is authorized to, and shall:

- (a) Pay and charge Developer for the premium of the Developer Title Policy and Authority Title Policy, including all endorsement, and any amount necessary to place title in the condition necessary to satisfy Section 2.3 of this Agreement.
- (b) Pay and charge Developer for any escrow fees, charges, and costs payable under this Agreement.
- (c) Record the Recordable Documents in the order set forth in Section 2.2.6 and deliver such documents as instructed.
- (d) Do such other actions as necessary to fulfill its obligations under this Agreement.
- (e) Deliver to Authority the original Authority Note duly executed by Developer and those instruments referenced in Section 2.2.6 upon recordation thereof.
- (f) Prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including an IRS 1099-S form, and be responsible for withholding taxes, if any such forms are provided for or required by law.
- 2.2.4 Closing. The Phase II Conveyance and delivery of related documents shall close, and concurrently the closing of financing for Developer's Primary Construction Loan shall close, (together, "Closing"), within ten (10) days of the parties' satisfaction of all of the Conditions Precedent, but in no event later than the last day established therefor in the Schedule of Performance. The Schedule of Performance is subject to modification from time to time at the mutual concurrence of City, Authority and Developer, each acting at its sole discretion. The "Closing" means the time and day that all of the Authority Grant Deed, City Covenants, Authority Regulatory Agreement, Authority Deed of Trust, Request for Notice, and Notice of Affordability Restrictions, have been recorded by the Riverside County Recorder among the Official Records. The "Closing Date" means the day on which the Closing occurs.
- 2.2.5 Termination of Escrow. If the Escrow is not in condition to close by the time established therefor in the Schedule of Performance, then either party which has fully performed under this Agreement may, in writing, demand the return of money or property and terminate the Escrow. If either party makes a written demand for return of documents or properties, this Escrow shall not terminate until five (5) days after Escrow Holder shall have delivered copies of such demand to all other parties at the respective addresses shown in this Agreement. If any objections are raised within said five (5) day period, Escrow Holder is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or by mutual written instructions of the parties. Termination of the Escrow shall be without prejudice as to whatever legal rights either party may have against the other arising from this Agreement. If no demands are made, the Escrow Holder shall proceed with the Closing as soon as possible.
- **2.2.6** Closing Procedure for the Escrow. Escrow Holder shall close the Escrow for the Phase II Conveyance as follows:
- (a) Record the following documents in this order: (i) Authority Grant Deed; (ii) City Covenants; (iii) Authority Regulatory Agreement; (iv) County Regulatory Agreement;

- (v) the Approved Construction and/or Permanent Lender's deed(s) of trust; (vi) Authority Deed of Trust; (vii) a deed of trust for the benefit of the County of Riverside if the County makes the County PLHA Loan for the Phase II Project; (vii) Notice of Affordability Restrictions; (viii) Request for Notice, (ix) Memorandum of Agreement, and (x) such other instruments, if any, as shall be approved by Executive Director as necessary or convenient to effectuate and implement the construction financing of the Phase II Development (and thereafter the permanent financing therefor), including any mutually approved subordination agreements affecting the subordination of the Authority Deed of Trust (and County PLHA Loan deed of trust), so long as and provided that the City Covenants, Authority Regulatory Agreement and County Regulatory Agreement shall not be subordinated, with instructions for the Recorder of Riverside County, California to deliver to the City the City Covenants and deliver to the Authority the original Authority Note, along with conformed sets of the Authority Deed of Trust, Authority Regulatory Agreement, and Notice of Affordability Restrictions, and to deliver a certified copy of each to Developer, and deliver the Authority Grant Deed to Developer. Escrow Holder shall also provide to Authority a copy of any other instrument recorded in conjunction with the Phase II Conveyance. The Authority Deed of Trust shall be senior to any deed of trust recorded for the benefit of the County PLHA Loan. The order of recordation shall be subject to revision upon approval of the Executive Director;
- (b) Instruct the Title Company to deliver the Developer Title Policy to Developer, with a copy to Authority;
- (c) Instruct the Title Company to deliver to Authority the Authority Loan Policy;
- (d) File any informational reports required by Internal Revenue Code Section 6045(e), as amended, and any other applicable requirements;
  - (e) Deliver the FIRPTA Certificate, if any, to Developer;
  - (f) Deliver documents as set forth in Section 2.5.3 hereof; and
- (g) Forward to both Developer and Authority a separate accounting of all funds received and disbursed for each party and copies of all executed and recorded or filed documents deposited into Escrow, with such recording and filing date and information endorsed thereon.
- **2.3 Review of Title.** Authority and Developer shall cooperate to cause First American Title Company to deliver to the parties, at least thirty (30) days prior to the scheduled Closing, an updated, standard preliminary title report with hyperlinks to complete, legible copies of the underlying documents listed as "Exceptions" in Schedule B thereof ("Preliminary Report") with respect to the Phase II Site to be conveyed by the Authority Grant.. Developer shall have the right to reasonably approve or disapprove the Exceptions; provided, however, that Developer hereby approves the following Exceptions:
  - (a) The Redevelopment Plan of the Former Agency.
- (b) The lien of non-delinquent property taxes and assessments, if any, which, if any, shall be prorated at close of Escrow.

- (c) The provisions of the following instruments to be recorded in connection with the Closing: (i) Authority Grant Deed, (ii) City Covenants; (iii) Authority Regulatory Agreement; (iv) County Regulatory Agreement, (v) Authority Deed of Trust, (vi) County PLHA Loan deed of trust, and (vii) Notice of Affordability Restrictions.
- (d) Any matters of record as of the acquisition of the Phase II Site by the Developer.
- (e) Any incidental easements or other matters affecting title which do not materially impact Developer's use of the Phase II Site as described in the Scope of Development.

Developer shall have five (5) business days from the date of its receipt of the Preliminary Report to give written notice to Authority and Escrow Holder of Developer's approval or disapproval of any of such Exceptions. Developer's failure to give written disapproval of the Preliminary Report within such time limit shall be deemed approval of the Preliminary Report. If Developer notifies Authority of its disapproval of any Exceptions in the Preliminary Report, Authority shall have ten (10) days from the receipt of written notice of disapproval by Developer to determine whether or not it will undertake the removal of any disapproved Exceptions. If Authority elects to remove such Exceptions, it shall diligently proceed to effect the removal of such Exceptions. If Authority cannot or does not elect to remove any of the disapproved Exceptions within that period, Developer shall have ten (10) business days after the expiration of such ten (10) business day period to either give Authority written notice that Developer elects to proceed with the acquisition of the Phase II Site subject to the disapproved Exceptions or to give Authority written notice that Developer elects to terminate this Agreement. The Exceptions to title approved by Developer as provided herein shall hereinafter be referred to as the "Condition of Title." Developer shall have the right to approve or disapprove any additional and previously unreported Exceptions reported by the Title Company after Developer has approved the Condition of Title for the Phase II Site (which are not created by Developer).

#### 2.4 Disposition Title Insurance Policies.

- 2.4.1 Owner's Policy of Title Insurance. Concurrently with recordation of the Authority Grant Deed, there shall be issued to Developer a standard ALTA owner's policy of title insurance ("Developer Title Policy"), based upon the amount of the Phase II Conveyance Price, together with such endorsements as are reasonably requested by Developer, issued by the Title Company insuring that the title to the Phase II Site (as transferred by the Authority Grant Deed) is vested in Developer in the condition required by Section 2.3 of this Agreement. The Title Company shall provide Authority with a copy of the Developer Title Policy. Developer shall pay the premium for the Developer Title Policy, as well as costs or additional premium associated with procurement of an owner's extended coverage ALTA policy (if requested by Developer) or any endorsements requested by Developer.
- **2.4.2 Authority Lender Policy of Title Insurance**. Concurrently with recordation of the Authority Grant Deed, there shall be issued to Authority a lender's policy of title insurance as to Authority's beneficial interest under the Authority Deed of Trust ("Authority Loan Policy"). The Authority Loan Policy will be to cover the Conveyance Price, which equates with the original principal amount of the Authority Loan. Such policy will include those endorsements as are requested by Authority and shall insure that the beneficial interests held under such Authority Deed of Trust are insured in the condition required by Section 2.3 of this Agreement. Developer shall pay

the premiums for the Authority Loan Policy and endorsements. It is contemplated that the Authority will, without limitation, request the following endorsements: ALTA 3.2-06 (zoning-land under development), ALTA 8.2-06 (commercial environmental lien), ALTA 9.8-06 (CC&Rs – land under development), ALTA 17-06 (access and entry), ALTA 17.2-06 (utility access), ALTA 26-06 (subdivision), ALTA 28.3-06 (encroachments, boundaries and easements), ALTA 40-05 (tax credit), ALTA 41.3-06 (water – land under development); ALTA 39-06 (policy authentication); SE-166 (maximum actual loss endorsement); and deletion of the paragraph of the conditions relating to arbitration. The Authority Deed of Trust shall be senior to any deed of trust recorded for the benefit of the County.

# 3. AUTHORITY LOAN; CONDITIONS TO DEVELOPER POSSESSION OF THE PHASE II SITE

3.1 Authority Loan. Authority hereby commits and agrees, subject to the terms and provisions of this Agreement, to make the Authority Loan to Developer, and Developer hereby agrees to borrow the Authority Loan from Authority, in an amount not to exceed Three Hundred Eighty Thousand Dollars (\$380,000) all subject to the terms and conditions set forth in this Agreement, and subject further to the terms and conditions set forth within the Phase II Project Documents, including the Authority Loan Note, Authority Loan Deed of Trust, City Covenants, and Authority Regulatory Agreement. The Authority Loan shall be evidenced by the Authority Loan Note and secured by the Authority Loan Deed of Trust and the Security Agreement, which shall be recorded against the Site in the Official Records in a third lien position junior and subordinate to Primary Construction Loan, and County Loan, and later to the Primary Permanent Loan and County Loan.

Terms of the Authority Loan. The Authority Loan shall be deemed to be 3.1.1 a loan for the benefit of, and payable by, Developer and shall be repaid as set forth in the Authority Loan Note. The terms and conditions of the Authority Loan are more particularly described in Attachment No. 13, Authority Loan Note. The Authority Note shall evidence the Authority Loan Amount, and the Authority Deed of Trust shall secure repayment thereof. The term of the Authority Loan Note shall commence on the date of recording of the Authority Grant Deed ("Authority Note Date") and continue until the earlier to occur of (i) full repayment thereof, or (ii) the fifty-eighth (58th) anniversary thereof, which date shall constitute the "Maturity Date". The Authority Deed of Trust securing the Authority Loan Note shall be recorded against the Phase II Site and shall be subordinate only to the monetary liens securing the Primary Construction Loan and the Primary Permanent Loan. The Authority Note shall bear simple interest at the rate of one percent (1%) per annum from the Authority Note Date. Payments under the Authority Loan Note shall be due and payable from the Authority Share of Residual Receipts generated by the Phase II Project in annual installments to be made by Developer beginning on the first April 15 following the Conversion, and on or before April 15 in each following Year until the Authority Loan Note has been paid in full. In addition, Developer shall pay to Authority a portion of Refinancing Net Proceeds determined by applying a percentage equal to the Authority Share immediately upon any permitted and/or approved refinancing of the Phase II Project (or any part thereof) and a portion of the Transfer Net Proceeds determined by applying a percentage equal to the Authority Share immediately upon any transfer or conveyance, in whole or in part, of the Phase II Project, all toward repayment of the Authority Loan Note. The remaining balance of the Authority Loan Note, if any, shall be due in full on the Maturity Date. Payments towards the Authority Loan shall be applied first to accrued interest, and then to principal. Notwithstanding anything herein or in the Authority Loan Note to the contrary, no

Refinancing Net Proceeds will be payable hereunder or under the Authority Note as a result of the Conversion.

3.2 Conditions Precedent to Disposition of the Phase II Site. "Authority shall not effect the Phase II Conveyance, and Developer shall not take possession of the Phase II Site, and the City's Building Official shall not issue building permits for the Phase II Development, unless and until all of the following conditions precedent (together, "Conditions Precedent") have been fully satisfied, or caused to be satisfied, by Developer, as determined in good faith by the Executive Director. The Conditions Precedent, if one or more requires action by Developer, shall also be a covenant of Developer.

# **3.2.1** Recording of Certain Documents.

- (a) The Authority Grant Deed, City Covenants, Authority Regulatory Agreement, Authority Deed of Trust, Notice of Affordability Restrictions, Request for Notice, and County Regulatory Agreement, each have been recorded in the Official Records, or are held by Escrow for recording in the Official Records concurrent with the Closing.
- (b) Any documents reasonably determined as necessary to be entered into and duly executed in connection with the Final Financing Package shall have been delivered to Escrow, and if such document(s) are required to be recorded, have been recorded in the Official Records or are held by Escrow for recording in the Official Records
- **3.2.2 Title Policies**. The Title Company has prepared policy proformas including requested endorsements and is ready to issue to Developer its Developer Title Policy and to Authority its Authority Title Policy at Closing.

## **3.2.3** Financing Package.

- (a) Developer shall have provided written proof acceptable to Authority that Developer has sufficient internal funds and/or has obtained one or more loans or financing, subject to customary conditions, for construction through completion of the Phase II Development.
- (i) In this regard, the entirety of financing package is equal to or greater than the level of funding for the Phase II Project as provided for in the Base Pro Forma, and Authority has approved such evidence of financing, in accordance with all of Section 4.15 hereof.
- (ii) Authority shall have approved a Final Development Budget and a Final Financing Package.
- (iii) The Primary Construction Loan for the Phase II Development shall be ready to close, and shall close, and a portion of proceeds from the sale of Tax Credits, as provided for in this Agreement and under the Final Financing Package, shall be immediately available for use in constructing the Phase II Development.
- **3.2.4** Construction Contract. Developer shall have provided to Authority and City for review and approval evidence of a stipulated sum or guaranteed maximum price contract between Developer and the general contractor for the construction of the Phase II Development, certified by Developer to be a true and correct copy thereof, and Executive Director shall have approved such contractor or contractors, and the construction contract or contracts, pursuant to

- Section 4.15 hereof. The Construction Contract shall reference this Agreement, shall meet and include all indemnity, insurance, and applicable requirements regarding Prevailing Wages, Section 3 and Federal Program Limitations.
- 3.2.5 Payment, Performance and Completion Bonds. Developer or its general contractor shall have provided the Construction Security by obtaining payment performance and completion bonds for the Phase II Development, in an amount and from surety company(ies) reasonably acceptable to the Executive Director. All bonds shall be issued by good and solvent surety(ies) qualified to do business in California and shall have a rating of "A" or better in the most recent edition of Best's Key Rating Guide.
- 3.2.6 Permit Readiness. Developer has taken all necessary steps for, and City has issued a "permit-readiness letter" evidencing that the final Development Plans (all plans and specifications) for the Phase II Development have been approved by the City, that the grading permit(s) for the Phase II Site are ready to be issued, all but for payment of applicable fees.
- (a) In clarification of this Section 3.2.6, Developer shall be ready to obtain from the City the required grading permit(s) for the Phase II Site. Developer acknowledges and agrees that the City requires as a condition precedent to issuance of building permits that post-closing Developer shall first complete grading of the Phase II Site, then, the City shall have confirmed there exists a "certified pad" ready for construction of the Phase II Development; and, therefore, Developer shall have taken all steps necessary for the City to issue to Developer a "permit readiness letter" to evidence City approval of the final Development Plans and readiness to commence grading, complete the certified pad, and continue with construction of the Phase II Development.
- **3.2.7 TCAC Approval**. All TCAC approvals, conditions, and performance tasks set forth in and required under the reservation of the 9% Tax Credits issued by TCAC have been performed, obtained or otherwise satisfied, with the valuation of the Tax Credits to be an amount not less set forth in the Base Pro Forma. All TCAC conditions and approvals shall remain in full force and effect.
- **3.2.8 Insurance**. Authority shall have received evidence, satisfactory to Executive Director and City risk manager that all of the insurance coverages, policies, certificates and endorsements required by Section 4.5, below, are in full force and effect.
- **3.2.9 County PLHA Loan Approval**. County shall have committed to issue, and to close concurrently with the Escrow, the County PLHA Loan of not less than Four Million Dollars (\$4,000,000) with such amount to be repayable only from a ratable portion of fifty percent (50%) of Residual Receipts. Under the Base Pro Forma certain proceeds of the County PLHA Loan will be disbursed for and expended for part of construction costs (\$3,600,000) and the balance (\$400,000) disbursed upon completion of construction of the Phase II Development.
- **3.2.10** Entitlement and Other Governmental Approvals. Developer shall have provided to the Executive Director evidence that Developer (or its representative) has satisfied and met all applicable conditions of approval set forth in the Entitlement, and satisfied all requirements imposed by other governmental entities with jurisdiction over the Phase II Development.

- **3.2.11 Readiness**. Developer shall have provided to the Executive Director satisfactory evidence that, subject to the Phase II Conveyance occurring, Developer is ready, willing, able, and committed immediately after the Closing to commence construction of the Phase II Development, complete construction through the final certificate(s) of occupancy and final inspection of issued building permits, and thereupon operate the Phase II Development in conformity with this Agreement.
- **3.2.12** Compliance with Enactments. There shall exist no instance of violation of Governmental Requirements, including Developer's compliance with applicable laws, regulations, including without limitation interpretations by City, as to land use and zoning matters.
- (a) <u>Representations and Warranties</u>. The representations and warranties of Developer contained in this Agreement shall be correct as of the Phase II Conveyance as though made on and as of that date, and Executive Director shall have received a certificate to that effect signed by an officer of Developer.
- (b) <u>No Default</u>. No Default by Developer shall have occurred under this Agreement or any other agreement between Authority and Developer and/or its officers or employees, no event shall have occurred which, with the giving of notice or the passage of time or both, would constitute a Default by Developer under this Agreement, and Executive Director shall have received a certificate to that effect signed by an officer of Developer.

All Conditions Precedent set forth in Section 3.2, and City and Authority's obligations hereunder, are for the City and Authority's benefit only and Executive Director may waive, or extend time for performance of, all or any part of such rights by written notice to Developer. If Executive Director shall, within the applicable periods set forth herein, disapprove of any of the items which are subject to Authority's approval, or if any of the conditions set forth in this Agreement are not met within the times called for, Authority may thereafter terminate this Agreement without any further liability on the part of Authority by giving written notice of termination to Developer.

## 4. SCOPE OF DEVELOPMENT; INSURANCE AND INDEMNITY, FINANCING

**4.1 Scope of Development**. Developer shall construct and complete the Phase II Development in accordance with the Scope of Development, and the approved Development Plans. In the event of any inconsistency between the Scope of Development and the approved Development Plans that have been approved by Authority and/or City, the approved Development Plans shall control.

# 4.2 Entitlement; Design Review.

**4.2.1 Developer Submissions**. Prior to the Date of Agreement, in connection with its application for land use approvals by City, Developer applied for and received the Entitlement, including environmental clearance required by City for the Phase II Development on the Phase II Site. Developer has submitted "Basic Concept Drawings" for the Phase II Development. The Phase II Development include site improvements and thirty-two (32) rental Housing Units, as well as various amenities onsite and as reciprocally shared with the adjacent Phase I project pursuant to the Joint Use Agreement. Before commencement of construction of the Phase II Development or other works of improvement upon the Phase II Site, Developer shall submit to City any plans and drawings (collectively, the "Design Development Drawings") which may be required by City with

respect to any permits and related approvals required to be obtained to construct and complete the Phase II Development, which City shall comment on and return to Developer within thirty (30) days from the date of receipt thereof. Developer, on or prior to the date set forth in the Schedule of Performance, shall submit to City such plans for the Phase II Development as required by City in order for Developer to obtain building permits for the Phase II Development. Within thirty (30) days after City's disapproval or conditional approval of such plans, Developer shall revise the portions of such plans identified by City as requiring revisions and resubmit the revised plans to City.

- 4.2.2 City Review and Approval. City shall have all rights to review and approve or disapprove all Design Development Drawings and other required submittals in accordance with the City Code, and nothing set forth in this Agreement shall be construed to constitute City's approval of any or all of the Design Development Drawings or to limit or affect City's review and right to approve, approve subject to conditions, or disapprove Design Development Drawings, plans, drawings, applications, or submittals. The "Final Plans" or "Development Plans" shall be those certain plans as approved by City for which building permits are issued.
- **4.2.3 Revisions**. Any and all change orders or revisions required by City and its inspectors under the City Code including without limitation all applicable Uniform Codes and under other applicable laws and regulations shall be included by Developer in its Design Development Drawings and other required submittals and shall be completed during the construction of the Phase II Development.
- **4.2.4 Defects in Plans**. Neither Authority nor City shall be responsible to Developer or to any third parties in any way for (a) any defects in the Phase II Development Plans, nor (b) any structural or other defects in any work done according to the approved Development Plans, nor (c) any delays caused by the review and approval processes, nor (d) any delays reasonably caused by the review and approval processes established by this Section 4.2.4. Developer shall hold harmless, indemnify and defend the Indemnitees from and against any claims or suits for damages to property or injuries to persons (including death) arising out of or in any way relating to defects, latent or patent, in the Phase II Development Plans, or the actual construction work and improvements comprising the Phase II Project, including, without limitation, the violation of any Governmental Requirements, or arising out of or in any way relating to any defects in any work done and/or improvements completed according to the approved Development Plans.
- 4.2.5 Land Use Approvals. Before commencement of construction of the Phase II Development or other works of improvement upon the Phase II Site, Developer shall, at its own expense, secure or cause to be secured any and all land use and other entitlements, subdivision, if any, permits, and approvals which may be required for the Phase II Development by City or any other governmental agency(ies) affected by or having jurisdiction over such construction or work including without limitation, as to entry onto the Phase II Site, if any, prior to the Phase II Conveyance, a license agreement between Developer and City allowing entry onto the Phase II Site which indemnifies City and Authority from any claims made in connection with the activities of Developer. Developer shall, without limitation, apply for and secure, and pay all costs, charges and fees associated therewith, all permits and fees required by City, County, and other governmental agencies with jurisdiction over the Phase II Development.
- **4.3 Time of Performance; Progress Reports**. Developer shall submit all Design Development Drawings, commence and complete all construction of the Phase II Development, and satisfy all other obligations and conditions of this Agreement within the times established therefor in

this Agreement. Construction of the Phase II Development shall be commenced on or before the time established therefor in the Schedule of Performance. Once construction is commenced, it shall continuously and diligently be pursued to completion and shall not be abandoned for more than thirty (30) days except when due to causes beyond the control and without the fault of Developer to the extent provided in Section 7.10. During the course of construction and prior to issuance of the Certificate of Completion/Release of Construction Covenants, Developer shall provide timely reports of the progress of construction when requested by the Executive Director. Developer shall complete construction of all of the Phase II Development on or before the time established therefor in the Schedule of Performance.

- 4.4 Cost of Development. The cost of planning, designing, developing, and constructing through completing the Phase II Development shall be borne solely by Developer. All fees imposed by any governmental entity in connection with the acquisition of the Phase II Site or the development of the Phase II Development shall be borne by Developer and shall be paid when due by Developer. Developer shall be responsible for and bear the costs, if any, associated with the application of Relocation Laws to the Phase II Development to the extent described above within the definition of "Relocation." Developer shall pay to City, or cause to be disbursed by the lender making the Primary Construction Loan to City, all of the City Impact Fees not later than concurrently with the closing of the Primary Construction Loan.
- **4.4.1** The Moreno Valley Municipal Code, *Density Bonus Program for Affordable Housing*, Section 9.03.050, *et seq.* provides for waivers, incentives and concessions, which were approved for this Phase II Development under the Entitlement. The waivers include a City fee waiver, and as listed in the Base Pro Forma, of up to \$421,431.
- **4.5 Insurance Requirements.** Commencing as of the Phase II Conveyance and continuing throughout the Affordability Period, and, in addition at all times during which Developer is conducting work on the Phase II Site or any portion thereof, Developer shall maintain at Developer's sole expense, with insurers reasonably approved by Authority, the following policies of insurance in form and substance reasonably satisfactory to Authority:
- (a) workers' compensation insurance (if Developer has any employees) and (in addition to such insurance as is described in subsections (b), (c), (d) and (e) of this Section 4.5), additional other insurance to the extent and with limits as required by law in connection with the Phase II Development or other work performed on the Phase II Site (to be in effect only while work is being performed on the Phase II Site);
- (b) prior to the commencement of construction of the Phase II Development and at all times prior to completion of the Phase II Development, builder's risk-all risk insurance covering 100% of the replacement cost of all Improvements (including offsite and the materials) during the course of construction in the event of fire, lightning, windstorm, vandalism, earthquake, malicious mischief and all other risks normally covered by "all risk" coverage policies in the area where the Phase II Site is located (including loss by flood if the Phase II Site is in an area designated as subject to the danger of flood);
- (c) following completion of the Phase II Development, fire and hazard "all risk" insurance covering 100% of the replacement cost of the Phase II Development in the event of fire, lightning, windstorm, vandalism, earthquake, malicious mischief and all other risks normally

covered by "all risk" coverage policies in the area where the Phase II Site is located (including loss by flood if the Phase II Site is in an area designated as subject to the danger of flood);

- (d) public liability insurance in amounts reasonably required by the Executive Director from time to time, and in no event less than \$2,000,000.00 for "single occurrence;"
- (e) property damage insurance in amounts reasonably required by the Executive Director from time to time, and in no event less than \$2,000,000.00; and
- (f) all other insurance reasonably required by the Executive Director from time to time.

All such insurance shall provide that it may not be canceled or materially modified without 30 days prior written notice to Authority. The policies required under subparagraphs (b) and (c) shall include a "lender's loss payable endorsement" (Form 438BFU) in form and substance satisfactory to Authority, showing each of City and Authority as an additional insured and loss payee. Each of City and Authority shall be an additional insured in the policies required under subparagraphs (d) and (e). No such insurance shall include deductible amounts to which Authority has not previously consented in writing. Certificates of insurance for the above policies (and/or original policies, if required by Authority) shall be delivered to Authority from time to time within 10 days after demand therefor. All policies insuring against damage to the Phase II Development shall contain an agreed value clause sufficient to eliminate any risk of co-insurance. No less than thirty (30) days prior to the expiration of each policy, Developer shall deliver to Authority evidence of renewal or replacement of such policy reasonably satisfactory to the Executive Director.

Coverage provided hereunder by Developer shall be primary insurance and not be contributing with any insurance maintained by Authority or City, and the policy shall contain such an endorsement. The insurance policy or the endorsement shall contain a waiver of subrogation for the benefit of City and Authority. None of the above-described policies shall require Developer to meet a deductible or self-insured retention amount of more than Ten Thousand Dollars (\$10,000.00) unless approved in writing by the Executive Director. All policies shall be written by good and solvent insurers qualified to do business in California and shall have a policyholder's rating of A- or better in the most recent edition of "Best's Key Rating Guide -- Property and Casualty." The required certificate shall be furnished by Developer at the time set forth herein.

- **4.5.2 Waiver of Subrogation**. Developer hereby waives all rights to recover against Authority or City (or any officer, employee, agent or representative of Authority or City) for any loss incurred by Developer from any cause insured against or required by any Project Document to be insured against; provided, however, that this waiver of subrogation shall not be effective with respect to any insurance policy if the coverage thereunder would be materially reduced or impaired as a result. Developer shall use its best efforts to obtain only policies which permit the foregoing waiver of subrogation.
- **4.6 Obligation to Repair and Restore Damage Due to Casualty**. Subject to the rights of the Primary Construction Lender, if during the period of construction the Phase II Development shall be totally or partially destroyed or rendered wholly or partly uninhabitable by fire or other casualty required to be insured against by Developer, Developer shall promptly proceed to obtain insurance proceeds and take all steps necessary to begin reconstruction and, immediately upon

receipt of insurance proceeds, to promptly and diligently commence the repair or replacement of the Phase II Development to substantially the same condition as the Phase II Development are required to be constructed pursuant to this Agreement, whether or not the insurance proceeds are sufficient to cover the actual cost of repair, replacement, or restoration, and Developer shall complete the same as soon as possible thereafter so that the Phase II Development can be occupied as an affordable housing project in accordance with this Agreement. In no event shall the repair, replacement, or restoration period exceed fourteen (14) months from the date Developer obtains insurance proceeds unless the Executive Director, in his or her sole and absolute discretion, approves a longer period of time. Authority shall cooperate with Developer, at no expense to Authority, in obtaining any governmental permits required for the repair, replacement, or restoration. then-existing laws of any other governmental agencies with jurisdiction over the Phase II Site do not permit the repair, replacement, or restoration, Developer may elect not to repair, replace, or restore the onsite improvements by giving notice to Authority (in which event Developer will be entitled to all insurance proceeds after paying to Authority from such proceeds an amount equal to any assistance expended by Authority but Developer shall be required to remove all debris from the Phase II Site) or Developer may reconstruct such other improvements on the Phase II Site as are consistent with applicable land use regulations and approved by City, Authority, and the other governmental agency or agencies with jurisdiction, and Authority may pursue remedies of its choosing under this Agreement, including without limitation termination.

4.7 **Indemnity.** Developer shall defend (by counsel satisfactory to Authority), indemnify and save and hold harmless the Indemnitees from and against all claims, damages, demands, actions, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and court costs) arising from or relating in any manner whatsoever to: (i) Developer's obligations under this Agreement (including without limitation Section 4.9 hereof); (ii) compliance with applicable laws; (iii) a claim, demand or cause of action that any person has or asserts against Developer; (iv) any act or omission of Developer, any contractor, subcontractor or material supplier, engineer, architect or other person with respect to the Phase II Site; (v) claims, if any, for Relocation benefits or assistance arising from or related to the acquisition, disposition, operation, and/or use of the Phase II Site and/or Phase II Development or related in any manner to this Agreement; (vi) the establishment, modification or challenge to any aspect of the Entitlement, permits, or approvals, whether discretionary or ministerial, as to the Phase II Site and Phase II Development; (vii) the disposition of the Phase II Site by Authority to Developer; and/or (viii) Developer's ownership, occupancy, and/or use of the Phase II Site. Notwithstanding the foregoing, Developer shall not be obligated to indemnify the Indemnitees with respect to the consequences of any act of gross negligence or willful misconduct of the Indemnitees. Developer's obligations under this Section 4.7 shall survive the issuance of the Certificate of Completion/Release of Construction Covenants and termination of this Agreement; the requirements under this Section 4.7 are in addition to and do not limit the obligations of Developer under the Authority Loan Deed of Trust or the Authority Grant Deed.

Developer shall reimburse Authority immediately upon written demand for all costs reasonably incurred by Authority (including the reasonable fees and expenses of attorneys, accountants, appraisers and other consultants, whether the same are independent contractors or employees of Authority) in connection with the enforcement of the Phase II Project Documents and all related matters including the following: (a) Authority's commencement of, appearance in, or defense of any action or proceeding purporting to affect the rights or obligations of the parties to any Project Document, and (b) all claims, demands, causes of action, liabilities, losses, commissions and other costs against which Authority is indemnified under the Phase II Project Documents. Such

reimbursement obligations shall bear interest based upon the amounts and times of disbursement by Authority, provided that Authority gives written demand to Developer at the Applicable Interest Rate. Such reimbursement obligations shall survive the issuance of the Certificate of Completion/Release of Construction Covenants and termination of this Agreement and are in addition to and do not limit the obligations of Developer under the Authority Grant Deed.

Developer shall indemnify each of City and Authority from any real estate commissions or brokerage fees which may arise from this Agreement or the Phase II Site, including without limitation the acquisition of the Phase II Site by Developer, or the leasing of dwelling units on the Phase II Site. Developer represents that it has engaged no broker, agent, or finder in connection with this transaction, and Developer agrees to hold each of City and Authority harmless from any claim by any broker, agent or finder in connection with this Agreement, the activities by Developer, or the Phase II Site.

In addition, and without limitation to the foregoing, Developer agrees to indemnify, defend and hold the Indemnitees harmless from and against any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense (including, without limitation, reasonable attorneys' fees), resulting from, arising out of, or based upon (i) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about, or the transportation of any such Hazardous Materials to or from, the Phase II Site caused or contributed to by Developer or which occurs after the Closing, or (ii) the violation, or alleged violation, by Developer or anyone acting by or through Developer, of any statute, ordinance, order, rule, regulation, permit, judgment or license relating to the use, generation, release, discharge, storage, disposal or transportation of Hazardous Materials on, under, in or about, to or from, the Phase II Site which is caused or contributed to by Developer or which occurs after the Closing. This indemnity shall include, without limitation, any damage, liability, fine, penalty, parallel indemnity after closing cost or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease or death), tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, contamination, leak, spill, release or other adverse effect on the environment. At the request of Developer, Authority shall cooperate with and assist Developer in its defense of any such claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense; provided that Authority shall not be obligated to incur any expense in connection with such cooperation or assistance. Notwithstanding anything contained herein to the contrary, Developer shall not indemnify Authority for any claims arising from Authority's gross and active negligence or Authority's willful misconduct.

4.8 Rights of Access. Prior to the issuance of the Certificate of Completion/Release of Construction Covenants, for purposes of assuring compliance with this Agreement, representatives of Authority and City shall have the right of access to the Phase II Site, without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including but not limited to, the inspection of the work being performed in constructing the Phase II Development so long as Authority representatives comply with all safety rules. Authority representatives shall, except in emergency situations, notify Developer seventy-two (72) hours prior to exercising its rights pursuant to this Section 4.8. In addition, representatives of City shall have access to the Phase II Site in connection with the enforcement of laws, including without limitation the City Code to the extent used in connection with the exercise of police powers of City without regard to any limitations otherwise set forth in this Section 4.8.

4.9 Compliance with Laws. Developer shall carry out the design, construction and operation of the Phase II Development in conformity with all applicable laws, including all applicable state labor standards and federal prevailing wage laws (including without limitation provisions for payment of prevailing wages in connection with all construction of the Phase II Development to the extent applicable), City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City Code, Fair Housing Laws, the Americans With Disabilities Act, 42 U.S.C. Section 12101, et seq., Government Code Section 4450, et seq., Government Code Section 11135, et seq., the Unruh Civil Rights Act, Civil Code Section 51, et seq., the Federal Program Limitations, and the California Building Standards Code, Health and Safety Code Section 18900, et seq. Developer, including but not limited to its contractors and subcontractors, shall comply with Labor Code Section 1720, et seq., and its implementing regulations, regarding the payment of prevailing wages ("State Prevailing Wage Law") and, if applicable, federal prevailing wage law (Davis Bacon Act, 40 U.S.C. Section 3141, et seq., and the regulations promulgated thereunder set forth at 29 CFR Part 1, ("Federal Prevailing Wage Law") that together with State Prevailing Wage Law, may be referred to as the "Prevailing Wage Laws") with regard to the construction of the Phase II Development, but only if and to the extent such sections are applicable to the development of the Phase II Development. Developer shall be solely responsible for determining and effectuating compliance with any applicable Prevailing Wage Laws, and Authority or City make no final representation as to the applicability or non-applicability of the Prevailing Wage Laws to the Phase II Development, or any part thereof. Developer hereby releases from liability, and agrees to indemnify, defend, assume all responsibility for and hold each of Authority and City, and their respective officers, employees, agents and representatives, harmless from any and all claims, demands, actions, suits, proceedings, fines, penalties, damages, expenses resulting from, arising out of, or based upon Developer's acts or omissions pertaining to the compliance with the Prevailing Wage Laws for the Phase II Development.

**4.9.1 Prevailing Wage Laws**. Developer shall carry out the development of the Phase II Site in conformity with all applicable Prevailing Wage Laws. The parties acknowledge that federal and/or state funding sources and financing scenarios may trigger compliance with applicable Prevailing Wage Laws, implementing regulations thereto, or other federal, state, county, or local laws and regulations.

Developer shall be solely responsible, expressly or impliedly, for determining and effectuating compliance with all applicable federal, state and local public works requirements, prevailing wage laws, labor laws and standards, and Authority (and City) makes no representation, either legally and/or financially, as to the applicability or non-applicability of any federal, state and local laws to the Phase II Development, either onsite or offsite. Developer expressly, knowingly and voluntarily acknowledges and agrees that City and Authority have not previously represented to Developer or to any representative, agent or Affiliate of Developer, or its General Contractor or any subcontractor(s) for the construction or development of the Phase II Development, in writing or otherwise, in a call for bids or otherwise, that the work and construction undertaken pursuant to this Agreement is (or is not) a "public work," as defined in Section 1720 of the Labor Code or under Davis-Bacon.

Developer knowingly and voluntarily agrees that Developer shall have the obligation to provide any and all disclosures or identifications with respect to the Phase II Development as required by Labor Code Section 1781 and/or by Davis Bacon, as the same may be amended from time to time, or any other similar law or regulation. Developer shall indemnify, protect, pay for, defend (with legal counsel acceptable to Authority and City) and hold harmless the Indemnitees,

from and against any and all loss, liability, damage, claim, cost, expense and/or "increased costs" (including reasonable attorneys' fees, court and litigation costs, and fees of expert witnesses) which, in connection with the development, construction (as defined by applicable law) and/or operation of the Phase II Project, including, without limitation, any and all public works (as defined by applicable law), results or arises in any way from any of the following: (i) the noncompliance by Developer with any applicable local, state and/or federal law or regulation, including, without limitation, any applicable federal and/or state labor laws or regulations (including, without limitation, if applicable, the requirement to pay state and/or federal prevailing wages); (ii) the implementation of Section 1781 of the Labor Code and/or of Davis Bacon, as the same may be amended from time to time, or any other similar law or regulation; and/or (iii) failure by Developer to provide any required disclosure or identification as required by Labor Code Section 1781 and/or by Davis Bacon, as the same may be amended from time to time, or any other similar law or regulation. It is agreed by the parties that, in connection with the development and construction (as defined by applicable law or regulation) of the Phase II Development, including, without limitation, any and all public works (as defined by applicable law or regulation), Developer shall bear all risks of payment or non-payment of prevailing wages under applicable federal, state and local law or regulation and/or the implementation of Labor Code Section 1781 and/or by Davis Bacon, as the same may be amended from time to time, and/or any other similar law or regulation. "Increased costs," as used in this Section 4.9.1, shall have the meaning ascribed to it in Labor Code Section 1781, as the same may be amended from time to time. The foregoing indemnity shall survive termination of this Agreement and shall continue after completion of the construction and development of the Phase II Development by Developer.

Without limitation as to Section 4.7 of this Agreement, Developer shall indemnify, protect, defend and hold harmless Authority and its officers, employees, contractors and agents, with counsel reasonably acceptable to Authority, from and against any and all loss, liability, damage, claim, cost, expense and/or "increased costs" (including reasonable attorney's fees, court and litigation costs, and fees of expert witnesses) which, in connection with the development, construction, and/or operation of the Phase II Development, including, without limitation, any and all public works (as defined by applicable law), results or arises in any way from any of the following: (1) the noncompliance by Developer of any applicable local, state and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, if applicable, the requirement to pay state prevailing wages and/or federal prevailing wages); (2) the implementation of Section 1781 of the Labor Code, as the same may be amended from time to time, or any other similar law; and/or (3) failure by Developer to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be amended from time to time, or any other similar It is agreed by the parties that, in connection with the development of the Phase II Development, including, without limitation, any and all public works (as defined by applicable law), Developer shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. "Increased costs," as used in this Section 4.9, shall have the meaning ascribed to it in Labor Code Section 1781, as the same may be amended from time to time. The foregoing indemnity shall survive termination of this Agreement and shall continue after completion of the construction and development of the Phase II Development by Developer.

**4.9.2 Section 3 Compliance**. Developer agrees to comply with and to cause the General Contractor, each Subcontractor, and any other contractors and/or subcontractors or agents of Developer to comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u, and the implementing regulations, in connection with the construction of the Phase II Development. Developer shall submit to Authority each Construction

Contract with appropriate provisions providing for the construction of the Phase II Development in conformance with the terms of this Agreement, including the Section 3 Clause. The General Contractor, each Subcontractor, and any other contractors or subcontractors or agents of Developer shall have provided to City the certification in appendix B of 24 CFR Part 24 that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from the Phase II Project, and Authority shall be responsible for determining whether each contractor has been debarred.

- **4.10 Nondiscrimination in Employment**. Developer certifies and agrees that all persons employed or applying for employment by it, its affiliates, subsidiaries, or holding companies are and will be treated equally by it without regard to, or because of race, color, religion, ancestry, national origin, sex, sexual orientation, age (excepting as otherwise provided herein and under the Authority Grant Deed as to restriction of the Housing Units to Eligible Households), pregnancy, childbirth or related medical condition, medical condition (cancer related) or physical or mental disability.
- **4.11 Taxes and Assessments**. Subject to Developer's right to contest taxes and assessments as provided in Section 7.2(c) of the Authority Grant Deed, Developer shall pay prior to delinquency all ad valorem real estate taxes and assessments on the Phase II Site. Developer shall remove or have removed any levy or attachment made on any of the Phase II Site or any part thereof which is owned or leased by Developer, or assure the satisfaction thereof within a reasonable time, but in no event to exceed sixty (60) days. Developer shall additionally defend, indemnify, and hold harmless Authority and City from and against any taxes, assessments, mechanic's liens, claims of materialmen and suppliers, or other claims by private parties in connection with (a) activities undertaken by Developer or (b) the Phase II Site.
- **4.12 Liens and Stop Notices**. Developer shall not allow to be placed on the Phase II Site or any part thereof any lien or stop notice. If a claim of a lien or stop notice is given or recorded affecting the Phase II Development, Developer shall within thirty (30) days of such recording or service or within five (5) days of Authority's demand whichever last occurs:
  - (a) pay and discharge the same; or
- (b) effect the release thereof by recording and delivering to Authority a surety bond in sufficient form and amount, or otherwise; or
- (c) provide City and Authority with indemnification from and by the Title Company against such lien or other assurance which City and Authority deem, in their sole discretion, to be satisfactory for the payment of such lien or bonded stop notice and for the full and continuous protection of Authority from the effect of such lien or bonded stop notice.
- 4.13 Certificate of Completion/Release of Construction Covenants. Promptly after completion of the Phase II Development in conformity with this Agreement, if requested to do so in writing by Developer, Authority shall furnish Developer with a "Certificate of Completion/Release of Construction Covenants" substantially in the form of Attachment No. 9. Authority shall not unreasonably withhold such Certificate of Completion/Release of Construction Covenants. The Certificate of Completion/Release of Construction Covenants shall be a conclusive determination of satisfactory completion of the Phase II Development and the Certificate of Completion/Release of Construction Covenants shall so state. If Authority refuses or fails to furnish a Certificate of Completion/Release of Construction Covenants after written request from Developer, Authority

shall, within thirty (30) days of receipt of written request therefor, provide Developer with a written statement of the reasons Authority refused or failed to furnish the Certificate of Completion/Release of Construction Covenants. The statement shall also contain Authority's opinion of the actions Developer must take to obtain the Certificate of Completion/Release of Construction Covenants. The Certificate of Completion/Release of Construction Covenants is not a notice of completion as referred to in Section 3093 of the California Civil Code.

- **4.14 Further Assurances**. Developer shall execute and acknowledge (or cause to be executed and acknowledged) and deliver to Authority and City all documents, and take all actions, reasonably required by Authority and/or City from time-to-time to confirm the rights created or now or hereafter intended to be created under the Phase II Project Documents or otherwise to carry out the purposes of the Phase II Project Documents.
- **4.15 Financing of the Phase II Development**. Financing shall be provided consistent with the Final Financing Package.
- 4.15.1 **Approval of Financing.** As required herein and as a Condition Precedent, Developer shall submit to Authority evidence reasonably satisfactory to the Executive Director that Developer has obtained sufficient equity capital or has arranged for and obtained a binding commitment for construction financing necessary to undertake the development of the Phase II Site and the construction of the Phase II Development in accordance with this Agreement ("Proof of Financing Commitments"). This requirement shall be implemented as follows: on or before the time set forth in the Schedule of Performance for the recording of documents, but not later than forty-five (45) days prior to Closing, and prior to taking possession of the Phase II Site, Developer shall submit to the Executive Director the Primary Lender's proposed financing package (documents in Word format), including Word versions of the proposed drafts and form of any Intercreditor and Subordination Agreement ("Proposed Financing Package") that identifies all funding, including sources, amounts, timing and mechanics for disbursement, sufficient to finance the development of the Phase II Development in conformity with this Agreement and is consistent with the Base Pro Forma. It is contemplated that the Authority Loan and the City fees waiver described herein and shown on the Base Pro Forma are the sole financial assistance provided by the Authority and City for the Phase II Project.
- (a) Upon receipt of such submittal from Developer of the Proposed Financing Package, the Executive Director and counsel (and nominees of their choosing for this purpose) will review the Proposed Financing Package and will confer with Developer regarding the Proposed Financing Package. The Executive Director may make suggestions and propose modifications or substitutions to the Proposed Financing Package. The parties contemplate that more than one submittal may be necessary to achieve a submitted financing package that is approved by the Executive Director, and that a consultative process shall occur in connection with each such submittal. At such point as the Executive Director may determine, in his discretion, to approve a Proposed Financing Package, upon approval by the Executive Director, such financing package shall be referred to as the "Final Financing Package." The Attachments hereto may be subject to change by the terms of the Final Financing Package as determined by the Authority, City and counsel.
- (b) Without limitation as to other and additional payments as may be required under the terms of the Authority Deed of Trust and/or the Authority Note, each of the Proposed Financing Package and Final Financing Package shall provide for the payment by Developer to Authority of Residual Receipts at not less than the Applicable Percentage under the

Authority Deed of Trust and, to the extent provided therein, the Authority Note, up to a certain maximum amount as provided under the Authority Deed of Trust and for a Developer Fee not in excess of the limitation established with respect thereto under the definition of Developer Fee in this Agreement.

- **4.15.2** Required Financing Submittals; Submittal of Construction Contract. Such evidence of financing for the Phase II Development and readiness to commence construction of the Phase II Development shall include all of the following:
- (a) Final Development Budget. The final development budget for the Phase II Development, including the Proposed Financing Package, showing the projected costs of construction of the Phase II Development, including all onsite and offsite improvements to be constructed in connection therewith.
- (b) Financing Commitments and Primary Loan Documents. A copy of the lender's firm commitment obtained by Developer for the Primary Construction Loan for the Phase II Development and, when available, copies of all loan documents evidencing the Primary Construction Loan therefor, all in Word format. The Primary Construction Loan commitments for financing shall be in such form and content acceptable to Authority and its financial advisor(s) and its legal advisor(s) and as such reasonably evidences a legally binding, firm and enforceable commitment, subject only to the Lender's customary and normal conditions and terms and subject to the requirements of this Section 4.15. Developer shall provide written certification to Authority that the loan documents submitted are correct copies of the actual loan documents to be executed by Developer concurrently with the Closing. If the Lender requires an Intercreditor and Subordination Agreement between or among Primary Lender, Authority, City, and/or Developer, Authority, City and counsel, which instrument(s) are subject to their reasonable review and approval and subject to one or more of the conditions set forth in Section 4.15.6 necessary for the Primary Construction Loan to be a title-insured first monetary lien on the Phase II Development.
- (c) Developer Financial Statement. A current certified financial statement of Developer (and all partners and members thereof, except the Investor Limited Partner) and/or other documentation satisfactory to Authority as evidence of other sources of capital sufficient to demonstrate that Developer has adequate funds to cover the difference, if any, between construction and completion costs, and the financing authorized by the Tax Credits, Primary Construction Loan, County PLHA Loan proceeds, and any additional subsidies, sources of funding, or financing obtained by Developer for the development through completion of the Phase II Development.
  - (d) Construction Contract. Copies of the construction contract(s).

Authority and City, which may act through the Executive Director in consultation with counsel, shall have the right to approve or disapprove such evidence of financing within fifteen (15) business days of submission by Developer to Authority of all complete items required by this Section 4.15 or as otherwise reasonably imposed by Developer's financing and such approval or disapproval shall be provided not less than fifteen (15) business days prior to the date scheduled for the Closing (so long as Authority has had no fewer than thirty (30) days for review of a complete submittal). Failure by Authority to approve evidence of financing shall constitute disapproval. In this regard, Developer agrees it shall use best efforts to cause its Primary Lender for the Primary Construction Loan to timely provide complete drafts of documents in Word format for review by

Authority and its legal counsel to perform within such time frames. Approval shall not be unreasonably withheld or conditioned. If Authority or City disapproves any such evidence of financing, Authority or City, as applicable, shall do so by written notice to Developer stating the reasons for such disapproval and Developer shall promptly obtain and submit to Authority and City new evidence of financing within reset but equal time periods. If Developer's submission of new evidence of financing is timely and complete and provides Authority with adequate time to review such evidence within the times established in this Section 4.15, Authority and City shall approve or disapprove such new evidence of financing in the same manner and within the same times established in this Section 4.15 for the approval or disapproval of the evidence of financing as submitted to Authority and City initially. The Closing for the Phase II Conveyance shall be extended as necessary to accommodate the time necessary to obtain the Authority, City, and their counsel's approval hereunder.

The evidence of financing shall be deemed to be an ongoing representation by Developer that the sum total of all sources of financing are at least equal to the amount of the approved Phase II Development costs as set forth in the Final Development Budget for the Phase II Development and that such Final Development Budget conforms to the Base Pro Forma (as if reasonably approved for adjustment by the Authority and City) and conforms to the preliminary reservation of 9% Tax Credits, and any and all updates thereto submitted by Developer to and approved by TCAC. Once the complete evidence of financing is approved by Authority and City, Developer shall promptly notify Authority in writing of any change in, additional conditions to, or additional sources of financing, including without limitation, the award of other or additional state or federal Tax Credits, and any updates or additional information material or relevant to such financing and/or the Tax Credits. The representations made by Developer with respect to the budgets and costs for the Phase II Development and the sources of funding and method of financing for the Phase II Development, inclusive of all submittals and information related to the Tax Credits, were and remain the basis used by Authority to negotiate the financial terms of this Agreement.

- (e) Tax Credit Equity. The following requirements must be satisfied in order for the Investor Limited Partner's equity investment and financing for Tax Credit funding to implement the Phase II Development, which is subject to review and approval by the Authority and City pursuant to this Section 4.15:
- (i) The parties acknowledge that Developer and/or Kingdom may be required by third party lenders to provide an operating deficit guaranty, tax credit recapture guaranty, and/or other guaranties that may be required with respect to the Investor Limited Partners' investment in the Phase II Project. So long as such the terms, conditions and requirement for such guaranty(ies) is/are reasonably consistent with industry standards at such time for comparable affordable housing transactions; and if so reasonably necessary for such lender financing, the execution of such guaranty(ies) shall be an additional Condition Precedent for the purposes of each of Section 3.2.
- (ii) Developer shall submit, if not already submitted to Authority and City as described above in this Section 4.15, the following documents as evidence of financing prior to the time set forth in the Schedule of Performance for the recording of documents, but not later than the Closing: (A) copy(ies) of legally binding, firm and enforceable loan commitment(s) or approval(s) obtained by Developer from unrelated financial institutions for the mortgage loan or loans for financing to fund the construction of the Phase II Development, subject to such lenders' reasonable, customary and normal conditions and terms, (B) a Limited Partnership Agreement or

funding agreement from the Investor Limited Partner in the Phase II Development that demonstrate that Developer has sufficient funds for such construction, and that such funds have been committed to such construction, and a current financial statement of Developer, (C) a copy of a Preliminary Reservation of Tax Credits from the California Tax Credit Allocation Committee for Tax Credits for the construction of the Phase II Development, (D) a binding agreement for the purchase of the Tax Credits, and/or (e) other documentation satisfactory to Authority as evidence of other sources of capital, all of which together are sufficient to demonstrate that Developer has adequate funds to construct and complete the Phase II Development.

(iii) The equity investment of the Investor Limited Partner shall not be less than the approximate prevailing price for 9% Tax Credits at such time, taking into consideration all relevant factors such as timing of required payments and amount of the Tax Credits.

**4.15.3** No Encumbrances Except Approved Mortgages and Deeds of Trust for Development and Operation of the Phase II Project. In addition to the deed of trust and related instruments evidencing and securing the approved Primary Construction Loan, the Authority Loan Deed of Trust, and the deed of trust securing the County PLHA Loan, other or additional mortgages and deeds of trust recorded against the Phase II Site are permitted before the completion of the Phase II Development only with the Authority and City's prior written approval, but only for the purpose of securing loans of funds to be used for additional financing to cause completion of construction of the Phase II Development. After and upon issuance of the Certificate of Completion/Release of Construction Covenants, the same procedure shall be undertaken by Developer to submit a proposed financing package for the Primary Permanent Loan to be issued by an approved Primary Lender. In no event shall the amount or amounts of indebtedness secured by mortgages or deeds of trust on the Phase II Site exceed the projected Developer's cost, as evidenced by the Base Pro Forma, and an approved and updated project pro forma. Developer shall notify Authority and City prior to entering into or causing recordation of any mortgage, deed of trust, if Developer proposes to enter into the same before completion of the construction of the Phase II Development.

**4.15.4** Holder Not Obligated to Construct Improvements. The holder of any mortgage or deed of trust on the Phase II Site authorized by this Agreement shall not be obligated by the provisions of this Agreement to construct, complete, or operate the Phase II Development or any portion thereof, or to guarantee such construction, completion or operation; nor shall any covenant or any other provision in this Agreement be construed so to obligate such holder. Nothing in this Agreement shall be deemed to permit or authorize any such holder to devote the Phase II Site to any uses or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

4.15.5 Notice of Default to Mortgagee or Deed of Trust Holders; Right to Cure. With respect to any mortgage or deed of trust granted by Developer as provided herein, whenever Authority or City may deliver any notice or demand to Developer with respect to any breach or default by Developer under this Agreement, Authority and/or City shall at the same time deliver to each holder of record of any mortgage or deed of trust authorized by this Agreement a copy of such notice or demand; provided that the failure to notify any holder of record shall not vitiate or affect the effectiveness of notice to Developer. Each such holder shall and the Investor Limited Partner (insofar as the rights granted by Authority are concerned) have the right, at its option, within sixty (60) days after the receipt of the notice, or such longer time as expressly provided for a cure under this Agreement, to cure or remedy or commence to cure or remedy and thereafter to pursue with due diligence the cure or remedy of any such default and to add the cost

thereof to the mortgage debt and the lien of its mortgage or deed of trust, as may be applicable. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the Phase II Development, or any portion thereof (beyond the extent necessary to conserve or protect the improvements or construction already made) without first having expressly assumed Developer's obligations to Authority and City by written agreement reasonably satisfactory to Authority and City. The holder, in that event, must agree to complete, in the manner provided in this Agreement, the improvements to which the lien or title of such holder relates, but on a schedule which takes into account the time reasonably required for the holder to obtain title to and possession of the Phase II Site, analyze and negotiate amendments to plans, specifications, construction contracts and operating contracts or to negotiate new construction contracts and operating contracts. Any such holder properly completing such improvement shall be entitled, upon compliance with the requirements of Section 4.13 of this Agreement, to a Certificate of Completion/Release of Construction Covenants. It is understood that a holder or Investor Limited Partner shall be deemed to have satisfied the sixty (60) day time limit set forth above for commencing to cure or remedy a Developer default that requires title and/or possession of the Phase II Site (or portion thereof) if and to the extent any such holder or Investor Limited Partner has within such sixty (60) day period commenced proceedings to obtain title and/or possession and thereafter the holder or Investor Limited Partner diligently pursues such proceedings to completion and cures or remedies the default. The Authority and City will accept, for purposes of this Agreement, a cure made by the holder or Investor Limited Partner as if performed by Developer.

- 4.15.6 Failure of Holder to Complete Improvements. In any case where, sixty (60) days after the holder of any mortgage or deed of trust creating a lien or encumbrance upon the Phase II Site or any part thereof receives a notice from Authority of a default by Developer in completion of construction of any of the Phase II Development under this Agreement, and such holder is not vested with ownership of the Phase II Site and has not exercised the option to construct as set forth in Section 4.15, or if it has exercised the option but has defaulted hereunder and failed to timely cure such default, in addition to such other rights and remedies as Authority shall have, Authority may purchase the mortgage or deed of trust by payment to the holder of the amount of the unpaid mortgage or deed of trust debt, including principal and interest and all other sums secured by the mortgage or deed of trust. If the ownership of the Phase II Site or any part thereof has vested in the holder, Authority, if it so desires, shall be entitled to a conveyance from the holder to Authority upon payment to the holder of an amount equal to the sum of the following:
- (a) The unpaid mortgage or deed of trust debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);
- (b) All expenses with respect to foreclosure including reasonable attorneys' fees;
- (c) The net expense, if any, incurred by the holder as a direct result of the subsequent management of the Phase II Site or part thereof;
  - (d) The costs of any improvements made by such holder;
- (e) An amount equivalent to the interest that would have accrued at the rate(s) specified in the holder's loan documents on the aggregate of such amounts had all such

amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by Authority; and

(f) Any customary prepayment charges imposed by the lender pursuant to its loan documents and agreed to by Developer.

The foregoing rights shall supplement and not limit Authority's rights as landlord under the Authority Deed of Trust or by operation of law.

- 4.15.7 Right of Authority and/or City to Cure Mortgage or Deed of Trust Default. In the event of a mortgage or deed of trust default or breach by Developer whether prior to or after the completion of the construction of any of the Phase II Development or any part thereof (continuing until the expiration of the term of the City Covenants and Authority Regulatory Agreement), Developer shall immediately deliver to Authority and City a copy of any mortgage holder's notice of default. If the holder of any mortgage or deed of trust has not exercised its option to construct, Authority and City, each independently and/or jointly, shall have the right but no obligation to cure the default. In such event, each and both Authority and City shall be entitled to reimbursement from Developer of all proper costs and expenses incurred by Authority and/or City in curing such default.
- (a) Developer agrees to provide documentation evidencing the relinquishment of any and all rights to the Phase II Development and under the Authority Deed of Trust in such event; provided that the failure to provide such documentation shall not be construed to mean that Developer retains any rights under the Agreement or the Authority Deed of Trust.
- **4.15.8 Priority Among Covenants**. The priority among and order of recording shall be: City Covenants, Authority Regulatory Agreement, County Regulatory Agreement, each which shall be and remain senior and nonsubordinate to each and all monetary liens.

# 4.16 Intentionally Omitted.

- **4.17 Cost Savings Obligation; Excess Tax Credits Obligation**. Developer hereby agrees to apply Cost Savings in connection with the Phase II Development in an amount to be determined based on the Audit to be conducted upon completion of construction for the Phase II Development (unless sooner applied to fund the Capital Replacement Reserve or the Operating Reserve). Disbursement of the Cost Savings is to be made at the time set forth therefor in Section 4.17.1, below.
- 4.17.1 Audit to Determine Cost Savings and Shared Cost Savings. The actual amount of "Cost Savings" (as defined below) to be disbursed upon an Audit, as hereafter defined and described. Developer shall apply the Cost Savings toward the Capital Replacement Reserve and/or the Operating Reserve, and thereafter any remaining amount as Gross Revenues as defined herein, an amount equal to the Cost Savings remaining after satisfaction in full of the Developer Fee and the Cost Overrun Amounts (which resulting amount shall constitute the "Shared Cost Savings"). Within one hundred eighty (180) days following the completion of construction of the Phase II Development, as evidenced by issuance of the final certificate of occupancy by the City's building official, Developer shall cause its certified public accountant(s) to perform a draft cost certification of the costs of the Phase II Development in accordance with the requirements of the Tax Credits, and generally accepted accounting procedures (GAAP) and generally accepted auditing standards (herein,

referred to as "Audit"). If the Audit determines that the total sources of permanent financing for the Phase II Development (including long-term permanent debt and equity) exceed the total development cost for the Phase II Development (including, without limitation, all hard and soft costs and all onsite and offsite improvements required in connection with the development of the Phase II Development, including the Developer Fee), such excess shall be considered the "Cost Savings" for the Phase II Development.

- **4.17.2 Payment of Shared Cost Savings**. The Shared Cost Savings, once determined by the Audit pursuant to Section 4.17.1, if any, shall be due and shall be applied by Developer in the following order, toward (i) Capital Replacement Reserve, (ii) Operating Reserve (provided that the amount in the Operating Reserve shall not exceed the amount required by the Primary Lender), (iii) with any excess available evenly to be applied toward (A) remaining unpaid Deferred Developer Fee, if any, and (B) pay down of the Authority Loan.
- **4.17.3 Timing of Payment of Shared Cost Savings**. Unless sooner disbursed pursuant to the foregoing portion of this Section 4.17, the Shared Cost Savings shall be applied by Developer upon conversion to permanent loan and completion of construction, concurrent with the closing of the Primary Permanent Loan or, if earlier, at such time as Developer receives its final Tax Credit equity payment for the Phase II Development.

### 5. COVENANTS AND RESTRICTIONS.

5.1 Use Covenants. Developer covenants and agrees for itself, its successors, assigns, and every successor in interest to the Phase II Site or any part thereof, that Developer shall devote the Phase II Site to the uses specified in and shall operate in conformity with this Agreement, the Authority Grant Deed, City Covenants, Authority Regulatory Agreement, Authority Deed of Trust and Notice of Affordability Restrictions, whichever is the more restrictive in each case unless expressly provided to contrary effect herein. All uses conducted on the Phase II Site, including, without limitation, all activities undertaken by Developer pursuant to this Agreement, shall conform to the Entitlement, the City Code, and other applicable laws and regulations.

## **5.2** Affordable Housing Requirements.

- **5.2.1 Affordable Housing for all Housing Units**. During the Affordability Period, Developer agrees to make available, restrict occupancy to, and lease each and all of the thirty-two (32) Housing Units at the Prescribed Income Levels and at an Affordable Rent to the tenant households occupying the Housing Units.
- **5.2.2 Duration of Affordability Requirements**. The Housing Units shall be maintained as rental units available at the Prescribed Income Levels at an Affordable Rent for the Extremely Low Income Households, Very Low Income Households, and Low Income Households throughout the fifty-five (55) year Affordability Period, as more particularly set forth in each of the City Covenants and the Authority Regulatory Agreement.
- **5.2.3** Selection of Tenants; Special Limitations as to Eligible Households. Developer shall be responsible for the selection of tenants for the Housing Units in compliance with the criteria set forth in Sections 5.2 and 5.3 of this Agreement.

- 5.2.4 Income of Tenants. Each tenant household shall qualify as an Eligible Household, either as an Extremely Low Income Household, Very Low Income Household (40%, 45%, 50% AMI, as applicable), or, Low Income Household, in accordance with the Prescribed Income Levels for the Housing Units, and shall meet all other requirements established for tenancy and occupancy of the corresponding Housing Unit. Developer shall obtain a certification from, and verify, each tenant household renting or leasing a Housing Unit that substantiates compliance with the Prescribed Rent Level applicable to his/her/their Housing Unit. Prior to the rental or lease of any Housing Unit on the Phase II Site to a tenant, and annually thereafter, Developer shall submit to Authority or its designee, at Developer's expense, a completed income computation, certification and verification form, substantially in the form of Attachment No. 12.
- **5.2.5 Determination of Affordable Rent for the Housing Units**. All Housing Units shall be rented at an "Affordable Rent" as defined in this Agreement.
- (a) Affordable Rent; Relationship to County PLHA Requirements and Other Requirements. Notwithstanding any other provisions of this Agreement, to the extent that the County Regulatory Agreement or limitations of the PLHA Program relating to monthly rent for the Housing Units ("PLHA Units") are more restrictive with respect to the requirements applicable to tenant selection, tenant income levels and unit rent levels than as provided in this Agreement and the City Covenants, Authority Regulatory Agreement, and Notice of Affordability Restrictions, compliance with the most restrictive provisions shall not be a default hereunder.
- (i) In the event Developer is required, as a condition of funding imposed by entities other than City or Authority, to cause more restrictive covenants relating to rent and/or income qualification for tenant households of the Housing Units, the attachments to this Agreement shall be modified to reflect such greater, more restrictive covenants.
- (b) While it is anticipated that the rent standards under the Tax Credit Rules will be less restrictive, i.e., allow for a higher monthly rent, than those otherwise allowable under HSC 50052.5 and 50053; nonetheless, it is the responsibility of Developer to comply with the definition of Affordable Rent and all affordable housing standards herein.

## **5.3** Verifications.

- **5.3.1 Income Verification**. Developer shall verify the gross household income, including all sources of income and valuation of assets, of each and all proposed and existing tenant household (all adult members thereof) of the Housing Units developed and operated on the Phase II Site.
- **5.3.2 Annual Reports.** Following the issuance of the Certificate of Completion/Release of Construction Covenants, and on or before June 15 of each Year and throughout the Affordability Period, Developer, at its expense, shall submit to Authority or its designee the reports in the manner described by Health and Safety Code Section 33418, as the same may be amended from time to time, with each such report to be in the form prescribed by Authority. Each annual report shall cover the immediately preceding Year.
- (a) Developer shall maintain on file each tenant's executed lease and Income Verification and rental records for all Housing Units on the Phase II Site. Developer shall maintain complete and accurate records pertaining to the Housing Units and shall permit any duly

authorized representative of Authority and/or City to inspect the books and records of Developer pertaining to this Agreement and the Housing Units (and Phase II Project overall) upon reasonable advance notice of not less than twenty four (24) hours and during normal business hours. Following the issuance of the Certificate of Completion/Release of Construction Covenants, and on or before June 15 of each Year and throughout the Affordability Period, Developer shall prepare and submit to Authority and City an annual report that evidences (i) compliance with the applicable Prescribed Rent Level for each and all Housing Units, (ii) Affordable Rent charged, (iii) security deposit on account, (iv) additional charges, if any, (v) whether the tenant holds a Portable Voucher (or is a designated County PBV unit), (vi) the total number of occupants, with names, ages of all adults and minors, whether any household member is elderly (age 55 or older) disabled, or with other special needs, (vii) gross household income and itemized by the adult occupants of the household, and (viii) any other pertinent information that may be used to determine compliance with the terms of this Agreement.

(b) Also while the Authority Loan remains outstanding and for not less than the Tax Credit Compliance Period, in the annual report Developer shall include a statement of amounts payable by Developer under the Authority Loan Note, Authority Deed of Trust, and this Agreement, all supported by an Audited Financial Statement prepared by an independent accounting firm reasonable acceptable to Authority that sets forth information in detail sufficient for adequate review by Authority for the purposes of confirming those amounts payable by Developer to Authority as well as showing the general financial performance of the Phase II Project ("Annual Financial Report").

(i) Each Annual Financial Report shall include a profit and loss statement showing Gross Revenues, Operating Expenses, Debt Service, Capital Replacement Reserve, Operating Reserve, and Rental Receipts, payments of fees and any other remuneration to Developer all certified by the Audited Financial Statement. In the event the amounts reported or paid deviate by five percent (5%) or more from that amount determined to be owing upon review of Developer's submittal, Developer shall reimburse Authority for its cost to review (which may require engagement of auditors) and collect the amounts owing; such amounts shall, until paid, be added to the amounts payable to Authority during the first succeeding Year. Developer agrees to maintain records in businesslike manner, and to maintain such records for the Affordability Period.

(ii) The income and rent restrictions provided for hereunder are intended and shall be maintained in a manner sufficient to satisfy the provisions of Health and Safety Code Section 33413(b) without regard to whether such statute is applicable as a matter of law.

(iii) In addition, as part of its annual report, Developer shall also provide to Authority completed income computation, asset evaluation, and certification forms, for any such tenant or tenants, in substantially the form provided by Authority from time to time. Developer shall obtain an annual certification from each household of each Unit demonstrating that such household is an Extremely Low Income Household, a Very Low Income Household or a Low Income Household, as applicable, and meets the Prescribed Income Level and complies with the Affordable Rent requirements established for each Housing Unit. Developer shall verify the income certification of each tenant household. In order to comply with this Section 5.3.2, Developer shall submit to Authority any and all tenant income and occupancy certifications and supporting documentation required to be submitted to TCAC pursuant to the Tax Credit Rules and the Tax Credit Regulatory Agreement for the Phase II Development; provided, Authority may request (and Developer shall provide) additional documentation to assist Authority's evaluation of Developer's

compliance with this Agreement, if determined to be necessary in the reasonable discretion of the Executive Director, specifically including (without limitation) any documentation or additional certifications that may be necessary to verify compliance with the requirements applicable to all funding sources, and each tenant's status as to each Housing Unit as an Eligible Household. This requirement is in addition to and does not replace or supersede Developer's obligation to annually submit the Certificate of Continuing Program Compliance to Authority during the Affordability Period. Further, Authority and City have the right, but not the obligation to monitor compliance with respect to each tenant household at the Phase II Project, and Authority and/or City's election to monitor some, but not all, of the Housing Units shall not constitute a waiver of Authority or City's right to monitor and enforce compliance with respect to all Housing Units in the future.

- **5.3.3** Verification of Income of New and Continuing Tenants. Gross household income calculations for each and all prospective and continuing tenants shall be determined in accordance with 25 Cal. Code Regs. Section 6914 or as required by the Tax Credit Rules. Developer shall verify the income and information provided in the income certification of the proposed tenant as set forth below.
- (a) Developer shall verify the income of each proposed tenant of the Phase II Project and by at least one of the following methods as appropriate to the tenant, whether prospective or continuing tenant:
- (i) obtain two (2) paycheck stubs from each adult household member's two (2) most recent pay periods;
- (ii) obtain a true copy of an income tax return from each adult household member for the most recent tax year in which a return was filed;
- (iii) obtain an income verification certification from the employer of each adult household member;
- (iv) obtain an income verification certification from the Social Security Administration and/or the California Department of Social Services if one or more household member(s) receive(s) assistance from such agencies; or
- (v) obtain an alternate form of income verification reasonably requested by Authority or City, if none of the above forms of verification is available to Developer; or
- **5.3.4 Retention of Tenant Documentation**. Developer shall retain documentation regarding the eligibility of each tenant household for a period of not less than five (5) years.
- **5.3.5** Annual Authority Monitoring Charge. Developer shall pay to Authority the sum of One thousand Six Hundred Dollars (\$1,600.00) per Year (i.e., Fifty Dollars (\$50.00) per Housing Unit) payable on or before June 15 of each Year following completion of the Phase II Development. The amount paid to Authority under this Section 5.3.5 collectively constitute the Annual Authority Monitoring Charge.
- **5.4 Maintenance of Phase II Site**. Developer agrees for itself and its successors in interest to the Phase II Site, to maintain the improvements on the Phase II Site in conformity with the

City Code and the conditions set forth in the Entitlement, City Covenants, Authority Regulatory Agreement, and Notice of Affordability Restrictions, and shall keep the Phase II Site free from any accumulation of debris or waste materials. During such period, Developer shall also maintain the landscaping planted on the Phase II Site in a healthy condition.

- **5.4.1 Maintenance Standards**. Developer and its maintenance staff, contractors or subcontractors shall comply with the following standards as to the Phase II Development (collectively, "Maintenance Standards"):
- (a) The Phase II Project shall be maintained in conformance and in compliance with the approved final as-built plans, and reasonable Maintenance Standards that comply with industry standards (industry standards applicable at such time) for High Quality affordable housing projects in Riverside County, California. In this regard the standard of maintenance and upkeep of the Phase II Development (interior and exterior), hardscape, and landscaping shall be commensurate with other High Quality affordable housing projects in Riverside County at such relevant time during the compliance periods required under this Agreement; provided however, when determining comparable High Quality affordable housing projects, the age of the improvements shall be considered; provided that nothing in such comparison shall modify, expressly or impliedly, the maintenance and property management standards set forth in this Section 5.4.1 and otherwise in this Agreement.
- (b) Landscape maintenance shall include, but not be limited to: watering/irrigation; fertilization; mowing; edging; trimming of grass; tree and shrub pruning; trimming and shaping of trees and shrubs to maintain a healthy, natural appearance and safe road conditions and visibility, and irrigation coverage; replacement, as needed, of all plant materials; control of weeds in all planters, shrubs, lawns, ground covers, or other planted areas; and staking for support of trees.
- (c) Clean-up maintenance shall include, but not be limited to: (i) maintenance of all sidewalks, paths and other paved areas in clean and weed-free condition; (ii) maintenance of all such areas clear of dirt, mud, trash, debris or other matter which is unsafe or unsightly; (iii) removal of all trash, litter, bulky items, and other debris from improvements and landscaping prior to mowing; (iv) clearance and cleaning of all areas maintained prior to the end of the day on which the maintenance operations are performed to ensure that all cuttings, weeds, leaves, debris, and other discarded items are properly disposed of by maintenance workers.
- (d) Repair maintenance includes work to fix, repair, or correct exterior conditions of the Housing Units, common areas, parking, and overall Phase II Project, including: (i) painted surfaces, materials, other surfaces, and all onsite amenities are maintained free from fading, peeling, chipping, cracked surfaces, holes or other damage; and (ii) all broken fixtures, lights, and other improvements are repaired or replaced.
- (e) Repair maintenance also includes work to repair and fix broken or other non-functional appliances (only those provided by Developer as part of a Housing Unit), plumbing, electrical, HVAC and structural improvements of the interiors of the Housing Units at the Phase II Development consistent with property management standards required herein, subject to exclusions referenced in a tenant's lease for damages such as that caused by tenant's intentional action or inaction from misuse or neglect within the Housing Unit.

- 5.4.2 **Notice re Non-Compliance.** Authority and/or City agrees to notify Developer in writing (including by email) if the conditions of the Phase II Development or Phase II Site do not meet with the Maintenance Standards and to specify the deficiencies and the actions required to be taken by Developer to cure the deficiencies. Upon notification of any maintenance deficiency, Developer shall have thirty (30) days within which to correct, remedy or cure the deficiency. If the written notification relates to a problem that is urgent and relating to the public health and safety as reasonably determined in writing by the police department, fire department, department of public works, building department or other first responder public agency, then Developer shall have forty-eight (48) hours (or any such longer time as may be reasonable under the circumstances) to rectify the problem. In the event Developer does not maintain the Phase II Site and Phase II Development in the manner set forth herein and in accordance with the Maintenance Standards, Authority and City shall have, in addition to any other rights and remedies hereunder, the right to maintain the Phase Site and Phase II Development, or to contract for the correction of such deficiencies, after written Notice to Developer, and Developer shall be responsible for the payment of all such costs incurred by Authority and/or City.
- **5.4.3 Program Maintenance**. In addition to the routine maintenance and repair required pursuant to Section 5.4 above, Developer shall perform the following minimum programmed maintenance of the Phase II Development on the Phase II Site:
- (a) Interior painting and window covering replacement at least every seven (7) Years, unless such improvements would be substantially disruptive to a vulnerable resident occupant, in which case, Developer shall perform as work at the earliest feasible opportunity;
- (b) Exterior painting at least every ten (10) Years, unless the exterior is of a material which the manufacturer recommends to not be painted;
- (c) Repair and resurfacing of parking areas and walkways at least every ten (10) Years;
- (d) Replacement of all deteriorated or worn landscaping at least every five (5) Years; and
- (e) Replacement of all deteriorated or worn recreational equipment at least every ten (10) Years.

Notwithstanding the foregoing, if the Executive Director reasonably determines that the Phase II Development suffers from excess unexpected wear and tear requiring any of the above items of maintenance to be performed sooner than as set forth above, Authority may require that such maintenance actions be performed within a reasonable time, even if sooner than the time periods set forth above. Upon the request of Developer, the Executive Director, at his or her sole and absolute discretion, may grant a waiver or deferral of any program maintenance requirement. Developer shall keep such records of maintenance and repair as are necessary to prove performance of the program maintenance requirements.

**5.4.4 Occupancy Limits**. To the greatest extent allowed by law, the maximum occupancy of the Housing Units in the Phase II Development shall not exceed more than such number of persons as is equal to two persons per bedroom, plus one. Thus, for a one (1) bedroom

Unit, the maximum occupancy shall not exceed three (3) persons, and for a two (2) bedroom Unit, the maximum occupancy shall not exceed five (5) persons.

# 5.5 Management of the Phase II Project.

**Property Manager**. Developer shall manage or cause the Phase II Site and Phase II Development in a prudent and business-like manner, consistent with good property management standards for other High Quality affordable housing projects in Riverside County, California. Developer may contract with a property management company or property manager, to operate and maintain the Phase II Project in accordance with the terms of this Section 5.5 ("Property Manager" or alternatively, "Phase II Site Manager"); provided, however, the selection and hiring of the Phase II Site Manager (and each successor or assignee), including any Affiliate, is and shall be subject to prior written approval of the Executive Director (or designee) in his discretion. The initial Phase II Site Manager shall be AWI Management Corporation. The Phase II Site Manager shall manage the Phase II Project in accordance with the definition of Affordable Rent, at the Prescribed Income Levels, in compliance with the tenant selection requirements,. Any fee paid to the Phase II Site Manager for social services provided to the tenants shall be exclusive of the fee paid to the Phase II Site Manager relating to the management of the Phase II Project. Developer shall conduct due diligence and background evaluation of any potential third party property manager or property management company to evaluate experience, references, credit worthiness, and related qualifications as a property manager. Any proposed property manager shall have significant and relevant prior experience with affordable housing projects and properties comparable to the Phase II Project and the references and credit record of such property manager/company shall be investigated (or caused to be investigated) by Developer prior to submitting the name and qualifications of such proposed property manager to the Executive Director for review and approval. A complete and true copy of the results of such background evaluation shall be provided to the Executive Director. Approval of a Property Manager by Executive Director shall not be unreasonably delayed but shall be in his/her sole reasonable discretion, and the Executive Director shall use good faith efforts to respond as promptly as practicable in order to facilitate effective and ongoing property management of the Phase II Project. The replacement of a Property Manager by Developer and/or the selection by Developer of any new or different Property Manager during the Affordability Period shall also be subject to the foregoing requirements.

Closing of the Phase II Conveyance, Developer shall prepare and submit to the Executive Director for review and approval, a management plan for the Phase II Project that includes a detailed plan and strategy for long term marketing, operation, maintenance, repair and security of the Phase II Project, inclusive of social services for the residents of the Housing Units, and the method of selection of tenants, rules and regulations for tenants, and other rental policies for the Phase II Project ("Property Management Plan"). Executive Director shall review and shall act reasonably to approve or disapprove the Phase II Site Management Plan within a reasonable time. Subsequent to approval of the Phase II Site Management Plan by the Executive Director, the ongoing management and operation of the Phase II Project shall be in compliance with the approved Property Management Plan. During the Affordability Period, Developer and its Property Manager may from time to time submit to the Executive Director proposed amendments to the Phase II Site Management Plan, the implementation of which shall also be subject to the prior written approval of the Executive Director.

**5.5.3** Gross Mismanagement. During the Affordability Period, and in the event of "Gross Mismanagement" (as defined below) of the Phase II Project, and Authority and City

(acting through the Executive Director) shall have and retain the authority to direct and require any condition(s), acts, or inactions of Gross Mismanagement to cease and/or be corrected immediately, and further to direct and require the immediate removal of the Phase II Site Manager and replacement with a new qualified and approved Property Manager, if such condition(s) is/are not ceased and/or corrected after expiration of thirty (30) days from the date of written Notice from the If Developer or Property Manager has commenced to cure such Gross Executive Director. Mismanagement condition(s) on or before the 20<sup>th</sup> day from the date of written Notice (with evidence of such submitted to the Executive Director, as applicable), but has failed to complete such cure by the 30<sup>th</sup> day (or such longer period if the cure cannot reasonably be accomplished in thirty (30) days as reasonably determined by the non-defaulting party), then Developer and its Property Manager shall have an additional 10 days to complete the cure of Gross Mismanagement condition(s). In no event shall any condition of Gross Mismanagement continue uncured for a period exceeding fortyfive (45) days from the date of the initial written Notice of such condition(s), except that the conditions described in subdivisions (d) and (e) below may exist for up to, but no longer than, sixty (60) days without triggering Authority's right to remove the Phase II Site Manager as described in the immediately following sentence as long as Developer is diligently working to cure such conditions of Gross Mismanagement. If such condition(s) do persist beyond such period, the Executive Director shall have the absolute right to immediately and without further notice to Developer (or to Property Manager or any other person/entity) to remove the Phase II Site Manager and replace the Phase II Site Manager with a new property manager of Executive Director's selection at the sole cost and expense of Developer. If Developer takes steps to select a new Property Manager that selection is subject to the requirements set forth above for selection of a Property Manager.

- (a) For purposes of this Agreement, the term "Gross Mismanagement" means management of the Phase II Project in a manner which violates the terms and/or intention of this Agreement for operation of a High Quality affordable housing projects, and shall include, but is not limited to, any one or more of the following:
  - (i) Leasing to tenants who exceed the Prescribed Income Levels
- (ii) Leasing to tenants at higher than Affordable Rent, unless authorized by the Tax Credit Rules due to a tenant household becoming over-income;
- (iii) Allowing tenants to exceed the prescribed occupancy levels without taking immediate action to stop such overcrowding;
  - (iv) Under-funding required reserve accounts;
- (v) Failing to timely maintain the Phase II Project in accordance with the Phase II Site Management Plan and Maintenance Standards;
- (vi) Failing to submit timely and/or adequate annual reports to Authority as required herein;
- (vii) Fraud or embezzlement of Phase II Project funds, including without limitation funds in the reserve accounts;
- (viii) Failing to fully cooperate with the Moreno Valley Police Department or other local law enforcement agency(ies) with jurisdiction over the Phase II Project, in

maintaining a crime-free environment within the Phase II Project or in implementing measures recommended by the Moreno Valley Police Department;

- (ix) Failing to fully cooperate with the Moreno Valley Fire Department or other local public safety agency(ies) with jurisdiction over the Phase II Project, in maintaining a safe and accessible environment within the Phase II Project or in implementing measures recommended by the Moreno Valley Fire Department;
- (x) Failing to fully cooperate with the Moreno Valley Planning and Building Department, or other local health and safety enforcement agency(ies) with jurisdiction over the Phase II Project, in maintaining a decent, safe and sanitary environment within the Phase II Project or in implementing measures recommended by the Moreno Valley Planning and Building Department;
- (xi) Maintaining or allowing the Phase II Site to be maintained as a public nuisance or in a manner in conflict with any provision of the City Code; and
- (xii) Spending funds from the Capital Replacement Reserve account for items that are not defined as eligible costs, including eligible capital and/or replacement costs, under the standards imposed by GAAP (and/or, as applicable, generally accepted auditing principles).
- (b) Notwithstanding the requirements of the Phase II Site Manager to correct any condition of Gross Mismanagement as described above, Developer is obligated and shall use its best efforts to correct any defects in property management or operations at the earliest feasible time and, if necessary, to replace the Phase II Site Manager as provided above. Developer shall include advisement and provisions of the foregoing requirements and requirements of this Agreement within any contract between Developer and its Property Manager for the Phase II Project.
- 5.5.4 Code Enforcement. Developer acknowledges and agrees that Authority, City, and their employees and authorized agents, shall have the right to conduct code compliance and/or code enforcement inspections of the Phase II Project and the Housing Units, both exterior and interior, at reasonable times and upon reasonable notice (not less than 48 hours prior notice, except in an emergency) to Developer and/or an individual tenant. If such notice is provided by Authority or City representative(s) to Developer, then Developer (or its Property Manager) shall immediately and directly advise any affected tenant of such upcoming inspection and cause access to the area(s) and/or Housing Units at the Phase II Project to be made available and open for inspection. Developer shall include express advisement of such inspection rights within the lease/rental agreements for each Housing Unit in the Phase II Project in order for each and every tenant and tenant household to be aware of this inspection right.
- **5.6 Nondiscrimination Covenants.** Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection,

location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

Developer shall refrain from restricting the rental, sale or lease of the Phase II Site on the basis of race, color, religion, sex, marital status, ancestry or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

**In leases:** "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

Developer hereby covenants, by and for itself, its successors and assigns, and all persons claiming under or through them, to comply with the following laws relating to nondiscrimination and equal opportunity: (1) The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 *et seq.*; Executive Order 11063, as amended by

Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq.; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 75; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966-1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971-1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).

Developer further covenants, by and for itself, its successors and assigns, and all persons claiming under or through them, not to inquire about the sexual orientation or gender identity of an applicant for, or occupant of, the Phase II Project or any Housing Unit at the Phase II Site, for the purpose of determining eligibility for occupancy of such Housing Units or otherwise making such Housing Units available. This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit any individual from voluntarily self-identifying sexual orientation or gender identity. Further, determinations of eligibility for occupancy of Housing Units at the Phase II Project shall be made in accordance with the eligibility requirements provided for such program by HUD, and such Housing Units shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status.

The covenants established in this Section shall, without regard to technical classification and designation, be binding for the benefit and in favor of Authority and its successors and assigns, and shall remain in effect in perpetuity.

Completion of Construction. Authority is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land, for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided, without regard to whether Authority has been, remains or is an owner of any land or interest therein in the Phase II Site or in the Phase II Development. Authority shall have the right, if the Agreement or any covenants in any agreement pursuant to this Agreement, including without limitation the City Covenants, Authority Regulatory Agreement, Authority Deed of Trust and/or Notice of Affordability Restrictions are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and such covenants may be entitled.

#### 6. DEVELOPER'S GENERAL REPRESENTATIONS AND WARRANTIES.

As a material inducement to each of City and Authority to enter into this Agreement, Developer represents and warrants to each of City and Authority that:

Formation, Qualification and Compliance. Developer (a) is a California limited partnership validly existing and in good standing under the laws of the State of California; (b) has all requisite and the authority to conduct its business and own, purchase, improve and sell its properties. Developer is in compliance in all material respects with all laws applicable to its business and has obtained all approvals, licenses, exemptions and other authorizations from, and has accomplished all filings, registrations and qualifications with any governmental agency that are necessary for the transaction of its business; (c) Developer has and will in the future duly authorize, execute and deliver this Agreement and any and all other agreements and documents required to be executed and delivered by Developer in order to carry out, give effect to, and consummate the transactions contemplated by this Agreement; (d) Developer does not have any material contingent obligations or any material contractual agreements which could materially adversely affect the ability of Developer to carry out its obligations hereunder; (e) there are no material pending or, so far as is known to Developer, threatened, legal proceedings to which Developer is or may be made a party or to which any of its property is or may become subject, which have not been fully disclosed by Developer to Authority and City in this Agreement which could materially adversely affect the ability of Developer to carry out its obligations hereunder; and (f) there is no action or proceeding pending or, to Developer's best knowledge, threatened, looking toward the dissolution or liquidation of Developer and there is no action or proceeding pending or, to Developer's best knowledge, threatened by or against Developer which could affect the validity and enforceability of the terms of this Agreement, or materially and adversely affect the ability of Developer to carry out its obligations hereunder.

Each of the foregoing items (a) to (f), inclusive, shall be deemed to be an ongoing representation and warranty. Developer shall advise each of City and Authority in writing if there is any change pertaining to any matters set forth or referenced in the foregoing items (a) to (f), inclusive.

- **6.2** Execution and Performance of Project Documents. Developer has all requisite authority to execute and perform its obligations under the Phase II Project Documents. The execution and delivery by Developer of, and the performance by Developer of its obligations under, each Project Document has been authorized by all necessary action and do not and will not violate any provision of, or require any consent or approval not heretofore obtained under, any articles of incorporation, by-laws or other governing document applicable to Developer.
- 6.3 Covenant Not to Transfer Except in Conformity. Excepting for the rental of individual Housing Units to the tenant households/occupants in the regular course of business (which rental activity shall not be limited by this Section 6.3), or the sale of a partnership interest to generate proceeds in consideration of the Tax Credits, Developer shall not sell, lease, or otherwise transfer or convey all or any part of the Phase II Site, or any interest therein, unless Developer has first obtained the prior written consent of the Executive Director, which consent may be granted or refused in the Executive Director's sole and absolute discretion; except Authority (or City) shall upon receipt of written request therefor consent to a sale by Developer of its interest in the Phase II Site to Kingdom, the manager of the managing general partner of the Developer, or Rancho Belago Developers, Inc., the manager of the administrative general partner of Developer, after the expiration of the tax credit

compliance period or the buyout by either Kingdom or Rancho Belago Developers, Inc. of the Investor Limited Partner, pursuant to the terms of the Partnership Agreement. In addition, the Investor Limited Partner, and any successor thereto, may, without the prior consent of Authority or City and except as set forth in the senior permitted liens, sell, transfer, assign, pledge, hypothecate, and encumber some or all of its partnership interests in Developer and the same shall not be a violation of this Agreement. Moreover, Developer's and any successor thereto, shall have the right, without the prior consent of Authority and except as set for in the senior permitted liens, to remove any or all of Developer's general partners for cause as permitted under Developer's limited partnership agreement and replace any or all removed general partners with a person or entity determined in the limited partner's sole discretion. Any sale, lease, transfer or conveyance without such consent pursuant to this Section 6.3 shall, at Authority's option, be void. A change in ownership of Developer resulting in the individuals executing this Agreement on behalf of Developer retaining less than fifty-one percent (51%) ownership of all outstanding shares of Developer shall be deemed to violate this Section 6.3. In connection with the foregoing consent requirement, Developer acknowledges that Authority relied upon Developer's particular expertise in entering into this Agreement and continues to rely on such expertise to ensure the satisfactory completion of all of the Phase II Development, and the marketing and rental of the Housing Units to Extremely Low Income Households, Very Low Income Households and Low Income Households to afford the community a long-term, quality affordable housing resource.

# 7. DEFAULTS, REMEDIES, AND TERMINATION.

- 7.1 Default Remedies. Subject to the extensions of time set forth in Section 7.12 of this Agreement, failure by any party to perform any action or covenant required by this Agreement within the time periods provided herein following notice and failure to cure as described hereafter, constitutes a "Default" or "Event of Default" under this Agreement. A party claiming a Default shall give written notice of Default to the other parties specifying the Default. Except as otherwise expressly provided in this Agreement, and without limiting or affecting rights of parties hereto to terminate this Agreement, the claimant shall not institute any proceedings against any other party, and the other parties shall not be in Default if such party within thirty (30) days from receipt of such notice immediately, with due diligence, commences to cure, correct or remedy the specified Default and shall complete such cure, correction or remedy with diligence.
- 7.2 Institution of Legal Actions. In addition to any other rights or remedies and subject to the restrictions otherwise set forth in this Agreement, any party may institute an action at law or equity to seek specific performance of the terms of this Agreement, or to cure, correct or remedy any Default, to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement; provided, that Authority shall have no right, in any event, to impose a lien for monetary damages against the Phase II Site or on any improvements erected from time-to-time on the Phase II Site. Such legal actions must be instituted in the Superior Court of the County of Riverside, State of California.
- **7.3 Termination by Developer**. In the event that as of the time described below (and if no time is described below, the time established therefor in the Schedule of Performance):
- (a) by the time set forth therefor in the Schedule of Performance for the Phase II Conveyance, Developer is not in default under this Agreement and Authority does not execute the Authority Grant Deed and attempt to effect the Phase II Conveyance to Developer in the manner and condition and by the date provided in this Agreement; or

(b) in the event of any Default of Authority and/or City prior to the Phase II Conveyance which is not cured within the time set forth in Section 7.1 hereof; and

any such failure is not cured within the applicable time period after written demand by Developer (or, with respect to (c), above, by the time set forth therein), then this Agreement may, at the option of Developer, be terminated by Notice thereof to Authority and City; provided that Developer shall have delivered to Authority and City the documents required to be delivered to such party(ies) pursuant to Section 4.15 of this Agreement. From the date of the Notice of termination of this Agreement by Developer to Authority and/or City and thereafter, this Agreement shall be deemed terminated as to all parties and there shall be no further rights or obligations among the parties.

- **7.4 Termination by Authority and/or City**. If prior to the time established in the Schedule of Performance for the satisfaction of the Conditions Precedent:
- (a) One or more of the Milestones is not satisfied by the time established therefor; or
- (b) Developer (or any successor in interest) assigns this Agreement or any rights therein or in the Phase II Site in violation of this Agreement; or
- (c) Authority or City receives notification from Developer that there are Materially Adverse Conditions at the Phase II Site or that the condition of the Phase II Site will delay or preclude completion of the Phase II Development; or
  - (d) One of more of the Conditions Precedent is not satisfied; or
- (e) Developer fails to execute (as lessee/covenantee/borrower) the Authority Regulatory Agreement, City Covenants, Authority Grant Deed, Authority Note, Authority Deed of Trust, or Notice of Affordability Restrictions; or
- (f) Developer is otherwise in default of this Agreement and fails to cure such default within the time set forth in Section 7.1 hereof;

then this Agreement and any rights of Developer or any assignee or transferee with respect to or arising out of the Agreement or the Phase II Site (including without limitation all attachments to this Agreement), shall, at the option of Authority, be terminated by Authority and/or City by Notice thereof to Developer. From the date of the Notice of termination of this Agreement by Authority and/or City to Developer and thereafter this Agreement (including without limitations all attachments hereto) shall be deemed terminated and there shall be no further rights or obligations among the parties, except that Authority and/or City may pursue any remedies it/they has/have hereunder.

- 7.5 Acceptance of Service of Process. In the event that any legal action is commenced against Authority and/or City, service of process thereon shall be made by personal service upon the City Clerk and Authority Secretary or in such other manner as may be provided by law. In the event that any legal action is commenced against Developer, service of process on Developer shall be made in such manner as may be provided by law and shall be effective whether served inside or outside of California.
- **7.6 Rights and Remedies Are Cumulative**. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by a party of one

or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by another party.

- 7.7 Inaction Not a Waiver of Default. Any failures or delays by either party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.
- **7.8 Applicable Law**. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.
- 7.9 Covenant Provisions; Certain Amendments. In the event, as a result of the provision of other financing in connection with the Phase II Development, the parties will review and, if requested by Authority, City, and/or the County to amend the covenants and reporting provisions hereof to evidence more restrictive terms and conditions as may be regulated or required by virtue of such other funding. In the event Developer is required by virtue of such other financing to restrict the affordability of Housing Units in a manner more restrictive than as set forth under the form of City Covenants and/or Authority Regulatory Agreement then, from time to time upon receipt of request therefor from the Executive Director, Developer agrees to consent to modifications to incorporate such greater restrictions into each of the City Covenants and the Authority Regulatory Agreement; such request(s) by the Executive Director can be made at any time(s) during the Affordability Period.
- Enforced Delay; Extension of Times of Performance. In addition to specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in Default, and all performance and other dates specified in this Agreement shall be extended, where delays or Defaults are due to: war; insurrection; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; state or national emergency or declaration of major disaster; acts or omissions of another party, or acts or failures to act of City or any other public or governmental agency or entity (excepting that acts or failures to act of Authority or City shall not excuse performance by Authority or City). Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the mutual agreement of Authority and Developer. This Section 7.10 shall not be deemed applicable to the Authority Deed of Trust unless expressly incorporated by reference therein. The existence of any claim of possessory rights as to the Phase II Site or claims for related benefits or assistance, and the failure to obtain an allocation or reservation of tax credits or financing commitments adequate to finance the Phase II Development shall not constitute grounds of enforced delay pursuant to this Section 7.10.

In addition to the foregoing (and without regard to the preceding portion of this Section 7.10), the Executive Director shall have the authority, at his discretion, to approve extensions on behalf of Authority to approve extensions of time not to exceed a cumulative total of three hundred sixty-five (365) days.

- **7.10.1 COVID-19 Acknowledgement**. Each of Developer, Authority and City acknowledge that as of the Date of Agreement, each party is aware of the coronavirus pandemic ("COVID-19"); neither party is required to provide a specific notice to the other party of such event pursuant to this Section 7.10, provided however, such acknowledgement shall not, expressly or impliedly, establish *force majeure* in Developer commencing performance under this Agreement upon the Closing for the Phase II Conveyance; provided, however unforeseen circumstances arising after commencement of performance of this Agreement related to COVID-19 may constitute force majeure so long as such unforeseen circumstances are due to causes beyond the control and without the fault of the party claiming an extension of time to perform.
- (a) Further, the parties are aware that the United States, the State of California, the County of Riverside, the City of Moreno Valley have issued a series of executive orders, adopted resolutions, and issued many and various advisements beginning on or about March 17, 2020 and continuing to the Date of Agreement, and perhaps thereafter, regarding dealing with COVID-19 and pandemic. With regard to public financings of the State of California, the State advised:

"There can be no assurances that the spread of a novel strain of coronavirus called COVID 19 will not materially impact the state and national economies and, accordingly, materially adversely impact the General Fund. While the effects of COVID-19 on the state may be temporary, it appears to be altering the behavior of businesses and people in a manner that may have negative impacts on global and local economies. In addition, stock markets in the U.S. and globally have seen significant recent declines that have been attributed to coronavirus concerns..."

- (b) In this regard, too, the City and the Authority, and related entities (together, "MoVal Entities"), inform Developer, and other stakeholders in this transaction, there can be no assurances that the spread of COVID-19 will not materially impact the MoVal Entities, and, accordingly, materially adversely impact local funding and services, such that there have been and may continue to be delays, interruptions, adjustments, even cessations, in the scope of staffing, services, and other functions performed by local government, as well as federal, State, regional, County functions, provided that nothing in the foregoing is or shall be construed as anticipatory repudiation by the Authority, or any of the MoVal Entities.
- (c) Similarly, Developer informs Authority and City there can be no assurances that the spread of COVID 19 will not materially impact Developer and accordingly, materially adversely impact Developer's performance hereunder, including, without limitation, as a result of the shortage or unavailability of labor, materials and supplies, including as a result of various governmental orders and business closures, such that there may be delays, interruptions, adjustments, even cessations, in Developer's performance hereunder; provided however, in the event of shortage(s) and/or limited availability of labor to Developer in performance of this Agreement, if any, Developer agrees to use its commercially reasonable efforts to cause the procurement of materials and/or supplies, as applicable, and/or cause hiring of labor, as reasonably necessary to cause the shortest feasible and limited shortages, delays, and/or interruptions in performance under this Agreement.
- (d) The parties expect this transaction will proceed timely to the Phase II Conveyance; nonetheless, the parties intend, and are reciprocally entitled to a continuing sense of

security and reliance with regard to the other party's future and continued performance under this Agreement, which both parties hereby acknowledge.

- **7.11** Authority and/or City Approvals and Actions. Whenever a reference is made herein to an action or approval to be undertaken by the Authority or the City, the Executive Director is authorized to act on behalf of Authority and/or City, unless specifically provided otherwise or the law otherwise requires. Authority may designate City and to act on its behalf for some or all purposes of this Agreement, provided that Notice thereof is provided to Developer; such Notice may be modified from time to time by instrument executed by Authority.
- **7.12 Transfers of Interest in Agreement or of Phase II Site**. Except as otherwise set forth in Section 6.3 hereof, this Section 7.12 and all subsections of this Section 7.12, shall apply to transfers occurring or proposed after the Date of Agreement and are subject to the provisions therefor of the City Covenants and the Authority Regulatory Agreement.
- **7.12.1 Prohibition**. The qualifications and identity of Developer are of particular concern to Authority and City. It is because of those qualifications and identity that Authority and City have entered into this Agreement with Developer. For the period commencing upon the date of this Agreement and until the end of the Affordability Period, except as otherwise set forth in Section 6.3 hereof, no voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement, nor shall Developer make any total or partial sale, transfer, conveyance, assignment, subdivision, refinancing or lease of the whole or any part of the Phase II Site or the Phase II Development thereon (excepting the rental Lease of Housing Units to tenants at the Prescribed Income Levels at an Affordable Rent) without prior written approval of Authority or City, except as expressly set forth herein.
- 7.12.2 Permitted Transfers. In the event of a proposed assignment by Developer under subparagraphs 7.12.2 through 7.12.3, inclusive, Developer agrees that at least thirty (30) days prior to such assignment it shall give written notice to Authority and City including a request for approval of such assignment and satisfactory evidence that the assignee has assumed jointly with Developer the obligations of this Agreement. In addition, no consent of Authority or City shall be required in connection with the transfer of the Phase II Site that occurs by foreclosure or deed in lieu of foreclosure of any Permitted Senior Lien to respective holder thereof or to their nominees or assignees exclusive of Developer and Kingdom. The provisions of this Section 7.12.2 shall be limited by those transfers permitted in Section 6.3.
- (a) Any transfers to an entity or entities in which Developer, or either of its general partners, retains a minimum of fifty-one percent (51%) of the ownership or beneficial interest and retains management and control of the transferee entity or entities or relating to the syndication of Tax Credits or after the Tax Credit period, the removal of the Investor Limited Partner.
- (b) The conveyance or dedication of any portion of the Phase II Site to City or other appropriate governmental agency, or the granting of easements or permits to facilitate construction of the Phase II Development.

In the event of a proposed assignment by Developer under subparagraphs 7.12.2 through 7.12.3, inclusive, Developer agrees that at least thirty (30) days prior to such assignment it shall give written notice to Authority and City including a request for approval of such assignment

and satisfactory evidence that the assignee has assumed jointly with Developer the obligations of this Agreement. In addition, no consent of Authority or City shall be required in connection with the transfer of the Phase II Site that occurs by foreclosure or deed in lieu of foreclosure of any Permitted Senior Lien to respective holder thereof or to their nominees or assignees exclusive of Developer and Kingdom.

(c) Notwithstanding Section 7.12.2, in the event Developer desires to effect a Resyndication and refinancing or other transfer of the Phase II Project at a time after the date that is fifteen (15) years from conversion of the Phase II Project under the Tax Credit Rules, then (i) Developer shall repay in full the Authority Loan Note, or (ii) Developer (and its lender(s)) shall enter into negotiations with Authority and City to amend the terms and conditions of the on terms and conditions materially more favorable to the Authority (and City), including without limitation an increase in the interest rate above one percent (1%), as reasonably determined by the Authority in its sole discretion. Further, no Resyndication shall result in amendment of the unit mix at the Prescribed Income Levels unless either (i) such amendment was to cause more, deeper affordability to same, or (ii) unless the Authority and/or City receives adequate additional consideration to cause less affordability and increase in the levels of same.

Authority and City Consideration of Requested Transfer. Authority 7.12.3 and City agree that each will consider in good faith a request made pursuant to this Section 7.12 after the achievement of occupancy of ninety percent (90%) or more of the Housing Units in conformity with this Agreement following the issuance by Authority of a Certificate of Completion/Release of Construction Covenants for the Phase II Development, provided Developer delivers written notice to Authority and City requesting such approval, the City Covenants and the Authority Regulatory Agreement remain in full force and effect. Such notice shall be accompanied by sufficient evidence regarding the proposed assignee's or purchaser's development and/or operational qualifications and experience, its financial commitments and resources, and the financial terms of such assignment and assumption (including the consideration proposed to flow to Developer or Related Entity and/or any of the Principals) in sufficient detail to enable Authority and City to evaluate the proposed assignee or purchaser pursuant to the criteria set forth in this Section 7.12, and as reasonably determined by Authority and City. Notwithstanding the foregoing, the transfer of limited partnership interests to tax credit investors shall not entitle Authority or City to receive compensation (in connection with such transfer to tax credit investors). Authority and City shall evaluate each proposed transferee or assignee on the basis of its development and/or qualifications and experience in the operation of affordable housing developments and facilities comparable to the High Quality Phase II Development, and its financial commitments and resources, and may reasonably disapprove any proposed transferee or assignee, during the period for which this Section 7.12 applies, which Authority and City reasonably determine does not possess sufficient qualifications. An assignment and assumption agreement in form satisfactory to Authority and City's counsel shall also be required for all proposed transfers and/or assignments. Within thirty (30) days after the receipt of Developer's written notice requesting approval of an assignment or transfer pursuant to this Section 7.12, Authority and City shall either approve or disapprove such proposed transfer and/or assignment or shall respond in writing by stating what further information, if any, Authority and City reasonably require in order to determine the request complete and determine whether or not to grant the requested approval. Upon receipt of such a response, Developer shall promptly furnish to Authority and City such further information as may be reasonably requested. In addition, Authority and City will not unreasonably withhold their approval of a transfer made at the conclusion of the tax credit compliance period to Developer and Affiliates upon the removal of the Investor Limited Partner, so long as (i) there are no defaults under this Agreement, (ii) the proposed transferee has reasonable

qualifications and experience in the operation of affordable housing developments in Riverside County that are comparable to the Phase II Development, and (iii) the proposed transferee expressly agrees in an assignment and assumption agreement to be bound by all executory provisions of this Agreement for the Affordability Period.

- **7.12.4** Successors and Assigns. All of the terms, covenants and conditions of this Agreement shall be binding upon Developer and its permitted successors arid assigns. Whenever the term "Developer" is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.
- **7.12.5** Assignment by Authority. Each of Authority and/or City may assign or transfer any of their rights or obligations under this Agreement with the approval of Developer, which approval shall not be unreasonably withheld; provided, however, that Authority may assign or transfer any of its interests hereunder to City at any time without the consent of Developer, and reciprocally City may assign or transfer any of its interest hereunder to the Authority without consent of Developer.
- **7.13** Non-Liability of Officials and Employees of Authority and/or City. No member, official, officer or employee of Authority and/or City shall be personally liable to Developer, or any successor in interest, in the event of any Default or breach by Authority and/or City or for any amount which may become due to Developer or its successors, or on any obligations under the terms of this Agreement.
- 7.14 Relationship Among Authority, City and Developer. It is hereby acknowledged that the relationship among Authority, City and Developer is not that of a partnership or joint venture and that Authority, City and Developer shall not be deemed or construed for any purpose to be the agent of the other. Accordingly, except as expressly provided in this Agreement, including the Attachments hereto, neither Authority nor City shall have any rights, powers, duties or obligations with respect to the development, operation, maintenance or management of the Phase II Development.
- **7.15 Real Estate Brokers**. Authority and Developer each represent and warrant to each other that no broker or finder is entitled to any commission or finder's fee in connection with this transaction, and each agrees to defend and hold harmless the other from any claim to any such commission or fee resulting from any action on its part.
- **7.16 Non-recourse Liability of Developer**. Notwithstanding anything to the contrary in this Agreement or any other Project Document, neither Developer nor any of its partners shall be personally liable for any default, loss, claim, damage, expense or liability to any person and the sole remedy against Developer hereunder shall be limited to its interest in the Phase II Development, excepting that Developer will be responsible for those liabilities of Developer referenced in Sections 4.7.

## 8. MISCELLANEOUS

**8.1 Obligations Unconditional and Independent.** Notwithstanding the existence at any time of any obligation or liability of Authority to Developer, or any other claim by Developer against Authority and/or City, in connection with the Phase II Site, Phase II Development, or otherwise, Developer hereby waives any right it might otherwise have (a) to offset any such obligation, liability

or claim against Developer's obligations under this Agreement (including without limitation the attachments hereto), or (b) to claim that the existence of any such outstanding obligation, liability or claim excuses the nonperformance by Developer of any of its obligations under the Phase II Project Documents.

**8.2 Notices**. All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations hereunder by any party to the others shall be in writing and shall be given either by (i) personal service, (ii) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (iii) mailing in the United States mail, certified or registered mail, return receipt requested, postage prepaid, and addressed as follows:

If to Developer: COURTYARDS AT COTTONWOOD II, L.P.

27700 Kalmia Avenue

Rancho Belago, CA 92555-5200

Attn: James M. Jernigan

With a copy to: CREA Courtyards at Cottonwood, LP

30 South Meridian Street, Suite 400

Indianapolis, Indiana 46204 Attention: Asset Management

With a copy to: Nixon Peabody LLP

799 9<sup>th</sup> Street NW, Suite 500 Washington, DC 20001 Attn: Matthew Mullen

If to Authority: Moreno Valley Housing Authority

14177 Frederick Street

Moreno Valley, CA 92552-0805

Attn: Executive Director

If to City: City of Moreno Valley

14177 Frederick Street

Moreno Valley, California 92552-0805

Attention: City Manager

and a copy to: (which copy shall not constitute notice to Authority or City)

Office of City Attorney 14177 Frederick Street

Moreno Valley, CA 92552-0805

Attention: City Attorney

Stradling Yocca Carlson & Rauth 660 Newport Center Drive, Suite 1600 Newport Beach, California 92660 Attention: Celeste Stahl Brady Addresses for notice may be changed from time to time by written notice to all other parties. All communications shall be effective when actually received; provided, however, that nonreceipt of any communication as the result of a change of address of which the sending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication.

- **8.3** Survival of Representations and Warranties. All representations and warranties in the Phase II Project Documents shall survive the Phase II Conveyance and the rental of the Housing Units and have been or will be relied on by Authority and City notwithstanding any investigation made by Authority and/or City.
- No Third Parties Benefited; AB 987. This Agreement is made for the purpose of setting forth rights and obligations of Developer, Authority and City and no other person shall have any rights hereunder or by reason hereof. There are no third party beneficiaries of this Agreement. Developer acknowledges that, notwithstanding the foregoing portion of this Section 8.4, pursuant to AB 987 and the amendments to Health and Safety Code Section 33334.3 made effective as of January 1, 2008 by that bill, it is possible that violations of the covenants, conditions and restrictions relating to affordable housing contained in the Authority Regulatory Agreement and/or Notice of Affordability Restrictions may now be enforceable not only by Authority and City, but also by each of the persons and/or entities listed in Section 33334.3(f)(7) of the Health and Safety Code, specifically (1) residents of affordable units subject to covenants recorded pursuant to Health and Safety Code Section 33334.3(f)(1) (each, a "Covenanted Unit"), (2) the most recent former residents of such a Covenanted Unit, (3) applicants that are Low Income Households, Very Low Income Households, or Extremely Low Income Households that are denied occupancy of such a Covenanted Unit, and (4) persons that are Low Income Households, Very Low Income Households, or Extremely Low Income Households and who are on a waiting list for occupancy of such a Covenanted Unit. The provisions of AB 987 are to be applicable only to the extent required by law. Nothing in this Section 8.4 or this Agreement (including the Attachments hereto) is intended to provide an enforcement right to any person or entity not specifically made an intended third party beneficiary of this Agreement; any such third party shall be limited in their right to enforce affordability restrictions to the extent provided by Health and Safety Code Section 33334.3(f). Neither Authority nor City make any representation concerning the applicability, vel non, of Section 33334.3 as described in the foregoing portion of this Section 8.4.
- 8.5 Binding Effect; Assignment of Obligations. This Agreement shall bind, and shall inure to the benefit of, City, Developer and Authority and their respective successors and assigns. Developer shall not assign any of its rights or obligations under any Project Document without the prior written consent of the Executive Director, which consent may be withheld in the Executive Director's sole and absolute discretion; provided that the Executive Director shall reasonably consider an assignment to an entity or entities owned or under majority control by Developer or the Principals where Developer pays Authority's and City's costs to review, estimate, process and document such assignment and no other provisions of this Agreement are amended thereby. Any such assignment without such consent shall, at Authority's and/or City's option, be void. In connection with the foregoing consent requirement, Developer acknowledges that Authority and City relied upon Developer's particular expertise in entering this Agreement and continues to rely on such expertise to ensure the satisfactory completion of the Phase II Development and the use of the Housing Units in conformity with this Agreement.
- **8.6 Counterparts**. Any Phase II Project Document may be executed in counterparts, all of which, taken together, shall be deemed to be one and the same document.

8.7 Prior Agreements; Amendments; Consents. This Agreement (together with the other Phase II Project Documents) contains the entire agreement among City, Authority and Developer with respect to the Phase II Site, and all prior negotiations, understandings and agreements with respect to such matters are superseded by this Agreement and such other Phase II Project Documents. No modification of any Phase II Project Document (including waivers of rights and conditions) shall be effective unless in writing and signed by the party or parties against whom enforcement of such modification is sought, and then only in the specific instance and for the specific purpose given. This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement includes pages 1 through 78, plus signature pages S-1 to S-3, and Attachments 1 through 15, which constitutes the entire understanding and agreement of the parties.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements among the parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing by the appropriate authorities of Authority, City and Developer, and all amendments hereto must be in writing by the appropriate authorities of Authority, City and Developer. Whenever this Agreement provides for action by Authority, the Executive Director of Authority may act on behalf of Authority unless the context or applicable law requires otherwise. Whenever this Agreement provides for action by City, the City Manager may act on behalf of City unless the context or applicable law requires otherwise.

- **8.8** Governing Law. All of the Phase II Project Documents shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Developer irrevocably and unconditionally submits to the jurisdiction of the Superior Court of the State of California for the County of Riverside in connection with any legal action or proceeding arising out of or relating to this Agreement or the other Project Documents. Assuming proper service of process, Developer also waives any objection regarding personal or in rem jurisdiction or venue.
- **8.9 Severability of Provisions**. No provision of any Phase II Project Document that is held to be unenforceable or invalid shall affect the remaining provisions, and to this end all provisions of the Phase II Project Documents are hereby declared to be severable.
- **8.10 Headings**. Article and section headings are included in the Phase II Project Documents for convenience of reference only and shall not be used in construing the Phase II Project Documents.
- **8.11** Conflicts. In the event of any conflict between the provisions of this Agreement and those of any other Phase II Project Document, this Agreement shall prevail; provided however that, with respect to any matter addressed in both such documents, the fact that one document provides for greater, lesser or different rights or obligations than the other shall not be deemed a conflict unless the applicable provisions are inconsistent and could not be simultaneously enforced or performed.
- **8.12 Time of the Essence**. Time is of the essence of all of the Phase II Project Documents.
- **8.13** Conflict of Interest. No member, official or employee of Authority and/or City shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law.

- **8.14** Warranty Against Payment of Consideration. Developer warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement.
- 8.15 Developer's Payment and Reimbursement of Authority's Post-Date of Agreement Third Party Costs. Developer shall pay for and reimburse Authority and City, as applicable, for all costs reasonably incurred by Authority and/or City for any and all out of pocket, third party costs, fees, and expenses incurred by Authority and/or City (but not in-house staff time) for attorneys, economic consultants, appraisers, engineers, affordable housing consultants, escrow company fees, title company fees, and other consulting and/or professional services incurred by Authority or City arising from and/or related in any respect to the implementation of this Agreement, the Authority Regulatory Agreement, the City Covenants or any other Project Documents, or the implementation and operation of the Phase II Project from the period of time commencing after the Closing for the Phase II Project through the term of the Affordability Period (together, "Third Party The Third Party Costs may include costs incurred in connection with (a) drafting, negotiation, and execution of post-Closing agreements and implementing documents, if any, (b) post-Closing enforcement of this Agreement, the Regulatory Agreement, City Covenants, Authority Loan Note, Authority Loan Deed of Trust, or other Project Documents, including the following: (i) commencement of, appearance in, or defense of any action or proceeding purporting to affect the rights or obligations of the parties to any Project Documents, and (ii) all claims, demands, causes of action, liabilities, losses, commissions and other costs against which Authority and/or City are indemnified under this Agreement and/or the other Project Documents, provided as to defense of any action which Authority or City have tendered the defense to Developer and Developer fails to defend any such action; and (c) other reasonable costs incurred related to requests for or provision of estoppel certificates, subordination agreements, affordable housing documents, escrow instructions, advisory assistance, amendments, implementation agreements, interpretations, modifications, any other agreements, instruments, documentation, legal advice, economic development/affordable housing advice, or other third party contracts for consulting or professional services necessitated by Authority's, City's or Developer's post-Closing and in implementation of this Agreement, and/or requested by Developer, and/or its Primary Lender, Investor Limited Partner, or other independent contractor or consultant to Developer post-Closing arising from or related in any manner to this Agreement.
- **8.15.1** Payment of Third Party Costs; Survival of Obligation. Within ten (10) calendar days of the submittal by Authority and/or City staff of copies of invoices or billings for Third Party Costs (defined below) incurred, it is and shall be the obligation of Developer to reimburse and pay to Authority one hundred percent (100%) of these Third Party Costs. This reimbursement obligation shall bear interest from the date occurring ten (10) calendar days after Authority gives written demand to Developer at the lesser of the rate of ten percent (10%) per annum, or the maximum rate then permitted by law. This reimbursement obligation shall survive the issuance of the final Noticer of Completion and Release of Construction Covenants for the Phase II Project and termination of this Agreement.
- **8.15.2** Exception to Payment of Post-Effective Date Third Party Costs. Notwithstanding Sections 8.15 above, Developer shall not be responsible to pay and reimburse for Third Party Costs if the costs incurred are attributable to one or more of the following events:
- (a) City Council, Authority Board, Planning Commission, Zoning Administrator, or other City official with discretionary approval and/or disapproval rights over the

Phase II Project or the implementation of this Agreement disapproves, denies, or refuses to take action on an application for a permit or other discretionary application necessary to commence and complete the Phase II Project;

- (b) Default by Authority or City under this Agreement; or
- (c) Any amendment to this Agreement or any other Project Documents that is initiated by Authority and/or City.



**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed on the dates hereinafter respectively set forth.

## **DEVELOPER:**

## COURTYARDS AT COTTONWOOD II, L.P.,

a California limited partnership

By: KDI Courtyards LLC, a California limited liability company, its managing general partner

By: Kingdom Development, Inc., a California nonprofit public benefit corporation, its sole member and manager

By: William Leach, President

By: RBD Cottonwood, LLC, a California limited liability company, its administrative general partner

By: Rancho Belago Developers, Inc., a California corporation, its sole member and manager

By: James M. Jernigan, President

	AUTHORITY:
	MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic
	Ву:
	Mike Lee, Executive Director
ATTEST:	
Jane Halstead, Authority Secretary	_
APPROVED AS TO FORM:	
STRADLING YOCCA CARLSON & R	AUTH
Celeste Stahl Brady, Special Counsel	
APPROVED AS TO FORM:	
LAW OFFICES OF QUINTANILLA &	ASSOCIATES
Steve Quintanilla, General Counsel	

## CITY OF MORENO VALLEY.

a California municipal corporation

By:	
•	Mike Lee, City Manager
ATTEST:	
City Clerk	
APPROVED AS TO FORM:	
STRADLING YOCCA CARLSON & RAUTH	
Celeste Stahl Brady, Special Counsel	
APPROVED AS TO FORM:	
LAW OFFICES OF QUINTANILLA & ASSOC	CIATES
Steve Quintanilla, City Attorney	

## MAP OF PHASE II SITE

[to be inserted]



Attachment No. 1 Map of the Phase II Site Page 1 of 1

## LEGAL DESCRIPTION OF THE PHASE II SITE

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00'00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00'00" WEST:

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'22", A DISTANCE OF 28.60 FEET;

THENCE NORTH 73°36'38" WEST, A DISTANCE OF 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 45.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 83°27'37", A DISTANCE OF 65.55 FEET:

THENCE NORTH 89°59'10" WEST, A DISTANCE OF 449.76 FEET, TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF PARCEL 1 OF SAID PARCEL MAP, WHOSE COURSE BEARS NORTH 00°00'30" WEST, WITH A DISTANCE OF 100.00 FEET;

THENCE NORTHERLY ALONG SAID PROLONGATION NORTH 00°00'30" WEST, A DISTANCE OF 125.00 FEET, TO A NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP:

THENCE SOUTH 89°59'10" EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026

Attachment No. 2 Legal Description of the Phase II Site Page 1 of 1

## SCHEDULE OF PERFORMANCE

For the purposes of this Schedule of Performance, the "Date of Agreement" is March 7, 2023. The Executive Director may extend in one or more extensions, not to exceed cumulatively, of up to three hundred sixty-five (365) days the time under this Schedule of Performance by which any obligation of Developer shall be performed.

- 1. <u>Submittal of Agreement</u>. Developer shall execute and submit the Agreement to Executive Director for consideration and action by Authority and City Council.
- 2. <u>Consideration and Action on Affordable Housing Agreement</u>. Authority and City Council will hold a joint public hearing on the disposition of Phase II Site and consider and take action to approve (or disapprove) the Agreement.

Disposition of Phase II Site.

- 1. Open Escrow. Developer and Authority open Escrow for sale and disposition of the Phase II Site under the terms of the Agreement.
- 2. <u>Investigation of Phase II Site;</u>
  <u>Developer's Due Diligence.</u> Developer undertakes and completes due diligence of the physical and environmental investigation of the Phase II Site under the terms of the Agreement.
- 3. <u>Satisfaction of Conditions Precedent.</u>
  Developer shall satisfy the Conditions Precedent.
- 4. Recording of Documents. The Authority Grant Deed is recorded; in addition, each and every document required to be executed and delivered in connection with the Phase II Conveyance shall have been delivered and each and every document required to be recorded shall have been recorded, including without limitation the City Covenants, the Authority Regulatory Agreement, Authority Deed of Trust, Notice of Affordability Restrictions.

Not less than the date of first publication of HSC Section 33433 publication of joint public hearing before the Authority Board and City Council consideration and action on the Agreement.

Not later than March 21, 2023.

Not later than March 31, 2023.

Not later than March 31, 2023.

Not later than April 10, 2023.

Within thirty (30) days after the satisfaction of the Conditions Precedent.

Attachment No. 3 Schedule of Performance Page 1 of 2

- 5. <u>Commencement of Construction.</u> Developer shall have commenced construction of the Phase II Development.
- Completion of Construction. Developer shall complete construction of the Phase II Development.
- 7. Rental Units Occupied. Developer causes the 32 new Housing Units to be occupied by Eligible Households at the Prescribed Income Levels and at an Affordable Rent in conformity with the Agreement.

Not later than the *earlier* to occur of: (i) the thirtieth (30<sup>th</sup>) day after Phase II Conveyance, or (ii) the applicable TCAC deadline.

Within eighteen (18) months after the earlier of (i) commencement of construction or (ii) the time set forth in item #5 for the commencement of construction of the Phase II Development.

Within one hundred twenty (120) days after the earlier of (i) completion of construction or (ii) the time established for completion of construction in this Schedule of Performance.

For the purposes of this Schedule of Performance ("Schedule"), the Date of Agreement is the commencement date. This Schedule is subject to revision periodically as agreed in writing between Developer and Authority, with the Executive Director hereby authorized on behalf of Authority to agree to make such revisions as he or she deems reasonably necessary; provided that the Executive Director, in his or her sole discretion, may elect to bring to the Authority Board and City Council for consideration and action any modifications to this Schedule. The parties agree the Schedule is subject to all of the terms and conditions set forth in the text of the Agreement. The summary of the items of performance in the Schedule is not intended to supersede or modify the more complete description in the text; in the event of any inconsistency between the Schedule and the text of Agreement, the text shall govern. In the event the Executive Director deems it necessary to bring to Authority Board and City Council for consideration one or more modifications to this Schedule, the discretion to do so is expressly reserved to the Executive Director. The time periods in the Schedule for Authority's approval of plans, drawings and other submittals to Authority by Developer shall only apply and commence upon Developer's complete submittal. In no event shall an incomplete submittal by Developer trigger any of Authority's and/or City's obligations of review and/or approval hereunder; provided, however, that Authority and/or City, as applicable, shall notify Developer of an incomplete submittal as soon as is practicable and in no event later than the applicable time set forth for Authority's action on the particular item in question.

## FORM OF CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

TO: Moreno Valley Housing Authority 14177 Frederick Street Moreno Valley, California 92552-0805 Attention: Executive Director
The undersigned,, being duly authorized to execute this Certificate of Continuing Program Compliance (this "Certificate") on behalf of COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership ("Developer"), hereby represents and warrants that:
1. She/He has read and is thoroughly familiar with the provisions of that certain unrecorded <i>Disposition, Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units)</i> ("DDAHA") by and among Authority, the City of Moreno Valley ("City") and Developer dated as of March 7, 2023, including without limitation the City Covenants, Authority Regulatory Agreement, Authority Deed of Trust, and other attachments thereto. Capitalized terms used herein shall have the same meaning as that set forth in the DDAHA; and
2. As of the date of this Certificate, the following number of completed residential units at the Phase II Site: (i) are currently occupied by Extremely Low Income Households at Affordable Rent; (ii) are currently occupied by a Very Low Income Households at Affordable Rent; (iii) are currently occupied by Low Income Households at Affordable Rent; (iv) are currently vacant and being held available for occupancy by Eligible Households at the Prescribed Income Levels and an Affordable Rent; (v) are currently vacant and being held available for occupancy at the Prescribed Income Levels and an Affordable Rent and have been so held continuously since the date a tenant at the Prescribed Income Level vacated such unit; (vi) are currently vacant and being held available for occupancy by Eligible Households at the Prescribed Income Levels at an Affordable Rent and have been so held continuously since the date the prior tenant(s) vacated such unit(s):
Occupied at an Affordable Rent by:
<ul> <li>i. Extremely Low Income Households (30% AMI) # of Units, Nos.:</li></ul>
Vacant:
a. Held for occupancy by:
i. Extremely Low Income Households (30% AMI) # of Units, Nos.:ii. Very Low Income Households (40% AMI) # of Units, Nos.:iii. Very Low Income Households (45% AMI) # of Units, Nos.:

Attachment No. 4 Certificate of Completion/Release of Construction Covenants Page 1 of 2

iv.	Very Low Income Households (50% AMI) # of Units, Nos.:
v.	Low Income Households (60% AMI) # of Units, Nos.:
	b. Last occupied by:
i.	Extremely Low Income Households (30% AMI) # of Units, Nos.:
ii.	Very Low Income Households (40% AMI) # of Units, Nos.:
iii.	Very Low Income Households (45% AMI) # of Units, Nos.:
iv.	Very Low Income Households (50% AMI) # of Units, Nos.:
v.	Low Income Households (60% AMI) # of Units, Nos.:

- 3. At no time since the date of filing of the last Certification of Continuing Program Compliance have less than one hundred percent (100%) of the Housing Units in the Phase II Development been occupied by, or been last occupied, or have been available for occupancy by tenants at the Prescribed Income Levels at an Affordable Rent. All of the Housing Units have been occupied only by Eligible Households or have been held for occupancy by Eligible Households.
- 4. Developer is not in default under the terms of the Agreement, including without limitation the attachments, including the Authority Deed, City Covenants, Authority Regulatory Agreement and Notice of Affordability Restrictions.

## **DEVELOPER**

## COURTYARDS AT COTTONWOOD II, L.P.,

a California limited partnership

By: KDI Courtyards LLC, a California limited liability company, its managing general partner

By: Kingdom Development, Inc., a California nonprofit public benefit corporation, its sole member and manager

By:	
•	William Leach President

By: RBD Cottonwood, LLC, a California limited liability company, its administrative general partner

By: Rancho Belago Developers, Inc., a California corporation, its sole member and manager

By:			
•	Iamec M	Iernigan	President

Attachment No. 4 Certificate of Completion/Release of Construction Covenants Page 2 of 2

## NOTICE OF AFFORDABILITY RESTRICTIONS

Recording Requested By:

When Recorded Return To and Mail Tax Statements To:

Moreno Valley Housing Authority 14177 Frederick Street Moreno Valley, California 92552-0805 Attention: Executive Director

[Space above for recorder.]

This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

# NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY

This NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY (or "Notice of Affordability Restrictions") is executed as of \_\_\_\_\_\_\_, 2023 and affects that certain property described in Exhibit A hereto ("Site"). The MORENO VALLEY HOUSING AUTHORITY ("Authority"), CITY OF MORENO VALLEY ("City") and COURTYARDS AT COTTONWOOD II, L.P. ("Developer") have previously entered into that certain Disposition, Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units) dated as of March 7, 2023 ("DDAHA"). The DDAHA is on file with Authority as a public record.

- 1. The DDAHA provides for affordability restrictions and restrictions on the transfer of the Phase II Site, as more particularly set forth in the DDAHA. A copy of the DDAHA is on file with the Authority as a public record and is deemed incorporated herein. Reference is made to the DDAHA with regard to the complete text of the provisions of such agreement which provides for affordability restrictions and restrictions on the transfer of the Phase II Site.
- 2. The DDAHA provides for the Authority to convey the Phase II Site to Developer and for Developer to (a) construct thirty-two (32) rental dwelling units at the Phase II Site and (b) rent the "Housing Units" to households at the

Attachment No. 5 Notice of Affordability Restrictions Page 1 of 10 Prescribed Income Levels at an Affordable Rent; such restrictions are set forth at greater length in a series of documents, including that certain Authority Regulatory Agreement as defined and described in the DDAHA entered into by and among Authority, City, and Developer and is recorded substantially concurrently herewith among the official land records of the County of Riverside. The Authority Regulatory Agreement and the DDAHA are deemed to be incorporated herein by reference.

2.1 Article II, Section 1 of the Regulatory Agreement provides that used on the Phase II Site and use of the Phase II Development shall comply with the following:

"Uses. The Developer shall develop the Phase II Development on the Phase II Site in conformity with the DDAHA. Thereafter, the Phase II Site shall be operated as the Phase II Project devoted only to the uses specified in the DDAHA, City Covenants, Authority Regulatory Agreement, Authority Deed of Trust and Notice of Affordability Restrictions for the periods of time specified herein. All uses conducted on the Phase II Site, including, without limitation, all activities undertaken by the Developer pursuant to the DDAHA, shall conform to all applicable provisions of the City Code and the Entitlement.

The Phase II Site shall be used, operated, managed and maintained in accordance with the DDAHA, City Covenants, Authority Regulatory Agreement, Authority Deed of Trust, and this Notice of Affordability Restrictions for the Affordability Period. None of the units in the Phase II Project shall at any time be utilized on a transient basis nor shall the Phase II Project or any portion thereof ever be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium, rest home, trailer court, trailer park, or vacation or short-term rental such as VRBO, AirBnB. No part of the Phase II Site, from the date the Developer acquired the Phase II Site, has been or will at any time be owned or used as a cooperative housing corporation or a community apartment project or a stock cooperative.

Attachment No. 5 Notice of Affordability Restrictions Page 2 of 10 2.2 Article II, Section 2 of the Regulatory Agreement requires that the Housing Units shall be operated as follows:

"Affordable Housing.

Number of Units. Throughout the Affordability Period, each and all Housing Units in the Phase II Project shall be occupied by Eligible Households and leased at an Affordable Rent based on the Riverside County Area Median Income ("AMI") applicable to the Housing Unit all in accordance with the following unit mix (with County designation as to units with PBVs during the term of the County Housing Assistance Payment Contract ("County HAP"):

- Two (2) 2-bedroom Housing Units for 30% AMI Extremely Low Income Households (PBV designated PBV units);
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income Households (PBV designated unit);
- One (1) 2-bedroom Housing Unit for 40% AMI Very Low Income Households (non-PBV);
- Two (2) 2-bedroom Housing Units for 45% AMI Very Low Income Households (non-PBV);
- Four (4) 2-bedroom Housing Unit for 50% AMI Very Low Income Households (non-PBV);
- Six (6) 2-bedroom Housing Units for 60% AMI Lower Income Households (non-PBV);
- Two (2) 3-bedroom Housing Unit for 30% AMI Extremely Low Income Households (PBV designated units);
- One (1) 3-bedroom Housing Unit for 40% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 45% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income Households (PBV designated unit);
- One (1) 3-bedroom Housing Unit for 50% AMI Very Low Income Households (non-PBV)

Attachment No. 5 Notice of Affordability Restrictions Page 3 of 10

- Six (6) 3-bedroom Housing Units for 60% AMI Lower Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 30% Extremely Low Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 40% Very Low Income Households (non-PBV);
- One (1) 4-bedroom Housing Unit for 45% Very Low Income Households (non-PBV); and
- One (1) 4-bedroom Housing Unit for 50% Very Low Income Households (non-PBV).
  - (b) At such time as a tenant ceases to qualify at the Prescribed Income Level for the applicable Housing Unit, such shall cease to qualify at the applicable Prescribed Income Level. Developer shall replace each applicable Housing Unit by designating the next available unit and any necessary units thereafter at the proper Prescribed Income Level. For purposes of this Agreement, such designated unit will be considered to comply if it is held vacant and available for occupancy at the proper Prescribed Income Level, and, upon occupancy, the proper income eligibility is verified and the applicable Housing Unit is rented at an Affordable Rent.

In the event a household's income initially complies with the corresponding Prescribed Income Level but the income of such household increases, such increase shall not be deemed to result in a violation of the restrictions hereof concerning limitations upon income of occupants, provided, however, that subject to federal law, including but not limited to the Fair Housing Laws, as amended, and Section 42 of the Internal Revenue Code, the occupancy by such household is for a reasonable time of not to exceed three hundred sixty-five days (measured from the time the income of the household ceases to qualify at the designated affordability level). Subject to the aforementioned proviso, Developer shall include in its

Attachment No. 5 Notice of Affordability Restrictions Page 4 of 10 rental agreements provisions which implement this requirement and limitation, and Developer shall expressly inform prospective renters as to this limitation prior to the commencement of a tenancy.

Duration of Affordability Requirements. The Housing Units shall be available to and occupied by tenants at the Prescribed Income Levels at an Affordable Rent throughout the Affordability Period. All tenants residing in any Housing Unit during the last two (2) Years of the Affordability Period shall be given notice as applicable pursuant to Government Code Section 65863.10, 65863.11, and 65863.13 and other applicable federal, state and local laws and regulations at least once every six (6) months prior to the expiration date of this requirement, that the rent payable on such Housing Unit may be raised to a market rate rent at the end of the Affordability Period.

Selection of Tenants. As specified hereinbelow, Developer shall demonstrate to Authority that the proposed tenants of meet the applicable Prescribed Income Level and Affordable Rent for the Housing Units.

Developer shall restrict occupancy of all of the Housing Units at the Prescribed Income Levels and at an Affordable Rent.

Prior to the rental or lease of a Housing Unit to a tenant, and as set forth in this Section 2 of Article II of this Regulatory Agreement, Developer shall require the tenant to execute a written lease and to complete an Income Verification certifying that the tenant(s) occupying the Housing Unit is/are an Extremely Low Income Household, Very Low Income Unit Household or a Low Income Household and meet(s) the eligibility requirements established for the Housing Unit. Developer shall verify the income of the tenant(s).

Attachment No. 5 Notice of Affordability Restrictions Page 5 of 10 Developer shall accept as tenants on the same basis as all other prospective tenants, persons who are recipients of federal certificates that are more burdensome than criteria applied to any other prospective tenants.

Determination of Affordable Rent for the Housing Units. The Housing Units shall be rented or leased at Affordable Rent as defined in the DDAHA, City Covenants, and Authority Regulatory Agreement. The maximum monthly rental for the Housing Unit shall be adjusted annually as permitted by the Tax Credit Rules and Section 50053 of the California Health and Safety Code based on the annual adjustment to the Median Income for the Area established pursuant to the Tax Credit Rules and Section 50093 of the California Health and Safety Code.

Relationship to Tax Credit Requirements. Notwithstanding any other provision of this Regulatory Agreement, to the extent that requirements associated with the provision of financing, other than by Authority, are more restrictive with respect to the requirements applicable to tenant selection, tenant income levels and unit rent levels than as provided in this Notice of Affordability Restrictions, whichever is more restrictive in each case, shall control and Developer's compliance therewith shall not be a default hereunder.

THE DEVELOPER UNDERSTANDS AND KNOWINGLY AGREES THAT THE MAXIMUM AFFORDABLE RENT AND MONTHLY RENTAL **AMOUNT FOR** THE **HOUSING UNITS** ESTABLISHED BY THE DDAHA, THIS NOTICE OF AFFORDABILTY RESTRICTIONS, THE CITY COVENANTS, **AUTHORITY** REGULATORY AGREEMENT. AND **AUTHORITY** DEED TRUST IS SUBSTANTIALLY BELOW THE FAIR MARKET RENT FOR THE HOUSING UNITS.

> Attachment No. 5 Notice of Affordability Restrictions Page 6 of 10

- 3. The restrictions contained in the Authority Regulatory Agreement expire on the fifty-fifth (55<sup>th</sup>) anniversary of the Completion of Construction. The Authority Regulatory Agreement is submitted for recordation contemporaneously with this Notice of Affordability Restrictions.
- 4. The commonly known address for the Phase II Site is the northeast corner of Cottonwood Avenue and Indian Avenue in the City of Moreno Valley.

The Phase II Site is identified as Assessor's Parcel No. 482-161-026 such number is subject to change.

- 5. The legal description of the Phase II Site is attached as Exhibit A and is incorporated herein by reference.
- 6. The City Covenants and Authority Regulatory Agreement, which includes the affordability restrictions referenced above, are expected to be submitted for recordation in the Office of the Riverside County Recorder contemporaneously with this Notice of Affordability Restrictions.
- 7. The DDAHA, City Covenants, and Authority Regulatory Agreement remain in full force and effect and are not amended or altered in any manner whatsoever by this Notice of Affordability Restrictions.
- 8. Capitalized terms shall have the meaning established under the DDAHA (including all Attachments thereto) excepting only to the extent as otherwise expressly provided under this Notice of Affordability Restrictions.

[Notice of Affordability Restrictions continues on following page.]

9. Persons having questions regarding this Notice of Affordability Restrictions, the DDAHA or the Attachments thereto should contact the Authority or the City at City Hall, 14177 Frederick Street, Moreno Valley, or such other address as may be designated by the Authority from time to time.

## **DEVELOPER:**

## COURTYARDS AT COTTONWOOD II, L.P.,

a California limited partnership

By: KDI Courtyards LLC, a California limited liability company, its managing general partner

By: Kingdom Development, Inc., a
California nonprofit public benefit
corporation, its sole member and
manager

By:		
	William Leach, President	

By: RBD Cottonwood, LLC, a California limited liability company, its administrative general partner

By: Rancho Belago Developers, Inc., a California corporation, its sole member and manager

By:_				
•	Iames M	Iernigan	President	

Attachment No. 5 Notice of Affordability Restrictions Page 8 of 10

	<b>AUTHORITY:</b>
	MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic
	By:
	Mike Lee, Executive Director
ATTEST:	
Jane Halstead, Authority Secretary	
APPROVED AS TO FORM:	
STRADLING YOCCA CARLSON	& RAUTH
Celeste Stahl Brady, Special Counsel	
APPROVED AS TO FORM:	
LAW OFFICES OF QUINTANILI	LA & ASSOCIATES
Steve Quintanilla, General Counsel	

Attachment No. 5 Notice of Affordability Restrictions Page 9 of 10

	CITY OF MORENO VALLEY. a California municipal corporation
By:	
	Mike Lee, City Manager
ATTEST:	
City Clerk	
APPROVED AS TO FORM:	
STRADLING YOCCA CARLSON & RA	AUTH
Celeste Stahl Brady, Special Counsel	
APPROVED AS TO FORM:	
LAW OFFICES OF QUINTANILLA &	ASSOCIATES
Steve Quintanilla, City Attorney	

Attachment No. 5 Notice of Affordability Restrictions Page 10 of 10

## EXHIBIT A TO ATTACHMENT NO. 5

#### LEGAL DESCRIPTION

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00'00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00'00" WEST;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'22", A DISTANCE OF 28.60 FEET;

THENCE NORTH 73°36'38" WEST, A DISTANCE OF 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 45.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 83°27'37", A DISTANCE OF 65.55 FEET;

THENCE NORTH 89°59'10" WEST, A DISTANCE OF 449.76 FEET, TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF PARCEL 1 OF SAID PARCEL MAP, WHOSE

Exhibit A to Attachment No. 5 Page 1 of 2 COURSE BEARS NORTH 00°00'30" WEST, WITH A DISTANCE OF 100.00 FEET;

THENCE NORTHERLY ALONG SAID PROLONGATION NORTH 00°00'30" WEST, A DISTANCE OF 125.00 FEET, TO A NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP;

THENCE SOUTH 89°59'10" EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026

## **AUTHORITY GRANT DEED**

Recording Requested By:		
When Recorded Return To and Mail Tax Statements To:		
APN: 482-161-026	(Space above for Recorder's Use.)	
	Document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.	
DOCUMENTARY TRANSFER TAX, IF ANY		
\$* computed on the consideration or value of property conveyed; OR computed on the consideration or value less liens or encumbrances remaining at time of sale.		
The undersigned Grantor		
Signature of Declarant or Agent determining tax - Firm Name		
*The value of the property in this conveyance, exclusive of liens and encumbrances is \$100.00 or less, and there is no additional consideration received by the Grantor(s), R & T 11911		

## **GRANT DEED**

For a valuable consideration receipt of which is hereby acknowledged,

The MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic, and serving as housing successor to the former and dissolved Community Redevelopment Agency of the City of Moreno Valley pursuant to Health & Safety Code Section 34176 (herein "Grantor" or "Authority"), hereby grants to COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership, herein called "Grantee" or "Developer," the real property hereinafter referred to as the "Phase II Site" (or the "Property"), described in Exhibit A attached hereto and incorporated herein, subject to the existing easements, restrictions and covenants or record described there.

1. Said Property is conveyed in accordance with and subject to that certain *Disposition*, *Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units)* entered into among Grantor, Grantee, and the City of Moreno Valley, a municipal corporation ("City") dated as of March 7, 2023 ("DDAHA"), a copy of which is on file with the Grantor at its offices as a public record. Capitalized terms used herein and not otherwise defined shall have the same meaning as set forth in the DDAHA.

Attachment No. 6 Authority Grant Deed Page 1 of 5

- 2. The Grantee hereby covenants and agrees, for itself and its successors and assigns, that the Grantee shall restrict the Phase II Site and the improvements thereon in accordance with this Grant Deed to preserve its value for the benefit of Grantee, its successors and the surrounding neighborhood.
- 3. **Nondiscrimination Covenants**. Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

Developer shall refrain from restricting the rental, sale or lease of the Phase II Site on the basis of race, color, religion, sex, marital status, ancestry or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

**In leases:** "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

Attachment No. 6 Authority Grant Deed Page 2 of 5 In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

The covenants established in this Section 3 shall, without regard to technical classification and designation, be binding for the benefit and in favor of Authority and its successors and assigns, and shall remain in effect in perpetuity.

	ne Grantor and Grantee have caused this instrument to be pective officers hereunto duly authorized, this day of
	MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic
	By:Mike Lee, Executive Director
ATTEST	WIRE LEC, Executive Director
Jane Halstead, Authority Secretary	

Attachment No. 6 Authority Grant Deed Page 4 of 5 The Grantee agrees to be bound by the covenants set forth above.

## **GRANTEE:**

## COURTYARDS AT COTTONWOOD II, L.P.,

a California limited partnership

By: KDI Courtyards LLC, a California limited liability company, its managing general partner

By: Kingdom Development, Inc., a California nonprofit public benefit corporation, its sole member and manager

By: William Leach, President

By: RBD Cottonwood, LLC, a California limited liability company, its administrative general partner

By: Rancho Belago Developers, Inc., a California corporation, its sole member and manager

By: James M. Jernigan, President

Attachment No. 6 Authority Grant Deed Page 5 of 5

## EXHIBIT A TO ATTACHMENT NO. 6

## LEGAL DESCRIPTION OF THE PROPERTY

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00'00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00'00" WEST:

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'22", A DISTANCE OF 28.60 FEET;

THENCE NORTH 73°36'38" WEST, A DISTANCE OF 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 45.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 83°27'37", A DISTANCE OF 65.55 FEET;

THENCE NORTH 89°59'10" WEST, A DISTANCE OF 449.76 FEET, TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF PARCEL 1 OF SAID PARCEL MAP, WHOSE COURSE BEARS NORTH 00°00'30" WEST, WITH A DISTANCE OF 100.00 FEET:

THENCE NORTHERLY ALONG SAID PROLONGATION NORTH 00°00'30" WEST, A DISTANCE OF 125.00 FEET, TO A NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP:

THENCE SOUTH 89°59'10" EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026

## REQUEST FOR NOTICE OF DEFAULT

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:	
Moreno Valley Housing Authority 14177 Frederick Street Moreno Valley, California 92552-0805 Attention: Executive Director	
	SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY  Exempt from recording fees pursuant to Government Code § 6103.
Request for Notice Unde	er Section 2924b Civil Code
Notice of Default and a copy of any Notice of S	Code, request is hereby made that a copy of any ale under the Deed of Trust recorded as Instrument, Page, Official Records of Riverside
executed by, as True as Beneficiary, and, as Housing Authority, at 14177 Frederick Street, MExecutive Director.	as Trustee, be mailed to Moreno Valley Moreno Valley, California 92552-0805, Attention:
BE SENT ONLY TO THE AD	FAULT AND OF ANY NOTICE OF SALE WILL DRESS CONTAINED IN THIS RECORDED HANGES, A REQUEST MUST BE RECORDED.
	Mike Lee, Executive Director

Attachment No. 7 Request for Notice Page 1 of 1

## EXHIBIT A TO ATTACHMENT NO. 7

## LEGAL DESCRIPTION OF THE PROPERTY

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00'00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00'00" WEST:

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'22", A DISTANCE OF 28.60 FEET;

THENCE NORTH 73°36'38" WEST, A DISTANCE OF 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 45.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 83°27'37", A DISTANCE OF 65.55 FEET;

THENCE NORTH 89°59'10" WEST, A DISTANCE OF 449.76 FEET, TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF PARCEL 1 OF SAID PARCEL MAP, WHOSE COURSE BEARS NORTH 00°00'30" WEST, WITH A DISTANCE OF 100.00 FEET;

THENCE NORTHERLY ALONG SAID PROLONGATION NORTH 00°00'30" WEST, A DISTANCE OF 125.00 FEET, TO A NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP;

THENCE SOUTH 89°59'10" EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026

## PHASE II SCOPE OF DEVELOPMENT

#### I. GENERAL DESCRIPTION

This document sets forth general requirements for the Phase II Development to be constructed on the Phase II Site. Detailed requirements will be addressed in the approval of specific construction plans and documents in accordance with this DDAHA and the City of Moreno Valley's normal and customary design review and plan check procedures and standards. The Phase II Development shall be consistent with the provisions, standards, and requirements of the approved Entitlement, the City's General Plan, Housing Element of the General Plan, Moreno Valley Municipal Code, Uniform Codes. No specific land use entitlement is granted by this Scope of Development, nor any modification of the Entitlement is granted hereunder.

Developer shall cooperate and direct its consultants, architects, and/or engineers to cooperate with the City and its representative to ensure the continuity and coordination vitally necessary for the proper and timely completion of the Phase II Development.

The Phase II Site is specifically delineated on the Phase II Site Map and the Legal Description of the Phase II Site. As this Phase II Development is the second phase of a two-phase development with the Phase I Project, in all instances for the Phase II Development the quality of construction, materials used, color palette, architectural style, shall be of High Quality and shall be equal to or exceed the completed improvements that comprise the Phase I Project.

## II. PHASE II DEVELOPMENT

Developer shall construct thirty-two (32) Housing Units on the Phase II Site, together with all on-site and off-site features described in this Scope of Development (consistent with the Entitlement and conceptual drawings as presented to the City Council, including without limitation landscaping, exterior onsite amenities and amenities subject to the Joint Use Agreement. All such improvements, including all conditions of deposit now or hereafter imposed by City (including without limitation and mitigation measures) collectively constitute the "Development" or "Phase II Development" The number of bedrooms for the Housing Units is set forth within the definition, Housing Units. Three-bedroom Housing Units shall be a minimum of one thousand (1,000) square feet, two-bedroom Housing Units shall be a minimum of eight hundred (800) square feet, and one-bedroom Housing Units shall be a minimum of six hundred twenty eight (628) square feet, or as otherwise approved by City's Planning Authority. All development shall be consistent with and implement all conditions of approval, including without limitation mitigation measures, in connection with the Entitlements.

The Phase II Development will be a gated community and residents will have access to all amenities currently available to Phase I residents, including but not limited to the 4,480 square foot community building with management, leasing, tenant services and maintenance offices, a maintenance garage, computer lab, laundry room, rest rooms, mail kiosk and a full kitchen. There will also be access to the community pool, tot lot, basketball court, and senior fitness course. The onsite manager's unit is located on the second floor of the community building in the Phase I Project.

Attachment No. 8 Scope of Development Page 1 of 3 The Phase II Development will use drought tolerant landscaping throughout and provide passive areas that will include seating and a BBQ for the tenants. There will be 53 onsite vehicular parking spaces of which 32 will be covered. Vehicle ingress will be provided via the Cottonwood Avenue driveway and there will be two project driveways for egress, one each on Cottonwood Avenue and Indian Avenue. There is no common access to any adjacent parcels from the site.

The quality of construction shall be High Quality. The Phase II Development shall conform to such plans as are approved by City and maintained on file with City as supplemented by the Design Development Drawings ("Approved Plans").

Developer shall commence and complete the Phase II Development by the respective times established therefor in the Schedule of Performance.

## III. DEVELOPMENT STANDARDS

All construction and work on the Phase II Site shall be in accordance with the approved Development Plans, City development standards, and all applicable provisions of federal, state and local laws and regulations, including the Moreno Valley Municipal Code, County codes, and all Uniform Codes. The Phase II Development shall be constructed and completed in accordance with the Entitlement, and Developer shall adhere to all conditions of approval. The Phase II Development shall conform to all applicable state laws and regulations and to local zoning, applicable provisions of the City Code and the following development standards:

## **A.** General Requirements:

- 1. Vehicular Access. The placement of vehicular driveways shall be coordinated with the needs of proper street traffic flow as approved by City. In the interest of minimizing traffic congestion, City will control the number and location of curb breaks for access to the Phase II Site for off-street parking and truck loading. All access driveways shall require written approval of City staff.
- **2. Building Signs.** Signs on the Phase II Site shall be limited in size, subdued and otherwise designed to contribute positively to the environment. Signs identifying the building use will be permitted, but their height, size, location, color, lighting and design will be subject to City staff approval, and signs must conform to the City Code.
- **3. Screening.** All outdoor storage of materials or equipment shall be enclosed or screened to the extent and in the manner required by City staff.
- **4. Landscaping.** Developer shall provide and maintain landscaping within the public rights-of-way and within setbacks along all street frontages and conforming with the plans as hereafter approved by City.

Landscaping shall consist of trees, shrubs and installation of an automatic irrigation system adequate to maintain such plant material. The type and size of trees to be planted, together with a landscaping plan, shall be subject to City staff approval prior to planting.

**5. Utilities.** All utilities on the Phase II Site provided to service the units rehabilitated or reconstructed by Developer shall be underground at Developer's expense.

Attachment No. 8 Scope of Development Page 2 of 3

- **6. Building Design.** Buildings shall be constructed such that the Phase II Development shall be of high architectural quality, and shall be effectively and aesthetically designed and in conformance with City approvals.
- **7. Mitigation Measures.** Mitigation measures approved for the Phase II Development under the California Environmental Quality Act (CEQA).

## **B.** Design Features:

The following design features are considered essential components to the Phase II Development:

<u>Security</u> - The details of security will be reviewed upon submission of the detailed plans.

Overall Design Quality, Materials, Colors, Design Features - Quality of design is important, materials and colors are to be approved by City.

<u>Housing Type</u> - Rental housing for occupancy by thirty-two (32) Housing Units, consisting of sixteen (16) two-bedroom Housing Units, twelve (12) three-bedroom Housing Units, and four (4) four-bedroom Housing Units.

Mobility/Agility - All facilities shall comply, to the extent feasible, with "New Horizon Accessible, Adaptable Apartments for the Physically Disabled" published by HCD dated July 1989, and shall comply with those portions of Title 24 of the California Code of Regulations that have been adopted by HCD relating to handicapped units, and the requirements of the federal Department of Housing and Urban Development, Part VI, 24 C.F.R. Ch. 1, Vol. 56, No. 44, as published in the Federal Register March 6, 1991. As and if applicable, each and any Housing Units designated as Uniform Federal Accessibility Standards (UFAS) units must conform with all minimum Uniform Federal Accessibility Standards.

## IV. DEMOLITION AND SOILS

Developer assumes all responsibility for surface and subsurface conditions at Parcel B, and the suitability of the Phase II Site for the Phase II Development. Developer will undertake all investigation of the Phase II Site as it shall deem necessary and has not received or relied upon any representations of Authority, City, or their respective officers, agents and employees.

#### V. SPECIAL AMENITIES

Developer shall undertake all improvements required by City as a condition of development of the Phase II Site, and specifically resident amenities to include features as hereafter designated by the City. In addition, Developer shall provide services under a program of services to be approved by City, from time to time, at the City's reasonable discretion; the program of services shall be periodically updated by Developer and shall be subject to approval by the City.

Attachment No. 8 Scope of Development Page 3 of 3

## CERTIFICATE OF COMPLETION/RELEASE OF CONSTRUCTION COVENANTS

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:	
APN: 482-161-026	

(Space Above for Recorder's Use Only)

This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

#### CERTIFICATE OF COMPLETION/RELEASE OF CONSTRUCTION COVENANTS

This CERTIFICATE OF COMPLETION/RELEASE OF CONSTRUCTION COVENANTS ("Certificate") is made by the CITY OF MORENO VALLEY, a California municipal corporation ("City") and the MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic ("Authority"), in favor of COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership ("Developer"), as of the date set forth below.

#### RECITALS

- A. Authority, the City of Moreno Valley, a Charter city duly organized and acting under and by virtue of the Constitution and laws of the State of California ("City"), and Developer have entered into that certain unrecorded *Disposition and Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units)* ("DDAHA") dated as of March 7, 2023 concerning the redevelopment of certain real property situated in the City of Moreno Valley, California, as more fully described in Exhibit A attached hereto and made a part hereof ("Site").
- B. As referenced in Section 4.13 of the DDAHA, Authority is required to furnish Developer or its successors with a Certificate of Completion/Release of Construction Covenants upon completion of construction of the Phase II Development (as defined in the DDAHA), which Certificate is required to be in such form as to permit it to be recorded in the Recorder's Office of Riverside County. This Certificate is conclusive determination of satisfactory completion of the construction and development required by the DDAHA.
- C. Authority has conclusively determined that the construction and development of the Phase II Development has been satisfactorily completed.

**NOW, THEREFORE,** Authority hereby certifies as follows:

Attachment No. 9 Certificate of Completion/Release of Construction Covenants Page 1 of 2

- Authority does hereby certify that the Phase II Development to be constructed by Developer has been fully and satisfactorily completed in full conformance with the DDAHA.
- 2. This Certificate shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance construction work on the Phase II Site, or any part thereof.
- This Certificate shall not constitute evidence of Developer's compliance with those covenants in the DDAHA that survive the issuance of this Certificate or without certain unrecorded agreement by and among Authority, City, and COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership entitled "Disposition, Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units" dated as of March 7, 2023 ("AHA"), a copy of which is on file with City as a public record.
- 4. This Certificate is not a Notice of Completion as referred to in California Civil Code Section 3093.
- Nothing contained in this instrument shall modify in any other way any other 5. provisions of the DDAHA (including without limitation the attachments thereto).

IN WITNESS WHEREOF, Authori	ity has executed this Certificate of Completion/Release
of Construction Covenants this day of	, 20
	MORENO VALLEY HOUSING AUTHORITY, a
	public body, corporate and politic
	By:
	Mike Lee, Executive Director
ATTEST:	
Iane Halstead Secretary	

Attachment No. 9 Certificate of Completion/Release of Construction Covenants Page 2 of 2

#### EXHIBIT A TO ATTACHMENT NO. 9

### LEGAL DESCRIPTION

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00'00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00'00" WEST:

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'22", A DISTANCE OF 28.60 FEET;

THENCE NORTH 73°36'38" WEST, A DISTANCE OF 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 45.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 83°27'37", A DISTANCE OF 65.55 FEET:

THENCE NORTH 89°59'10" WEST, A DISTANCE OF 449.76 FEET, TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF PARCEL 1 OF SAID PARCEL MAP, WHOSE COURSE BEARS NORTH 00°00'30" WEST, WITH A DISTANCE OF 100.00 FEET;

THENCE NORTHERLY ALONG SAID PROLONGATION NORTH 00°00'30" WEST, A DISTANCE OF 125.00 FEET, TO A NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP:

THENCE SOUTH  $89^{\circ}59'10''$  EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026

#### ATTACHMENT NO. 10

### **CITY COVENANTS**

This CITY COVENANTS AGREEMENT ("City Covenants") is dated as of \_\_\_\_\_\_\_, 2023 and made and entered into by and among COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership ("Developer"), MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic ("Authority"), and CITY OF MORENO VALLEY, a municipal corporation ("City"), each of which is a signatory hereto.

### RECITALS

- **A.** Developer, Authority and City, each is a party to these City Covenants and may be referred to as a "Declarant", and collectively may be referred to as "Declarants".
- **B.** Authority, City and Developer have entered into that certain unrecorded *Disposition*, *Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units)* dated as of March 7, 2023 ("DDAHA") for the improvement and development of certain real property referred to as the "Phase II Site" and described in the attached and fully incorporated Exhibit A hereto. A copy of the DDAHA is on file with the City Clerk and Authority Secretary as a public record. Capitalized terms not defined herein shall have the meaning established therefor in the DDAHA.
- C. These City Covenants also serve as a "density bonus housing agreement" required by City Code and State Density Bonus Law, Government Code Section 65915, et seq. Pursuant to the City Code, the Developer as an owner of real property developing density bonus units, as part of an approved affordable housing development, including this Phase II Development, shall enter into a density bonus housing agreement with the City prior to issuance of any grading or building permits for a rental project. Upon execution of this instrument, the City shall cause recording thereof in the Official Records, County of Riverside, California. The terms of this City Covenants Agreement as the "density bonus housing agreement" required as a condition of approval under the Entitlement shall run with the Phase II Site for the life of the Affordability Period.
- **D.** Capitalized terms not defined herein shall have the respective meanings established therefor in the DDAHA; such definitions shall be applicable to these City Covenants and also to any amendment or supplement to these City Covenants (unless the context implicitly or explicitly shall prohibit), recorded against the Phase II Site pursuant to the provisions of these City Covenants.
- E. The City reviewed, duly considered and approved and granted to Developer its Entitlement approvals for the Phase II Development on the Phase II Site that comprise the discretionary actions approved by City for the Phase II Site and the Phase II Development, which include certain conditions of approval related thereto and CEQA mitigation measures and monitoring plan related thereto. Pursuant to the Entitlement and the City's land use, zoning and development standards for the Phase II Development all require the Phase II Site to be developed and operated as an affordable housing project with joint use of certain access, amenities and appurtenant improvements with the adjacent Phase I Project. Any other or additional modifications to the Entitlement, if any, shall be appended to and deemed a part of these City Covenants and the DDAHA.

Attachment No. 10 City Covenants Page 1 of 12

- **F.** The State and City Density Bonus Law and the Entitlement require as a condition of approval the entering into and recordation of these City Covenants as a senior, non-subordinate encumbrance and lien against the Phase II Site to ensure the Phase II Project and Phase II Site ownership, use, operation, maintenance, and property management remain subject hereto for the entire Affordability Period; in particular these City Covenants are applicable to the Phase II Site and Phase II Project for the intended provision of affordable rental housing available to Extremely Low Income Households, Very Low Income Households, and Low Income Households each and all at Affordable Rent at the Prescribed Income Levels.
- **G.** It is contemplated under the DDAHA that, concurrent with recordation of this City Covenants Agreement, Developer holds title to the Phase II Site.
- **H.** These City Covenants impose certain affordable housing restrictions for a period that will commence on the date of issuance of the first certificate of occupancy for the Phase II Development and thereafter continue until the fifty-fifth (55<sup>th</sup>) anniversary of the issuance of the Certificate of Completion as further provided in the AHA ("Affordability Period").
- I. This City Covenants Agreement shall be recorded concurrent with the recordation of the Authority Grant Deed conveying the Phase II Site by the Authority to the Developer and as senior, unsubordinated covenants and an encumbrance running with the land for the full Affordability Period. In no event shall these City Covenants be made junior or subordinate to any deed of trust, monetary lien, or other documents providing financing for the construction or operation of the Phase II Project on the Phase II Site or ownership of the Phase II Site, or any other lien or encumbrance whatsoever against the Phase II Site for the Affordability Period, except as expressly mandated by California statute or federal law.
- J. Declarants wish to adopt these City Covenants to further govern the use of the Phase II Site in conjunction and along with the DDAHA and to ensure that City and Authority achieve credit for production and long-term covenanting of affordable housing units in satisfying the City's Regional Housing Needs Allocation ("RHNA"), in compliance with the Dissolution Law, the CRL, and to meet other community objectives to provide affordable housing in the City of Moreno Valley.
- **NOW, THEREFORE**, each of Authority, City, and Developer (as owner of the Phase II Site and Phase II Project), declares that the Phase II Site shall be held, transferred, encumbered, used, sold, conveyed, managed, maintained, leased and occupied subject to these City Covenants hereinafter set forth expressly and exclusively for the use and benefit of said property, and City and Authority. Each and all of these City Covenants contained herein shall run with the land and be recorded on title to the Phase II Site and shall be binding on Declarants, their grantees, successors, heirs, executors, administrators, devisees or assigns, and all subsequent owner of all or any part of the Phase II Site.

# ARTICLE I DEFINITIONS

As stated in the Recitals, capitalized terms not defined herein shall have the respective meanings established therefor in the DDAHA; such definitions shall be applicable to these City Covenants and also to any amendment or supplement to these City Covenants (unless the context implicitly or explicitly shall prohibit), recorded against the Phase II Site pursuant to the provisions of these City Covenants.

## ARTICLE II LAND USE RESTRICTIONS; IMPROVEMENTS

<u>Section 1</u>. <u>Uses</u>. Developer shall develop the Phase II Project on the Phase II Site in conformity with the Entitlement and the affordable housing restrictions and covenants provided under the DDAHA. Upon completion of development of the Phase II Project, the Phase II Site shall be operated as the Phase II Project and devoted only to the uses specified in the Entitlement and DDAHA for the periods of time specified herein. All uses conducted on the Phase II Site, including, without limitation, all activities undertaken by Developer pursuant to the Entitlement shall conform to all applicable provisions of the City Code and the Entitlement.

The Phase II Site shall be owned, used, maintained, managed and operated in accordance with these City Covenants and the Entitlement for the Affordability Period. None of the Housing Units in the Phase II Project shall at any time be utilized on a transient basis nor shall the Phase II Project or any portion thereof ever be used for an emergency shelter, or for short term rental such as AirBnB, VRBO, or HomeAway, or as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer court or park. No part of the Phase II Site or any Housing Units, from the date Developer acquired its interest in the Phase II Site, has been or will at any time be owned or used as a cooperative housing corporation or a stock cooperative.

## <u>Section 2.</u> <u>Affordable Housing; Eligible Households.</u>

- (a) Number of Units. Throughout the Affordability Period each and all thirty-two (32) Housing Units shall be rented to qualified Extremely Low, Very Low and Low Income tenants at the Prescribed Income Levels and at an Affordable Rent. Developer agrees to make available, restrict occupancy to, and rent all of the Housing Units at Affordable Rent in conformity with the Prescribed Income Levels.
- (b) Duration of Affordability Requirements. The Housing Units shall be maintained as rental units available at and rented to Extremely Low Income Households, Very Low Income Households throughout the Affordability Period.
- (c) Prescribed Income Rent Levels. Each and all Housing Units in the Phase II Project shall be occupied by Eligible Households and leased at an Affordable Rent based on the Riverside County Area Median Income ("AMI") applicable to the Housing Unit all in accordance with the following unit mix:
  - Two (2) 2-bedroom Housing Units for 30% AMI Extremely Low Income Households;
  - Two (2) 2-bedroom Housing Units for 40% AMI Very Low Income Households;

Attachment No. 10 City Covenants Page 3 of 12

- Two (2) 2-bedroom Housing Units for 45% AMI Very Low Income Households;
- Four (4) 2-bedroom Housing Unit for 50% AMI Very Low Income Households;
- Six (6) 2-bedroom Housing Units for 60% AMI Lower Income Households;
- Two (2) 3-bedroom Housing Unit for 30% AMI Extremely Low Income Households;
- One (1) 3-bedroom Housing Units for 45% AMI Very Low Income Households;
- Two (2) 3-bedroom Housing Units for 50% AMI Very Low Income Households;
- Six (6) 3-bedroom Housing Units for 60% AMI Lower Income Households;
- (One (1) 4-bedroom Housing Unit for 30% Extremely Low Income Households;
- One (1) 4-bedroom Housing Unit for 40% Very Low Income Households;
- One (1) 4-bedroom Housing Unit for 45% Very Low Income Households; and
- One (1) 4-bedroom Housing Unit for 50% Very Low Income Households.

For this purpose, a tenant who qualifies at the Prescribed Income Level applicable to the Housing Unit at the time he/she/they first occupy(ies) a Housing Unit shall be deemed to continue to be so qualified until such time as a recertification of his/her/their household income in accordance with the DDAHA demonstrates that such household no longer income-qualifies at the Prescribed Income Level for the Housing Unit. Moreover, a Housing Unit previously occupied by a tenant household that qualified at the Prescribed Income Level for the Housing Unit, and then vacated shall be considered occupied by such household until reoccupied, other than for a temporary period, at which time the character of a Housing Unit shall be redetermined in accordance with the unit mix at the Prescribed Income Level for the Housing Unit. In no event shall such temporary period exceed thirty-one (31) days.

In the event a household's income initially complies with the corresponding income restriction but the income of such household increases, such increase shall not be deemed to result in a violation of the restrictions of these City Covenants concerning limitations upon income of occupants.. Developer shall include in its rental agreements provisions that implement this requirement and limitation, and Developer shall expressly inform prospective renters as to this limitation prior to the commencement of a tenancy.

- (d) *Income of Tenants*. Each tenant of a Housing Unit shall be an Extremely Low Income Household, 40% AMI Very Low Income Household, 45% AMI Very Low Income Household, 50% AMI Very Low Income Household or Low Income Household in accordance with the Prescribed Income Levels and shall meet the eligibility therefor, and Developer shall obtain a certification from each tenant renting or leasing each Housing Unit that substantiates such fact. Developer shall verify the income certification upon initial tenancy, and thereafter not less than annually during the term of tenancy of each tenant household as set forth herein.
- (e) Determination of Affordable Rent for the Housing Units. The term "Affordable Rent" means the maximum amount of out-of-pocket housing cost to be charged monthly by Developer and paid by each of the Eligible Household that qualifies as an Extremely Low, 40% AMI Very Low, 45% AMI Very Low, 50% AMI Very Low, or Low Income Households for each of the Housing Units at Phase II Project as determined and calculated pursuant to the affordable rent and the rent limitations according to TCAC, the Tax Credit Rules, and Tax Credit Regulatory Agreement applicable to Phase II in accordance herewith. For purposes of Affordable Rent, the monthly housing payment shall mean the total of monthly payments by each tenant household of a Housing Unit for

Attachment No. 10 City Covenants Page 4 of 12 use and occupancy of a Housing Unit and facilities associated therewith, including a reasonable allowance for utilities for an adequate level of service.

- (i) Further, the term Affordable Rent includes the total of monthly payments by the tenants of a Housing Unit for (A) use and occupancy for the Housing Unit and facilities associated therewith, (B) any separately charged fees or service charges assessed by Developer which are required of all tenants of the Housing Units, other than security deposits, (C) a reasonable allowance for utilities not included in (A) or (B) above, including garbage collection, sewer, water, electricity and gas, as determined by regulation of Housing Authority of the County of Riverside pursuant to 24 C.F.R. Section 5.600, *et seq.* or by the California Utility Allowance Calculator as permitted by TCAC, and (D) possessory interest, taxes or other fees or charges assessed for the use of the Housing Units and facilities associated therewith by a public or private entity other than Developer; provided that the rent charged to the tenants of any Housing Units shall not exceed Affordable Rent.
- (ii) Under these City Covenants and for purposes of Affordable Rent in the operation of the Phase II Project the following Affordable Rents are acceptable for the applicable income category:
- (A) To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for 30% AMI Extremely Low Income Households (5 Housing Units) shall not exceed the most restrictive income standard of HSC Section 50106 or Tax Credit Rules. The Affordable Rent for 30% AMI Extremely Low Income Households shall not exceed the most restrictive standard of the calculations under HSC Sections 50052.5 and 50053 or Tax Credit Rules;
- (B) To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for 40% AMI Very Low (4 Housing Units), 45% Very Low (4 Housing Units), and 50% AMI Very Low Income Households (7 Housing Units) (for a total of 15 Very Low Income Housing Units) shall not exceed the most restrictive standard of HSC 50105 or Tax Credit Rules as adjusted for the applicable AMI of 40%, 45% or 50%; and
- (C) To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for Low Income Households (12 Housing Units) shall not exceed the most restrictive income standard of HSC Section 50079.5 or Tax Credit Rules. The Affordable Rent shall not exceed the most restrictive standard of the calculations under HSC Sections 50052.5 and 50053 or Tax Credit rules.
- (f) Increases in Tenant Household Income. The Housing Units shall meet the Prescribed Rent Levels and Tenant Mix as required despite a temporary noncompliance with the defined Affordable Rents, if the noncompliance is caused by increases in the incomes of existing tenants and if actions are being taken by Developer to ensure that each and all vacancies at the Phase II Project are filled in accordance with the Prescribed Rent Levels and Tenant Mix until the noncompliance is corrected.
- (i) A tenant applicant who qualified as an Extremely Low Income Household at initial occupancy in the Phase II Project in compliance herewith shall be deemed to continue to be so qualified until such time as reverification of the tenant household's gross income shows such tenant no longer qualifies as an Extremely Low Income Household. If the existing tenant occupying such

Attachment No. 10 City Covenants Page 5 of 12 Extremely Low Income Housing Unit ceases to qualify as an Extremely Low Income Household, but qualifies either as a Very Low or Low Income Household, such tenant may continue to occupy that Housing Unit and be charged rent equal to the lesser of thirty percent (30%) of the household's adjusted monthly income, recertified annually, or the Affordable Rent, for the Prescribed Income Level for the Housing Unit, then the designation for the Housing Unit shall be adjusted to align with the applicable Prescribed Income Level and the next available Housing Unit shall be tenanted by the prior designation for the subject Housing Unit so as to keep the unit mix and allocation among the Housing Units in compliance with the Prescribed Income levels. A tenant household occupying a Housing Unit in the Phase II Project whose gross income exceeds the qualifying limit for a Low Income Household may continue to occupy that Housing Unit and be charged monthly rent including a reasonable utility allowance, equal to the lesser of thirty percent (30%) of the tenant household's adjusted monthly income, recertified annually, or the market rent applicable to the Housing Unit as published by HCD.

- (ii) A tenant applicant who qualified as a Very Low Income Household (40%, 45%, or 50% AMI, as applicable) at initial occupancy in the Phase II Project in compliance herewith shall be deemed to continue to be so qualified until such time as reverification of the tenant household's gross income shows such tenant no longer qualifies therefor. If the existing tenant occupying such Very Low Income Housing Unit ceases to income-qualify for the Housing Unit, but qualifies either at the higher Very Low or as a Low Income Household, such tenant may continue to occupy that Housing Unit and be charged rent equal to the lesser of thirty percent (30%) of the household's adjusted monthly income, recertified annually, or the Affordable Rent as defined herein for the eligible income level, and the designation for the Housing Unit shall be adjusted to align with the applicable Prescribed Income Level, and the next available Housing Unit shall be tenanted by the prior designation for the subject Housing Unit so as to keep the unit mix and allocation among the Housing Units in compliance with the Prescribed Income levels. A tenant household occupying a Housing Unit in the Phase II Project whose gross income exceeds the qualifying limit for a Low Income Household may continue to occupy that Housing Unit and be charged monthly rent including a reasonable utility allowance, equal to the lesser of thirty percent (30%) of the tenant household's adjusted monthly income, recertified annually, or the market rent applicable to the Housing Unit as published by HCD.
- (iii) A tenant applicant who qualified as a Low Income Household at initial occupancy in the Phase II Project in compliance herewith shall be deemed to continue to be so qualified until such time as reverification of the tenant household's gross income shows that such tenant no longer qualifies as a Low Income Household. An existing tenant household occupying a Low Income Housing Unit in the Phase II Project whose income exceeds the qualifying limit for a Low Income Household may continue to occupy that Housing Unit and be charged monthly rent including a reasonable utility allowance, equal to the lesser of thirty percent (30%) of the tenant household's adjusted monthly income, recertified annually, or the market rent applicable to the Housing Unit as published by HCD.
- (iv) While it is anticipated that the rent standards under the Tax Credit Rules will be less restrictive, i.e., allow for a higher monthly rent, than those otherwise allowable under HSC 50052.5 and 50053; nonetheless, it is the responsibility of Developer to comply with the definition of Affordable Rent and all affordable housing standards herein.

Attachment No. 10 City Covenants Page 6 of 12 (v) Notwithstanding (i) to (iii) above, the occupancy by such household is for a reasonable time of not to exceed three hundred sixty-five days (measured from the time the income of the household ceases to qualify at the designated affordability level, provided however,, that enforcement of the above provision does not violate federal law, including but not limited to Fair Housing Laws, as amended, and Section 42 of the Internal Revenue Code.) Subject to the aforementioned proviso, Developer shall include in its rental agreements provisions which implement this requirement and limitation, and Developer shall expressly inform prospective renters as to this limitation prior to the commencement of a tenancy.

Section 3. Developer Verification and Compliance. Developer will obtain and maintain on file an Income Verification from each tenant for each Housing Unit dated immediately prior to the initial occupancy of such tenant in the Phase II Project. On the first June 15 following issuance of the Certificate of Completion/Release of Construction Covenants and annually each Year on or before June 15 thereafter, Developer shall file with Authority or its designee a Certificate, containing all information required to demonstrate that rents and income levels for units comply with the requirements hereof regarding the Prescribed Income Levels and Affordable Rent and containing such information as Authority additionally requires, in a form prescribed by Authority. Each annual Certificate shall cover the immediately preceding calendar year.

<u>Section 4.</u> <u>Nondiscrimination.</u> Developer shall refrain from restricting the rental, sale or lease of the Site, or any portion thereof, on the basis of race, color, creed, religion, sex, marital status, national origin or ancestry of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference

Attachment No. 10 City Covenants Page 7 of 12 to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

The covenants established in these City Covenants shall, without regard to technical classification and designation, be binding for the benefit and in favor of City and Authority and their successors and assigns, and any successor in interest to the Site, together with any property, or any part thereof, acquired by Developer under the AHA. The covenants against discrimination as set forth in this Section 1 of Article II shall remain in effect in perpetuity.

Section 5. Compliance with Laws. Developer shall carry out the design, development and operation of the Phase II Project in conformity with all applicable laws, including all applicable state labor standards, City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City Code, and all applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*.

# ARTICLE III ENFORCEMENT

- <u>Section 1</u>. <u>Remedies</u>. Breach of the covenants contained in these City Covenants may be enjoined, abated or remedied by appropriate legal proceeding by City or Authority. These City Covenants do not in any way infringe on the right or duties of the City to enforce any of the provisions of the City Code including, but not limited to, the abatement of dangerous buildings.
- <u>Section 2</u>. <u>Nuisance</u>. The result of every act or omission whereby any of the covenants contained in these City Covenants are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowable at law or equity, against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any owner or its successors in interest, without derogation of City's rights under law.
- Section 3. Right of Entry. In addition to the above general rights of enforcement, City shall have the right through its agents and employees, to enter upon any part of the Phase II Site and/or Phase II Project for the purpose of enforcing the California Vehicle Code, and the ordinances and other regulations of City, and for maintenance and/or repair of any or all publicly owned utilities. Subsequent to sixty (60) days written notice to Developer specifically outlining Developer's noncompliance, City shall have the right of entry on the Phase II Site at reasonable hours to enforce

Attachment No. 10 City Covenants Page 8 of 12 compliance with these City Covenants which Developer has failed to perform. In addition, City has the right of entry onto any part of the Phase II Site and Phase II Project at reasonable hours and upon and after reasonable attempts to contact Developer, to effect emergency repairs or maintenance that Developer has failed to perform.

- <u>Section 4.</u> <u>Costs of Repair.</u> The costs borne by City (or Authority) of any such repairs or maintenance emergency and/or non-emergency, shall become a charge for which Developer shall be responsible. Developer agrees that City's rights related to charges and collection thereof hereunder include the City's right to impose a lien against the Site comparable to the process undertaken by public agencies for similar lien collection such as for weed abatement.
- <u>Section 5</u>. <u>Cumulative Remedies</u>. The remedies herein provided for breach of the covenants contained in these City Covenants shall be deemed cumulative, and none of such remedies shall be deemed exclusive.
- <u>Section 6</u>. <u>Failure to Enforce</u>. The failure to enforce any of the covenants contained in these City Covenants shall not constitute a waiver of the right to enforce the same thereafter.
- <u>Section 7.</u> <u>Enforcement and Nonliability.</u> The City (and Authority) may from time to time make such efforts, if any, as it shall deem appropriate enforce and/or assist in enforcing these City Covenants. However, neither City nor Authority will be subject to any liability for failure to affirmatively enforce any provision of these City Covenants.

# ARTICLE VI GENERAL PROVISIONS

- <u>Section 1.</u> <u>Covenant against Partition.</u> By acceptance of its interest in the Site, Developer shall be deemed to covenant for itself and for its heirs, representatives, successors and assigns, that it will not institute legal proceedings or otherwise seek to effect partition of its right and interest in the interest being conveyed to Developer, or the burdens running with the land as a result of these City Covenants.
- <u>Section 2</u>. <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in all force and effect.
- Section 3. Term. These City Covenants shall run with and bind the interest of Developer in the Site, and shall inure to the owner(s) of any property subject to these City Covenants, his legal representatives, heirs, successors and assigns, and be enforceable by City, for a term equal to the Affordability Period as defined in the AHA, provided; however, that the covenants regarding nondiscrimination set forth in Section 4. of Article II of these City Covenants shall remain in effect for perpetuity.
- <u>Section 4.</u> <u>Construction.</u> The provisions of these City Covenants shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of rental housing available at Affordable Rent for Extremely Low, Very Low and Low Income Households as more particularly set forth herein. The article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or

Attachment No. 10 City Covenants Page 9 of 12 construction. Developer shall be obligated by these City Covenants to comply with the provisions hereof.

<u>Section 5</u>. <u>Amendments</u>. These City Covenants may be amended only by the written agreement of Developer, City and Authority.

<u>Section 6.</u> <u>Encroachments.</u> None of the rights and obligations of Developer created herein shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of Developer if said encroachment occurs due to the willful conduct of said Developer.

Section 7. <u>Third Party Costs.</u> Developer acknowledges and agrees to its obligation to pay and reimburse the Authority and City for all Third Party Costs incurred, as such term and provisions therefor are set forth in the DDAHA.

Section 8. Notices. Any Notice permitted or required to be delivered as provided herein to Developer shall be in writing and may be delivered either personally or by certified mail. Notice to City and Authority shall be made by certified mail to: City Manager and Executive Director (with copies to both City Clerk, Authority Secretary, City Legal Counsel and Authority General Counsel), City Hall 14177 Frederick Street, Moreno Valley, California 92552-0805, and shall be effective upon receipt. Notice to Developer shall be made by certified mail to Courtyards at Cottonwood II, L.P., a California limited partnership, 27700 Kalmia Avenue, Rancho Belago, California 92555-5200, Attn: James M. Jernigan, and shall be effective upon receipt. Such address may be changed from time to time by notice in writing.

### **DEVELOPER:**

## COURTYARDS AT COTTONWOOD II, L.P.,

a California limited partnership

By: KDI Courtyards LLC, a California limited liability company, its managing general partner

By: Kingdom Development, Inc., a California nonprofit public benefit corporation, its sole member and manager

By:	
•	William Leach, President

By: RBD Cottonwood, LLC, a California limited

liability company, its administrative general partner

By: Rancho Belago Developers, Inc., a California corporation, its sole member and manager

By:			
•	Iames M	Iernigan	President

Attachment No. 10 City Covenants Page 10 of 12

	AUTHORITY:
	MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic
	Ву:
	Mike Lee, Executive Director
ATTEST:	
Jane Halstead, Authority Secretary	
APPROVED AS TO FORM:	
STRADLING YOCCA CARLSON & R	RAUTH
Celeste Stahl Brady, Special Counsel	
APPROVED AS TO FORM:	
LAW OFFICES OF QUINTANILLA &	& ASSOCIATES
Steve Quintanilla, General Counsel	

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	CITY:
	CITY OF MORENO VALLEY. a California municipal corporation
	Ву:
	Mike Lee, City Manager
ATTEST:	
City Clerk	
APPROVED AS TO FORM:	
STRADLING YOCCA CARLSON & F	RAUTH
Celeste Stahl Brady, Special Counsel	
APPROVED AS TO FORM:	
LAW OFFICES OF QUINTANILLA &	& ASSOCIATES
Steve Ouintanilla, City Attorney	-

#### EXHIBIT A TO ATTACHMENT NO. 10

### **LEGAL DESCRIPTION**

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00′00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00′00" WEST;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'22", A DISTANCE OF 28.60 FEET;

THENCE NORTH 73°36'38" WEST, A DISTANCE OF 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 45.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 83°27'37", A DISTANCE OF 65.55 FEET:

THENCE NORTH 89°59'10" WEST, A DISTANCE OF 449.76 FEET, TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF PARCEL 1 OF SAID PARCEL MAP, WHOSE COURSE BEARS NORTH 00°00'30" WEST, WITH A DISTANCE OF 100.00 FEET;

THENCE NORTHERLY ALONG SAID PROLONGATION NORTH 00°00'30" WEST, A DISTANCE OF 125.00 FEET, TO A NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP;

THENCE SOUTH  $89^{\circ}59'10"$  EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026

#### ATTACHMENT NO. 11

### **AUTHORITY REGULATORY AGREEMENT**

RECORDING REQUESTED BY:	
WHEN RECORDED RETURN TO:	
Moreno Valley Housing Authority 14177 Frederick Street Moreno Valley, California 92552-0805 Attention: Executive Director	
	(Space above for December's Lice)

This document is exempt from the payment of a recording fee pursuant to Government Code Section 6103.

### **AUTHORITY REGULATORY AGREEMENT**

AUTHORITY REGULATORY AGREEMENT ("Regulatory Agreement", "CC&Rs" or "this Agreement") is made as of 2023 and entered into by and between the MORENO VALLEY HOUSING AUTHORITY, public body corporate and politic ("Authority"), and the CITY OF MORENO VALLEY, a municipal corporation ("City"), and COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership ("Developer"), which entities are the signatories hereto. Authority, City and Developer are sometimes collectively referred to herein as the "Declarants." This Authority Regulatory Agreement sets forth certain covenants, conditions affecting, touching and concerning that certain Phase II Site and is made by the signatories hereto.

## RECITALS

- Authority, City and Developer have entered into that certain unrecorded *Disposition*, Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units) dated as of March 7, 2023 ("DDAHA") for the improvement and development of certain real property described in Exhibit A (to which these CC&Rs are attached) as the "Phase II Site" or "Site", which DDAHA provides for the recordation of this Authority Regulatory Agreement following conveyance of the Phase II Site to Developer by the Authority Grant Deed. The DDAHA is incorporated herein by this reference and capitalized terms not defined herein shall have the meaning established therefor in the DDAHA.
- B. This Regulatory Agreement establishes a plan for the improvement, development and maintenance of the Phase II Site, for the benefit of City and Authority.
- The DDAHA sets forth certain restrictive covenants applicable to the Phase II Site, particularly the use of the Phase II Site for the provision of rental housing units available to

Attachment No. 11 Authority Regulatory Agreement Page 1 of 28

Extremely Low Income Households, Very Low Income Households and Low Income Households at Affordable Rents as those terms are defined therein.

D. Authority, City, and Developer wish to enter into this Regulatory Agreement to further govern the use of the Phase II Site in conjunction and along with the DDAHA and to ensure that Authority and City achieve credit for production of affordable housing units under the CRL, Dissolution Law, HAL, RHNA, and the City's Housing Element of the General Plan.

**NOW, THEREFORE**, each and all of Authority, City, and Developer (as the owner of the Phase II Site), declare that the Phase II Site shall be held, transferred, encumbered, used, sold, conveyed, managed, maintained, leased and occupied subject to the covenants, conditions and restrictions set forth herein expressly and exclusively for the use and benefit of said real property and for the benefit of the Authority and the City. Each and all of the restrictions, limitations, conditions, covenants, liens, reservations and charges herein contained shall run with the land and be recorded on the property title and shall be binding on Declarants, their grantees, successors, heirs, executors, administrators, devisees or assigns, and all subsequent owners of all or any part of the Phase II Site.

## ARTICLE I DEFINITIONS

The capitalized terms used in this Authority Regulatory Agreement shall be as defined in the DDAHA unless otherwise defined herein. The terms used therein shall be applicable to these CC&Rs and also to any amendment or supplement hereto (unless the context implicitly or explicitly shall prohibit), recorded against the Phase II Site pursuant to the provision of this Agreement.

## ARTICLE II LAND USE RESTRICTIONS; IMPROVEMENTS

<u>Section 1</u>. <u>Uses</u>. Developer shall develop the Phase II Project on the Phase II Site in conformity with the DDAHA. Thereafter, the Phase II Site shall be operated as the Phase II Project and devoted only to the uses specified in the DDAHA and the Authority Grant Deed for the periods of time specified herein. All uses conducted on the Phase II Site, including, without limitation, all activities undertaken by Developer pursuant to the DDAHA, shall conform to all applicable provisions of the City Code and the City Approvals.

The Phase II Site shall be used, maintained and operated in accordance with the DDAHA, the Authority Grant Deed, the City Covenants, and this Authority Regulatory Agreement for the Affordability Period. None of the units in the Phase II Project shall at any time be utilized on a transient basis nor shall the Phase II Project or any portion thereof ever be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium, rest home, trailer court, trailer park, or vacation or short-term rental such as VRBO, AirBnB, HomeAway. No part of the Phase II Site, from the date Developer acquired the Phase II Site, has been or will at any time be owned or used as a cooperative housing corporation or a community apartment project or a stock cooperative.

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## <u>Section 2.</u> <u>Affordable Housing; Eligible Tenant Households.</u>

- (a) *Number of Units*. Throughout the Affordability Period each and all thirty-two (32) Housing Units shall be rented to qualified Extremely Low, Very Low and Low Income tenants at the Prescribed Income Levels and at an Affordable Rent. Developer agrees to make available, restrict occupancy to, and rent all of the Housing Units at Affordable Rent in conformity with the Prescribed Income Levels.
- (b) Prescribed Income Levels; Affordable Rent. Each and all Housing Units in the Phase II Project shall be occupied by Eligible Households and leased at an Affordable Rent based on the Riverside County Area Median Income ("AMI") applicable to the Housing Unit all in accordance with the following unit mix:
  - Two (2) 2-bedroom Housing Units for 30% AMI Extremely Low Income Households;
  - Two (2) 2-bedroom Housing Units for 40% AMI Very Low Income Households;
  - Two (2) 2-bedroom Housing Units for 45% AMI Very Low Income Households;
  - Four (4) 2-bedroom Housing Unit for 50% AMI Very Low Income Households;
  - Six (6) 2-bedroom Housing Units for 60% AMI Lower Income Households;
  - Two (2) 3-bedroom Housing Unit for 30% AMI Extremely Low Income Households;
  - One (1) 3-bedroom Housing Units for 45% AMI Very Low Income Households;
  - Two (2) 3-bedroom Housing Units for 50% AMI Very Low Income Households;
  - Six (6) 3-bedroom Housing Units for 60% AMI Lower Income Households;
  - (One (1) 4-bedroom Housing Unit for 30% Extremely Low Income Households;
  - One (1) 4-bedroom Housing Unit for 40% Very Low Income Households;
  - One (1) 4-bedroom Housing Unit for 45% Very Low Income Households; and
  - One (1) 4-bedroom Housing Unit for 50% Very Low Income Households.

For this purpose, a tenant who qualifies at the Prescribed Income Level applicable to the Housing Unit at the time he/she/they first occupy(ies) a Housing Unit shall be deemed to continue to be so qualified until such time as a recertification of his/her/their household income in accordance with the DDAHA demonstrates that such household no longer income-qualifies at the Prescribed Income Level for the Housing Unit. Moreover, a Housing Unit previously occupied by a tenant household that qualified at the Prescribed Income Level for the Housing Unit, and then vacated shall be considered occupied by such household until reoccupied, other than for a temporary period, at which time the character of a Housing Unit shall be redetermined in accordance with the unit mix at the Prescribed Income Level for the Housing Unit. In no event shall such temporary period exceed thirty-one (31) days.

In the event a household's income initially complies with the corresponding income restriction but the income of such household increases, such increase shall not be deemed to result in a violation of the restrictions of these City Covenants concerning limitations upon income of occupants. Developer shall include in its rental agreements provisions that implement this requirement and limitation, and Developer shall expressly inform prospective renters as to this limitation prior to the commencement of a tenancy.

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- (c) *Income of Tenants*. Each tenant of a Housing Unit shall be an Extremely Low Income Household, 40% AMI Very Low Income Household, 45% AMI Very Low Income Household, 50% AMI Very Low Income Household or Low Income Household in accordance with the Prescribed Income Levels and shall meet the eligibility therefor, and Developer shall obtain a certification from each tenant renting or leasing each Housing Unit that substantiates such fact. Developer shall verify the income certification upon initial tenancy, and thereafter not less than annually during the term of tenancy of each tenant household as set forth herein.
- (d) Determination of Affordable Rent for the Housing Units. The term "Affordable Rent" means the maximum amount of out-of-pocket housing cost to be charged monthly by Developer and paid by each of the Eligible Household that qualifies as an Extremely Low, 40% AMI Very Low, 45% AMI Very Low, 50% AMI Very Low, or Low Income Households for each of the Housing Units at Phase II Project as determined and calculated pursuant to the affordable rent and the rent limitations according to TCAC, the Tax Credit Rules, and Tax Credit Regulatory Agreement applicable to Phase II in accordance herewith. For purposes of Affordable Rent, the monthly housing payment shall mean the total of monthly payments by each tenant household of a Housing Unit for use and occupancy of a Housing Unit and facilities associated therewith, including a reasonable allowance for utilities for an adequate level of service.
- (i) Further, the term Affordable Rent includes the total of monthly payments by the tenants of a Housing Unit for (A) use and occupancy for the Housing Unit and facilities associated therewith, (B) any separately charged fees or service charges assessed by Developer which are required of all tenants of the Housing Units, other than security deposits, (C) a reasonable allowance for utilities not included in (A) or (B) above, including garbage collection, sewer, water, electricity and gas, as determined by regulation of Housing Authority of the County of Riverside pursuant to 24 C.F.R. Section 5.600, et seq. or by the California Utility Allowance Calculator as permitted by TCAC, and (D) possessory interest, taxes or other fees or charges assessed for the use of the Housing Units and facilities associated therewith by a public or private entity other than Developer; provided that the rent to tenants of any Housing Units shall not exceed Affordable Rent.
- (ii) Under this Authority Regulatory Agreement and for purposes of Affordable Rent in the operation of the Phase II Project the following Affordable Rents are acceptable for the applicable income category:
- (A) To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for 30% AMI Extremely Low Income Households (5 Housing Units) shall not exceed the most restrictive income standard of HSC Section 50106 or Tax Credit Rules. The Affordable Rent for 30% AMI Extremely Low Income Households shall not exceed the most restrictive standard of the calculations under HSC Sections 50052.5 and 50053 or Tax Credit Rules;
- (B) To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for 40% AMI Very Low (4 Housing Units), 45% Very Low (4 Housing Units), and 50% AMI Very Low Income Households (7 Housing Units) (for a total of 15 Very Low Income Housing Units) shall not exceed the most restrictive standard of HSC 50105 or Tax Credit Rules as adjusted for the applicable AMI of 40%, 45% or 50%; and
- (C) To comply with HSC Section 34176.1 and LMIHAF requirements, the household income for Low Income Households (12 Housing Units) shall not exceed the most

Attachment No. 11 Authority Regulatory Agreement Page 4 of 28 restrictive income standard of HSC Section 50079.5 or Tax Credit Rules. The Affordable Rent shall not exceed the most restrictive standard of the calculations under HSC Sections 50052.5 and 50053 or Tax Credit rules.

- (e) Increases in Tenant Household Income. The Housing Units shall meet the Prescribed Rent Levels and Tenant Mix as required despite a temporary noncompliance with the defined Affordable Rents, if the noncompliance is caused by increases in the incomes of existing tenants and if actions are being taken by Developer to ensure that each and all vacancies at the Phase II Project are filled in accordance with the Prescribed Rent Levels and Tenant Mix until the noncompliance is corrected.
- (i) A tenant applicant who qualified as an Extremely Low Income Household at initial occupancy in the Phase II Project in compliance herewith shall be deemed to continue to be so qualified until such time as reverification of the tenant household's gross income shows such tenant no longer qualifies as an Extremely Low Income Household. If the existing tenant occupying such Extremely Low Income Housing Unit ceases to qualify as an Extremely Low Income Household, but qualifies either as a Very Low or Low Income Household, such tenant may continue to occupy that Housing Unit and be charged rent equal to the lesser of thirty percent (30%) of the household's adjusted monthly income, recertified annually, or the Affordable Rent as defined herein for the eligible income level, and the designation for the Housing Unit shall be adjusted to align with the applicable Prescribed Income Level and the next available Housing Unit shall be tenanted by the prior designation for the subject Housing Unit so as to keep the unit mix and allocation among the Housing Units in compliance with the Prescribed Income levels. A tenant household occupying a Housing Unit in the Phase II Project whose gross income exceeds the qualifying limit for a Low Income Household may continue to occupy that Housing Unit and be charged monthly rent including a reasonable utility allowance, equal to the lesser of thirty percent (30%) of the tenant household's adjusted monthly income, recertified annually, or the market rent applicable to the Housing Unit as published by HCD.
- A tenant applicant who qualified as a Very Low Income Household (40%, 45%, or 50% AMI, as applicable) at initial occupancy in the Phase II Project in compliance herewith shall be deemed to continue to be so qualified until such time as reverification of the tenant household's gross income shows such tenant no longer qualifies therefor. If the existing tenant occupying such Very Low Income Housing Unit ceases to income-qualify for the Housing Unit, but qualifies either at the higher Very Low or as a Low Income Household, such tenant may continue to occupy that Housing Unit and be charged rent equal to the lesser of thirty percent (30%) of the household's adjusted monthly income, recertified annually, or the Affordable Rent as defined herein for the eligible income level, and the designation for the Housing Unit shall be adjusted to align with the applicable Prescribed Income Level, and the next available Housing Unit shall be tenanted by the prior designation for the subject Housing Unit so as to keep the unit mix and allocation among the Housing Units in compliance with the Prescribed Income levels. A tenant household occupying a Housing Unit in the Phase II Project whose gross income exceeds the qualifying limit for a Low Income Household may continue to occupy that Housing Unit and be charged monthly rent including a reasonable utility allowance, equal to the lesser of thirty percent (30%) of the tenant household's adjusted monthly income, recertified annually, or the market rent applicable to the Housing Unit as published by HCD.

Attachment No. 11 Authority Regulatory Agreement Page 5 of 28 (iii) A tenant applicant who qualified as a Low Income Household at initial occupancy in the Phase II Project in compliance herewith shall be deemed to continue to be so qualified until such time as reverification of the tenant household's gross income shows that such tenant no longer qualifies as a Low Income Household. An existing tenant household occupying a Low Income Housing Unit in the Phase II Project whose income exceeds the qualifying limit for a Low Income Household may continue to occupy that Housing Unit and be charged monthly rent including a reasonable utility allowance, equal to the lesser of thirty percent (30%) of the tenant household's adjusted monthly income, recertified annually, or the market rent applicable to the Housing Unit as published by HCD.

In the event a household's income initially complies with the corresponding income restriction for an Extremely Low Income Household but the income of such household increases, such increase shall not be deemed to result in a violation of the restrictions of this Regulatory Agreement concerning limitations upon income of occupants; provided, however, that subject to federal law, including but not limited to the Fair Housing Laws, as amended, and Section 42 of the Internal Revenue Code, the occupancy by such household is for a reasonable time of not to exceed three hundred sixty-five days (measured from the time the income of the household ceases to qualify at the designated affordability level). Subject to the aforementioned proviso, Developer shall include in its rental agreements provisions which implement this requirement and limitation, and Developer shall expressly inform prospective renters as to this limitation prior to the commencement of a tenancy.

- (iv) While it is anticipated that the rent standards under the Tax Credit Rules will be less restrictive, i.e., allow for a higher monthly rent, than those otherwise allowable under HSC 50052.5 and 50053; nonetheless, it is the responsibility of Developer to comply with the definition of Affordable Rent and all affordable housing standards herein.
- (v) Notwithstanding (i) to (iii) above, under federal law, including but not limited to the federal Fair Housing Act, as amended, and Section 42 of the Internal Revenue Code, the occupancy by such household is for a reasonable time of not to exceed three hundred sixty-five days (measured from the time the income of the household ceases to qualify at the designated affordability level). Subject to the aforementioned proviso, Developer shall include in its rental agreements provisions which implement this requirement and limitation, and Developer shall expressly inform prospective renters as to this limitation prior to the commencement of a tenancy.
- (f) Duration of Affordability Requirements. The Housing Units shall be maintained as rental units available at and rented to Extremely Low Income Households, Very Low Income Households at the Prescribed Income Levels and at an Affordable Rent throughout the Affordability Period. All tenants residing in the Housing Units during the last two (2) Years of the Affordability Period shall be given notice by Developer at least once every six (6) months prior to the expiration date of this requirement, that the rent payable on such Unit may be raised to a market rate rent at the end of the Affordability Period. Further, Developer agrees to comply with the federal, state, and local laws and regulations related to expiration or termination of affordable housing covenants for assisted housing developments, including pursuant to applicable provisions of Government Code Section 65863.10, 65863.11 and 65863.13.
- (g) Selection of Tenants. Developer shall be responsible for the selection of tenants for the Housing Units in compliance with the criteria set forth herein and consistent with the Affordable

Attachment No. 11 Authority Regulatory Agreement Page 6 of 28 Rent and the Prescribed Income Levels therefor. No Housing Unit shall be restricted on the basis of age or any protected category set forth in the Fair Housing Laws. In this regard, tenant selection for the Housing Units shall comply with applicable provisions that are most restrictive and protective of tenants under the HAL, the Dissolution Law, the CRL and the Tax Credit Rules, and all lawful and reasonable criteria, as set forth in the Management Plan that is required to be submitted to and approved by Authority and City as a Condition Precedent under the DDAHA. Developer shall use its commercially reasonable efforts to rent vacant Housing Units to Eligible Households on Authority's and City's tenant interest list (if one is maintained by Authority and/or City) and Eligible Households under the County's waiting list as to the PBVs awarded and allocated to Developer.

Developer shall demonstrate to Authority that each and all of the proposed tenants of each and all of the Housing Units meet the Prescribed Income Levels (i.e., Extremely Low, 40% AMI Very Low, 45% AMI Very Low, 50% AMI Very Low and Low Income Households), as applicable to the sixteen (16) two-bedroom Housing Units, twelve (12) three-bedroom Housing Units, and four (4) four-bedroom Housing Units and pay the Affordable Rent applicable to Housing Units.

- (i) Process for Tenant Selection. Developer shall adopt a tenant selection system for the Housing Units that shall be approved by Executive Director in his or her reasonable discretion, which establishes a chronological waiting list system for selection of tenants and meets the requirements hereof.
- (ii) *Marketing*. Developer shall provide written notice to Authority at least thirty (30) days prior to Developer commencing its marketing activities for the initial lease-up of the Phase II Project in conformance with the approved Management Plan. In addition, this prior notice from Developer to Authority also shall include a complete copy of the form of the "application" with a description of necessary supporting materials to be completed by applicants for prospective tenancy at the Phase II Project, in particular so that the displacees of the Former Agency, if any, can be notified in writing and have an adequate time to prepare and submit an application.
- (A) *Posting*. Posting advertisements and notices of the vacancy(ies) at the community center, senior center, other public buildings such as post offices located in the City, at City Hall, and on the City's website.
- (B) Applicant Prior Government Displacement. In compliance with HSC Section 34322.2 of the HAL, HSC Section 34311.3 of the CRL, or other state or federal law that requires a reasonable priority to persons displaced by public or private action, in the tenant selection process Developer shall give reasonable preference or priority to an Extremely Low, Very Low or Low Income applicant for tenancy, if any, who was displaced by public or private action.
  - (iii) Tenant Lease and/or Rental Agreements.
  - (A) Prior to the rental or lease of a Housing Unit to a tenant, and as set forth in this Article II, Developer shall require the tenant to execute a written lease on a form approved by the Authority and to complete an Income Verification certifying that the tenant(s) qualifies at the Prescribed Rent Level applicable to the Housing Unit and meet(s) the eligibility requirements established hereunder.

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- (iv) Section 8 Housing Choice Vouchers. Developer shall accept as tenants on the same basis as all other prospective tenants, persons who are recipients of federal certificates for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937, or its successor. Developer shall not apply selection criteria to Section 8 certificate holders which are more burdensome than criteria applied to any other prospective tenants.
- (h) Household Size Appropriate to a Housing Unit. The term "household size appropriate to the unit" for the purpose of the calculation of Affordable Rent herein (and without regard to actual occupancy), means the most restrictive of either: (a) HSC Sections 50052.5 and 50053, or (b) the Tax Credit Rules. Notwithstanding the foregoing portion of this subsection (h), Developer agrees that Affordable Rent shall not exceed Affordable Rent.
- (i) Occupancy Limits. In consideration for both the Acquisition Authority Loan and other benefits of the DDAHA and this Authority Regulatory Agreement, to the greatest extent allowed by law, Developer agrees to comply with the following minimum and maximum occupancy for the Housing Units in the Phase II Project provided however, subject to applicable law, nothing herein shall prohibit the Developer from utilizing or complying with more restrictive occupancy limits imposed with respect to the Phase II Site: (A) for the two-bedroom units the maximum occupancy is five (5) persons and the minimum occupancy is two (2) persons, (B) for the three-bedroom units the maximum occupancy is seven (7) persons and the minimum occupancy is nine persons and the minimum occupancy is four persons; in this regard, maximum occupancy is two persons per bedroom plus one.
- (j) Relationship to Tax Credit Requirements. Notwithstanding any other provision of this Regulatory Agreement, to the extent that requirements associated with the provision of financing, other than by Authority, are more restrictive with respect to the requirements applicable to tenant selection, tenant income levels and unit rent levels than as provided in this Regulatory Agreement, whichever is more restrictive in each case, shall control and Developer's compliance therewith shall not be a default hereunder.

DEVELOPER UNDERSTANDS AND KNOWINGLY AGREES THAT THE MAXIMUM RENT FOR THE HOUSING UNITS ESTABLISHED BY THE DDAHA, THIS REGULATORY AGREEMENT, AND THE CITY COVENANTS IS SUBSTANTIALLY BELOW THE FAIR MARKET RENT THEREFOR.

**Developer Initial** 

(k) Social or Supportive Services. Developer shall provide social or supportive services to the tenant households of the Phase II Project based on the population, special needs, ages, diversity of the tenant households such as for early care and education, elementary school age children, high school age children, seniors, financial literary, job counseling, and other services appropriate and necessary for the tenant population at the Phase II Project during the Affordability Period. For the Housing Units for which the County awards and allocates to Developer PBVs, then Developer shall provide an enhanced level of social services as required by the County. The specific social services to be provided by Developer at the Phase II Project are subject to reasonable approval by the City Manager and Executive Director and in the event Developer intends to materially modify the social

Attachment No. 11 Authority Regulatory Agreement Page 8 of 28 services to be provided at the Phase II Project, Developer must first (1) submit a written explanation of such modification to Authority and City along with any supporting documentation reasonably requested by City Manager and Authority Director and (2) obtain his or her reasonable approval of such modified social services to be provided at the Phase II Project. As of the Date of Agreement and based on Developer's Base Pro Forma and the Authority and City's evaluation thereof, the estimated per Housing Unit cost for Developer (and its agents) to provide social services is listed therein.

## <u>Section 3.</u> <u>Developer Verification and Program Compliance.</u>

- (a) Income Verification and Certification. Developer will obtain and maintain on file an Income Verification from each tenant (for every Housing Unit on the Phase II Site), dated immediately prior to the initial occupancy of such tenant in the Phase II Project.
- (i) On June 15 following the completion of the Phase II Development, Developer shall file with Authority or its designee a Certificate, containing all information referenced under Health and Safety Code Section 33418, in a form prescribed by Authority. Each Certificate shall cover the immediately preceding Year.
- Developer shall maintain on file throughout the Affordability Period (ii) each tenant's executed lease and Income Verification and rental records for the Phase II Project and the Housing Units. Developer shall maintain complete and accurate records pertaining to the Extremely Low Income Units, the 40% AMI Very Low Income Units, 45% AMI Very Low Income Units, 50% AMI Very Low Income Units, the Low Income Units and any other Housing Units, and will permit any duly authorized representative of the Authority and/or City to inspect the books and records of Developer pertaining to the Phase II Project, including those records pertaining to the occupancy of the Extremely Low Income Units, the 40% AMI Very Low Income Units, 45% AMI Very Low Income Units, 50% AMI Very Low Income Units, and Low Income Units, and any other Housing Units. Developer shall prepare and submit to the Authority and City annually commencing the June 15 first following the issuance of the Certificate of Completion/Release of Construction Covenants and continuing throughout the Affordability Period, a Certificate of Continuing Program Compliance. Such documentation shall state for each Housing Unit in the Phase II Project the unit size, the rental amount, the number of occupants, and the income of the occupants, and any other information that may be used to determined compliance with the terms of this Regulatory Agreement, the City Covenants, and the DDAHA.
- (b) Certificate of Continuing Program Compliance; Annual Financial Report. As part of its annual report, Developer shall include a statement of amounts payable by Developer under this Regulatory Agreement supported by an Audited Financial Statement (prepared by an independent accounting firm reasonably acceptable to Authority) which sets forth information in detail sufficient for adequate review by Authority for the purposes of confirming those amounts payable by Developer to Authority, including without limitation amounts payable under the Authority Note, as well as showing the general financial performance of the Phase II Project (together, "Annual Financial Report"). Each Annual Financial Report shall include a profit and loss statement showing Gross Revenues, Operating Expenses, Debt Services, Capital Replacement Reserve, Operating Reserve, and Residual Receipts, all certified by the Audited Financial Statement. In the event the amounts reported or paid deviate by five percent (5%) or more from that amount owing upon review of Developer's submittal, Developer shall reimburse Authority for its cost to

Attachment No. 11 Authority Regulatory Agreement Page 9 of 28 review (which may require engagement of auditors) and collect the amounts owing; such amounts shall, until paid, be added to the amount payable under the Authority Loan Note.

In addition, as part of its Annual Financial Report, at Authority or City's request, Developer shall also provide to Authority and City completed income computation, asset evaluation, and certification forms, for any such tenant or tenants, in substantially the form provided by Authority and City from time-to-time. Developer shall obtain an annual certification from each household of each Housing Unit demonstrating that such household meets the Prescribed Income Level for the Housing Unit as an Extremely Low Income Household, a 40% AMI Very Low Income Household, 45% AMI Very Low Income Household, 50% AMI Very Low Income Household, or a Low Income Household, as applicable, and meets the eligibility requirements established for each such Housing Unit. Developer shall verify the income certification of each tenant household. In order to comply with this Section 3, Developer shall submit to Authority upon request from Authority any and all tenant income and occupancy certifications and supporting documentation required to be submitted to TCAC pursuant to the Tax Credit Rules and the Tax Credit Regulatory Agreement for the Phase II Project; provided, Authority may request (and Developer shall provide) additional documentation to assist Authority's evaluation of Developer's compliance with this Agreement, if determined to be necessary in the reasonable discretion of the Executive Director, specifically including (without limitation) any documentation or additional certifications that may be necessary to verify compliance with all requirements from all funding sources, and each tenant's status as to each Housing Unit as an Extremely Low Income Household, a 40% AMI Very Low Income Household, 45% AMI Very Low Income Household, 50% AMI Very Low Income Household, or a Low Income Household. This requirement is in addition to and does not replace or supersede Developer's obligation to annually submit the Certificate of Continuing Program Compliance to Authority and City. Further, Authority and City each has the right, but not the obligation to monitor compliance with respect to each tenant household at the Phase II Project, and Authority and/or City's election to monitor some, but not all, of the Housing Units shall not constitute a waiver of Authority's right to monitor and enforce compliance with respect to all Housing Units in the future.

- (c) Verification of Income of New and Continuing Tenants. Gross income calculations for prospective (and continuing) tenants shall be determined in accordance with 25 Cal. Code Regs. Section 6914. Developer shall retain documentation regarding the eligibility of each new tenant household and retain documentation of the recertification and verification of continuing tenants. Developer shall verify the income and information provided in the income certification of the proposed tenant as set forth below.
- (i) Developer shall verify the income of each proposed tenant of the Phase II Project and by at least one of the following methods as appropriate to the proposed tenant:
- (A) obtain two (2) paycheck stubs from the person's two (2) most recent pay periods;
- (B) obtain a true copy of an income tax return from the person for the most recent tax year in which a return was filed;
- (C) obtain an income verification certification from the employer of the person;

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- (D) obtain an income verification certification from the Social Security Administration and/or the California Department of Social Services if the person receives assistance from such agencies;
- (E) obtain an alternate form of income verification reasonably requested by Authority, if none of the above forms of verification is available to Developer; or
- (F) as to the Housing Units obtain verification and supporting documentation of the household as an Eligible Household.
- (d) Reporting Amounts. Authority is required by HSC Section 33418 to require Developer to monitor affordability of the Housing Units and submit the Annual Financial Report required by this Section 3 of Article II. Authority relies upon the information contained in such reports to satisfy its own reporting requirements and to provide certain information described in the HAL, Dissolution Law, CRL, including without limitation HSC Section 34176.1. In the event Developer fails to submit to Authority or its designee the Certification as required herein; Developer shall be in noncompliance with this Regulatory Agreement. In the event Developer remains in noncompliance for thirty (30) days following receipt of written notice from Authority of such noncompliance under Article II, then Developer shall, without further notice or opportunity to cure, pay to Authority \$1600.00 for each Year Developer fails to submit a Certificate covering each and every housing unit on the Phase II Site.
- <u>Section 4.</u> <u>Nondiscrimination.</u> Developer shall refrain from restricting the rental, sale or lease of the Phase II Site, or any portion thereof, on the basis of race, color, creed, religion, sex, marital status, national origin or ancestry of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:
- (a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."
- (b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or

Attachment No. 11 Authority Regulatory Agreement Page 11 of 28 enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

(c) In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

Developer hereby covenants, by and for itself, its successors and assigns, and all persons claiming under or through them, to comply with the following laws relating to nondiscrimination and equal opportunity: (1) The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 et seq.; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq.; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 75; Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966-1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971-1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise).

Developer further covenants, by and for itself, its successors and assigns, and all persons claiming under or through them, not to inquire about the sexual orientation or gender identity of an applicant for, or occupant of, the Phase II Project or any Housing Unit at the Phase II Site, for the purpose of determining eligibility for occupancy of such Housing Units or otherwise making such Housing Units available. This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit any individual from voluntarily self-identifying sexual orientation or gender identity. Further, determinations of eligibility for occupancy of Housing Units at the Phase II Project shall be made in accordance with the eligibility requirements provided for such program by HUD, and such Housing Units shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status.

Attachment No. 11 Authority Regulatory Agreement Page 12 of 28 The covenants established in this Section 4. shall, without regard to technical classification and designation, be binding for the benefit and in favor of Authority and its successors and assigns, and shall remain in effect in perpetuity.

The covenants established in this Regulatory Agreement and the deeds of conveyance for the Phase II Site shall, without regard to technical classification and designation, be binding for the benefit and in favor of Authority, its successors and assigns, City and any successor in interest to the Phase II Site, together with any property acquired by Developer pursuant to this Agreement, or any part thereof. The covenants against discrimination as set forth in this Section 1 of Article II shall remain in effect in perpetuity.

## <u>Section 5.</u> <u>Management of the Phase II Project.</u>

- (a) Property Manager. Developer shall manage or cause the Phase II Site and Phase II Project in a prudent and business-like manner, consistent with good property management standards for other High Quality affordable housing projects in Riverside County, California. Developer may contract with a property management company or property manager, to operate and maintain the Phase II Project in accordance with the terms hereof ("Property Manager" or "Phase II Site Manager"); provided, however, the selection and hiring of the Phase II Site Manager (and each successor or assignee), including any Affiliate, is and shall be subject to prior written approval of the Executive Director (or designee) in his discretion. The Phase II Site Manager shall manage the Phase II Project in accordance with the definitions of Affordable Rent contained herein and in the DDAHA, the tenant selection requirements contained herein and in the DDAHA, and the definitions relating to income contained in the DDAHA and this Regulatory Agreement. Any fee paid to the Phase II Site Manager for social services provided to the tenants shall be exclusive of the fee paid to the Phase II Site Manager relating to the management of the Phase II Project. Developer shall conduct due diligence and background evaluation of any potential third party property manager or property management company to evaluate experience, references, credit worthiness, and related qualifications as a property manager. Any proposed property manager shall have significant and relevant prior experience with affordable housing projects and properties comparable to the Phase II Project and the references and credit record of such property manager/company shall be investigated (or caused to be investigated) by Developer prior to submitting the name and qualifications of such proposed property manager to the Executive Director for review and approval. A complete and true copy of the results of such background evaluation shall be provided to the Executive Director. Approval of a Property Manager by Executive Director shall not be unreasonably delayed but shall be in his/her sole reasonable discretion, and the Executive Director shall use good faith efforts to respond as promptly as practicable in order to facilitate effective and ongoing property management of the Phase II Project. The replacement of a Property Manager by Developer and/or the selection by Developer of any new or different Property Manager during the Affordability Period shall also be subject to the foregoing requirements.
- (b) Budget and Reserve Requirements. Developer shall maintain the Capital Replacement and the Operating Reserve throughout the Affordability Period in the amounts designated herein and in the DDAHA.
- (i) Capital Reserve Requirements. Commencing upon the closing for the Primary Permanent Loan for the Phase II Project, Developer shall annually set aside an amount of not less than Three Hundred Dollars (\$300.00) per Housing Unit (32) Housing Units times \$300

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equals \$9,600) or such increased amount required by TCAC, other governmental agency that is a financing source, the Partnership Agreement or the Primary Lender under the Primary Permanent Loan for the Phase II Project) from the gross rents received from the Phase II Project, into a separate interest bearing trust account defined as the Capital Replacement Reserve. Funds in the Capital Replacement Reserve shall be used only for capital repairs, improvements and replacements to the Phase II Project, including fixtures and equipment, which are normally capitalized under generally accepted accounting principles including "capital repair" as defined in the Internal Revenue Code. The non-availability of funds in the Capital Replacement Reserve does not in any manner relieve or lessen Developer's obligation to undertake any and all necessary capital repairs, improvements, or replacements and to continue to maintain the Phase II Project in the manner prescribed herein. Not less than once per year, Developer, at its expense, shall submit to the Executive Director an accounting for the Capital Replacement Reserve for the Phase II Project. Capital improvements and repairs to, and replacements at the Phase II Project shall include only those items with a long useful life, including without limitation the following: carpet and drapery replacement; appliance replacement; exterior painting, including exterior trim; hot water heater replacement; plumbing fixtures replacement, including tubs and showers, toilets, lavatories, sinks, faucets; air conditioning and heating replacement; asphalt repair and replacement, and seal coating; roofing repair and replacement; landscape tree replacement; irrigation pipe and controls replacement; sewer line replacement; water line replacement; gas line replacement; lighting fixture replacement; elevator replacement and upgrade work; miscellaneous motors and blowers; common area furniture replacement; and common area repainting. Pursuant to the procedure for submittal of each Annual Budget for the Phase II Project to the Executive Director by Developer, Executive Director will evaluate the cumulative amount on deposit in the Capital Replacement Reserve account and exercise his/her sole, reasonable discretion to determine if existing balance(s) in, proposed deposits to, shortfalls, if any, and/or a cumulative unexpended/unencumbered account balance in such Capital Replacement Reserve account are adequate to provide for necessary capital repairs and improvement for the Phase II Project.

Notwithstanding the foregoing portion of subsection, in the event TCAC prescribes particular amounts to be set aside as a capital replacement reserve, compliance therewith shall be deemed to comply with this subsection.

Operating Budget and Operating Reserve. Within twelve (12) months after commencement of construction of the Phase II Project, but in no event later than ninety (90) days prior to the completion of construction of the Phase II Project, and not less than annually thereafter on or before November 1 of each year following the issuance of the first certificate of occupancy issued by City's building official therefor and continuing each year throughout the Affordability Period, Developer shall submit to Authority and City on not less than an annual basis an operating budget for the Phase II Project ("Operating Budget" or "Annual Budget"), which budget shall be subject to the written approval of Executive Director (or designee), which approval shall not be unreasonably withheld. The Executive Director's discretion in review and approval of each proposed annual Operating Budget shall include, without limitation, authority to review individual categories, line items, and accounts, such as the following: extent, type, and amount for social services at or associated with the Phase II Project; existing balance(s) in and proposed deposits to the Capital Replacement Reserve for the Phase II Project to evaluate shortfalls and/or cumulative unexpended/unencumbered deposits (provided that required annual deposits thereto are not required to exceed \$300/per unit); conformity of any annual increases in the Partnership Related Fees for the Phase II Project with only those increases expressly permitted in the definition of "Partnership

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Related Fees"; reasonableness and conformity to prevailing market rates in Riverside County and rates and fees for goods and services to be provided Developer or any of its parent, affiliated, or subsidiary entities, etc. for the Phase II Project.

(A) Operating Reserve. Developer shall, or shall cause the Phase II Site Manager to, set aside an Operating Reserve for the Phase II Project in a separate interest bearing trust account a target amount equal to three (3) months of (1) Debt Service on the Primary Construction Loan or the Primary Permanent Loan and (2) Operating Expenses pursuant to an approved Annual Budget for the Phase II Project ("Target Amount"), which shall be funded by Tax Credit equity (or, if a different amount is identified for such purpose the Primary Construction Lender, the Primary Permanent Lender or TCAC, the amount identified by TCAC (which amount shall take precedence) or, if no such amount is identified by TCAC, the amount identified by the Primary Construction Lender or the Primary Permanent Lender). The Operating Reserve shall thereafter be replenished from Residual Receipts to maintain the Operating Reserve balance at the Target Amount. The Target Amount shall be retained in the Operating Reserve to cover shortfalls between Annual Project Revenue and actual Operating Expenses, but shall in no event be used to pay for capital items or capital costs properly payable from the Capital Replacement Reserve. Developer shall, not less than once per every twelve (12) months, submit to the Executive Director evidence reasonably satisfactory to Authority of compliance herewith. Interest earned on moneys held in the Operating Reserve shall be retained in the Operating Reserve. The Operating Reserve shall be maintained throughout the Affordability Period.

Notwithstanding the foregoing portion of this subsection, in the event TCAC prescribes a particular amount to be set aside as an operating reserve, compliance therewith shall be deemed to comply with that portion of this subsection that sets forth the amount of operating reserve.

- (c) Maintenance and Repair. Developer agrees to assume full responsibility for the management, operation and maintenance of the Phase II Development and the Phase II Site throughout the Affordability Period without expense to Authority, and to perform all repairs and replacements necessary to maintain and preserve the Phase II Development and the Phase II Site in good repair, in a neat, clean, safe and orderly condition reasonably satisfactory to Authority and in compliance with all applicable laws. Developer agrees that neither the Authority nor City shall not be required to perform any maintenance, repairs or services or to assume any expense in connection with the Phase II Development and the Phase II Site. Developer hereby waives all rights to make repairs or to cause any work to be performed at the expense of Authority and/or City as provided for in Section 1941 and 1942 of the California Civil Code.
- (i) *Program Maintenance*. In addition to the routine maintenance and repair required pursuant hereto and the requirements set forth in this Authority Regulatory Agreement and the City Covenants, Developer shall perform the following minimum programmed maintenance of the Improvements to the Site:
- (A) Interior painting, interior carpets in common areas, and window covering replacement at least every seven (7) years;
  - (B) Exterior painting at least every ten (10) years;

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- (C) Repair, resurfacing, and re-striping of parking areas and walkways at least every five (5) years;
- (D) Replacement of all deteriorated or worn landscaping at least every five (5) years; and
- (E) Replacement of all deteriorated or worn recreational and play equipment at least every five (5) years.

Notwithstanding the foregoing, if the Executive Director reasonably determines that the Phase II Project suffers from significant and unexpected wear and tear requiring any of the above items of maintenance to be performed sooner than as set forth above, Authority may require that such maintenance actions be performed within a reasonable time, even if sooner than the time periods set forth above. Upon the request of Developer, the Executive Director, at his/her sole, reasonable discretion, may grant a waiver or deferral of any program maintenance requirement. Developer shall keep such records of maintenance and repair as are necessary to prove performance of the program maintenance requirements.

- (ii) *Maintenance Standards*. The following standards shall be complied with by Developer and its maintenance staff, contractors or subcontractors:
- (A) Developer shall maintain the Phase II Development, including individual Housing Units, all common areas, all interior and exterior facades, and all exterior project site areas, in a safe and sanitary fashion suitable for a High Quality, rental housing project. Developer agrees to provide utility services, administrative services, supplies, contract services, maintenance, maintenance reserves, and management for the entire project including interior tenant spaces, common area spaces and exterior common areas. The services provided by Developer shall include, but not be limited to, providing all common area electricity, gas, water, television, cable television, property, fire and liability insurance in the amounts set forth in this Regulatory Agreement, all property taxes and personal property taxes, any and all assessments, maintenance and replacement of all exterior landscaping, and all administration and overhead required for any property manager. Developer is obligated and shall use its best efforts to correct any defects in property management or operations at the earliest feasible time.
- (B) Landscape maintenance shall include, but not be limited to: watering/irrigation; fertilization; mowing, edging, and trimming of grass; tree and shrub pruning; trimming and shaping of trees and shrubs to maintain a healthy, natural appearance and safe road conditions and visibility, and optimum irrigation coverage; replacement, as needed, of all plant materials; control of weeds in all planters, shrubs, lawns, ground covers, or other planted areas; and staking for support of trees.
- (C) Clean-up maintenance shall include, but not be limited to: maintenance of all private paths, parking areas, driveways and other paved areas in clean and weed-free condition; maintenance of all such areas clear of dirt, mud, trash, debris or other matter which is unsafe or unsightly; removal of all trash, litter and other debris from improvements and landscaping prior to mowing; clearance and cleaning of all areas maintained prior to the end of the day on which the maintenance operations are performed to ensure that all cuttings, weeds, leaves and other debris are properly disposed of by maintenance workers.

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- (D) The Phase II Development shall be maintained in conformance and in compliance with the approved construction and architectural plans and design scheme, as the same may be amended from time to time with the approval of Authority and City.
- (E) All maintenance work shall conform to all applicable federal and state Occupation Safety and Health Act standards and regulations for the performance of maintenance.
- (F) Any and all chemicals, unhealthful substances, and pesticides used in and during maintenance shall be applied only by persons in strict accordance with all governing regulations.
- (G) Parking lots, lighting fixtures, trash enclosures, and all areas shall be kept free from any accumulation of debris or waste materials by regularly scheduled maintenance.
- (iii) Capital Repairs and Replacement. Capital repairs to and replacement of the Phase II Development shall include only those items with a long useful life, including without limitation the following:
  - (A) Appliance replacement;
  - (B) Hot water heater replacement;
- (C) Plumbing fixtures replacement, including tubs and showers, toilets, lavatories, sinks, faucets;
  - (D) Air conditioning and heating replacement;
  - (E) Asphalt replacement;
  - (F) Roofing replacement;
- (G) Landscape tree replacement and irrigation pipe and controls replacement;
  - (H) Gas line pipe replacement;
  - (I) Lighting fixture replacement; and
  - (J) Miscellaneous motors and blowers.
- (iv) Exterior Building Maintenance. All exterior, painted surfaces shall be maintained at all times in a clean and presentable manner, free from chipping, cracking and defacing marks. Any such defacing marks shall be cleaned or removed within a reasonable period of time as set forth herein.
- (A) Front and Side Exteriors. Developer shall at all times maintain the front exterior and yard in a clean, safe and presentable manner, free from defacing marks or any disrepair and any visible side exteriors. Developer shall hire maintenance personnel to maintain and/or repair any front exterior or yard or visible side yard and exterior of any lot or building.

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- (B) *Graffiti Removal*. All graffiti, and defacement of any type, including marks, words and pictures must be removed and any necessary painting or repair completed by the later to occur of (i) seventy two (72) hours of their creation or (ii) seventy two (72) hours after notice to Developer.
- (C) *Driveways*. All driveways must be paved and maintained with impervious material in accordance with the City Code. In addition, all water must be made to drain freely to the public part of the waterway without any pooling.
- (D) Exterior Illumination. Developer shall at all times maintain adequate lighting in all entrance ways and parking areas. Adequate lighting means outdoor, night lighting designed and installed, which provides no less than one (1.0) foot candles in the parking areas and no less than one and one-half (1-1/2) foot candles in the walking areas or common areas and no less than 0.2 foot candles at the point of least illumination.
- (E) Front Setbacks. All front setback areas that are not buildings, driveways or walkways shall be adequately and appropriately landscaped in accordance with minimum standards established by Authority and shall be maintained by Developer. The landscaping shall meet minimum standards set from time to time by Authority.
- (F) *Trash Bins*. All trash shall be collected and placed at all times in an enclosable bin to be placed in a designated refuse/trash bin area. The designated area shall be located so that the bin will, to the extent possible, be readily accessible from the street.
- (G) *Prohibited Signs*. No sign of any kind shall be displayed to the public view on or from any portion of the Phase II Site without the approval of Authority and appropriate City departments if any as required by the City Code.
- (d) Gross Mismanagement. During the Affordability Period, and in the event of "Gross Mismanagement" (as defined below) of the Phase II Development, Executive Director shall have and retain the authority to direct and require any condition(s), acts, or inactions of Gross Mismanagement to cease and/or be corrected immediately, if such condition(s) is/are not ceased and/or corrected after expiration of thirty (30) days from the date of written notice from Executive Director. If Developer or Property Manager has commenced to cure such Gross Mismanagement condition(s) on or before the 20th day from the date of written notice (with evidence of such submitted to the Executive Director), but has failed to complete such cure by the 30th day (or such longer period if the cure cannot reasonably be accomplished in thirty (30) days as reasonably determined by the non-defaulting party), then Developer shall have an additional thirty (30) days to complete the cure of Gross Mismanagement condition(s).
- (i) For purposes of this Agreement, the term "Gross Mismanagement" means management of the Phase II Development in a manner which violates the terms and/or intention of this Agreement to operate a first quality affordable housing complex, and shall include, but is not limited to, any one or more of the following:
  - (A) Leasing to tenants who exceed the Prescribed Income Levels;

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- (B) Leasing of a Housing Unit to a household that does not incomequalify as an Eligible Household as an Extremely Low, 40% AMI Very Low, 45% AMI Very Low, 50% AMI Very Low, or Low Income Household:
- (C) Subject to Fair Housing Laws, allowing tenants to exceed the prescribed minimum and maximum occupancy levels without taking immediate action to stop such undercrowding or overcrowding, as applicable;
- (D) Under-funding required Capital Replacement Reserve and/or Operating Reserve accounts;
- (E) Failing to submit timely and/or adequate Annual Financial Report, Certificates, and reporting requirements to Authority and City as required herein;
  - (F) Failing to comply with the City Covenants;
  - (G) Failing to comply with this Authority Regulatory Agreement;
  - (H) Failing to comply with the County Regulatory Agreement;
  - (I) Failing to comply with the Tax Credit Regulatory Agreement;
- (J) Fraud or embezzlement of Development funds, including without limitation funds in the reserve accounts;
- (K) Failing to fully cooperate with the Moreno Valley Police Department or other local law enforcement agency(ies) with jurisdiction over the Phase II Development, in maintaining a crime-free environment within the Phase II Development;
- (L) Failing to fully cooperate with the Moreno Valley Fire Department or other local public safety agency(ies) with jurisdiction over the Phase II Development, in maintaining a safe and accessible environment within the Phase II Development; and
- (M) Failing to fully cooperate with the Moreno Valley Planning and Building and Safety Department, or other local health and safety enforcement agency(ies) with jurisdiction over the Phase II Development, in maintaining a decent, safe and sanitary environment within the Phase II Development.

Developer is obligated and shall use its best efforts to correct any defects in property management or operations at the earliest feasible time.

(e) Code Enforcement. Developer acknowledges and agrees that Authority and its employees and authorized agents, shall have the right to conduct code compliance and/or code enforcement inspections of the Phase II Development and the individual dwelling units at the Phase II Development (and not limited to the Housing Units), both exterior and interior, at reasonable times and upon reasonable notice (not less than 48 hours prior notice, except in an emergency) to Developer and/or an individual tenant. If such notice is provided by Authority representative(s) to Developer, then Developer shall immediately and directly advise any affected tenant of such upcoming inspection and cause access to the area(s) and/or Housing Units at the Phase II

Attachment No. 11 Authority Regulatory Agreement Page 19 of 28 Development to be made available and open for inspection. Developer shall include express advisement of such inspection rights within the lease/rental agreements for each Unit in the Phase II Development in order for each and every tenant and tenant household to be aware of this inspection right. The foregoing portion of this Section 5 is without limitation as to the exercise of police powers by City.

Section 6. Keeping of Animals. No animals of any kind shall be raised, bred or kept on the Phase II Site, except that domesticated dogs, cats or other household pets may be kept by the tenants in the Phase II Project at the discretion of Developer and subject to compliance with all laws. However, no animal shall be kept, bred or maintained for any commercial purpose or for fighting purposes. Nothing permitted herein shall derogate in any way the right of Developer to further restrict keeping of pets.

Section 7. Parking of Vehicles. Developer shall not permit the parking, storing or keeping of any vehicle except wholly within the parking areas designated for the Housing Units. Developer shall not permit the parking, storing or keeping of any large commercial type vehicle (dump truck, cement mixer truck, oil or gas truck, etc.), or any recreational vehicle over twenty (20) feet in length (camper unit, motor home, trailer, mobile home or other similar vehicle), boats over twenty (20) feet in length, or any vehicle other than a private passenger vehicle, upon any portion of the Common Areas, including parking spaces. For purposes of this section, a pickup truck with a pickup bed mounted camper shall be considered a private passenger vehicle; provided however, that no such vehicle shall be used for residential purposes while parked on the premises.

(a) Developer shall not permit major repairs or major restorations of any motor vehicle, boat, trailer, aircraft or other vehicle to be conducted upon any portion of the Common Area, including the parking areas, except for emergency repairs thereto and then only to the extent necessary to enable movement of the vehicle to a proper repair facility. No inoperable vehicle shall be stored or kept in the Common Area. Developer shall give the vehicle owner not less than four (4) days, nor more than seven (7) days' notice and an opportunity to remove any vehicle parked, stored or kept in violation of the provisions of this Regulatory Agreement. Notice shall consist minimally of a reasonably diligent attempt to personally notify the vehicle owner or alternatively leaving written notice on the subject vehicle. After due notice and opportunity have been given to the vehicle owner, Developer shall have the right to remove, at the vehicle owner's expense, any vehicle parked, stored or kept in violation of the provisions of this Regulatory Agreement.

Section 8. Notice re Non-Compliance. Authority agrees to notify Developer in writing (including by email) if the conditions of the Phase II Project does not meet with the Maintenance Standards and to specify the deficiencies and the actions required to be taken by Developer to cure the deficiencies. Upon notification of any maintenance deficiency, Developer shall have thirty (30) days within which to correct, remedy or cure the deficiency. If the written notification relates to a problem that is urgent and relating to the public health and safety as reasonably determined in writing by the police department, fire department, department of public works, building department or other first responder public agency, then Developer shall have forty-eight (48) hours (or any such longer time as may be reasonable under the circumstances) to rectify the problem. In the event Developer does not maintain the Phase II Site in the manner set forth herein and in accordance with the Maintenance Standards, Authority and City shall have, in addition to any other rights and remedies hereunder, the right to maintain the Phase II Site, or to contract for the correction of such

Attachment No. 11 Authority Regulatory Agreement Page 20 of 28 deficiencies, after written Notice to Developer, and Developer shall be responsible for the payment of all such costs incurred by Authority and/or City.

- <u>Section 9.</u> <u>Signs Required.</u> "No loitering" signs will be posted at each building and enforced by Developer. "Illegally parked vehicles will be towed" signs in compliance with California Vehicle Code requirements will be posted and enforced by Developer.
- <u>Section 10.</u> <u>Fences and Electronic Installations.</u> Developer shall not install or knowingly permit to be installed on the exterior of any improvement or building on any fences or any antenna or other television or radio receiving device, excepting satellite dishes having a diameter of eighteen inches (18") or less, without prior written consent of City. This prohibition shall not prohibit the installation of cable television or subscription wires or receiving devices.
- Section 11. Structural Change. Nothing shall be done on the Phase II Site in, on or to any building which would materially structurally change the exterior or the interior bearing walls of any such building or structure, except as otherwise provided herein. Nothing herein shall affect the rights of Developer to repair, alter or construct improvements on the buildings on the Phase II Site unless such repair, alteration or improvement would impair the structural integrity and/or exterior appearance of said buildings. Nothing herein shall be deemed to prohibit work ordered to be performed by the City building official.
- Section 12. Compliance with Laws. Developer shall comply with all applicable laws in connection with the development and use of the Phase II Site, including without limitation the CRL, and Fair Housing Act (42 U.S.C. § 3601, et seq., and 24 C.F.R. § 100.300, et seq.). Developer shall also comply with the Tax Regulatory Agreement. Developer is a sophisticated party, with substantial experience in the acquisition, development, financing, obtaining financing for, marketing, and operation of affordable housing projects, and with the negotiation, review, and preparation of agreements and other documents in connection with such activities. Developer is familiar with and has reviewed all laws and regulations pertaining to the acquisition, development and operation of the Phase II Project and has obtained advice from any advisers of its own choosing in connection with this Agreement.

# ARTICLE III DUTY TO PREVENT HAZARDOUS MATERIAL CONTAMINATION

Section 1. Duty to Prevent Hazardous Material Contamination. During the development and operation of the Phase II Project, Developer shall take all necessary precautions to prevent the release of any Hazardous Materials into the environment on or under the Phase II Site and/or Phase II Project. Such precautions shall include compliance with all Governmental Requirements with respect to Hazardous Materials. Developer shall notify Authority and City, and provide to Authority and City a copy or copies, of any notices of violation, notices to comply, citations, inquiries, clean-up or abatement orders, cease and desist orders, reports filed pursuant to self-reporting requirements and reports filed or applications made pursuant to any Governmental Requirement relating to Hazardous Materials and underground tanks, and Developer shall report to Authority and City, as soon as possible after each incident, any unusual, potentially important incidents in the event of a release of any Hazardous Materials into the environment.

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- (a) Governmental Requirements. For purposes of this Article III, "Governmental Requirements" means all laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the state, the County, City, or any other political subdivision in which the Phase II Project is located, and of any other political subdivision, agency or instrumentality exercising jurisdiction over Authority, City, Developer or the Phase II Project.
- (b) For purposes of this Article III, the term "Hazardous Materials" means any substance, material, or waste which is or becomes regulated by any local governmental authority, the County, including the Riverside County Health Care Authority, the Regional Water Quality Control Board, the State of California (including the Department of Toxic Substances Control), other state, regional or local governmental authority, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) friable asbestos, (vii) polychlorinated biphenyls, (viii) designated as "hazardous substances" pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317), (ix) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq. (42 U.S.C. §6903) or (x) defined as "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601, et seq. Notwithstanding the foregoing, "Hazardous Materials" shall not include such products in quantities below attainment levels identified in one or more of the enactments identified above as Governmental Requirements, including those product and amounts as are customarily used in the construction, maintenance, rehabilitation, management, operation and residence of residential developments or associated buildings and grounds, or typically used in residential activities in a manner typical of other comparable residential developments, or substances commonly ingested by a significant population living within the Phase II Project, including without limitation alcohol, aspirin, tobacco and saccharine.

# ARTICLE IV DAMAGE, DESTRUCTION; OBLIGATION TO REPAIR AND REBUILD

- <u>Section 1.</u> <u>Damage and Destruction Affecting Phase II Project Developer's Duty to Rebuild.</u> If all or any portion of the Phase II Site, Phase II Development, and/or improvements thereon is damaged or destroyed by fire or other casualty, it shall be the duty of Developer to rebuild, repair or reconstruct said portion of the Phase II Site and/or the improvements in a timely manner which will restore it to Code compliance condition.
- (a) In furtherance of the requirements of this Article IV, Section 1, Developer shall keep the construction on the Phase II Site insured by carriers at all times satisfactory to Authority against loss by fire and such other hazards, casualties, liabilities and contingencies as included within an all risk extended coverage hazard insurance policy, in an amount of the full replacement cost of the

Attachment No. 11 Authority Regulatory Agreement Page 22 of 28 constructions. In the event of loss, Developer shall give prompt notice to the insurance carrier and to Authority and City.

- (b) If the Phase II Site is abandoned by Developer, or if Developer fails to respond to Authority and/or City within thirty (30) days from the date notice is mailed by Authority and/or City to Developer that the insurance carrier offers to settle a claim for insurance benefits, Authority and/or City is authorized to collect and apply the insurance proceeds at Authority's option either to restoration or repair of the Phase II Site.
- <u>Section 2.</u> <u>Variance in Exterior Appearance and Design.</u> In the event the Phase II Project sustains substantial physical damage due to a casualty event, Developer may apply to City for approval to reconstruct, rebuild or repair in a manner which will provide different exterior appearance and lot design from that which existed prior to the date of the casualty.
- Section 3. <u>Time Limitation.</u> Upon damage to the Phase II Site or the Phase II Project or other improvements, Developer shall be obligated to proceed with all due diligence hereunder, subject to City approval requirements, and commence reconstruction within two (2) months after the damage occurs and complete reconstruction within six (6) months after damage occurs or demolition and vacate within two (2) months, unless prevented by causes beyond their reasonable control, in which event reconstruction shall be commenced and completed at the earliest feasible time.

# ARTICLE V ENFORCEMENT

<u>Section 1</u>. <u>Remedies</u>. Breach of the covenants contained in this Regulatory Agreement may be enjoined, abated or remedied by appropriate legal proceeding by Authority or City.

This Declaration does not in any way infringe on the right or duties of City to enforce any of the provisions of the City Code including, but not limited to, the abatement of dangerous buildings.

City shall be deemed to be a third party beneficiary of this Regulatory Agreement. Except for City, there shall be no third party beneficiaries of this Regulatory Agreement.

- <u>Section 2</u>. <u>Nuisance</u>. The result of every act or omission whereby any of the covenants contained in this Regulatory Agreement are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowable at law or equity, against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any owner or its successors in interest, without derogation of City's rights under law.
- Section 3. Right of Entry. In addition to the above general rights of enforcement, City shall have the right through its agents and employees, to enter upon any part of the project area for the purpose of enforcing the California Vehicle Code, and the ordinances and other regulations of City, and for maintenance and/or repair of any or all publicly owned utilities. In addition, City has the right of entry at reasonable hours and upon and after reasonable attempts to contact Developer, on any lot to effect emergency repairs or maintenance which Developer has failed to perform. Subsequent to sixty (60) days written notice to Developer specifically outlining Developer's noncompliance, City shall have the right of entry on the Phase II Site at reasonable hours to enforce compliance with this Regulatory Agreement which Developer has failed to perform. Authority shall

Attachment No. 11 Authority Regulatory Agreement Page 23 of 28 additionally have rights of entry as a landlord under the Authority Deed of Trust. This Section 3 is without limitation as to the exercise of police powers of City.

- <u>Section 4.</u> <u>Costs of Repair</u>. The costs borne by City or Authority of any such repairs or maintenance emergency and/or non-emergency, shall become a charge for which Developer shall be responsible.
- <u>Section 5.</u> <u>Cumulative Remedies.</u> The remedies herein provided for breach of the covenants contained in this Regulatory Agreement shall be deemed cumulative, and none of such remedies shall be deemed exclusive.
- <u>Section 6</u>. <u>Failure to Enforce</u>. The failure to enforce any of the covenants contained in this Regulatory Agreement shall not constitute a waiver of the right to enforce the same thereafter.
- <u>Section 7</u>. <u>Enforcement and Nonliability</u>. City or Authority may from time to time make such efforts, if any, as it shall deem appropriate enforce and/or assist in enforcing this Regulatory Agreement. However, neither Authority nor City will be subject to any liability for failure to affirmatively enforce any provision of this Regulatory Agreement.

# ARTICLE VI GENERAL PROVISIONS

- <u>Section 1</u>. <u>Covenant Against Partition</u>. By acceptance of its interest in the Phase II Site, Developer shall be deemed to covenant for itself and for its heirs, representatives, successors and assigns, that it will not institute legal proceedings or otherwise seek to effect partition of its right and interest in the interest being conveyed to Developer, or the burdens running with the land as a result of this Regulatory Agreement.
- <u>Section 2</u>. <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in all force and effect.
- Section 3. Term. This Declaration shall run with and bind the interest of Developer in the Phase II Site, and shall inure to the owner(s) of any property subject to this Regulatory Agreement, his legal representatives, heirs, successors and assigns, and as provided in Article VI, Sections 2 and 3, be enforceable by City, for a term equal to the Affordability Period as defined in the DDAHA, provided; however, that the covenants regarding nondiscrimination set forth in Section 4 of Article II of this Regulatory Agreement shall remain in effect for perpetuity.
- Section 4. Construction. The provisions of this Regulatory Agreement shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of rental housing available at Affordable Rent for Extremely Low Income Households, Very Low Income Households and, to the extent provided herein, Low Income Households in conformity with the Prescribed Income Levels. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

Attachment No. 11 Authority Regulatory Agreement Page 24 of 28 Developer shall be obligated by this Regulatory Agreement to comply with the provisions hereof, as well as the Authority Deed. In the event of conflict, Developer shall comply with the most stringent requirements, in each case.

<u>Section 5</u>. <u>Amendments</u>. This Declaration may be amended only by the written agreement of Developer, Authority and City.

<u>Section 6.</u> <u>Encroachments.</u> None of the rights and obligations of Developer created herein shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of Developer if said encroachment occurs due to the willful conduct of said Developer.

<u>Section 7.</u> <u>Third Party Costs.</u> Developer acknowledges and agrees to its obligation to pay and reimburse the Authority and City for all Third Party Costs incurred, as such term and provisions therefor are set forth in the DDAHA.

Section 8. Notices. Any notice permitted or required to be delivered as provided herein to Developer shall be in writing and may be delivered either personally or by certified mail. Notice to Authority shall be made by certified mail to the Executive Director or his or her designee at 14177 Frederick Street, Moreno Valley, California 92552-0805 (with a copy to Office of the City Attorney, 14177 Frederick Street, Moreno Valley, California 92552-0805), and shall be effective upon receipt. Notice to Developer shall be made by certified mail to Courtyards at Cottonwood II, L.P., a California limited partnership, 27700 Kalmia Avenue, Riverside, California 92101, and shall be effective upon receipt. Such addresses may be changed from time to time by notice in writing.

# **DEVELOPER:**

# COURTYARDS AT COTTONWOOD II, L.P.,

a California limited partnership

By: KDI Courtyards LLC, a California limited liability

company, its managing general partner

By: Kingdom Development, Inc., a California

nonprofit public benefit corporation, its sole

member and manager

By:

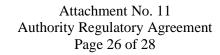
William Leach, President

By: RBD Cottonwood, LLC, a California limited liability company, its administrative general partner

By: Rancho Belago Developers, Inc.,

a California corporation, its sole member

and manager



	AUTHORITY:
	MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic
	By:
	Mike Lee, Executive Director
ATTEST:	
Jane Halstead, Authority Secretary	
APPROVED AS TO FORM:	
STRADLING YOCCA CARLSON & RA	AUTH
Celeste Stahl Brady, Special Counsel	
APPROVED AS TO FORM:	
AFFROVED AS TO FORM:	
LAW OFFICES OF QUINTANILLA &	ASSOCIATES
Steve Quintanilla, General Counsel	

Attachment No. 11 Authority Regulatory Agreement Page 27 of 28

	CITY:
	CITY OF MORENO VALLEY. a California municipal corporation
	Ву:
	Mike Lee, City Manager
ATTEST:	
City Clerk	
APPROVED AS TO FORM:	
STRADLING YOCCA CARLSON & RAU	UTH
C1 4 6 11 D 1 6 2 11 C 2 1	
Celeste Stahl Brady, Special Counsel	
APPROVED AS TO FORM:	
LAW OFFICES OF QUINTANILLA & A	SSOCIATES
Steve Quintanilla, City Attorney	

Attachment No. 11 Authority Regulatory Agreement Page 28 of 28

#### **EXHIBIT A**

# **LEGAL DESCRIPTION**

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00'00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00'00" WEST:

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'22", A DISTANCE OF 28.60 FEET;

THENCE NORTH 73°36'38" WEST, A DISTANCE OF 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 45.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 83°27'37", A DISTANCE OF 65.55 FEET:

THENCE NORTH 89°59'10" WEST, A DISTANCE OF 449.76 FEET, TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF PARCEL 1 OF SAID PARCEL MAP, WHOSE COURSE BEARS NORTH 00°00'30" WEST, WITH A DISTANCE OF 100.00 FEET;

THENCE NORTHERLY ALONG SAID PROLONGATION NORTH 00°00'30" WEST, A DISTANCE OF 125.00 FEET, TO A NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP:

THENCE SOUTH  $89^{\circ}59'10''$  EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026

# **ATTACHMENT NO. 12**

# **INCOME VERIFICATION**

Part I	General Information					
1.	Project Location:					_
2.	Landlord's Name:					
Part II	Unit Information					
3.	Unit 4. Number	Number of Bedrooms	5.	Monthly Rent	6.	Number of Occupants
Part II	I Affidavit of Tenant					
at the	I,, above-described location					tal of an Apartment Unit
Α.	(30%) of the Median income levels are est United States Housin Community Developing applicable median incomplication anticipate receiving fragreement for a Hou	a Income for the ablished and an g Act of 1937 a ment in the Cali ome is \$	e Rivers nended and publ fornia C . The fo h period e date o	ide Primary Market from time to the ished by the Stode of Regular bllowing compute beginning on which (I/we) constitute a "E	letropolitime purse tate Deptions. (Latation in the date will in	t exceed thirty percent tan Statistical Sites such that to Section 8 of the partment of Housing and (We) understand that the includes all income (I/we) to (I/we) execute a rental itially occupy such unit, Iousehold" as defined as
В.	(40%) of the Median income levels are est United States Housin Community Developing applicable median incomplication anticipate receiving fragreement for a Hou	Income for the ablished and an g Act of 1937 ament in the Calicome is \$ or the 12 month sing Unit or the	e Rivers nended and publifornia C The fo h period e date o	nnual income) ide Primary M from time to ti ished by the S ode of Regular llowing comput beginning on n which (I/we) constitute a "E	does not letropolitime purse tate Deptions. (Letation in the date) will initialligible H	tan Statistical Sites such uant to Section 8 of the partment of Housing and We) understand that the acludes all income (I/we) at (I/we) execute a rental itially occupy such unit, Iousehold" as defined as
				Tenar	nt(s)' Init	ials

Attachment No. 12 Income Verification Page 1 of 6

C. (My/Our) gross income (anticipated total annual income) <b>does not exceed forty-five percent (45%)</b> of the Median Income for the Riverside Primary Metropolitan Statistical Sites such income levels are established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937 and published by the State Department of Housing and Community Development in the California Code of Regulations. (I/We) understand that the applicable median income is \$ The following computation includes all income (I/we) anticipate receiving for the 12 month period beginning on the date (I/we) execute a rental agreement for a Housing Unit or the date on which (I/we) will initially occupy such unit, whichever is earlier. I/we certify that I/we constitute a "Eligible Household" as defined as [].
Tenant(s)' Initials
Tellatit(s) initials
D. (My/Our) gross income (anticipated total annual income) <b>does not exceed fifty percent (50%)</b> of the Median Income for the Riverside Primary Metropolitan Statistical Sites such income levels are established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937 and published by the State Department of Housing and Community Development in the California Code of Regulations. (I/We) understand that the applicable median income is \$ The following computation includes all income (I/we) anticipate receiving for the 12 month period beginning on the date (I/we) execute a rental agreement for a Housing Unit or the date on which (I/we) will initially occupy such unit, whichever is earlier. I/we certify that I/we constitute a "Eligible Household" as defined as [].
Tenant(s)' Initials
E. (My/Our) gross income (anticipated total annual income) exceeds sixty percent (60%) but <b>does not exceed sixty percent</b> (60%) of the median income for the Riverside Primary Metropolitan Statistical Sites such income levels are established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937 and published by the State Department of Housing and Community Development in the California Code of Regulations. (I/We) understand that the applicable median income is \$ The following computation includes all income (I/we) anticipate receiving for the 12-month period beginning on the date (I/we) execute a rental agreement for a Housing Unit or the date on which (I/we) will initially occupy such unit, whichever is earlier. I/we certify that I/we constitute a "Eligible Household" as defined as [].
Tenant(s)' Initials

# 1. All tenants must complete the following:

Monthly Gross Income (All Sources of Income of All Adult Household Members Must be Listed)

Source	Head of Household	Co-Tenants	Total
Gross amount, before payroll deductions of wages, salaries, overtime pay, commissions, fees, tips and bonuses			
Interest and/or dividends			
Net income from business or from rental property			
Social security, annuities, insurance policies, pension/retirement funds, disability or death benefits received periodically			
Payment in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay			
Alimony, child support, other periodic allowances			
Public assistance, welfare payments			
Regular pay, special pay and allowances of members of Armed Forces			
Other			

Total:			

Total x 12 \_\_\_\_\_ = Gross Annual Household Income

Attachment No. 12 Income Verification Page 3 of 6 Note: The following items are **not** considered income: casual or sporadic gifts; amounts specifically for or in reimbursement of medical expenses; lump sum payments such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses; educational scholarships paid directly to the student or educational institution; government benefits to a veteran for education; special pay to a serviceman head of family away from home and under hostile fire; foster child care payments; value of coupon allotments for purpose of food under Food Stamp Act of 1964 which is in excess of amount actually charged the Eligible Household; Relocation payments under Title II of Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; payments received pursuant to participation in the following programs: VISTA, Service Learning Programs, and Special Volunteer Programs, SCORE, ACE, Retired Senior Volunteer Program, Foster Grandparent Program, Older American Community Services Program, and National Volunteer Program to Assist Small Business Experience.

- 2. This affidavit is made with the knowledge that it will be relied upon by the Landlord to determine maximum income for eligibility and (I/we) warrant that all information set forth in this document is true, correct and complete and based upon information (I/we) deem reliable and that the estimate contained in paragraph 1 of this Part III is reasonable and based upon such investigation as the undersigned deemed necessary.
- 3. (I/We) will assist the Landlord in obtaining any information or documents required to verify the statements made in this Part III and have attached hereto copies of federal income tax return for most recent tax year in which a return was filed (past two years federal income tax returns for self-employed persons).
- 4. (I/We) acknowledge that (I/we) have been advised that the making of any misrepresentation or misstatement in this affidavit will constitute a material breach of (my/our) agreement with the Landlord to rent the unit and will additionally enable the Landlord and/or the Moreno Valley Housing Authority to initiate and pursue all applicable legal and equitable remedies with respect to the unit and to me/us.

(I/We) do hereby swear under penalty of perjury that the foregoing statements are true and correct.

Date	Tenant	
Date	Tenant	

Attachment No. 12 Income Verification Page 4 of 6

# INCOME VERIFICATION (for employed persons)

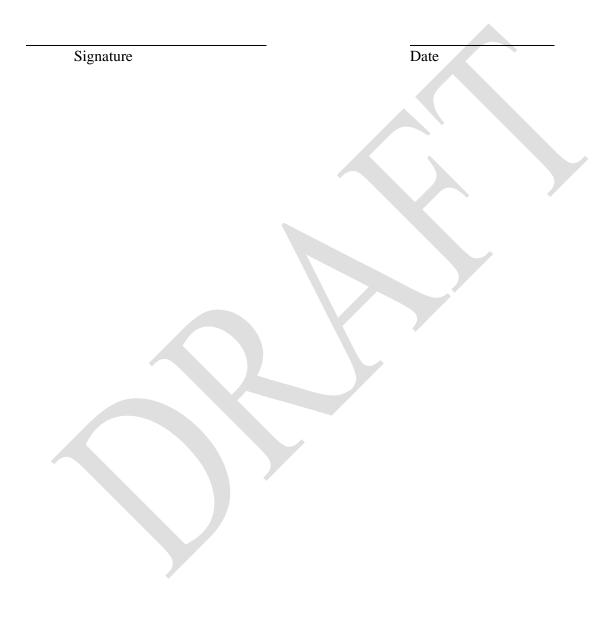
The undersigned employee has applied for a rental unit located in a project financed under a multifamily housing program of the City of Moreno Valley and the Moreno Valley Housing Authority for persons of very low income. Every income statement of a prospective tenant must be stringently verified. Please indicate below the employee's current annual income from wages, overtime, bonuses, commissions or any other form of compensation received on a regular basis.

	Annual wages			
	Overtime			
	Bonuses			
	Commissions			
	Total current income			
I herel	by certify that the statement	ents above are true and	d complete to the be	est of my knowledge.
Signat	rure	Date	Title	
determine my	by grant you permission to income eligibility for rear a multifamily housing ority.	ental of an apartment	located in their pr	
Signat	ture		Date	
Please send to				

Attachment No. 12 Income Verification Page 5 of 6

# **INCOME VERIFICATION** (for self-employed persons)

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding calendar year and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.



Attachment No. 12 Income Verification Page 6 of 6

#### ATTACHMENT NO. 13

# **AUTHORITY LOAN NOTE**

, 2023 ("Date of Promissory Note")	<u>\$380,000.00</u>
Moreno Valley California	

FOR VALUE RECEIVED, the undersigned COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership, ("Maker" or "Developer"), having its principal place of business at 27700 Kalmia Avenue, Riverside, California 92101, promises to pay to the order of the MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic ("Payee" or "Authority"), at 14177 Frederick Street, Moreno Valley, California 92552-0805, or at such other place as the holder of this Note from time to time may designate in writing, the principal sum of Three Hundred Eighty Thousand Dollars (\$380,000.00) ("Original Principal Amount"), as well as additional amounts described in Section 1 below, together with interest on the unpaid principal amount at a rate equal to the rate of one percent (1%) simple interest per annum in lawful money of the United States of America ("Promissory Note"). This Authority Loan Note is delivered pursuant to that certain unrecorded Disposition, Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units) dated as of March 7, 2023 by and among Authority, the City of Moreno Valley, a municipal corporation ("City"), and Developer ("DDAHA") in lawful money of the United States of America. The Authority Loan is evidenced by this Authority Loan Note and shall be governed by such provisions of the DDAHA (including without limitation the attachments thereto) as shall be applicable. All capitalized terms used herein shall have the meanings set forth therefor in the DDAHA.

1. Additional Amounts. The principal due under this Promissory Note shall be increased by: (a) any "Reporting Amounts" (as defined in Article II, Section 3 of the Authority Regulatory Agreement; (b) an amount equal to one hundred fifteen percent (115%) of the amounts paid by Authority (and/or City) for insurance premiums or costs to repair and maintain the Phase II Development upon the failure by Developer to timely and fully provide insurance at the times and for the amounts provided therefor in the DDAHA; (c) any Cost Savings which become payable to City from time to time under Section 4.17 of the DDAHA; and (d) in the event an Audited Financial Statement shows an underpayment to Authority of five percent (5%) or greater of the amount paid to Authority for the corresponding Year, Developer shall pay to Authority: (i) Authority's costs (including accountant and consultant fees, attorneys' fees, and a reasonable estimation of the cost of staff time) incurred in connection with Authority's audit of Developer, and (ii) an amount equal to ten percent (10%) of the shortfall.

# 2. Payments.

- (a) Payments of Additional Amounts due pursuant to Section 1 hereof shall be due and payable as of the last day of the Year during which an obligation therefor first arises;
- (b) Excepting to the extent earlier times apply to the payment of Additional Amounts pursuant to paragraph (a) of this Section 2, payments under this Promissory Note shall be due and payable as follows: payments of the Applicable Percentage (ten percent (10%) and if the County PLHA Loan is funded, and fifty percent (50%) if it is not) of

Attachment No. 13 Authority Loan Note Page 1 of 5 Residual Receipts payable on the April 15 following the issuance of the final certificate of occupancy by the City's building official and each Year on or before April 15 thereafter until this Promissory Note has been satisfied in full. In addition, the entire amount of the Authority Loan together with accrued interest and any additional amounts which become owing hereunder shall be paid by maker to Payee as of the fifty sixth (56th) anniversary of the Date of the Promissory Note (which anniversary date constitutes the "Maturity Date").

(c) Payments to Authority may, at the option of Payee, be accelerated, shall be due, and payable hereunder in the event of the occurrence of any default under the DDAHA, the Authority Deed of Trust, this Promissory Note, the City Covenants, or the Authority Regulatory Agreement, which default continues past such notice or cure period as may be applicable under the DDAHA.

Notwithstanding anything to the contrary contained herein, to the extent not sooner paid hereunder, payment of all amounts accrued as of the Maturity Date shall be due and payable as of the Maturity Date.

- 3. Other Loan Documents; Limitation Upon Refinancing. Repayment of this Promissory Note is secured by a deed of trust ("Authority Deed of Trust") of this date executed by Maker for the benefit of Payee encumbering the property described in the Deed of Trust ("Phase II Site").
- (a) Developer may not process a cash out refinancing, withdrawal of equity, during the Affordability Period without the prior consent of the Authority (and City), which transfer is subject to the terms and conditions of the DDAHA, including without limitation whether in the good faith judgment of Payee, adversely affect payments (including without limitation the amount thereof) to Payee during the Affordability Period; any such refinancing without the Authority's prior approval and consent constitutes a breach hereunder.
- 4. <u>Prepayment.</u> Maker shall have the right to prepay amounts owing under this Promissory Note at any time.
- Due on Sale or Encumbrance. In the event of any Transfer (as defined in the DDAHA) of the Phase II Site, or any portion thereof or interest therein, Payee shall have the absolute right at its option, without prior demand or notice, to declare all sums secured hereby immediately due and payable. As used herein, the term "Transfer" means and includes the direct or indirect sale, transfer, conveyance, mortgage, further encumbrance, assignment, or other alienation of the Phase II Site, or any portion thereof or interest therein, whether voluntary, involuntary, by operation of law or otherwise, the execution of any installment land sale contract, sales agreement or similar instrument affecting all or a portion of the Phase II Site, granting of an option to purchase any portion of or interest in the Phase II Site or any interest therein, or the lease of all or substantially all of the Phase II Site or of all or substantially all of the improvements located thereon. Transfer shall not include the sale, transfer, assignment, pledge, hypothecation or encumbrance by Developer's Investor Limited Partner of its partnership interest to the extent permitted by the DDAHA nor shall Transfer include the removal of any general partner of Developer by the Investor Limited Partner for cause and the replacement of such removed general partner by another person or entity in accordance with the terms of Developer's partnership agreement to the extent permitted by the DDAHA. "Transfer" shall not include a Transfer permitted in the DDAHA or the leasing of individual Housing Units on

Attachment No. 13 Authority Loan Note Page 2 of 5 the Phase II Site so long as Trustor complies with the provisions of the City Covenants, the Authority Deed and the DDAHA relating to such leasing activity. Failure of Beneficiary to exercise the option to declare all sums secured hereby immediately due and payable upon a Transfer will not constitute waiver of the right to exercise this option in the event of any subsequent Transfer.

6. <u>Subordination to Multifamily Note</u>. Developer and the Payee each makes the following representations and warranties to [name of lender's agent: to be inserted], as Agent ("Agent"):

# [to be revised based on Primary Loan documents]

In the event of an approved Transfer that includes the refinancing of a Primary Loan for an amount not in excess of the outstanding principal balance of the existing Primary Loan, on commercially reasonable terms and conditions available on the market at such time, and reasonable and customary closing costs, Authority will execute an Intercreditor and Subordination Agreement of the indebtedness evidenced by this Promissory Note to such new, approved Primary Loan.

# 7. Miscellaneous.

- (a) <u>Governing Law</u>. All questions with respect to the construction of this Promissory Note and the rights and liabilities of the parties to this Promissory Note shall be governed by the laws of the State of California.
- (b) <u>Binding on Successors</u>. This Promissory Note shall inure to the benefit of, and shall be binding upon, the successors and assigns of each of the parties to this Promissory Note.

# (c) Attorneys' Fees.

(i) Maker shall reimburse Payee for all reasonable attorneys' fees, costs and expenses, incurred by Payee in connection with the enforcement of Payee's rights under this Promissory Note, including, without limitation, reasonable attorneys' fees, costs and expenses for

Attachment No. 13 Authority Loan Note Page 3 of 5 trial, appellate proceedings, out-of-court negotiations, workouts and settlements or for enforcement of rights under any state or federal statute, including, without limitation, reasonable attorneys' fees, costs and expenses incurred to protect Payee's security and attorneys' fees, costs and expenses incurred in bankruptcy and insolvency proceedings such as (but not limited to) seeking relief from stay in a bankruptcy proceeding. The term "expenses" means any expenses incurred by Payee in connection with any of the out-of-court, or state, federal or bankruptcy proceedings referred to above, including, without limitation, the fees and expenses of any appraisers, consultants and expert witnesses retained or consulted by Payee in connection with any such proceeding.

- (ii) Payee shall also be entitled to its attorneys' fees, costs and expenses incurred in any post-judgment proceedings to collect and enforce the judgment. This provision is separate and severable and shall survive the merger of this Promissory Note into any judgment on this Promissory Note.
- (d) <u>Entire Agreement</u>. This Promissory Note and the relevant provisions of the DDAHA constitute the entire agreement and understanding between and among the parties in respect of the subject matter of such agreements and supersede all prior agreements and understandings with respect to such subject matter, whether oral or written.
- (e) <u>Time of the Essence</u>. Time if of the essence with respect to every provision hereof.
- (f) <u>Waivers by Maker</u>. Except as otherwise provided in any agreement executed in connection with this Promissory Note, Maker waives: presentment; demand; notice of dishonor; notice of default or delinquency; notice of acceleration; notice of protest and nonpayment; notice of costs, expenses or losses and interest thereon; and diligence in taking any action to collect any sums arising under this Promissory Note or in any proceeding against any of the rights or interests in or to properties securing payment of this Promissory Note.
- (g) <u>Non-waivers</u>. No previous waiver and no failure or delay by Maker in acting with respect to the terms of this Promissory Note or the Authority Deed of Trust shall constitute a waiver of any breach, default, or failure of condition under this Promissory Note, the Authority Deed of Trust or the obligations secured thereby. A waiver of any term of this Promissory Note, the Authority Deed of Trust or of any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver. In the event of any inconsistencies between the terms of this Promissory Note and the terms of any other document related to the loan evidenced by this Promissory Note, the terms of this Promissory Note shall prevail.
- (h) <u>Non-recourse Liability of Developer</u>. Notwithstanding anything to the contrary of this Promissory Note, neither Developer nor any of its partners shall be personally liable for any default, loss, claim, damage, expense or liability or any person and the sole remedy against Developer hereunder shall be limited to its interest in the Phase II Development.

(signatures on following page)

Attachment No. 13 Authority Loan Note Page 4 of 5

# **DEVELOPER:**

# COURTYARDS AT COTTONWOOD II, L.P.,

a California limited partnership

By: KDI Courtyards LLC, a California limited liability

company, its managing general partner

By: Kingdom Development, Inc., a California

nonprofit public benefit corporation, its sole

member and manager

By:

William Leach, President

By: RBD Cottonwood, LLC, a California limited liability company, its administrative general partner

By: Rancho Belago Developers, Inc.,

a California corporation, its sole member

and manager

By:

James M. Jernigan, President

#### **ATTACHMENT NO. 14**

Recording Requested By and When Recorded Mail To:

Moreno Valley Housing Authority 14177 Frederick Street Moreno Valley, California 92552-0805 Attention: Executive Director

(Space above for Recorder's use.)

(This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.)

# AUTHORITY LOAN DEED OF TRUST AND ASSIGNMENT OF RENTS

This AUTHORITY LOAN DEED OF TRUST AND ASSIGNMENT OF RENTS ("Deed of Trust"), dated as of [\_\_\_\_\_\_], 2023, is executed by COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership ("Trustor"), as trustor, whose address is 27700 Kalmia Avenue, Riverside, California 92101, in favor of FIRST AMERICAN TITLE COMPANY ("Trustee"), as trustee, for the benefit of the MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic ("Beneficiary"), as beneficiary, whose address is 14177 Frederick Street, Moreno Valley, CA 92552-0805, Attention: Executive Director. Capitalized terms used herein and not otherwise defined herein shall have the meaning set forth in that certain Disposition, Development and Affordable Housing DDAHA (Phase II: 9% Tax Credits 32 Housing Units) as further described in Section 1.1(a) below) ("DDAHA").

### **ARTICLE I**

# **GRANT OF SECURITY**

- 1.1 <u>Grant of Security</u>. FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt and adequacy of which are hereby acknowledged, Trustor hereby irrevocably grants, transfers and assigns to Trustee, IN TRUST, WITH POWER OF SALE, AND RIGHT OF ENTRY AND POSSESSION, for the benefit and security of Beneficiary, all rights, titles, interests, estates, powers and privileges that Trustor now has or may hereafter acquire in or to the following property and interests therein (collectively, the "Phase II Site").
- (a) The Phase II Site is located in the City of Moreno Valley, County of Riverside, State of California and is legally described in Exhibit A attached and fully incorporated.

Exhibit 14 Authority Loan Deed of Trust Page 1 of 16

- (b) Trustor and Beneficiary are parties to the DDAHA dated as of March 7, 2023 and a complete copy is on file as a public record with the Authority Secretary/City Clerk's office at City Hall.
- (b) All buildings and other improvements now or hereafter located on or about the Phase II Site, including, but not limited to, the Fixtures (as defined below) and any and all other equipment, machinery, appliances and other articles attached to such buildings and other improvements (collectively, the "Improvements");
- (c) All fixtures (collectively, the "Fixtures") now or hereafter located on, attached to, installed in or used in connection with the Phase II Site and Improvements, including all awnings, boilers, furnaces, pipes, plumbing, elevators, cleaning, call and sprinkler systems, fire extinguishing machinery and equipment, water tanks, heating, ventilating, air conditioning and air cooling machinery and equipment, gas and electric machinery and equipment, and other equipment, machinery and appliances and other fixtures of every kind and nature;
- (d) All rights, rights-of-way, easements, licenses, profits, privileges, tenements, hereditaments and appurtenances now owned or hereafter acquired by Trustor and used in connection with the Phase II Site and Improvements or as a means of access to either or both;
- (e) All of Trustor's right, title and interest now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Phase II Site, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Phase II Site and Improvements;
- (f) All oil, gas and other mineral rights in or relating to the Phase II Site, and all royalty, leasehold and other rights of Trustor in or relating thereto;
- (g) All water, water rights and riparian rights (including, without limitation, shares of stock evidencing the same) in or relating to the Phase II Site;
- (h) All leases and subleases relating to all or any part of the Phase II Site and Improvements or any interest therein, now or hereafter existing or entered into, including all deposits, advance rentals and other payments of a similar nature but not including the Rents, as defined and separately assigned in Article 4;
- (i) All options to purchase or lease, if any, all or any part of the Phase II Site and/or Improvements or any interest therein;
- (j) All other estates, easements, licenses, interests, rights, titles, claims or demands, both in law and in equity, which Trustor now has or may hereafter acquire in the Phase II Site and Improvements, including, without limitation, (1) any and all awards made for the taking by eminent domain, or by any proceeding or purchase in lieu thereof, of all or any part of the Phase II Site, including any award resulting from a change of grade of streets and any award for severance damages, and (2) any and all proceeds of any insurance covering the Phase II Site.

Exhibit 14 Authority Loan Deed of Trust Page 2 of 16

# **ARTICLE II**

# **SECURED OBLIGATIONS**

- 2.1 <u>Secured Obligations</u>. This Deed of Trust, and the lien created hereby, is made for the purpose of securing the following obligations (collectively, the "Secured Obligations"):
- (a) the payment and performance by Trustor of all indebtedness and other obligations evidenced by that certain Authority Loan Note dated of even date herewith, made by Trustor to the order of Beneficiary, in the original principal amount of Three Hundred Eighty Thousand and No/100ths Dollars (\$380,000), together with interest on such indebtedness and costs of enforcement according to the terms of the Authority Loan Note;
- (b) the payment and performance of all indebtedness and each and every promise, agreement, covenant, and obligation of Trustor to Beneficiary contained in (i) that certain unrecorded DDAHA entered into among Beneficiary, Trustor and the City of Moreno Valley ("City"), (ii) that certain Authority Regulatory Agreement dated concurrently herewith, by and between Beneficiary and Trustor and recorded against the Phase II Site in the Official Records of Riverside County, (iii) that certain City Covenants dated concurrently herewith, by and between City, Beneficiary, and Trustor and recorded against the Phase II Site in the Official Records of Riverside County, (iv) this Authority Loan Deed of Trust, and (v) other Project Documents, whether or not the total amount thereof may exceed the face amount of the Authority Loan Note, shall be secured hereby to the same extent as though said DDAHA, City Covenants, Authority Regulatory Agreement, and other Project Documents were fully incorporated in this Deed of Trust. A copy of the DDAHA is on file with Beneficiary as a public record;
- (c) the payment and performance of all indebtedness and other obligations of Trustor to Beneficiary, or its successors or assigns, when such indebtedness and obligations are contained in a document which recites that the obligations thereunder are secured by this Deed of Trust;
- (d) the payment by Trustor of all amounts advanced by or on behalf of Beneficiary or Trustee to improve, protect or preserve the Phase II Site or the security of this Deed of Trust, with interest thereon as provided herein; and
- (e) the payment and performance of all amendments, modifications, extensions, renewals and replacements of or for any of the foregoing (including, without limitation, (i) amendments or modifications of the required principal payment dates or interest payment dates, or both, as the case may be, accelerating or deferring such interest payment dates in whole or in part, or (ii) amendments, modifications, extensions or renewals at a different rate of interest), whether or not any such amendment, modification, extension, renewal or replacement is evidenced by a new or additional promissory note or other document.

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### **ARTICLE III**

# **COVENANTS**

- 3.1 <u>Payment of Secured Obligations</u>. Trustor shall pay and perform the Secured Obligations when due.
- Maintenance, Repair, Alterations. Trustor shall maintain and preserve the Phase II 3.2 Site in good condition and repair; Trustor, except upon the prior written consent of Beneficiary, shall not remove, demolish or materially alter any of Improvements, other than to make repairs in the ordinary course of business of a non-structural nature which serve to preserve or increase the value of the Phase II Site; Trustor shall complete promptly and in a good and workmanlike manner any Improvement which may be now or hereafter constructed on the Phase II Site, shall promptly restore in like manner any Improvement which may be damaged or destroyed thereon from any cause whatsoever, and shall pay when due all claims for labor performed and materials furnished therefor; Trustor shall comply with all laws, ordinances, rules, regulations, orders, covenants, conditions, restrictions and "Permitted Encumbrances" (as hereinafter defined) now or hereafter affecting the Phase II Site, or any part thereof, or the conduct or operation of Trustor's business; Trustor shall not commit, suffer or permit any act to be done in, upon or to all or any part of the Phase II Site or any part of the Phase II Development in violation of any such laws, ordinances, rules, regulations, orders, covenants, conditions or Permitted Encumbrances now or hereafter affecting the Phase II Site; Trustor shall not commit or permit any waste or deterioration of the Phase II Site, and shall keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair; Trustor shall not take (nor fail to take) any action, which if taken (or not so taken) would increase in any way the risk of fire or other hazard occurring to or affecting the Phase II Site or which otherwise would impair the security of Beneficiary in the Phase II Site or Improvements; Trustor shall comply with the provisions of all leases, if any, constituting a portion of the Phase II Site; Trustor shall not abandon the Phase II Site or any portion thereof or leave the Phase II Site unprotected, unguarded, vacant or deserted; Trustor shall not initiate, join in or consent to any change in any zoning ordinance, general plan, specific plan, private restrictive covenant or other public or private restriction limiting the uses which may be made of the Phase II Site by Trustor or by the owner thereof without the prior written consent of Beneficiary; Trustor shall secure and maintain in full force and effect all permits necessary for the use, occupancy and operation of the Phase II Site; except as otherwise prohibited or restricted by the Project Documents, or any of them, Trustor shall do any and all other acts which may be reasonably necessary to protect or preserve the value of the Phase II Site and the rights of Trustee and Beneficiary with respect thereto.
- 3.3 <u>Insurance</u>. Trustor shall at all times maintain in full force and effect, at Trustor's sole cost and expense, policies of insurance in form, substance, amounts and with companies as required by the DDAHA. In the event of any damage or destruction to the Phase II Site, all insurance proceeds shall be applied in accordance with the terms and provisions of the DDAHA or, in the absence thereof, as required by law.
- 3.4 <u>Condemnation and Other Awards</u>. Upon learning of the condemnation or other taking for public or quasi-public use of, or of the institution or the threatened institution of any proceeding for the condemnation or other taking for public or quasi-public use of, all or any part of the Phase II Site or Improvements, Trustor shall promptly notify Beneficiary and Trustee of such

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Subject to the requirements under senior loan documents, Trustor shall take all actions reasonably required by Beneficiary or Trustee in connection therewith to defend (using counsel reasonably acceptable to Beneficiary) and protect the interests of Trustor, Beneficiary and/or Trustee in the Phase II Site. At Beneficiary's option, Beneficiary or Trustor may be the nominal party in such proceeding but in any event Beneficiary shall be entitled, without regard to the adequacy of its security, to participate in and to control its own defense and any settlement affecting the Beneficiary's interest in the Phase II Site and to be represented therein by counsel of its choice. Subject to the requirements under senior loan documents, Trustor hereby assigns to Beneficiary, as security for the Secured Obligations, all compensation, awards, damages and other amounts payable to Trustor in connection with any condemnation or other taking of all or any part of the Phase II Site or any part of Improvements for public or semi-public use (including, but not limited to, the proceeds of any settlement, regardless of whether or not condemnation or other taking proceedings are instituted in connection therewith). Upon receipt, subject to the requirements under senior loan documents, Trustor shall immediately deliver all such compensation, awards, damages and other amounts to Beneficiary. All such proceeds shall first be applied to reimburse Beneficiary and Trustee for all costs and expenses, including reasonable attorneys' fees, incurred in connection with the collection of such award or settlement. The balance of such award or settlement shall be applied as required by law. Application or release of such proceeds as provided herein shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

- 3.5 <u>Taxes and Impositions</u>. Trustor shall be responsible to and shall pay, prior to delinquency, all of the following (collectively, the "Impositions"): (i) all general and special real property taxes and assessments imposed on the Phase II Site; and (ii) all other taxes and assessments and charges of every kind that are assessed upon the Phase II Site and that create or may create a lien upon the Phase II Site (or upon any personal property or fixtures used in connection with the Phase II Site), including nongovernmental levies and assessments pursuant to applicable covenants, conditions or restrictions. If permitted by law, Trustor may pay any Imposition in installments (together with any accrued interest).
- (a) Right to Contest. Trustor shall not be required to pay any Imposition so long as (a) the validity of such Imposition is being actively contested in good faith and by appropriate proceedings, and (b) either (i) Trustor has demonstrated to Beneficiary's reasonable satisfaction that leaving such Imposition unpaid pending the outcome of such proceedings could not result in conveyance of any parcel in satisfaction of such Imposition or otherwise impair Beneficiary's interests under the Project Documents, or (ii) Trustor has furnished Beneficiary with a bond or other security satisfactory to Beneficiary in an amount not less than 120% of the applicable claim (including interest and penalties).
- (b) Evidence of Payment. Upon demand by the Beneficiary from time to time, Trustor shall deliver to the Beneficiary within thirty (30) calendar days following the due date of any Imposition, evidence of payment of said Imposition reasonably satisfactory to the Beneficiary, unless Trustor is contesting the imposition in conformity with Section 3.5(a). In addition, upon demand by Beneficiary from time to time, Trustor shall furnish to Beneficiary a tax reporting service for the Phase II Site of a type and duration, and with a company, reasonably satisfactory to Beneficiary.
- 3.6 <u>Utilities</u>. Except to the extent paid directly by tenants, Trustor shall promptly pay all gas, electricity, water, sewer and other utility charges which are incurred for the benefit of the Phase

Exhibit 14 Authority Loan Deed of Trust Page 5 of 16 II Site or which may become a lien against the Phase II Site and all other assessments and other charges of a similar nature, public or private, relating to the Phase II Site or any portion thereof, regardless of whether or not any such charge is or may become a lien thereon.

- 3.7 <u>Liens</u>. Trustor shall not cause, incur, suffer or permit to exist or become effective any lien, encumbrance or charge upon all or any part of the Phase II Site or any interest therein. Trustor shall pay and promptly discharge, at Trustor's sole cost and expense, all liens, encumbrances and charges upon all or any part of the Phase II Site or any interest therein, or contest such claim in conformity with the DDAHA. If Trustor shall fail to remove and discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Beneficiary, Beneficiary may, but shall not be obligated to, discharge the same, without notice to or demand on Trustor, and without inquiring into the validity of such lien, encumbrance or charge or the existence of any defense or offset thereto, either by paying the amount claimed to be due, or by procuring the discharge of such lien, encumbrance or charge by depositing in a court a bond or the amount claimed or otherwise giving security for such claim, or in any other manner permitted or required by law. Subject to the rights of Trustor pursuant to the DDAHA, the Trustor shall, within twenty (20) calendar days after demand therefor by Beneficiary (together with sufficient evidence substantiating such expenditures by Beneficiary), pay to Beneficiary an amount equal to all costs and expenses incurred by Beneficiary in connection with the exercise by Beneficiary of the foregoing right to discharge any such lien, encumbrance or charge, together with interest thereon from the date of such expenditure until paid at the "Alternate Rate" (as defined in Authority Loan Note).
- 3.8 <u>Sale or Lease of Phase II Site</u>. Except as otherwise permitted under the DDAHA, Trustor shall not sell, lease or otherwise transfer all or any part of the Phase II Site or the Improvements, or any interest therein, without the prior written consent of Beneficiary, except as expressly set forth in the DDAHA.
- 3.9 <u>Inspections</u>. Beneficiary, Trustee and their respective agents, representatives and employees, are each authorized, upon notice reasonable under the circumstances (which may be written or oral), to enter at any time upon any part of the Phase II Site during normal business hours for the purpose of inspecting the same and for the purpose of performing any of the work Beneficiary and/or Trustee are authorized to perform hereunder or under the terms of any of the Project Documents. Such entry by the Beneficiary shall be upon 48-hours' prior notice, and shall be undertaken at Beneficiary's expense, with Beneficiary holding harmless the Trustor from any claims or injuries which occur in connection with the exercise of the Beneficiary's rights pursuant to this Section 3.9. The rights of Beneficiary to enter and inspect pursuant to this Section 3.9 are in addition to and do not limit Authority's rights to conduct building inspections.
- 3.10 <u>Defense of Actions</u>. Trustor, at no cost or expense to Beneficiary or Trustee, shall appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust, any of the other Project Documents, all or any part of the Phase II Site or any interest therein, any additional or other security for the obligations secured hereby, or the interests, rights, powers or duties of Beneficiary or Trustee hereunder, provided that Trustee or Beneficiary shall have first tendered the defense to Trustor. If Beneficiary or Trustee elects to become a party to such action or proceeding, or is made a party thereto, Trustor shall indemnify, defend and hold Trustee and Beneficiary harmless from all liability, damage, cost and expense incurred by Trustee and Beneficiary, or either of them, by reason of such action or proceeding (including, without limitation,

Exhibit 14 Authority Loan Deed of Trust Page 6 of 16 reasonable attorneys' fees and expenses), whether or not such action or proceeding is prosecuted to judgment or decision.

- Protection of Security. If Trustor fails to make any payment or to do any act as and 3.11 in the manner provided in this Deed of Trust or any of the other Project Documents, Beneficiary and/or Trustee, each in its own discretion, without obligation so to do, without further notice or demand, and without releasing Trustor from any obligation, may make or do the same in such manner and to such extent as either may reasonably deem necessary to protect the security of this Deed of Trust. In connection therewith (without limiting their general powers), Beneficiary and Trustee shall each have and are hereby given the right, but not the obligation and subject to the terms and conditions set forth herein: (i) to enter upon and take possession of the Phase II Site; (ii) to make additions, alterations, repairs and improvements to the Phase II Site which in the judgment of either may be necessary or proper to keep the Phase II Site in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Beneficiary or Trustee; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of either may affect or appears to affect the security of this Deed of Trust or may be, or to appear to be, prior or superior hereto; and (v) in exercising such powers, to pay all necessary or appropriate costs and expenses and employ necessary or desirable consultants.
- Beneficiary's Powers. Without affecting the liability of Trustor or any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Deed of Trust upon any portion of the Phase II Site or Improvements not then or theretofore released as security for the full amount of all Secured Obligations, Beneficiary may, from time to time and without notice (i) release any person so liable, (ii) extend the maturity or alter any of the terms of any such obligation (provided, however, that the consent of Trustor shall be required with respect to the extension or alteration of any unpaid obligation of Trustor to Beneficiary), (iii) waive any provision contained herein or grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at Beneficiary's option any parcel, a portion or all of the Phase II Site including without limitation Improvements, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto. By accepting payment or performance of any obligation secured by this Deed of Trust after the payment or performance thereof is due or after the filing of a notice of default and election to sell, Beneficiary shall not have thereby waived its right to require prompt payment and performance, when due, of all other obligations secured hereby, or to declare a default for failure so to pay or perform, or to proceed with the sale under any notice of default and election to sell theretofore given by Beneficiary, or with respect to any unpaid balance of the indebtedness secured hereby. The acceptance by Beneficiary of any sum in an amount less than the sum then due shall not constitute a waiver of the obligation of Trustor to pay the entire sum then due.
- 3.13 Costs, Fees and Expenses. Upon the occurrence of a Default, Trustor shall pay, on demand, all costs, fees, expenses, advances, charges, losses and liabilities paid or incurred by Beneficiary and/or Trustee under or in connection with this Deed of Trust, the enforcement of this Deed of Trust, the collection of the Secured Obligations, and/or the exercise of any right, power, privilege or remedy given Beneficiary and/or Trustee under this Deed of Trust, including, (a) foreclosure fees, trustee's fees and expenses, receiver's fees and expenses and trustee's sale guaranty premiums, (b) costs and expenses paid or incurred by Beneficiary and/or Trustee and/or any

Exhibit 14 Authority Loan Deed of Trust Page 7 of 16 receiver appointed under this Deed of Trust in connection with the operation, maintenance, management, protection, preservation, collection, sale or other liquidation of the Phase II Site or Improvements, (c) advances made by Beneficiary and/or Trustee to complete or partially construct all or any part of any improvements which may have been commenced on the Phase II Site or otherwise to protect the security of this Deed of Trust, (d) costs of evidence of title, costs of surveys and costs of appraisals, and (e) the fees, costs and expenses of attorneys, accountants and other consultants; together with interest thereon from the date of expenditure until so paid at the Alternate Rate.

### **ARTICLE IV**

# ASSIGNMENT OF RENTS, ISSUES AND PROFITS

- Assignment of Rents, Issues and Profits. While this Deed of Trust is outstanding, Trustor hereby absolutely and irrevocably assigns and transfers to Beneficiary all of its right, title and interest in and to all rents, issues, profits, royalties, income and other proceeds and similar benefits derived from the Phase II Site (collectively, the "Rents"), and hereby gives to and confers upon Beneficiary the right, power and authority to collect such Rents. Trustor irrevocably appoints Beneficiary its true and lawful attorney-in-fact, at the option of Beneficiary, at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in its name or in the name of Trustor, for all Rents, and to apply the same to the obligations secured hereby; provided, however, that Trustor shall have a license to collect Rents (but not more than one month in advance unless the written approval of Beneficiary has first been obtained, which approval shall not be unreasonably withheld or delayed), and to retain and enjoy the same, so long as a Default shall not have occurred hereunder and be continuing. The assignment of the Rents in this Article 4 is intended to be an absolute assignment from Trustor to Beneficiary and not merely the passing of a security interest.
- Collection Upon Default. Upon the occurrence and during the continuance of a 4.2 Default hereunder, Trustor's license to collect the Rents shall automatically terminate and Beneficiary may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the obligations hereby secured, enter upon and take possession of the Phase II Site including without limitation Improvements, or any part thereof, and, with or without taking possession of the Phase II Site including without limitation Improvements or any part thereof, in its own name sue for or otherwise collect such Rents (including those past due and unpaid, and all prepaid Rents and all other monies which may have been or may hereafter be deposited with Trustor by any lessee or tenant of Trustor to secure the payment of any Rent or for any services thereafter to be rendered by Trustor or any other obligation of any tenant to Trustor arising under any lease, and Trustor agrees that, upon the occurrence of any Default hereunder, Trustor shall promptly deliver all Rents and other monies to Beneficiary), and Beneficiary may apply the same, less costs and expenses of operation and collection, including, without limitation, attorneys' fees, whether or not suit is brought or prosecuted to judgment, upon any indebtedness or obligation of Trustor secured hereby, and in such order as Beneficiary may determine notwithstanding that said indebtedness or the performance of said obligation may not then be due. The collection of Rents, or the entering upon and taking possession of the Phase II Site or Improvements, or the application of Rents as provided above, shall not cure or waive any default or notice of default hereunder or invalidate any act performed in response to such default or pursuant to

Exhibit 14 Authority Loan Deed of Trust Page 8 of 16 such notice of default or be deemed or construed to make Beneficiary a mortgagee-in-possession of all or any part of the Phase II Site of Improvements.

### **ARTICLE V**

### REMEDIES UPON DEFAULT

- 5.1 <u>Events of Default</u>. The occurrence of any of the following events or conditions shall, subject to the cure rights set forth in the DDAHA, constitute an event of default ("Default") hereunder:
- 5.1.1 Trustor shall fail to pay any amount owing under this Deed of Trust when due, and such failure is not cured within ten (10) calendar days after Beneficiary gives Trustor notice of such failure;
- 5.1.2 Trustor shall fail to observe or perform any other obligation contained in this Deed of Trust, and such failure is not cured within thirty (30) calendar days after Beneficiary gives Trustor notice of such failure; provided that, if cure cannot reasonably be effected within such thirty (30) calendar day period, such failure shall not be a Default so long as Borrower promptly (in any event, within thirty (30) calendar days after receipt of such notice) commences cure, and thereafter diligently prosecutes such cure to completion;
- 5.1.3 The occurrence of a "Default" under the DDAHA, City Covenants, Authority Regulatory Agreement, Authority Loan Note, or other Project Documents;
- 5.1.4 A default under any other document or agreement secured hereby, subject to any applicable cure period; or
- 5.1.5 Authority exercises Authority's right to cure a default by Developer under a Primary Loan or other approved financing senior to the Authority Loan and Developer does not reimburse Authority for the cost to cure such default within ten (10) calendar days following written demand for payment from Authority.
- 5.2 <u>Acceleration upon Default; Additional Remedies</u>. Upon the occurrence and during the continuance of a Default, Beneficiary may, at its option, terminate its obligations under the Project Documents and declare all Secured Obligations to be immediately due and payable without any presentment, demand, protest or further notice of any kind; and whether or not Beneficiary exercises said option, Beneficiary may:
- 5.2.1 Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Phase II Site or Improvements, or any part thereof, in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to complete the construction of Improvements on the Phase II Site, to preserve the value, marketability or rentability of the Phase II Site or Improvements, or part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Phase II Site or Improvements, sue for or otherwise collect the Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including attorneys' fees,

Exhibit 14 Authority Loan Deed of Trust Page 9 of 16 upon any Secured Obligations, all in such order as Beneficiary may determine. The entering upon and taking possession of the Phase II Site or Improvements, the collection of such Rents and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession by Trustee, Beneficiary or a receiver of all or any portion of the Phase II Site or Improvements or the collection, receipt and application of any of the Rents, the Trustee or Beneficiary shall be entitled to exercise every right provided for in any of the Project Documents or by law upon occurrence of any Default, including the right to exercise the power of sale;

- 5.2.2 Commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants contained herein;
- 5.2.3 Deliver to Trustee a written declaration of default and demand for sale, and a written notice of default and election to cause Trustor's interest in the Phase II Site to be sold, which notice Trustee or Beneficiary shall cause to be duly filed for record in the Official Records of the County in which the Phase II Site is located;
- 5.2.4 Exercise any and/or all of the rights and remedies available to a secured party under the California Uniform Commercial Code in such order and in such manner as Beneficiary, in its sole discretion, may determine (including, without limitation, requiring Trustor to assemble the collateral and make the collateral available to Beneficiary at a reasonably convenient location); provided, however, that the expenses of retaking, holding, preparing for sale or the like as provided thereunder shall include reasonable attorneys' fees and other expenses of Beneficiary and Trustee and shall be additionally secured by this Deed of Trust; and/or
- 5.2.5 Exercise all other rights and remedies provided herein, in any Project Document or other document or agreement now or hereafter securing all or any portion of the obligations secured hereby, or provided by law or in equity.

### 5.3 Foreclosure By Power of Sale.

- 5.3.1 Should Beneficiary elect to foreclose by exercise of the power of sale herein contained, Beneficiary shall notify Trustee and shall deposit with Trustee this Deed of Trust and Authority Loan Note and such receipts and evidence of expenditures made and secured hereby as Trustee may require.
- 5.3.2 Upon receipt of notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such notice of default and election to sell as is then required by law. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such notice of default and after notice of sale having been given as required by law, sell the Phase II Site at the time and place of sale fixed by it in said notice of sale, either as a whole, or in separate lots or parcels or items and in such order as Beneficiary may direct Trustee so to do, at public auction to the highest bidder for cash in lawful money of the United States of America payable at the time of sale. Trustee shall deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matter or fact shall be conclusive

Exhibit 14 Authority Loan Deed of Trust Page 10 of 16 proof of the truthfulness thereof. Any person, including, without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale.

- 5.3.3 After deducting all fees, costs and expenses incurred by Beneficiary or Trustee in connection with such sale, including costs of evidence of title, Beneficiary shall apply the proceeds of sale in the following priority, to payment of (i) first, all amounts expended under the terms hereof, not then repaid, with accrued interest at the Alternate Rate; (ii) second, all other Secured Obligations; and (iii) the remainder, if any, to the person or persons legally entitled thereto.
- 5.3.4 Subject to applicable law, Trustee may postpone the sale of all or any portion of the Phase II Site or Improvements by public announcement at the time and place of sale, and from time to time thereafter may postpone such sale by public announcement or subsequently noticed sale, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of sale.
- 5.3.5 A sale of less than the whole of the Phase II Site or less than the whole of Improvements or any defective or irregular sale made hereunder shall not exhaust the power of sale provided for herein; and subsequent sales may be made hereunder until all obligations secured hereby have been satisfied, or the entire Phase II Site (or the entire Phase II Development and Improvements) sold, without defect or irregularity.
- 5.4 Appointment of Receiver. Upon the occurrence of a Default under this Deed of Trust, Beneficiary, as a matter of right and without notice to Trustor or anyone claiming under Trustor, and without regard to the then value of the Phase II Site or the interest of Trustor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Phase II Site or Improvements, and Trustor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Beneficiary in case of entry as provided herein and shall continue as such and exercise all such powers until the date of confirmation of sale of the Phase II Site or Improvements unless such receivership is sooner terminated.
- 5.5 Application of Funds After Default. Except as otherwise herein provided, upon the occurrence of a Default hereunder, Beneficiary may, at any time without notice, apply any or all sums or amounts received and held by Beneficiary to pay insurance premiums, Impositions, or either of them, or as rents or income of the Phase II Site or Improvements, or as insurance or condemnation proceeds, and all other sums or amounts received by Beneficiary from or on account of Trustor or the Phase II Site, or otherwise, upon any Secured Obligation, in such manner and order as Beneficiary may elect, notwithstanding that such Secured Obligation may not yet be due. The receipt, use or application of any such sum or amount shall not be construed to affect the maturity of any indebtedness secured by this Deed of Trust, or any of the rights or powers of Beneficiary or Trustee under the terms of the Project Documents, or any of the obligations of Trustor or any guarantor under the Project Documents; or to cure or waive any default or notice of default under any of the Project Documents; or to invalidate any act of Trustee or Beneficiary.
- 5.6 <u>Remedies Not Exclusive</u>. Trustee and Beneficiary, and each of them, shall be entitled to enforce payment and performance of any indebtedness or obligation secured hereby and to

Exhibit 14 Authority Loan Deed of Trust Page 11 of 16 exercise all rights and powers under this Deed of Trust or under any Project Document or other agreement or any law now or hereafter in force, notwithstanding some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by guaranty, mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other security now or hereafter held by Trustee or Beneficiary, it being agreed that Trustee and Beneficiary, and each of them, shall be entitled to enforce this Deed of Trust and any other security for the obligations hereby secured now or hereafter held by Beneficiary or Trustee in such order and manner as they may in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein, or granted to Beneficiary under any other agreement, or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or granted to Beneficiary under any other agreement, or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Project Documents to the Trustee or Beneficiary or to which either of them may be otherwise entitled may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Trustee or Beneficiary, and either of them may pursue inconsistent remedies. Trustor may be joined in any action brought by Beneficiary to foreclose under or otherwise enforce this Deed of Trust.

5.7 <u>Request for Notice of Default</u>. Trustor hereby requests that a copy of any notice of default and that a copy of any notice of sale hereunder be mailed to it at the address set forth in the first paragraph of this Deed of Trust.

### **ARTICLE VI**

### **MISCELLANEOUS**

- 6.1 <u>Amendments</u>. This instrument cannot be waived, modified, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, modification, discharge or termination is sought.
- 6.2 <u>Waivers.</u> Trustor waives, to the extent permitted by law, (i) the benefit of all laws now existing or that may hereafter be enacted providing for any appraisement before sale of any portion of the Phase II Site or Improvements, and, whether now existing or hereafter arising or created, (ii) all rights of valuation, appraisement, stay of execution, notice of election to mature or declare due the whole of the secured indebtedness and marshaling in the event of foreclosure of the liens hereby created, and (iii) all rights and remedies which Trustor may have or be able to assert by reason of the laws of the State of California pertaining to the rights and remedies of sureties: provided, however, nothing contained herein shall be deemed to be a waiver of Trustor's rights under Section 2924, 2924b and 2924c of the California Civil Code, or under Sections 580a or 726 of the California Code of Civil Procedure.
- 6.3 <u>Statements by Trustor</u>. Trustor shall, within twenty (20) calendar days after notice thereof from Beneficiary, deliver to Beneficiary a written statement setting forth the amounts Trustor understands to be unpaid and secured by this Deed of Trust and stating whether any offset or defense exists against such amounts.

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- 6.4 <u>Statements by Beneficiary</u>. For any statement or accounting requested by Trustor or any other entitled person pursuant to Section 2943 or Section 2954 of the California Civil Code or pursuant to any other provision of applicable law, or for any other document or instrument furnished to Trustor by Beneficiary, Beneficiary may charge the maximum amount permitted by law at the time of the request therefor, or if there be no such maximum, then in accordance with Beneficiary's customary charges therefor or the actual cost to Beneficiary therefor, whichever is greater.
- 6.5 Reconveyance by Trustee. Upon written request of Beneficiary stating that all Secured Obligations have been paid and fully performed, and upon surrender by Beneficiary of this Deed of Trust and Authority Loan Note to Trustee for cancellation and retention and upon payment by Trustor of Trustee's fees and the costs and expenses of executing and recording any requested reconveyance, Trustee shall reconvey to the person or persons legally entitled thereto, without warranty, any portion of the Phase II Site or Improvements then held hereunder. The recitals in any such reconveyance of any matter or fact shall be conclusive proof of the truthfulness thereof. The grantee in any such reconveyance may be described as "the person or persons legally entitled thereto."
- 6.6 Notices. All notices, demands, approvals and other communications provided for herein shall be in writing and shall be personally delivered, delivered by regarded overnight courier service or mailed by United States mail, as certified or registered material, return receipt requested, postage prepaid, to the appropriate party at the address set forth in the first paragraph of this Deed of Trust. Addresses for notice may be changed from time to time by written notice to all other parties. All communications shall be effective when actually received: provided, however, that non-receipt of any communication as the result of a change of address of which the pending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication.

A copy of each notice, demand, approval and communication directed to the Trustor shall be provided to the Tax Credit Investor at the following address: [\_\_\_\_\_\_].

- 6.7 <u>Acceptance by Trustee</u>. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.
- 6.8 <u>Headings</u>. Article and Section headings are included in this Deed of Trust for convenience of reference only and shall not be used in construing this Deed of Trust.
- 6.9 <u>Severability</u>. Every provision of this Deed of Trust is intended to be severable. In the event any provision hereof is declared to be illegal, invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction, such illegality, invalidity or unenforceability shall not affect the legality, validity or enforceability of the remaining provisions hereof, which provisions shall remain binding and enforceable.
- 6.10 <u>Subrogation</u>. To the extent that proceeds of Authority Loan Note are used, either directly or indirectly, to pay any outstanding lien, charge or prior encumbrance against the Phase II Site, Beneficiary shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether such liens, charges or encumbrances are released.

Exhibit 14 Authority Loan Deed of Trust Page 13 of 16

- 6.11 <u>Governing Law.</u> This Deed of Trust shall be governed by, and construed in accordance with, the laws of the State of California.
- 6.12 <u>Statute of Limitations</u>. The right to plead, use or assert any statute of limitations as a plea, defense or bar of any kind, or for any purpose, to any obligation secured hereby, or to any complaint or other pleading or proceeding filed, instituted or maintained for the purpose of enforcing this Deed of Trust or any rights hereunder, is hereby waived by Trustor to the full extent permitted by law.
- 6.13 <u>Interpretation</u>. In this Deed of Trust the singular shall include the plural and the masculine shall include the feminine and neuter and vice versa, if the context so requires; and the word "person" shall include corporation, partnership or other form of association. Any reference in this Deed of Trust to any document, instrument or agreement creating or evidencing an obligation secured hereby shall include such document, instrument or agreement both as originally executed and as it may from time to time be modified.
- 6.14 <u>Trust Irrevocable</u>. The trust created hereby is irrevocable by Trustor. All amounts payable by Trustor pursuant to this Deed of Trust shall be paid without notice (except where notice is expressly required), demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction. Trustor hereby waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any amount secured hereby and payable by Trustor to Beneficiary or Trustee.
- 6.15 <u>Further Assurances</u>. Trustor agrees to do or cause to be done such further acts and things and to execute and deliver or to cause to be executed and delivered such additional assignments, agreements, powers and instruments, as Beneficiary or Trustee may reasonably require to correct any defect, error or omission in this Deed of Trust or the execution or acknowledgment of this Deed of Trust, to subject to the lien of this Deed of Trust any of Trustor's property covered or intended to be covered hereby, to perfect and maintain such lien, to keep valid and effective the charges and lien hereof, to carry into effect the purposes of this Deed of Trust or to better assure and confirm to Beneficiary or Trustee their respective rights, powers and remedies hereunder.
- 6.16 <u>Trustee's Powers.</u> At any time, and from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the note secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness or the performance of any other obligation secured hereby or the effect of this Deed of Trust upon the remainder of the Phase II Site or Improvements, Trustee may (i) reconvey all or any part of the Phase II Site or Improvements, (ii) consent in writing to the making of any map or plat thereof, (iii) join in granting any easement thereon, or (iv) join in any extension agreement, agreement subordinating the lien or charge hereof, or other agreement or instrument relating hereto or to all or any part of the Phase II Site or Improvements.
- 6.17 <u>Substitution of Trustee</u>. Beneficiary may, from time to time, by written instrument executed and acknowledged by Beneficiary and recorded in the county or counties where the Phase II Site is located, or by any other procedure permitted by applicable law, substitute a successor or successors for the Trustee named herein or acting hereunder.

Exhibit 14 Authority Loan Deed of Trust Page 14 of 16

- 6.18 <u>Successors and Assigns</u>. This Deed of Trust applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns.
- 6.19 Non-Recourse Obligation. In the event of any Default under the terms of this Authority Phase II Site Deed of Trust, the Affordable Housing DDAHA, or any of the other Project Documents, the sole recourse of Authority for any such Default shall be Developer's interest in the Phase II Site and the Phase II Project and Developer and its partners and Affiliates shall not be personally liable for the payment of any obligations hereunder or thereunder; provided, however, that the foregoing shall not in any way affect any rights Authority may have hereunder, or any right of Authority to recover or collect funds, damages or costs (including without limitation reasonable attorneys' fees and costs) incurred by Authority as a result of fraud, intentional misrepresentation or bad faith waste, and/or any costs and expenses incurred by Authority in connection therewith (including without limitation reasonable attorneys' fees and costs).
- 6.20 <u>Notice and Cure Rights by Investor Limited Partner</u>. Notwithstanding anything to the contrary contained in the Authority Deed of Trust, Authority hereby agrees that any cure of any default made or tendered by Developer's Investor Limited Partner shall be deemed to be a cure by Developer and shall be accepted or rejected on the same basis as if made or tendered by Developer. Copies of all notices which are sent to Developer under the terms of the Authority Deed shall also be sent to Developer's Investor Limited Partner.

IN WITNESS WHEREOF, Trustor has duly executed this Deed of Trust and Assignment of
Rents and is dated for reference purposes as of [], 2023.
"TRUSTOR"

# COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership By: KDI Courtyards LLC, a California limited liability

company, its managing general partner

By: Kingdom Development, Inc., a California nonprofit public benefit corporation, its sole member and manager

By: William Leach, President

By: RBD Cottonwood, LLC, a California limited liability company, its administrative general partner

By: Rancho Belago Developers, Inc., a California corporation, its sole member and manager

By: James M. Jernigan, President

Exhibit 14 Authority Loan Deed of Trust Page 16 of 16

#### **EXHIBIT A**

# **LEGAL DESCRIPTION**

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00'00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00'00" WEST:

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'22", A DISTANCE OF 28.60 FEET;

THENCE NORTH 73°36'38" WEST, A DISTANCE OF 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 45.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 83°27'37", A DISTANCE OF 65.55 FEET:

THENCE NORTH 89°59'10" WEST, A DISTANCE OF 449.76 FEET, TO THE INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE OF PARCEL 1 OF SAID PARCEL MAP, WHOSE COURSE BEARS NORTH 00°00'30" WEST, WITH A DISTANCE OF 100.00 FEET;

THENCE NORTHERLY ALONG SAID PROLONGATION NORTH 00°00'30" WEST, A DISTANCE OF 125.00 FEET, TO A NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP:

THENCE SOUTH  $89^{\circ}59'10''$  EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026

Exhibit A to Attachment No. 14 Page 1 of 1

# **CERTIFICATE OF ACCEPTANCE Authority Loan Deed of Trust**

Authority Loan Deed of Trust dated as COTTONWOOD II, L.P., a California HOUSING AUTHORITY, a public body, co the undersigned officer on behalf of Authority	interest in real property conveyed by the foregoing of [], 2023 from COURTYARDS AT limited partnership, to the MORENO VALLEY orporate and politic ("Authority"), is hereby accepted by prity pursuant to authority conferred by the Authority Beneficiary, consents to recordation thereof by its duly
Dated :	AUTHORITY:
	MORENO VALLEY HOUSING AUTHORITY, a public body, corporate and politic  By:  Mike Lee, Executive Director or Authorized Designee
ATTEST:	
AUTHORITY SECRETARY	
Authority Secretary or Authorized Designee	

# ATTACHMENT NO. 15

#### BASE PRO FORMA AND FINANCING ASSUMPTIONS

[to be inserted]



Attachment No. 15
Base Pro Forma and Financing Assumptions
Page 1 of 1

### **ATTACHMENT NO. 16**

#### OPERATING BUDGET/ANNUAL BUDGET

[to be inserted]



Attachment No. 16 Operating Budget Page 1 of 1

#### **ATTACHMENT NO. 17**

#### MEMORANDUM OF AGREEMENT

Recording Requested By and When Recorded Mail To:

Moreno Valley Housing Authority 14177 Frederick Street Moreno Valley, CA 92552-0805 Attention: Authority Secretary

SPACE ABOVE THIS LINE FOR RECORDER'S USE
(This document is exempt from the payment of a recording fee
under Government Code §§Sections 27383 and 6103.)

#### MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT ("Memorandum"), dated as of [\_\_\_\_\_\_], 2023, is entered into by and among the MORENO VALLEY HOUSING AUTHORITY, a public body corporate and politic ("Authority"), CITY OF MORENO VALLEY, a California municipal corporation, and COURTYARDS AT COTTONWOOD II, L.P., a California limited partnership ("Developer").

- 1. Disposition, Development and Affordable Housing Agreement. Authority, City and Developer have entered into that certain unrecorded *Disposition, Development and Affordable Housing Agreement (Phase II: 9% Tax Credits 32 Housing Units)* dated as of March 7, 2023 ("DDAHA") for the improvement and development of certain real property described in Exhibit A (to which these CC&Rs are attached) as the "Phase II Site". The DDAHA is on file as a public record with the City and Authority at City Hall, 14177 Frederick Street, Moreno Valley, CA 92552-0805. All of the terms, conditions, provisions and covenants of the DDAHA are incorporated in this Memorandum by reference as though written out at length herein, and the DDAHA and this Memorandum shall be deemed to constitute a single instrument or document.
- **2. Purpose of Memorandum**. This Memorandum is prepared for recordation purposes only, and in no way modifies the terms, conditions, provisions and covenants of the DDAHA. In the event of any inconsistency between the terms, conditions, provisions and covenants of this Memorandum and the DDAHA, the terms, conditions, provisions and covenants of the DDAHA shall prevail.

[Signature Blocks begin on next page]

Attachment No. 17 Memorandum of Agreement Page 1 of 2

#### **DEVELOPER:**

#### COURTYARDS AT COTTONWOOD II, L.P.,

a California limited partnership

KDI Courtyards LLC, a California limited liability By:

company, its managing general partner

By: Kingdom Development, Inc., a California nonprofit public benefit corporation, its sole member and manager

By:

William Leach, President

By: RBD Cottonwood, LLC, a California limited liability company, its administrative general partner

> Rancho Belago Developers, Inc., By: a California corporation, its sole member and manager

> > By: James M. Jernigan, President

#### **AUTHORITY:**

MORENO VALLEY HOUSING AUTHORITY,

a public body, corporate and politic

By: Mike Lee, Executive Director

**ATTEST:** 

Jane Halstead, Authority Secretary

Attachment No. 17 Memorandum of Agreement Page 2 of 2

#### **EXHIBIT A**

#### **LEGAL DESCRIPTION**

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PARCEL A OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 1058, AS EVIDENCED BY A DOCUMENT RECORDED FEBRUARY 21, 2020 AS INSTRUMENT NO. 2020-0080445 OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL 1 AND LOT "C" OF PARCEL MAP NO. 8073, IN THE CITY OF MORENO VALLEY, AS RECORDED IN PARCEL MAP BOOK 30, PAGE 20, RECORDS OF RIVERSIDE COUNTY, STATE OF CALIFORNIA, LYING WITHIN SECTION 7, TOWNSHIP 3 SOUTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL MAP, SAID POINT BEING THE TRUE POINT OF BEGINNING:

THENCE SOUTH 00°00'00" EAST ALONG THE EAST LINE OF SAID PARCEL MAP, A DISTANCE OF 117.50 FEET TO A POINT BEING 25.00 FEET, MEASURED ALONG SAID EAST LINE, FROM THE CENTERLINE OF SAID LOT C, SAID POINT IS THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 100.00 FEET, WITH A RADIAL BEARING OF NORTH 00°00'00" WEST:

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THENCE SOUTH  $89^{\circ}59'10''$  EAST ALONG THE NORTH LINE OF SAID PARCEL 1, A DISTANCE OF 580.10 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF VACATED MYRNA STREET, PURSUANT TO THAT CERTAIN DOCUMENT RESOLUTION NO. 2020-73 RECORDED DECEMBER 02, 2020 AS INSTRUMENT NO. 2020-607957 OF OFFICIAL RECORDS.

APN: 482-161-026



#### **Report to City Council**

TO: Mayor and City Council

Mayor and City Council Acting in its Capacity as President and Members of the Board of Directors of the

Moreno Valley Community Services District (CSD)

**FROM:** Jeremy Bubnick, Parks & Community Services Director

AGENDA DATE: March 7, 2023

TITLE: APPROVE THE PUBLIC FACILITIES FEE CREDIT

AGREEMENT WITH D.R. HORTON LOS ANGELES HOLDING COMPANY, INC. A CALIFORNIA CORPORATION, FOR PARKLAND IMPROVEMENTS IN

**TRACT 38123** 

#### RECOMMENDED ACTION

#### Recommendations: That the City Council and CSD:

- Approve the Public Facilities Fee Credit Agreement ("Agreement") with D.R. Horton Los Angeles Holding Company, Inc. a California Corporation, for parkland improvements at Tract 38123 located on the northwest corner of Alessandro Blvd. and Darwin Dr.
- 2. Authorize the City Manager and the City Manager in the Capacity as Executive Director of the CSD to execute the Public Facilities Fee Credit Agreement with D.R. Horton Los Angeles Holding Company, Inc., for parkland improvements at Tract 38123 on behalf of the City and CSD subject to the approval by the City Attorney.

#### **SUMMARY**

This report recommends approval of a Public Facilities Fee Credit Agreement between the City of Moreno Valley, a Municipal Corporation, hereinafter ("City"), the Moreno Valley Community Services District, hereinafter ("CSD") and D.R. Horton Los Angeles Holding Company, Inc. a California Corporation, hereinafter ("D.R. Horton" or Developer") for parkland improvements in Tract 38123. The Developer will use the fee credits to construct a 1.8-acre neighborhood park with amenities including play structures, picnic shelters, open turf and a walking trail.

ID#6139 Page 1

#### **DISCUSSION**

The Moreno Valley General Plan specifies a parkland standard of three (3) acres per 1,000 of population, which is the minimum allowed by the Quimby Act, within the Subdivision Map Act, for residential subdivisions. As new residential developments occur within the City, it is essential to maintain the current park land standard to provide adequate parks and recreational opportunities for the community.

To maintain the parkland acreage standard, new residential developments may either dedicate improved park land to mitigate their impact to existing parks or they may pay a Quimby In-Lieu fee to provide funding for future parks and park improvements.

When D.R. Horton purchased approximately 33.57 acres to construct 177 single family residences, the Parks and Community Services staff negotiated with the Developer to construct a city park in exchange for Quimby In-Lieu and Parkland Development Impact Fee credits. Conditions of Approval for the improvements were drafted and are contained in the Conditional Use Permit for Tract 38123. The park amenities will include a playground, picnic shelters, walkways, security lighting and landscaping.

The Public Facilities Fee Credit Agreement (PFF) will provide Quimby In Lieu and Park Improvement Development Impact Fee (DIF) credit for each single family home constructed within Tract 38123. Bonds for the park improvements and other amenities constructed within Tract 38123 will be collected by the City from the Developer.

Maintenance of the new park will have no impact on the general fund. It will be entered into the Parks and Landscape Services Division maintenance system, which is funded by Zone A and CFD 2021-01.

#### **ALTERNATIVES**

- Approve the Public Facilities Fee Credit Agreement with D.R. Horton Los Angeles Holding Company, Inc. a California Corporation, for parkland improvements at Tract 38123 and authorize the City Manager and City Manager in the Capacity as Executive Director to the CSD to approve the Agreement upon review and approval by the City Attorney.
- 2. Elect not to approve the Public Facilities Fee Credit Agreement with D.R. Horton Los Angeles Holding Company, Inc. a California Corporation, for parkland improvements at Tract 38123, and provide further direction to staff.

#### FISCAL IMPACT

None.

#### **NOTIFICATION**

Posting of the agenda.

#### PREPARATION OF STAFF REPORT

Prepared By: Sharon Goodale Management Analyst Department Head Approval: Jeremy Bubnick Parks and Community Services Director

Concurred By: Dan Monto Parks and Landscape Services Division Manager

#### **CITY COUNCIL GOALS**

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

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

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

#### **CITY COUNCIL STRATEGIC PRIORITIES**

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

Objective 5.2: Promote the installation and maintenance of cost effective, low maintenance landscape, hardscape and other improvements which create a clean, inviting community.

Objective 5.5: Promote a healthy community and lifestyle.

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

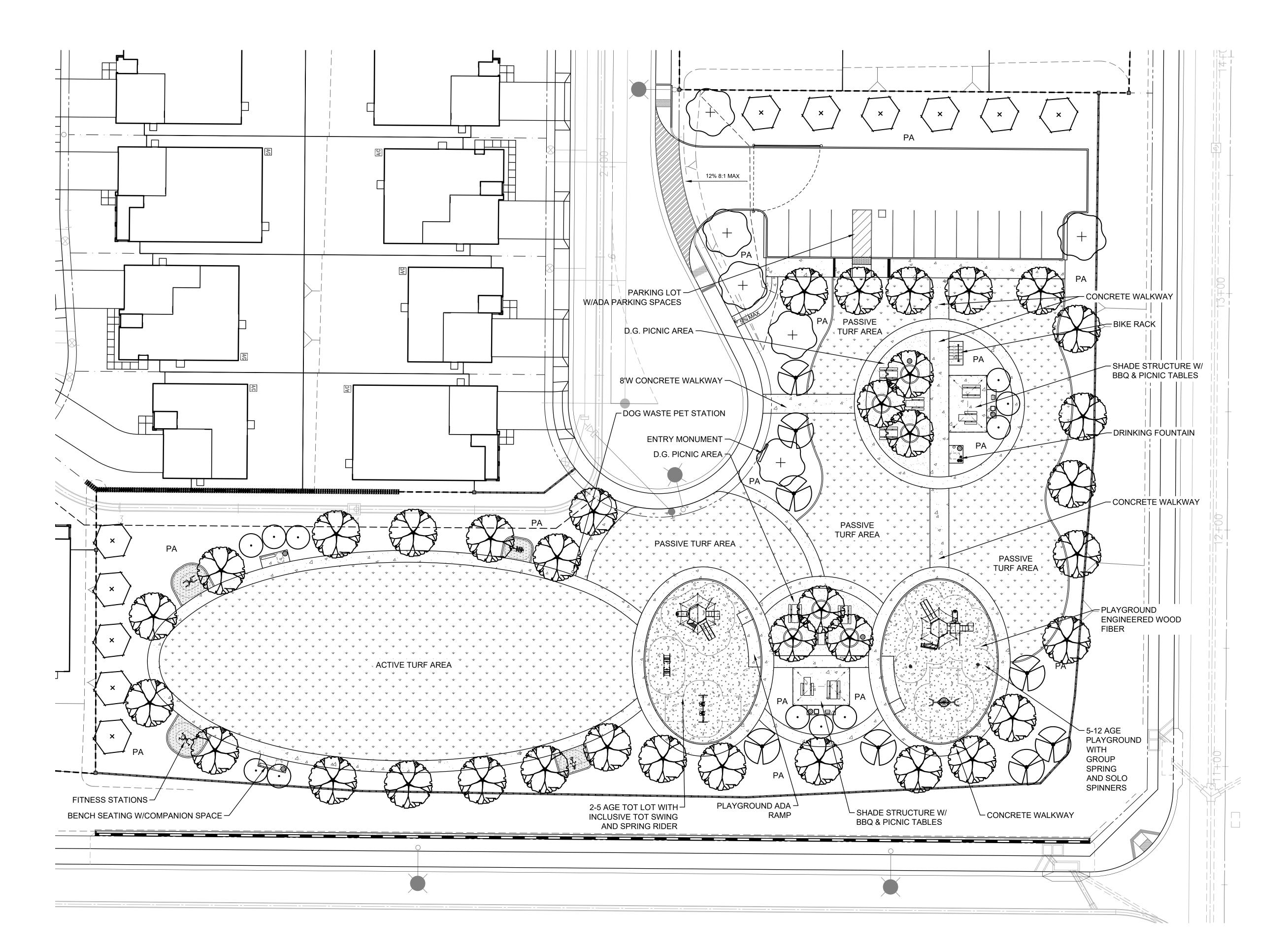
#### **ATTACHMENTS**

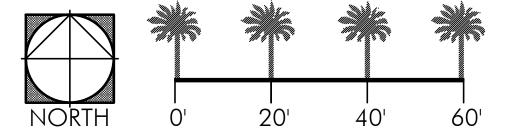
To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Park Preliminary Plan
- 2. D. R. Horton signed Public Facilities Fee Credit Agreemeent
- 3. PEN21-0136 Final Conditions

### **APPROVALS**

✓ Approved	2/26/23 6:54 PM
✓ Approved	
✓ Approved	2/27/23 9:06 AM
	✓ Approved





This Public Facilities Fee Credit Agreement ("PFF Agreement") is entered into between The City of Moreno Valley ("City"), the Moreno Valley Community Services District ("CSD) and D.R. Horton Los Angeles Holding Company, Inc. a California Corporation, ("D.R. Horton") as of March 21, 2023 ("the Effective Date"), and sets forth the understanding of City, CSD, and D.R. Horton with respect to the following:

#### 1. Recitals.

- 1.1 Whereas, D.R. Horton is the owner of that certain real property known as Tract 38123 (consisting of approximately 33.57 acres) in the City of Moreno Valley, County of Riverside, California (the "Project" or "Tract 38123"); and
- 1.2 Whereas, Tentative Tract Map 38123 (PEN21-0136) and CUP (PEN21-0311) approved by the Planning Commission on January 27, 2022, is subject to certain development impact fees and/or public facilities fees (hereinafter "Public Facilities Fees" or "PFF"), for Quimby Park Land and Parkland Facilities, and in accordance with applicable City ordinances, the current amount of which is \$6,924.75 per lot; and
- 1.3 Whereas, this agreement between the City of Moreno Valley, the Moreno Valley Community Services District and D.R. Horton, relative to the development known as Tract 38123 provides Quimby and DIF Park Improvement credits for 177 lots in the amount of \$6,924.75 per lot against such Public Facilities Fees ("PFF Credit") (total credit \$1,225,680.75), subject to D.R. Horton's satisfaction of its obligation to complete certain park improvements pursuant to the Conditions of Approval for Tentative Tract Map 38123 (PEN21-0136) and CUP (PEN21-0311).
- 1.4 Whereas, City, CSD and D.R. Horton have reached an understanding as to the terms of this PFF Agreement, specifically that the City shall apply the \$6,924.75 per lot credit for 177 lots against the Public Facilities Fees in effect at the time each of the mutually agreed upon 177 building permits are issued; and

Now, therefore, City, CSD and D.R. Horton, in consideration of their respective commitments below, agree as follows:

- 2. Timing and Payment of Public Facilities Fees:
- 2.1 Subject to D.R. Horton's satisfaction of its obligation to complete certain park improvements pursuant to the Conditions of Approval for Tentative Tract Map 38123 (PEN21-0136) and CUP (PEN21-0311), D.R. Horton shall receive the PFF credit against

the City's Public Facilities Fees (Quimby Park Land and Parkland Facilities) for 177 lots at the time these building permits are pulled. The PFF Credit shall reduce Public Facilities Fee by \$1,225,680.75 (\$6,924.75 per single family unit on a total of 177 lots). The adjusted PFF shall be paid by D.R. Horton to the City at the time these building permits are pulled.

#### 3. Enforcement.

- 3.1 Enforcement by Either Party. The City and CSD agrees that unless this PFF Agreement is amended or terminated by mutual agreement of City, CSD and D.R. Horton, this PFF Agreement shall be enforceable by any party hereto notwithstanding any change hereafter in any applicable General Plan, Specific Plan, City Ordinance, Rule or Regulation.
- 3.2 The Cumulative Remedies. In addition to any other rights or remedies, either party may institute a legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation, including suits for declaratory relief, specific performance, relief in the nature of mandamus and actions for damages. All the remedies described above shall be cumulative and not exclusive to one another, and the exercise of any one or more of the remedies herein shall not constitute a waiver or election with respect to any other available remedy.
- 3.3 Attorneys' Fees. In any arbitration, administrative proceedings, or any action in any courts of competent jurisdiction, brought by one or more parties to enforce any provision of this PFF Agreement, or to enforce any rights or remedies under this PFF Agreement, including any action for declaratory or equitable relief, the prevailing party shall be entitled to reasonable attorneys' fees and all reasonable costs, expenses and disbursements in connection with such action.

#### 4. Miscellaneous Provisions.

- 4.1 Covenants, Conditions and Restrictions. The terms of this PFF Agreement shall be binding upon the parties, their successors and assigns. Any successor in interest of D.R. Horton may enforce the provisions of this PFF Agreement.
- 4.2 Other Agreements. This PFF Agreement is not intended to alter the obligations of the parties under any other contracts existing between them, save and

except as set forth in Section 2.1 above, whether signed before, after or in conjunction with this PFF Agreement intended to alter D.R. Horton's obligations under any existing conditions of approval applicable to Tract 38123.

- 4.3 Entire Agreement. This PFF Agreement constitutes the entire agreement between the parties with respect to the subject matter of this PFF Agreement.
- 4.4 Governing Law. This PFF Agreement, including, without limitation, its existence, validity, construction and operation, and the rights of each of the parties hereunder, shall be determined in accordance with the laws of the State of California.
- 4.5 Recitals. The recitals in this PFF Agreement constitute part of this PFF Agreement and each party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this PFF Agreement.
- 4.6 Time. Time is of the essence for this PFF Agreement and for each and every term and condition hereof.
- 4.7 No Third Party Beneficiaries. This PFF Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. Except as expressly provided in this PFF Agreement, no other person shall have any rights or cause of action based upon any provision of this PFF Agreement.
- 4.8 Waiver. The failure of either party at any time to seek redress for any violation of this PFF Agreement, or to insist upon the strict performance of any term or condition of this PFF Agreement, shall not prevent any subsequent act or omission of the same or similar nature from having all the force and effect of the original breach or default, and such subsequent act or omission may be proceeded against by either party to the fullest extent provided by this PFF Agreement. No provision of this PFF Agreement shall be deemed to have been waived by either party unless the waiver is in writing and is signed by the party waiving its rights or claims.
- 4.9 Binding Effect. The covenants and agreements contained in this PFF Agreement shall insure to the benefit of, and shall be binding upon each of the parties and their respective heirs, administrators, successors and assign.
- 4.10 Prevailing Wages. D.R. Horton acknowledges the provisions of California Labor Code, Division 2, Part 7, regarding the payment of prevailing wage rates for public works and in particular the fact that Section 1720 therein applies certain regulations under

such statutes to private projects receiving certain public benefits; and that neither the City, CSD nor any person with authority to bind the City or CSD has made any representation as to any requirement, or any exemption from any requirement, to pay prevailing wages thereunder. D.R. Horton accepts all responsibility for determining the applicability of prevailing wage laws and any other law, rule, regulation or other obligation with respect to its employees, subcontractors, or any other person and for the amounts paid to any of its employees, subcontractors, or any other person.

- 5. Defense of the City and CSD.
- 5.1 D.R. Horton shall defend, indemnify, and hold harmless the City and CSD, including but not limited to paying all costs associated therewith, in any claim brought against this PFF Agreement. If the City and/or CSD is determined to be the "prevailing party" in any such litigation, and is awarded its attorneys' fees and costs by the Court, then such award shall be promptly paid to D.R. Horton as reimbursement for the attorneys' fees and costs it incurred in providing the City and/or CSD with a defense provided however, the City and/or CSD shall retain any portion of attorneys fees that it directly incurred.

#### 5.2 INDEMNIFICATION

- a. D.R. Horton shall defend, indemnify and hold harmless the City and CSD, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect, (including any and all costs and expenses in connection therewith), to the extent arising out of the acts or omissions of D.R. Horton in performance of this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City and/or CSD, its officers, agents, employees or volunteers.
- b. The City and the CSD does not, and shall not; waive any rights that it may have against D.R. Horton under this section because of the acceptance by the City or CSD, or the deposit with the City or CSD, of any insurance policy or certificate required pursuant to this Agreement. The hold harmless, indemnification and duty to defend provisions of this section shall apply regardless of whether or not said insurance policies are determined to be applicable to the claim, demand, action, damage, liability, loss, cost or expense described herein.

- c. Notwithstanding the provisions of subsections a. and b. of this section, D.R. Horton shall not be responsible for damages or be in default or deemed to be in default by reason of delay caused by strikes, lockouts, accidents, or acts of God, or the failure of the City and/or CSD to furnish timely information or to approve or disapprove D.R. Horton's work promptly, or by reason of delay or faulty performance by the City and/or CSD, construction contractors, or governmental agencies, or by reason of any other delays beyond D.R. Horton's control, or for which D.R. Horton is without fault.
- d. The indemnity provisions contained in this Section shall survive expiration or sooner termination of this Agreement.

#### 6. Additional Terms

Authority To Execute. The representative executing this Agreement on behalf of each party hereby represents and warrants that he or she has full power and authority to execute this Agreement on behalf of such party and that all approvals and other actions necessary in connection with the effective execution by him or her have been obtained and are in full force and effect as of his or her execution hereof.

#### 6.2 Civil Code Section 1542 Waiver.

a. Subject to and upon receipt of the PFF Credit pursuant to this PFF Agreement, D.R. Horton expressly waives any and all rights and benefits conferred upon it by the provisions of Section 1542 of the California Civil Code which reads as follows:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

b. This waiver shall be effective as a bar to any and all actions, fees, damages, losses, claims, liabilities and demands of whatsoever character, nature and kind that are known or unknown, or suspected or unsuspected to the extent arising out of this PFF Agreement, including, without limitation, claims of entitlements under the California Public Employees' Retirement System (CalPERS) that are only afforded to employees and not independent contractors. Developer further represents and warrants

that it understands this waiver and that if it does not understand this waiver, it shall seek the advice of a qualified attorney before executing this Agreement.

IN WITNESS WHEREOF, the parties have duly executed this PFF Agreement as of the date and year specified above as the Effective Date.

CITY OF MORENO VALLEY/ MORENO DISTRICT	VALLEY COMMUNITY SERVICES
By: Mike Lee, City Manager/Executive D Services District	Director of the Moreno Valley Community
ATTESTED TO:	
By: Jane Halsted, City Clerk	
APPROVED AS TO FORM:	
By: Steve Quintanilla, City Attorney	
	D.R. Horton Los Angeles Holding
	Company, Inc. a California Corporation  By:
	Vicki Gullion Assistant Secretary

#### CERTIFICATE OF ASSISTANT SECRETARY

The undersigned hereby certifies as follows:

- She is a duly elected, qualified and acting Assistant Secretary of D.R. Horton Los 1. Angeles Holding Company, Inc., a California corporation (the "Company"), is familiar with the facts herein certified and is duly authorized to certify the same.
- The following are true, correct and complete copies of resolutions related to the 2. subject matter as adopted by the Consent of Sole Director of the Company dated April 2, 2019 (the "Resolutions"). The Resolutions have not been amended, rescinded or modified and remain in full force and effect as of the date hereof.

### Election of Assistant Secretary and Assistant Forward Planning Manager

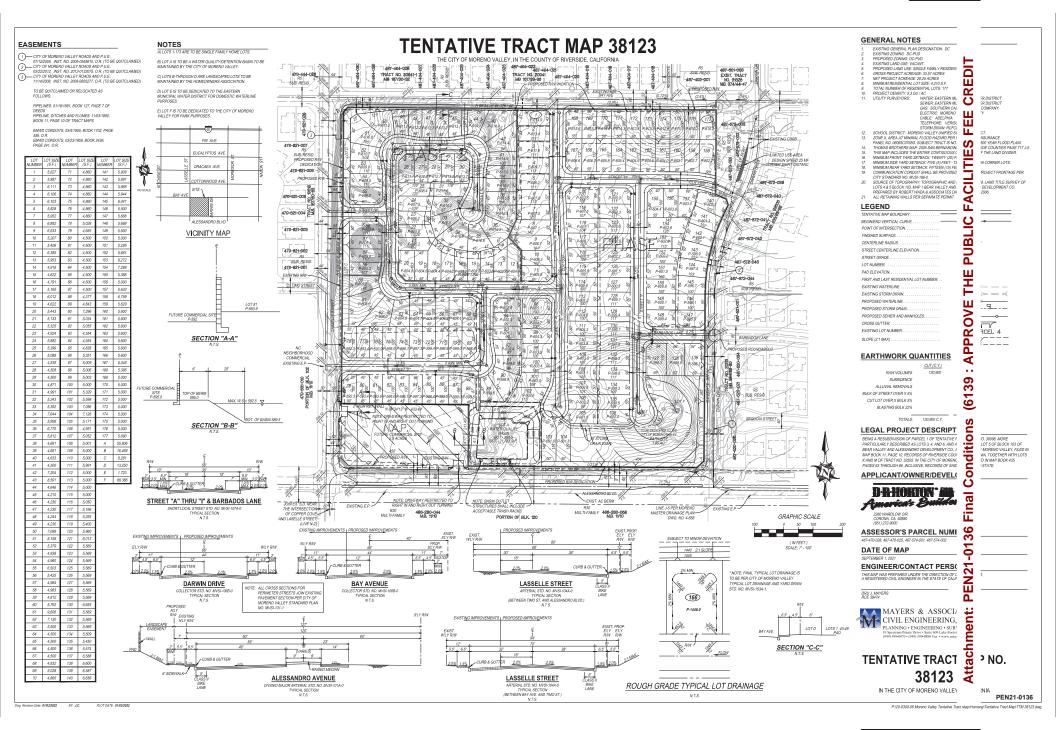
RESOLVED, that Vicki Gullion is hereby elected to the office of Assistant Secretary of the Company (the "Assistant Secretary") in the Company's Southern California Division (the "Division"), to serve until the next annual meeting of the directors of the Company and until her successor is duly elected and qualified or until her earlier death, resignation or removal.

RESOLVED FURTHER, that the Assistant Secretary is hereby authorized and empowered, in the North area (the "Area") of the Division and in the name and on behalf of (i) the Company, (ii) any partnership of which the Company is a general partner, manager or agent, and (iii) any limited liability company of which the Company is a member, manager or agent (collectively, the "Entities"), to sign, modify and terminate, from time to time as she deems it to be in the best interest of the Entities, homeowner association documents, CC&Rs, subdivision agreements, utility agreements, condominium plans, all agency applications relating to development, consultant agreements, maps and other similar or equivalent agreements or documents for the Area relating to the business of the Entities.

RESOLVED FURTHER, that the Assistant Secretary is hereby authorized on behalf of the Entities to sign, modify and terminate, from time to time as she deems it to be in the best interest of the Entities, various agreements and documents for the Area including, but not limited to, conditions, subcontract agreements, general contract agreements, bonds, building permits, improvement/development agreements and other similar or equivalent agreements or documents for the Area relating to the business of the Entities.

IN WITNESS WHEREOF, the undersigned has signed on the 11th day of April, 2019.

Assistant Secretary





#### **Report to City Council**

TO: Mayor and City Council

Mayor and City Council Acting in its Capacity as President and Members of the Board of Directors of the

Moreno Valley Community Services District (CSD)

**FROM:** Jeremy Bubnick, Parks & Community Services Director

AGENDA DATE: March 7, 2023

TITLE: APPROVE THE PUBLIC FACILITIES FEE CREDIT

AGREEMENT WITH BEAZER HOMES HOLDINGS LLC, A DELAWARE CORPORATION, FOR PARKLAND

**IMPROVEMENT IN TRACT 37909** 

#### **RECOMMENDED ACTION**

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

- 1. Approve the Public Facilities Fee Credit Agreement ("Agreement") with Beazer Homes Holdings, LLC., a Delaware Corporation, for parkland improvements at Tract 37909, located at Iris Ave., east of Perris Blvd. and west of Kitching St.
- Authorize the City Manager and the City Manager in the Capacity as Executive Director of the CSD to execute the Public Facilities Fee Credit Agreement with Beazer Homes Holdings, LLC., for parkland improvements at Tract 37909 on behalf of the City of Moreno Valley and Moreno Valley Community Services District (CSD) subject to the approval by the City Attorney.

#### **SUMMARY**

This report recommends approval of a Public Facilities Fee Credit Agreement between the City of Moreno Valley, a Municipal Corporation, hereinafter ("City"), the Moreno Valley Community Services District, hereinafter ("CSD") and Beazer Homes Holdings, LLC, a Delaware Limited Liability Company, hereinafter ("Beazer" or "Developer") for parkland improvements in Tract 37909. Beazer will use the fee credits to construct a 3.02-acre linear park and bikeway including landscaping, security lighting and a bicycle/walking trail.

ID#6137 Page 1

#### **DISCUSSION**

The Moreno Valley General Plan specifies a parkland standard of three (3) acres per 1,000 of population which is the minimum allowed by the Quimby Act, within the Subdivision Map Act, for residential subdivisions. As new residential developments occur within the City, it is essential to maintain the current park land standard to provide adequate parks and recreational opportunities for the community.

To maintain the parkland acreage standard, new residential developments may either dedicate improved park land to mitigate their impact to existing parks or they may pay a Quimby In-Lieu fee to provide funding for future parks and park improvements.

When Beazer purchased approximately 10.8 acres to construct 81 single family residences, the Parks and Community Services staff negotiated with the Developer to construct a city linear park and bikeway in exchange for Quimby In-Lieu and Parkland Development Impact Fee credits. Conditions of Approval for the improvements were drafted and are contained in the Conditional Use Permit for Tract 37909. The linear park and bikeway amenities will include landscaping, security lighting and a bicycle/walking trail.

The Public Facilities Fee Credit Agreement (PFF) will provide Quimby In Lieu fee and Park Improvement Development Impact Fee (DIF) credit for each single family home constructed within Tract 37909. Bonds for the park improvements and other amenities constructed within Tract 37909 will be collected by the City from the Developer.

Maintenance of the new park will have no impact on the general fund. It will be entered into the Parks and Landscape Services Division maintenance system, which is funded by Zone A and CFD 2021-01.

#### **ALTERNATIVES**

- 1. Approve the Public Facilities Fee Credit Agreement with Beazer Homes Holdings, LLC, for parkland improvements at Tract 37909 and authorize the City Manager and City Manager in the Capacity as Executive Director to the CSD to approve the Agreement upon review and approval by the City Attorney.
- Elect not to approve the Public Facilities Fee Credit Agreement with Beazer Homes Holdings, LLC., for parkland improvements at Tract 37909, and provide further direction to staff.

#### FISCAL IMPACT

None.

#### **NOTIFICATION**

Posting of the agenda.

#### PREPARATION OF STAFF REPORT

Prepared By: Sharon Goodale Management Analyst Department Head Approval: Jeremy Bubnick Parks and Community Services Director

Concurred By: Dan Monto Parks and Landscape Services Division Manager

#### **CITY COUNCIL GOALS**

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

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

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

#### **CITY COUNCIL STRATEGIC PRIORITIES**

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

Objective 5.2: Promote the installation and maintenance of cost effective, low maintenance landscape, hardscape and other improvements which create a clean, inviting community.

Objective 5.5: Promote a healthy community and lifestyle.

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

#### **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Park Preliminary Plan
- 2. Beazer Tract 37909 Public Facilities Fee Credit Agreement
- 3. PEN20-0063Final Conditions

### **APPROVALS**

Budget Officer Approval	✓ Approved	2/26/23 6:52 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:07 AM

F.2.o

	BOTANICAL NAME	COMMON NAME	SIZE	WUCO
STREET TREE			_	$\vdash$
JIMAET TREE	CINNAMONI IN CAMPHORA	CAMPHOR TREE	167 BCX	Hodera
IRIS AVENUE	CIEBELOTOTOTOTOTO			_
	CERCIS CANADENSIS BOREST PANSY	FOREST PANSY REDGUD	24' BOX	Modera
	LAGERSTRORMA X NATONEZ	CRAFE MYRTLE	24° 80X	Modera
	RHUS LANCEA	APRICAN SUMAC	36' BOX	Low
ENTRY DRIVE:				
	CERCIS CANADENSIS FOREST PANSY	FOREST PANSY REDBUD	24° 80X	Modera
	PHOENIX DACTYUFERA MEDICOL:	DATE PALM	16.814	Low
<b>РЯОЈЕСТ РЕЯ</b> В	TETER - SCREENING:			
	PRUS FLDARICA	AFGHAN PINE	36' BOX	Low
	PODOCARPUS GRACILIOR	FERN PINE - COLUMNS	24° 80X	Modera
	PRUNUS CAROLINANA BRIGHT N TIGHT	BRIGHT IN TIGHT CAROLINA LAUREL	24° BOX	Modera
	TRISTANIA CONFERTA	BRISBANE BOX	36' BOX	Modera
SIDE STREET A	NO STREET TERMINI IS			_
	LAGERSTROBHIA X TUSCARORA'	CRAFE MYRTLE	24' BOX	Modera
	PINUS EL DARICA	AFGHAN PINE	36' BOX	Low
	MAGNOLIA CRANDIFLORA ST. MARY	SOUTHERN MAGNOLIA	36' BOX	Modera
FITNESS PARK:			_	
	ARBUTUS X MARINA	HYBRID STRAWBERRY TREE	16' BOX	Modera
	OLEA EUROPAEA SWAN HILL:	SWAN HILL CLIME	AT BOX	Low
	ROBINA PSEUDOACACIA * PURPLE ROBE	PURPLE ROSE LOCUST	24° BOX	Low
	LILMES PARVIOUS TRUE CREEN	TRUE GREEN CHINESE ELM	36' BOX	Low
COMMUNITY	ARC:			
	LAGERSTRORMA X TUSCARORA	CRAFE MYRTLE	24° 80X	Modera
	OLEA EUROPAEA SWAN HILL:	FRUITLESS OLIVE -MULTI-TRUNK	48' 80X	Low
	PHOENIX DACTYUFERA MEDIOOL:	DATE PALM	16.834	Low
	PODOCARPUS ELONGATUS YORE BLUE	KEE BLUE YELLOW-WOOD	24' BOX	Modera
	OUERCUS VIRGINIANA	SOUTHERN LIVE OAK	36' BOX	Modera
	ROBINIA PSEUDOACACIA * PURPLE ROBE	PURPLE ROSE LOCUST	24° BOX	Low

MAIN ENTRY DRIVE

- UPGRADED VEHICULAR PAYING

- PROJECT SIGN ON MASONRY WAI

- MATCHING HEIGHT PALM TREES

- YISITOR CALL BOX

VERTICAL EVERGREEN TREES AND SHRUBS AT PERIMETER

RESIDENTIAL SINGLE FAMILY HOMES

- DETENTION BASIN - SEE CIVIL ENGINEER PLANS FOR MORE INFORMATION

CONTROL   CONT	COMPONENT COMPONENT   STOCK   Training Component Compo	REET TREE					
CHEST   CONTINUES   CHEST	Control Cont			CAMPHOR TREE		36° BOX	Modera
Management	Local Section 1 Notice   Local Section 1 Not	AVENUE		FOREST BALLEY SERVE ID	-	26.800	Modern
CORRESPONDED   CONTROL PROPERTY   CONTROL PROPERT	March		LAGERSTROEMIA X'NATCHEZ'			24" 800	Modern
DESCRIPTION	### PROPRIES ON THE PROPRIES OF THE PROPRIES O	TRY DRIVE:	RHUS LANCEA	AFRICAN SUMAC		36' 800	Low
Transport	MERCINA CONTROL   MERCINA   MERCIN	I RT LIKINE:	CHICK CAMPANIN SOMET BANKS	FOREST PANSY REDGI ID	_	26.800	Modera
PROJECTION CONTROL   PROPERTY CONTROL   PROJECT   PROJ	PRODUCTION ACCOUNTS   NO CONTINUE   NO CON		PHOENIX DACTYLIFERA MEDJOOL:	DATE PALM		16 BTH	Low
PROCESS   1997	PRODUCTION CONTROL   PROPERTY COUNTY	OJECT PERI	HETER - SCREENING				1.
### MISSTATE OF CARGANIANE   19 CO.   1	### PROFILE CONCESSION   SECURITY TOTAL CONCESSION   SECURITY THE TERRORS		PINUS ELDARICA	AFGHAN PINE FERN PINE , COLLINING	-	36' BOX	C Modern
Test   Control   Test	TREATMOND COURTS   TREATMOND C		PRUNUS CAROLINANA				
### AUCTION THROUGH   27 EQ.   THE AUCTION THROUGH   27 EQ.	TABLE   TABL				$\rightarrow$	141 870	Medea
MAGE PROPERTY SERVICES   17 ECC   740000   74000   74000   740000   74000   74000   74000   740000   740000   740000   74000   74000	LOSSINGHIA TUDOROM			BRISBANE BOX		36. BC0	nooss
The control of the	MOREON ASSESSMENT   MOREON PROPRIEST	E JIPAEL P		CRAFE MYRTLE		24' 800	
THE PROPERTY NAME	METER   METE		PINUS ELDARICA				
MERCIA CASANA   MERCIA CASAN	AMERICA FORMAT   AMER	NESS PARK	MAGNOLIA GRANDIFLORA 'ST. MARY	SOUTHERN MAGNOLIA	_	36° BC0	Modera
Description	DOLLAR DESCRIPTION   DOLLAR	1962217400	ARBUTUS X MARINA	HYBRID STRAWBERRY TREE		16' 800	Modera
PROPERTY	MARIE DESIGNATION   1		OLEA EUROPAEA SWAN HILL:				Low
APP   TABLE	GOAD DEPOISON THIS GOAD   TOTAL CONTROLLED   TOTA		ROBINIA PSEUDOACACIA	PURPLE ROSE LOCUST		24' 800	Low
MARTINESS	MARCHANICA   MAR			TRUE GREEN CHINESE ELM	_	16' 800	Low
DETERMINENT STATE   DETE	COLD DEPOS MERCIES  THE PROPER OFFICE THE PROPERTY OF THE PROP	MMUNITY					
PROSECUTE AND MEDICAL PROPERTY OF THE PROPER							
TOTAL AND ADDRESS ASSESSMENT OF THE ADDRES	PRODUCTION OF THE PROPERTY OF				-	45° 500	
OCCUPATION   DOCUMENT   DOCUMEN	QUARTIC MINISTRAM   NO.   NO		PODOCARPUS ELONGATUS TORE BLUE	KEE BLUE YELLOW-WOOD		24' 800	Modera
POSED SHRUB LIST  TOOL INSERT, ALL DITCHAFFORD, AND	OSED SHRUB LIST  ***CHICA IN A DISTORT WITH TO SHARE TO SHARE THE TOP TO SHARE THE TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TO		QUERCUS VIRGINIANA	SOUTHERN LIVE OAK		36' 800	Modera
POSED SHRUB LIST  TOOL INSERT, ALL DITCHAFFORD, AND	OSED SHRUB LIST  ***CHICA IN A DISTORT WITH TO SHARE TO SHARE THE TOP TO SHARE THE TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TOP TO SHARE THE TO		ROBINA PSEUDOACACIA	PURPLE ROSE LOCUST		24" 800	Low
Description	ADDRESS   TEMPORAL PROPERTY   TOTAL ADDRESS	PROPOSED S	BOTANICAL NAME	REMINITS FOR WATER CONSERVING AND NO	N BAYASINS AS	DEFINED	WUCOLS
ACCOMMENDATION   CONTROL PRODUCTION   CONTROL PRO	ARCOTOMONOMONO CARTY   COMPACT PROSESSED.   1 (20)	RUBSA GRO		POXTAL AGAVE		IS GAL	Very Low
DOCUMENTAL   DOC	BOSCHMISTAN		ARCTOSTAPHYLOW WOODS CARPET	COMPACT MANZANITA		I GAL	Low
COTTON APPARENT   COTTON COT	CONTROL OF THE PROPERTY   CONTROL OF THE P		BOUGAINVILLEA	BOUGAINVILLEA		5 GAL	Low
DATE	COMMANDE   COMMANDD   COMMANDD   COMMANDE   COMMANDD		CISTLE BURN LITTLE JOHN				
DEFENDENCE   DEFENDENCE   DEFENDENCE   DEFENDENCE	LINEWAY NEWCOOLD   MONOCOL LINEWAY   1500		DIANELIA TASPANICA	GOLDEN FLAX LILY		I GAL	Moderate
DECEMBRATE   DEC	LECOMPAL COMPANIES   150   1		KNIPHORA UVARIA		_	5 GAL	
	HTTOPIGNET MORPOGEN   1 0 0		LEUCOPHILLUM PRUTESCENS				Low
	HTTOPIGNET MORPOGEN   1 0 0		LIGUSTRUM LUCIDIUM			5 GAL	
DESIGNATION CONTEXT   DESIGNATION   DESIGN	MODERA CONTENTS   OWNOT FEATURE SPRINGS   1544   THE MAN COLUMN   MARKET SPRINGS   MARKET						
DOMESTICATION   DOMESTICATIO	COLUMNIC CLUB   COMPO CLUB   COLUMNIC CLUB		NANDINA DOMESTICA 'COMPACTA'	DWARF HEAVENLY BAMBOO		5 GAL	
	ROMERCHESCAS   SCALE   ROMERCHESCAS   SCALE   ROMERCHESCAS   ROM		OLEA LITTLE OLLE"	DWARF OLME		5 GAL	
DOCUMENT	BOOL CAPPONEAL   COLUMN NO. DOSE   100				-	5 GAL	Low
MANDEAN COMMINICATIONS  LIGHT LEGISLATION   1504, List	MINITERA COMMINISTA   MADERIC COTTON		BOYA CALIFORNICA	CALIFORNIA WILD ROSE		I GAL	Low
ERECO SEPTION   D.C. CHARLETCO   1544   Industria	MESCA SERVICE   M. E. CONSTRUCT   T. CO.		SANTOLINA CHAMAECYPARISSUS	LAVENDER COTTON		I GAL	Low
1504   1504	THE TAN METHOD				_	I GAL	
CHONDROPERALIM TECTORIUM CAPERUSH I gal at N° OL Moderate LOMANDIA PLATAMI BEAUTY PLATINUM BEAUTY RUSH I gal at N° OL Moderate LOMANDIA PLATAMI BEAUTY PLATINUM BEAUTY RUSH I gal at N° OL Moderate ROHT OF WAY CRUSH ADMICINET	OPERIORISMO, TRICOGRAF OPERIORISMO, PAR & 10 CC C C C C C C C C C C C C C C C C C		STRELITZIA REGINAE	BIRDS OF PARADISE		5 GAL	Moderate
CHONDROPERALIM TECTORIUM CAPERUSH I gal at N° OL Moderate LOMANDIA PLATAMI BEAUTY PLATINUM BEAUTY RUSH I gal at N° OL Moderate LOMANDIA PLATAMI BEAUTY PLATINUM BEAUTY RUSH I gal at N° OL Moderate ROHT OF WAY CRUSH ADMICINET	OPERIORISMO, TRICOGRAF OPERIORISMO, PAR & 10 CC C C C C C C C C C C C C C C C C C	UBS in WA	TERQUALITY DETENTION BASIN  CARRY PANSA	To integrate	Restor t	2".0.0	Madama
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RIGHT-OF-WAY CURE ADJACENT	ACC PRINT CAS AGGRET						Moderate
	ADDITIONAL COMPA ADDITI	UC BIQIT		DELEGIOUS	F gar. at 2	A-U.C.	moderate
ALDESTRIATA CORAL ALDE Sgal. se 34° O.C. Low	TESTICA SMEE   ATLASTITUCA   \$\psis a \$\text{in \$10 CC}\$   \$\cdots \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	DC ROPTI	ALGESTRIATA	CORAL ALGE	5 gal. at 2	4" O.C.	Low
FESTUCA CMINA GLAUCA BLUE FESCUE I gal. at 12" O.C. Moderate	LINITANA REVIOCICI NEW COLLO LINTANA   \$\text{ig. it. al?" CC.}\ \]  MAPPICATELL' LIAMA   BOANN HAVITHONIN   \$\text{ig. it. al?" CC.}\ \text{Tolonomics}\ \text{Tolonomics}\ \text{Coll Moderney}\ \text{Coll Moderney}\ \text{Coll Moderney}\ \text{LINITANIA TITANA N. WAX.LSF PROFT - COLLOPS\ \text{15} \text{jg. it. al. al.}\ \text{CC.}\ \text{Proference}\ \text{Tolonomics}\				I gal. at I	2°0.C	
PESTUCA MAREL ATLAS PESTUCA Egal at N° O.C. Moderate  LANTANA NEW COLD: NEW COLD LANTANA Egal at N° O.C. Low	AMPICEITS   CLAAV     DECIAN HAVITHONN   5 pt. 42 F O.C.				I gal at I	e oc	Low
RAPHICLERS L'CLARA' INDIAN HAWTHORN 5 gal. at 24" O.C. Moderate	G OF ABOVE-CRIDUND UTILITES  UDUSTRUM) TEXANOM WAX-LEAF PRIVET - COLUMN IS gal. at 36° O.C. Moderne.  PRUNUS C. BRIGHT & TIGHT* CARCUINA LAUREL CHERKY IS gal. at 36° O.C. Moderne.		RAPHOLEPIS I 'CLARA'				Moderate
ING OF ABOVE-GROUND UTILITIES	PRUNUS C. TRIGHT & TIGHT CAROLINA LAUREL CHERRY (5 gal. at 36" O.C. Moderate PHYLINITY PARK	ENNGO	IF ABOVE-GROUND UTILITIES		_	_	
DELINIK CHRISTER CAPTURE CAPTURE CHRIST COLUMN IS SELECTED CAPTURE CHRIST CAPTURE CHRIST CAPTURE CHRIST CAPTURE CHRIST CAPTURE CAPTURE CHRIST CHRIST CHRIST CAPTURE CHRIST C	PHINTYPAIK		DGUSTRUM J. TEXANUM		15 gal at	16.0°C	Moderate
COMMUNITYPAIX		Fat COM	HUNITYPARK				
HYBRID BURHUDA TIFGREEN TURF GRASS SOD LOW	PROPERTY PROPERTY TOPP CONTROL SOOT LOW			TURF GRASS	500		Low
PETIDLA ORNACIACIÓ.   BLEFECLE   \$1 pl. s   1700.   \$100mm   \$10	PRINTED TO LOW LOW	ENING O	ISSECTION METROS TERRITARIA METADOLE TERRITARIA METADOLE TERRITARIA METADOLE TOPOROGENETALIA TECNORIO TOPOROGENETALIA TECNORIO TOPOROGENETALIA TECNORIO TOPOROGENETALIA METADOLE TOPOROGENETALIA METADOLE TOPOROGENETALIA METADOLE TERRITARIA TERRITARIA TERRITARIA COMPARIA TERRITARIA TERRIT	BLE OFFICE OF THE STATE OF THE	I gal at II I gal	1GAL 3GAL 2° OC 4° O	Hoderate Moderate Moderate Moderate Low
		18UB	IAREAS SHALL RECEIVE A 3" INTRODUCTA 3. NOTE: SOPEENING SHALL SEPPROADE SENHALL CONFLICT WITH PLANTING. I DESENIS SHALL CONFLICT WITH ABING I ATER USE (MANNA) CALCULATIONS.	ED FOR ALL UTILITIES, INCLUDING T	ISE (EAWL)	TANLE P	OT EXCE

IRIS PARK - MORENO VALLEY, CA

IRIS AVENUE STREETSCAPE

• STREETTREES, 40' O.C.

• LANDSCAPED SETBACK

• EXISTING SIDEWALK TO REMAI

(4) STATIONS SITE-WIDE COMMERCIAL

IRIS AVENUE

POTENTIAL CONNECTION TO FUTURE LINEAR PARK

ACADEMY PROPERTY

PACIFICA INVESTMENTS



This Public Facilities Fee Credit Agreement ("PFF Agreement") is entered into between The City of Moreno Valley ("City"), the Moreno Valley Community Services District ("CSD) and Beazer Homes Holdings, LLC ("Beazer") as of March 7, 2023 ("the Effective Date"), and sets forth the understanding of City, CSD, and Beazer with respect to the following:

#### 1. Recitals.

- 1.1 Whereas, Beazer is the owner of that certain real property known as Tract 37909 (consisting of approximately 10.8 acres) in the City of Moreno Valley, County of Riverside, California (the "Project" or "Tract 37909"); and
- 1.2 Whereas, Tentative Tract Map 37909 (PEN20-0063 and CUP (PEN20-0065) approved by the Planning Commission on November 12, 2020, is subject to certain development impact fees and/or public facilities fees (hereinafter "Public Facilities Fees" or "PFF"), for Quimby Park Land and DIF Parkland Facilities, and in accordance with applicable City ordinances, the current amount of which is \$6,924.75 per lot (\$2,302.00 Quimby Park Land and \$4,622.75 DIF Parkland Facilities); and
- Valley Community Services District and Beazer, relative to the development known as Tract 37909 provides Quimby Park Land and DIF Parkland Facilities Improvement credits for 81 lots in the amount of \$6,924.75 per lot against such Public Facilities Fees ("PFF Credit") (total credit \$560,904.75), subject to Beazer's satisfaction of its obligation to complete certain park improvements on Lot AA of Final Tract Map 37909 pursuant to the Conditions of Approval for Tentative Tract Map 37909 (PEN20-0063 and CUP (PEN20-0065).
- 1.4 Whereas, City, CSD and Beazer have reached an understanding as to the terms of this PFF Agreement, specifically that the City shall apply the \$6,924.75 per lot credit for 81 lots against the Public Facilities Fees in effect at the time each of the mutually agreed upon 81 building permits are issued; and,

Now, therefore, City, CSD and Beazer, in consideration of their respective commitments below, agree as follows:

2. Timing and Payment of Public Facilities Fees:

2.1 Subject to Beazer's satisfaction of its obligation to complete certain park improvements pursuant to the Conditions of Approval for Tentative Tract Map 37909 (PEN20-0063) and CUP (PEN20-0065) for Lot AA of the Final Tract Map 37909, Beazer shall receive the PFF credit against the City's Public Facilities Fees (Quimby Park Land and Parkland Facilities) for 81 lots at the time these building permits are pulled. The PFF Credit shall reduce Public Facilities Fee by \$560,904.75 (\$6,924.75 per single family unit on a total of 81 lots). In the event the Public Facilities Fee exceeds \$6,924.75 per single family unit the PFF Credit shall be adjusted to fully satisfy the Public Facilities Fee in effect at the time the applicable building permits are issued; provided, however, in no event shall the PFF Credit exceed the cost or valuation of the improvements and/or dedications.

#### 3. Enforcement.

- 3.1 Enforcement by Either Party. The City and CSD agrees that unless this PFF Agreement is amended or terminated by mutual agreement of City, CSD and Beazer, this PFF Agreement shall be enforceable by any party hereto notwithstanding any change hereafter in any applicable General Plan, Specific Plan, City Ordinance, Rule or Regulation.
- 3.2 The Cumulative Remedies. In addition to any other rights or remedies, either party may institute a legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation, including suits for declaratory relief, specific performance, relief in the nature of mandamus and actions for damages. All the remedies described above shall be cumulative and not exclusive to one another, and the exercise of any one or more of the remedies herein shall not constitute a waiver or election with respect to any other available remedy.
- 3.3 Attorneys' Fees. In any arbitration, administrative proceedings, or any action in any courts of competent jurisdiction, brought by one or more parties to enforce any provision of this PFF Agreement, or to enforce any rights or remedies under this PFF Agreement, including any action for declaratory or equitable relief, the prevailing party shall be entitled to reasonable attorneys' fees and all reasonable costs, expenses and disbursements in connection with such action.

- 4. Miscellaneous Provisions.
- 4.1 Covenants, Conditions and Restrictions. The terms of this PFF Agreement shall be binding upon the parties, their successors and assigns. Any successor in interest of D.R. Horton may enforce the provisions of this PFF Agreement.
- 4.2 Other Agreements. This PFF Agreement is not intended to alter the obligations of the parties under any other contracts existing between them, save and except as set forth in Section 2.1 above, whether signed before, after or in conjunction with this PFF Agreement intended to alter Beazer's obligations under any existing conditions of approval applicable to Tract 37909.
- 4.3 Entire Agreement. This PFF Agreement constitutes the entire agreement between the parties with respect to the subject matter of this PFF Agreement.
- 4.4 Governing Law. This PFF Agreement, including, without limitation, its existence, validity, construction and operation, and the rights of each of the parties hereunder, shall be determined in accordance with the laws of the State of California.
- 4.5 Recitals. The recitals in this PFF Agreement constitute part of this PFF Agreement and each party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this PFF Agreement.
- 4.6 Time. Time is of the essence for this PFF Agreement and for each and every term and condition hereof.
- 4.7 No Third Party Beneficiaries. This PFF Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. Except as expressly provided in this PFF Agreement, no other person shall have any rights or cause of action based upon any provision of this PFF Agreement.
- 4.8 Waiver. The failure of either party at any time to seek redress for any violation of this PFF Agreement, or to insist upon the strict performance of any term or condition of this PFF Agreement, shall not prevent any subsequent act or omission of the same or similar nature from having all the force and effect of the original breach or default, and such subsequent act or omission may be proceeded against by either party to the fullest extent provided by this PFF Agreement. No provision of this PFF Agreement shall be deemed to have been waived by either party unless the waiver is in writing and is signed by the party waiving its rights or claims.

- 4.9 Binding Effect. The covenants and agreements contained in this PFF Agreement shall insure to the benefit of, and shall be binding upon each of the parties and their respective heirs, administrators, successors and assign.
- 4.10 Prevailing Wages. Beazer acknowledges the provisions of California Labor Code, Division 2, Part 7, regarding the payment of prevailing wage rates for public works and in particular the fact that Section 1720 therein applies certain regulations under such statutes to private projects receiving certain public benefits; and that neither the City, the CSD, nor any person with authority to bind the City or CSD has made any representation as to any requirement, or any exemption from any requirement, to pay prevailing wages thereunder. Beazer accepts all responsibility for determining the applicability of prevailing wage laws and any other law, rule, regulation or other obligation with respect to its employees, subcontractors, or any other person and for the amounts paid to any of its employees, subcontractors, or any other person.
  - 5. Defense of the City and CSD.
- 5.1 Beazer shall defend, indemnify, and hold harmless the City and CSD, including but not limited to paying all costs associated therewith, in any claim brought against this PFF Agreement. If the City and/or CSD is determined to be the "prevailing party" in any such litigation, and is awarded its attorneys' fees and costs by the Court, then such award shall be promptly paid to Beazer as reimbursement for the attorneys' fees and costs it incurred in providing the City and/or CSD with a defense provided however, the City and/or CSD shall retain any portion of attorneys fees that it directly incurred.

#### 5.2 INDEMNIFICATION

- a. Beazer shall defend, indemnify and hold harmless the City and the CSD, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect, (including any and all costs and expenses in connection therewith), to the extent arising out of the acts or omissions of Beazer in performance of this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City and/or CSD, its officers, agents, employees or volunteers.
  - b. The City and CSD does not, and shall not; waive any rights that it may have

against Beazer under this section because of the acceptance by the City or CSD, or the deposit with the City or CSD, of any insurance policy or certificate required pursuant to this Agreement. The hold harmless, indemnification and duty to defend provisions of this section shall apply regardless of whether or not said insurance policies are determined to be applicable to the claim, demand, action, damage, liability, loss, cost or expense described herein.

- c. Notwithstanding the provisions of subsections a. and b. of this section, Beazer shall not be responsible for damages or be in default or deemed to be in default by reason of delay caused by strikes, lockouts, accidents, or acts of God, or the failure of the City and/or CSD to furnish timely information or to approve or disapprove Beazer's work promptly, or by reason of delay or faulty performance by the City and/or CSD, construction contractors, or governmental agencies, or by reason of any other delays beyond Beazer's control, or for which Beazer is without fault.
- d. The indemnity provisions contained in this Section shall survive expiration or sooner termination of this Agreement.

#### 6. Additional Terms

- Agreement on behalf of each party hereby represents and warrants that he or she has full power and authority to execute this Agreement on behalf of such party and that all approvals and other actions necessary in connection with the effective execution by him or her have been obtained and are in full force and effect as of his or her execution hereof.
  - 6.2 Civil Code Section 1542 Waiver.
- a. Subject to and upon receipt of the PFF Credit pursuant to this PFF Agreement, Beazer expressly waives any and all rights and benefits conferred upon it by the provisions of Section 1542 of the California Civil Code which reads as follows:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

b. This waiver shall be effective as a bar to any and all actions, fees, damages, losses, claims, liabilities and demands of whatsoever character, nature and kind that are known or unknown, or suspected or unsuspected to the extent arising out of this PFF Agreement, including, without limitation, claims of entitlements under the California Public Employees' Retirement System (CalPERS) that are only afforded to employees and not independent contractors. Developer further represents and warrants that it understands this waiver and that if it does not understand this waiver, it shall seek the advice of a qualified attorney before executing this Agreement.

IN WITNESS WHEREOF, the parties have duly executed this PFF Agreement as of the date and year specified above as the Effective Date.

CITY OF MORENO VALLEY/MORENO VALLEY COMMUNITY SERVICES DISTRICT
By: Mike Lee, City Manager/Executive Director of the Moreno Valley Community Services District
ATTESTED TO:
By: Jane Halsted, City Clerk
APPROVED AS TO FORM:
By: Steve Quintanilla, City Attorney

Beazer Homes Holdings, LLC

V.P. FORWARD PLANNING

# RESOLUTION NO. BHH LLC-2023-05 WRITTEN CONSENT OF MANAGER OF BEAZER HOMES HOLDINGS, LLC

APPOINTMENT OF REGIONAL OFFICERS AND DESIGNATED AGENTS OF

BEAZER FUNDAMENTAL, LLC,
BEAZER HOMES HOLDINGS, LLC,
BEAZER HOMES SALES, INC.,
BEAZER HOMES TEXAS HOLDINGS, INC.,
BEAZER HOMES TEXAS, L.P.
AND
BH BUILDING PRODUCTS, LP

#### **WEST REGION**

Effective January 18, 2023

The undersigned, being a manager (the "Manager") of Beazer Homes Holdings, LLC ("BHH LLC"), a Delaware limited liability company and a wholly–owned subsidiary of Beazer Homes USA, Inc., a Delaware corporation ("Beazer USA"), hereby adopts the following resolutions by written consent pursuant to Section 18–404 of the Delaware Limited Liability Company Act and the Company's Operating Agreement:

WHEREAS, Beazer USA has a business segment that operates in the States of Arizona, California, Nevada and Texas (the "West Region");

WHEREAS, the Company is an operating entity of Beazer USA with regard to its business activities in the States of Arizona, California and Nevada;

WHEREAS, BHH LLC is the sole stockholder of Beazer Homes Sales, Inc. ("BHS"), a Delaware corporation and an operating entity of Beazer USA with regard to its business activities in the State of Arizona;

WHEREAS, BHH LLC is the sole stockholder of Beazer Homes Texas Holdings, Inc. ("BHTH"), a Delaware corporation and the general partner of Beazer Homes Texas, L.P. ("BHT LP"), a Delaware limited partnership and an operating entity of Beazer USA with regard to its business activities in the State of Texas;

WHEREAS, BHH LLC is the sole stockholder of BHTH, the general partner of BHT LP, the sole stockholder of BH Procurement Services, Inc. ("BHPS LLC"), a Delaware corporation and the general partner of BH Building Products, LP ("BHBP LP"), a Delaware limited partnership and an operating entity of Beazer USA with regard to its business activities in the State of Texas;

WHEREAS, BHH LLC is the sole stockholder of BHTH, the sole member of Beazer Fundamental, LLC ("BF LLC"), a Delaware limited liability company and an operating entity of Beazer USA with regard to its business activities in the State of Texas;

WHEREAS, the undersigned has authority to, among other things, (i) appoint and remove officers of the Company and the Subsidiaries and to determine their respective powers and duties, and (ii) authorize any person or persons to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts or other obligations or instruments, and to take other actions on behalf of the Company and the Subsidiaries; and

WHEREAS, the Policy on the Appointment of Officers and Authorized Signatories and the Contract Review Policy of Beazer USA (the "Policies") set forth additional information with respect to the grant of signature authority to individuals.

NOW, THEREFORE, BE IT RESOLVED, that the following individuals are hereby appointed to serve as officers (each, a "Regional Officer") and/or designated as agents (each, a "Designated Agent") of BHH LLC and BHS, BHTH, BHT LP, BHPS LLC and BHBP LP (each, a "Subsidiary," and together with BHH LLC, the "Company"), as set forth below:

- A. The individuals listed on <u>Annex A</u> shall have the authority set forth in this paragraph with respect to the Divisional office(s) to which he or she is assigned. These individuals shall have the authority to execute any and all documents incidental to the performance of his or her assigned duties and authorities, including but not limited to, purchase and sale agreements, closing documents (including deeds), construction agreements, supplier agreements, subcontractor agreements, plats, CCRs, HOA documents, declarations, easements, rights of way, permit applications, permits, permit-based reporting, permit terminations and bond applications for offsite and site development.
- B. The individuals listed on <u>Annex B</u> shall have authority with respect to the Divisional office(s) to which he or she is assigned to execute any and all documents incidental to the performance of his or her duties if authorized to do so by the CEO or by David I. Goldberg, the Senior Vice President and Chief Financial Officer of the Company and each of the Subsidiaries (the "<u>Finance SVP</u>"). Such authorization shall be in writing.
- C. The individuals listed on <u>Annex C</u> shall have the authority to execute the documents detailed therein. Such authority may be exercised only for the Divisional office(s) to which he or she is assigned.
- D. The individuals listed on <u>Annex D</u> shall have the authority to execute the documents detailed therein. Such authority may be exercised only for the Divisional office(s) to which he or she is assigned. In addition, any individual listed on <u>Annex D</u> may be authorized to exercise his or her authority on behalf of any city in the West Region, on an interim or permanent basis, by the CEO or the Finance SVP. Such authorization shall be in writing.

- E. The individuals listed on <u>Annex E</u> shall have the authority to execute the documents detailed therein. Such authority may be exercised only for the Divisional office(s) to which he or she is assigned, except with respect to the authority specified in <u>Sections E.2</u> and <u>E.3</u>, which extends to all cities located in the West Region. In addition, any individual listed on <u>Annex E</u> may be authorized to exercise his or her authority on behalf of any city in the West Region, on an interim or permanent basis, by the CEO or the Finance SVP. Such authorization shall be in writing.
- F. The individuals listed on  $\underline{Annex F}$  shall have the authority to execute the documents detailed therein.

RESOLVED FURTHER, that the authorization granted to an individual to sign any agreement pursuant to the foregoing resolutions includes the authority to sign addenda and amendments thereto;

RESOLVED FURTHER, that any written authorization required under the foregoing resolutions shall be filed with the appropriate member of the Corporate Legal Department, as specified in the Policies;

RESOLVED FURTHER, that the appointment of any individual as a Regional Officer and/or Designated Agent of the Company pursuant to the foregoing resolutions does not constitute the appointment of such individual as an officer of Beazer USA;

RESOLVED FURTHER, that any act or thing heretofore done by any Regional Officer or Designated Agent within the scope of the foregoing resolutions shall be binding on the Company;

RESOLVED FURTHER, that the foregoing resolutions supersede any prior resolution, designation of authority or other authority document issued by the Company prior to the date of this instrument, and the authority delegated to any individual named herein shall remain in effect until the earlier of (i) such individual's death, (ii) such individual's termination of employment with the Company or any other affiliate of Beazer USA, whether voluntary or involuntary, or (iii) written termination or revocation of any such individual's authority by the Company or the CEO. The cessation of authority of any named individual shall not affect the authority of the remaining individuals listed in this document and the authority of the remaining individuals shall remain in full force and effect unless and until terminated in accordance with the terms of this paragraph; and

RESOLVED FURTHER, that this consent may be executed by facsimile or by electronic mail in Portable Document Format.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned has set his hand as of the date first set forth above.

—DocuSigned by

keith L. Belknap

Keith L. Belknap

# ANNEX A Officers and Other Designated Agents West Region

For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory – West Region."

NAME	TITLE
Brian D. Arbour	VP Divisional FP&A - Dallas
Thomas C. Burrill	Area President – Southern California, Northern California,
	Delaware, Maryland and Virginia
Steven M. Cervino	Area President – Las Vegas and Florida
Bruce R. Craig	Area President – Atlanta, Charleston, Houston and Myrtle Beach
James K. Ellison	President Divisional – Houston
John Friesenhahn	President Divisional – San Antonio
Ryan M. Johnson	President Divisional – Phoenix
Ruben Lopez	Director Divisional FP&A – Southern California
Jason L. Oates	President Divisional – Dallas
James Prewett	President Divisional – Southern California
Troy M. Radelat	Area President – Dallas, Phoenix, Raleigh, San Antonio and
	Gatherings
Khalid Solaiman	VP Divisional FP&A – Northern California
Kyle Tibbitts	President Divisional – Las Vegas
Lucas C. Wissmann	President Divisional – Northern California

# ANNEX B Officers and Other Designated Agents West Region

For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory – West Region."

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NAME	TITLE	
None.		

# ANNEX C Officers and Other Designated Agents West Region

- 1. Non-binding letters of intent prior to approval by Beazer USA's Land Acquisition and Review Committee (the "LAR").
- 2. All other documents, including but not limited to (a) purchase agreements, (b) option agreements and (c) disposition agreements, <u>provided</u> that (i) the document has been reviewed and approved by the Corporate Legal Department or an attorney designated by the Corporate Legal Department, (ii) the agreement includes a due diligence period allowing the agreement to be completely terminated without any obligation or cost and (iii) any deposits under the agreement are fully refundable.
- 3. All purchase and/or sale agreements and option agreements, so long as the contemplated purchase or sale has received approval from the LAR.
- 4. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE
Thomas C. Burrill	Area President – Southern California, Northern California,
	Delaware, Maryland and Virginia
Steven M. Cervino	Area President – Las Vegas and Florida
Bruce R. Craig	Area President – Atlanta, Charleston, Houston and Myrtle
	Beach
James K. Ellison	President Divisional– Houston
John Friesenhahn	President Divisional – San Antonio
Ryan M. Johnson	President Divisional - Phoenix
Jason L. Oates	President Divisional – Dallas
James Prewett	President Divisional – Southern California
Troy M. Radelat	Area President -Dallas, Phoenix, Raleigh, San Antonio and
·	Gatherings
Kyle Tibbitts	President Divisional – Las Vegas
Lucas C. Wissmann	President Divisional – Northern California

# ANNEX D Officers and Other Designated Agents West Region

- 1. Administrative contracts, regardless of size.
- 2. Purchase and sale agreements, all addenda and amendments thereto, and closing documents (including FHA and VA).
- 3. Development agreements with a value that exceeds \$1 million following review and approval by a local attorney designated by the Corporate Legal Department pursuant to the Policies.
- 4. Development agreements with a value of \$1 million or less, construction agreements, supplier agreements, subcontractor agreements, plats, CCRs, HOA documents, declarations, easements and rights of way.
- 5. Permit applications, permits, permit-based reporting and permit terminations. Bond applications for offsite and site development.
- 6. Confidentiality agreements and non–disclosure agreements following review and approval by the Corporate Legal Department.
- 7. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE
Thomas C. Burrill	Area President – Southern California, Northern California,
	Delaware, Maryland and Virginia
Steven M. Cervino	Area President – Las Vegas and Florida
Bruce R. Craig	Area President – Atlanta, Charleston, Houston and Myrtle
	Beach
James K. Ellison	President Divisional – Houston
John Friesenhahn	President Divisional – San Antonio
Ryan M. Johnson	President Divisional - Phoenix
Jason L. Oates	President Divisional – Dallas
James Prewett	President Divisional – Southern California
Troy M. Radelat	Area President -Dallas, Phoenix, Raleigh, San Antonio and
	Gatherings
Kyle Tibbitts	President Divisional – Las Vegas
Lucas C. Wissmann	President Divisional – Northern California

# ANNEX E Officers and Designated Agents West Region

#### E.1 Administration

- 1. Contracts for supplies, office equipment and other general contracts (excluding copier leases).
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME TITLE

# E.2 Closings – New Home Sales – Deeds and Associated Closing Documents

- 1. All deeds and associated closing documents in connection with the sale of new homes in the West Region.
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Vice President West Region."

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NAME	TITLE	
Brian D. Arbour	VP Divisional FP&A - Dallas	
Rebecca A. Austin	VP Sales – Southern California	
Teresa M. Barajas	Escrow/Closing Specialist – Houston	
Jeffery T. Barfield	Const Dept Head – Houston	
Thomas C. Burrill	Area President – Southern California, Northern California,	
	Delaware, Maryland and Virginia	
Steven M. Cervino	Area President – Las Vegas and Florida	
David Cheek	VP Sales – Dallas	
Robert Cook	Escrow/Closing Specialist – Houston	
Bruce R. Craig	Area President – Atlanta, Charleston, Houston and Myrtle	
	Beach	
James K. Ellison	President Divisional – Houston	
Nicole C. Fabian	VP Divisional FP&A – Las Vegas	
John Friesenhahn	President Divisional – San Antonio	
Cynthia Gonzales	Mgr Escrow/Closing -California	
Landon Hood	Operations Manager - Dallas	
Ryan M. Johnson	President Divisional – Phoenix	
Sean Larsen	FP&A Manager - Phoenix	
Ruben Lopez	Director Divisional FP&A – Southern California	

Jason L. Oates	President Divisional – Dallas
James Prewett	President Divisional – Southern California
Troy M. Radelat	Area President –Dallas, Phoenix, Raleigh, San Antonio and
	Gatherings
Brittany Radovich	Mgr Escrow/Closing – Northern California
Khalid Solaiman	VP Divisional FP&A – Northern California
Amer Syed	VP Sales – Houston
Colleen Taylor	Mgr Escrow/Closing – San Antonio
Andrea D. Thompson	VP Operations – Dallas
Kyle Tibbitts	President Divisional – Las Vegas
Lisa A. Turner	Escrow/Closing Specialist – Houston
Robert T. Walmsley	Director Sales - Northern California
Lucas C. Wissmann	President Divisional – Northern California

# E.3 Closings – Disposition of Land – Deeds and Associated Closing Documents

- 1. All deeds and associated closing documents in connection with the disposition of land in the West Region.
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Vice President West Region."

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Jeffrey J. Anderson	LA&LD Dept Head – Houston
Brian D. Arbour	VP Divisional FP&A - Dallas
James G. Baggarly	LA&LD Dept Head – Northern California
Taylor R. Bollinger	VP Div LA & Forward Planning – Northern California
Thomas C. Burrill	Area President – Southern California, Northern California,
	Delaware, Maryland and Virginia
Steven M. Cervino	Area President – Las Vegas and Florida
Bruce R. Craig	Area President – Atlanta, Charleston, Houston and Myrtle
	Beach
Martha Creighton	VP Divisional Land Acquisition – Dallas
James K. Ellison	President Divisional – Houston
John Friesenhahn	President Divisional – San Antonio
Nicole C. Fabian	VP Divisional FP&A – Las Vegas
Ryan M. Johnson	President Divisional – Phoenix
Ruben Lopez	Director Divisional FP&A – Southern California
Kimberly N. Molina	VP of Forward Planning – Southern California
Jason L. Oates	President Divisional – Dallas
James Prewett	President Divisional – Southern California

Troy M. Radelat	Area President -Dallas, Phoenix, Raleigh, San Antonio and
	Gatherings
Khalid Solaiman	VP Divisional FP&A – Northern California
Jed Solomon	VP Divisional Land Acquisition – Southern California
Kyle Tibbitts	President Divisional – Las Vegas
Shannon R. Wiesepape	LA Director – Houston
Lucas C. Wissmann	President Divisional – Northern California

# E.4 Closings – New Home Sales – Documents Other than Deeds

- 1. Documents required to close a new home sale, excluding deeds. Individuals listed in this section are specifically **NOT** authorized to sign deeds.
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE
Malori Clarke	Financial Analyst Sr. – Las Vegas
Lisa Dion	Escrow/Closg Spec – Las Vegas
Brooke T. Galloway	Escrow/Closg Spec Sr – Dallas
Cynthia Gonzales	Mgr Escrow/Closing – Southern California
Ashley Kennedy	Escrow/Closg Spec – Dallas
Stephanie Panter	Mgr Escrow/Closing – Dallas
Brittany Radovich	Mgr Escrow/Closing – Northern California
Shellee Sateren	Const Admin/Coord – Las Vegas
Josh Shea	FP&A Manager - Las Vegas
Colleen Taylor	Mgr Escrow/Closing – San Antonio

# **E.5 Construction**

- 1. Construction agreements, supplier agreements, subcontractor agreements, plats, CCRs, HOA documents, declarations, easements and rights of way.
- 2. Permit applications, permits, permit–based reporting and permit terminations. Bond applications for offsite and site development.
- 3. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 4. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE
Suzanna M. Aceves	Fwd Planning Mgr Sr – Southern California
Jeffery T. Barfield	Const Dept Head – Houston
Gregory D. Beken	
Gabe Beltran	Area Mgr/Gen Super – Houston
	Area Mgr/Gen Super – Phoenix
Taylor R. Bollinger	VP Div LA & Forward Planning – Northern California
Robert Burns	Area Mgr/Gen Super - Phoenix
Thomas C. Burrill	Area President – Southern California, Northern California,
	Delaware, Maryland and Virginia
Steven M. Cervino	Area President – Las Vegas and Florida
Tabitha Clevenstine	Purchasing Coord – San Antonio
James K. Ellison	President Divisional – Houston
John Friesenhahn	President Divisional – San Antonio
Jerry George	Construction Dir - Phoenix
Clifton M. Gibson	Area Mgr/Gen Super – Houston
Michael Gray	VP Forward Planning – Las Vegas
Jim Griffin	Director Construction – Southern California
Scott P. Hill	Area Mgr/Gen Super – Houston
Landon Hood	Operations Manager - Dallas
Eric McMillen	Director Construction - Gatherings
Jason C. Mock	VP Divisional Land Development – Southern California
Kimberly N. Molina	VP Forward Planning – Southern California
Jessica Nicholas	Asst Fwd Planning/Ent Prof – Southern California
Carl Novan	Mgr Purchasing – San Antonio
Jason L. Oates	President Divisional – Dallas
Dennis Olsen	Director Purchasing – Northern California
Steve M. Penrod	Director Construction – Northern California
Gavin Percy	Forward Planning Manager – Southern California
James Prewett	President Divisional – Southern California
Troy M. Radelat	Area President –Dallas, Phoenix, Raleigh, San Antonio and
	Gatherings
Sabrina Ross	Const Admin/Coord - Houston

Lonnie R. Ruscito Jr	VP Operations – Phoenix
James A. Shields	VP Customer Care – Dallas
Andrea D. Thompson	VP Operations – Dallas
Kyle Tibbitts	President Divisional – Las Vegas
Jody Young	VP Purchasing – Southern California
Lucas C. Wissmann	President Divisional – Northern California

# E.6 Land

- 1. Non-binding letters of intent.
- 2. Development agreements with a value of \$1 million or less, construction agreements, supplier agreements, subcontractor agreements, plats, CCRs, HOA documents, declarations, easements and rights of way.
- 3. Permit applications, permits, permit-based reporting and permit terminations. Bond applications for offsite and site development.
- 4. Other closing documents associated with the takedown of lots or the development of phases of a subdivision if approved in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned. (Only individuals who are listed on Section E.3 may sign deeds in connection with land disposition.)
- 5. Any and all agreements, instruments, contracts, documents, consents, certificates, petitions, reports, notices, applications, requests, and any amendments and assignments thereto, in connection with the Companies' land improvement and development activities, including the public facilities necessary to serve such development, including, but not limited to, (a) the formation, annexation or participation in special financing districts, including but not limited to, assessment districts, community development districts, municipal utility districts, and community facilities districts, pursuant to the applicable state statute(s) as amended from time to time, (b) authorizing the levy of assessments or special taxes against the real property owned by the Companies by any such special districts, (c) participation in land-secured or other municipal bond financing of improvements by any such special districts, including authorizing the issuance of bonds or other debt instruments by any such special districts, secured by a pledge of the proceeds of the special taxes or assessments levied on the real property of the Companies.
- 6. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 7. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE
Jeffrey J. Anderson	LA&LD Dept Head – Houston
Brian D. Arbour	VP Divisional FP&A - Dallas
James G. Baggarly	LA&LD Dept Head – Northern California
Taylor R. Bollinger	VP Div LA & Forward Planning – Northern California

Thomas C. Burrill	Area President – Southern California, Northern California,
	Delaware, Maryland and Virginia
Steven M. Cervino	Area President – Las Vegas and Florida
Gregory R. Coleman	LD Director – Houston
Cinda Cousino	LD Manager - Phoenix
Martha Creighton	VP Divisional Land Acquisition – Dallas
John Friesenhahn	President Divisional – San Antonio
Michael Gray	VP Forward Planning – Las Vegas
Erik Haaland	LD Manager – Houston
Jeffrey M. Lesnick	VP Divisional Land Acquisition – Las Vegas
Ruben Lopez	Director Divisional FP&A – Southern California
Jason C. Mock	VP Divisional Land Development – Southern California
Kimberly N. Molina	VP Forward Planning – Southern California
William New	LA Director – San Antonio
Jason L. Oates	President Divisional – Dallas
Dennis Olsen	Director Purchasing – Northern California
James Prewett	President Divisional – Southern California
Kathleen Ripley	LA Manager – Southern California
Vanessa Rodriquez	LD Manager – Houston
Jed Solomon	VP Divisional Land Acquisition – Southern California
Kyle Tibbitts	President Divisional – Las Vegas
Josh Turner	Asst LD Manager - Dallas
Shannon R. Wiespape	LA Director – Houston
Lucas C. Wissmann	President Divisional – Northern California

# E.7.a Stormwater Permit Applications

- 1. All applications to obtain coverage or termination of coverage under a state permit to discharge stormwater in association with land development and/or construction activities (e.g. NOIs and NOTs).
- 2. All reports and other documentation required under previously–obtained stormwater permits (e.g., SWPPP plan, inspection reports, sampling reports, etc.).
- 3. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 4. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE
Jeffrey J. Anderson	LA&LD Dept Head – Houston
James G. Baggarly	LA&LD Dept Head – Northern California
Taylor R. Bollinger	VP Div LA & Forward Planning – Northern California

Thomas C. Burrill	Area President – Southern California, Northern California,
	Delaware, Maryland and Virginia
Steven M. Cervino	Area President – Las Vegas and Florida
Cinda Cousino	LD Manager - Phoenix
Bruce R. Craig	Area President – Atlanta, Charleston, Houston and Myrtle
-	Beach
James K. Ellison	President Divisional – Houston
John Friesenhahn	President Divisional – San Antonio
Michael Gray	VP Forward Planning – Las Vegas
Jim Griffin	Director Construction – Southern California
Ryan M. Johnson	President Divisional - Phoenix
Jeffrey M. Lesnick	VP Divisional Land Acquisition – Las Vegas
Jason C. Mock	VP Divisional Land Development – Southern California
Kimberly N. Molina	VP Forward Planning – Southern California
Corbin Pevey	Stormwater/SWPPP Admin - Houston
James Prewett	President Divisional – Southern California
Troy M. Radelat	Area President –Dallas, Phoenix, Raleigh, San Antonio and
	Gatherings
Lonnie R. Ruscito Jr.	Operations VP - Phoenix
James A. Shields	VP Customer Care – Dallas
Kyle Tibbitts	President Divisional – Las Vegas
Josh Turner	Asst LD Manager - Dallas
Lucas C. Wissmann	President Divisional – Northern California

# E.7.b Other Documents Required Under Previously-Obtained Stormwater Permits

- 1. All reports and other documentation required under previously–obtained storm water permits (e.g., SWPPP plan, inspection reports, sampling reports, etc.).
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE	
Jeffrey J. Anderson	LA&LD Dept Head – Houston	
James G. Baggarly	LA&LD Dept Head – Northern California	
Jeffery T. Barfield	Const Dept Head – Houston	
Taylor R. Bollinger	VP Div LA & Forward Planning – Northern California	
Thomas C. Burrill	Area President – Southern California, Northern California,	
	Delaware, Maryland and Virginia	
Gregory R. Coleman	LD Director – Houston	
Cinda Cousino	LD Manager - Phoenix	

James K. Ellison	President Divisional – Houston	
John Friesenhahn	President Divisional – San Antonio	
Michael Gray	VP Forward Planning – Las Vegas	
Jim Griffin	Director Construction – Southern California	
Scott P. Hill	Area Mgr/Gen Super – Houston	
Jeffrey M. Lesnick	VP Divisional Land Acquisition – Las Vegas	
Jason C. Mock	VP Divisional Land Development — Southern California	
Kimberly N. Molina	VP Forward Planning – Southern California	
Jason L. Oates	President Divisional – Dallas	
Vanessa Rodriquez	LD Manager – Houston	
Corbin Pevey	Stormwater/SWPPP Admin - Houston	
James Prewett	President Divisional – Southern California	
Troy M. Radelat	Area President -Dallas, Phoenix, Raleigh, San Antonio and	
	Gatherings	
Lonnie R. Ruscito Jr.	VP Operations - Phoenix	
James A. Shields	VP Customer Care – Dallas	
Josh Turner	Asst LD Manager - Dallas	
Lucas C. Wissmann	President Divisional – Northern California	

# E.8.a Sales

- 1. All purchase and sale agreements and related addenda.
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory."

NAME	TITLE	
Brian D. Arbour	VP Divisional FP&A - Dallas	
Rebecca A. Austin	VP Sales – Southern California	
Derek S. Bent	Mgr Sales - Dallas	
David Cheek	VP Sales – Dallas	
Robin R. Craig	Mgr Sales – Dallas	
Nicole C. Fabian	VP Divisional FP&A – Las Vegas	
Heather Fredericks	Mgr Sales - Northern California	
John Friesenhahn	President Divisional – San Antonio	
Jason Fuqua	Mgr Sales - Houston	
Wendy George	Mgr Sales - Dallas	
Jeffrey M. Lesnick	VP Divisional Land Acquisition – Las Vegas	
Ruben Lopez	Director Divisional FP&A – Southern California	
Kimberly N. Molina	VP of Forward Planning – Southern California	
James Prewett	President Divisional – Southern California	

April Shumway	VP Sales – Phoenix	
Khalid Solaiman	VP Divisional FP&A – Northern California	
Amer Syed	VP Sales – Houston	
Kyle Tibbitts	President Divisional – Las Vegas	
Benita A. Vasquez	Mgr Sales - Houston	
Robert T. Walmsley	Director Sales – Northern California	
Lucas C. Wissmann	President Divisional – Northern California	

# E.8.b Pricing and Options/Upgrades Addenda to Existing Purchase and Sale Agreements

- 1. Any Pricing and Options/Upgrades Addendum to be attached to an existing Purchase and Sale Agreement, following a buyer's selection of options and upgrades for the home.
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory."

NAME	TITLE	
Brian D. Arbour	VP Divisional FP&A - Dallas	
Rebecca A. Austin	VP Sales – Southern California	
Nicole C. Fabian	Director Divisional FP&A – Las Vegas	
Sean Larsen	FP&A Manager – Phoenix	
Jeffrey M. Lesnick	VP Divisional Land Acquisition – Las Vegas	
Ruben Lopez	Director Divisional FP&A – Southern California	
Kimberly N. Molina	VP of Forward Planning - Southern California	
Stephanie Panter	Mgr Escrow/Closing – Dallas	
James Prewett	President Divisional – Southern California	
Khalid Solaiman	VP Divisional FP&A – Northern California	
Colleen Taylor	Mgr Escrow/Closing – San Antonio	
Andrea D. Thompson	VP Operations – Dallas	
Kyle Tibbitts	President Divisional – Las Vegas	
Robert T. Walmsley	Director Sales – Northern California	
Kristin Watson	Design Studio Mgr – Dallas	
Lucas C. Wissmann	President Divisional – Northern California	

# E.9 Marketing

- 1. All marketing and advertising agreements and related invoices.
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

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NAME	TITLE	
Starr R. Adair	Sr Marketing Manager – Northern California	
Jennifer Almeido	Marketing Manager – Las Vegas	
Jayne Bradley	Director Marketing – Southern California, Northern California,	
	Phoenix, Las Vegas	
Carrie E. Brown	Sr Director Marketing – Houston, Dallas, Nashville,	
	Indianapolis, San Antonio	
Anna Christensen	Marketing Manager - Houston	
Jennifer K. Cobb	Marketing Manager - Dallas	
Kaitlin M. Coghlan	Director, Marketing Services	
Vivian DuBois	Marketing Manager – Southern California	
Jessica Feldman	Marketing Manager - Phoenix	
Lauren Fox	VP Marketing	

# **E.10 Purchasing**

- 1. All supplier and subcontractor agreements.
- 2. Any and all other documents incidental to the performance of his/her duties if authorized in writing by the CEO, the Finance SVP or the President of the Divisional office to which he/she is assigned.
- 3. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE	
Marcos Cerecedes	Purchasing Mgr – Phoenix	
Christopher D. Faltisek	Director Purchasing – Houston	
John Friesenhahn	President Divisional – San Antonio	
Bryan Johnston	Sr. Director Corp Acctg & Gatherings Operations –	
	Gatherings	
Carl Novan	Purchasing Mgr – San Antonio	
Jason L. Oates	President Divisional – Dallas	
Dennis Olsen	Director Purchasing – Northern California	
James Prewett	President Divisional – Southern California	
Troy M. Radelat	Area President –Dallas, Phoenix, Raleigh, San Antonio and	
	Gatherings	
Andrea D. Thompson	VP Operations – Dallas	
Jody Young	VP Purchasing – Southern California	

# **E.11 Divisional Assistant Secretaries**

- 1. The individuals named below shall serve as Divisional Assistant Secretaries of the Company. Divisional Assistant Secretaries shall have the authority to attest to the signature of other officers of the Company, to have custody of the Corporate Seal, and to affix it to any instrument requiring it. Any Divisional Assistant Secretary may also execute secretarial certificates from time to time, but only under the direction of, and with the permission of, the Corporate Secretary or a Corporate Assistant Secretary.
- 2. For the purpose of executing documents pursuant to the authority granted hereunder, the title "Assistant Secretary West Region" shall be used.

NAME	TITLE
None.	

# **ANNEX F**

# Officers and Designated Agents Authorized to Sign for Residual Business Operations West Region

- 1. Any and all documents in connection with the Company's residual business operations in the geographic region(s) listed opposite his/her name below.
- 2. For the purpose of executing documents pursuant to the authority granted hereunder, any individual with a title of President or Vice President shall sign in such capacity. All other individuals shall use the title "Authorized Signatory West Region."

NAME	TITLE	REGION OF RESIDUAL
		BUSINESS OPERATION
Steven M. Cervino	Area President – Las Vegas and	New Mexico
	Florida	
Troy M. Radelat	Area President – Dallas, Phoenix,	Colorado
	Raleigh, San Antonio and	
	Gatherings	



# Community Development Department Planning Division

14177 Frederick Street P. O. Box 88005 Moreno Valley CA 92552-0805 Telephone: 951.413.3206

2/26/2021

Oscar Graham
Passco Pacifica LLC
333 City Boulevard West, Ste 1700
Irvine, CA 92868

Re: Conditions of Approval for PEN20-0063 (Tentative Tract Map)

Dear Oscar Graham:

Attached are the Final Conditions of Approval for PEN20-0063, Tentative Tract Map 37909 for a single family 81 lot subdivision located south of Iris Avenue, east of Perris Boulevard; APN 312020025. The City Council of the City of Moreno Valley approved this project on 2/2/2021 subject to the attached conditions of approval. The action of the City Council became final on 2/2/2021 subject to the attached Final Conditions of Approval.

This approval shall expire and become null and void and of no effect whatsoever three years after the approval date of this project unless acted upon or extended as provided for by the City of Moreno Valley Municipal Code. The site shall be developed in accordance with the approved plans on file in the Community Development Department - Planning Division, the Municipal Code regulations, General Plan, and the conditions contained herein. Prior to any use of the project site and/or business activity authorized with this project, all Conditions of Approval shall be completed to the satisfaction of the Planning Official.

The Conditions of Approval for this project shall be completed at no cost to any Government Agency. All questions regarding the Conditions of Approval including, but not limited to the intent of the conditions, requests for changes or modifications, variance and/or request for extension of time shall be directed to the City. A new application may be required.

Sincerely,

Julia Descoteaux Associate Planner

Attachments: Conditions of Approval

ilia Descoteaux

Location Map

Tentative Tract Map (PEN20-0063) Conditional Use Permit (PEN20-0065) Page 1

> CITY OF MORENO VALLEY CONDITIONS OF APPROVAL Tentative Tract Map (PEN20-0063) Conditional Use Permit (PEN-0065)

EFFECTIVE DATE: February 2, 2021 EXPIRATION DATE: February 2, 2024

# **COMMUNITY DEVELOPMENT DEPARTMENT**

#### Planning Division

- A change or modification to the land use or the approved site plans may require a separate approval. Prior to any change or modification, the property owner shall contact the City of Moreno Valley Community Development Department to determine if a separate approval is required.
- 2. Any expansion to this use or exterior alterations will require the submittal of a separate application(s) and shall be reviewed and approved under separate permit(s). (MC 9.02.080)
- 3. The developer, or the developer's successor-in-interest, shall be responsible for maintaining any undeveloped portion of the site in a manner that provides for the control of weeds, erosion and dust. (MC 9.02.030)
- 4. All landscaped areas shall be maintained in a healthy and thriving condition, free from weeds, trash and debris. (MC 9.02.030)
- 5. The site shall be developed in accordance with the approved plans on file in the Community Development Department Planning Division, the Municipal Code regulations, General Plan, and the conditions contained herein. Prior to any use of the project site or business activity being commenced thereon, all Conditions of Approval shall be completed to the satisfaction of the Planning Official. (MC 9.14.020)
- 6. Any signs indicated on the submitted plans are not included with this approval. Any signs, whether permanent (e.g. wall, monument) or temporary (e.g. banner, flag), require separate application and approval by the Planning Division. No signs are permitted in the public right of way. (MC 9.12)
- 7. All site plans, grading plans, landscape and irrigation plans, fence/wall plans, lighting plans and street improvement plans shall be coordinated for consistency with this approval.

Tentative Tract Map (PEN20-0063)
Page 2

# **Special Conditions**

- 8. Prior to grading plan approval, Basin fencing shall include wrought iron fencing with pilasters.
- Prior to building final, a basin maintained by an HOA or other private entity, landscape (trees, shrubs and groundcover) and irrigation shall be installed, and maintained by the HOA or other private entity with documentation provided to the Planning Division.
- Prior to issuance of building permits, final front and street side yard landscape and irrigation plans, and slope landscape plans and basin landscape plans, shall be approved.
- 11. This approval shall comply with all applicable requirements of the City of Moreno Valley Municipal Code.
- 12. The grading plans shall show all easements including an easement for trail purposes for the Juan Bautista de Anza trail per the Tentative Tract Map.
- 13. The site shall be developed in accordance with the approved tentative map on file in the Community Development Department -Planning Division, the Municipal Code regulations, General Plan, and the conditions contained herein. (MC 9.14.020)
- 14. Prior to building final, the developer/owner or developer's/owner's successor-in-interest shall pay all applicable impact fees, including but not limited to Uniform Mitigation Transportation fees (TUMF), and the City's adopted Development Impact Fees. (Ord)
- 15. A drought tolerant landscape palette shall be utilized throughout the tract in compliance with the City's Landscape Requirements. (9.17)
- 16. This tentative map and Conditional Use Permit for the Planned Unit Development shall expire three years after the approval date of this tentative map and conditional use permit unless extended as provided by the City of Moreno Valley Municipal Code; otherwise it shall become null and void and of no effect whatsoever in the event the applicant or any successor in interest fails to properly file a final map before the date of expiration. (MC 9.02.230, 9.14.050, 080)
- 17. Prior to the issuance of grading permits, mitigation measures contained in the Mitigation Monitoring Program approved with this project shall be implemented as provided therein.
- 18. Prior to any site disturbance and/or grading plan submittal, and or final map

Tentative Tract Map (PEN20-0063)
Page 3

recordation, a mitigation monitoring fee, as provided by City ordinance, shall be paid by the applicant/owner. No City permit or approval shall be issued until such fee is paid. (CEQA)

- 19. Prior to issuance of a building permit, the developer/property owner or developer's successor-in-interest shall pay all applicable impact fees due at permit issuance, including but not limited to Multi-species Habitat Conservation Plan (MSHCP) mitigation fees. (Ord.)
- 20. Prior to approval of any grading plan, local and master-planned multi-use trail easements shall be shown on the rough and precise grading plans in accordance with the City's Master Trail Plan.
- 21. All undeveloped portions of the site in perpetuity shall be maintained in a manner that provides for the control of weeds, erosion and dust. (MC 9.02.030)
- 22. Prior to the issuance of building permits, the developer shall provide documentation that contact was made to the U.S. Postal Service to determine the appropriate type and location of mailboxes. Mailboxes shall be clustered and include security lighting per U.S. Postal standards.
- 23. All site plans, grading plans, landscape and irrigation plans, and street improvement plans shall be coordinated for consistency with this approval.
- 24. Prior to the start of any construction, temporary security fencing shall be erected. The fencing shall be a minimum of six (6) feet high with locking, gated access and shall remain through the duration of construction. Security shall remain in place until the project is completed or the above conditions no longer exist. (Security fencing is required if there is: construction, unsecured structures, unenclosed storage of materials and/or equipment, and/or the condition of the site constitutes a public hazard).
- 25. The site has been approved for Tentative Tract Map 37909 (PEN20-0063) to subdivide approximately 10.82 acres into eighty-one single family residential lots including the approval of a Conditional Use Permit (PEN20-0065) for a Planned Unit Development to design and implement the residential community as designed per the approved plans for the Tentative Tract Map 37909 and the Planned Unit Development. The Tentative Tract Map 37909 and the Conditional Use Permit for the Planned Unit Development must be developed in conjunction with each other as approved. A change or modification shall require separate approval.
- 26. Prior to recordation of the final subdivision map, the following documents shall be submitted to and approved by the Planning Division which shall demonstrate that the project will be developed and maintained in accordance with the intent and purpose of the approval:

Tentative Tract Map (PEN20-0063) Page 4

- a. The document to convey title
- b. Deed restrictions, easements, or Covenants, Conditions and Restrictions to be recorded

The approved documents shall be recorded at the same time that the subdivision map is recorded. The documents shall contain provisions for general maintenance of the site, joint access to proposed parcels, open space use restrictions, conservation easements, guest parking, feeder trails, water quality basins, lighting, landscaping and common area use items such as tot lot/public seating areas and other recreation facilities or buildings. The approved documents shall also contain a provision, which provides that they may not be terminated and/or substantially amended without the consent of the City and the developer's successor-in-interest. (MC 9.14.090)

In addition, the following deed restrictions and disclosures shall be included within the document and grant deed of the properties:

- a. The developer and homeowners association shall promote the use of native plants and trees and drought tolerant species.
- b. All lots designated for open space and or detention basins, shall be included as an easement to, and maintained by a Homeowners Association (HOA) or other private maintenance entity. All reverse frontage landscape areas shall also be maintained by the onsite HOA. Language to this effect shall be included and reviewed within the required Covenant Conditions and Restrictions (CC&Rs) prior to the approval of the final map.
  - c. Maintenance of any and all common facilities.
- d. A conservation easement for lettered lots shall be recorded on the deed of the property and shown on the final map. Said easement shall include access restrictions prohibiting motorized vehicles from these areas.
- e. Oleander plants or trees shall be prohibited on open space lots adjacent to multi-use trails.
- 27. Separate Administrative Plot Plans, including, Design Review (product approval) and Model Home Complex and/or temporary sales trailers, are required for approval of the design of the future single-family homes for Tentative Tract Map 37909.
- 28. Prior to building final, slope landscape and irrigation shall be installed, certified by the Landscape Architect with documentation provided to the Planning Division with an inspection performed and approved by the Planning Division. Landscaping on lots not yet having dwelling units shall be maintained by the developer weed and disease free. (MC 9.03.040)

Tentative Tract Map (PEN20-0063)
Page 5

# Prior to Grading Permit

- 29. Prior to issuance of any grading permit, all Conditions of Approval and Mitigation Measures shall be printed on the grading plans.
- 30. Prior to the issuance of grading permits, decorative (e.g. colored/scored concrete or as approve by the Planning Official) pedestrian pathways across circulation aisles/paths shall be provided throughout the development to connect dwellings with open spaces and/or recreational uses with open space and/or parking. and/or the public right-of-way. The pathways shall be shown on the precise grading plan. (GP Objective 46.8, DG)
- 31. Prior to issuance of grading permits, the developer shall pay the applicable Stephens' Kangaroo Rat (SKR) Habitat Conservation Plan mitigation fee. (Ord)
- 32. If potential historic, archaeological, Native American cultural paleontological resources are uncovered during excavation or construction activities at the project site, work in the affected area must cease immediately and a qualified person (meeting the Secretary of the Interior's standards (36CFR61)) shall be consulted by the applicant to evaluate the find, and as appropriate recommend alternative measures to avoid, minimize or mitigate negative effects on the historic, prehistoric, or paleontological resource. Determinations and recommendations by the consultant shall be immediately submitted to the Planning Division for consideration, and implemented as deemed appropriate by the Community Development Director, in consultation with the State Historic Preservation Officer (SHPO) and any and all affected Native American Tribes before any further work commences in the affected area.

If human remains are discovered during grading and other construction excavation, no further disturbance shall occur until the County Coroner has made necessary findings as to origin. If the County Coroner determines that the remains are potentially Native American, the California Native American Heritage Commission shall be notified within 5-days of the published finding to be given a reasonable opportunity to identify the "most likely descendant." The "most likely descendant" shall then make recommendations, and engage in consultations concerning the treatment of the remains (California Public Resources Code 5097.98). (GP Objective 23.3, CEQA).

33. Within thirty (30) days prior to any grading or other land disturbance, a pre-construction survey for Burrowing Owls shall be conducted pursuant to the established guidelines of Multiple Species Habitat Conservation Plan. The pre-construction survey shall be submitted to the Planning Division prior to any disturbance of the site and/or grading permit issuance.

Tentative Tract Map (PEN20-0063)
Page 6

- 34. Prior to approval of any grading permits, plans for any security gate system shall be submitted to and approved by to the Planning Division.
- 35. Prior to the issuance of grading permits, the site plan and grading plans shall show decorative hardscape (e.g. colored concrete, stamped concrete, pavers or as approved by the Planning Official) consistent and compatible with the design, color and materials of the proposed development for all driveway ingress/egress locations of the project.
- 36. Prior to issuance of grading permits, the developer shall submit wall/fence plans to be included in the Building and Safety submittal for review and approval consistent with the approved plans, including a six foot fence on the east boundary, the PUD Development Guidelines, the Landscape Requirements and the Municipal Code.
- 37. Prior to the issuance of grading permits, a temporary project identification sign shall be erected on the site in a secure and visible manner. The sign shall be conspicuously posted at the site and remain in place until occupancy of the project. The sign shall include the following:
  - a. The name (if applicable) and address of the development.
  - b. The developer's name, address, and a 24-hour emergency telephone number.
- 38. Prior to issuance of any building permit, all Conditions of Approval and Mitigation Measures shall be printed on the building plans.
- 39. Prior to the issuance of building permits, the developer shall provide documentation that contact was made to the U.S. Postal Service to determine the appropriate type and location of mailboxes.
- 40. 41. Prior to the issuance of building permits, final landscape and irrigation plans shall be submitted for review and approved by the Planning Division for the following:
  - a. Areas maintained by the Homeowner's Association including parks, site entry driveways, and other on-site landscaping;
    - b. Areas along Iris Avenue;
    - c. Trail Easement (per Parks and Community Services design standards); and
    - d. Front yards.

Landscaping is required for the sides and or slopes of all water quality basin and drainage areas, while a hydroseed mix with irrigation is acceptable for the bottom of the basin areas. All detention basins shall include trees, shrubs and groundcover up to the concreted portion of the basin. A solid decorative wall with pilasters, tubular steel fence with pilasters or other fence or wall approved by the Planning Official is required to secure all water quality and detention basins.

The plans shall be prepared in accordance with the City's Landscape Development

Tentative Tract Map (PEN20-0063)
Page 7

Guidelines and the Planned Unit Development Guidelines.

A detailed, on-site, computer generated, point-by-point comparison lighting plan shall be proved with and integrated into the landscape plan. The plan shall include all project lighting within the community to include street lights, exterior building lights, parking area lighting and park lights. The plan shall indicate the manufacturer's specifications for light fixtures used, shall include style, illumination, location, height and method of shielding per the City's Municipal Code requirements.

- 41. Prior to issuance of building permits, the Planning Division shall review and approve the location and method of enclosure or screening of transformer cabinets, commercial gas meters and back flow preventers as shown on the final working drawings. Location and screening shall comply with the following criteria: transformer cabinets and commercial gas meters shall not be located within required setbacks and shall be screened from public view either by architectural treatment or landscaping; multiple electrical meters shall be fully enclosed and incorporated into the overall architectural design of the building(s); back-flow preventers shall be screened by landscaping. (GP Objective 43.30)
- 42. Prior to issuance of a building permit, the developer/property owner or developer's successor-in-interest shall pay all applicable impact fees due at permit issuance, including but not limited to Multi-species Habitat Conservation Plan (MSHCP) mitigation fees. (Ord)
- 43. the developer/owner developer's/owner's Prior to building final, or successor-in-interest shall pay all applicable impact fees, including but not limited to Transportation Uniform Mitigation fees (TUMF), and City's the adopted Development Impact Fees. (Ord)
- 44. Prior to issuance of building permits, for projects that will be phased, a phasing plan shall be submitted to and approved by the Planning Division if occupancy is proposed to be phased.
- 45. Photometric Plans shall be submitted to the Building and Safety Division for review and approval as part of the lighting and electrical building plan submittal.
- 46. Prior to issuance of any grading permits, mitigation measures contained in the Mitigation Monitoring Program approved with this project shall be implemented as provided therein. A mitigation monitoring fee, as provided by City ordinance, shall be paid by the applicant within 30 days of project approval. No City permit or approval shall be issued until such fee is paid. (CEQA)

Prior to Building Final or Occupancy

Tentative Tract Map (PEN20-0063)
Page 8

- 47. Prior to building final, all required landscaping and irrigation shall be installed per plan, certified by the Landscape Architect and inspected by the Planning Division. (MC 9.03.040, MC 9.17).
- 48. Prior to building final, Planning approved/stamped landscape plans shall be provided to the Community Development Department Planning Division on a CD disk.
- 49. Prior to building final, all required and proposed fences and walls shall be constructed according to the approved plans on file in the Planning Division. (MC 9.080.070).

# **Building Division**

- 50. Prior to submittal, all new development, including residential second units, are required to obtain a valid property address prior to permit application. Addresses can be obtained by contacting the Building Safety Division at 951.413.3350.
- 51. Contact the Building Safety Division for permit application submittal requirements.
- 52. Any construction within the city shall only be as follows: Monday through Friday seven a.m. to seven p.m(except for holidays which occur on weekdays), eight a.m. to four p.m.; weekends and holidays (as observed by the city and described in the Moreno Valley Municipal Code Chapter 2.55), unless written approval is first obtained from the Building Official or City Engineer.
- 53. Building plans submitted shall be signed and sealed by a California licensed design professional as required by the State Business and Professions Code.
- 54. The proposed development shall be subject to the payment of required development fees as required by the City's current Fee Ordinance at the time a building application is submitted or prior to the issuance of permits as determined by the City.
- 55. The proposed project will be subject to approval by the Eastern Municipal Water District and all applicable fees and charges shall be paid prior to permit issuance. Contact the water district at 951.928.3777 for specific details.
- 56. All new structures shall be designed in conformance to the latest design standards adopted by the State of California in the California Building Code, (CBC) Part 2, Title 24, California Code of Regulations including requirements for allowable area, occupancy separations, fire suppression systems, accessibility, etc. The current code edition is the 2019 CBC.

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- 57. The proposed project's occupancy shall be classified by the Building Official and must comply with exiting, occupancy separation(s) and minimum plumbing fixture requirements. Minimum plumbing fixtures shall be provided per the 2019 California Plumbing Code, Table 422.1. The occupant load and occupancy classification shall be determined in accordance with the California Building Code.
- 58. The proposed residential project shall comply with The 2019 California Green Building Standards Code, Section 4.106.4, mandatory requirements for Electric Vehicle Charging Station (EVCS).
- 59. Prior to permit issuance, every applicant shall submit a properly completed Waste Management Plan (WMP), as a portion of the building or demolition permit process. (MC 8.80.030)

# **FIRE DEPARTMENT**

# Fire Prevention Bureau

- 60. All Fire Department access roads or driveways shall not exceed 12 percent grade. (CFC 503.2.7 and MVMC 8.36.060[G])
- 61. The Fire Department emergency vehicular access road shall be (all weather surface) capable of sustaining an imposed load of 80,000 lbs. GVW, based on street standards approved by the Public Works Director and the Fire Prevention Bureau. The approved fire access road shall be in place during the time of construction. Temporary fire access roads shall be approved by the Fire Prevention Bureau. (CFC 501.4, and MV City Standard Engineering Plan 108d)
- 62. The angle of approach and departure for any means of Fire Department access shall not exceed 1 ft drop in 20 ft (0.3 m drop in 6 m), and the design limitations of the fire apparatus of the Fire Department shall be subject to approval by the AHJ. (CFC 503 and MVMC 8.36.060)
- 63. Prior to issuance of Building Permits, the applicant/developer shall provide the Fire Prevention Bureau with an approved site plan for Fire Lanes and signage. (CFC 501.3)
- 64. Prior to issuance of Certificate of Occupancy or Building Final, "Blue Reflective Markers" shall be installed to identify fire hydrant locations in accordance with City specifications. (CFC 509.1 and MVLT 440A-0 through MVLT 440C-0)
- 65. Existing fire hydrants on public streets are allowed to be considered available. Existing fire hydrants on adjacent properties shall not be considered available unless fire apparatus access roads extend between properties and easements are

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established to prevent obstruction of such roads. (CFC 507, 501.3) a - After the local water company signs the plans, the originals shall be presented to the Fire Prevention Bureau for signatures. The required water system, including fire hydrants, shall be installed, made serviceable, and be accepted by the Moreno Valley Fire Department prior to beginning construction. They shall be maintained accessible.

- 66. Final fire and life safety conditions will be addressed when the Fire Prevention Bureau reviews building plans. These conditions will be based on occupancy, use, California Building Code (CBC), California Fire Code (CFC), and related codes, which are in effect at the time of building plan submittal.
- 67. The Fire Code Official is authorized to enforce the fire safety during construction requirements of Chapter 33. (CFC Chapter 33 & CBC Chapter 33)
- 68. Fire lanes and fire apparatus access roads shall have an unobstructed width of not less than twenty–four (24) feet and an unobstructed vertical clearance of not less the thirteen (13) feet six (6) inches. (CFC 503.2.1 and MVMC 8.36.060[E])
- 69. Prior to issuance of Certificate of Occupancy or Building Final, the applicant/developer shall install a fire sprinkler system based on square footage and type of construction, occupancy or use. Fire sprinkler plans shall be submitted to the Fire Prevention Bureau for approval prior to installation. (CFC Chapter 9, MVMC 8.36.100[D])
- 70. Prior to issuance of the building permit for development, independent paved access to the nearest paved road, maintained by the City shall be designed and constructed by the developer within the public right of way in accordance with City Standards. (MVMC 8.36.060, CFC 501.4)
- 71. The minimum number of fire hydrants required, as well as the location and spacing of fire hydrants, shall comply with the C.F.C., MVMC, and NFPA 24. Fire hydrants shall be located no closer than 40 feet to a building. The size and number of outlets required for the approved fire hydrants are (6" x 4" x 2 ½") (CFC 507.5.1, 507.5.7, Appendix C, NFPA 24-7.2.3, MVMC 912.2.1)
- 72. During phased construction, dead end roadways and streets which have not been completed shall have a turn-around capable of accommodating fire apparatus. (CFC 503.1 and 503.2.5)
- 73. If construction is phased, each phase shall provide an approved emergency vehicular access way for fire protection prior to any building construction. (CFC 501.4)
- 74. Plans for private water mains supplying fire sprinkler systems and/or private fire

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hydrants shall be submitted to the Fire Prevention Bureau for approval. (CFC 105 and CFC 3312.1)

- 75. Prior to issuance of Certificate of Occupancy or Building Final, all residential dwellings shall display street numbers in a prominent location on the street side of the residence in such a position that the numbers are easily visible to approaching emergency vehicles. The numbers shall be located consistently on each dwelling throughout the development. The numerals shall be no less than four (4) inches in height and shall be low voltage lighted fixtures. (CFC 505.1, MVMC 8.36.060[I])
- 76. Single Family Dwellings. Schedule "A" fire prevention approved standard fire hydrants (6" x 4" x 2 ½") shall be located at each intersection of all residential streets. Hydrants shall be spaced no more than 500 feet apart in any direction so that no point on the street is more than 250 feet from a hydrant. Minimum fire flow shall be 1000 GPM for 1 hour duration of 20 PSI. Where new water mains are extended along streets where hydrants are not needed for protection of structures or similar fire problems, serving one and two-family residential developments, standard fire hydrants shall be provided at spacing not to exceed 1000 feet along the tract boundary for transportation hazards. (CFC 507.3, Appendix B, MVMC 8.36.060).
- 77. Prior to construction, all traffic calming designs/devices must be approved by the Fire Marshal and City Engineer.
- 78. Prior to issuance of Building Permits, the applicant/developer shall furnish one copy of the water system plans to the Fire Prevention Bureau for review. Plans shall: a. Be signed by a registered civil engineer or a certified fire protection engineer; b. Contain a Fire Prevention Bureau approval signature block; and c. Conform to hydrant type, location, spacing of new and existing hydrants and minimum fire flow required as determined by the Fire Prevention Bureau. The required water system, including fire hydrants, shall be installed, made serviceable, and be accepted by the Moreno Valley Fire Department prior to beginning construction. They shall be maintained accessible.
- 79. Prior to construction, all locations where structures are to be built shall have an approved Fire Department access based on street standards approved by the Public Works Director and the Fire Prevention Bureau. (CFC 501.4)
- 80. Prior to issuance of building permits, plans specifying the required structural materials for building construction in high fire hazard severity zones shall be submitted to the Fire Prevention Bureau for approval. (CFC, 4905)
- 81. Prior to issuance of Building Permits, plans for structural protection from vegetation fires shall be submitted to the Fire Prevention Bureau for review and approval. Measures shall include, but are not limited to: noncombustible barriers (cement or

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block walls), fuel modification zones, etc. (CFC Chapter 49)

# **PUBLIC WORKS DEPARTMENT**

# Land Development

- 82. Aggregate slurry, as defined in Section 203-5 of Standard Specifications for Public Works Construction, shall be required prior to 90% security reduction or the end of the one-year warranty period of the public streets as approved by the City Engineer. If slurry is required, a slurry mix design shall be submitted for review and approved by the City Engineer. The latex additive shall be Ultra Pave 70 (for anionic) or Ultra Pave 65 K (for cationic) or an approved equal per the geotechnical report. The latex shall be added at the emulsion plant after weighing the asphalt and before the addition of mixing water. The latex shall be added at a rate of two to two-and-one-half (2 to 2½) parts to one-hundred (100) parts of emulsion by volume. Any existing striping shall be removed prior to slurry application and replaced per City standards.
- 83. The developer shall comply with all applicable City ordinances and resolutions including the City's Municipal Code (MC) and if subdividing land, the Government Code (GC) of the State of California, specifically Sections 66410 through 66499.58, said sections also referred to as the Subdivision Map Act (SMA). [MC 9.14.010]
- 84. The final approved conditions of approval (COAs) issued and any applicable Mitigation Measures by the Planning Division shall be photographically or electronically placed on mylar sheets and included in the Grading and Street Improvement plans.
- 85. The developer shall monitor, supervise and control all construction related activities, so as to prevent these activities from causing a public nuisance, including but not limited to, insuring strict adherence to the following:
  - (a) Removal of dirt, debris, or other construction material deposited on any public street no later than the end of each working day.
  - (b) Observance of working hours as stipulated on permits issued by the Land Development Division.
  - (c) The construction site shall accommodate the parking of all motor vehicles used by persons working at or providing deliveries to the site.
  - (d) All dust control measures per South Coast Air Quality Management District (SCAQMD) requirements during the grading operations.

Violation of any condition, restriction or prohibition set forth in these conditions shall subject the owner, applicant, developer or contractor(s) to remedy as noted in City Municipal Code 8.14.090. In addition, the City Engineer or Building Official may suspend all construction related activities for violation of any condition, restriction or

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prohibition set forth in these conditions until such time as it has been determined that all operations and activities are in conformance with these conditions.

- 86. Drainage facilities (e.g., catch basins, water quality basins, etc.) with sump conditions shall be designed to convey the tributary 100-year storm flows. Secondary emergency escape shall also be provided.
- 87. In the event right-of-way or offsite easements are required to construct offsite improvements necessary for the orderly development of the surrounding area to meet the public health and safety needs, the developer shall make a good faith effort to acquire the needed right-of-way in accordance with the Land Development Division's administrative policy. If unsuccessful, the Developer shall enter into an agreement with the City to acquire the necessary right-of-way or offsite easements and complete the improvements at such time the City acquires the right-of-way or offsite easements which will permit the improvements to be made. The developer shall be responsible for all costs associated with the right-of-way or easement acquisition. [GC 66462.5]
- 88. The developer shall protect downstream properties from damage caused by alteration of drainage patterns (i.e. concentration or diversion of flow, etc). Protection shall be provided by constructing adequate drainage facilities, including, but not limited to, modifying existing facilities or by securing a drainage easement. [MC 9.14.110]
- 89. The maintenance responsibility of the proposed storm drain line shall be clearly identified. Storm drain lines within private property will be privately maintained and those within public streets will be publicly maintained.
- 90. A storm drain manhole shall be placed at the right-of-way line to mark the beginning of the publicly maintained portion of any private storm drain.
- 91. For single family residential subdivisions, all lots shall drain to the street at a minimum surface grade of 2.0% and on-site drainage shall be conveyed onto the street with subsurface drains at a minimum grade of 0.5% per current City Standards MVSI-152 and MVSI-153A. No cross-lot or over the public sidewalk drainage shall be allowed.
- 92. This project shall submit civil engineering design plans, reports and/or documents (prepared by a registered/licensed civil engineer) for review and approval by the City Engineer per the current submittal requirements, prior to the indicated threshold or as required by the City Engineer. The submittal consists of, but is not limited to, the following:
  - a. Final (Tract) Map (recordation prior to building permit issuance);
  - b. Rough grading w/ erosion control plan (prior to grading permit issuance);
  - c. Precise grading w/ erosion control plan (prior to grading permit issuance);

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- d. Public improvement plan (e.g., street/storm drain w/ striping, RCFC storm drain, sewer/water, etc.) (prior to map approval);
  - e. Final drainage study (prior to map approval);
  - f. Final WQMP (prior to grading plan approval);
- g. Legal documents (e.g., easement(s), dedication(s), etc.) (prior to Building Permit issuance);
  - h. As-Built revision for all plans (prior to Occupancy release);
- 93. Water quality best management practices (BMPs) designed to meet Water Quality Management Plan (WQMP) requirements for single-family residential development shall not be used as a construction BMP. Water quality BMPs shall be maintained for the entire duration of the project construction and be used to treat runoff from those developed portions of the project. Water quality BMPs shall be protected from upstream construction related runoff by having proper best management practices in place and maintained. Water quality BMPs shall be graded per the approved design plans and once landscaping and irrigation has been installed, it and its maintenance shall be turned over to an established Homeowner's Association (HOA). The Homeowner's Association shall enter into an agreement with the City for basin maintenance.
- 94. If improvements associated with this project are not initiated within two (2) years of the date of approval of the Public Improvement Agreement (PIA), the City Engineer may require that the engineer's estimate for improvements associated with the project be modified to reflect current City construction costs in effect at the time of request for an extension of time for the PIA or issuance of a permit. [MC 9.14.210(B)(C)]

# Prior to Grading Plan Approval

- 95. Resolution of all drainage issues shall be as approved by the City Engineer.
- 96. A final detailed drainage study (prepared by a registered/licensed civil engineer) shall be submitted for review and approved by the City Engineer. The study shall include, but not be limited to: existing and proposed hydrologic conditions as well as hydraulic calculations for all drainage control devices and storm drain lines. The study shall analyze 1, 3, 6 and 24-hour duration events for the 2, 5, 10 and 100-year storm events [MC 9.14.110(A.1)]. A digital (pdf) copy of the approved drainage study shall be submitted to the Land Development Division.
- 97. The developer shall ensure compliance with the City Grading ordinance, these Conditions of Approval and the following criteria:
  - a. The project street and lot grading shall be designed in a manner that perpetuates the existing natural drainage patterns with respect to tributary drainage area and outlet points. Unless otherwise approved by the City Engineer, lot lines

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shall be located at the top of slopes.

- b. Any grading that creates cut or fill slopes adjacent to the street shall provide erosion control, sight distance control, and slope easements as approved by the City Engineer.
- c. All improvement plans are substantially complete and appropriate clearance letters are provided to the City.
- d. A soils/geotechnical report (addressing the soil's stability and geological conditions of the site) shall be submitted to the Land Development Division for review. A digital (pdf) copy of the soils/geotechnical report shall be submitted to the Land Development Division.
- 98. Grading plans (prepared by a registered/licensed civil engineer) shall be submitted for review and approved by the City Engineer per the current submittal requirements.
- 99. For any offsite grading, the developer shall submit written permission from adjacent property owners. If applicable, all areas outside of the project boundaries where grading results in slopes, the developer shall submit recorded slope easements.
- 100. The developer shall pay all remaining plan check fees.
- 101. Landscape & Irrigation plans (prepared by a registered/licensed landscape architect) for water quality BMPs shall be submitted for review and approved by the City Engineer per the current submittal requirements, if applicable.
- 102. A Storm Water Pollution Prevention Plan (SWPPP) shall be prepared in conformance with the State's current Construction Activities Storm Water General Permit. A copy of the current SWPPP shall be kept at the project site and be available for review upon request.
- 103. For projects that will result in discharges of storm water associated with construction with a soil disturbance of one or more acres of land, the developer shall submit a Notice of Intent (NOI) and obtain a Waste Discharger's Identification number (WDID#) from the State Water Quality Control Board (SWQCB) which shall be noted on the grading plans.
- 104. The final project-specific Water Quality Management Plan (WQMP) shall be consistent with the conditionally approved P-WQMP, as well as in full conformance with the document: "Water Quality Management Plan A Guidance Document for the Santa Ana Region of Riverside County" dated October 22, 2012. The F-WQMP shall be submitted and approved prior to application for and issuance of grading permits. At a minimum, the F-WQMP shall include the following: Site Design BMPs; Source Control BMPs, Treatment Control BMPs, Operation and Maintenance requirements for BMPs and sources of funding for BMP implementation.
  - a. The Applicant has proposed to incorporate the use of Bioretention. Final

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design and sizing details of all BMPs must be provided in the first submittal of the F-WQMP. The Applicant acknowledges that more area than currently shown on the plans may be required to treat site runoff as required by the WQMP guidance document and may result in the lost of lot(s).

- b. The Applicant shall substantiate the applicable Hydrologic Condition of Concerns (HCOC) in Section F of the F-WQMP. <The HCOC designates that the project will be exempt from mitigation requirements based on Exemption 3>.
- c. All proposed LID BMP's shall be designed in accordance with the RCFC&WCD's Design Handbook for Low Impact Development Best Management Practices, dated September 2011.
- d. The proposed LID BMP's as identified in the project-specific P-WQMP shall be incorporated into the Final WQMP.
- e. The NPDES notes per City Standard Drawing No. MVFE-350-0 shall be included in the grading plans.
- f. Post-construction treatment control BMPs, once placed into operation for post-construction water quality control, shall not be used to treat runoff from construction sites or unstabilized areas of the site.
- g. Prior to precise grading plan approval, the grading plan shall show any proposed trash enclosure to include a cover (roof) and sufficient size for dual bin (1 for trash and 1 for recyclables). The architecture shall be approved by the Planning Division and any structural approvals shall be made by the Building and Safety Division.

# Prior to Grading Permit

- 105. A receipt showing payment of the Area Drainage Plan (ADP) fee to Riverside County Flood Control and Water Conservation District shall be submitted. [MC 9.14.100(O)]
- 106. If the developer chooses to construct the project in phases, a Construction Phasing Plan for the construction of on-site public or private improvements shall be submitted for review and approved by the City Engineer.
- 107. A digital (pdf) copy of all approved grading plans shall be submitted to the Land Development Division.
- 108. Security, in the form of a cash deposit (preferable), bond or letter of credit shall be submitted as a guarantee of the implementation and maintenance of erosion control measures. At least twenty-five (25) percent of the required security shall be in the form of a cash deposit with the City. [MC 8.21.160(H)]
- 109. Security, in the form of a cash deposit (preferable), bond or letter of credit shall be submitted as a guarantee of the completion of the grading operations for the project. [MC 8.21.070]

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- 110. The developer shall pay all applicable inspection fees.
- 111. All necessary permits from Department of Water Resources for grading, storm drain construction, etc. shall be obtained, ifapplicable.

# Prior to Map Approval

- 112. All proposed street names shall be submitted for review and approved by the City Engineer, if applicable. [MC 9.14.090(E.2.k)]
- 113. A copy of the Covenants, Conditions and Restrictions (CC&R's) shall be submitted for review and approved by the City Engineer. The CC&R's shall include, but not be limited to, access easements, reciprocal access, private and/or public utility easements as may be relevant to the project. In addition, for single-family residential development, bylaws and articles of incorporation shall also be included as part of the maintenance agreement for any water quality BMPs.
- 114. The developer shall enter into a Cooperative Agreement with the City and Riverside County Flood Control and Water Conservation District establishing the terms and conditions covering the inspection, operation and maintenance of Master Drainage Plan facilities required to be constructed as part of the project.
- 115. After recordation, a digital (pdf) copy of the recorded map shall be submitted to the Land Development Division.
- 116. Resolution of all drainage issues shall be as approved by the City Engineer.
- 117. If the project involves the subdivision of land, maps may be developed in phases with the approval of the City Engineer. Financial security shall be provided for all public improvements associated with each phase of the map. The boundaries of any multiple map increment shall be subject to the approval of the City Engineer. If the project does not involve the subdivision of land and it is necessary to dedicate right-of-way/easements, the developer shall make the appropriate offer of dedication by separate instrument. In either case, the City Engineer may require the dedication and construction of necessary utility, street or other improvements beyond the project boundary, if the improvements are needed for circulation, parking, access, or for the welfare or safety of the public. This approval must be obtained prior to the Developer submitting a Phasing Plan to the California Bureau of Real Estate. [MC 9.14.080(B)(C), GC 66412 & 66462.5]
- 118. Maps (prepared by a registered civil engineer and/or licensed surveyor) shall be submitted for review and approved by the City Engineer per the current submittal requirements.

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- 119. Under the current permit for storm water activities required as part of the National Pollutant Discharge Elimination System (NPDES) as mandated by the Federal Clean Water Act, this project is subject to the following requirements:
  - a. Establish a Home Owners Association (HOA) to finance the maintenance of the "Water Quality BMPs". Any lots which are identified as "Water Quality BMPs" shall be owned in fee by the HOA.
    - b. Dedicate a maintenance easement to the City of Moreno Valley.
  - c. Execute a maintenance agreement between the City of Moreno Valley and the HOA, which shall be approved by City Council.
  - d. Provide a certificate of insurance per the terms of the maintenance agreement.
  - e. Select one of the following options to meet the financial responsibility to provide storm water utilities services for the required continuous operation, maintenance, monitoring system evaluations and enhancements, remediation and/or replacement, all in accordance with Resolution No. 2002-46.
  - i. Participate in the mail ballot proceeding in compliance with Proposition 218, for the Residential NPDES Regulatory Rate Schedule and pay all associated costs with the ballot process, or
  - ii. Establish an endowment to cover future maintenance costs for the Residential NPDES Regulatory Rate Schedule.
  - f. Notify the Special Districts Division of the intent to record the final map 90 days prior to City Council action authorizing recordation of the final map and the financial option selected. The final option selected shall be in place prior to the issuance of certificate of occupancy. [California Government Code & Municipal Code]
- 120. The developer shall guarantee the completion of all related improvements required for this project by executing a Public Improvement Agreement (PIA) with the City and posting the required security. [MC 9.14.220]
- 121. All public improvement plans required for this project shall be approved by the City Engineer in order to execute the Public Improvement Agreement (PIA).
- 122. The developer shall comply with the requirements of the City Engineer based on recommendations of the Riverside County Flood Control District regarding the construction of County Master Plan Facilities.

# Prior to Improvement Plan Approval

123. The developer is required to bring any existing access ramps adjacent to and fronting the project to current ADA (Americans with Disabilities Act) requirements. However, when work is required in an intersection that involves or impacts existing access ramps, all access ramps in that intersection shall be retrofitted to comply

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with current ADA requirements, unless otherwise approved by the City Engineer.

- 124. The developer shall submit clearances from all applicable agencies, and pay all applicable plan check fees.
- 125. The street improvement plans shall comply with current City policies, plans and applicable City standards (i.e. MVSI-160 series, etc.) throughout this project.
- 126. Any missing or deficient existing improvements along the project frontage within shall be constructed or secured for construction. The City Engineer may require the ultimate structural section for pavement to half-street width plus 18 feet or provide core test results confirming that existing pavement section is per current City Standards; additional signing & striping to accommodate increased traffic imposed by the development, etc.
- 127. The plans shall indicate any restrictions on trench repair pavement cuts to reflect the City's moratorium on disturbing newly-constructed pavement less than three (3) years old and recently slurry sealed streets less than one (1) year old. Pavement cuts may be allowed for emergency repairs or as specifically approved in writing by the City Engineer. Special requirements shall be imposed for repaving, limits to be determined by the City Engineer.
- 128. All dry and wet utilities shall be shown on the plans and any crossings shall be potholed to determine actual location and elevation. Any conflicts shall be identified and addressed on the plans. The pothole survey data shall be submitted to Land Development with the public improvement plans for reference purposes only. The developer is responsible to coordinate with all affected utility companies and bear all costs of any utility relocation.
- 129. Drainage facilities (i.e. catch basins, etc.) with sump conditions shall be designed to convey the tributary 100-year storm flows. Secondary emergency escape shall also be provided.
- 130. All public improvement plans (prepared by a licensed/registered civil engineer) shall be submitted for review and approved by the City Engineer per the current submittal requirements.

# Prior to Encroachment Permit

- 131. A digital (pdf) copy of all approved improvement plans shall be submitted to the Land Development Division.
- 132. All applicable inspection fees shall be paid.

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- 133. The plans shall indicate any restrictions on trench repair pavement cuts to reflect the City's moratorium on disturbing newly-constructed pavement less than three (3) years old and recently slurry sealed streets less than one (1) year old. Pavement cuts may be allowed for emergency repairs or as specifically approved in writing by the City Engineer. Special requirements shall be imposed for repaving, limits to be determined by the City Engineer.
- 134. Any work performed within public right-of-way requires an encroachment permit.

#### Prior to Building Permit

- 135. An engineered-fill certification, rough grade certification and compaction report shall be submitted for review and approved by the City Engineer. A digital (pdf) copy of the approved compaction report shall be submitted to the Land Development Division. All pads shall meet pad elevations per approved grading plans as noted by the setting of "blue-top" markers installed by a registered land surveyor or licensed civil engineer.
- 136. For all subdivision projects, the map shall be recorded (excluding model homes). [MC 9.14.190]
- 137. A walk through with a Land Development Inspector shall be scheduled to inspect existing improvements within public right of way along project frontage. Any missing, damaged or substandard improvements including ADA access ramps that do not meet current City standards shall be required to be installed, replaced and/or repaired. The applicant shall post security to cover the cost of the repairs and complete the repairs within the time allowed in the public improvement agreement used to secure the improvements.
- 138. Certification to the line, grade, flow test and system invert elevations for the water quality control BMPs shall be submitted for review and approved by the City Engineer (excluding models homes).

# Prior to Occupancy

- 139. All outstanding fees shall be paid.
- 140. All required as-built plans (prepared by a registered/licensed civil engineer) shall be submitted for review and approved by the City Engineer per the current submittal requirements.
- 141. The final/precise grade certification shall be submitted for review and approved by the City Engineer.

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- 142. The developer shall complete all public improvements in conformance with current City standards, except as noted in the Special Conditions, including but not limited to the following:
  - a. Street improvements including, but not limited to: pavement, base, curb and/or gutter, cross gutters, spandrel, sidewalks, drive approaches, pedestrian ramps, street lights (SL-2), signing, striping, under sidewalk drains, landscaping and irrigation, medians, pavement tapers/transitions and traffic control devices as appropriate.
  - b. Grind and overlay full street width along the project's frontage shall be required.
  - c. Storm drain facilities including, but not limited to: storm drain pipe, storm drain laterals, open channels, catch basins and local depressions.
    - d. City-owned utilities.
  - e. Sewer and water systems including, but not limited to: sanitary sewer, potable water and recycled water.
  - f. Under grounding of all existing and proposed utilities adjacent to and on-site. [MC 9.14.130]
  - g. Relocation of overhead electrical utility lines including, but not limited to: electrical, cable and telephone.
- 143. For residential subdivisions, punch list work for improvements and capping of streets in that phase shall be completed and approved for acceptance by the City Engineer, prior to the last 20% or last 5% (whichever is greater, unless as otherwise determined by the City Engineer).
- 144. The applicant shall ensure the following, pursuant to Section XII. I. of the 2010 NPDES Permit:
  - a. Field verification that structural Site Design, Source Control and Treatment Control BMPs are designed, constructed and functional in accordance with the approved Final Water Quality Management Plan (WQMP).
  - b. Certification of best management practices (BMPs) from a state licensed civil engineer. An original WQMP BMP Certification shall be submitted for review and approved by the City Engineer.
- 145. The Developer shall comply with the following water quality related items:
  - a. Notify the Land Development Division prior to construction and installation of all structural BMPs so that an inspection can be performed.
  - b. Demonstrate that all structural BMPs described in the approved final project-specific WQMP have been constructed and installed in conformance with the approved plans and specifications;
  - c. Demonstrate that Developer is prepared to implement all non-structural BMPs described in the approved final project-specific WQMP; and
  - d. Demonstrate that an adequate number of copies of the approved final project-specific WQMP are available for future owners/occupants.

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- e. Clean and repair the water quality BMP's, including re-grading to approved civil drawing if necessary.
  - f. Obtain approval and complete installation of the irrigation and landscaping.
- 146. Prior to the first occupancy, the developer shall be required to construct Riverside County Flood Control and Water Conservation District's Sunnymead MDP Line M-2 from its current terminus to the project's westerly boundary.

# **Special Districts Division**

- 147. The ongoing maintenance of any landscaping required to be installed behind the curb shall be the responsibility of the property owner.
- 148. MAJOR INFRASTRUCTURE FINANCING DISTRICT. This project has identified to potentially be included in the formation of a special financing district for the construction and maintenance of major infrastructure improvements which may include but are not limited to thoroughfares, bridges, and certain flood control improvements. The property owner(s) shall participate in such district and pay any special tax, assessment, or fee levied upon the project property for such district. At the time of the public hearing to consider formation of or annexation into the district, the qualified elector(s) will not protest the formation or annexation, but will retain the right to object to any eventual tax/assessment/fee that is not equitable should the financial burden of the tax/assessment/fee not be reasonably proportionate to the benefit the affected property obtains from the improvements to be installed and/or maintained. The Developer must notify the Special Districts 951.413.3480 or at specialdistricts@moval.org when submitting an application for the first building permit to determine whether the development will be subjected to this condition. If subject to the condition, the special election requires a minimum 90-day process in compliance with the provisions of Article 13C of the California Constitution.
- 149. The parcel(s) associated with this project have been incorporated into the Moreno Valley Community Services District Zone A (Parks & Community Services) and Zone C (Arterial Street Lighting). All assessable parcels therein shall be subject to annual parcel taxes for Zone A and Zone C for operations and capital improvements.
- 150. This project is conditioned to provide a funding source for the operation and maintenance of public improvements and/or services associated with new development in that territory. The Developer shall satisfy this condition with one of the options below.
  - a. Participate in a special election for maintenance/services and pay all associated costs of the election process and formation, if any. Financing may be

Tentative Tract Map (PEN20-0063) Page 23

structured through a Community Facilities District, Landscape and Lighting Maintenance District, or other financing structure as determined by the City; or

b. Establish an endowment fund to cover the future maintenance and/or service costs.

The Developer must notify the Special Districts Division at 951.413.3480 or at specialdistricts@moval.org of its selected financial option prior to City Council action authorizing recordation of the final map for the development. A minimum of 90 days is needed to complete the special election process. This allows adequate time to be in compliance with the provisions of Article 13C of the California Constitution for conducting a special election.

The financial option selected shall be in place prior to the issuance of the first building permit for the project.

- 151. This project has been conditioned to provide a funding source for the continued maintenance, enhancement, and/or retrofit of parks, open spaces, linear parks, and/or trail systems. The Developer shall satisfy this condition with one of the options below.
  - a. Participate in a special election for annexation into Community Facilities District No. 1 or other district and pay all associated costs of the special election process and formation, if any; or
  - b. Establish an endowment fund to cover future maintenance costs for new neighborhood parks.

The Developer must notify the Special Districts Division at 951.413.3480 or at specialdistricts@moval.org of its selected financial option prior to City Council action authorizing recordation of the final map for the development. A minimum of 90 days is needed to complete the special election process. This allows adequate time to be in compliance with the provisions of Article 13C of the California Constitution for conducting a special election.

Annexation to CFD No. 1 shall be completed or proof of payment to establish the endowment fund shall be provided prior to the issuance of the first building permit for this project.

152. This project has been identified to be included in the formation of a Community Facilities District for Public Safety services including but not limited to Police, Fire Protection, Paramedic Services, Park Rangers, and Animal Control services. The property owner(s) shall not protest the formation; however, they retain the right to object to the rate and method of maximum special tax. In compliance with

Tentative Tract Map (PEN20-0063)
Page 24

Proposition 218, the property owner shall agree to approve the mail ballot proceeding (special election) for either formation of the CFD or annexation into an existing district that may already be established. The Developer must notify the Special Districts Division at 951.413.3480 or specialdistricts@moval.org of its intent to record the final map for the development 90 days prior to City Council action authorizing recordation of the map. This allows adequate time to be in compliance with the provisions of Article 13C of the California Constitution. (California Government Code Section 53313 et. seq.)

153. Residential (R) If Land Development, a Division of the Public Works Department, requires this project to supply a funding source necessary to provide for, but not limited to, stormwater utilities services for the required continuous operation, maintenance, monitoring, systems evaluation and enhancements of on-site facilities and performing annual inspections of the affected areas to ensure compliance with state mandated storm water regulations, a funding source needs to be established. The Developer must notify the Special Districts Division at 951.413.3480 or at specialdistricts@moval.org of its selected financial option for the National Pollution Discharge Elimination System (NPDES) program (see Land Development's related condition). Participating in a special election the process requires a 90 day period prior to City Council action authorizing recordation of the final map for the development and to participate in a special election process. This allows adequate time to be in compliance with the provisions of Article 13D of the California California Health and Safety Code Sections 5473 through 5473.8 Constitution. (Ord. 708 Section 3.1, 2006) & City of Moreno Valley Municipal Code Title 3, Section 3.50.050.)

# Transportation Engineering Division

- 154. Private streets' road width shall be a minimum of 24-feet with no parking allowed on either side. Applicant shall provide signage (NO PARKING) along the streets per current MUTCD standards.
- 155. The design and proposed location of the project driveways shall conform to City of Moreno Valley Standard No. MVSI-112C-0 for Commercial Driveway Approaches and Section 9.11.080, and Table 9.11.080-14 of the City's Municipal Code Design Guidelines or as approved by the City Engineer. Applicant needs to show driveways per City Standard, including additional dedications for public improvements.
- 156. Right-of-way at driveway(s) entrances shall accommodate all public improvements (i.e. curb ramps, utility controllers, etc.); applicant shall provide dedication as required and appropriate. Show driveways per City standards (curb radii, ramps, grades, so for.)
- 157. Any proposed driveway gate shall be set back at a minimum of 60 feet from the

Tentative Tract Map (PEN20-0063) Page 25

property line or as determined by the traffic study to provide sufficient storage length in front of the gate for entering traffic. Gate doors shall be rolling type or swing away from Iris Avenue.

- 1. Shown gate for westerly driveway needs to swing away from Iris Avenue.
- 2. Main entrance storage length for visitors is not adequate, location of visitor call box needs to be relocated in order to provide at least two (2) cars on the visitor lane.
- 158. Applicant shall plan to accommodate gates at entrances and provide road width and improvements accordingly.

For main access point, easterly driveway at proposed Street A, the entrance design shall provide the following:

- a. Gate shall be set back a minimum of 60 feet from the property line.
- b. A turnaround area Applicant needs to provide vehicle turning template to show adequacy of provided turnaround area.
  - c. A storage lane with a minimum of 60 feet queuing length for entering traffic.
- d. A second storage lane for visitors to stop and use a call box (or other service) for permission to enter the community. Visitor storage lane seems insufficient due to location of call box, relocate call box or propose design with adequate vehicle storage.
  - e. No Parking signs posted in the turnaround area.
  - f. A separate pedestrian entry.
- g. Presence loop detectors (or another device) within 1 to 2 feet of the gate that ensures that the gate remain open while any vehicle in in the gueue.
  - h. Slide doors or gate doors that swing away from incoming traffic.
- i. A median will be required as traffic calming measure into residential development. Median shall be kept within private property and shall not encroach onto public right-of-way.
- 159. Conditions of approval may be modified or added if a phasing plan is submitted for this development.
- 160. All project driveways to public streets shall conform to Section 9.11.080, and Table 9.11.080-14 of the City's Development Code Design Guidelines and City of Moreno Valley Standard Plans No. MVSI-112A~D-0 for commercial driveway approaches.
- 161. The gated entrance shall be provided with the following, or as approved by the City Traffic Engineer: A- A storage lane with a minimum of 60' provided for queuing. B A second storage lane for visitors to stop in prior to the gate to utilize a call box (or other device) to receive permission to enter the site. C Signing and striping for A. and B. D A turnaround outside the gates of 38' radius. E No Parking Signs shall be posted in the turnaround areas. F A separate pedestrian entry. G Presence loop detectors (or another device) within 1 or 2 feet of the gates that

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- ensures that the gates remain open while any vehicle is in the queue. All of these items shall be kept in working order.
- 162. Sight distance at the proposed roadways and driveways shall conform to City of Moreno Valley Standard No. MVSI-164A,B,C-0 at the time of preparation of final grading, landscape, and street improvement plans.
- 163. During construction activity, developer is responsible for regularly scheduled street sweeping per approved street sweeping schedule.
- 164. Prior to issuance of a construction permit, construction traffic control plans prepared by a qualified, registered Civil or Traffic engineer may be required for plan approval or as required by the City Traffic Engineer.
- 165. Prior to final approval of any landscaping or monument sign plans, the project plans shall demonstrate that sight distance at the project driveways conforms to City Standard Plan No. MVSI-164A, B, C-0.
- 166. Prior to the final approval of the street improvement plans, a signing and striping plan shall be prepared per City of Moreno Valley Standard Plans Section 4 for all streets within the project area.
- 167. Prior to issuance of a Building Final or Certificate of Occupancy, all approved street improvements shall be installed to the satisfaction of the City Engineer.
- 168. Prior to issuance of a Building Final or Certificate of Occupancy, all approved signing and striping shall be installed per current City Standards

#### PARKS & COMMUNITY SERVICES DEPARTMENT

- 169. This project is subject to current Quimby Fees.
- 170. Bikeways shall not be shared with any above ground utilities, blocking total width access.
- 171. According to the General Plan and City's Juan Bautista de Anza trail plan, project improvements include a Class I Bikeway, walkway, and landscaped area. City shall construct paved Class I bike trail only. Developer shall design and construct landscape and irrigation improvements for the Juan Bautista de Anza trail greenbelt, including lighting along the trail. Landscaping and irrigation shall be maintained by City following acceptance of the public improvements into the City's Community Services District. The greenbelt shall conform to City of Moreno Valley standard plans and specifications, "CalTrans Design Manual," and Department of Water Resources (DWR) requirements. The developer shall comply with the following conditions:

Tentative Tract Map (PEN20-0063) Page 27

- a. Concurrent with the recordation of the final map, an easement for trail purposes shall be dedicated to the City of Moreno Valley Community Services District.
- b. Bonds for construction of the landscaping within the project and these COA's shall be provided (per Parks and Community Services criteria) concurrent with the Subdivision Improvements Agreement process.
- d. Plans for improvements at the greenbelt shall be submitted and approved by the Director of Parks and Community Services or designee prior to the approval of Precise Grading Plans.
- e. Prior to the issuance of any building permits, detailed final plans for the greenbelt, street improvement, and fence or wall shall be reviewed and approved by the Director of the Parks and Community Services Department or his/her designee.
- g. Where feasible, walkways from the project may connect to the bikeway/walkway.
- f. Landscape improvements shall be surveyed and staked by the developer's Civil Engineer. The landscape improvements shall be inspected and approved by the Director of Parks and Community Services or designee prior to the issuance of any building permits.
- g. Eight sets of complete park and/or trail plans shall be submitted to Parks and Community Services for routing. Adjacent landscaping and walls shall be shown on the plans. Final construction plans and details require wet stamped and signed mylars, two sets of bond copies from the City signed mylars, and AutoCAD.dwf and PDF files on CD.
- h. Construction of landscape improvements shall begin no later than issuance of 30% building permits and be completed no later than issuance of 70% building permits.
- 172. All street crossings for Class-I Bikeways shall be signed with approved signage.
- 173. In order to prevent the delay of building permit issuance, any deviation from materials shall be submitted to Parks and Community Services and approved in writing (at the Department's discretion) 60-days prior to the commencement of construction. Any unauthorized deviation from the approved plan and/or the City's specifications and/or Conditions of Approval may result in the holding of building permits and/or building finals.
- 174. All inspections shall be requested two (2) working days' in advance from the Parks and Community Services Department at the time of rough and precise grading, fence/wall installation, curb and drainage, flatwork, mulch installation, graffiti coating, soil preparation, irrigation placement, site electrical, weed abatement, planting, and final inspection. Failure to schedule inspections may result in cessation of work and/or re-inspection fees/penalties.

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175. This project is subject to current Development Impact Fees. Section 3.38.150 of the City's Municipal Code allows for the developer to receive credits for qualifying public improvements. For consideration of a DIF credit, the developer shall provide an Architect's Cost Estimate. The developer's maximum credit amount is based on the lower of the DIF Study Costs, the Architect's Estimate and the DIF Fee Obligation. Allowance of DIF credits is subject to City review and approval, and is not guaranteed by these Conditions of Approval.

#### **Standard Conditions**

- 176. Detailed final plans (mylars, PDF, and AutoCAD file on a DVD-R) for parks, trails/bikeways, fencing, and adjoining landscaped areas shall be submitted to and approved by the Director of Parks and Community Services, or his/her designee, prior to the issuance of any building permits. All plans are to include a profile showing grade changes.
- 177. Within the improvements for PCS, the applicant shall show all existing and planned easements on all maps and plans. Easements on City/CSD owned or maintained parks, trails, bikeways, and landscape shall be identified on each of these plans with the instrument number of the recorded easement.
- 178. Prior to recordation of the Final Map, the applicant shall post security to guarantee construction or modification of parks, trails and/or bikeways for the City/CSD. Copies of said documentation shall be provided to PCS, prior to the approval of the Final Map.
- 179. Applicable plan check and inspection fees shall be paid, per the approved City fee schedule.
- 180. A restriction shall be placed on lots that back up to City/CSD owned or maintained parks, trails, bikeways, and landscaped areas, preventing openings or gates accessing the City/CSD owned or maintained property. This shall be documented through Covenants, Conditions, and Restrictions (CC&R's). A copy of the CC&R's with this restriction noted shall be submitted and approved by the Director of Parks and Community Services or his/her designee, prior to the recordation of the Final Map.
- 181. The following plans require PCS written approval: Tentative tract/parcel maps; rough grading plans (including all Delta changes); Final Map; precise grading plans; street improvement plans; traffic signal plans; fence and wall plans; landscape plans for areas adjacent to bikeways; trail improvement plans. PCS will not approve any permits without review and approval of the above items.



# PEN20-0063 & 0065 Site Map



A.10.c FEE CREDIT Attachment: PEN20-0063Final Conditions (6137: APPROVE THE PUBLIC FACILITIES

## Legend

#### Master Plan of Trails

Bridge

Improved

Multiuse

Proposed

Regional

State

Road Labels

**Parcels** 

City Boundary

Sphere of Influence

Image Source: Nearmap

#### Notes:

APN(s): 312020025

WGS\_1984\_Web\_Mercator\_Auxiliary\_Sphere

631.0

Print Date: 10/26/2020

631.0 Feet

315.48

DISCLAIMER: The information shown on this map was compiled from the City of Moreno Valley GIS and Riverside County 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. 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.



## **Report to City Council**

TO: Mayor and City Council

Mayor and City Council Acting in its Capacity as President and Members of the Board of Directors of the

Moreno Valley Community Services District (CSD)

**FROM:** Jeremy Bubnick, Parks & Community Services Director

AGENDA DATE: March 7, 2023

TITLE: AUTHORIZATION TO AWARD A CONSTRUCTION

CONTRACT TO JB ASPHALT PAVING CO. DBA JB BOSTICK, INC. FOR PARKING LOT PAVEMENT REHABILITATION FOR COTTONWOOD GOLF CENTER, MORENO VALLEY COMMUNITY PARK, MARCH FIELD PARK AND PEDRORENA PARK - PROJECT NO. 807 0060

## RECOMMENDED ACTION

#### **Recommendation:**

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

- 1. Award a construction contract to JB Asphalt Paving Co., dba JB Bostick, Inc., for Parking Lot Pavement Rehabilitation for Cottonwood Golf Center, Moreno Valley Community Park, March Field Park and Pedrorena Park Project No. 807 0060-5011 and authorize the City Manager to execute a contract in substantial conformance with the attached contract in the amount of \$242,840.00, and authorize the City Manager to approve and execute any subsequent amendments subject to the approval of the City Attorney;
  - Authorize the issuance of a Purchase Order (PO) to JB Asphalt Paving Co., dba JB Bostick, Inc. in the amount of \$303,550.00 (bid amount plus a 25% contingency of \$60,710.00) necessary for completing the construction of this project, funded by Zone A (Fund 5011); and,
  - 3. Authorize the Parks and Community Services Director to execute any subsequent change orders for JB Asphalt Paving Co., dba JB Bostick Inc.'s,

ID#6143 Page 1

contract and/or PO to not exceed the contingency amount of \$60,710.00, subject to the approval of the City Attorney.

## **SUMMARY**

This report recommends approval of a contract with JB Asphalt Paving Co., dba JB Bostick, Inc., for the construction of Parking Lot Pavement Rehabilitation for the Cottonwood Golf Center, Moreno Valley Community Park, March Field Park and Pedrorena Park. This project is funded by Zone A (Fund 5011) and is consistent with the rehabilitation and refurbishment of park areas identified in the Parks Rehabilitation & Refurbishment Program as approved by the City Council on October 18, 2022. This work also complies with the City Council's Momentum MoVal Strategic Plan to manage and maximize Moreno Valley's public infrastructure through maintenance programs and capital improvements.

#### **DISCUSSION**

This project provides pavement rehabilitation corrective work to the parking lot areas of four parks throughout the city. The corrective work (e.g. repairs, resurfacing, and striping) will help rehabilitate the parking lot assets of those City Parks in need of repair of existing parking lot areas adjacent to the Park areas at the lowest cost. Refurbishment of the parking lots has been deferred in the past to allow funds to be utilized in areas where there were more pressing needs; however, these parking lots have continued to deteriorate and need rehabilitation and refurbishment to bring them back to a like new condition. The parking lots at Cottonwood Golf Center, Moreno Valley Community Park, March Field Park and Pedrorena Park have been identified in the Parks Rehabilitation & Refurbishment Program approved by the City Council on October 18, 2022, as a priority for parking lot improvements. The funding for the improvements will come from the Park Rehabilitation & Refurbishment program project, which was funded by the Moreno Valley Foundation.

The project design was completed in-house by engineering staff and advertised for construction bids on December 22, 2022. Formal bidding procedures were followed in conformance with the Public Contract Code. Eight (8) bids were received via the electronic bid management system, PlanetBids, on January 31, 2023, as follows:

Contractors	<b>Bid Amount</b>
1. JB Asphalt Paving Co. (dba J B Bostick Inc.)	\$242,840.00
2. Hardy & Harper, Inc.	\$310,000.00
3. Vance Corporation	\$331,693.00
4. Elegant Construction, Inc.	\$353,170.00
5. PaveWest, Inc	\$358,035.00
6. ONYX Paving Company, Inc.	\$369,000.00
7. All American Asphalt	\$403,512.00
8. PUB Construction, Inc.	\$437,407.00

The lowest responsible bidder was determined by comparing the cumulative total for all

bid items as stipulated in the bidding documents. Staff has reviewed the bid by JB Asphalt Paving Co., dba JB Bostick, Inc., and finds it to be the lowest responsive and responsible bidder in possession of a valid license and bid bond. No outstanding issues were identified through review of the references submitted by JB Asphalt Paving Co., dba JB Bostick, Inc., in their bid. Staff recommends awarding a contract to JB Asphalt Paving Co., dba JB Bostick, Inc., to provide construct for much needed rehabilitation of aging park parking lot areas.

A contingency amount of \$60,710.00 is recommended to account for any changed field condition that may have occurred during the period between the completion of the engineering design work and start of construction. The contingency is also recommended to allow rapid response to avoid unnecessary construction delays that typically result in contractor change orders from unforeseen circumstances encountered during construction.

The Planning Division of the Community Development Department determined that this project is exempt from the California Environmental Quality Act per Guidelines Section 15301(c) as a Class 1 (Existing Facilities).

Approval of the recommended actions would support the City Council approved Park Rehabilitation and Refurbishment Program, as approved on October 18, 2022, along with Objective 4 of the Momentum MoVal Strategic Plan: "Manage and maximize Moreno Valley's public Infrastructure to ensure an excellent quality of life, develop and implement innovative, cost-effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery."

#### **ALTERNATIVES**

- 1. Approve and authorize the recommended actions as presented in this staff report. This alternative will provide for the timely construction of the Parking Lot Pavement Rehabilitation for the Cottonwood Golf Center, Moreno Valley Community Park, March Field Park and Pedrorena Park. project.
- 2. Do not approve and authorize the recommended actions as presented in this staff report. Staff does not recommend this alternative as it will delay the construction of needed improvements and may result in higher future repair costs.

# **FISCAL IMPACT**

Project (807 0060-5011) is currently budgeted in Zone A (Fund 5011). Funding was approved by City Council on October 18, 2022. No additional funding is being requested at this time.

#### **AVAILABLE BUDGET**

Zone A (CIP Parks)

(Account No. 5011-50-57-80007-720199) (Project No. 807 0060-5011)....\$6,000,000.00

#### **ESTIMATED CONSTRUCTION COSTS:**

Construction (including contingency)......\$303,550.00

#### ANTICIPATED PROJECT SCHEDULE:

Construction is anticipated to begin early Summer 2023 once all pre-construction documentation and information is provided by the contractor and approved by the City. The project is anticipated to be completed by end of Summer 2023, barring any weather or unforeseen site condition delays.

# **NOTIFICATION**

Prior to construction, the contractor will need to install notification signs to inform park users that construction activities will be occurring during the construction period.

#### PREPARATION OF STAFF REPORT

Prepared By: Sharon Goodale . Management Analyst

Concurred By: Patty Yhuit Senior Management Analyst Department Head Approval: Jeremy Bubnick Parks and Community Services Director

Department Approval:
Dan Monto
Parks & Landscape Services Division Manager

#### CITY COUNCIL GOALS

<u>Public Safety</u>. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

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

# **CITY COUNCIL STRATEGIC PRIORITIES**

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

Objective 4.3: Address deferred maintenance of City infrastructure assets.

# **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

 Agreement with JB Asphalt Paving Co, dba DB Bostick , Inc., & Bonds- Project No. 807 0060

# **APPROVALS**

Budget Officer Approval	✓ Approved	2/26/23 7:04 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:04 AM

Agreement No
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## **AGREEMENT**

# PROJECT NO. 807 0060 COTTONWOOD GOLF CENTER, MORENO VALLEY COMMUNITY PARK, MARCH FIELD PARK, AND PEDRORENA PARK PARKING LOT PAVEMENT REHABILITATION

THIS Agreement, effective as of the date signed by the City of Moreno Valley by and between the City of Moreno Valley, a municipal corporation, County of Riverside, State of California, hereinafter called the "City" and JB Asphalt Paving Co. dba JB Bostick, Inc, hereinafter called the "Contractor."

That the City and the Contractor for the consideration hereinafter named, agree as follows:

- **1. CONTRACT DOCUMENTS**. The Contract Documents consist of the following, which are incorporated herein by this reference:
  - A. This Agreement
  - B. Any and all Contract Change Orders and Construction Change Directives issued after execution of this Agreement
  - C. Addenda Nos. 1 inclusive, issued prior to the Bid Deadline
  - D. The bound Contract Documents that includes City Special Provisions, General Provisions, and Technical Provisions
  - E. Standard Specifications for Public Works Construction ("Greenbook") latest edition in effect at the Bid Deadline, as modified by the City Special Provisions
  - F. Reference Specifications/Reference Documents other than those listed in paragraph 2, below
  - G. Project Plans
  - H. City Standard Plans
  - I. Caltrans Standard Plans
  - J. Governmental approvals, including, but not limited to, permits required for the Work
  - K. Contractor's Labor and Materials Payment Bond (for reference only)
  - L. Contractor's Faithful Performance Bond (for reference only)
  - M. Contractor's Certificates of Insurance and Additional Insured Endorsements

In the event of conflict between any of the Contract Documents, the provisions placing a more stringent requirement on the Contractor shall prevail. The Contractor shall provide the better quality or greater quantity of Work and/or materials unless otherwise directed by City in writing. In the event none of the Contract Documents place a more stringent requirement or greater burden on the Contractor, the controlling provision shall be that which is found in the document with higher precedence in accordance with the above order of precedence.

- **2. REFERENCE DOCUMENTS**. The following Reference Documents are not considered Contract Documents and are made available to the Contractor for informational purposes:
  - A. None
- 3. SCOPE OF WORK. The Contractor shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work described in the Contract

Documents, except as otherwise provided in the Plans, Standard Specifications, or City Special Provisions to be the responsibility of others.

#### 4. PAYMENT.

- 4.1. **Contract Price and Basis for Payment**. In consideration for the Contractor's full, complete, timely, and faithful performance of the Work required by the Contract Documents, the City shall pay Contractor for the actual quantity of Work required under the Bid Items awarded by the City performed in accordance with the lump sum prices and unit prices for Bid Items and Additive Alternate Bid Items, if any, set forth the Bid Schedule submitted with the Bid. The sum of the unit prices and lump sum prices for the Base Bid Items and Additive Alternate Bid Items, if any, awarded by the City is **Two hundred and forty-two thousand eight hundred and forty** Dollars **(\$242,840.00)** ("Contract Price"). It is understood and agreed that the quantities set forth in the Bid Schedule for which unit prices are fixed are estimates only and that City will pay and Contractor will accept, as full payment for these items of Work, the unit prices set forth in the Bid Schedule multiplied by the actual number of units performed, constructed, or completed as directed and measured by the City Engineer.
- 4.2. **Payment Procedures**. Based upon applications for payment submitted by the Contractor to the City, the City shall make payments to the Contractor in accordance with Section 7 of the Standard Specifications, as modified by Section 7 of the City Special Provisions.

#### 5. CONTRACT TIME.

- A. Contract Time. The Contract Time shall be Sixty (60) working days.
- **B.** Initial Notice to Proceed. After the Agreement has been fully executed by the Contractor and the City, the City shall issue the "Notice to Proceed to Fulfill Preconstruction Requirements." The date specified in the Notice to Proceed to Fulfill Preconstruction Requirements constitutes the date of commencement of the Contract Time of **Sixty (60) Working Days.** The Contract Time includes the time necessary to fulfill preconstruction requirements and to complete construction of the Project (except as adjusted by subsequent Change Orders).

The Notice to Proceed to Fulfill Preconstruction Requirements shall further specify that Contractor must complete the preconstruction requirements within **Ten (10) Working Days** after the date of commencement of the Contract Time; this duration is part of the Contract Time.

Preconstruction requirements include, but are not limited to, the following:

- Submitting and obtaining approval of Traffic Control Plans
- Submitting and obtaining approval of the Stormwater Pollution Prevention Plan (SWPPP)/Water Pollution Control Plan (WPCP)
- Submitting and obtaining approval of critical required submittals
- Installation of the approved Project Identification Signs
- Obtaining an approved no fee Encroachment Permit
- Obtaining a Temporary Use Permit for a construction yard
- Notifying all agencies, utilities, residents, etc., as outlined in the Contract Documents

If the City's issuance of a Notice to Proceed to Fulfill Preconstruction Requirements is delayed due to Contractor's failure to return the fully executed Agreement and insurance and bond documents within ten (10) Working Days after Contract award, then Contractor agrees to

the deduction of one (1) Working Day from the number of days to complete the Project for every Working Day of delay in the City's receipt of said documents. This right is in addition to and does not affect the City's right to demand forfeiture of Contractor's Bid Security if Contractor persistently delays in providing the required documentation.

C. Notice to Proceed with Construction. After all preconstruction requirements are met and materials have been ordered in accordance with the Notice to Proceed to Fulfill Preconstruction Requirements, the City shall issue the "Notice to Proceed with Construction," at which time the Contractor shall diligently prosecute the Work, including corrective items of Work, day to day thereafter, within the remaining Contract Time.

#### 6. LIQUIDATED DAMAGES AND CONTROL OF WORK.

6.1. **Liquidated Damages.** The Contractor and City (collectively, the "Parties") have agreed to liquidate damages with respect to Contractor's failure to complete the Work within the Contract Time, which includes the time necessary to fulfill preconstruction requirements and to complete construction of the Project (except as adjusted by subsequent Change Orders) in accordance with **Article 5** above. The Parties intend for the liquidated damages set forth herein to apply to this Contract as set forth in Government Code Section 53069.85 and in Public Contract Code Section 7203. Contractor acknowledges and agrees that the liquidated damages are intended to compensate the City solely for Contractor's failure to meet the deadlines for completion of the Work and will not excuse Contractor from liability from any other breach, including any failure of the Work to conform to the requirements of the Contract Documents.

In the event that Contractor fails to complete the Work within the Contract Time, Contractor agrees to pay the City **\$500.00 per Calendar Day** that completion of the each such portion of the Work is delayed beyond the Contract Time. The Contractor will not be assessed liquidated damages for delays occasioned by the failure of the City or of the owner of a utility to provide for the removal or relocation of utility facilities.

The Contractor and City acknowledge and agree that the foregoing liquidated damages have been set based on an evaluation of damages that the City will incur in the event of late completion of portions of the Work. The Contractor and City acknowledge and agree that the amount of such damages are impossible to ascertain as of the date of execution hereof and have agreed to such liquidated damages to fix the City's damages and to avoid later disputes. It is understood and agreed by Contractor that liquidated damages payable pursuant to this Agreement are not a penalty and that such amounts are not manifestly unreasonable under the circumstances existing as of the date of execution of this Agreement.

It is further mutually agreed that the City will have the right to deduct liquidated damages against progress payments or retainage and that the City will issue a Change Order or Construction Change Directive and reduce the Contract Price accordingly. In the event the remaining unpaid Contract Price is insufficient to cover the full amount of liquidated damages, Contractor shall pay the difference to the City.

Liquidated damages are owed automatically and without notice of any kind upon the accrual of each day of delay. City may at any time deduct liquidated damages as are payable hereunder from money due or to become due to Contractor, or pursue any other legal remedy to collect such liquidated damages from Contractor and/or its Surety. Neither the City's failure or delay in deducting liquidated damages from payments otherwise due Contractor, nor City's failure or

delay in notifying Contractor of the accrual of liquidated damages, shall be deemed a waiver of City's right to liquidated damages.

City's rights under this Section shall not be interpreted as precluding or limiting: (1) any right or remedy of City arising from an event of Contractor default other than a failure to complete the Work within the Contract Time; or (2) City's right to order an acceleration, at Contractor's expense, of performance of the Work to overcome delay, including, without limitation, a delay for which City has the right to assess and/or accrue liquidated damages. The availability of liquidated damages shall not limit City's right to terminate the Contractor's performance and accrual and/or assessment of liquidated damages does not constitute a waiver of such rights.

- 6.2. Owner is Exempt from Liability for Early Completion Delay Damages. While the Contractor may schedule completion of all of the Work, or portions thereof, earlier than the Contract Time, the Owner is exempt from liability for and the Contractor will not be entitled to an adjustment of the Contract Sum or to any additional costs, damages, including, but not limited to, claims for extended general conditions costs, home office overhead, jobsite overhead, and management or administrative costs, or compensation whatsoever, for use of float time or for Contractor's inability to complete the Work earlier than the Contract Time for any reason whatsoever, including but not limited to, delay cause by Owner or other Excusable Compensable Delay. See Section 6-4 of the Standard Specifications and City Special Provisions regarding compensation for delays.
- 6.3. Any work completed by the Contractor after the issuance of a Stop Work Notice by the City shall be rejected and/or removed and replaced as specified in Section **3-5** of the City Special Provisions.

#### 7. INSURANCE.

- 7.1. **General**. The Contractor shall procure and maintain at its sole expense and throughout the term of this Agreement, any extension thereof, Commercial General Liability, Automobile Liability, and Workers' Compensation Insurance with such coverage limits as described herein.
- 7.2. Additional Insured Endorsements. The Contractor shall cause the insurance required by the Contract Document to include the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives as an additional insureds. For the Commercial General Liability coverage, said parties shall be named as additional insureds utilizing either:
  - 1. Insurance Services Office ("ISO") Additional Insured endorsement CG 20 10 (11/85); or
  - 2. ISO Additional Insured endorsement CG 20 10 (10/01) and Additional Insured Completed Operations endorsement CG 20 37 (10/01); or
  - 3. Substitute endorsements providing equivalent coverage, approved by the City.

The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. The coverage shall contain no special limitations on the scope of protection afforded to

such additional insureds. Coverage for such additional insureds does not extend to liability to the extent prohibited by Insurance Code Section 11580.4.

- 7.3. **Waivers of Subrogation**. All policies of insurance required by the Contract Documents shall include or be endorsed to provide a waiver by the insurers of any rights of recovery or subrogation that the insurers may have at any time against the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers, and representatives.
- 7.4. **Primary Coverage**. All policies and endorsements shall stipulate that the Contractor's (and the Subcontractors') insurance coverage shall be primary insurance as respects the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers, and representatives, and shall be excess of the Contractor's (and its Subcontractors') insurance and shall not contribute with it.
- 7.5. Coverage Applies Separately to Each Insured and Additional Insured. Coverage shall state that the Contractor's (and its Subcontractors') insurance shall apply separately to each insured or additional insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage shall apply to any claim or suit brought by an additional insured against a named insured or other insured.
- 7.6. **Self-Insurance**. Any self-insurance (including deductibles or self-insured retention in excess of \$50,000) in lieu of liability insurance must be declared by Contractor and approved by the City in writing prior to execution of the Agreement. The City's approval of self-insurance, if any, is within the City's sole discretion and is subject to the following conditions:
  - 1. Contractor must, at all times during the term of the Agreement and for a period of at least **one** (1) year after completion of the Project and any extension of the one-year correction guarantee period in accordance with Section 3-13.3 of the City Special Provisions, maintain and upon Owner's reasonable request provide evidence of:
    - (a) Contractor's "net worth" (defined as "total assets" [defined as all items of value owned by the Contractor including tangible items such as cash, land, personal property, and equipment, and intangible items such as copyrights and business goodwill]) minus total outside liabilities must be reflected in a financial statement for the prior fiscal year reflecting sufficient income and budget for Contractor to afford at least one loss in an amount equal to the amount of self-insurance;
    - (b) Financial statements showing that Contractor has funds set aside/budgeted to finance the self-insured fund (i.e., Contractor has a program that fulfills functions that a primary insurer would fill); and
    - (c) A claims procedure that identifies how a claim is supposed to be tendered to reach the financing provided by the self-insured fund.

- 2. If at any time after such self-insurance has been approved, the Contractor fails to meet the financial thresholds or otherwise fails to comply with the provisions set forth in this Paragraph 7, at the option of the City:
  - (a) The Contractor shall immediately obtain and thereafter maintain the third party insurance required under this Paragraph 7 and otherwise on the terms required above; or
  - (b) The insurer shall reduce or eliminate such deductibles or selfinsured retention as respects the City, its officers, officials, employees, and volunteers; or
  - (c) The Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration, and defense expenses.
- 7.7. **Insurer Financial Rating**. Insurance companies providing insurance hereunder shall be rated A-VII or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.
- Notices to City of Cancellation or Changes. Each insurance policy described in this Paragraph 7 shall contain a provision or be endorsed to state that coverage will not be cancelled without thirty (30) days' prior written notice by certified or registered mail to the City (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to the City). except that cancellation for non-payment of premium shall require (10) days prior written notice by certified or registered mail. If an insurance carrier cancels any policy or elects not to renew any policy required to be maintained by Contractor pursuant to the Contract Documents, Contractor agrees to give written notice to the City at the address indicated on the first page of the Agreement. Contractor agrees to provide the same notice of cancellation and non-renewal to the City that is required by such policy(ies) to be provided to the First Named Insured under such policy(ies). Contractor shall provide confirmation that the required policies have been renewed not less than seven (7) days prior to the expiration of existing coverages and shall deliver renewal or replacement policies, certificates and endorsements to the City Clerk within fourteen (14) days of the expiration of existing coverages. Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City Clerk copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.
- 7.9. **Commercial General Liability**. Coverage shall be written on an ISO Commercial General Liability "occurrence" form CG 00 01 (10/01 or later edition) or equivalent form approved by the City for coverage on an occurrence basis. The insurance shall cover liability, including, but not limited to, that arising from premises operations, stop gap liability, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The policy shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 (11/85). Coverage shall contain no contractors' limitation or other endorsement limiting the scope of coverage for liability arising from pollution, explosion, collapse, or underground (x, c, u) property damage. Contractor shall provide Products/Completed Operations coverage to be maintained continuously for a minimum of **one (1) year** after Final

Acceptance of the Work, and any extension of the one-year correction guarantee period in accordance with Section 3-13.3 of the City Special Provisions.

Contractor shall maintain Commercial General Liability insurance with the following minimum limits: \$1,000,000 per occurrence / \$2,000,000 aggregate / \$2,000,000 products-completed operations.

- 7.10. **Business Automobile Liability**. Coverage shall be written on ISO form CA 00 01 (12/93 or later edition) or a substitute form providing equivalent coverage for owned, hired, leased and non-owned vehicles, whether scheduled or not, with \$1,000,000 combined single limit per accident for bodily injury and property damage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
- 7.11. **Workers' Compensation**. Contractor shall comply with the applicable sections of the California Labor Code concerning workers' compensation for injuries on the job. Compliance is accomplished in one of the following manners:
  - 1. Provide copy of permissive self-insurance certificate approved by the State of California; or
  - 2. Secure and maintain in force a policy of workers' compensation insurance with statutory limits and Employer's Liability Insurance with a minimal limit of \$1,000,000 per accident; or
  - 3. Provide a "waiver" form certifying that no employees subject to the Labor Code's Workers' Compensation provision will be used in performance of this Contract.
- 7.12. **Subcontractors' Insurance**. The Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.
- **8. BONDS**. The Contractor shall provide two surety bonds. The Contractor shall furnish a satisfactory Performance Bond meeting all statutory requirements of the State of California on the form provided by the City. The bond shall be furnished as a guarantee of the faithful performance of the requirements of the Contract Documents as may be amended from time to time, including, but not limited to, liability for delays and damages (both direct and consequential) to the City and the City's Separate Contractors and consultants, warranties, guarantees, and indemnity obligations, in an amount that shall remain equal to one hundred percent (100%) of the Contract Price.

The Contractor shall furnish a separate satisfactory Labor and Materials Payment Bond meeting all statutory requirements of the State of California on the form provided by the City in an amount that shall remain equal to one hundred percent (100%) of the Contract Price to secure payment of all claims, demands, stop payment notices, or charges of the State of California, of material suppliers, mechanics, or laborers employed by the Contractor or by any Subcontractor, or any person, form, or entity eligible to file a stop payment notice with respect to the Work.

All bonds shall be executed by a California-admitted surety insurer. Bonds issued by a California-admitted surety insurer listed on the latest version of the U.S Department of Treasury Circular 570 shall be deemed accepted unless specifically rejected by the City. Bonds issued by sureties

not listed in Treasury Circular 570 must be accompanied by all documents enumerated in California Code of Civil Procedure Section 995.660(a). The bonds shall bear the same date as the Contract. The attorney-in-fact who executes the required bonds on behalf of the surety shall affix thereto a certified and current copy of the power of attorney. In the event of changes that increase the Contract Price, the amount of each bond shall be deemed to increase and at all times remain equal to the Contract Price. The signatures shall be acknowledged by a notary public. Every bond must display the surety's bond number and incorporate the Contract for construction of the Work by reference. The terms of the bonds shall provide that the surety agrees that no change, extension of time, alteration, or modification of the Contract Documents or the Work to be performed thereunder shall in any way affect its obligations and shall waive notice of any such change, extension of time, alteration, or modification of the Contract Documents. The surety further agrees that it is obligated under the bonds to any successor, grantee, or assignee of the Citv.

Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

Should any bond become insufficient, or should any of the sureties, in the opinion of the City, become non-responsible or unacceptable, the Contractor shall, within ten (10) Calendar Days after receiving notice from the City, provide written documentation to the Satisfaction of the City that Contractor has secured new or additional sureties for the bonds; otherwise the Contractor shall be in default of the Contract. No further payments shall be deemed due or will be made under Contract until a new surety(ies) qualifies and is accepted by the City.

Contractor agrees that the Labor and Materials Payment Bond and Faithful Performance Bond attached to this Agreement are for reference purposes only, and shall not be considered a part of this Agreement. Contractor further agrees that said bonds are separate obligations of the Contractor and its Surety, and that any attorney's fee provision contained in any payment bond or performance bond shall not apply to this Agreement. In the event there is any litigation between the parties arising from the breach of this Agreement, each party will bear its own attorneys' fees in the litigation.

**9. RECORDS**. The Contractor and its Subcontractors shall maintain and keep books, payrolls, invoices of materials, and Project records current, and shall record all transactions pertaining to the Contract in accordance with generally acceptable accounting principles. Said books and records shall be made available to the City of Moreno Valley, Riverside County, the State of California, the Federal Government, and to any authorized representative thereof for purposes of audit and inspection at all reasonable times and places. All such books, payrolls, invoices of materials, and records shall be retained for at least five (5) years after Final Acceptance.

#### 10. INDEMNIFICATION.

10.1. **General**. To the fullest extent permitted by law, the Contractor assumes liability for and agrees, at the Contractor's sole cost and expense, to promptly and fully indemnify, protect, hold harmless and defend (even if the allegations are false, fraudulent, or groundless), the City of Moreno Valley, its City Council, the Moreno Valley Housing Authority, and the Moreno Valley Community Services District, and all of their respective officials, officers, directors, employees, commission members, representatives and agents ("Indemnitees"), from and against any and all claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory

proceedings, or other legal proceeds, causes of action, demands, costs, judgments, liens, stop payment notices, penalties, liabilities, damages, losses, anticipated losses of revenues, and expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from, or in any way (either directly or indirectly), related to the Work, the Project or any breach of the Contract by Contractor or any of its officers, agents, employees, Subcontractors, Sub-subcontractors, or any person performing any of the Work, pursuant to a direct or indirect contract with the Contractor ("Indemnity Claims"). Such Indemnity Claims include, but are not limited to, claims for:

- A. Any activity on or use of the City's premises or facilities;
- B. Any liability incurred due to Contractor acting outside the scope of its authority pursuant to the Contract, whether or not caused in part by an Indemnified Party;
- C. The failure of Contractor or the Work to comply with any Applicable Law, permit or orders:
- D. Any misrepresentation, misstatement or omission with respect to any statement made in the Contract Documents or any document furnished by the Contractor in connection therewith:
- E. Any breach of any duty, obligation or requirement under the Contract Documents, including, but not limited to any breach of Contractor's warranties, representations or agreements set forth in the Contract Documents;
- F. Any failure to coordinate the Work with City's Separate Contractors;
- G. Any failure to provide notice to any party as required under the Contract Documents;
- H. Any failure to act in such a manner as to protect the Project from loss, cost, expense or liability;
- I. Bodily or personal injury, emotional injury, sickness or disease, or death at any time to any persons including without limitation employees of Contractor;
- J. Damage or injury to real property or personal property, equipment and materials (including, but without limitation, property under the care and custody of the Contractor or the City) sustained by any person or persons (including, but not limited to, companies, corporations, utility company or property owner, Contractor and its employees or agents, and members of the general public);
- K. Any liability imposed by Applicable Law including, but not limited to criminal or civil fines or penalties;
- L. Any dangerous, hazardous, unsafe or defective condition of, in or on the Site, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors:
- M. Any operation conducted upon or any use or occupation of the Site by the Contractor, its officers, agents, employees, or Subcontractors under or pursuant to the provisions of the Contract or otherwise;
- N. Any acts, errors, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
- O. Infringement of any patent rights, licenses, copyrights, or intellectual property which may be brought against the Contractor or Owner arising out of Contractor's Work, for which the Contractor is responsible; and
- P. Any and all claims against the City seeking compensation for labor performed or materials used or furnished to be used in the Work or alleged to have been furnished

on the Project, including all incidental or consequential damages resulting to the City from such claims.

- 10.2. **Effect of Indemnitees' Active Negligence**. Contractor's obligations to indemnify and hold the Indemnitees harmless **exclude** only such portion of any Indemnity Claim which is attributable to the active negligence or willful misconduct of the Indemnitee, provided such active negligence or willful misconduct is determined by agreement of the parties or by findings of a court of competent jurisdiction. In instances where an Indemnitee's active negligence accounts for only a percentage of the liability for the Indemnity Claim involved, the obligation of Contractor will be for that entire percentage of liability for the Indemnity Claim not attributable to the active negligence or willful misconduct of the Indemnitee(s). Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph 10. Subject to the limits set forth herein, the Contractor, at its own expense, shall satisfy any resulting judgment that may be rendered against any Indemnitee resulting from an Indemnity Claim. The Indemnitees shall be consulted with regard to any proposed settlement.
- 10.3. Independent Defense Obligation. The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnitee(s) shall be at Contractor's sole expense, and not be excused because of the Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively, or concurrently negligent, or which otherwise asserts that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. The Contractor shall respond within thirty (30) Calendar Days to the tender of any Indemnity Claim for defense and/or indemnity by an Indemnitee, unless the Indemnitee agrees in writing to an extension of this time. The defense provided to the Indemnitees by Contractor shall be by well qualified, adequately insured and experienced legal counsel acceptable to the City.
- 10.4. Intent of Parties Regarding Scope of Indemnity. It is the intent of the parties that the Contractor and its Subcontractors of all tiers shall provide the Indemnitees with the broadest defense and indemnity permitted by Applicable Law. In the event that any of the defense, indemnity, or hold harmless provisions in the Contract Documents are found to be ambiguous or in conflict with one another, it is the parties' intent that the broadest and most expansive interpretation in favor of providing defense and/or indemnity to the Indemnitees be given effect.
- 10.5. **Waiver of Indemnity Rights Against Indemnitees.** With respect to third party claims against the Contractor, to the fullest extent permitted by law, the Contractor waives any and all rights to any type of express or implied indemnity against the Indemnitees.
- 10.6. **Subcontractor Requirements.** In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to

protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Paragraph 10. Contractor further agrees to ensure that each subcontractor will execute a separate Letter of Assent to the terms of the CWA if the total project cost is \$1,000,000 or more and will fully indemnify the City for any claims or losses which result from a Subcontractor's failure to adhere to the terms of the CWA on this project.

- 10.7. No Limitation or Waiver of Rights. Contractor's obligations under this Paragraph 10 are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Paragraph 10 are separate and independent from the insurance provisions set forth in the Contract Documents, and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Paragraph 10 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.
- 10.8. **Withholding to Secure Obligations.** In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.
- 10.9. **Survival of Indemnity Obligations.** Contractor's obligations under this Paragraph 10 are binding on Contractor's and its Subcontractors' successors, heirs, and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.
- 11. SUCCESSORS AND ASSIGNS. The Parties bind themselves, their heirs, executors, administrators, successors and assigns the covenants, agreements and obligations contained in the Contract Documents. The Contractor shall not, either voluntarily or by action of law, assign any right or obligation of the Contractor under the Contract Documents without prior written consent of the City.

(SIGNATURE PAGE FOLLOWS)

CITY OF MORENO VALLEY, a Municipal Corporation

JB Asphalt Paving Co. dba JB Bostick, Inc.

BY: Mike Lee, City Manager	License No./ Classification:
DATE:	Expiration Date:
INTERNAL USE ONLY	Federal I.D. No.:
APPROVED AS TO LEGAL FORM:	PRINT NAME:
City Attorney	SIGNATURE:
Oity Attorney	TITLE:
Date	DATE:
RECOMMENDED FOR APPROVAL:	
Parks & Community Services Director	PRINT NAME:
Date	SIGNATURE:
CONCURED:	DATE:
Executive Director of	
the Moreno Valley Community Services District	
Date	

#### SIGNING INSTRUCTIONS TO THE CONTRACTOR:

Signature(s) must be accompanied by a completed notary certificate of acknowledgement attached hereto. A general partner must sign on behalf of a partnership. **Two (2)** corporate officers must sign on behalf of a corporation unless the corporation has a corporate resolution that allows one person to sign on behalf of the corporation; if applicable, said resolution must be attached hereto. The corporate seal may be affixed hereto.

Standard Form of Agreement 00500-12

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT SAMPLE

State of California

Attorney-in-Fact

Other

County of	
On before me,	, the second side of the officers)
personally appeared	tere insert name and title of the officer)
to the within instrument and acknowledgement to	ence to be the person(s) whose name(s) is/are subscribed one that he/she they executed the same in his/her/their signature(s) on the instrument the person(s), or the entity d the instrument.
I certify under PENALTY OF PERJURY under paragraph is true and correct.	the laws of the State of California that the foregoing
WITNESS my hand and official seal.	
	(Notary Seal)
Signature of Notary Public	
ADDITIONAL OPT	TIONAL INFORMATION
DESCRIPTION OF THE ATTACHED DOCUMENT	INSTRUCTIONS FOR COMPLETING THIS FORM Any acknowledgment completed in California must contain verbiage exactly
AGREEMENT SIGNATURE PAGE (Title or description of attached document)	appears above in the notary section or a separate acknowledgment form mus property completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long a the verbiage does not require the notary to do something that is illegal for
(Title or description of attached document continued)	notary in California (i.e. certifying the authorized capacity of the signer) Please check the document carefully for proper notarial wording and attact this form if required.
Number of Pages	<ul> <li>State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.</li> </ul>
Document Date	<ul> <li>Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.</li> </ul>
Additional Information	<ul> <li>The notary public must print his or her name as it appears within his or he commission followed by a comma and then your title (notary public).</li> <li>Print the name(s) of document signer(s) who personally appear at the tim</li> </ul>
CAPACITY CLAIMED BY THE SIGNER	<ul> <li>of notarization.</li> <li>Indicate the correct singular or plural forms by crossing off incorrect form (i.e. he/she/they, is/are) or circling the correct forms. Failure to correct!</li> </ul>
☐ Individual(s) ☐ Corporate Officer	<ul> <li>indicate this information may lead to rejection of document recording.</li> <li>The notary seal impression must be clear and photographicall reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different area permits.</li> </ul>
(Title)  Partner (s)	acknowledgment form.  • Signature of the notary public must match the signature on file with th

office of the county clerk.

Additional information is not required but could help to ensure this

acknowledgment is not misused or attached to a different document. Indicate title or type of attached document, number of pages and date. Indicate the capacity claimed by the signer. If the claimed capacity is a

corporate officer, indicate the title (i.e. CEO, CFO, Secreta-· Securely attach this document to the signed document.

Packet Pg. 457

# **CONTRACTOR'S BONDS**

BOND No	
---------	--

# FAITHFUL PERFORMANCE BOND (100% of Total Contract Price)

# PROJECT NO. 807 0060 COTTONWOOD GOLF CENTER, MORENO VALLEY COMMUNITY PARK, MARCH FIELD PARK, AND PEDRORENA PARK PARKING LOT PAVEMENT REHABILITATION

KNOW ALL MEN AND WOMEN BY THESE PRESENTS:

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City," has awarded to **JB Asphalt Paving Co. dba JB Bostick, Inc.**, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 807 0060**, and all Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond guaranteeing the faithful performance of said Agreement;

NOW THEREFORE, we the undersig	ned Contractor and	,
as Surety, are held and firmly bound	unto the City of Moreno Valley,	County of Riverside in the penal
sum of	dollars, (\$	), lawful money of the United
States, to be paid to the said City or it	ts certain attorney, its successors	and assigns; for which payment,
well and truly to be made, we bind ou	urselves, our heirs, executors and	d administrators, successors, and
assigns, jointly and severally liable (C	CP 995.320 (a)(1)), firmly by the	se presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bound Contractor, his or her 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 said Contract Documents and any alterations thereof made as therein provided, on his or her or their part, to be kept and performed at the time and in the manner therein 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. In the event suit is brought upon this bond by the City and judgement is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

Contractor and Surety agree that this Faithful Performance Bond shall not be considered a part of this Agreement between Contractor and the City ("Agreement"). Contractor and Surety further agree that this Faithful Performance Bond is a separate obligation of the Contractor and its Surety, and that any attorney's fee provision contained in this Faithful Performance Bond shall not apply to the Agreement. In the event there is any litigation between the parties arising from the breach of the Agreement, each party will bear its own attorneys' fees in the litigation.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract Documents or to the Work to be performed thereunder, or the Provisions accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the Contract Documents or to the Work or the Provisions.

(SIGNATURE PAGE FOLLOWS)

Faithful Performance Bond 00601-1

	BOND No
IN WITNESS WHEREOF, we have hereur	nto set our hands, and seals on this day
of20	
CONTRACTOR (Principal)	SURETY
Contractor Name:	Name:
Address:	Address:
Telephone No.:	Telephone No.:
Print Name:	Print Name:Attorney-in-Fact
Signature:	Signature:
Approved as to Form this	
day of20	_
City Attorney City of Moreno Valley	

#### NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Contractor.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Contractor) and Surety may be served with notices, papers and other documents.
- The Contractor's and Surety's corporate seal may be affixed hereto.

Faithful Performance Bond 00601-2

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of California

☐ Other

S	A	M	P	LE
$\mathbf{U}$		77.47		

County of	
On before me,	
(He	re insert name and title of the officer)
personally appeared	,
to the within instrument and acknowledgement to	me to be the person(s) whose name(s) is/are subscribed me that he/she they executed the same in his/her/their gnature(s) on the instrument the person(s), or the entity the instrument.
I certify under PENALTY OF PERJURY under paragraph is true and correct.	the laws of the State of California that the foregoing
WITNESS my hand and official seal.	
Signature of Notary Public	(Notary Seal)
ADDITIONAL OPTI	ONAL INFORMATION
DESCRIPTION OF THE ATTACHED DOCUMENT  PERFORMANCE BOND SIGNATURE PAGE  (Title or description of attached document)	INSTRUCTIONS FOR COMPLETING THIS FORM Any acknowledgment completed in California must contain verbiage exactly appears above in the notary section or a separate acknowledgment form must property completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a
(Title or description of attached document continued)	notary in California (i.e. certifying the authorized capacity of the signer).  Please check the document carefully for proper notarial wording and attach this form if required.
Number of Pages	State and County information must be the State and County where the document signer(s) personally appeared before the notary public for
Document Date	<ul> <li>acknowledgment.</li> <li>Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.</li> <li>The notary public must print his or her name as it appears within his or her</li> </ul>
Additional Information	<ul> <li>commission followed by a comma and then your title (notary public).</li> <li>Print the name(s) of document signer(s) who personally appear at the time of notarization.</li> </ul>
CAPACITY CLAIMED BY THE SIGNER	Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
☐ Individual(s) ☐ Corporate Officer	<ul> <li>The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.</li> </ul>
(Title)  Partner (s)  Attorney-in-Fact	<ul> <li>Signature of the notary public must match the signature on file with the office of the county clerk.</li> <li>Additional information is not required but could help to ensure this</li> </ul>

acknowledgment is not misused or attached to a different document. Indicate title or type of attached document, number of pages and date. Indicate the capacity claimed by the signer. If the claimed capacity is a

corporate officer, indicate the title (i.e. CEO, CFO, Secretary). Securely attach this document to the signed document.

BOND No	
---------	--

# LABOR AND MATERIALS PAYMENT BOND (100% of Total Contract Amount)

# PROJECT NO. 807 0060 COTTONWOOD GOLF CENTER, MORENO VALLEY COMMUNITY PARK, MARCH FIELD PARK, AND PEDRORENA PARK PARKING LOT PAVEMENT REHABILITATION

KNOW ALL MEN AND WOMEN BY THESE PRESENTS:

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City", has awarded to **JB Asphalt Paving Co. dba JB Bostick, Inc.**, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 807 0060**, and Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond to secure the payment of claims of laborers, mechanics, materialmen, and other persons, as provided by law;

NOW, THEREFORE, we the undersigned Contractor	or and	
as Surety are held and firmly bound unto the City of	of Moreno Valley, Co	unty of Riverside, in the penal
sum of	dollars, (\$	), lawful money of the
United States, for which payment, well and truly to be	e made, we bind ours	elves, our heirs, executors and
administrators, successors, and assigns, jointly and	severally liable (CCP	995.320 (a)(1)), firmly by these
presents.		

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said Contractor, his or her or its heirs, executors, administrator, successors, or assigns, or subcontractors, shall fail to pay any of the persons described in the State of California Civil Code, Section 9100, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Contractor and his or her subcontractors, pursuant to Section 13020, of the Unemployment Insurance Code, with respect to such work and labor, that the Surety or Sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In the event suit is brought upon this bond by the City or other person entitled to bring such an action and judgement is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

Contractor and Surety agree that this Labor and Materials Payment Bond shall not be considered a part of this Agreement between Contractor and the City ("Agreement"). Contractor and Surety further agree that this Labor and Materials Payment Bond is a separate obligation of the Contractor and its Surety, and that any attorney's fee provision contained in this Labor and Materials Payment Bond shall not apply to the Agreement. In the event there is any litigation between the parties arising from the breach of the Agreement, each party will bear its own attorneys' fees in the litigation.

This bond shall inure to the benefit of any of the persons described in the State of California Civil Code Section9100, to give a right of action to such persons or their assigns in any suit brought upon this bond.

(SIGNATURE PAGE FOLLOWS)

	BOND No
IN WITNESS WHEREOF, we have hereunto	set our hands, and seals on this day
of20	
CONTRACTOR (Principal)	SURETY
Contractor Name:	Name:
Address:	Address:
Telephone No.:	Telephone No.:
Print Name:	Print Name:Attorney-in-Fact
Signature:	Signature:
Approved as to Form this	
day of20	
City Attorney City of Moreno Valley	

#### NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Contractor.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Contractor) and Surety may be served with notices, papers and other documents.
- The Contractor's and Surety's corporate seal may be affixed hereto

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT SAMPLE

State of California

Partner (s)

Other

Attorney-in-Fact

County of	
On before me,	•
personally appeared	(Here insert name and title of the officer)
to the within instrument and acknowledgen	y evidence to be the person(s) whose name(s) is/are subscribed nent to me that he/she they executed the same in his/her/their/their signature(s) on the instrument the person(s), or the entity executed the instrument.
I certify under PENALTY OF PERJURY paragraph is true and correct.	under the laws of the State of California that the foregoing
WITNESS my hand and official seal	
Signature of Notary Public	(Notary Seal)
ADDITIONAL	L OPTIONAL INFORMATION
DESCRIPTION OF THE ATTACHED DOCUME	appears above in the notary section or a separate acknowledgment form must
PAYMENT BOND SIGNATURE PAGE (Title or description of attached document)	property completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a
(Title or description of attached document continued)	notary in California (i.e. certifying the authorized capacity of the signer).  Please check the document carefully for proper notarial wording and attach this form if required.
Number of Pages	<ul> <li>State and County information must be the State and County where the document signer(s) personally appeared before the notary public for</li> </ul>
Document Date	<ul> <li>acknowledgment.</li> <li>Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.</li> </ul>
Additional Information	<ul> <li>The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).</li> <li>Print the name(s) of document signer(s) who personally appear at the time of notarization.</li> </ul>
CAPACITY CLAIMED BY THE SIGNER	<ul> <li>Indicate the correct singular or plural forms by crossing off incorrect forms         (i.e. he/she/they, is/are) or circling the correct forms. Failure to correctly</li> </ul>
☐ Individual(s) ☐ Corporate Officer	<ul> <li>indicate this information may lead to rejection of document recording.</li> <li>The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different</li> </ul>
(Title)	acknowledgment form.

- by crossing off incorrect forms ct forms. Failure to correctly on of document recording.
- clear and photographically xt or lines. If seal impression otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
- Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
- Indicate title or type of attached document, number of pages and date.
- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary
- Securely attach this document to the signed document.

Packet Pg. 464



## **Report to City Council**

TO: Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: March 7, 2023

TITLE: APPROVE THE COMBINED SYSTEM IMPACT AND

FACILITIES STUDY AGREEMENT FOR THE MOVAL 115KV SUBSTATION BETWEEN THE CITY OF MORENO VALLEY AND SOUTHERN CALIFORNIA EDISON (SCE).

#### RECOMMENDED ACTION

#### **Recommendations:**

- 1. Approve the Combined System Impact and Facilities Study Agreement between the City of Moreno Valley and Southern California Edison (SCE).
- 2. Authorize the City Manager to execute the Agreement on behalf of the City.
- Authorize the issuance of a Purchase Order once the Agreement has been fully executed. Authorize the City Manager to approve any necessary Purchase Order changes in accordance with the terms of the Agreement.

### **SUMMARY**

Staff recommends approval of the Combined System Impact and Facilities study between the City of Moreno Valley and Southern California Edison (SCE). This study is needed to increase the capacity of the Moval Wholesale Distribution Access Tariff (WDAT) agreement. The WDAT agreement is the agreement that gives MVU access to the market for the wholesale purchase of energy through SCE's infrastructure. The development of additional properties in the center and eastern portions of the city is driving the need for additional electrical capacity.

#### **DISCUSSION**

The rapid growth of large residential and commercial projects in the center and eastern portions of the city have created the need to expand capacity by expanding the existing

ID#6097 Page 1

115kV Moval substation. The original WDAT for the Moval Substation allowed for 12,000 kW of load starting in 2006, incrementing for higher loads on an annual basis, up to 24,200 kW in 2010. The equipment installed at Moval Substation was also sized accordingly to support the WDAT load of 24,200 kW. MVU needs to increase the WDAT capacity of the substation to 66,200 kW by 2029 and install more equipment to increase the physical capacity of the substation to accommodate the new load growth.

MVU will need to coordinate with Southern California Edison (SCE) to install the necessary upgrades at the Moval substation to serve new customer loads. SCE is the wholesale distribution provider for the Moval Substation, where MVU interconnects its 115kV facilities to the California Electric grid through SCE's 115kW transmission system at the Moval Substation. SCE will need to study the impact that our system modifications and upgrades will have on their system and determine if there are any modifications required to the existing SCE 115kV facilities to support MVU's upgrades. This will require them to conduct a Combined System Impact and Facilities Study Agreement to determine what, if any, changes are required to our interconnection facilities to support our substation expansion and increases in capacity to our existing WDAT agreement.

Per the terms of the Combined System Impact and Facilities Study Agreement, SCE has concluded that a System Impact Study is required to determine the adequacy of SCE's electrical system, including, but not limited to, that portion of SCE's electrical system that is part of the California Independent System Operator (CAISO) Grid required to provide an increase in Distribution Service to the Project. In addition, a Facilities Study will be required to determine required Direct Assignment Facilities, any Distribution System Upgrades and any other required modifications or additions needed to accommodate the Project. The study will include a determination of whether modifications are needed to SCE's Distribution system to serve MVU's increased WDAT capacity at Moval of 66,200 kW by 2029, a general description of those facilities required, and an estimate of the cost for MVU to make any required changes.

The agreement provided by SCE is currently for \$30,000 for the combined study, with language to notify MVU of any increased costs that are associated with scope increase in the future. MVU will have the option to cancel the study if it does not agree with the increased cost or scope. Staff is asking for City Council approval of \$150,000 for the Combined Study, which is to account for anticipated additional study costs which may not have been included in SCE's original \$30,000 estimate based on similar studies completed for both Moreno Valley and Kitching Substations. The \$150,000 that MVU is seeking approval for is currently included in the CIP budget under the Moreno Valley Substation Upgrade project (805 0068-0611), and no budget adjustments will be needed at this time.

#### **ALTERNATIVES**

1. Approve the Combined System Impact and Facilities Study. Staff recommends this alternative as it is the most cost-effective option to serve additional load in the timeframe needed.

2. Do not approve the Combined System Impact and Facilities Study. This is not recommended because it will impair the utility's ability to serve new loads in the timeframe needed. Without an approved agreement, new load will have to be served from either a new substation (which may require a WDAT agreement with SCE) or install additional conductors and infrastructure, both of which are not cost-effective, will take longer than the implementation of the recommended actions and will not allow MVU to serve new load in a timely manner.

## FISCAL IMPACT

The cost of this action is to pay Southern California Edison to perform the system impact and facilities study needed to support the increase of capacity at the Moval substation. SCE has set a base level cost for this action of \$30,000, however due to staff experience with past SCE agreements, staff is asking for City Council approval of \$150,000 to account for anticipated additional study costs. The cost of this study is budgeted and available in CIP Project #805-0068. Budget Appropriation of \$400,000 was previously approved by City Council, there are no proposed budget adjustments at this time.

#### PREPARATION OF STAFF REPORT

Prepared By: Jason Niccoli Electric Utility Assistant Manager

Concurred By: Jeannette Olko Electric Utility Division Manager Department Head Approval: Melissa Walker, P.E. Public Works Director/City Engineer

#### CITY COUNCIL GOALS

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

#### CITY COUNCIL STRATEGIC PRIORITIES

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

Objective 4.1: Develop a Moreno Valley Utility Strategic Plan to prepare for the 2022 expiration of the ENCO Utility Systems agreement.

#### **ATTACHMENTS**



To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

None

# **APPROVALS**

Budget Officer Approval	✓ Approved	2/26/23 6:29 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:04 AM



## **Report to City Council**

TO: Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: March 7, 2023

TITLE: PEN19-0244 (TRACT 33436) ACCEPT DEVELOPMENT

IMPACT FEE (DIF) IMPROVEMENT CREDIT AGREEMENT #D23-002 FOR PALMETTO RESIDENTIAL DEVELOPMENT LOCATED AT THE NORTHWEST CORNER OF IRONWOOD AVENUE AND LASSELLE

STREET. DEVELOPER: KB HOME COASTAL INC.

#### RECOMMENDED ACTION

#### **Recommendations:**

- 1. Accept and approve the Development Impact Fees Improvement Credit Agreement #D23-002 (DIF Agreement) for PEN19-0244 improvements.
- 2. Authorize the City Manager to execute the DIF Agreement.

#### SUMMARY

This report recommends approval of a DIF Agreement for PEN19-0244 (TR 33436) with KB Home Coastal, Inc. The developer of Tract 33436 is required to construct the arterial street, Ironwood Avenue, which is a designated DIF street in the City's DIF Nexus Study, as well as a traffic signal, located at the intersection of Ironwood Avenue and Lasselle Street. The developer's maximum credit amount is based on the least of the DIF Nexus Study Costs, the Engineer's Cost Estimate, and the DIF Fee Obligation.

#### **DISCUSSION**

The Developer is approved to construct 104 single-family residential units on approximately 35 acres, located at the northwest corner of Ironwood Avenue and Lasselle Street (See Attachment 1). The City's Municipal Code, Chapter 3.38, "Residential Development Impact Fees," requires the Developer to pay DIF. The DIF covers the Developer's fair share of the costs to construct improvements that help

ID#6082 Page 1

mitigate the traffic impacts and burdens generated by the project on the City's network of arterial streets and traffic signals.

As part of the project conditions of approval, the Developer will be constructing required DIF-related public improvements. Section 3.38.150 of the City's Municipal Code allows the Developer to receive a credit for qualifying public improvements made to the designated arterial street(s) and traffic signal(s). Ironwood Avenue is a designated street in the City's DIF Nexus Study. Ironwood Avenue and Lasselle Street is a designated DIF traffic signal intersection in the City's DIF Nexus Study. There is currently no existing traffic signal located at the intersection. The developer of project PEN19-0244 is required to construct public improvements for both the street and traffic signal.

The Developer is eligible to receive DIF Credit for specific improvements identified in the DIF Nexus Study. Qualifying DIF improvement costs include roadway excavation, imported borrow, clearing and grubbing, water supply development, subgrade preparation, asphalt concrete, aggregate base, curb and gutter, sidewalk, drainage and low impact development improvements, retaining wall, water quality and erosion control, environmental mitigation, street light, striping, pavement markings and markers, signage, concrete, construction mobilization, construction traffic control, right of way, utility relocation, and traffic signal related improvements.

Per the DIF Agreement, the initial credit is the least of the DIF Nexus Study Costs, Engineer's Cost Estimate, and DIF Fee Obligation. Refer to Exhibit "C" – DIF Credit Calculation Table of the DIF Agreement (See Attachment 2). The maximum DIF Credit for this project is \$103,309 for the Arterial Street component and \$77,792 for the Traffic Signal component of the DIF.

# **ALTERNATIVES**

- Approve and accept the recommended actions as presented in this staff report. Staff recommends this alternative to help achieve the construction goals as identified within the DIF Nexus Study.
- Do not approve and do not accept the recommended actions as presented in this staff report. Staff does not recommend this alternative as it would result in not achieving the construction goals as identified within the DIF Nexus Study.

# FISCAL IMPACT

There is no fiscal impact.

# **NOTIFICATION**

Publication of agenda.

# PREPARATION OF STAFF REPORT

Prepared By: Larry Gonzales Senior Engineer, P.E. Department Head Approval: Melissa Walker, P.E. Public Works Director/City Engineer

Concurred By: Clement Jimenez, P.E. Principal Engineer

# **CITY COUNCIL GOALS**

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

# **CITY COUNCIL STRATEGIC PRIORITIES**

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

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

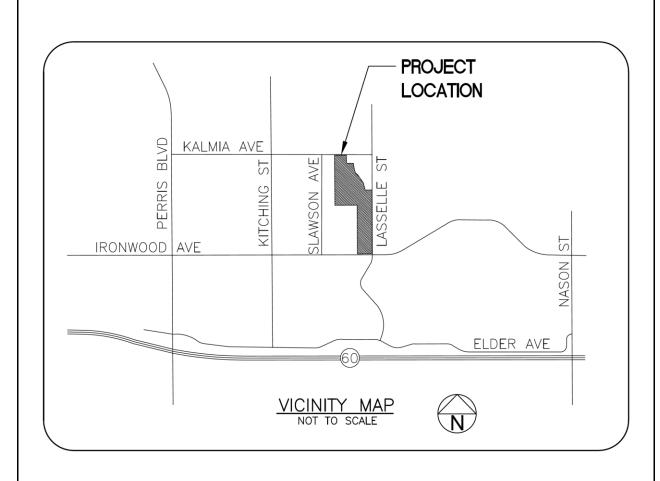
# **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Vicinity Map PEN19-0244 (TR 33436)
- 2. DIF Credit Agreement #D23-002 PEN19-0244

## **APPROVALS**

Budget Officer Approval	✓ Approved	2/26/23 6:26 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:20 AM



CITY OF MORENO VALLEY PUBLIC WORKS DEPARTMENT LAND DEVELOPMENT DIVISION PEN19-0244 (TR 33436) Vicinity Map

#### **DEVELOPMENT IMPACT FEES**

#### IMPROVEMENT CREDIT AGREEMENT

#### **NUMBER D23-002**

# PEN19-0244 (TM 33436)

This Development Impact Fees Improvement Credit 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 and City have entered into an Agreement for Public Improvements (attached hereto as Exhibit "A"), dated July 14, 2022, which Agreement for Public Improvements sets forth all obligations of the Developer for Public Improvements that are a condition of approval for the above-titled development (hereinafter referred to as the "Project"), some of which may be eligible for Development Impact Fees (hereinafter referred to as "DIF") Credit under this Agreement; 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, which identified improvements are set forth in Exhibit B attached hereto and hereby incorporated by reference and are hereinafter referred to as the DIF Improvements; and

WHEREAS, if the City or some other third party constructs the DIF improvements set forth in the Agreement for Public Improvements prior to Developer, then this Improvement Credit Agreement shall become null and void and the Developer shall be required to pay the full DIF Obligation of the Project; and

WHEREAS, the City and Developer now desire to enter into this Improvement Credit Agreement to provide a means by which the Developer may receive a Credit for required DIF improvements actually constructed by the Developer for the subject Project 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 affirm the terms, conditions and requirements set forth in the Agreement for Public Improvements (Exhibit "A") and agree to their incorporation herein as though set forth in full.

# 2.0 DIF Obligation.

- 2.1 Developer's DIF Obligation. Developer hereby agrees and accepts that, as of January 5, 2023, the Developer is obligated to pay DIF for the Project to City in the amount of One Million Five Hundred Eighty-Eight Thousand Twenty-Eight Dollars (\$1,588,028) (hereinbefore and hereinafter referred to as the "DIF Obligation") of which \$367,510 is for the Arterial Street component of the DIF Obligation and \$77,792 is for the Traffic Signal component of the DIF Obligation.
- 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 Credit Limitations.

- 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 maximum amount of DIF Credit that shall be applied by City to offset the DIF Obligation shall be as defined in Sections 4.0 of this Agreement and the Credit and Reimbursement Policy.
- 3.2 Effect of Agreement. Notwithstanding the foregoing, Developer acknowledges that the amounts of DIF Credits are 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 Credit amounts set forth in this Agreement to conform to the requirements of the Municipal Code and the Credit and Reimbursement policy.

#### 4.0 DIF Credit

- 4.1 Maximum DIF Credit. City shall apply DIF Credit to offset, in whole or in part, the Project's DIF Obligation. The maximum amount of DIF Credit that shall be applied by City to offset the DIF Obligation shall be equal to the least of: (A) the City Engineer's Estimate of the actual cost of the DIF Improvements (hereinafter collectively referred to as "Engineer's Estimate"), or (B) project costs as identified in the DIF study in effect at the time of the issuance of a building permit, or (C) the actual DIF Obligation. In no event shall a DIF Credit exceed the actual DIF Obligation.
- 4.2 DIF Credit Offset to DIF Obligation. The DIF Credit shall be applied at the time DIF obligation is due and payable. If the project is to be developed by phases, by specific units, or by specific buildings, DIF Credit shall be applied according to a Public Improvements Phasing Schedule approved by the City and attached and incorporated to this agreement.
- 4.3 Submittal Timeframe. The Developer shall submit to the City Engineer any and all documentation the Developer deems relevant in substantiating the claim for DIF Credit for the DIF Qualifying Improvements to be constructed by the Developer. Such documentation may include contracts, bids, estimates, or any other relevant documents pertaining to the actual cost of the Qualifying Improvements. The City Engineer shall take into consideration, but shall not be bound by, any such documentation submitted by the Developer in formulating the Engineer's Estimate. All such documentation shall be submitted by the Developer to the City Engineer no later than ninety (90) calendar days prior to the date for payment of DIF for the project. The

City Engineer will use his or her best efforts and professional judgment in formulating an Engineer's Estimate and shall endeavor to provide said estimate to the Developer in writing within sixty (60) calendar days after submittal of the last document submitted by the Developer.

# 4.4 DIF Credit Calculation (completed by City).

As of the date hereof, the amount of DIF Credit for which Developer is potentially eligible is set forth in Exhibit C "DIF Credit Calculation Table" attached hereto and hereby incorporated by reference.

4.5 Reconciliation - Final DIF Credit. If the dollar amount of the actual DIF Credit is less than the amount of the actual unpaid DIF Obligation (hereinafter referred to as "DIF Balance"), the City shall notify the Developer in writing of the amount of the DIF Balance and Developer shall pay the DIF Balance to fully satisfy the DIF Obligation at the time DIF payments are due. If the dollar amount of the actual DIF Credit exceeds the amount of the actual DIF Obligation, Developer will be deemed to have fully satisfied the DIF Obligation. If the Developer has actually paid DIF and completed DIF Improvements, but has not received full DIF Credit for which the Developer would have been otherwise eligible under the DIF Credit and Reimbursement Policy, the Developer <u>may</u> be eligible for a Reimbursement Agreement, to the extent applicable, as provided in a separate Development Impact Fees Improvement Reimbursement Agreement.

4.6 Credit Transfer for Unfunded DIF Reimbursement 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 in the Development Impact Fee Credit and Reimbursement Policy No. 3.24, Section F – Time Limitation, Developer may apply to receive partial or full DIF Credits for the same component of DIF on another development project within the City owned or controlled by that Developer and which has received all necessary approvals, on a dollar for dollar basis. 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 credited under Section 4.6 or reimbursed.
- **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. 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, California 92552-0805

Developer: KB Home Coastal, Inc.

36310 Inland Valley Drive, Suite 300

Wildomar, Ca 92595

**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,	KB Home Coastal, Inc.
a California municipal corporation	(Name of Developer) a California Corporation (legal capacity of Developer)
By: Mike Lee, City Manager	
Its:	— By:
Date:	
	Date:
APPROVED AS TO FORM:	
City Attorney	— By:
Date:	Its:
Dato	 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.

# DEVELOPMENT IMPACT FEES IMPROVEMENT CREDIT AGREEMENT, NO. D23-002 PEN19-0244 (TR 33436)

**EXHIBIT "A"** 

# PUBLIC IMPROVEMENT AGREEMENT WITH BONDS

(ATTACHED BEHIND THIS PAGE)

**EXHIBIT "A"** 

# **EXHIBIT "B"**

# **ENGINEER'S ESTIMATE OF DIF IMPROVEMENTS**

CONSTRUCTION ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
Roadway Excavation	520	C.Y.	30.20	15,704
Aggregate Base Class II				
Thickness (ft.) 0.75				
Area (sf) 31,493	1175	C.Y.	47.23	55,495
Asphalt Concrete				
Thickness (ft.) 0.45				
Area (sf) 31,493	1063	Ton	91.53	97,296
Curb and Gutter - 8"	49	C.Y.	459.40	22,511
Sidewalk-6'	69	C.Y.	696.55	48,062
Bus Turnout	1	L.S.	15,000.00	15,000
Striping	1500	L.F.	8.90	13,350
Signs	1	L.S.	1,800.00	1,800
Street Light	2	EA.	8,500.00	17,000
Traffic Control	1	L.S.	28,000.00	28,000
				\$ 314,218

CONSTRUCTION ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
Traffic Signals	1	L.S.	292,600.00	292,600
				\$ 292,600

**EXHIBIT "B"** 

# **EXHIBIT "C" - DIF Credit Calculation Table**

Item	Process for DIF Credit Calculation	Streets	Traffic Signals	Police	Fire	Libraries	Parks	Community/ Rec Centers	Public Facilities*	Interchange Improvements	Electric Utility
1	Engineer's Estimate	\$314,218	\$292,600	\$	\$	\$	\$	\$	\$	\$	
2	Project costs as identified in DIF study	\$103,309	\$274,100	\$	\$	\$	\$	\$	\$	\$	
3	Actual DIF Obligation	\$367,510	\$77,792	\$	\$	\$	\$	\$	\$	\$	
3	Developer's Credit Amount** - Least of Lines 1 2 & 3	\$103,309	\$77,792	\$	\$	\$	\$	\$	\$	\$	

Not all development DIF fees are shown – agreement focus is Street credits and Traffic Signal credits.

<sup>\*</sup>May include, but not be limited to: City Hall, Corporate Yard, Maintenance Equipment, Animal Shelter, etc.

<sup>\*\*</sup>Credit amount shall not exceed obligation.



# **Report to City Council**

TO: Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: March 7, 2023

TITLE: PEN19-0168 (TRACT 32408) - APPROVAL OF

MAINTENANCE AGREEMENT BY AND BETWEEN THE CITY OF MORENO VALLEY AND AUBURN HOMEOWNERS ASSOCIATION FOR THE TRACT LOCATED AT THE NORTHWEST CORNER OF BAY

AVENUE AND MORENO BEACH DRIVE DEVELOPER: KB HOME COASTAL INC.

# **RECOMMENDED ACTION**

#### **Recommendations:**

- 1. Approve the Maintenance Agreement by and between the City of Moreno Valley and Auburn Homeowners Association.
- 2. Authorize the City Manager to execute the Maintenance Agreement with Auburn Homeowners Association.
- 3. Authorize the City Clerk to transmit the executed Maintenance Agreement to the Riverside County Recorder's Office for recordation.

#### SUMMARY

This report recommends approval of a maintenance agreement with Auburn Homeowners Association for residential Tract 32408, which is located at the northwest corner of Bay Avenue and Moreno Beach Drive. The developer, KB Home Coastal, Inc. is required to enter into a maintenance agreement with the City so that the City may maintain the water quality basin within the development to reduce pollutants in storm water and non-storm water discharges associated with the development. The proposed maintenance agreement between Auburn Homeowners Association and the City is necessary to ensure long-term access, maintenance, and provide funding.

ID#6128 Page 1

# **DISCUSSION**

KB Home Coastal, Inc. is the developer and owner of Tract Map 32408, which is located at the northwest corner of Bay Avenue and Moreno Beach Drive. The developer is required to construct a water quality basin to mitigate certain environmental impacts. KB Home Coastal, Inc. will install Best Management Practices (BMPs) to mitigate the development's impact on water quality. These BMPs are included in the water quality basin in which the City will maintain the landscaping and irrigation. The developer will retain ownership of the water quality basin. Upon the first conveyance of a home to an individual property owner, Auburn Homeowners Association will assume the obligations stipulated in the maintenance agreement. A maintenance agreement is required since the water quality basin is privately owned.

The water quality basin not only provides mitigation for water quality impacts, but also acts as an extension of the City's storm drain system. Under the requirements of the 2010 National Pollutant Discharge Elimination System (NPDES) MS-4 Permit, it is essential that the City monitors and ensures continued maintenance of the water quality basin that will accept storm water and non-storm water discharges from the development.

Authorizing the City to maintain the landscaping within the water quality basin will assist the City in the following ways:

- Assure continued maintenance of the required landscaping within the water quality basin, and
- Comply with State and Federal regulations for monitoring storm water and nonstorm water discharges to the City storm drains.

The maintenance agreement is necessary to guarantee long-term funding for public maintenance of the landscaping and to ensure continued access to the water quality basin. Some of the key components of the agreement include:

- Provides a thirty (30) year term with provisions for extension(s).
- Identifies specific areas to be maintained by the City.
- Identifies schedules for maintenance.
- Establishes minimum insurance requirements to be carried by the Homeowners Association.
- Provides a Judicial Reference provision, which resolves any disputes regarding the Agreement through an agreed upon or judicially appointed referee. This simplifies the litigation process but waives a right to a jury trial.

#### **ALTERNATIVES**

1. Approve and authorize the recommended actions as presented in this staff report. This alternative ensures the water quality basins will be maintained by a

- public agency and ensures the City remains in compliance with NPDES requirements.
- 2. Do not approve and do not authorize the recommended actions as presented in this staff report. This alternative leaves maintenance of the water quality basins with KB Home Coastal, or Auburn Homeowners Association. Additionally, this alternative may cause the City to be in non-compliance with NPDES requirements.

#### FISCAL IMPACT

There is no fiscal impact associated with Alternative One. The developer has balloted for the NPDES Regulatory Rate. Property owners will be assessed NPDES fees, which fund the cost of maintenance of the water quality basin.

# **NOTIFICATION**

Publication of agenda.

# PREPARATION OF STAFF REPORT

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

Concurred By: Clement Jimenez, P.E. Principal Engineer Department Head Approval: Melissa Walker, P.E. Public Works Director/City Engineer

## CITY COUNCIL GOALS

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

# CITY COUNCIL STRATEGIC PRIORITIES

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

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

# **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Maintenance agreement PEN19-0168 (TR 32408)
- 2. Vicinity Map PEN19-0168 (TR 32408)

# **APPROVALS**

Budget Officer Approval	✓ Approved	2/26/23 6:38 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:15 AM

# RECORDING REQUESTED BY:

## WHEN RECORDED MAIL TO:

City Clerk City of Moreno Valley P.O. Box 88005 Moreno Valley, CA 92552-0805

Exempt from Recording Fee per Govt. Code Sec. 6103 City of Moreno Valley Project Number: PEN19-0168 APN(s): 488-463-010 (Space Above for Recorder's Use)

MAINTENANCE AGREEMENT
BY AND BETWEEN
CITY OF MORENO VALLEY
AND
AUBURN HOMEOWNER'S
ASSOCIATION

# MAINTENANCE AGREEMENT BY AND BETWEEN CITY OF MORENO VALLEY AND AUBURN HOMEOWNER'S ASSOCIATION

This Maintenance Agreement ("Agreement") is made and entered into effective on the date ("Effective Date") the City signs this Agreement. This Agreement is by and between AUBURN HOMEOWNERS ASSOCIATION, a California nonprofit mutual benefit corporation ("Association"), and the CITY OF MORENO VALLEY (the "City"). Each of Association and the City are sometimes hereinafter referred to as a "Party" and collectively as the "Parties".

# PREAMBLE

- A. Association is an incorporated homeowners' association responsible for the operation and maintenance of Association Property (as hereinafter defined) of a single-family residential development known as "Auburn" located on Tract No. 32408 in the City of Moreno Valley, County of Riverside, State of California ("Project"). Association's maintenance responsibilities are set forth in Articles V and X of the Declaration of Covenants, Conditions and Restrictions, and Reservation of Easements for Auburn recorded against the Project (the "Declaration"). Unless otherwise expressly provided, all capitalized terms used in this Agreement shall have the definition and meanings set forth in the Declaration.
- B. In satisfaction of the City conditions of approval for development of the Project, Association is required to enter into an agreement for the City to provide certain services relating to maintenance ("Maintenance") of certain improvements within the Project which are the responsibility of Association pursuant to the Declaration, including without limitation, certain water quality basins, which are located within the Common Area ("Association Property"), all as more fully described in Exhibit "A". The Association shall grant access to the City in order to perform the necessary Maintenance for the water quality basin(s) within Association Property.

NOW THEREFORE, in consideration of the promises contained herein, the City and Association agree as set forth below:

1. Term. Subject to applicable law, the term ("Term") of this Agreement shall commence as of the Effective Date of this Agreement, and shall remain in effect for thirty (30) years from the Effective Date of this Agreement. At the end of such thirty (30) year period, this Agreement shall be extended for successive terms of thirty (30) years unless a document executed by each of the Parties hereto or their respective successors-in-interest cancels this Agreement or any portion hereof and said document is recorded in the office of the County Recorder of Riverside County. If applicable law limits the duration of the Term, then this Agreement shall be deemed to have a Term equal to the maximum Term permitted by law, and shall, unless affirmatively terminated by the parties hereto, shall be deemed to be renewed and extended for successive maximum terms as permitted by law. The Maintenance shall commence at such time as such maintenance is required following the Effective Date of this Agreement.

During the Term of this Agreement, the Parties hereby covenant and agree to negotiate in good faith any changes to the terms set forth herein as then required by law or otherwise reasonably required.

- Maintenance of Association Property by the City. After the completion of the Establishment Period (as defined in **Exhibit "B"**), and throughout the remaining term of this Agreement, the City shall directly provide all Maintenance of Association Property depicted on **Exhibit "A"** attached hereto. Such Maintenance shall include, without limitation, the maintenance responsibilities described on **Exhibit "B"** attached hereto and incorporated herein. For as long as it is authorized to do so, the City shall assess an annual levy, parcel charge, special tax, or fee (however such amount shall be denominated, the "**Annual Levy**") against the Lots within the Project designed and intended for the construction of a Residence and ownership by an individual Owner (hereinafter referred to as the "**Residential Lots**") for the cost and expenses related to the Maintenance.
- Suspension of Payments of the City. For a period ("Suspension Period") commencing on the Effective Date of this Agreement and continuing to the date as of which the City is no longer able to assess, through Annual Levies, adequate charges against the Residential Lots within the Project for expenses incurred by the City relating to the Maintenance, Association shall not be responsible for the payment of any cost or expenses related to the Maintenance. Upon receipt of written notice from the City to Association at the address listed in **Section 7** hereof (or such other address of which Association shall have previously notified the City in writing in accordance with Section 7 hereof), informing Association of the City's inability to assess all or any portion of the Annual levies sufficient for the Maintenance, the Suspension Period shall terminate and Association shall have the absolute obligation to pay the City the full amount necessary to cover all costs and expenses related to the City's Maintenance of Association Property in excess of the amount that the City is able to assess directly against the Residential Lots (the "HOA Payment Obligations"). Further, Association hereby assigns to the City, and the City shall have, the first right to any amounts collected by Association from owners of Residential Lots ("Owners") in such amounts as necessary to satisfy the HOA Payment Obligations.
- 4. <u>Budget and Reimbursement to the City</u>. Following termination of the Suspension Period, the City shall prepare and provide to Association a budget (**Budget**) for the next Fiscal Year (as defined below) for the Maintenance obligations described in **Exhibit "B" Maintenance of Association Property by the City**, which Budget shall set forth the Fiscal Year expenses projected to be incurred by the City for Maintenance and operations of the City with respect to Association Property (including, without limitation, the City's administrative overhead). The expense projections in each year's Budget shall be based upon the Maintenance and operating expenses (including, without limitation, the City's administrative overhead) incurred by the City within the previous three (3) years, and may include (i) normal and customary reserves and contingencies, and (ii) cost of living increases based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index, as published by the United States Department of

Labor's Bureau of Labor Statistics. The Budget shall also reflect an amount for depreciation of City maintained facilities, if any, and a reserve for replacement and/or repair of landscape materials, irrigation system components, and other improvements. Following the completion of the Suspension Period and Association's receipt of the Budget, Association shall make annual payments to the City for Maintenance and operations expenses incurred by the City as set forth in such Budget by July 1 of the Fiscal Year to which such payment applies. For the purposes of this Agreement, the City's "Fiscal Year" shall be July 1 through June 30, unless Association is otherwise notified of a change pursuant to **Section 7** hereof.

Notwithstanding any other provision herein, the parties hereto acknowledge, understand and agree that in the event that the right of the City to impose the charges contemplated herein is or becomes prohibited, then, notwithstanding such prohibition, it is the intention of the parties hereto to continue to have the City perform the Maintenance as contemplated hereby, and to have the costs therefor charged to Association. In the event that Association fails or is unable to so assess the Owners for the amounts that the City is prohibited from assessing as contemplated hereby, then, after no less than sixty (60) days prior written notice by the City that Association is in default, Association shall have the absolute obligation to pay the City, and the City shall have the right to collect the HOA Payment Obligations from Association. Further, if and to the extent that there is a change in applicable law, including, without limitation, Section 1367.1 of the California Civil Code (which the Parties acknowledge arguably prohibits an "Assignment" (as defined below)) such that an Assignment is clearly permitted (as reasonably determined by Association), the City shall have the option to require Association to assign to the City Association's right to directly assess Owners for such assessments, together with Association's corresponding remedies of lien and foreclosure provided in the Declaration in the event that any such Owner(s) fail to pay the required assessments (an "Assignment"). An Assignment pursuant to this paragraph is expressly subject to the following:

- a Any such delegation and/or assignment of assessment and/or lien rights shall be deemed a partial, non-exclusive assignment;
- b. Association shall not make and expressly disclaims any representations and/or warranties that it has the right to assign any of its lien rights or rights to assess real property or levy assessments under the Declaration, and, if any assignment is made or deemed made, the City pursues same at its own risk; and
- c. If any Assignment is determined, at any time, by any court or arbitrator, to not be permitted as a matter of law, the City shall immediately cease any actions related thereto.
- 5. Special Assessments and Increases in Assessments. This Agreement shall have no effect on Association's ability and right, in accordance with the terms of the Declaration, to (i) levy assessments, as may be required, or (ii) increase the budgeted amount of regular assessments, or (iii) to collect any parcel charges and to file assessment liens for such charges.
  - 6. <u>Obligations of Association</u>. Association agrees as follows:

- a Association and its members shall not amend or repeal, directly or indirectly, the Declaration, or the restrictions described therein, and no rules or regulations of the Board of Association shall be adopted, amended, or repealed, in each case which in any manner increases or may increase the obligations of the City, or decreases or may decrease the obligations of Association, under this Agreement, without the prior written consent of the City, which consent the City may grant or withhold in its sole and absolute discretion;
- b. Association may not assign, transfer, or hypothecate this Agreement or their rights or obligations hereunder; provided, however, that the parties hereto hereby agree and recognize that any right of the City to payment from Association in respect of the HOA Payment Obligations does not constitute an assignment or transfer of the rights or obligations under this Agreement. In addition, in view of the personal nature of this Agreement, Association agrees that, during the term of this Agreement, it will not sell, transfer, encumber, or otherwise dispose of Association Property, or any part thereof, without the prior written consent of the City, which consent the City may grant or withhold in its sole and absolute discretion, and any purported sale, transfer, hypothecation, or other disposition thereof, without such consent, shall be null and void ab initio; and
- c. Association shall pay, the annual amount to the City required pursuant to **Section 4** hereof, if any.
- 7. Notices. All notices, statements, or other documents which any party shall be required or desire to give to any other party hereunder must be in writing and shall be given by the party only in one of the following ways: (i) by personal delivery, or (ii) by addressing it as indicated below, and by depositing it, registered or certified mail, postage prepaid, in the United States mail. If so delivered or mailed, each such notice, statement, or other document shall be conclusively deemed to have been given when personally delivered, or forty-eight (48) hours after the date of mailing (excluding Saturdays, Sundays, and federal holidays), as the case may be. The addresses for notices and other communications, until further notice, are:

THE CITY:

City of Moreno Valley 14177 Frederick Street

Moreno Valley, California 92553 Attn: Land Development Division

**ASSOCIATION:** 

Auburn Homeowners Association c/o Prime Association Services 27290 Madison Avenue, Ste. 300

Temecula, CA 92591

8. Resolution of Certain Disputes. Any dispute between the City and Association, which relates to this Agreement, shall be settled between them by Judicial Reference as provided by California Law. Accordingly, any such dispute shall be heard by a referee pursuant to the provisions of the California Code of Civil Procedure, §§638 - 645.1, inclusive, and in connection therewith:

- a The Parties to such dispute shall promptly and diligently cooperate with one another and the referee, and shall perform such acts as may be necessary to obtain a prompt and expeditious resolution of the dispute or controversy in accordance with the terms of this Agreement;
- b. The Parties to such dispute shall agree upon a single referee who shall then try all issues, whether of fact or law, and report a finding and judgment thereon. If the Parties are unable to agree upon a referee within ten (10) days of a written request to do so by any party, then any party may seek to have a referee appointed pursuant to the California Code of Civil Procedure §§638 and 640;
- c. Subject to the limitations of this Section, the referee shall have the right to award all legal or equitable relief appropriate under the circumstances of the controversy before him or her;
- d. The cost of such proceeding shall be apportioned among the Parties to the dispute in accordance with California Code of Civil Procedure §645.1. In no event shall any such reference proceeding or any appeal therefrom result in an award of punitive damages, and all such damages are hereby waived.

#### 9. Indemnity.

- Association agrees to indemnify, save, defend, and hold harmless the Community Services District of the City of Moreno Valley, the City, the Moreno Valley Housing Authority, and their respective officers, agents and employees (all of the foregoing persons, other than Association, are collectively referred to as the "City Indemnitees") from and against any claim, action, damages, costs (including, without limitation, all attorney's fees and litigation costs), injuries, or liability (collectively referred to as "Claims") arising out of the performance of any action contemplated by this Agreement by Association. Should any of the City Indemnitees be named in any suit, or should any claim be brought against any of the City Indemnitees by suit or otherwise, arising out of performance by Association of services rendered pursuant to this Agreement, Association will defend each such City Indemnitee (at each such City Indemnitee's request and with counsel satisfactory to each such City Indemnitee) and will indemnify each such City Indemnitee for any judgment rendered against it or any sums paid out in settlement or costs incurred in defense otherwise; provided, however, that this indemnification and hold harmless shall not include any Claims arising from the sole negligence or willful misconduct of such City Indemnitee.
- b. The City agrees to indemnify, save, defend and hold harmless the Association and its officers, agents and employees from any and all liability, claims, damages or injuries to any person, including injury to the City's employees and all claims which arise from or are connected with the negligent performance or failure to perform the services or other obligations of the City under this Agreement, or are caused or claim to be caused by the negligent acts of the City, its officers, agents or employees, or its subcontractor(s) or any person acting for the City or under its control or direction; provided, however, that this indemnification

and hold harmless shall not include any Claims arising from the negligence or willful misconduct of the Association, its officers, agents or employees.

#### 10. Insurance.

a Before commencing performance under this Agreement, and at all other times this Agreement is effective, Association will procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

Type of Insurance	<u>Limits (combined single)</u>
Commercial general liability:	\$1,000,000 per occurrence \$ 500,000 Property Damage \$2,000,000 aggregate
Business automobile liability Workers' compensation	\$1,000,000 Statutory requirement

- b. Commercial general liability insurance will meet or exceed the requirements of ISO-CGL Form No. CG 00 01 11 85 or 88. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed (i) to name the City, Moreno Valley Community Services District, Housing Authority of the City of Moreno Valley, and their respective officials and employees as "additional insured" under said insurance coverage, and (ii) to state that such insurance will be deemed "primary" such that any other insurance that may be carried by any of the City Indemnitees will be excess thereto. Such insurance will be on an "occurrence," not a "claims made," basis and will not be cancellable or subject to reduction except upon thirty (30) days prior written notice to the City Indemnitees.
- c. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).
- d. Each of the City Indemnitees shall be named as additional insured on all policies of insurance except errors and omissions and workers' compensation.
- e. Association will furnish to the City's Land Development Division duly authenticated Certificates of Insurance evidencing maintenance of the insurance required under this Agreement, endorsements as required herein, and such other evidence of insurance or copies of policies on an annual basis and as may be reasonably required by the City. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A-:VII." Certificate(s) must reflect that the insurer will provide thirty (30) day notice of any cancellation of coverage.
- f. Should Association, for any reason, fail to obtain and maintain the insurance required by this Agreement, the City may obtain such coverage at Association's expense and deduct the cost of such insurance from payments due to Association under this Agreement or terminate.

- g If the definitive insurance policy meeting the terms of **Section 10** and corresponding to the pro forma policy is not issued within ninety (90) days from the Effective Date of this Agreement, then Association covenants and hereby agrees without defense or future objection that the City may do the following without any liability whatsoever:
  - i. Cease issuing building permits for the Project; and
- ii. Cease issuing or otherwise approving certificates of occupancy for any aspect of the Project regardless of the date the building permit was issued.
- h. Association further acknowledges and agrees that notwithstanding **Subsections 10(f)** and **10(g)** above, all of its other obligations under this Agreement will become effective and remain in full force and effect upon the execution and delivery of this Agreement and the delivery and acceptance by the City of the documents and material described in **Subsection 10(e)** above and/or the insurance policy.

The requirements for the insurance shall only terminate upon termination of this Agreement as specified in **Section 1** hereof.

- 11. Recordation. This Agreement and any amendment thereto shall be recorded within the records of the Office of the Recorder for the County of Riverside and shall constitute a covenant running with the land for all the parcels within the Project and shall be binding on Association, all property owners, administrators, executors, assigns, heirs, and all other successors in interest.
- Default and Remedies. In the event Association fails to make the payments required under Section 4 hereof, fails to obtain the insurance required under Section 10 hereof, or fails to take any other required action under this Agreement, the City may take whatever action at law or in equity or under this Agreement to which it is entitled, including but not limited to an action for damages or for specific performance or otherwise to enforce performance and observance of any obligation, condition or covenant of Association under this Agreement. Notwithstanding anything else in this Agreement, if Association fails to obtain the insurance required under Section 10 hereof, the City may obtain such insurance insuring the City, and if available, Association, and charge Association for same. As permitted under the Declaration, the City may recover such insurance costs and other costs associated with the remedies permitted hereby through the Regular Assessment as defined in the Declaration. In addition, the City shall be entitled to all of its costs associated with enforcing the terms of this Agreement, including, without limitation, attorneys' fees and costs, and court costs. Such costs may also be enforced through the Regular Assessments.
- 13. <u>Miscellaneous</u>. As used in this Agreement, all words in the masculine, feminine, or neuter gender, and the plural or singular number, shall each be construed to include the others whenever the context so requires. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties hereto. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Time is of the essence of this Agreement. No change in or addition to, or waiver or termination of this Agreement or

any part thereof, shall be valid unless in writing and signed on behalf of each of the Parties hereto. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or unenforceability shall not affect the validity of the remainder of this Agreement. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date set forth below.

THE CITY:		ASSOCIATION:	
CITY OF MORENO VA	ALLEY	AUBURN HOMEOWNER'S A a California nonprofit mutual be	,
By:		By: WW	
Name:		Name: IttiO1 MUSEOOM	
Title: City Manager		Title: BOARD WEMBER	
Effective Date:		By:	
		Name: Scott House	
		Title: Board member	
Approved As To Form:			
City Attorney	Date		
,			

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

On <u>February 13, 2023</u> before me, <u>Judith Mireles</u>, Notary Public, personally appeared <u>Heidi McBroom</u>, 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.

Judith Mireles, Notary Public

JUDITH MIRELES
Notary Public - California
Riverside County
Commission # 2417491
My Comm. Expires Sep 22, 2026

(SEAL)

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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State of California

County of Riverside

On <u>February 13, 2023</u> before me, <u>Judith Mireles</u>, Notary Public, personally appeared <u>Scott Hansen</u>, 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.

Judith Mireles, Notary Public

JUDITH MIRELES

Notary Public - California
Riverside County
Commission # 2417491
My Comm. Expires Sep 22, 2026

(SEAL)

# **EXHIBIT "A"**

# **Association Property**

LOT AA OF TRACT 32408 IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER THAT TRACT MAP RECORDED IN BOOK 485, PAGE(S) 20-28, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA.

# **EXHIBIT "B"**

# Maintenance of Association Property by the City

The purpose of the maintenance services program is to ensure the protection of water quality and stormwater control by the successful implementation of those landscape and irrigation improvements, located within Association Property identified in **Exhibits "A" and "D"**.

These maintenance guidelines are specifically tailored to establish and sustain material installed within Association Property.

For a minimum period of one (1) year ("Establishment Period"), following completion of the initial material installation including completion of the landscape and irrigation improvements by Association, Association will be responsible for the care and maintenance of all material and improvements. Association's involvement during this period is proven to increase the successful adaptation of the plant material.

Within fourteen (14) calendar days, following the Establishment Period and the submittal to the City of "As-Built" planting, irrigation and grading plans for all areas to maintained under this Agreement, the City will evaluate Association Property for health of plant material and determine whether the landscape and irrigation systems are fully operable. If judged satisfactory by the City, the Establishment Period will be considered concluded and the City will notify Association pursuant to **Section 7** of this Agreement. At that time, the long-term maintenance program will begin, and the City will assume the maintenance services identified herein. Should the City judge the health of plant material and/or the landscape and irrigation systems are not fully operable, the City will not assume maintenance services and will notify Association at the address set forth in **Section 7** of this Agreement (or such other address of which Association shall have previously notified the City in writing in accordance with **Section 7** hereof) of its decision.

Following the successful conclusion of the Establishment Period, the City personnel with experience and knowledge in landscaping and irrigation management will supervise all landscaping and irrigation maintenance personnel.

#### **Maintenance Services**

In accordance with the City's Plant and Irrigation Maintenance Specifications, and all applicable law or regulations, the City will perform the maintenance services on an as-needed basis within Association Property. The determination of when such services are needed will be in the City's sole discretion.

The City shall not perform or otherwise be responsible to implement any monitoring or mitigation compliance or certify to monitoring or mitigation compliance affecting Association Property pursuant to, (i) any conservation covenant or easement, and (ii) any permits issued by the United States Army Corps of Engineers or other similar governmental regulatory agencies.

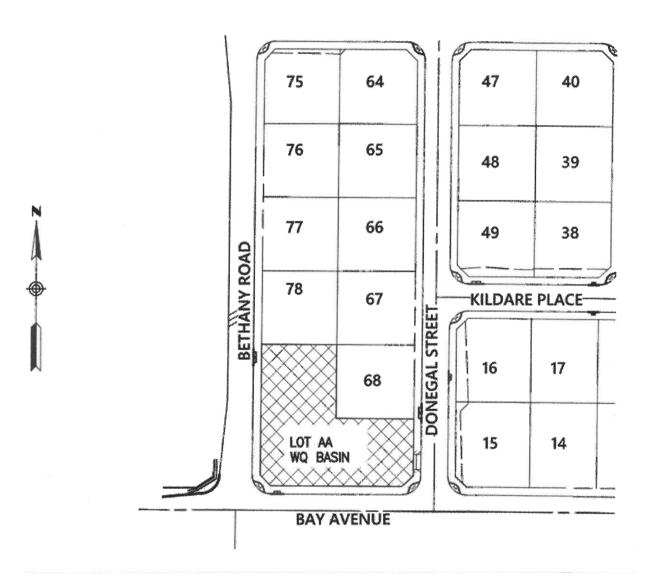
No other services by the City may be implied or inferred without amendment or modification to this Agreement.

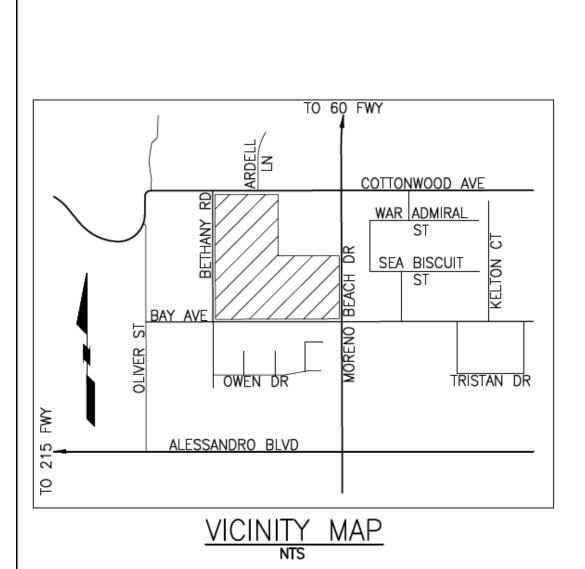
# **EXHIBIT "C"**

# Maintenance of Association Property by the Association

The Association's maintenance responsibilities shall include, but not necessarily be limited to, the free-standing walls, retaining walls and/or fences, storm drain lines, underlain pipes, parkway culverts, outlet /inlet/overflow structures, headwalls, rip-rap, slope stability, necessary re-grading of the bio-retention basin, and replacement of bio-retention soil as necessary. The location of the Association Property is identified in **Exhibits "A" and "D"**.

EXHIBIT "D"
City and Association Maintenance Responsibility





CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PEN19-0168 (TR 32408)



### **Report to City Council**

TO: Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: March 7, 2023

**TITLE:** LGL21-0017 – PUBLIC HEARING FOR ADOPTION OF THE

PROPOSED RESOLUTION FOR THE FULL VACATION FOR THAT PORTION OF GATO DEL SOL AVENUE AT VIRGINIA STREET. APPLICANT: SAN DIEGO GAS

& ELECTRIC

#### RECOMMENDED ACTION

#### **Recommendations:**

- 1. Conduct the Public Hearing and accept public testimony for the Full Vacation of Gato Del Sol Avenue at Virginia Street.
- Adopt Resolution No. 2023-XX. A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Full Vacation for that Portion of Gato Del Sol Avenue at Virginia Street.
- 3. Direct the City Clerk to certify said resolution and transmit a copy of the resolution to the County Recorder's office for recording.

## **SUMMARY**

This report recommends adoption of the proposed resolution for the full vacation for that portion of Gato Del Sol Avenue at Virginia Street. The applicant's properties are located at the intersection of Gato Del Sol Avenue and Virginia Street.

#### DISCUSSION

Land Development Division staff reviewed the property owner's request for the full vacation of existing right-of-way on Gato Del Sol Avenue at Virginia Street (Attachment 1). The right-of-way is specifically located along Assessor's Parcel Numbers 423-250-013, 423-260-006, 423-270-004, 423-270-007, 423-270-009 and 423-280-001. The

ID#6129 Page 1

vacation for eighty-eight (88) feet of right-of-way along Gato Del Sol Avenue at Virginia Street is in accordance with the Streets & Highway Code, Division 9, Part 3, Chapters 2 and 3. The street segment of the existing right-of-way along the San Diego Gas & Electric's property, to be vacated, is not used by the public or maintained by the City.

Pursuant to the provisions of Division 9, Part 3, Chapters 2 of the Streets and Highways Code of the State of California, a finding from the Planning Commission is required prior to formal review and action by the City Council on the requested street vacation. The Planning Commission reviewed the proposed full vacation of this portion of Gato Del Sol Avenue at its December 8, 2022 meeting and found that vacating this portion of Gato Del Sol Avenue was in conformance with the General Plan and Zoning Regulations. In addition, the City Council approved the Notice of Intent to Vacate (Resolution 2023-03) on February 7, 2023.

The City Council's approval to vacate this portion of Gato Del Sol Avenue would abandon all of the City's rights for public use except as requested by the Eastern Municipal Water District (EMWD), for existing facilities. An easement shall be reserved for EMWD to maintain, operate, replace, remove, or renew their facilities. No existing surrounding parcels will be landlocked. Vacation of the right-of-way along Gato Del Sol Avenue, as described and shown in the exhibits attached to the proposed resolution (Attachment 2), is in accordance with the Streets & Highway Code.

## **ALTERNATIVES**

- Approve and adopt the recommended actions as presented in this staff report. Staff recommends this alternative as this would allow the street vacation process to move forward.
- 2. Do not approve and do not adopt the recommended actions as presented in this staff report. Staff does not recommend this alternative as this would not allow the street vacation process to move forward.

## **FISCAL IMPACT**

No fiscal impact is anticipated.

#### **NOTIFICATION**

Publication of Agenda. Written notice has been given to the utility companies, in addition to property owners within 600 feet of the project boundaries. Of those who responded, all have stated that they have no facilities within the easement and have no objection to said vacation, with the exception of Eastern Municipal Water District. They have requested a public easement for existing facilities and an easement will be reserved for that utility agency. A notice was published in the newspaper on February 21 and 28, 2023. In addition, two public display notices were posted on the project site and notifications mailed to property owners within 600 feet of project site.

On December 8, 2022, City Planning Commission adopted Resolution No. 2022-58 approving the application. On February 7, 2023, City Council adopted Resolution No. 2023-03 Notice of Intent of Gato Del Sol Avenue vacation.

### PREPARATION OF STAFF REPORT

Prepared By: Hoang Nguyen, P.E. Associate Engineer II Department Head Approval: Melissa Walker, P.E. Public Works Director/City Engineer

Concurred By: Clement Jimenez, P.E. Principal Engineer

#### CITY COUNCIL GOALS

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

## **CITY COUNCIL STRATEGIC PRIORITIES**

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

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

### **ATTACHMENTS**

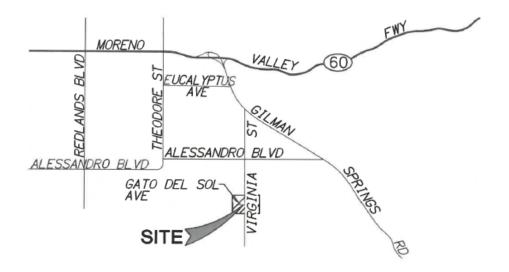
To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Vicinity Map LGL21-0017
- 2. Proposed Resolution 2023-XX LGL21-0017 Vacation

#### **APPROVALS**

Budget Officer Approval	✓ Approved	2/26/23 6:43 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:10 AM

# VICINITY MAP



CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

LGL21-0017 Gato Del Sol Ave Full Vacation

#### **RESOLUTION NO. 2023-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ORDERING THE FULL VACATION FOR THAT PORTION OF GATO DEL SOL AVENUE AT VIRGINIA STREET

WHEREAS, the City Council on the 7<sup>th</sup> day of February, 2023, adopted Resolution of Intention No. 2023-03 declaring its intent to among other things order the vacation of a portion of Gato Del Sol Avenue at Virginia Street along assessor parcel numbers 423-250-013, 423-260-006, 423-270-004, 423-270-007, 423-270-009 and 423-281-001, as shown on Parcel Map 17905 filed in Book 114, Pages 70 thru 83 of Maps in the Office of the County Recorder of Riverside County, California, as hereinafter described, and set March 7, 2023 at 6:00 P.M., as the time for all persons interested in the proposed vacation; and

WHEREAS, the City Council of the City of Moreno Valley, California, acquired right-of-way for public use purposes, along this portion of Gato Del Sol Avenue as shown in said parcel map; and

WHEREAS, this portion of Gato Del Sol Avenue right-of-way to be vacated is unnecessary for present and prospective public use and is not needed as a non-motorized transportation facility; and

WHEREAS, this public hearing was duly noticed and held as required by law; and

WHEREAS, the public right-of-way to be vacated was duly posted as provided by law;

and

1

WHEREAS, the proposed vacation is consistent with the City of Moreno Valley Municipal Code and General Plan and complies with the requirements for street vacations as cited in the California Streets and Highways Code.

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

### Section 1

That pursuant to the provisions of Division 9, Part 3, Chapter 3 of the Streets and Highways Code of the State of California, designated the "Public Streets, Highways and Service Easements Vacation Law," the following described portion of right-of-way is fully vacated and abandoned:

That said portion of Gato Del Sol Avenue as described in the legal description and illustrated on the plat, attached hereto and made a part hereof, marked as Exhibits "A" and "B", respectively.

Excepting and reserving, from the vacation any easement and fee right-of-way for existing public utilities and public service facilities, together with the right to maintain, operate, replace, remove or renew such facilities, pursuant to Section 8340 of the Streets and Highway Code, as requested by the Eastern Municipal Water District (EMWD).

#### Section 2

That pursuant to the provisions of Sections 831 of Title 3 and 1112 of Title 4, Part 2, Division 2 of the California Civil Code of the State of California, title to the above-described portion of land revert to the owners of the underlying fee thereof, free from use as an easement for public road purposes.

2

## Section 3

That the City Clerk of the City of Moreno Valley, California, shall cause a certified copy of this Resolution to be recorded in the office of the Recorder for the County of Riverside, California.

APPROVED AND ADOPTED this 7th day of March, 2023.

ATTEST:	Mayor of the City of Moreno Valley
City Clerk	
APPROVED AS TO FORM:	
 City Attorney	

## **RESOLUTION JURAT**

STATE OF CALIFORNIA	)
COUNTY OF RIVERSIDE	) ss.
CITY OF MORENO VALLEY)	
certify that Resolution No. 202	erk of the City of Moreno Valley, California, do hereby 23-XX was duly and regularly adopted by the City alley at a regular meeting thereof held on the 7 <sup>th</sup> day of e:
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
(Council Members, Mayor P	ro Tem and Mayor)
CITY CLERK	
(SEAL)	
(	

4

#### EXHIBIT "A" – LEGAL DESCRIPTION

#### PARCEL A:

A PORTION OF PARCEL 12 OF PARCEL MAP NO. 17905, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 114, PAGES 70 THROUGH 83 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, ALSO SHOWN AS THAT PORTION OF GATO DEL SOL AVENUE DEDICATED TO THE CITY OF MORENO VALLEY ON SAID MAP MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID PARCEL 12, SAID POINT ALSO BEING AT THE CENTERLINE OF INTERSECTION OF GATO DEL SOL AVENUE AND VIRGINIA STREET; THENCE SOUTH 89°59'39" WEST 44.00 FEET ALONG THE SOUTHERLY LINE OF SAID PARCEL 12 TO THE TRUE-POINT-OF BEGINNING; THENCE CONTINUING ALONG SAID SOUTHERLY LINE SOUTH 89°59'39" WEST 655.86 FEET TO AN ANGLE POINT ON SAID SOUTHERLY LINE; THENCE SOUTH 89°55'12" WEST 652.63 FEET ALONG SAID SOUTHERLY LINE TO THE SOUTHWEST CORNER OF SAID PARCEL 12; THENCE NORTH 00°18'18" EAST 44.00 FEET ALONG THE WESTERLY LINE OF SAID PARCEL 12 TO A POINT ON THE NORTHERLY RIGHT-OF-WAY OF SAID GATO DEL SOL AVENUE; THENCE NORTH 89°55'12" EAST 652.36 FEET (652.39 FEET PER SAID PARCEL MAP) ALONG SAID NORTHERLY RIGHT-OF-WAY TO AN ANGLE POINT IN SAID NORTHERLY LINE; THENCE NORTH 89°59'39" EAST 633.26 FEET (633.24 FEET PER SAID PARCEL MAP) ALONG SAID NORTHERLY RIGHT-OF-WAY TO AN ANGLE POINT IN SAID NORTHERLY LINE; THENCE NORTH 45°09'14" EAST 32.44 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF VIRGINIA STREET AS DEDICATED ON SAID PARCEL MAP; THENCE SOUTH 00°18'49" WEST 66.88 FEET ALONG THE SOUTHERLY PROJECTION OF SAID WESTERLY RIGHT-OF-WAY OF VIRGINIA STREET TO THE TRUE-POINT-OF-BEGINNING.

CONTAINS 1.33 ACRES, MORE OR LESS.

#### PARCEL B:

A PORTION OF PARCEL 13 OF PARCEL MAP NO. 17905, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 114, PAGES 70 THROUGH 83 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, ALSO SHOWN AS THAT PORTION OF GATO DEL SOL AVENUE DEDICATED TO THE CITY OF MORENO VALLEY ON SAID MAP MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID PARCEL 13, SAID POINT ALSO BEING AT THE CENTERLINE OF INTERSECTION OF GATO DEL SOL AVENUE AND VIRGINIA STREET; THENCE NORTH 89°57'30" EAST 44.19 FEET ALONG THE SOUTHERLY LINE OF SAID PARCEL 13 TO THE TRUE-POINT-OF BEGINNING; THENCE CONTINUING ALONG SAID SOUTHERLY LINE NORTH 89°57'30" EAST 1276.29 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 13; THENCE NORTH 00°18'18" EAST 44.00 FEET ALONG THE EASTERLY LINE OF SAID PARCEL 13 TO A POINT ON THE NORTHERLY RIGHT-OF-WAY OF SAID GATO DEL SOL AVENUE; THENCE SOUTH 89°57'30" WEST 1253.33 FEET ALONG SAID NORTHERLY RIGHT-OF-WAY TO AN ANGLE POINT IN SAID NORTHERLY LINE; THENCE NORTH 44°51'50" WEST (NORTH 44°51'51" WEST PER SAID PARCEL MAP) 32.63 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY OF VIRGINIA STREET AS DEDICATED ON SAID PARCEL MAP; THENCE SOUTH 00°09'01" WEST 67.15 FEET TO THE TRUE-POINT-OF-BEGINNING.

CONTAINS 1.30 ACRES, MORE OR LESS.

5

#### EXHIBIT "A" – LEGAL DESCRIPTION

#### PARCEL C:

A PORTION OF PARCEL 20 OF PARCEL MAP NO. 17905, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 114, PAGES 70 THROUGH 83 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, ALSO SHOWN AS THAT PORTION OF GATO DEL SOL AVENUE DEDICATED TO THE CITY OF MORENO VALLEY ON SAID MAP MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID PARCEL 20, SAID POINT ALSO BEING AT THE CENTERLINE OF INTERSECTION OF GATO DEL SOL AVENUE AND VIRGINIA STREET; THENCE NORTH 89°57'30" EAST 44.19 FEET ALONG THE NORTHERLY LINE OF SAID PARCEL 20 TO THE TRUE-POINT-OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHERLY LINE NORTH 89°57'30" EAST 1276.29 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 20; THENCE SOUTH 00°18'18" WEST 44.00 FEET ALONG THE EASTERLY LINE OF SAID PARCEL 20 TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF SAID GATO DEL SOL AVENUE; THENCE SOUTH 89°57'30" WEST 1253.24 FEET (1253.25 FEET PER SAID PARCEL MAP) ALONG SAID SOUTHERLY RIGHT-OF-WAY TO AN ANGLE POINT IN SAID SOUTHERLY LINE; THENCE SOUTH 44°58'20" WEST 32.52 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY OF VIRGINIA STREET AS DEDICATED ON SAID PARCEL MAP; THENCE NORTH 00°09'01" EAST 66.99 FEET TO THE TRUE-POINT-OF-BEGINNING.

CONTAINS 1.29 ACRES, MORE OR LESS.

#### PARCEL D:

A PORTION PARCEL 19 OF PARCEL MAP NO. 17905, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 114, PAGES 70 THROUGH 83 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, ALSO SHOWN AS THAT PORTION OF GATO DEL SOL AVENUE DEDICATED TO THE CITY OF MORENO VALLEY ON SAID MAP MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL 19, SAID POINT ALSO BEING AT THE CENTERLINE OF INTERSECTION OF GATO DEL SOL AVENUE AND VIRGINIA STREET; THENCE SOUTH 89°59'39" WEST 44.00 FEET ALONG NORTHERLY LINE OF SAID PARCEL 19 TO THE TRUE-POINT-OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHERLY LINE SOUTH 89°59'39" WEST 655.86 FEET TO AN ANGLE POINT ON SAID NORTHERLY LINE; THENCE SOUTH 89°55'12" WEST 652.63 FEET ALONG SAID NORTHERLY LINE TO AN ANGLE POINT ON SAID NORTHERLY LINE: THENCE SOUTH 89°57'30" WEST 249.31 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 19: THENCE SOUTH 00°18'18" WEST 44.00 FEET ALONG THE WESTERLY LINE OF SAID PARCEL 19 TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF SAID GATO DEL SOL AVENUE; THENCE NORTH 89°57'30" EAST 249.58 FEET (249.59 FEET PER SAID PARCEL MAP) ALONG SAID SOUTHERLY RIGHT-OF-WAY TO AN ANGLE POINT IN SAID SOUTHERLY LINE; THENCE NORTH 89°55'12" EAST 652.61 FEET (652.59 FEET PER SAID PARCEL MAP) ALONG SAID SOUTHERLY RIGHT-OF-WAY TO AN ANGLE POINT IN SAID SOUTHERLY LINE: THENCE NORTH 89°59'39" EAST 655.61 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF GATO DEL SOL AVENUE AS DEDICATED ON SAID PARCEL MAP; THENCE NORTH 00°18'49" EAST 44.00 FEET ALONG THE SOUTHERLY PROJECTION OF THE WESTERLY RIGHT-OF-WAY OF VIRGINIA STREET TO THE TRUE-POINT-OF-BEGINNING

6

#### EXHIBIT "A" - LEGAL DESCRIPTION

CONTAINS 1157 ACRES, MORE OR LESS PREPARED BY:

WILLIAM A. SNIPES P.L.S. NO. 8034



7

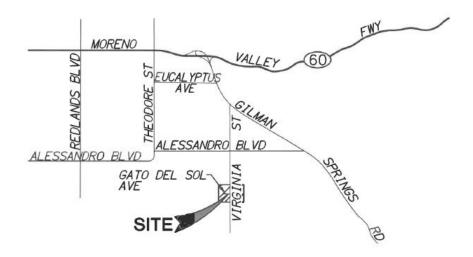
## EXHIBIT 'B' - PLAT

## **LEGEND**

P.O.B.

EXISTING PROPERTY LINE OR R/W
CENTERLINE
EXISTING EASEMENT LINE
POINT OF BEGINNING
PER PARCEL MAP 17905
AREA TO BE VACATED (CONTAINS ±5.49 ACRES)

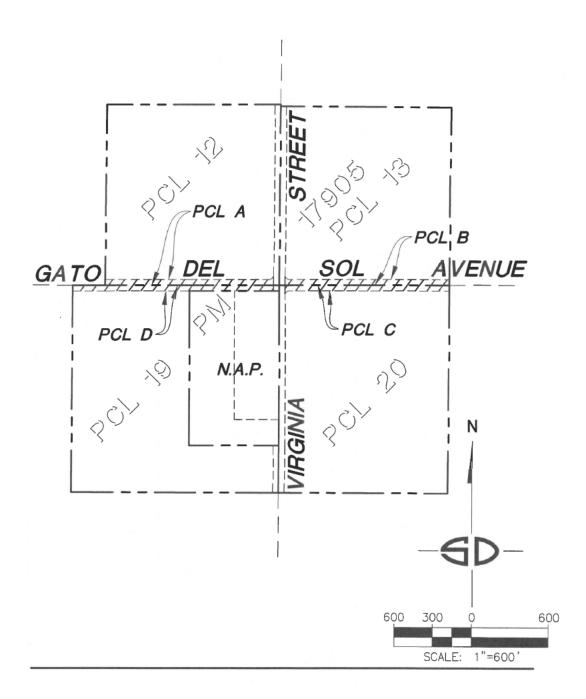
## VICINITY MAP



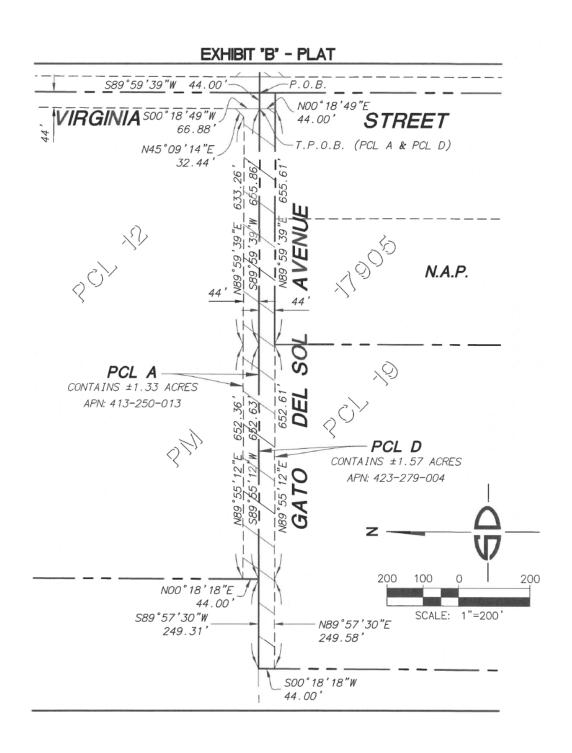


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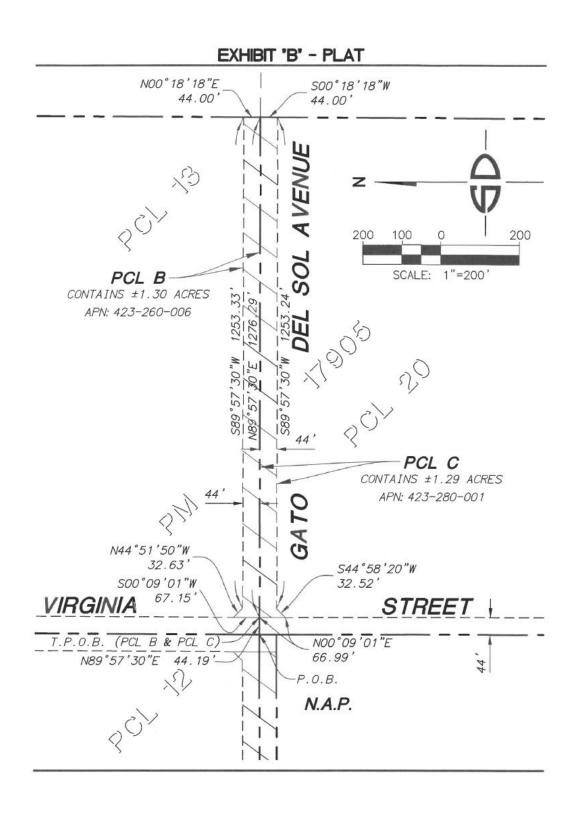
## EXHIBIT 'B' - PLAT



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11



## **Report to City Council**

TO: Mayor and City Council

**FROM:** Jane Halstead, CMC, City Clerk

AGENDA DATE: March 7, 2023

TITLE: STUDENT OF THE MONTH PROGRAM SPONSORSHIP

## RECOMMENDED ACTION

That the City Council approve a \$1,000.00 sponsorship of the program conducted by Moreno Valley/Val Verde Student of the Month.

### SUMMARY/DISCUSSION

Mayor Cabrera has requested this proposed \$1,000 sponsorship of the Student of the Month program be presented to the City Council for its consideration. The City is not currently sponsoring the Student of the Month program.

The Student of the Month program is organized and conducted by Moreno Valley/Val Verde Student of the Month. The purpose of this monthly event(s) is to bring the community together to honor and praise local high school seniors for demonstrating character, integrity, love of learning, involvement in school activities, athletics, and community service. The event(s) also recognize students who have overcome challenging life circumstances without compromising their education. The "heartbeat" of Student of the Month is the student who makes a difference in their home, school and community with sincerity and passion, and who are college or trade school bound.

A number of senior students are recognized as "Student of the Month" during the school year at monthly breakfasts. At the event, students and their families are honored and recognized by their principal and nominating teacher while sponsors enjoy listening to the heartfelt stories told by the students and their parents. Representatives from the Chamber of Commerce, City Council, State Legislature, and County often address the students and present the students with a certificate of recognition. All sponsors are also recognized at the breakfasts.

Policy 2.13 City Sponsorship outlines the criteria that must be met by any person or

ID#6147 Page 1

entity requesting City sponsorship, which includes submitting a Sponsorship application to the City Manager, who may defer the request to the City Council. In light of the fact that time is of the essence with this request, the application process has been waived, but it is expected that a representative of the Student of the Month event will be present at the City Council meeting to provide relevant background about the event.

The maximum sponsorship for any qualified organization and event shall not exceed \$2,500 per fiscal year. Mayor Cabrera is requesting \$1,000 for the sponsorship, which will designate the City of Moreno Valley as a "Masters Sponsor" of the Student of the Month event.

The tiered sponsorship structure for the Student of the Month is as follows:

SUMMA	CUM	LAUDE	\$5,000
SPONSOF	₹		
DOCTOR	ATE SPC	NSOR	\$2,500
MASTERS SPONSOR		\$1,000	
BACHELORS SPONSOR		\$750	
ASSOCIA	TES SPO	NSOR	\$500

### **ALTERNATIVES**

- 1. Approve as recommended. Staff recommends this alternative.
- 2. Do not approve as recommended but provide an alternative direction to staff. Staff does not recommend this alternative.

#### FISCAL IMPACT

This sponsorship is not currently budgeted, but there will be enough budget savings in the elections budget to move budget to cover this sponsorship request.

#### **NOTIFICATION**

Publication of the Agenda.

### PREPARATION OF STAFF REPORT

Prepared By: Department Head Approval:
Name Jane Halstead Name Jane Halstead

itle Manager of the Office of Mayor and City Council/City Clerk Title Manager of the Office of Mayor and City Council/City

Title Manager of the Office of Mayor and City Council, Clerk

#### CITY COUNCIL GOALS

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

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

## **CITY COUNCIL STRATEGIC PRIORITIES**

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

## **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

1. CITY SPONSORSHIP

## **APPROVALS**

Budget Officer Approval	✓ Approved	2/28/23 5:29 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/28/23 5:31 PM

General Management Policy 2.13 Page 1 of 4

#### CITY SPONSORSHIP

#### **PURPOSE**:

City sponsorship is provided for the purpose of aiding eligible organizations in providing worthwhile community events by paying a portion of the costs and receiving positive publicity for the City. The purpose of this policy is to set forth criteria to be met by the applicant prior to consideration of the request for sponsorship, as well as policies and procedures to be followed by the City in acting on the request for sponsorship.

#### POLICY:

#### I. Sponsorship

The City of Moreno Valley receives numerous requests to sponsor or co-sponsor events, activities, individuals or groups. The City has limited resources available for these sponsorship opportunities. For that reason, it is the City's policy to only sponsor or co-sponsor cultural or recreational events provided to the community by non-profit organizations existing pursuant to Internal Revenue Code Section 501(c)(3) or (4) that are located within the City. Sponsorship is a discretionary act of the City that confers no legal rights in the sponsorship proceeds or assistance prior to actual delivery by the City. No organization shall receive any City sponsorship proceeds or assistance unless and until it meets all of the criteria and satisfies all of the conditions contained within this policy and said sponsorship requester has submitted a completed application packet to the satisfaction of the City Manager. Upon approval of the Sponsorship Application packet, the sponsorship request will be forwarded to the City Council for review and consideration.

#### II. Organization Eligibility

Criteria for organization eligibility for City sponsorship is as follows:

- A. Applicant must be organized and existing pursuant to Internal Revenue Code Section 501(c)(3) or (4).
- B. Applicant must have as its primary purpose charity, youth development, cultural enrichment, or civic improvement.
- C. Applicant must be located within the City and providing services or benefits to the community.
- D. Applicant must complete and comply with the application process.
- E. Applicant must demonstrate a need for City sponsorship.
- F. Past events by the applicant must have complied with City requirements and have been free of significant problems.
- G. Applicant must have a valid City Business License.

#### III. Event Eligibility

Criteria for event eligibility are as follows:

- A. Fundraising shall not be the primary purpose of the event.
- B. Cultural or recreational events only.
- C. Past similar events by the applicant must have complied with City requirements and have been free of

Approved by: City Council

General Management Policy 2.13 Page 2 of 4

#### CITY SPONSORSHIP

significant problems.

- D. Open to the general public without qualification and must be widely publicized.
- E. Located within the City including the City sphere of influence March Air Reserve Base, March Joint Powers Authority property, and Box Springs Park.

#### **IV.** Sponsorship Limitations

Sponsorship proceeds or assistance shall not result in any money being actually given to or paid in behalf of the event organizer. Sponsored events will only receive a "line of credit" with the City that will allow the group to receive credits of City costs up to the designated amount of the sponsorship for the event. Eligible City costs that can be offset by the sponsorship proceeds or assistance up to the maximum amount of the sponsorship are limited to the following:

- A. Mobile stage rental. (A monetary deposit by the applicant will be required.)
- B. Facility rental. (A monetary deposit by the applicant will be required.)
- C. Light or electric pole use in City parks.
- D. City Permits.
- E. Public Safety Services.
- F. City Staff.

#### V. Sponsorship Amounts

The amount of sponsorship proceeds or assistance shall be determined as follows:

- A. Depending on availability of resources, the City will budget \$5,000 per fiscal year to be used for sponsorship opportunities.
- B. The maximum sponsorship for any qualified organization and event shall not exceed \$2,500 per fiscal year.
- C. The maximum amount of sponsorship shall be directly proportional to the total attendance of the public at the sponsored event as follows:
  - 1. 250 500 in attendance = \$500 per event.
  - 2. 501 750 in attendance = \$750 per event.
  - 3. 751 1,000 in attendance = \$1,000 per event.
  - 4. Over 1,001 in attendance = \$2,500 per event.

In no case shall the sponsorship amount exceed fifty percent (50%) of the funds raised for the event.

Approved by: City Council

9/24/02

Revised: 11/25/08

General Management Policy 2.13 Page 3 of 4

#### CITY SPONSORSHIP

D. Sponsorship amounts or assistance shall not be utilized to cover the cost of insurance.

#### VI. Application Process

- A. Submit a completed City application (Attachment A) for sponsorship at least 90 calendar days prior to the event date. Failure to comply with this requirement shall be automatic grounds for denying sponsorship. The application shall include a detailed description or listing of the estimated funds, inkind donations and/or other assistance the organization will receive to support the organization and/or event.
- B. A completed application means completion of the City application for sponsorship, attachment of all required additional documentation, payment of all fees, if applicable, and submission of whatever other information and/or documentation that may be requested by the City to make an informed decision.
- C. Incomplete applications shall not be eligible for City sponsorship.
- D. Applicants shall receive a copy of this policy at the time an application is made to the City.

#### VII. Approval

- A. A determination shall be made by the City Manager or his/her designee, within 30 calendar days after submission of an application for sponsorship as to its completeness.
- B. The City Manager shall refer the request for sponsorship to the City Council for determination. Determinations on requests for sponsorship shall be made within 30 calendar days after submission of a completed application.
- C. All decisions of the City Council regarding sponsorship shall be final.

#### VIII. Other Requirements

- A. Applicant must agree in writing to defend and indemnify the City, the Moreno Valley Community Services District, the Community Redevelopment Agency of the City of Moreno Valley and their officers, employees and agents from and against any and all liability and claims of liability arising out of or otherwise arising from the event.
- B. Applicant shall submit to the City at least 10 calendar days prior to the event an event implementation plan, if requested by the City. The event implementation plan shall address in detail all issues requested by the City.
- C. Applicant shall agree to list the City of Moreno Valley as an official sponsor of the event in all promotion of the event. Failure to do so shall result in termination of the sponsorship and repayment to the City the monetary value of all sponsorship proceeds or assistance delivered to the applicant or for the event.
- D. Applicant shall coordinate and work directly with the City Manager or his/her designee for use of the City name and City logo.

Approved by: City Council

General Management Policy 2.13 Page 4 of 4

#### CITY SPONSORSHIP

- E. Applicant must have adequate public liability and other necessary insurance for the event as required by and in accordance with City insurance requirements or as otherwise determined necessary by the City Risk Manager.
- F. All insurance must be issued by a company authorized and licensed to do business within the State of California and has a Best's Insurance Rating of A-, VII, or better to be acceptable to the City.
- G. City, the Moreno Valley Community Services District, the Moreno Valley Community Redevelopment Agency, and their officers, employees, and agents must be named as additional insured on all policies of insurance.
- H. Applicant must provide City with insurance certificates and valid additional insured endorsements or other appropriate insurance binder 15 calendar days prior to the date of the sponsored event.
- I. Applicant shall provide the City with a detailed accounting of all expenses and funds, in-kind donations, and/or other assistance collected for the organization and/or event within 90 days following the event. Failure to provide the required information would deem the organization and/or event ineligible for City sponsorship in the future.

#### IX. Sponsorship Not Subject To This Policy

This policy shall not apply to events or organizations that are specifically budgeted for in the City's Annual Budget.

Approved by: City Council



## **Report to City Council**

TO: Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

AGENDA DATE: March 7, 2023

TITLE: COMMERCIAL VEHICLE PARKING

### **RECOMMENDED ACTION**

#### **Recommendation:**

1. Receive and File, provide any direction to staff regarding study of additional locations.

#### **SUMMARY**

Mayor Cabrera requested that staff prepare a summary of the existing commercial vehicle parking program.

#### **DISCUSSION**

"Commercial vehicle" means a vehicle of a type required to be registered under California Vehicle Code used or maintained for the transportation of persons for hire, compensation or profit or designed, used or maintained primarily for the transportation of property having a manufacturer's gross vehicle weight rating of ten thousand (10,000) pounds or more.

Municipal Code 12.38 (Parking Restriction on Commercial and Other Vehicles) provides the guidance and regulation that establishes where commercial vehicles can park in the City legally. (Please see Attachment – Commercial Vehicle Truck Parking Map) This ordinance has ten (10) subsections that defines where commercial vehicle parking is allowed. The ordinance reads as follows, "that it is unlawful to park a commercial vehicle in any of the following locations:"

- 1. On any highway, street, road, alley or private property within any residential district.
- 2. On any vacant lot or unimproved non-residential property.
- 3. On any non-residential property within one hundred (100) feet of any human dwelling.

ID#6136 Page 1

- 4. Within one hundred fifty (150) feet of any driveway opening.
- 5. Within any commercially zoned property for any purpose other than doing business at the site.
- 6. Within fifteen (15) feet of the property line, a public sidewalk, or of a public or private roadway edge on any non-residential property.
- 7. On any alley within the city.
- 8. On any highway, street or road which is adjacent to a public facility.
- 9. Any unattached semi-trailer on a public highway, street, road or alley within the city.
- 10. On any highway, street, road or alley for the purpose of servicing or repairing such vehicle.

Currently, the City has a total of seven (7) designated locations as commercial vehicle parking zones with five (5) of these locations only allowing parking between the hours of 6pm to 6am due to its close proximity to local businesses. The time restriction is in place for the benefit of the local businesses as they could be impacted when customers compete against the commercial vehicles for available on-street parking, therefore, significantly reducing the number of parking available for the businesses' patrons during normal business hours. The remaining two locations have no time restrictions or other prohibitions and are located in the industrial area of the City away from small and local businesses reducing any impacts.

As businesses continue to grow in the City, the need to provide additional commercial vehicle parking must be considered to keep up with potential commercial vehicle parking demand. Currently, the existing commercial vehicle parking areas that have been approved are located on the westside of the City on collector streets between Elsworth Street and Frederick Street south of Alessandro Boulevard. (See Attachment for further details.) As stated above, only two of the seven locations are considered fulltime parking and do not have any restrictions. No other areas in the City have been designated for commercial vehicle parking.

If the City were to create additional areas suitable for commercial vehicle parking, then it must establish that it does not violate any section of Municipal Code 12.38 - Parking Restrictions on Commercial and Other Vehicles. In addition to the municipal code, any proposed area must comply with current City standards, Caltrans standards, and engineering criteria. Once an area has met all of the aforementioned criteria, the Commercial Vehicle Parking Map can be amended to include this new area available for commercial vehicle parking. Furthermore, consideration is needed for access to truck routes as established by Municipal Code Section 12.36.

It should be noted that in 2002, there were fourteen (14) available commercial vehicle parking locations throughout the City available for truck drivers to park. However, through the years, due to violations of the municipal code and engineering standards, safety constraints, and complaints the City received from citizens and commercial entities, seven (7) of the locations were removed as available commercial vehicle parking.

Locations that have been removed include Cardinal Avenue, Revere Place, Concord Way, Heacock Street between Iris Avenue and Revere Place, and a portion of Heacock Street (Northbound) south of John F. Kennedy Drive.

If City Council direction is to review any potential new locations, then City staff will prepare a Request for Proposals to obtain a consultant to prepare a study reviewing all the previously presented criteria for commercial vehicle parking. It is estimated that the process to hire a consultant and complete the study will take nine months and could be up to \$100,000 in cost.

## FISCAL IMPACT

No fiscal impact at this time.

### **NOTIFICATION**

The item has been posted as part of the normal agenda posting process.

### PREPARATION OF STAFF REPORT

Prepared by: Edward I. Init Assistant Engineer Department Head Approval: Melissa Walker Public Works Director/City Engineer

Concurred by: Wei Sun City Traffic Engineer

#### **CITY COUNCIL GOALS**

<u>Public Safety</u>. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

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

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

#### CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library

- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

## **ATTACHMENTS**

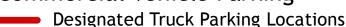
To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

1. CommercialVehicleParking

## **APPROVALS**

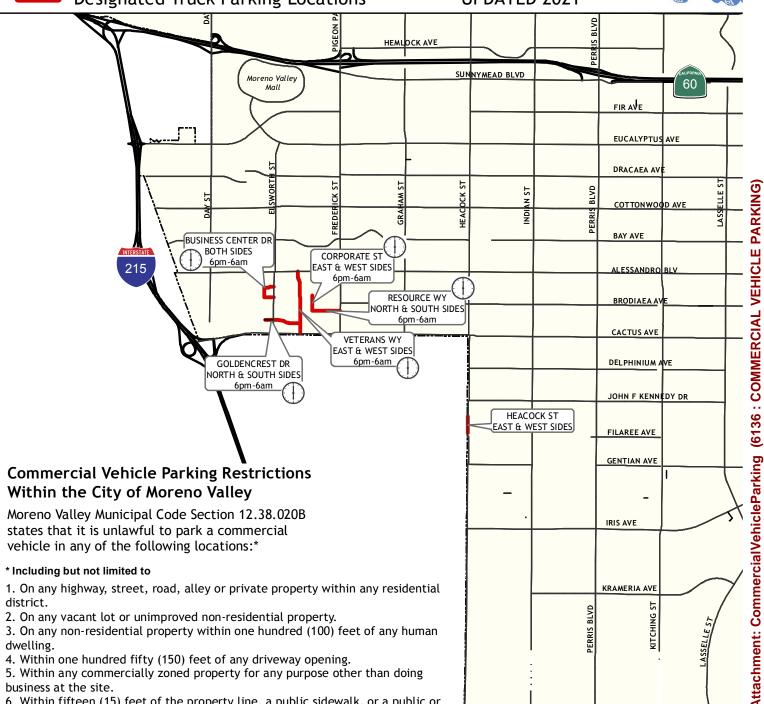
Budget Officer Approval	✓ Approved	2/26/23 6:49 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/27/23 9:10 AM

# Commercial Vehicle Parking



## **UPDATED 2021**





- business at the site.
- 6. Within fifteen (15) feet of the property line, a public sidewalk, or a public or private roadway edge on any non-residential property.
- 7. On any alley within the city.
- 8. On any highway, street or road which is adjacent to a public facility.
- 9. Any unattached semi-trailer on a public highway, street, road or alley within the city.
- 10. On any highway, street, road or alley for the purpose of servicing or repairing such vehicle.

Moreno Valley Municipal Code Section 12.38.040A prohibits parking of any vehicle upon any highway, street, road or alley for a consecutive period of longer than seventy-two (72) hours



Remember to park between the signs and to check for time restrictions (6 p.m. to 6 a.m.)

City of Moreno Valley Code Compliance Division 14177 Frederick Street Moreno Valley, CA 92552

GLOBE ST

NORTH & SOUTH SIDES

OLEANDER AVE

Ph: 951.413.3340 Fax: 951.413.3345

NANDINA AVE

www.moreno-valley.ca.us





### **Report to City Council**

TO: Mayor and City Council

**FROM:** Brian Mohan, Assistant City Manager

AGENDA DATE: March 7, 2023

TITLE: MOMENTUM MOVAL - CURRENT STRATEGIC PLAN FOR

THE CITY OF MORENO VALLEY

#### RECOMMENDED ACTION

#### **Recommendations:**

- 1. Review the currently adopted *Momentum MoVal Strategic Plan* for the City of Moreno Valley (attached), and
- 2. Direct and authorize the City Manager & Assistant City Manager/CFO/Treasurer to continue using the six (6) Strategic Plan Priorities in the *Momentum MoVal Strategic* Plan for the City of Moreno Valley as the priorities to manage the City, including, but not limited to, Budget, CIP, Programs, Services, etc.

#### **SUMMARY**

This item is before Council at the request of the Mayor. This report discusses the current Council adopted Strategic Plan for the City, which is more commonly known as *Momentum MoVal*, and recommends approval of the continued use of the six (6) Strategic Plan Priorities (below) in the Strategic Plan as the priorities that govern the management of the City, including, but not limited to, Budget, CIP, Programs, Services, etc.

#### DISCUSSION

On August 16, 2016, Council approved the attached Strategic Plan, which is more commonly known as *Momentum MoVal*. This Strategic Plan aligned the City's resources and creative energy toward meeting objectives identified by community stakeholders and approved by City Council. A cornerstone to the Strategic Plan process was the active participation by residents and community stakeholders.

ID#6154 Page 1

Momentum MoVal is built around six (6) Strategic Plan Priorities, which are:

### **Economic Development**

Meet the current and emerging needs of Moreno Valley by expanding the local economy through:

- new business opportunities;
- job creation;
- strategic partnerships; and
- workforce development.

Provide proactive business attraction, small business development, and business support services that grow the City's economic base to enhance the quality of life for Moreno Valley residents.

### **Public Safety**

Provide effective public safety services to enhance the Quality of Life for Moreno Valley families and to attract businesses to our community. Public safety priorities focus on:

- reducing crime through traditional & innovative policing methods;
- preparing our community for emergencies;
- protecting life and property; and
- exploring cost effective solutions.

### Library

Deliver library services that empower our residents through open access to knowledge, employing both traditional and contemporary methods at a level that is appropriate for a diverse community of over 200,000 citizens.

#### Infrastructure

Manage and maximize Moreno Valley's public infrastructure to ensure an excellent quality of life, develop and implement innovative, cost-effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery.

#### Beautification, Community Engagement, & Quality of Life

Promote an active and engaged community where we work together to beautify our shared environment, care for each other, and enjoy access to cultural and recreational amenities that support a high quality of life for all of our residents as envisioned and articulated throughout the City's adopted General Plan.

#### **Youth Programs**

Improve the lives and futures of our City's youth by expanding healthy lifestyle choices

and learning opportunities. Build systems that continually and effectively assess the conditions affecting families in Moreno Valley, and develop context appropriate strategies responsive to those needs that build on community strengths.

These six (6) Strategic Plan Priorities have been used as the basis of City management decisions, inclusive of the Council approved biennial Budget, Capital Improvement Plan, and General Plan. Staff recommends these six (6) Strategic Plan Priorities continue to be used and no changes to the Strategic Plan occur at this time.

### **ALTERNATIVES**

- 1. Approve recommendation number two (2). Staff recommends this alternative.
- 2. Do not approve recommendation number two (2). Staff does not recommend this alternative as it would cost the City \$75K to \$100K in preparing a new strategic plan, which would take six (6) months to one (1) year.

#### **FISCAL IMPACT**

There is no fiscal impact associated with the approval of the recommendation as stated in recommendation number two (2).

If Council directs staff to conduct a new strategic plan the plan would cost \$75K - \$100K for a consultant, each department will spend hundreds of hours that aren't budgeted and take more than a year to complete.

If Council directs staff to revise the current strategic plan the plan would cost \$50K - \$60K for a consultant, each department will spend hundreds of hours that aren't budgeted and take more than six (6) months to complete.

#### NOTIFICATION

Publication of the Agenda.

#### PREPARATION OF STAFF REPORT

Prepared By: Name Brian Mohan

Title Assistant City Manager/CFO/Treasurer

Department Head Approval: Name Brian Mohan

Title Assistant City Manager/CFO/Treasurer

#### CITY COUNCIL GOALS

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

<u>Revenue Diversification and Preservation</u>. 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.

<u>Public Safety</u>. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

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

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

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

#### <u>CITY COUNCIL STRATEGIC PRIORITIES</u>

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

#### <u>ATTACHMENTS</u>

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

- 1. Momentum MoVal 08.2016
- 2. Momentum MoVal Presentation 03.07.23

#### **APPROVALS**

Budget Officer Approval	✓ Approved	2/28/23 3:40 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/28/23 3:44 PM



Adopted on August 16, 2016

Packet Pg. 540

#### STRATEGIC PLANNING - INTRODUCTION

Momentum MoVal outlines the City Council's strategic vision for Moreno Valley's evolution as a premier community where residents and businesses will continue to thrive. This Strategic Plan will align the City's resources and creative energy toward meeting objectives identified by community stakeholders and approved by its elected leaders. As a dynamic and forward leaning endeavor, Momentum MoVal identifies the City's top priorities for the next five years while allowing the Council to adjust priorities as needed to address emerging issues. It's a living document with a laser focus on achieving the aspirations of our diverse community.

A cornerstone to the Strategic Plan process has been active participation by residents and community stakeholders. Their valuable input has been incorporated throughout this document and is showcased in Appendix A.

Momentum MoVal is built around six top priorities toward which our collective efforts will be focused. The Plan features detailed objectives and specific initiatives to achieve the Council's priorities. These components will serve as the primary Work Plan for efforts by all City employees to fulfill the direction given by the Council. Customer Care standards (Appendix B), which have been incorporated into all aspects of daily service delivery to residents and businesses, will continue to guide staff's approach and manner in fulfilling the Council's strategic vision.

This Plan is visionary, while remaining mindful that our community expects its City government to function at peak efficiency. In developing priorities, objectives and initiatives, the City's financial capabilities have been fully considered. Priorities outlined herein can be aligned and achieved within existing staff levels and resources, unless otherwise noted. Staff's recommendations for annual operating and capital improvements budgets will reflect the City Council's policy direction as outlined in this strategic document.

Momentum MoVal is an ambitious plan, as the City Council has a bold vision for Moreno Valley's future. Success in achieving these objectives won't be easy, and it shouldn't be. There is much to be done and community expectations are high. Because strategic vision and accountability go hand in hand, progress in accomplishing the initiatives will be reported regularly and publicly.

Momentum MoVal will take Moreno Valley to new heights...Where Dreams Soar.

#### **Consultant's Comments**

Momentum MoVal represents the results of active engagement by Moreno Valley residents and the City Council in charting the community's course into the future. This process was unique in the extensive degree to which resident input was sought by the Council and provided by community stakeholders. The community's buy-in to the Momentum MoVal program will ensure that it continues to reflect changing local needs.

The Council hosted 2 community meetings to receive input from residents. An online survey garnered over 350 responses as stakeholders embraced the opportunity to share their community priorities. The Council's day-long Planning Session, held as a public meeting, was a critical juncture in this process. In this discussion, the Council reached consensus on several key principles to guide development of the Strategic Plan as well as its implementation in the years ahead. These principles included:

- Maintain a unified front. Successful Councils work together, moving in the same strategic direction. Providing clear, unified direction will lead to results at the staff level. Celebrate success in terms of "We" rather than "I".
- Focus on Policy. As effective policy makers, the Council will focus on issues from the policy level (referred to as a "30,000 ft. level" for illustrative purposes). Doing so requires staff to communicate effectively with the Council, to earn the Council's collective confidence that staff is fulfilling Council's goals and policy direction.
- Keep communication open, don't be secretive. Sharing information equally with the Council Members is vital to keeping them all informed as policy makers.
- Maintain a respectful environment. Display courtesy toward one another and toward staff. Respect one another's roles and use of time.
- Focus on Customer Care. Council Members view constituent issues from a Citywide perspective. District Boundaries should not be barriers to assisting constituents; in working with residents, Council Members will keep the District Council Member informed.
- Maintain Perspective. Don't allow a few people to influence perspectives of, and behavior toward, one another. Take a broader perspective.
- Equip new Council Members for success. A comprehensive orientation to acquaint newly
  elected Council Members on the principles stated above will be very helpful to them in
  understanding organizational norms and their roles as policy makers.

Momentum MoVal marks a pivotal point in the City's development as a premiere community in Inland Southern California. It has been a distinct pleasure to work with the City Council and residents in identifying the objectives outlined in this visionary document.

Wayne McAfee Ph.D. Nels Klyver Ph.D.



# STRATEGIC PLAN PRIORITIES

#### **ECONOMIC DEVELOPMENT**

Meet the current and emerging needs of Moreno Valley by expanding the local economy through:

- new business opportunities;
- job creation;
- strategic partnerships; and
- workforce development.

Provide proactive business attraction, small business development, and business support services that grow the City's economic base to enhance the quality of life for Moreno Valley residents.

# LIBRARY

Deliver library services that empower our residents through open access to knowledge, employing both traditional and contemporary methods at a level that is appropriate for a diverse community of over 200,000 citizens.

### BEAUTIFICATION, COMMUNITY ENGAGEMENT, AND QUALITY OF LIFE

Promote an active and engaged community where we work together to beautify our shared environment, care for each other, and enjoy access to cultural and recreational amenities that support a high quality of life for all of our residents as envisioned and articulated throughout the City's adopted General Plan.

#### **PUBLIC SAFETY**

Provide effective public safety services to enhance the Quality of Life for Moreno Valley families and to attract businesses to our community. Public safety priorities focus on:

- reducing crime through traditional & innovative policing methods,
- preparing our community for emergencies;
- protecting life and property; and
- exploring cost effective solutions.

#### **INFRASTRUCTURE**

Manage and maximize Moreno Valley's public infrastructure to ensure an excellent quality of life, develop and implement innovative, cost effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery.

## **YOUTH PROGRAMS**

Improve the lives and futures of our City's youth by expanding healthy lifestyle choices and learning opportunities. Build systems that continually and effectively assess the conditions affecting families in Moreno Valley, and develop context appropriate strategies responsive to those needs that build on community strengths.



#### VISION

To transform our young city into a mature community that offers its residents and businesses an unsurpassed quality of life featuring abundant recreation, desirable private and public services, varied residential living choices, and well-paying employment opportunities.

#### MISSION

Maintain a safe and secure environment for the people who live, work, and play in the city.

**Promote** democracy, inviting citizen involvement while encouraging community self-determination and local control.

**Enhance** and sustain the economic prosperity of the community and the financial well-being of the city government.

**Bring** together our community and its resources to address local needs and issues and enhance the quality of life.

**Build** quality public and private facilities, emphasizing recreational and cultural activities for all ages and interests.

**Foster** harmony among diverse community groups by providing opportunities for improvement, respecting cultural differences, and treating people equally and fairly.

**Respect** and conserve our environmental resources for the health and enjoyment of our citizens and future generations.

**Advocate** for and effectively represent the city's interests with other governmental and private institutions, and establish cooperative partnerships to improve the quality of life in the region.

**Exemplify** good government by operating a city business that is open and ethical, customer-friendly, cost-conscious, innovative, technologically advanced, and forward-thinking.

**Cultivate** a challenging and rewarding work environment— as a "model employer"—that supports our employees and their families, develops people, promotes teamwork, and celebrates humanity.

#### GOALS

- 1. Advocacy
- 2. Revenue Diversification and Preservation
- 3. Public Safety
- 4. Public Facilities and Capital Projects
- 5. Positive Environment
- 6. Community Image, Neighborhood Pride and Cleanliness



#### ECONOMIC DEVELOPMENT

Meet the current and emerging needs of Moreno Valley by expanding the local economy through:

- new business opportunities;
- · job creation;
- strategic partnerships; and
- · workforce development.

Provide proactive business attraction, small business development, and business support services that grow the City's economic base to enhance the quality of life for Moreno Valley residents.

#### Objective 1.1: Proactively attract high-quality businesses.

Initiative 1.1.1: Update the Council-adopted Economic Development Action Plan to focus business attraction efforts on key growth industries conducive to the Moreno Valley market such as logistics, green and clean technology, defense, aerospace, e-commerce, healthcare, medical device manufacturing, auto manufacturing (and related fields), robotics, and global trade. (1 year)

Initiative 1.1.2: In the next City budget cycle, allocate additional dollars to expand marketing efforts by increasing advertising placements and sponsorships. (6 months)

Initiative 1.1.3: Affirm competitive development impact fees. (1 year)

Initiative 1.1.4: Advance the Development Services Team as a "Center of Excellence" in serving all customers by use of technology services and tools and streamlining development processes via Accela's ACP project tracking software. Guarantee specific time frames for plan reviews, expedite permitting issuance processes, improve inspection functionality (6 months), and facilitate online applications and services. (9 months)

Initiative 1.1.5: Rebuild the Community Development Department's website presence by making pertinent and useful information easily accessible for review and to provide additional assistance throughout all aspects of the development review process. (9 months)

Initiative 1.1.6: Expand Economic Development digital and online marketing tools including the expansion of proactive marketing with monthly emails, the placement of ten (10) print and digital ads, and development of a dedicated Economic Development website to promote Moreno Valley as the best place to do business. (1 year)

Initiative 1.1.7: Actively participate in and sponsor commercial, medical, office, and industrial brokerage and development-related organizational events and conferences to promote and market Moreno Valley. (2 years)



Initiative 1.1.8: Promote investment in beautification improvements (landscaping, public art, etc.) along strategic business development corridors. (5 years)

Initiative 1.1.9: Conduct 12 business visits per year with major employers and key businesses in Moreno Valley to build relationships; determine business needs, developing new support industries; promote incentive programs such as Hire MoVal; and to identify industry and employer specific educational and training. (1 year)

Initiative 1.1.10: Pursue award opportunities to showcase the City's innovative Economic Development initiatives. (1 year)

Initiative 1.1.11: Complete the re-brand of the Economic Development Department attraction efforts and launch a dedicated Economic Development website. (6 months)

Partners: Economic Development, City Manager's Office, Media Section, Community Development (Planning, Building & Safety), Public Works, Finance, Fire Prevention, Moreno Valley Utility, Riverside County Workforce Development, Searle Creative Marketing, Riverside University Health System, Kaiser Permanente, Moreno Valley Chamber of Commerce, Moreno Valley Black Chamber of Commerce, Moreno Valley Hispanic Chamber of Commerce, Inland Empire Economic Partnership, Inland Empire Small Business Development Center (IESBDC), SCORE, Small Business Administration (SBA), AmPac Tri-State, and other business support partners, development and brokerage community, trade organizations

**Resources**: Economic consultant(s) for the Economic Development Action Plan, outside marketing agency, marketing budget, one (1) additional, full-time Economic Development staff member for business attraction

**Obstacles:** Potential downturn in economy, delayed implementation of ACP project tracking software, identifying adequate funding, available staffing resources

Objective 1.2: Market all the opportunities for quality industrial development in Moreno Valley by promoting all high-profile industrial and business projects that set the City apart from others.

Initiative 1.2.1: Showcase excellent industrial projects on all appropriate marketing collateral, online, and via email outreach. Work with each unique developer to educate the brokerage community on the status and availability of future projects. (years 1-5)

**Partners:** Economic Development, Community Development (Planning), City Manager's Office, Media Section, developers



**Resources:** Economic consultant(s) for the Economic Development Action Plan, outside marketing agency, marketing budget, WLC Development Agreement provisions

**Obstacles:** Potential downturn in economy, identifying adequate funding, available staffing resources

Objective 1.3: Promote local hiring through the expansion of local, quality, high paying jobs, and workforce development efforts.

Initiative 1.3.1: Set a target of 1,000 new jobs through business attraction and expansion per year. (years 1-5)

Initiative 1.3.2: Set a target of having an unemployment rate that is lower than the Riverside County unemployment rate. (5 years)

Initiative 1.3.3: Attract a supply chain/logistics and/or medical related trade school. Explore the potential use of City facilities for this purpose. (3 years)

Initiative 1.3.4: Continue to partner with the Riverside County Workforce Development Center to promote job readiness and basic skills training of the local workforce through the hosting of at least six (6) job preparedness and readiness workshops per year at the Moreno Valley Employment Resources Center (ERC) and/or other City facilities. Continue to expand upon existing recruitment service offerings. (1 year)

Initiative 1.3.5: Explore strategic partnerships with business organizations and nonprofits to identify industry specific workforce development training curriculum needs. (2 years)

Initiative 1.3.6: Encourage local partnerships to promote entrepreneurism, basic skills training, and financial literacy initiatives among Moreno Valley adults. (2 years)

Initiative 1.3.7: Promote the development of health care careers by establishing a "hot careers in health care" board at the ERC, giving first priority to health care job providers for recruitments, and hosting two (2) workshops focused on jobs in health care with local partners at the ERC. (1 year)

Initiative 1.3.8: Develop a strategy to utilize World Logistics Center Development Agreement funds dedicated to workforce training in the logistics industry. A total of \$6,993,000 is anticipated for the City's use to provide and enhance educational and workforce development training in the supply chain and logistics industries. Funds will be received on an annual basis, and in conjunction with construction on the WLC site. Annual payments of \$100,000 will be provided during the first six years under the Development Agreement, with the amount increasing to \$125,000 from the 7th year through the end of the Agreement. A contribution of

\$1 million will be provided upon issuance of the first building permit for a logistics building on the WLC property, and additional payments of 11¢ per square foot upon issuance of building permits for each succeeding building. (1 year)

Initiative 1.3.9: Incorporate Moreno Valley Utility (MVU) as part of the Business Visitation Program and enroll five (5) new companies into Hire MoVal. (1 year)

Initiative 1.3.10: Develop a Hire MoVal recognition program. Companies that adopt the "Hire MoVal First" criteria will be recognized at a City Council Special Presentation meeting to receive a City Proclamation. (1 year)

Initiative 1.3.11: Evaluate hiring City staff members to conduct job readiness/job training programs under direct supervision by the Economic Development Department.

Partners: Economic Development, Community Services and Library for provision of job readiness workshops, City Manager's Office, Media Section, Community Development (Planning), Finance, Riverside County Workforce Development, Moreno Valley College, Riverside Community College District, University of California Riverside, prospective trade/professional/non-profit training institutions, Moreno Valley Chamber of Commerce, Moreno Valley Black Chamber of Commerce, Moreno Valley Hispanic Chamber of Commerce

**Resources:** Two (2) additional full-time Economic Development staff members to implement job creation/ workforce development initiatives

**Obstacles:** Potential downturn in economy, limited market demand, identifying adequate funding, available staffing resources

Objective 1.4: Promote the development of the Medical Corridor along Nason Street to meet health care demands for residents of Moreno Valley and the region, bring quality jobs, and create business opportunities for ancillary support businesses in the health care industry.

Initiative 1.4.1: Strengthen partnerships with existing medical providers such as Riverside University Health System and Kaiser Permanente to support and encourage expansion efforts. (6 months)

Initiative 1.4.2: Create focused medical/office and elderly care facility marketing collateral to highlight Moreno Valley's unique assets and development opportunities. (6 months)

Initiative 1.4.3: Identify strategic partners to encourage the development of job readiness in high demand health care industries. (6 months)

Initiative 1.4.4: Determine the highest/best use of the City's parcel at Nason Street and Alessandro Boulevard and the exploration of an urban village concept including opportunity



to integrate enhanced transit connections between this area and the new Perris Valley Line Metrolink Station west of I-215. Complete land use analysis component of the Nason Street Corridor Study. (1 year)

**Partners:** Economic Development, City Manager's Office, Media Section, Community Development (Planning, Building & Safety), Public Works, Fire Prevention, Riverside County Workforce Development, Moreno Valley College, University of California Riverside (School of Medicine), Riverside University Health System, Kaiser Permanente, Land Use consultant

Resources: A Land-Use consultant

**Obstacles:** Limited market demand, potential downturn in economy, identifying funding source, available staffing resources

#### Objective 1.5: Showcase Moreno Valley's unique assets.

Initiative 1.5.1: Promote and market Moreno Valley's advantages: second largest City in Riverside County with a growing population, strategic location, easy access to transportation corridors, proximity to ports and markets in Los Angeles, Orange, and San Diego counties, home of March Inland Port – Airport, availability of developable land, committed City leadership and staff, business friendly philosophy, Foreign Trade Zone designation, competitive incentives such as the award winning Hire MoVal program, and the Economic Development Rate Incentive discount from the Moreno Valley Utility. (3 years)

Initiative 1.5.2: Evaluate the current General Plan Community Development Element Land Use Map to identify three potential distinct "town centers" for the City. (1 year)

**Partners:** Economic Development, City Manager's Office, Media Section, Community Development (Planning, Building & Safety), Public Works, Moreno Valley Utility, Riverside County EDA, Inland Empire Economic Partnership, March Inland Port Airport - March Joint Power's Authority

**Resources:** Funding for land use, architecture/ landscape architecture, engineering consultants to implement a City Gateway and Streetscapes plan would be required for 1.5.2 above

Obstacles: Identifying funding source, available staffing resources for 1.5.2 above



#### Objective 1.6: Establish Moreno Valley as the worldwide model in logistics development.

Initiative 1.6.1: Expand the State of the City to add an Economic Development Summit component that includes a keynote speaker to discuss annual economic trends and their impact on the City, and offer breakout sessions that would allow participants to provide feedback on issues relevant to business and the local economy. (1 year)

Initiative 1.6.2: Develop a Logistic and Industrial Developer Business Council comprised of logistic and industrial developers to meet and discuss issues impacting development. (1 year)

Initiative 1.6.3: Establish a webpage discussing the priorities and activities of the Logistic and Industrial Developer Business Council with a section that allows businesses to submit feedback and suggestions. (2 years)

Initiative 1.6.4: Pursue speaking and demonstration opportunities at the national and international levels to elevate Moreno Valley's reputation for smart logistics development. (1 year)

**Partners:** City Manager's Office, Media Section, City Clerk's Office, Economic Development, Community Development (Planning), Community Service, Moreno Valley logistics-related companies, industrial developers

Resources: Additional funding for the State of the City event

**Obstacles:** Identifying funding source, potential downturn in economy, available staffing resources

#### Objective 1.7: Promote small business development and entrepreneurship.

Initiative 1.7.1: Continue to provide high quality business support programs such as five (5) Business Roundtables per year, twenty (20) Business Spotlight commercials, Hire MoVal, monthly Shop MoVal print and digital ads, and fifty (50) small business site visits per year.

Initiative 1.7.2: Leverage resources and city facilities to provide quality educational and small business support programs such as workshops, technical and financial assistance, networking, mentoring, and one-on-one counseling through the Inland Empire Small Business Development Center (IESBDC), SCORE, Small Business Administration (SBA), AmPac Tri-State, and other business support partners. (1 year)

Initiative 1.7.3: Research the feasibility and funding of a one-stop incubator that would include the ERC and a new BRC (Business Resources Center) to encourage the evolution of home-based and small businesses and the expansion of start-ups. (5 years)

Partners: Economic Development, City Manager's Office, Media Section, Community Development, Parks & Community Services, Finance, Moreno Valley Utility, Riverside County Workforce Development, Moreno Valley College, Moreno Valley Chamber of Commerce, Moreno Valley Black Chamber of Commerce, Moreno Valley Hispanic Chamber of Commerce, Inland Empire Small Business Development Center (IESBDC), SCORE, Small Business Administration (SBA), AmPac Tri-State

**Resources:** One (1) full-time Economic Development staff member for business support services/small business development

Obstacles: Identifying funding source, available staffing resources

Objective 1.8: Evaluate staff resources and dedicate City funding to invest in aggressive Economic Development activities that will result in increased revenues to the City, additional employment opportunities, and enhanced quality of life for our residents.

Initiative 1.8.1: Evaluate hiring one (1) full time staff member, or equivalent outsourced support, to business attraction such as proactive print and digital marketing, branding, website management, content and email marketing, trade show and industry events planning and attendance, lease mining, site selection assistance, demographics and market analysis, brochure development, database collection, real estate industry liaison, and new business relationship building efforts. (6 months)

Initiative 1.8.2: Evaluate hiring two (2) full time staff members, or equivalent outsourced support, for workforce development, including oversight of the Hire MoVal program, operations at the Moreno Valley Employment Resource Center, job readiness workshops, partnership and relationship building, and new job training initiatives. (6 months for first hire, 18 months for second hire)

Initiative 1.8.3: Evaluate hiring one (1) full time staff member, or equivalent outsourced support, for Business Support Services and Small Business Development, such as Business Visitations, Business Roundtable, Business Spotlight, Chamber of Commerce relations, grants and loan programs, energy efficiency programs outreach, small business visits, business training programs with the Small Business Development Center, SCORE, AmPac Tri-State, and the Small Business Administration, event sponsorships within Moreno Valley, Shop MoVal, Startup MoVal, and the Business Ombudsman activities. (18 months)

Partners: Economic Development, City Manager's Office, Administrative Services

Resources: Up to four (4) additional full-time Economic Development staff positions

Obstacles: Potential downturn in economy, identifying funding sources

Objective 1.9: Ensure the City's General Plan articulates the vision for how Moreno Valley wants to evolve over time, and provides an orderly and predictable process through which this vision is developed and implemented, including new attention to economic development, sustainability, public health, and innovation.

Initiative 1.9.1: Prepare a General Plan Annual Report per Government Code Section 65400 for presentation to the City Council before April 1, 2017, that explains how current land use decisions relate to adopted goals, policies and implementation measures, and as appropriate, identify necessary course adjustments consistent with the Strategic Plan. (1 year)

Initiative 1.9.2: Form a working group of key City staff to research and evaluate the current General Plan as a prerequisite to initiating a comprehensive update of the General Plan. Develop recommendations for a scope of work, inclusive of completing the General Plan Economic Development Element (Chapter 3) envisioned with the last comprehensive General Plan Update completed in 2006, and prepare recommendations on budget and schedule. (1 year)

Initiative 1.9.3: Include consideration of incremental set-aside of funding in annual budget development in anticipation of future General Plan update. (1 year)

Initiative 1.9.4: Conduct a comprehensive update of the City General Plan and supporting environmental document, including all mandatory Elements (except Housing), an Economic Development Element, and other desired optional Elements authorized by the City Council. (3 years)

**Partners:** City Manager's Office, Media Section, Community Development (Planning, Building & Safety), Public Works, Finance (Housing), Economic Development, Community Service. Police and Fire

Resources: General plan consultant/firm

Obstacles: Identify funding source, available staffing resources



#### 2. PUBLIC SAFETY

Provide effective public safety services to enhance the Quality of Life for Moreno Valley families and to attract businesses to our community. Public safety priorities focus on:

- reducing crime through traditional & innovative policing methods,
- preparing our community for emergencies;
- protecting life and property; and
- exploring cost effective solutions.

#### Objective 2.1.: Reduce crime, the fear of crime, and the perception of crime in the community.

Initiative 2.1.1: Form a working group, with existing staff, to research, evaluate and test progressive law enforcement programs for use in the City. (6 months)

Initiative 2.1.2: Conduct at least one community survey each year using social media to correctly determine, address, and reduce fear of crime. (1 year)

Initiative 2.1.3: Enhance the use of social media sites to better provide a forum for reporting quality of life issues to include tips, complaints, and crime updates. (6 months)

Initiative 2.1.4: Expand the citywide camera system to include more parks, public gathering areas and sport complexes. (2 years)

Initiative 2.1.5: Add large signage to city entry points alerting the public to the existence of the camera system. (1 year)

Initiative 2.1.6: Provide Crime Prevention Through Environmental Design (CPTED) plan review training to key city staff engaged in plan reviews for new development projects. (1 year)

**Partners:** Police Department, Community Development, Parks & Community Services Department, Technology Services, Local Business Owners/Groups, Neighborhood Associations, Faith-Based Organizations, Riverside County Department of Public Social Services (DPSS), Neighborhood Watch Program, Homeowners Associations, Center for Problem-Oriented Policing, social networking and media outlets

Resources: Grants and city approved funding sources

**Obstacles:** Identifying key leadership personnel to establish a crime prevention committee and the management of employees to develop and maintain social media sites



#### Objective 2.2: Engage the community in joint problem solving and crime prevention activities.

Initiative 2.2.1: Target 10% increased public participation at community outreach and education events, such as Coffee with a Cop, Zone Meetings, and Cops and Clergy. (1 year)

Initiative 2.2.2: Provide information regarding Neighborhood Watch programs to all Homeowners Associations in the City. (1 year)

Initiative 2.2.3: Host a CPTED community workshop, and post CPTED information on the city website for public information. (1 year)

**Partners:** Police Department, Local Businesses, Neighborhood Associations, Faith-Based Organizations, Neighborhood Watch Program, Center for Problem-Oriented Policing, social networking and media outlets

Resources: Byrne Criminal Justice Innovation grant

**Obstacles:** Identifying key leaders from various community groups to develop and maintain a crime prevention committee, difficulty locating additional crime prevention grants and funding sources

# Objective 2.3: Promote the concept of community policing with residents and Department members.

Initiative 2.3.1: Increase public trust by building our community oriented policing programs like the Officer Friendly Program and Crime-Free Multi-housing. (1 year)

Initiative 2.3.2: Work with new and existing affordable housing providers to help them solve problems and promote a Crime-Free Multi-housing Program. (6 months)

Initiative 2.3.3: Enhance volunteer programs by actively recruiting and sending five new city residents to the Citizen's Police Academy each year. (1 year)

Initiative 2.3.4: Raise public trust by increasing law enforcement's presence at community events. (6 months)

**Partners:** Police Department, Housing and Urban Development, Community Development, Finance (Housing), local business owners/groups, Neighborhood Associations, Faith-Based Organizations, Parks & Community Services Department, Neighborhood Watch Program, Crime Stoppers, Center for Problem-Oriented Policing, social networking and media outlets



**Resources:** Byrne Criminal Justice Innovation grant, develop a career development program for High School/College Students for future entry in law enforcement

**Obstacles:** Identifying key leaders from various community groups to develop and maintain a crime prevention committee

Objective 2.4: Work with government and non-government agencies to reduce homelessness in the City.

Initiative 2.4.1: Develop and maintain relationships with Housing and Urban Development, Veterans Affairs, Riverside County Department of Public Social Services (DPSS) and other non-governmental organizations to house our homeless. (1 year)

**Partners:** Police Department, Community Development, Housing and Urban Development, local business owners/groups, Riverside Community College Students, Neighborhood Associations, Faith-Based Organizations, DPSS, Department of Public Works, Parks and Recreation, Center for Problem-Oriented Policing, non-governmental organizations (i.e. Path of Life Ministries, University Women Homeless Center, Jubilee House Sober Living, D & R Turning Point), Family Assistance Program, Place, and the Riverside County 211 Program

Resources: City approved funding sources and grants

**Obstacles:** Identifying key leaders from various community groups to develop and execute a comprehensive homeless protocol, difficulty identifying funding sources, available staffing resources

Objective 2.5: Develop partnerships with local businesses and warehouse operators to reduce traffic related issues.

Initiative 2.5.1: Develop and implement a Commercial Vehicle Enforcement Team. (1 year)

Initiative 2.5.2: Work with local businesses to develop commercial traffic plans, routes and parking solutions. (1 year)

**Partners:** Caltrans, California Highway Patrol, Police Department Traffic Unit, local business owners/groups, neighborhood associations, Public Works, Community Development (including existing vendor support)

Resources: City approved funds and applicable grants, professional consultants

**Obstacles:** Identifying key leaders from various community and business groups to develop a committee/think tank to develop and implement traffic related solutions, available staffing resources, adequate funding



#### Objective 2.6: Enhance operational excellence and efficiency in delivery of Police services.

Initiative 2.6.1: Begin the important process of building the police department's sworn staffing levels. Success and timing will reflect availability of resources and status of law enforcement costs. The Riverside Sheriff's Department often refers to a ratio of 1 officer to each 1,000 residents as an important target for sworn staffing levels. (1 year)

Initiative 2.6.2: Rebuild special teams by adding sworn officers. These teams proactively target violent criminals, street gangs, street-level narcotics sales, and quality of life issues. (2 years)

Partners: Police Department, City Manager's Office, Financial & Management Services

Resources: Allocate funds and identify grants for the increase in police personnel

**Obstacles:** Allocating ongoing funds to sustain an increase in police personnel in light of rising costs

Objective 2.7: Fully integrate Fire Prevention activities into the City's Development Services processes to provide swift, seamless service.

Initiative 2.7.1: Team with Technology Services and all other development services department to adopt the Accela Civic Platform (ACP). (2016)

**Partners:** Fire Department, Technology Services, Economic Development, Community Development (Planning, Building and Safety), Land Development, TruePoint Solutions

Resources: ACP project team

**Obstacles:** Potential delays for incorporating annual business inspection programs due to additional enhancements required within ACP, available staffing resources

Objective 2.8: Enhance communication and coordination with City departments to provide accountability in emergency preparedness activities and minimize redundancy of efforts citywide.

Initiative 2.8.1: Assess and assist other City department efforts to identify, prioritize, and mitigate facility and infrastructure hazards that would advance emergency preparedness. (1 year)

Initiative 2.8.2: Conduct a full-scale Emergency Operations Center Exercise. (2016)

Initiative 2.8.3: Conduct no less than 1 full-scale Emergency Operations Center Exercise in each calendar year. (2016)

**Partners:** City Manager's Office, Community Development Department, Office of Emergency Management, Fire Department, Police Department, Public Works, Parks and Community Services, Moreno Valley Utility, Media Section, Riverside County Emergency Management Department (EMD), Riverside County Fire, Riverside University Health System, Moreno Valley Kaiser, American Red Cross

**Resources:** Office of Emergency Management, Fire Department, Riverside County EMD staff, Alert MoVal

**Obstacles:** Priority projects may impact development and facilitation of meetings and exercises

Objective 2.9: Building upon momentum established with the El Niño Preparedness initiative, maintain and expand partnerships with community organizations throughout the City.

Initiative 2.9.1: Develop and establish formal agreements or memorandums of understanding (MOU's) with private/non-profit organizations to enhance the City's preparedness and response efforts. (1 Year)

**Partners:** Office of Emergency Management, City Manager's Office, Fire Department, Police Department, faith-based organizations, community-based organizations, non-profit organizations, Economic Development, Public Works, and key community disaster response agencies

**Resources:** Existing City staff from City departments, Moreno Valley (MVUSD) and Val Verde (VVUSD) Unified School Districts, various meetings and committees (i.e. Operational Area Planning Committee, NorthWest Comm, Volunteer Organizations Active in Disaster, etc.)

**Obstacles:** Potential for varying levels of participation among community organizations. Some partners may not have adequate resources to engage in an MOU or assist the City in an emergency or disaster

Objective 2.10: Ensure that the City's emergency management program (including mitigation, preparedness, response and recovery) addresses needs of persons with disabilities and people with access and functional needs.

Initiative 2.10.1: Revise the City's Emergency Operations Plans to ensure each City department includes consideration of accommodations, services, and strategies for serving the City's population of persons with disabilities and people with access and functional needs and is compliant with state and federal regulations. (1 Year)



Initiative 2.10.2: Enhance the current system for identifying and locating persons with disabilities and people with access and functional needs during an emergency, document suitable shelter infrastructure, and ensure specialized equipment and other support is available during emergencies. (3 years)

Initiative 2.10.3: Enhance the level of emergency preparedness to meet the needs of People with Access and Functional Needs (PAFN) during major emergencies or disasters by: (2 years)

- strengthening existing and initiating 5 new relationships with civic stakeholders including schools, care and medical organizations who know of and provide services to PAFN;
- increasing resident registration of PAFN during an emergency with the City's alert and notification system, Alert MoVal, by 10% per year;
- identifying and building relationships with 5 vendors who provide specialized equipment and resources specifically designed to assist PAFN and that can be made available during disasters;
- coordinating and conducting an annual emergency preparedness seminar tailored to PAFN; and
- offering a PAFN Community Emergency Response Training class to members of the community and surrounding jurisdictions.

**Partners:** Office of Emergency Management, Riverside County Department of Public Social Services (DPSS), Moreno Valley (MVUSD) and Val Verde (VVUSD) Unified School Districts, Fire Department, Police Department, Parks and Community Services, Media Section, Technology Services, community-based organizations, faith-based organizations, non-profit organizations, and local medical providers

**Resources**: Office of Emergency Management staff, Alert MoVal (emergency alert and early warning notification system), various meetings and committees, civic stakeholders

**Obstacles:** Engagement in preparing People with Access and Functional Needs (PAFN) is voluntary and based on interest and time. Another obstacle is identifying how many PAFN reside in Moreno Valley and where to focus our outreach, measuring progress/success towards targeted goals with unknown variables is difficult

Objective 2.11: Protect people and property against animal related injury and nuisance through enforcement of local and state animal welfare laws and ordinances.

Initiative 2.11.1: Provide effective training and public education programs regarding the importance of responsible pet ownership, rabies awareness, mandatory spay/neuter and micro-chip ordinances, leash law, control of the feral cat population and re-homing options in an effort to reduce the intake of animals by 3% annually over the next three years. (1 year)

Initiative 2.11.2: Respond to citizen calls for service the day they are received or within 24 hours for low priority calls received near or after the end of a work shift. (6 months)

Initiative 2.11.3: Conduct weekly proactive patrols in close proximity to schools, parks and areas identified as having the greatest number of stray animals reported in an effort to reduce dog bites by 5%. (6 months)

**Partners:** Local school district, civic groups, Animal Services, Police Department, Park Rangers

**Resources:** Current staffing levels in Animal Services allow the division to meet a minimal level of services

**Obstacles:** Challenges in establishing public/private partnerships

Objective 2.12: Evaluate results of Feasibility Study regarding the concept of forming a multi-agency Joint Powers Authority for provision of police services.

Initiative 2.12.1: Present results of Feasibility Study to the Public Safety Sub-Committee. (6 months)

Initiative 2.12.2: Present Public Safety Sub-Committee findings to the City Council via Study Session. (2017)

**Partners:** Finance, City Manager's Office, local cities contracted with Matrix Consulting to complete the initial feasibility analysis

**Resources:** The initial funding for the contract has been approved by the City Council and Matrix Consulting is currently engaged on the project

**Obstacles:** Timing and responses from other cities and the County Sheriff to allow for the completion of the study

Objective 2.13: Update the City's Local Hazard Mitigation Plan to identify risks and vulnerabilities associated with disasters, including developing long-term strategies for protecting the health, safety and welfare of people and reduce harm to existing and future property from hazard events.

Initiative 2.13.1: Establish a planning committee to identify and assess potential hazards in the community. (6 months)

Initiative 2.13.2: Establish mitigation strategies for the recognized hazards including goals, objectives and associated costs. (6 months)

Initiative 2.13.3: Provide community outreach to encourage stakeholder and public participation in the monitoring and evaluation of the plan. (1 year)

**Partners:** Fire Department, Community Development, Economic Development, Public Works, City Manager's Office, Parks and Community Services, Moreno Valley Utility, Financial & Management Services, Riverside County Emergency Management Department

Resources: Southern California Edison, Eastern Municipal Water District, Moreno Valley Unified School District, Val Verde Unified School District, Moreno Valley Community College, Riverside University Health System, Kaiser Permanente Moreno Valley and community members

**Obstacles:** Planning processes can be extended depending on the workload of various departments and priority projects



#### LIBRARY

Deliver library services that empower our residents through open access to knowledge, employing both traditional and contemporary methods at a level that is appropriate for a diverse community of over 200,000 citizens.

#### Objective 3.1: Open a satellite branch library by December, 2017.

Initiative 3.1.1: Identify funding sources, including but not limited to, Development Impact Fees, grant opportunities, etc. (9 months)

Initiative 3.1.2: Identify appropriate location for a satellite branch library by conducting public outreach sessions and/or a community needs assessment to determine areas in greatest need and with greatest interest of neighborhood library services. Consider public transportation access to potential new locations. (1 year)

Initiative 3.1.3: Seek out public and private partnerships to expand Library services including joint use space with schools and private businesses. Investigate store-front or mall locations, as well as self-serve library options. (1 year)

Initiative 3.1.4: To reduce overall costs associated with opening a satellite branch, automate services to decrease additional staffing needs including self-check-out for books, DVD & CD kiosks and laptop kiosk. (9 months) To minimize the need for additional overall staffing to operate a satellite branch, maximize automation at Main Library and explore completely self-serve library options for other locations. (At satellite opening, by December 2017)

Initiative 3.1.5: Consider sale of surplus City properties for one-time revenue generation to be used to fund Library equipment and materials. (1 year)

**Partners:** Administrative Services, Finance, City Manager's Office, Community Development

**Resources:** Approved expenditures for facilities as well as approved ongoing operating expenses for satellite location, professional consultants

**Obstacles:** Funding for additional ongoing operating expenses, available staffing resources

#### $Objective \ 3.2: Expand \ the \ library's \ technology \ program \ to \ enhance \ job \ readiness \ in \ our \ community.$

Initiative 3.2.1: Develop a robust training program to include basic computer classes and basic MS Office software training. (4 months)



Initiative 3.2.2: Investigate the feasibility of a Lend-and-Learn program enabling patrons to receive training on the use of new technology as well as the ability to check out devices from the library. (9 months)

Partners: Library, Amazon (tablet/e-reader donation), training partners

**Resources:** Approved funding for additional computer training courses and tablet/ e-reader lend and learn program if unable to secure volunteer trainers and donated technology

**Obstacles:** Lack of volunteers and/or donations

Objective 3.3: Partner with outside organizations to expand the range of workshops and programs provided to the community.

Initiative 3.3.1: Expand reading and language (ESL, Spanish) classes. (years 1-5)

Initiative 3.3.2: Promote job readiness by providing workshops on resume writing, job interviewing, career readiness and life skills four times per year. (6 months)

Initiative 3.3.3: Conduct public information workshops on topics such as tax filing assistance, social security, signing up for Covered California. (6 months)

Initiative 3.3.4: Conduct health and wellness workshops to address areas of interest to various age groups six times per year. (1 year)

Initiative 3.3.5: Organize workshops and presentations on arts, entertainment and recreation subjects including gardening, painting, writing, history, music and other popular subjects on a monthly basis. (1 year)

Initiative 3.3.6: Introduce a Community Lending Library program by providing 6 library boxes to neighborhoods (as demonstration projects) and defining standards for private construction/installation of library boxes. (1 year)

**Partners:** Administrative Services (Library), Economic Development, Community Services, Community Development, individuals or organizations to sponsor "Little Libraries," volunteer/training/workshop partners, Moreno Valley Unified School District, Val Verde Unified School District

Resources: Funding for Little Libraries if unable to secure grant or donations

**Obstacles:** Lack of volunteers for increased training and workshop sessions, available staffing resources, adequate funding, community participation



#### 4. INFRASTRUCTURE

Manage and maximize Moreno Valley's public infrastructure to ensure an excellent quality of life, develop and implement innovative, cost effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery

Objective 4.1: Develop a Moreno Valley Utility Strategic Plan to prepare for the 2020 expiration of the ENCO Utility Systems agreement.

Initiative 4.1.1: Contract with a consultant to assist the City in identifying and analyzing options regarding the organizational structure of the utility. (1 year)

Initiative 4.1.2: Prepare a comprehensive Strategic Plan that includes the following tasks. (2 years)

- 1) Update the Distribution System Plan to identify and prioritize infrastructure needed to meet customer demand for electricity; analyze the impacts of the proliferation of customer-owned solar systems on the distribution system.
- 2) Update the Integrated Resource Plan to identify future power supply needs for the utility and recommend the optimal mix of resources (such as purchase vs. utility-owned generation, renewable energy, etc.).
- 3) Update the utility rates model and review/explore the existing policy of maintaining parity with SCE rates.
- 4) Analyze financial reserve recommendations to fund a portion of the infrastructure identified in the Distribution System Plan, provide funding for the replacement of equipment and/or infrastructure in the event of an emergency, and provide operating and rate stabilization reserves.

**Partners:** Public Works, Finance, City Council and industry experts to evaluate items and complete a plan

Resources: Staffing and financial resources will be provided through the Utility

**Obstacles:** Completing comprehensive public education and feedback to assure a comprehensive plan can be developed to provide for the long term viability of the Utility

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

Initiative 4.2.1: Present initial infrastructure needs assessment information to the City Council at a study session. (6 months)



Initiative 4.2.2: In partnership with the Riverside County Flood Control District, review and update Flood Control Master Plans and associated Area Drainage Fees such that plans reflect current stormwater needs. (1 year)

Initiative 4.2.3: Review and update development construction practices with developers to explore the installation of full street improvements along project frontages. (1 year)

Initiative 4.2.4: Develop/update a complete GIS-based inventory of all transportation and stormwater related assets. (2 years)

Initiative 4.2.5: Prepare an updated and fully comprehensive infrastructure needs assessment. (3 years)

**Partners:** Flood Control District, Building Industry Association (BIA), National Association of Industrial and Office Parks (NAIOP), Technology Services

**Resources:** Public Works, Community Development, Technology Services, Flood Control District staff, development community

**Obstacles:** Potential increases in development fees, potential construction cost increases to development projects

#### Objective 4.3: Address deferred maintenance of City infrastructure assets.

Initiative 4.3.1: Prepare a Deferred Maintenance Plan that assesses safety, adequacy, and liability implications, estimates repair costs and recommends priorities to be programmed in future budgets. (2 years)

Initiative 4.3.2: Aggressively pursue funding strategies and identify sources to fund the Deferred Maintenance Plan activities. (2 years)

Initiative 4.3.3: Use a five-year Deferred Maintenance Plan to strategically finance identified needs such as the annual pavement crack treatment, slurry seal program, and associated ADA improvements at curb ramps and sidewalks. (2 years)

**Partners:** Public Works, Western Riverside Council Of Governments (WRCOG), Riverside County Transportation Commission (RCTC), City's Traffic Safety Commission, Professional Organizations

Resources: WRCOG staff, RCTC staff, Professional consultants

Obstacles: Adequate funding to implement maintenance activities



#### Objective 4.4: Control Street Lighting costs.

Initiative 4.4.1: Determine whether or not to move forward with acquisition of Southern California Edison-owned street lights. (Prior to October 27, 2016)

Initiative 4.4.2: If acquisition of SCE street lights is pursued, fully analyze and determine ownership as City-owned or MVU-owned, establish policies and plans on converting from High Pressure Sodium Vapor (HPSV) to Light Emitting Diode (LED), and street light spacing. (2 Years)

**Partners:** Public Works, Finance, Southern California Edison (SCE), Moreno Valley Utility (MVU), ENCO Utility Services, City staff and Bond Financing Team

Resources: City staff and consultants (e.g. legal, lighting)

**Obstacles:** California Public Utility Commission (CPUC) approval, ability to obtain favorable financing

Objective 4.5: Explore green/renewable innovations and technologies for new developments such as the World Logistics Center.

Initiative 4.5.1: Develop renewable pavements such as porous asphalt and concrete for streets and sidewalks for drainage self-sufficiency. (3 years)

Initiative 4.5.2: Develop renewable landscape designs for drought tolerance and irrigation self-sufficiency. (4 years)

**Partners:** Public Works, Community Development, Building Industry Association (BIA), National Association of Industrial and Office Parks (NAIOP), Professional Organizations, development community, Riverside County Flood Control, Eastern Municipal Water District (EMWD)

**Resources:** Professional consultants, City staff, and all entities listed above under partners

**Obstacles:** Available staffing resources, change to existing State laws or mandates, potential increase in development costs, long-term maintenance costs could increase

Objective 4.6: Advance the development of a well-connected and balanced citywide transportation network that serves all modes.

Initiative 4.6.1: Complete the Juan Bautista De Anza Regional Trail. (3 years)



Initiative 4.6.2: Secure funding to construct Indian Street across Lateral A channel crossing. (4 years)

Initiative 4.6.3: Secure funding and construct Heacock Street connection to Harley Knox Boulevard. (5 years)

Initiative 4.6.4: Secure funding and construct Graham Street Bridge over SR-60. (6 years)

**Partners:** Public Works, Community Development, Department of Water Resources (DWR), Riverside County Transportation Commission (RCTC), Western Riverside Council Of Governments (WRCOG), MVUSD, VVUSD, Caltrans, Lake Perris, City of Perris

**Resources:** Active Transportation Program (ATP), Caltrans Recreational Trails, and Congestion Mitigation and Air Quality (CMAQ) grants, WRCOG, RCTC, professional consultants

**Obstacles:** Lack of funding source, additional right-of-way, surrounding community acceptance

#### Objective 4.7: Demonstrate innovative and industry leading transportation systems.

Initiative 4.7.1: Seek a demonstration project for a Protected Intersection / Protected Bicycle Lanes (Cycle tracks) Corridor. (2 years)

Initiative 4.7.2: Develop roundabout corridors similar to Theodore proposed by WLC, to replace stops signs and/or traffic signals. (4 years)

**Partners:** Public Works, Community Development, Riverside County Transportation Commission (RCTC), Western Riverside Council Of Governments (WRCOG), Caltrans, Active Transportation consultants

Resources: Active Transportation Program (ATP) / CMAQ Grants, WRCOG, RCTC

**Obstacles:** Available staffing resources, adequate funding, additional right-of-way, surrounding community acceptance

#### Objective 4.8: Promote transit as an essential mode of transportation.

Initiative 4.8.1: Collaborate with Riverside Transit Agency (RTA) to explore Transit Signal Priority Corridors. (2 years)

Initiative 4.8.2: Collaborate with RTA to explore Bus Rapid Transit Routes. (4 years)



Initiative 4.8.3: Collaborate with Riverside Transit Agency to consider a partnership with the City to build an Intermodal Transit Center at Alessandro/Nason. (3 years)

Initiative 4.8.4: Encourage Riverside Transit Agency to establish routes between Metrolink Station and major employers in the City. (3 years)

**Partners:** Public Works, Community Development, Riverside County Transportation Commission (RCTC), Western Riverside Council Of Governments (WRCOG), Riverside Transit Agency (RTA)

Resources: RTA, WRCOG, RCTC

Obstacles: Adequate funding, additional right-of-way

#### Objective 4.9: Expand upon existing Intelligent Transportation Systems.

Initiative 4.9.1: Approach research and development companies to develop Moreno Valley as a test-bed for connected vehicle technologies. (1 year)

Initiative 4.9.2: In partnership with local and regional agencies, host a Regional Transportation Summit. (1 year)

**Partners:** Public Works, Riverside County Transportation Commission (RCTC), Western Riverside Council Of Governments (WRCOG), Caltrans, Fisker/Karma and other local manufacturers, Intelligent Transportation System (ITS) Consultants

Resources: WRCOG, RCTC, US Department of Transportation

Obstacles: Adequate funding, buy-in from local manufacturers, available staffing

Objective 4.10: Enhance Moreno Valley's way-finding throughout the City for residents and visitors.

Initiative 4.10.1: Expand the installation of updated welcome and directional signs at all gateways into the City and other key destinations. (1 year)

Initiative 4.10.2: Identify opportunities and develop strategies to use technology, social media, communication applications, etc. to assist and enhance resident and visitor way-finding needs throughout the City. (2 years)

Initiative 4.10.3: Install solar powered lighting to all updated welcome and directional signs to enable night visibility. (2 years)

Partners: Public Works, Community Development, local businesses and HOAs

Resources: City budgets, City staff

Obstacles: Available staffing resources, funding source, maintenance, vandalism

#### 5. BEAUTIFICATION, COMMUNITY ENGAGEMENT, AND QUALITY OF LIFE

Promote an active and engaged community where we work together to beautify our shared environment, care for each other, and enjoy access to cultural and recreational amenities that support a high quality of life for all of our residents as envisioned and articulated throughout the City's adopted General Plan.

Objective 5.1: Establish partnerships and volunteer programs with residents, business groups and service clubs to beautify our community.

Initiative 5.1.1: Fully implement the Volunteer Community Clean Up Program in which Code Compliance staff identifies distressed properties and partners with volunteers to provide labor to address compliance issues. Refocus outreach efforts from students to service clubs, commencing with Moreno Valley Noon Rotary. (6 months)

Initiative 5.1.2: Establish an annual Day of Volunteerism. (6 months)

Initiative 5.1.3: Identify funding and fully implement the Keep Moreno Valley Beautiful Adopt-a-Street Program. (1 year)

Initiative 5.1.4: Enhance branding program for Keep Moreno Valley Beautiful by partnering with other government agencies. (2 years)

Initiative 5.1.5: Expand existing weekend weed and litter abatement program performed by community service workers to include a weekday program. (2 years)

Initiative 5.1.6: Explore the development of a volunteer patrol to combat illegal dumping. (2 years)

Partners: Public Works, Community Development, Fire Department - Office of Emergency Management & Volunteer Services, School Districts, Service organizations/clubs, Keep Moreno Valley Beautiful Board, Keep America Beautiful National Organization, Chambers of Commerce, community service organizations, neighborhood groups/HOAs, business community, Riverside Transit Agency (RTA), school/college districts, contractors, Riverside County Sheriff's Department (community service workers)

Resources: City staff, consultant services, and contractors

**Obstacles:** Available staffing resources, financial resources, levels of volunteer participation and/or community service worker availability, advertising limitations of partner agencies (Riverside Transit Agency)



Objective 5.2: Promote the installation and maintenance of cost effective, low maintenance landscape, hardscape and other improvements which create a clean, inviting community.

Initiative 5.2.1: Assertively reach out and seek partnerships with property owners in existing landscape maintenance districts to stabilize funding to maintain or enhance residential tract landscaped areas (reverse landscaping). Conduct at least 3 mail ballot initiatives per year. (1 year)

Initiative 5.2.2: Develop comprehensive City Gateway and Streetscape plans establishing a framework guiding future landscape, tree planting, lighting, walls/fences, monuments, banners and identification signage within public right-of-way and freeway corridors. (3 years)

Initiative 5.2.3: Consider an ordinance requiring that vacant parcels near businesses and homes be enclosed by fences with privacy slats. (1 year)

Initiative 5.2.4: Develop a program to assist neighborhoods in installing landscaping in reverse frontages and annexation into special district to finance cost of improvements and ongoing maintenance. (1 year)

Initiative 5.2.5: Use the City's media tools to educate the community on the benefits of well-maintained landscaping on property values, the positive impact on economic development, xeriscaping, and water conservation techniques. (1 year)

Initiative 5.2.6: Modify the Municipal Code to clarify property owner responsibility for parkway landscape maintenance, within City right of way, immediately fronting private property. (2 years)

Initiative 5.2.7: Implement a program to install decorative hardscape in reverse frontages. (5 vears)

Initiative 5.2.8: Implement a fence program in applicable areas within the special districts. (3 years)

**Partners:** Community Development (Planning, Code Enforcement), Media Section, property owners, residents and businesses, Special Districts, Maintenance and Operations, City Attorney's Office, Capital Projects, Land Development, Transportation Engineering, Moreno Valley Utility, utility companies

Resources: Funding/budgets, City staff, consultant services, and contractors

**Obstacles:** Available staffing resources, adequate funding, property owner participation, support from property owners/registered voters (if balloting necessary), public support for property owner tree maintenance responsibility/liability, non-removal of trees for nuisance issues (e.g. leaf litter), utility companies

#### Objective 5.3: Achieve Tree City USA Community recognition through the Arbor Day Foundation.

Initiative 5.3.1: Adopt a Tree Care Ordinance. (1 year)

Initiative 5.3.2: Establish a Tree Board or Department. (1 year)

Initiative 5.3.3: Establish a Community Forestry Program with an annual budget of at least \$2 per capita. (1 year)

Initiative 5.3.4: Conduct an Arbor Day observance and proclamation. (1 year)

Partners: City staff, Arbor Day Foundation, property owners, utility companies

Resources: Public Works, Community Development

**Obstacles:** Public support for property owner tree maintenance responsibility/liability, potential for public concerns over related nuisance issues (e.g. leaf litter)

#### Objective 5.4: Actively and aggressively address homelessness in Moreno Valley.

Initiative 5.4.1: Compile updated, accurate resource information into one document/brochure and share with public safety, code enforcement, and nonprofit staff members. (6 months)

Initiative 5.4.2: Provide/expand training to public safety and code enforcement staff on effective strategies for interaction with homeless individuals. (6 months)

Initiative 5.4.3: Increase local nonprofit agency participation in the City-hosted quarterly roundtable meetings to assist the coordination of services throughout the City and region. Increase nonprofit agency participation by 10% each year. (1 year)

Initiative 5.4.4: Seek new or supplemental funding sources to provide ongoing programs (to include job training and emphasis upon homeless veterans) throughout the City and the region. Continually research best practices in addressing the issue. (years 1-5)

Initiative 5.4.5: Continue to monitor legislation for any changes that may impact the funding for services or the rights of homeless individuals. (years 1-5)

**Partners:** Finance, City Manager's Office, Housing and Urban Development, Veterans Affairs, Riverside County Department of Public Social Services (DPSS), Riverside County Continuum of Care and local non-profit agencies, Community Development, Media Section

**Resources:** Financial, personnel, and technical resources may be provided from various partners, professional consultants

**Obstacles:** Addressing homelessness is a national and regional issue, which will require continual participation at all levels from all of the partners, available staffing resources, adequate funding, lack of training opportunities

#### Objective 5.5: Promote a healthy community and lifestyle.

Initiative 5.5.1: Develop a "Healthy Moreno Valley" Campaign. Seek funding from local business partners, school districts, and service clubs, as well as pursue grant opportunities, for this purpose. (1 year)

Initiative 5.5.2: Consider incorporation of a Health Element in the General Plan. (3 years)

Initiative 5.5.3: Explore a partnership with the County to enhance the use of Box Springs area as a major hiking, walking, and mountain biking recreational destination. (3 years)

Initiative 5.5.4: Explore and promote the San Jacinto wildlife area adjacent to the World Logistics Center as a major hiking and mountain biking destination. (5 years)

Initiative 5.5.5: Engage the community and cities in the region by hosting and/or participating in Mayor's Cup sports competitions. (1 year)

Partners: Public Works, Community Services, Economic Development, Community Development, Media Section, County of Riverside, Western Riverside Council Of Governments (WRCOG), local health organizations, Inland Empire Biking Alliance, sporting goods stores, Office on Aging, Community Action Partnership, local churches, private health clubs and gyms, Moreno Valley Unified School District, Val Verde Unified School District, Recreational Trails Board, Inland Empire Health Plan, Riverside University Health System, Family Service Association

Resources: Funding for plan development and support for professional consultants

Obstacles: Adequate funding, available staffing resources, community support

Objective 5.6: Enhance community outreach, partnership opportunities, and stakeholder ownership of the City's parks and recreation services, programs and events.

Initiative 5.6.1: Implement a new and improved Parks and Community Services Department website providing interactive and user friendly applications for residents to reserve amenities and register for programs. (1 year)

Initiative 5.6.2: Reinvent and market the City's Adopt-A-Park and Adopt-A-Trail programs to obtain at least two business, non-profit and/or service clubs to actively participate in these programs. (1 year)

Initiative 5.6.3: Enhance community awareness of the many ways that "Parks Make Life Better" by promoting a related poster and/or photography contest. (1 year)

Initiative 5.6.4: Collaborate with two service clubs and/or non-profits and a local radio station for in-kind and/or financial sponsorships of the City's first Christmas Tree Lighting Ceremony. (1 year)

Initiative 5.6.5: Establish a collaborative, strategic partnership with a different community organization or stakeholder for each community "signature" special event. (1 year)

**Partners:** Community Services, City Council Office, local radio stations, service clubs, churches, private corporations

**Resources**: Media Section, new recreation management software, social media, Moreno Valley Chamber of Commerce, Hispanic Chamber of Commerce, Moreno Valley Black Chamber of Commerce

Obstacles: Adequate funding, available staffing resources



#### 6. YOUTH PROGRAMS

Improve the lives and futures of our City's youth by expanding healthy lifestyle choices and learning opportunities. Build systems that continually and effectively assess the conditions affecting families in Moreno Valley, and develop context appropriate strategies responsive to those needs that build on community strengths.

Objective 6.1: Provide employment training and support for Moreno Valley youth between the ages of 16 – 21 years.

Initiative 6.1.1: Implement the Summer at City Hall program with the Val Verde Unified School District and analyze the effectiveness of the program with the intent to grow this initiative in future years. (6 months)

Initiative 6.1.2: Collaborate with the Youth Opportunity Center to strengthen interview and job skills for employment opportunities in utilizing the Expanded Subsidized Employment program. (6 months)

Initiative 6.1.3: Offer courses through contractors and in-house City staff such as computer training, technology skills, and resumé assistance for youth ages 16-21 years. (6 months)

Initiative 6.1.4: Partner with the Youth Opportunity Center to promote courses targeting atrisk, homeless, dropouts and foster children. (1 year)

Initiative 6.1.5: Implement a Parks and Community Services Department youth volunteer program to add at least 15 youth volunteers. (1 year)

**Partners:** Economic Development, Community Services, Library for provision of job readiness workshops, Youth Opportunity Center, Riverside County, Inland Coalition

**Resources:** Contract instructors, Moreno Valley College, Moreno Valley Unified School District, Val Verde Unified School District, University of California Riverside, social media, funding from school districts

Obstacles: Adequate funding, training, available work space

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

Initiative 6.2.1: Identify new trends and best practices of health and fitness recreation and athletic programs youth between the ages of 7-12 years. (1 year)



Initiative 6.2.2: Establish a collaborative partnership with local non-profit, school district and/or service club(s) in implementing a health and wellness program for Moreno Valley, including a youth-focused element. (1 year)

Initiative 6.2.3: Implement a collaborative partnership with University of California, Riverside's Food Program at City camps and Time for Tots programs. (6 months)

Initiative 6.2.4: Promote nutrition education to improve students' health and reduce childhood obesity through family information sharing and after-school recreation health/wellness programs. (6 months)

Initiative 6.2.5: Develop a public/private partnership between the City and Boys & Girls Club to identify a facility for the Moreno Valley Boys and Girls Club. (1 year)

Initiative 6.2.6: Identify and develop a pilot program between the City and Boys & Girls Club to provide youth recreation and/or sports programming. (1 year)

Initiative 6.2.7: Actively engage community groups regarding opportunities to participate in and sponsor programs to serve Moreno Valley's youth. (3 years)

**Partners:** Community Services, Boys and Girls Club, Moreno Valley Unified School District, Val Verde Unified School District, hospitals, nutrition shops, Community Development Department

**Resources:** California Parks and Recreation Society, health and fitness clubs, Media Section, social media, fitness magazines, Peach Jar, National Recreation and Parks Association, University of California, Riverside

Obstacles: (None)



# APPENDIX A-RESULTS OF THE PUBLIC SURVEY

City of Moreno Valley Council Priorities Survey

1. Please check up to 6 items that are most important to you.

Answer Options	Response Percent	Response Count
9. Attract more technology jobs and jobs that require high education levels; market MV College; add a 4 year college; livability & sustainability - increase per capita income	42.3%	151
27. Increase Public Safety to build a safer city	34.5%	123
3. Create a distinct plaza, downtown area for arts & music	33.6%	120
<ol> <li>Attract more businesses to provide quality job creation; develop Edgemont area to create jobs; increase marketing efforts to businesses; advertise our successes</li> </ol>	26.3%	94
31. Beautify residential sections of the city; remove trash from around the city; plant more trees	25.8%	92
<ol> <li>Increase size of the library and/or add satellite library locations; grant more authority to the Library Commission; consider more private-public partnerships related to library services</li> </ol>	23.5%	84
36. Attract more sit-down restaurants	21.0%	75
11. Strengthen the Hire MoVal program to keep residents working locally	20.2%	72
Attract a major sports complex/center that will have regional significance	19.9%	71
<ol> <li>Unite behind World Logistics Center to make it successful; market success of World Logistics Center</li> </ol>	18.8%	67
5. Place a Library in a building at the mall; host an under 21 club in evenings; have weekend hours; offer free Wi-Fi; significantly increase the size of the Library or open multiple branches; modernize the Library facility; recognize that the Library serves a Community Services program facility	18.5%	66
15. Make it easier to start businesses; be more business friendly; give assistance completing city forms	14.8%	53
38. Create more recreation activities for the youth; increase promotion of sports organizations	14.8%	53
22. Lower business taxes and utility fees	14.0%	50
44. Traffic signal coordination	14.0%	50
29. MV Ranch Golf Course rehabilitation plan; do not allow development but keep it as a golf course	13.4%	48
21. Attract grocery stores in areas where they are needed	13.2%	47
14. Market our successes attracting larger businesses; Moreno Valley as the place to be	12.9%	46
13. Attract more locally owned, small businesses	12.3%	44
40. Infrastructure improvements to handle flooding, earthquakes, streets	11.5%	41
26. Decrease delinquency	10.9%	39
<ol> <li>Need first-time home buyer incentive program to raise everyone's home values</li> </ol>	10.6%	38
12. A Technology Trade School is needed; regulate Trade schools	10.4%	37
<ol><li>Develop an Arts friendly environment; create an Arts district with businesses</li></ol>	10.1%	36
18. Develop a program to match residents to jobs; make it easier for new businesses to find local workers; train local workers on basic job etiquette	9.0%	32
32. Create a distinct plaza and gathering place	9.0%	32
39. Improve public transportation routes & frequencies; expand & connect transportation corridors outside MV; transit to be friendly to the disabled	9.0%	32

producing organic, local grown products)		
10. Create one strong Chamber of Commerce	8.4%	30
42. Add multi-purpose lanes thru Reche Canyon; add bicycle lanes throughout city; Healthy Community Strategy	8.1%	29
34. Restore a positive identity and perceptions; emphasize unique items, views, landmarks, etc.	7.6%	27
6. Emphasize the unique views and landscapes in MV	7.0%	25
Add landmarks to demark where the city starts	5.9%	21
30. More active code enforcement, south MV is center of distribution	5.6%	20
33. Hold additional forums and Town Halls to improve communications between the city and citizens	5.6%	20
35. Add parks and playgrounds on the north side of town near Palm Middle School	5.3%	19
37. Improve city ordinances concerning barking dogs so that the complaining neighbor is not pitted against the dog owner but the city has the power to proscribe training for the dog	5.0%	18
41. Improve water quality in Edgemont	5.0%	18
25. Limit vehicles w/ more than 2 axles near schools	4.5%	16
<ol><li>Stable revenues to fund services and offer our children jobs; wealth creation</li></ol>	4.2%	15
43. Design streets to keep traffic local; safe travel; round-abouts; not to facilitate highways	4.2%	15
23. Attract modern office buildings for small business owners that live in the city	3.1%	11
28. Define architectural standards for new construction; home developments require vinyl fences	2.8%	10
19. Need business incubator to help start local businesses	2.5%	9
45. Install barriers at Theodore south of Alessandro and near the east end of Cactus to stop illegal dumping	2.5%	9
46. Attract development of a skyscraper (15 stories) or an iconic bridge	2.2%	8
47. Add sidewalks at Heacock Street & Gregory	2.2%	8
answered question	<i>357</i>	2,052

#### APPENDIX B

# MORENO VALLEY SERVICE THAT SOARS

# Customer Care Standards

#### In Moreno Valley, we provide exceptional customer care by...

**Providing same day response** Resolving an issue or completing a request is seldom accomplished in just a day, but striving to acknowledge the request the day it is received provides "same day response" and exemplary service.

**Knowing first impressions matter** Our professionalism is judged based on appearance, attitude, manners, knowledge, and abilities. It is a package; we risk making a bad impression if we fail on even one count.

**Ensuring a positive experience** A negative attitude affects service quality and morale. We resolve to stay positive because we know our approach dramatically affects our customers' and coworkers' experience.

**Asking and listening** We never assume to know what our customers need. Good questions evoke good answers, but only if we listen. Resolving to not interrupt, we exercise patience and we pay attention.

**Connecting** We make eye contact, smile, and acknowledge every customer. When speaking to a customer, we address them by name using formal address (e.g, Mr. or Ms.), and let them decide if we're on a first name basis.

**Respecting our customers' concerns** To some, government can seem like a complex bureaucracy. We put a human face on the customer's dealings with our City. We work to put our customers at ease and to earn their trust.

**Treating customers like they have a choice** Customers of government agencies often do not choose to do business with us, they have to. We meet this challenge by providing exceptional service.

**Remembering who we work for** It may not always be possible to say "yes" but our customers <u>and</u> co-workers must know that we have done our best to help them accomplish their goal.

**Knowing our business** To provide accurate information, we must know our jobs and have a thorough understanding of agency processes. Providing accurate information is critical; to do so, we work with staff, consult supervisors, conduct research, and keep up-to-date with industry best practices.

**Understanding the difference between fast and efficient service** We use knowledge, skills, and resources to respect our customers' time, but we never rush – it is impolite and it dramatically impacts the relationship and the outcome.

**Questioning the status quo** We do not do things the same old way just because that is "how we've always done it." We were hired to use our experience and skills to improve public service – and we take the process improvement challenge to heart.

**Keeping our word** We manage expectations by setting reasonable goals. Giving careful thought to timelines, we always remember that our word is our bond as we promote honesty, responsibility, and accountability.

**Treating customers like people, not footballs** Customers notice how many interactions are required to get the answers they need. If we need to hand off a customer, it should be to the right person, and that person should be provided with the pertinent facts to ensure a seamless transition.

**Seeing the big picture** Identifying improvement opportunities throughout the organization requires a field of vision that expands beyond one's workstation. "That's not my job" is not part of our vocabulary. We engage, participate, and contribute.

**Encouraging feedback** Comments, suggestions, and criticism help us measure our success and promote improvement. We demonstrate commitment to our customers by asking how we can do better.

**Saying "Thank you"** Technical knowledge simply isn't enough; our careers and livelihood depend on our success in providing exceptional customer care. At every opportunity, we show sincere care, compassion, gratitude and appreciation. We go above and beyond to provide "service that soars."



### APPENDIX C

Southern California Association of Governments (SCAG)

Profile of the City of Moreno Valley





# Profile of the City of Moreno Valley

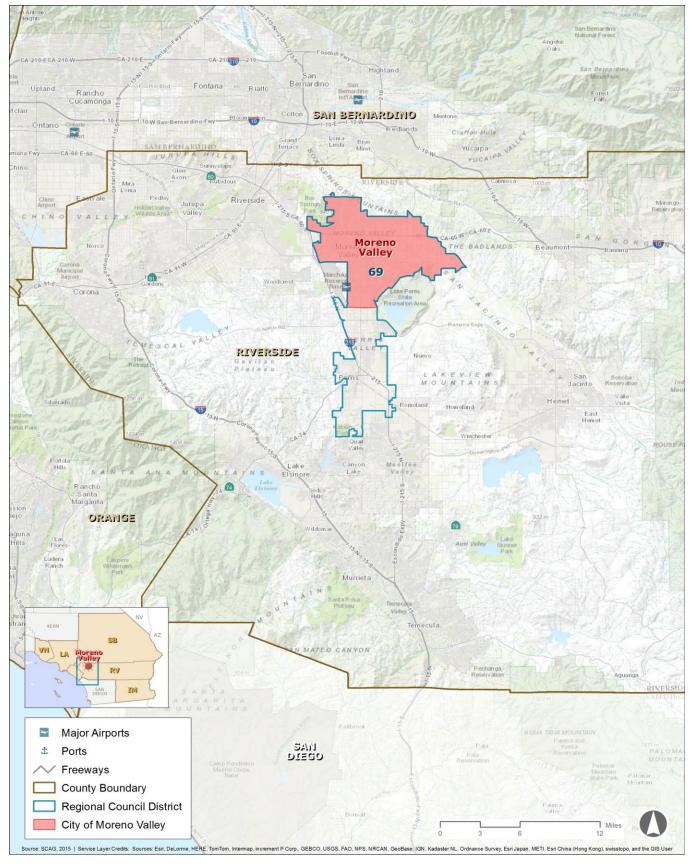
Southern California Association of Governments' (SCAG) Regional Council includes 69 districts which represent 191 cities in the SCAG region.

SCAG Regional Council District 69 includes Moreno Valley and Perris Represented by: Hon. Jeffrey Giba



# **LOCAL PROFILES REPORT 2015**

This profile report was prepared by the Southern California Association of Governments and shared with the City of Moreno Valley. SCAG provides local governments with a variety of benefits and services including, for example, data and information, GIS training, planning and technical assistance, and sustainability planning grants.



Source: 2012 SCAG city boundary data, which is provided by the county Local Agency Formation Commissions.

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### I. Introduction

The purpose of this report is to provide current information and data for the City of Moreno Valley for planning and outreach efforts. Information on population, housing, transportation, employment, retail sales, and education can be utilized by the city to make informed planning decisions. The profile provides a portrait of the city and its changes since 2000, using average figures for Riverside County as a comparative baseline. In addition, the most current data available for the region is also included in the Statistical Summary (page 3). This profile demonstrates the current trends occurring in the City of Moreno Valley.

The Southern California Association of Governments (SCAG) is the largest Metropolitan Planning Organization (MPO) in the nation. The SCAG region includes six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura) and 191 cities. As the designated MPO, SCAG is mandated by federal law to research and develop a Regional Transportation Plan (RTP), which incorporates a Sustainable Communities Strategy (SCS) per California state law. SCAG is currently undertaking a variety of planning and policy initiatives to foster a more sustainable Southern California.

In 2008, SCAG initiated the Local Profiles Project as a part of a larger initiative to provide a variety of services to its member cities and counties. Through extensive input from member jurisdictions, the inaugural Local Profiles Reports were released at the General Assembly in May 2009. The Profiles have been updated every two years.

Local Profiles provide basic information about each member jurisdiction including, but not limited to, the following:

- How much growth in population has taken place since 2000?
- Has the local jurisdiction been growing faster or slower than the county or regional average?
- Have there been more or fewer school-age children?
- Have homeownership rates been increasing or decreasing?
- How and where do residents travel to work?
- How has the local economy been changing in terms of employment share by sectors?
- Have the local retail sales revenues recovered to pre-recession levels?

Answers to questions such as these provide a snapshot of the dynamic changes affecting each local jurisdiction.

### Factors Affecting Local Changes Reflected in the 2015 Report

Overall, member jurisdictions since 2000 were impacted by a variety of factors at the national, regional, and local levels. For example, the vast majority of member jurisdictions included in the 2015 Local Profiles reflect the national demographic trends toward an older and a more diverse population. Evidence of the slow process towards economic recovery is also apparent through gradual increases in employment, retail sales, building permits, and home prices. Work destinations and commute times correlate with regional development patterns and the geographical location of local jurisdictions, particularly in relation to the regional transportation system.

Southern California Association of Governments

### **Uses of the Local Profiles**

Following release at the SCAG General Assembly, the Local Profiles are posted on the SCAG website and are used for a variety of purposes including, but not limited to, the following:

- Data and communication resources for elected officials, businesses, and residents
- Community planning and outreach
- Economic development
- Visioning initiatives
- Grant application support
- Performance monitoring

The primary user groups of the Profiles include member jurisdictions and state and federal legislative delegates of Southern California. This profile report is a SCAG member benefit and the use of the data contained within this report is voluntary.

### **Report Organization**

This profile report has three sections. The first section presents a Statistical Summary for the City of Moreno Valley. The second section provides detailed information organized by subject areas and includes brief highlights on the impacts of the recent economic recession and recovery at the regional level. The third section, Methodology, describes technical considerations related to data definitions, measurement, and data sources.

### **2014 STATISTICAL SUMMARY**

Category	Moreno Valley	Riverside County	Moreno Valley relative to Riverside County*	SCAG Region
2014 Total Population	199,258	2,279,967	[8.7%]	18,645,437
2014 Median Age (Years)	29.9	34.2	-4.3	35.5
2014 Hispanic	58.7%	47.4%	11.3%	46.8%
2014 Non-Hispanic White	16.2%	37.3%	-21.1%	31.8%
2014 Non-Hispanic Asian	6.0%	6.3%	3%	12.4%
2014 Non-Hispanic Black	15.9%	5.9%	10.0%	6.3%
2014 Non-Hispanic American Indian	.3%	.5%	2%	.3%
2014 All Other Non-Hispanic	2.9%	2.6%	.3%	2.5%
2014 Number of Households	51,864	700,413	[7.4%]	6,029,326
2014 Average Household Size	3.8	3.2	0.6	3.1
2014 Median Household Income (\$)	51,217	52,648	-1,431	56,737
2014 Number of Housing Units	55,852	817,008	[6.8%]	6,524,730
2014 Homeownership Rate	64.5%	54.5%	10%	54.5%
2014 Median Existing Home Sales Price (\$)	235,000	290,000	-55,000	426,000
2013 - 2014 Median Home Sales Price Change	19.9%	12%	7.9%	10.1%
2014 Drive Alone to Work	82.0%	81.9%	.1%	78.2%
2014 Mean Travel Time to Work (minutes)	37.4	34.5	2.9	31.7
2013 Number of Jobs	33,375	654,436	[5.1%]	7,660,489
2012 - 2013 Total Jobs Change	2,025	37,749	[5.4%]	231,953
2013 Average Salary per Job (\$)	33,075	37,827	-4,752	48,213
2014 K-12 Public School Student Enrollment	42,279	425,442	9.9%	3,058,957

Sources: U.S. Census Bureau American Community Survey, 2014; Nielsen Co.; California Department of Finance E-5, May 2014; MDA Data Quick; California Department of Education; and SCAG

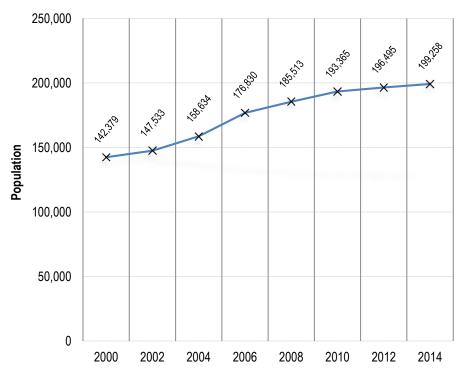
Mapped jurisdictional boundaries are as of July 1, 2012 and are for visual purposes only. Report data, however, are updated according to their respective sources.

<sup>\*</sup> Numbers with [] represent Moreno Valley's share of Riverside County. The other numbers represent the difference between Moreno Valley and Riverside County.

### **II. Population**

### **Population Growth**

Population: 2000 - 2014

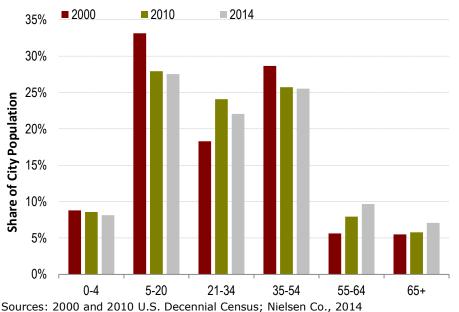


Source: California Department of Finance, E-5, 2014

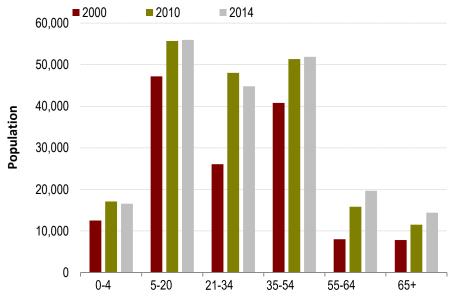
- Between 2000 and 2014, the total population of the City of Moreno Valley increased by 56,879 to 199,258 in 2014.
- During this 14year period, the city's population growth rate of 39.9 percent was lower than the Riverside County rate of 47.5 percent.
- 8.7% of the total population of Riverside County is in the City of Moreno Valley.

### Population by Age

### Population Share by Age: 2000, 2010, and 2014



### Population by Age: 2000, 2010, and 2014

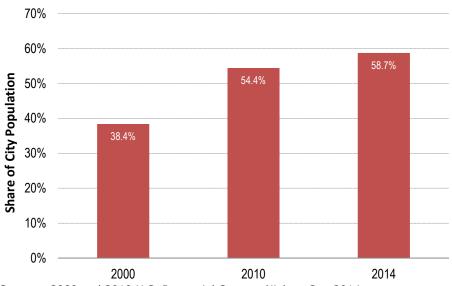


Sources: 2000 and 2010 U.S. Decennial Census; Nielsen Co., 2014

- Between 2000 and 2014, the age group 55-64 experienced the largest increase in share, growing from 5.6 to 9.7 percent.
- The age group that experienced the greatest decline, by share, was age group 5-20, decreasing from 33.1 to 27.5 percent.
- The age group 21-34 added the most population, with an increase of 18,776 people between 2000 and 2014.

### Population by Race/Ethnicity

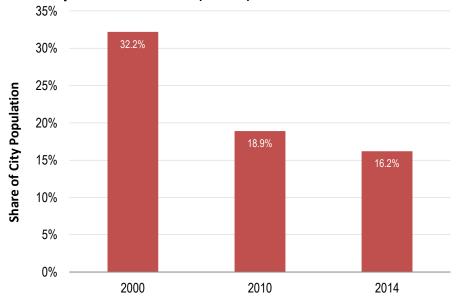
### Hispanic or Latino of Any Race: 2000, 2010, and 2014



Sources: 2000 and 2010 U.S. Decennial Census; Nielsen Co., 2014

 Between 2000 and 2014, the share of Hispanic population in the city increased from 38.4 percent to 58.7 percent.

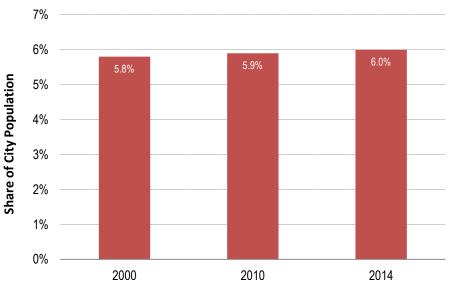
### Non-Hispanic White: 2000, 2010, and 2014



Sources: 2000 and 2010 U.S. Decennial Census; Nielsen Co., 2014

- Between 2000 and 2014, the share of Non-Hispanic White population in the city decreased from 32.2 percent to 16.2 percent.
- Please refer to the Methodology section for definitions of the racial/ethnic categories.

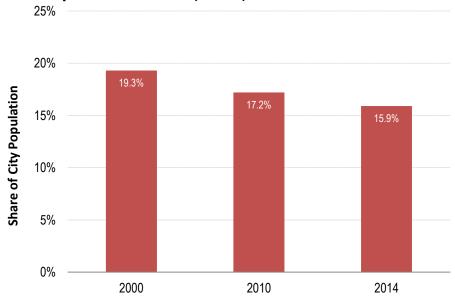
### Non-Hispanic Asian: 2000, 2010, and 2014



 Between 2000 and 2014, the share of Non-Hispanic Asian population in the city increased from 5.8 percent to 6.0 percent.

Sources: 2000 and 2010 U.S. Decennial Census; Nielsen Co., 2014

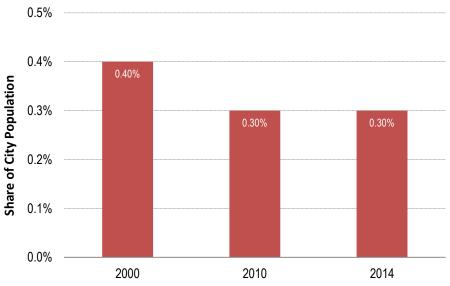
### Non-Hispanic Black: 2000, 2010, and 2014



Sources: 2000 and 2010 U.S. Decennial Census; Nielsen Co., 2014

 Between 2000 and 2014, the share of Non-Hispanic Black population in the city decreased from 19.3 percent to 15.9 percent.

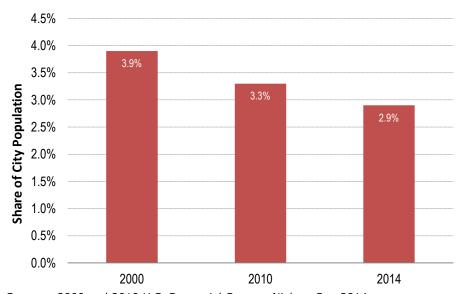
### Non-Hispanic American Indian: 2000, 2010, and 2014



Sources: 2000 and 2010 U.S. Decennial Census; Nielsen Co., 2014

 Between 2000 and 2014, the share of Non-Hispanic American Indian population in the city decreased from 0.4 percent to 0.3 percent.

### All Other Non-Hispanic: 2000, 2010, and 2014



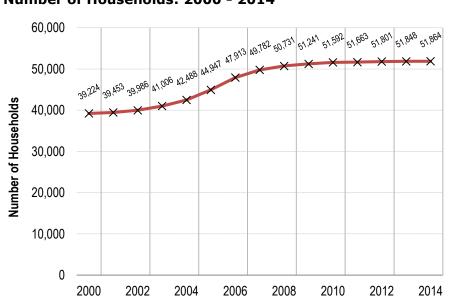
Sources: 2000 and 2010 U.S. Decennial Census; Nielsen Co., 2014

 Between 2000 and 2014, the share of All Other Non-Hispanic population group in the city decreased from 3.9 percent to 2.9 percent.

### III. Households

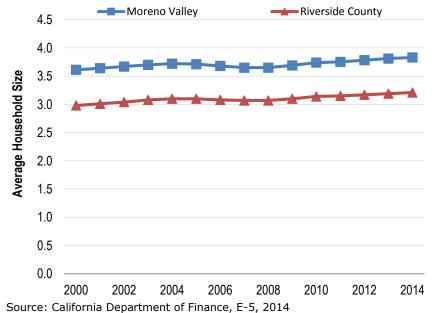
### Number of Households (Occupied Housing Units)

### Number of Households: 2000 - 2014



Sources: 2000 and 2010 U.S. Decennial Census; California Department of Finance, E-5, 2014

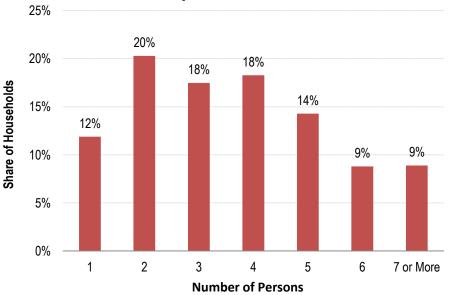
### Average Household Size: 2000 - 2014



- Between 2000 and 2014, the total number of households in the City of Moreno Valley increased by 12,640 units, or 32.2 percent.
- During this 14year period, the city's household growth rate of 32.2 percent was lower than the county growth rate of 38.4 percent.
- 7.4 percent of Riverside County's total number of households are in the City of Moreno Valley.
- In 2014, the city's average household size was 3.8, higher than the county average of 3.2.

### Households by Size

### Percent of Households by Household Size: 2014

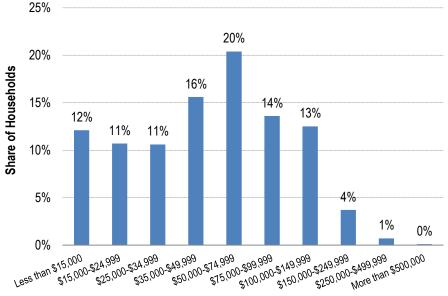


Source: Nielsen Co., 2014

- In 2014, 49.7
   percent of all
   city households
   had 3 people or
   fewer.
- About 12
   percent of the
   households were
   single-person
   households.
- Approximately 32 percent of all households in the city had 5 people or more.

### Households by Income

### Percent of Households by Household Income: 2014

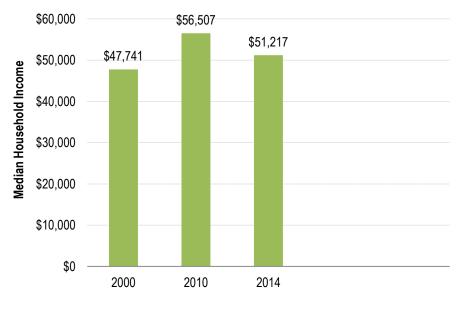


Source: Nielsen Co., 2014

- In 2014, about 50 percent of households earned less than \$50,000 annually.
- Approximately 18 percent of households earned \$100,000 or more.

### Household Income

### Median Household Income: 2000, 2010, & 2014

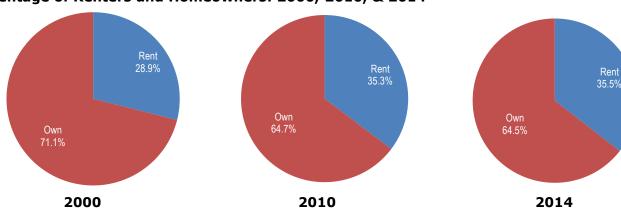


- From 2000 to 2014, median household income increased by \$3,476.
- Note: Dollars are not adjusted for annual inflation.

Source: Nielsen Co., 2014

### Renters and Homeowners

### Percentage of Renters and Homeowners: 2000, 2010, & 2014

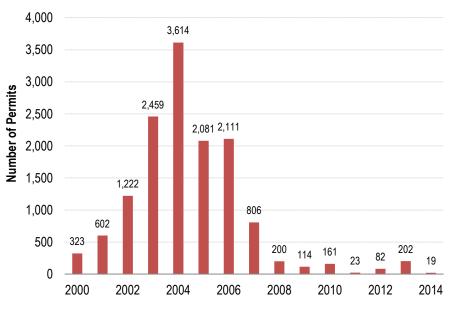


Sources: 2000 and 2010 U.S. Decennial Census; Nielsen Co., 2014

Between 2000 and 2014, homeownership rates decreased and the share of renters increased.

# IV. Housing Production

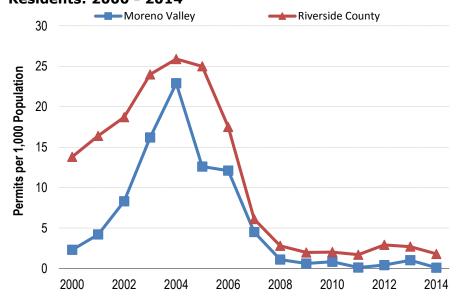
### Total Permits Issued for all Residential Units: 2000 - 2014



Source: Construction Industry Research Board, 2000 - 2014

Between 2000 and 2014, permits were issued for 14,019 residential units.

# Permits Issued for all Residential Units per 1,000 Residents: 2000 - 2014

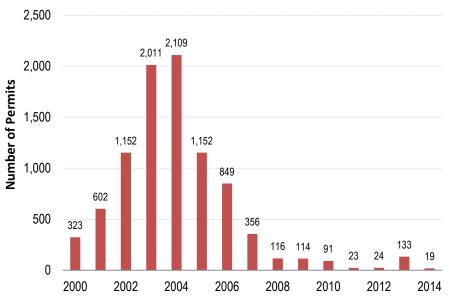


Source: Construction Industry Research Board, 2000 - 2014

- In 2000, the City of Moreno Valley had 2.3 permits per 1,000 residents compared to the overall county figure of 13.8 permits per 1,000 residents.
- For the city in 2014, the number of permits per 1,000 residents decreased to 0.1 permits. For the county overall, it decreased to 1.8 permits per 1,000 residents.

### Single-Family Housing Production

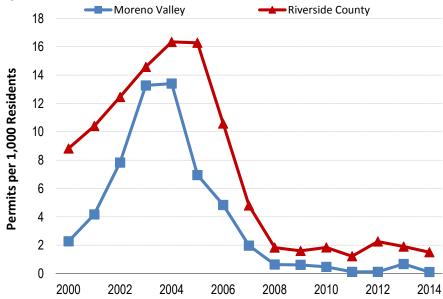
### Permits Issued for Single-Family Units: 2000 - 2014



Source: Construction Industry Research Board, 2000 - 2014

- Between 2000 and 2014, permits were issued for 9,074 single family homes.
- 1.9 percent of these were issued in the last 3 years.

# Single-Family Permits Issued per 1,000 Residents: 2000 - 2014

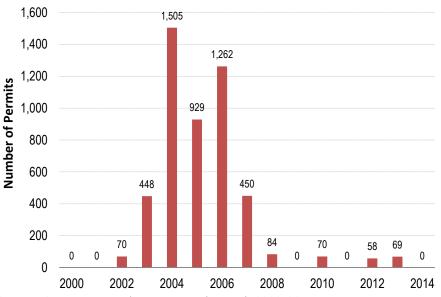


Source: Construction Industry Research Board, 2000 - 2014

- In 2000, the City of Moreno Valley issued 2.3 permits per 1,000 residents compared to the overall county figure of 8.8 permits per 1,000 residents.
- Por the city in 2014, the number of permits issued per 1,000 residents decreased to 0.1 permits. For the county overall, it decreased to 1.5 permits per 1,000 residents.

### **Multi-Family Housing Production**

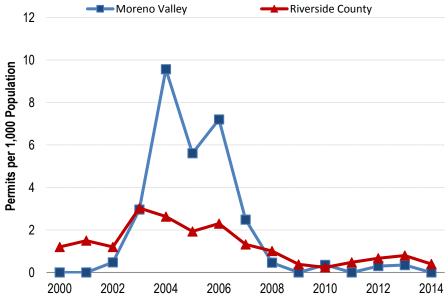
### Permits Issued for Multi-Family Units: 2000 - 2014



Source: Construction Industry Research Board, 2000-2014

 Between 2000 and 2014, there were permits issued for 4,945 multi-family residential units.

# Multi-Family Permits Issued per 1,000 Residents: 2000 - 2014

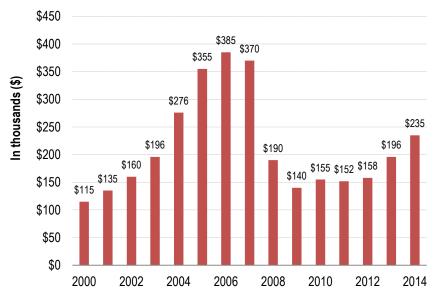


Source: Construction Industry Research Board, 2000-2014

• For the city in 2014, the number of permits per 1,000 residents remained at 0 permits. For the county overall, it decreased to 0.4 permits per 1,000 residents.

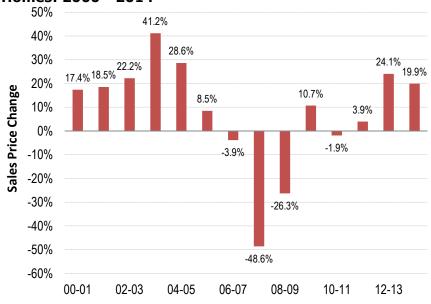
### Home Sales Prices

# Median Home Sales Price for Existing Homes: 2000 - 2014 (in \$ thousands)



Source: MDA Data Quick, 2014

# Annual Median Home Sales Price Change for Existing Homes: 2000 - 2014



Source: MDA Data Quick, 2014

- Between 2000 and 2014, the median home sales price increased 104 percent from \$115,000 to \$235,000.
- Median home sales price increased by 51.6 percent between 2010 and 2014.
- In 2014, the median home sales price in the city was \$235,000, \$55,000 lower than that in the county overall.
- Note: Median home sales price reflects resale of existing homes and provides guidance on the market values of homes sold.
- Between 2000 and 2014, the largest single year increase was 41.2 percent.

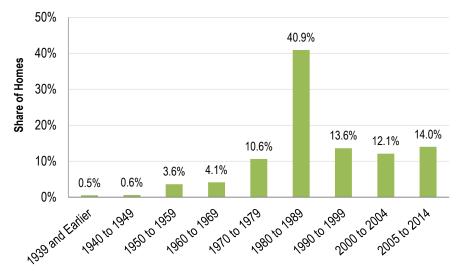
### Housing Units by Housing Type: 2014

Housing Type	Number of Percent of Total Units		
Single Family Detached	45,039	80.6	%
Single Family Attached	1,127	2	%
Multi-family: 2 to 4 units	1,505	2.7	%
Multi-family: 5 units plus	6,817	12.2	%
Mobile Home	1,364	2.4	%
Total	55,852	100	%

- The most common housing type is Single Family Detached.
- Approximately 82.7
   percent were single
   family homes and 14.9
   percent were multi family homes.

Source: California Department of Finance, E-5, 2014

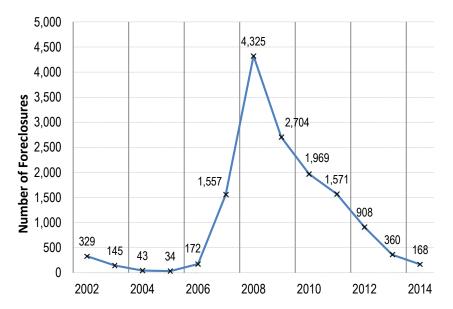
### Age of Housing Stock



Source: Nielsen Co., 2014

- About 9 percent of the housing stock was built before 1970.
- Approximately 91 percent of the housing stock was built after 1970.

### **Foreclosures**

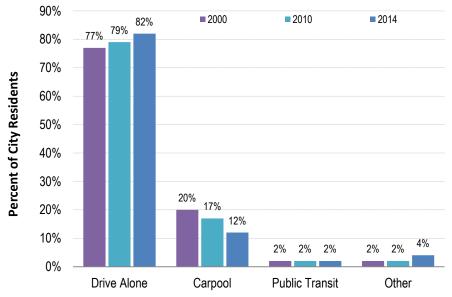


Source: MDA Data Quick, 2014

- There were a total of 168 foreclosures in 2014.
- Between 2007 and 2014, there were a total of 13,562 foreclosures.

# V. Transportation Journey to Work for Residents

### Transportation Mode Choice: 2000, 2010, & 2014



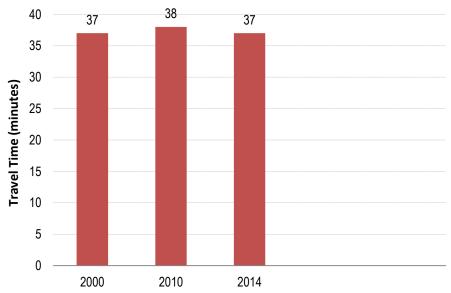
Sources: 2000 U.S. Decennial Census; 2010 U.S. Census American Community

Survey; and Nielsen Co., 2014

# e Between 2000 and 2014, the greatest change occurred in the percentage of individuals who traveled to work by carpool; this share decreased by 7.3 percentage points.

 'Other' refers to bicycle, pedestrian, and home-based employment.

### Average Travel Time (minutes): 2000, 2010, & 2014



Sources: 2000 U.S. Decennial Census; 2010 U.S. Census American Community

Survey; and Nielsen Co., 2014

 Between 2000 and 2014, the average travel time to work remained the same.

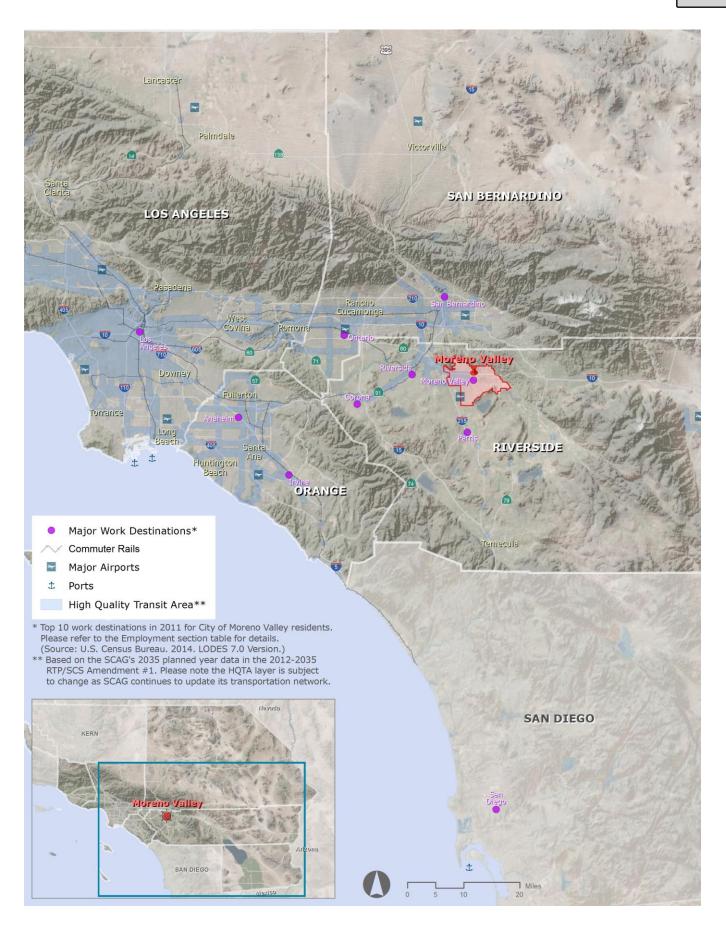
### **VI. Employment**

**Top 10 Places Where Residents Commute to Work** 

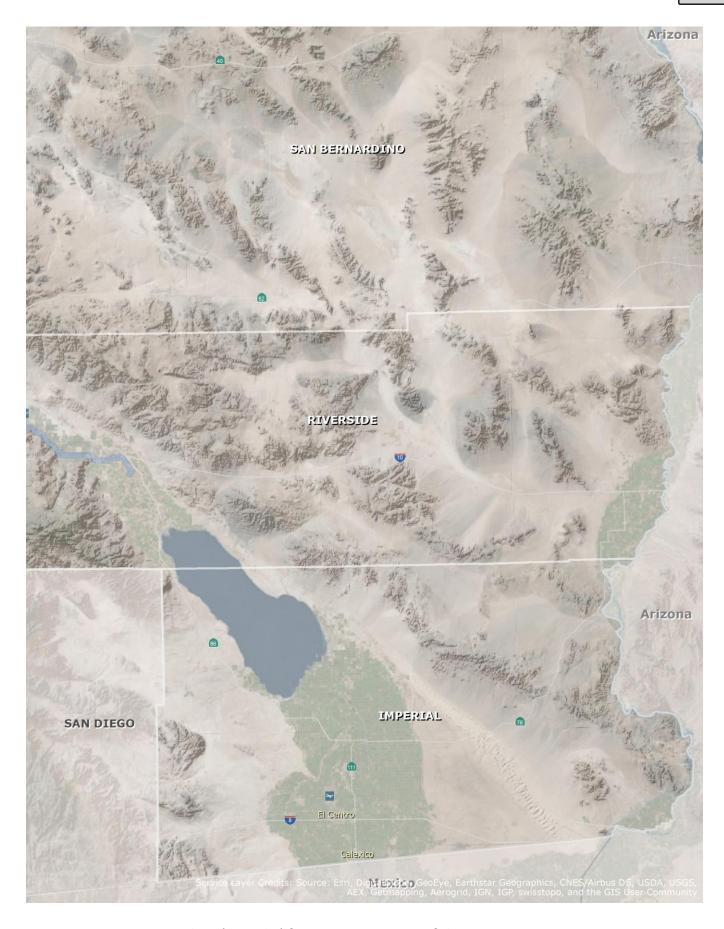
	local lurisdiction		Percent of Total Commuters
1.	Riverside	10,106	19.4 %
2.	Moreno Valley	6,518	12.5 %
3.	San Bernardino	2,979	5.8 %
4.	Los Angeles	2,669	5.1 %
5.	Ontario	1,492	2.8 %
6.	Corona	1,386	2.6 %
7.	Perris	1,339	2.5 %
8,	San Diego	1,070	2.1 %
9.	Anaheim	1,059	2.0 %
10.	Irvine	968	1.8 %
All	Other Destinations	22,588	43.4 %

Source: U.S. Census Bureau, 2014, LODES Data; Longitudinal-Employer Household Dynamics Program, 2011

- This table identifies the top 10 locations where residents from the City of Moreno Valley commute to work.
- 12.5% work in the city where they live, while 87.5% commute to other places.

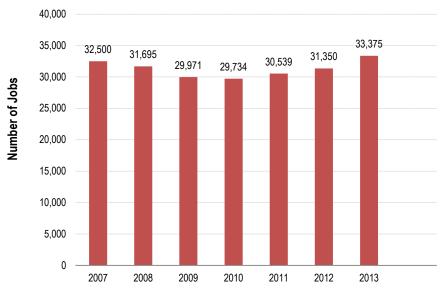


Southern California Association of Governments



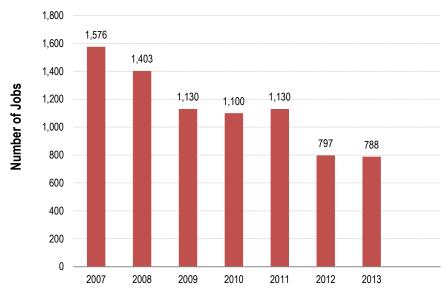
Southern California Association of Governments

### Total Jobs: 2007 - 2013



Sources: California Employment Development Department, 2007 - 2013; InfoGroup; and SCAG

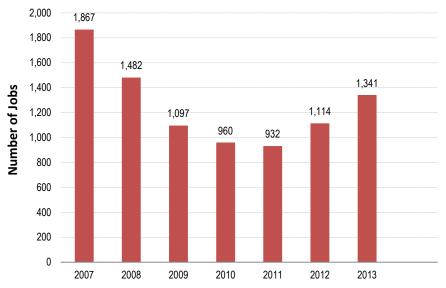
### Jobs in Manufacturing: 2007 - 2013



Sources: California Employment Development Department, 2007 - 2013; InfoGroup; and SCAG

- Total jobs include wage and salary jobs and jobs held by business owners and self-employed persons. The total job count does not include unpaid volunteers or family workers, and private household workers.
- In 2013, total jobs in the City of Moreno Valley numbered 33,375, an increase of 2.7 percent from 2007.
- Manufacturing jobs include those employed in various sectors including food; apparel; metal; petroleum and coal; machinery; computer and electronic products; and transportation equipment.
- Between 2007 and 2013, the number of manufacturing jobs in the city decreased by 49.9 percent.

### Jobs in Construction: 2007 - 2013



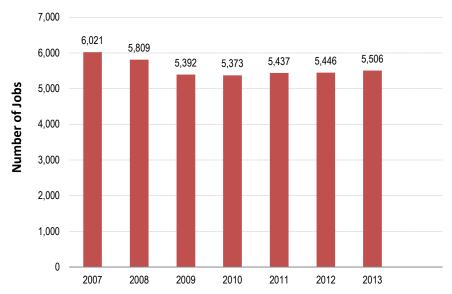
Sources: California Employment Development Department, 2007 - 2013;

InfoGroup; and SCAG

### Construction jobs include those engaged in both residential and non-residential construction.

 Between 2007 and 2013, construction jobs in the city decreased by 28.1 percent.

### Jobs in Retail Trade: 2007 - 2013

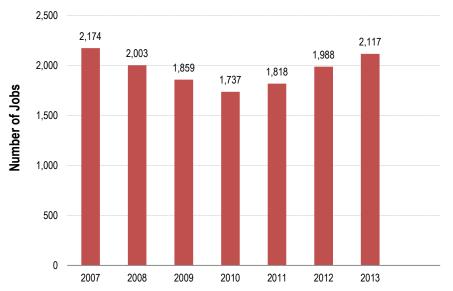


Sources: California Employment Development Department, 2007 - 2013;

InfoGroup; and SCAG

- Retail trade jobs include those at various retailers including motor vehicle and parts dealers, furniture, electronics and appliances, building materials, food and beverage, clothing, sporting goods, books, and office supplies.
- Between 2007 and 2013, the number of retail trade jobs in the city decreased by 8.5 percent.

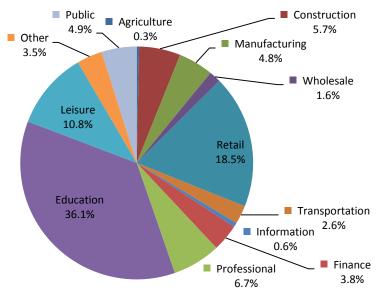
### Jobs in Professional and Management: 2007 - 2013



Sources: California Employment Development Department, 2007 - 2013; InfoGroup; and SCAG

- Jobs in the professional and management sector include those employed in professional and technical services, management of companies, and administration and support.
- Between 2007 and 2013, the number of professional and management jobs in the city decreased by 2.6 percent.

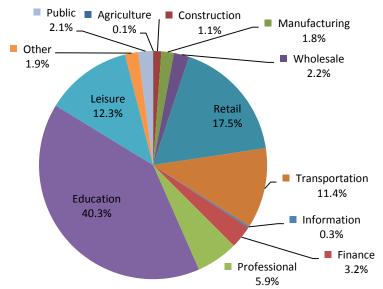
### Jobs by Sector: 2007



Sources: California Employment Development Department, 2007; InfoGroup; and SCAG.

- From 2007 to 2013, the share of Transportation jobs increased from 2.6 percent to 11.4 percent.
- See
   Methodology
   Section for
   industry sector
   definitions.

### Jobs by Sector: 2013

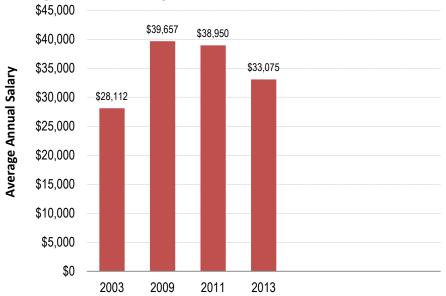


Sources: California Employment Development Department, 2014; InfoGroup; and SCAG.  $\label{eq:condition} % \[ \begin{array}{c} (x,y) & (x,y) \\ (x,y) & (x$ 

- In 2013, the Education sector was the largest job sector, accounting for 40.3 percent of total jobs in the city.
- Other large sectors included Retail (17.5 percent), Leisure (12.3 percent), and Transportation (11.4 percent).

### **Average Salaries**

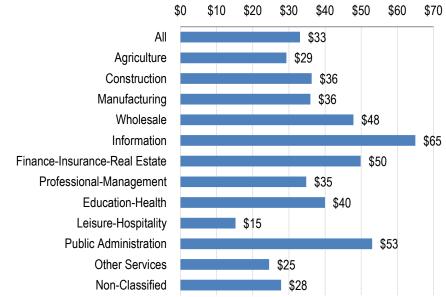
### Average Annual Salary: 2003, 2009, 2011, & 2013



Source: California Employment Development Department, 2003, 2009, 2011, 2013

- Average salaries for jobs located in the city increased from \$28,112 in 2003 to \$33,075 in 2013, a 17.7 percent change.
- Note: Dollars are not adjusted for annual inflation.

### Average Annual Salary by Sector: 2013 (\$ thousands)



Source: California Employment Development Department, 2013

- In 2013, the employment sector providing the highest salary per job in the city was Information (\$64,997).
- The Leisure-Hospitality sector provided the lowest annual salary per job (\$15,212).

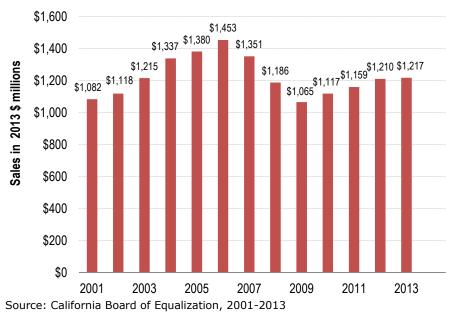
### **VII. Retail Sales**

thousands)

\$0

2001

### **Real Retail Sales: 2001 - 2013 (in 2013 \$ millions)**



and 2005.
Real retail sales decreased by 11.8 percent between 2005

and 2013.

Real (inflation

sales in the

Valley

adjusted) retail

City of Moreno

increased by 34.1 percent

between 2000

Real Retail Sales per Person: 2001 - 2013 (in 2013 \$

\$16 S12 S10 S10

\$12 \$10 \$10 \$8 \$6 \$6 \$4 \$2

2007

2009

Source: California Board of Equalization, 2001-2013

2005

2003

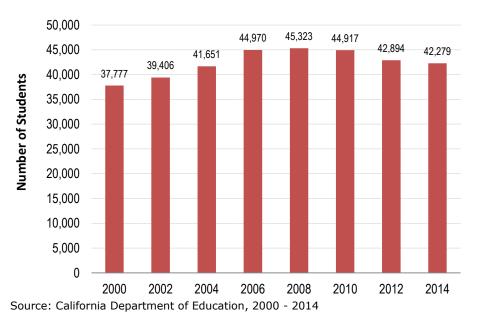
 Between 2001 and 2013, retail sales per person for the city decreased from \$7,229 to \$6,142.

2011

2013

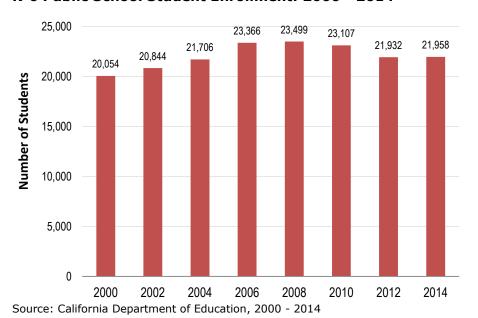
### **VIII. Education**

### K-12 Public School Student Enrollment: 2000 - 2014



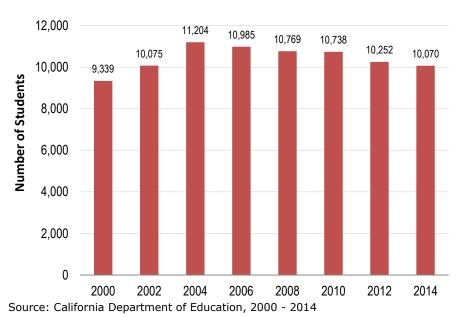
 Between 2000 and 2014, total K-12 public school enrollment for schools within the City of Moreno Valley increased by 4,502 students, or about 11.9 percent.

### K-6 Public School Student Enrollment: 2000 - 2014



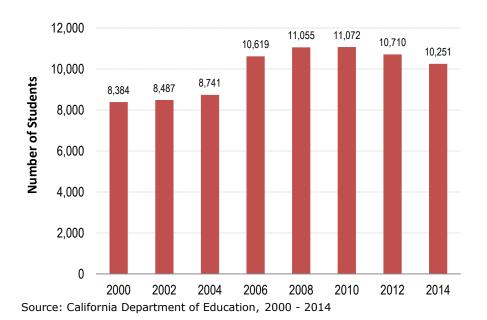
 Between 2000 and 2014, total public elementary school enrollment increased by 1,904 students or 9.5 percent.

Grades 7-9 Public School Student Enrollment: 2000 - 2014



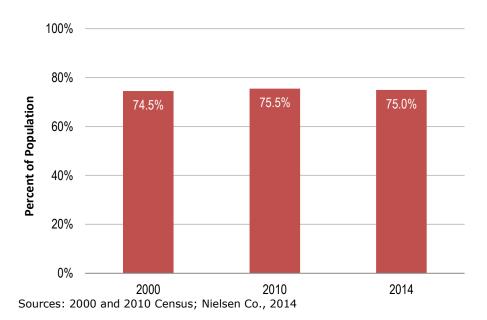
 Between 2000 and 2014, total public school enrollment for grades 7-9 increased by 731 students or 7.8 percent.

Grades 10-12 Public School Student Enrollment: 2000 - 2014



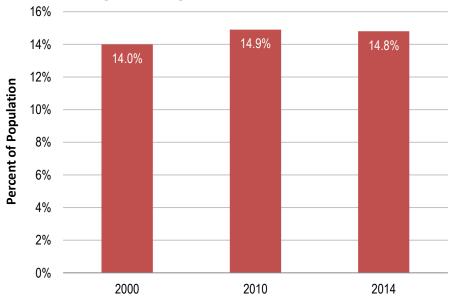
 Between 2000 and 2014, total public school enrollment for grades 10-12 increased by 1,867 students, about 22.3 percent.

# Percent of City Population 25 Years & Over Completing High School or Higher



In 2014, 75
 percent of the
 population 25 years
 and over completed
 high school or
 higher, which is
 higher than the
 2000 level.

# Percent of City Population 25 Years & Over Completing a Bachelor's Degree or Higher

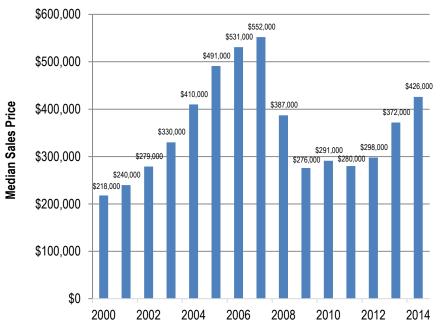


Sources: 2000 and 2010 Census; Nielsen Co., 2014

• In 2014, 14.8 percent of the population 25 years and over completed a Bachelor's degree or higher, which is higher than the 2000 level.

### IX. SCAG Regional Highlights

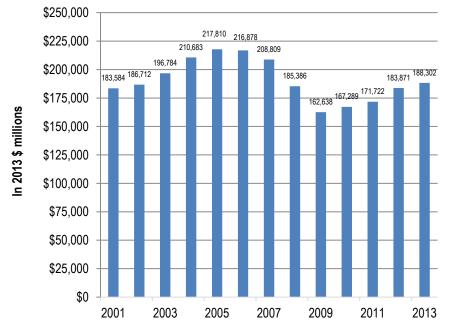
### Regional Median Sales Price for Existing Homes: 2000 - 2014



- After reaching its peak in 2007, the median sales price for existing homes in the SCAG region dropped by almost half by 2011 from its 2007 level and rebounded from 2012 to 2014.
- Median home sales price was calculated based on total existing home sales in the SCAG region.

Source: MDA Data Quick, 2014

### Regional Real Retail Sales: 2001 - 2013



Source: California Board of Equalization, 2001-2013

- Retail sales tend to follow closely with trends in personal income, employment rates, and consumer confidence.
- Between 2001 and 2005, real (inflation adjusted) retail sales increased steadily by 19 percent but then dropped between 2005 and 2009 by \$52 billion, or 25 percent.
- In 2013, total real retail sales were three percent higher than the 2001 level.

## X. Data Sources

California Department of Education

California Department of Finance, Demographic Research Unit

California Employment Development Department, Labor Market Information Division

California State Board of Equalization

Construction Industry Research Board

InfoGroup

MDA Data Quick

Nielsen Company

U.S. Census Bureau

## XI. Methodology

SCAG's Local Profiles utilizes the most up-to-date information from a number of publically available sources, including the U.S. Census Bureau, California Department of Finance, and the California Department of Education. In the event that public information is not available or is not the most recent, SCAG contracts with a number of private entities to obtain regional data. The following sections describe how each data source was compiled to produce the information displayed in this report.

## **Statistical Summary Table**

In the Statistical Summary Table (page 3), the values in the field "Jurisdiction Relative to County/Region" represent the difference between the jurisdiction's value and the county/region value, except for the following categories which represent the jurisdiction's value as a share of the county (or in the case of an entire county as a share of the region): Population, Number of Households, Number of Housing Units, Number of Jobs, Total Jobs Change, and K-12 Student Enrollment.

Median Age, Homeownership Rate, and Median Household Income are based on Nielsen Company data. Number of Housing Units is based on the 2010 Census and estimates from the California Department of Finance. Data for all other categories are referenced throughout the report.

## **Population Section**

Where referenced, data from 2000 to 2014 was taken from the California Department of Finance's (DOF) E-5 estimates, which were published in May 2014. This dataset was benchmarked to population figures from the 2000 and 2010 U.S. Decennial Censuses. Data relating to population by age group and by race/ethnicity was derived from the 2000 and 2010 U.S. Decennial Censuses, and Nielsen Co. The 2000 figure was based on U.S. Decennial Census figures for April 1, 2000 and the 2010 figure was based on U.S. Decennial Census figures for April 1, 2010.

Below are definitions for race and ethnicity, taken from the U.S. Census Bureau.

The Hispanic or Latino origin category is:

 A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

The race categories are:

- American Indian or Alaska Native A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
- Asian A person having origins in any of the original peoples of the Far East,
   Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China,
   India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- Black or African American A person having origins in any of the black racial groups of Africa, including those who consider themselves to be "Haitian."

- White A person having origins in any of the original peoples of Europe, North Africa, or the Middle East.
- Some other race This category includes Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands) and all other responses not included in the "American Indian or Alaska Native," "Asian," "Black or African American," and "White" race categories described above.

Charts for population based on age were tabulated using 2000 and 2010 U.S. Decennial Census data and Nielsen Company data for 2014. Charts for race/ethnicity were tabulated using 2000 and 2010 U.S. Decennial Census data and Nielsen Company data for 2014.

#### **Households Section**

The 2000 figure was based on U.S. Decennial Census figures for April 1, 2000 and the 2010 figure was based on U.S. Decennial Census figures for April 1, 2010. Information for 2014 was supplied by the Nielsen Company. Average household size was developed using information from the California Department of Finance (DOF). Households by Size was calculated based on Nielsen Company data. Households refer to the number of occupied housing units.

## **Housing Section**

Housing units are the total number of both vacant and occupied units. Housing units by housing type information was developed using data from the California Department of Finance (DOF). Age of housing stock information is from the Nielsen Company.

The number of residential units with permits issued was obtained using Construction Industry Research Board data, which are collected by counties and are self-reported by individual jurisdictions. It represents both new single family and new multifamily housing units that were permitted to be built, along with building permits that were issued for improvements to existing residential structures (e.g., re-roofs, remodels). Please note that SCAG opted to report the annual number of permits issued by each jurisdiction which may be different than the number of housing units completed or constructed annually. This was done using a single data source which provides consistent data for all jurisdictions. The Construction Industry Research Board defines "multi-family housing" to include duplexes, apartments, and condominiums in structures of more than one living unit.

The median home sales price, compiled from MDA Data Quick, was calculated based on total resales of existing homes in the jurisdiction, including single family units and condominiums. The median price does not reflect the entire universe of housing in the jurisdiction, only those that were sold within the calendar year.

## **Transportation Section**

The journey to work data for the year 2000 was obtained by using the 2000 U.S. Decennial Census Summary File 3. Data for 2010 is based on the 2010 U.S. Census American Community Survey. Information for 2014 was provided by the Nielsen Company.

## **Employment Section**

Data sources for estimating jurisdiction employment and wage information include the 2010 U.S. Census Bureau Local Employment Dynamics Survey, and information from the California Employment Development Department, InfoGroup, and SCAG for years 2007-2013. In many instances, employment totals from individual businesses were geocoded and aggregated to the jurisdictional level.

Employment information by industry type is defined by the North American Industry Classification System (NAICS). Although the NAICS provides a great level of detail on industry definitions for all types of businesses in North America, for the purposes of this report, this list of industries has been summarized into the following major areas: agriculture, construction, manufacturing, wholesale, retail, information, finance/insurance/real estate, professional/management, education/health, leisure/hospitality, public administration, other services, and non-classified industries.

A brief description of each major industry area is provided below:

- Agriculture This industry includes crop production, animal production and aquaculture, forestry and logging, fishing hunting and trapping, and support activities for agriculture and forestry.
- Construction Industries under this umbrella involve the construction of buildings, heavy and civil engineering construction, and specialty trade contractors.
- Manufacturing This group includes the processing of raw material into products for trade, such as food manufacturing, apparel manufacturing, wood product manufacturing, petroleum and coal products manufacturing, chemical manufacturing, plastics and rubber products manufacturing, nonmetallic mineral product manufacturing and primary metal manufacturing.
- Wholesale Wholesale industries do business in the trade of raw materials and durable goods.
- Retail Retail industries engage in the sale of durable goods directly to consumers.
- Information Businesses in this industry specialize in the distribution of content through a means of sources, including newspaper, periodicals, books, software, motion pictures, sound recording, radio and television broadcasting, cable or subscription programming, telecommunications, data processing/hosting, and other information mediums.
- Finance/Insurance/Real Estate This sector includes businesses associated with banking, consumer lending, credit intermediation, securities brokerage, commodities exchanges, health/life/medical/title/property/casualty insurance agencies and brokerages, and real estate rental/leasing/sales.
- Professional Management This industry involves businesses that specialize in professional/scientific/technical services, management of companies and enterprises, and administrative and support services. Types of establishments that would fall under this category range from law offices, accounting services, architectural/engineering firms, specialized design services, computer systems design and related services, management consulting firms, scientific research and

- development services, advertising firms, office administrative services, facilities support services, among many others.
- Education/Health Organizations include elementary and secondary schools, junior colleges, universities, professional schools, technical and trade schools, medical offices, dental offices, outpatient care centers, medical and diagnostic laboratories, hospitals, nursing and residential care facilities, social assistance services, emergency relief services, vocational rehabilitation services, and child day care services.
- Leisure/Hospitality These industries include organizations in the performing arts, spectator sports, museums, amusement/recreation industries, traveler accommodations, and food and drink services.
- Public Administration This classification includes public sector organizations, including legislative bodies, public finance institutions, executive and legislative offices, courts, police protection, parole offices, fire protection, correctional institutions, administration of governmental programs, space research and technology, and national security.
- Other Services Groups in this group include, for example, automotive repair and maintenance, personal and household goods repair and maintenance, personal laundry services, dry-cleaning and laundry services, religious services, social advocacy organizations, professional organizations, and private households
- Non-Classified Non-classified organizations involve work activites that are not included in the North American Industry Classification System.

#### **Retail Sales Section**

Retail sales data is obtained from the California Board of Equalization, which does not publish individual point-of-sale data. All data is adjusted for inflation.

#### **Education Section**

Student enrollment data is based on public school campuses that are located within each jurisdiction's respective boundary. Enrollment numbers by grade within a given jurisdiction are tabulated based upon data obtained from the California Department of Education. Enrollment year is based on the end date of the school year; for example, enrollment data for the year 2000 refers to the 1999-2000 school year. City boundaries used in the dataset for all years is based on data provided by the Local Agency Formation Commission for each county in the region.

#### **Regional Highlights**

Information for this section was developed through data from MDA Data Quick and the California Board of Equalization.

#### **Data Sources Section**

In choosing the data sources used for this report, the following factors were considered:

- Availability for all jurisdictions in the SCAG region,
- · The most recognized source on the subject,
- Data sources within the public domain, and
- Data available on an annual basis.

The same data sources are used for all Local Profiles (except where noted) to maintain overall reporting consistency. The jurisdictions are not constrained from using other data sources for their planning activities.

The preparation of this report has been financed in part through grants from the Federal Highway Administration and Federal Transit Administration, U.S. Department of Transportation, under the Metropolitan Planning Program, Section 104(f) of Title 23, U.S. Code. The contents of this report do not necessarily reflect the official views or policy of the U.S. Department of Transportation. Additional assistance was provided by the California Department of Transportation.

## XII. Acknowledgments

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Debbie Dillon, Deputy Executive Director, Administration
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Catherine Kirschbaum, Chief Information Officer

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#### **Project Core Team**

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#### Reproduction

Pat Camacho, Office Services Specialist

#### Assistance from the following SCAG staff members is also recognized:

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## Southern California Association of Governments Regional Council Roster

May 2015

President	1.	Hon.	Carl Morehouse	San Buenaventura	District 47
1st Vice-President	2.	Hon.	Cheryl Viegas-Walker	El Centro	District 1
2nd Vice-President	3.	Hon.	Michele Martinez	Santa Ana	District 16
Imm. Past President	4.	Hon.	Greg Pettis	Cathedral City	District 2
	5.	Hon.	Jack Terrazas		Imperial County
	6.	Hon.	Mark Ridley-Thomas		Los Angeles County
	7.	Hon.	Michael Antonovich		Los Angeles County
	8.	Hon.	Jim Katapodis		OCTA
	9.	Hon.	Michelle Steel		Orange County
	10.	Hon.	Curt Hagman		San Bernardino Co
	11.	Hon.	Linda Parks		Ventura County
	12.	Hon.	Chuck Washington		Riverside County
	13.	Hon.	Jan Harnik	Palm Desert	RCTC
	14.	Hon.	Alan Wapner	Ontario	SANBAG
	15.	Hon.	Keith Millhouse	Moorpark	VCTC
	16.	Hon.	Jim Hyatt	Calimesa	District 3
	17.	Hon.	Clint Lorimore	Eastvale	District 4
	18.	Hon.	Randon Lane	Murrieta	District 5
	19.	Hon.	Frank Navarro	Colton	District 6
	20.	Hon.	Larry McCallon	Highland	District 7
	21.	Hon.	Deborah Robertson	Rialto	District 8
	22.	Hon.	Paul Eaton	Montclair	District 9
	23.	Hon.	Ray Marquez	Chino Hills	District 10
	24.	Hon.	Bill Jahn	Big Bear Lake	District 11
	25.	Hon.	Mike Munzing	Aliso Viejo	District 12
	26.	Hon.	Barbara Kogerman	Laguna Hills	District 13
	27.	Hon.	Steven Choi	Irvine	District 14
	28.	Hon.	Steve Nagel	Fountain Valley	District 15
	29.	Hon.	John Nielsen	Tustin	District 17
	30.	Hon.	Steve Hwangbo	La Palma	District 18
	31.	Hon.	Kris Murray	Anaheim	District 19
	32.	Hon.	Tri Ta	Westminster	District 20
	33.	Hon.	Art Brown	Buena Park	District 21
	34.	Hon.	Marty Simonoff	Brea	District 22
	35.	Hon.	Victor Manalo	Artesia	District 23
	36.	Hon.	Gene Daniels	Paramount	District 24
	37.	Hon.	Sean Ashton	Downey	District 25
	38.	Hon.	José Luis Solache	Lynwood	District 26
	39.	Hon.	Ali Saleh	Bell	District 27
	40.	Hon.	Dan Medina	Gardena	District 28

## Southern California Association of Governments Regional Council Roster

May 2015

41. Hon.	Rex Richardson	Long Beach	District 29
42. Hon.	Lena Gonzalez	Long Beach	District 30
43. Hon.	Andrew Sarega	La Mirada	District 31
44. Hon.	Margaret Clark	Rosemead	District 32
45. Hon.	Gene Murabito	Glendora	District 33
46. Hon.	Barbara Messina	Alhambra	District 34
47. Hon.	Margaret E. Finlay	Duarte	District 35
48. Hon.	Jonathan Curtis	La Cañada/Flintridge	District 36
49. Hon.	Carol Herrera	Diamond Bar	District 37
50. Hon.	Sam Pedroza	Claremont	District 38
51. Hon.	James Gazeley	Lomita	District 39
52. Hon.	Judy Mitchell	Rolling Hills Estates	District 40
53. Hon.	Pam O'Connor	Santa Monica	District 41
54. Hon.	Jess Talamantes	Burbank	District 42
55. Hon.	Steven Hofbauer	Palmdale	District 43
56. Hon.	John Sibert	Malibu	District 44
57. Hon.	Carmen Ramirez	Oxnard	District 45
58. Hon.	Glen Becerra	Simi Valley	District 46
59. Hon.	Gilbert Cedillo	Los Angeles	District 48
60. Hon.	Paul Krekorian	Los Angeles	District 49
61. Hon.	Bob Blumenfield	Los Angeles	District 50
62. Hon.	Tom LaBonge	Los Angeles	District 51
63. Hon.	Paul Koretz	Los Angeles	District 52
64. Hon.	Nury Martinez	Los Angeles	District 53
65. Hon.	Felipe Fuentes	Los Angeles	District 54
66. Hon.	Bernard C. Parks	Los Angeles	District 55
67. Hon.	Curren D. Price, Jr.	Los Angeles	District 56
68. Hon.	Herb J. Wesson, Jr.	Los Angeles	District 57
69. Hon.	Mike Bonin	Los Angeles	District 58
70. Hon.	Mitchell Englander	Los Angeles	District 59
71. Hon.	Mitch O'Farrell	Los Angeles	District 60
72. Hon.	José Huizar	Los Angeles	District 61
73. Hon.	Joe Buscaino	Los Angeles	District 62
74. Hon.	Karen Spiegel	Corona	District 63
75. Hon.	Barbara Delgleize	Huntington Beach	District 64
76. Hon.	Ryan McEachron	Victorville	District 65
77. Hon.	Michael Wilson	Indio	District 66
78. Hon.	Dante Acosta	Santa Clarita	District 67
79. Hon.	Rusty Bailey	Riverside	District 68
80 Hon	leffrey Giba	Moreno Vallev	District 69

## Southern California Association of Governments Regional Council Roster

May 2015

81. Hon. Ross Chun Aliso Viejo	Ross Chun	Aliso Viejo	TCA
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82. Hon. Andrew Masiel, Sr. Pechanga Band of Luiseño Indians Tribal Government

Representative

83. Mr. Randall Lewis Lewis Group of Companies (Ex-Officio)

84. Hon. Eric Garcetti Los Angeles (At-Large)

Notes:







Adopted on August 16, 2016

Public Safety



Infrastructure

Beautification, Community Engagement, & Quality Of Life



In 2015/2016, Council embarked on creating a new Strategic Plan, which included:

- Many community meetings to receive input from residents;
- An online survey as stakeholders embraced the opportunity to share their priorities for the community;
- Council's Planning Session, which resulted in consensus of the participating Counciled Members on several key principles to guide development of the Strategic Plan as well a its implementation in the years ahead; and
- In developing priorities, objectives and initiatives, the City's financial capabilities have been fully considered. Priorities outlined herein can be achieved within existing state levels and resources, unless otherwise noted. Staff's recommendations for annumentation operating and capital improvements budgets will reflect the City Council's policy direction

as outlined in the plan as adopted by the Council.

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strategic plan | 2016

Meet the current and emerging needs of Moreno Valley by expandin the local economy through:

- new business opportunities;
- job creation;
- strategic partnerships;
- and workforce development;

Provide proactive business attraction, small business development and business support services that grow the City's economic base the enhance the quality of life for Moreno Valley residents.

- Objective 1.1: Proactively attract high-quality businesses.
- Objective 1.2: Market the opportunities for quality industriced development in Moreno Valley by promoting the largest industriced business project in California's history, the World Logistics Center (WLC).
- Objective 1.3: Promote local hiring through the expansion of loca quality, high paying jobs, and workforce development efforts.

- Conomic Development

  Objective 1.4: Promote the development of the Medical Corrido along Nason Street to meet health care demands for residents c Moreno Valley and the region, bring quality jobs, and creat § business opportunities for ancillary support businesses in th health care industry.
- Objective 1.5: Showcase Moreno Valley's unique assets.
- Objective 1.6: Establish Moreno Valley as the worldwide model logistics development.

- strategic plan | 2016
- Objective 1.7: Promote small business development an entrepreneurship.
- Objective 1.8: Evaluate staff resources and dedicate City funding to invest in aggressive Economic Development activities that wiper result in increased revenues to the City, additional employment opportunities, and enhanced quality of life for our residents.

strategic plan | 2016

Objective 1.9: Ensure the City's General Plan articulates the visio for how Moreno Valley wants to evolve over time, and provides a orderly and predictable process through which this vision developed and implemented, including new attention to economic development, sustainability, public health, and innovation.

strategic plan | 2016

Provide effective public safety services to enhance the Quality of Liffor Moreno Valley families and to attract businesses to outcommunity. Public safety priorities focus on:

- reducing crime through traditional & innovative policing methods;
- preparing our community for emergencies;
- protecting life and property; and
- exploring cost effective solutions.

- Objective 2.1.: Reduce crime, the fear of crime, and the perception of crime in the community.
- Objective 2.2: Engage the community in joint problem solving and crime prevention activities.
- Objective 2.3: Promote the concept of community policing wit residents and Department members.
- Objective 2.4: Work with government and non-governmen agencies to reduce homelessness in the City.

- Objective 2.5: Develop partnerships with local businesses an warehouse operators to reduce traffic related issues.
- Objective 2.6: Enhance operational excellence and efficiency i delivery of Police services.
- Objective 2.7: Fully integrate Fire Prevention activities into the City's Development Services processes to provide swift, seamles service.

- Objective 2.8: Enhance communication and coordination with City
  departments to provide accountability in emergency preparednes
  activities and minimize redundancy of efforts citywide.
- Objective 2.9: Building upon momentum established with the I Niño Preparedness initiative, maintain and expand partnership with community organizations throughout the City.

# **Public Safety**

- Objective 2.10: Ensure that the City's emergency managemer program (including mitigation, preparedness, response an recovery) addresses needs of persons with disabilities and peopl with access and functional needs.
- Objective 2.11: Protect people and property against animal relate injury and nuisance through enforcement of local and state anima welfare laws and ordinances.
- Objective 2.12: Evaluate results of Feasibility Study regarding the concept of forming a multi-agency Joint Powers Authority for provision of police services.

strategic plan | 2016

• Objective 2.13: Update the City's Local Hazard Mitigation Plan to identify risks and vulnerabilities associated with disasters, including developing long-term strategies for protecting the health, safet and welfare of people and reduce harm to existing and future property from hazard events.

# **Library**

Deliver library services that empower our residents through ope access to knowledge, employing both traditional and contemporar methods at a level that is appropriate for a diverse community of ove 200,000 citizens.

# Library

- Objective 3.1: Open a satellite branch library by December, 2017.
- Objective 3.2: Expand the library's technology program to enhance job readiness in our community.
- Objective 3.3: Partner with outside organizations to expand the range of workshops and programs provided to the community.

## Infrastructure

Manage and maximize Moreno Valley's public infrastructure to ensur an excellent quality of life, develop and implement innovative, cost effective infrastructure maintenance programs, public facilitie management strategies, and capital improvement programming an project delivery.

## Infrastructure

- Objective 4.1: Develop a Moreno Valley Utility Strategic Plan t prepare for the 2020 expiration of the ENCO Utility System agreement.
- Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.
- Objective 4.3: Address deferred maintenance of City infrastructur assets.
- Objective 4.4: Control Street Lighting costs.

## Infrastructure

- Objective 4.5: Explore green/renewable innovations an technologies for new developments such as the World Logistic Center.
- Objective 4.6: Advance the development of a well-connected an balanced citywide transportation network that serves all modes.
- Objective 4.7: Demonstrate innovative and industry leadin transportation systems.
- Objective 4.8: Promote transit as an essential mode of transportation.

## *Infrastructure*

- Objective 4.9: Expand upon existing Intelligent Transportation
   Systems.
- Objective 4.10: Enhance Moreno Valley's way-finding directions signage throughout the City for residents and visitors.

# Beautification, Community Engagement & Quality of Life Promote an active and engaged community where we work togethe

to beautify our shared environment, care for each other, and enjo access to cultural and recreational amenities that support a hig quality of life for all of our residents as envisioned and articulate throughout the City's adopted General Plan.

# Beautification, Community Engagement & Quality of Life

- Objective 5.1: Establish partnerships and volunteer programs wit residents, business groups and service clubs to beautify or community.
- Objective 5.2: Promote the installation and maintenance of landscape, hardscape and other improvements which create clean, inviting community.
- Objective 5.3: Achieve Tree City USA Community recognitio ₹ through the Arbor Day Foundation.

# Beautification, Community Engagement & Quality of Life

- Objective 5.4: Actively and aggressively address homelessness i Moreno Valley.
- Objective 5.5: Promote a healthy community and lifestyle.
- Objective 5.6: Enhance community outreach, partnershi opportunities, and stakeholder ownership of the City's parks an recreation services, programs and events.

Youth Programs

Improve the lives and futures of our City's youth by expanding health lifestyle choices and learning opportunities. Build systems tha 🖁 continually and effectively assess the conditions affecting families i Moreno Valley, and develop context appropriate strategies responsive to those needs that build on community strengths.

## **Youth Programs**

- Objective 6.1: Provide employment training and support for Moreno Valley youth between the ages of 16 21 years.
- Objective 6.2: Improve health, wellness and fitness for Moren Valley youth through recreation and sports programs.

**Public Safety** 



Infrastructure

Beautification, Community Engagement, & Quality Of Life



# 03.07.23 (6154 **Attachment: Momentum MoVal Presentation**

## **Budget Development Building Blocks**

## Maintain a balanced General Fund budget

Meet Momentum MoVal Priorities

Build upon successes in previous fiscal year amended budget

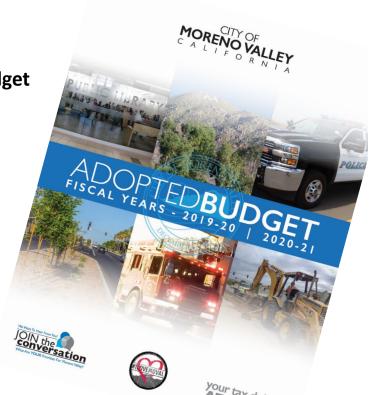
- –Examine fiscal strengths
- –Reflect prior year actuals
- -Remove one-time costs
- –Identify savings where possible

#### Revenues

- Regional economic projections
- -Impacts of Economic Development
- —Property and Sales taxes

## **Expenditures**

- -Contractual costs
- –Cost of service for Police and Fire
- –Capital projects
- -Continue to examine new costs savings and potential efficiencies



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## Community Engagement to ensure *Momentum MoVal* stays current

The City prides itself on being responsive, as well as responsible, stewards of the taxpayer dollar. The City has continuated a series of community surveys which asked the public about a range of issues, including satisfaction with some the services we provide and issues of concern. Many of the residents' past responses were used to create the City's strate priorities and commitments. Some of the priorities identified by the community in those surveys included:

- Preventing robberies and burglaries
- Maintaining 911 emergency response times
- Maintaining the number of fire engines in service and gang and youth violence prevention programs
- Maintaining safe and clean parks and public areas
- Repairing potholes and roads
- Addressing homelessness

www.moval.org/jointheconversation





## **Report to City Council**

TO: Mayor and City Council

Mayor and City Council Acting in its Capacity as President and Members of the Board of Directors of the

Moreno Valley Community Services District (CSD)

**FROM:** Jeremy Bubnick, Parks & Community Services Director

AGENDA DATE: March 7, 2023

TITLE: APPROVE CONSTRUCTION OF A BASKETBALL COURT

AT PATRIOT PARK

#### RECOMMENDED ACTION

#### Recommendation:

1. Approve construction of a basketball court at Patriot Park.

## **SUMMARY**

This report recommends approval of a basketball court at Patriot Park.

#### DISCUSSION

At the February 7, 2023, City Council meeting, the City Council directed staff to explore constructing a basketball court at Patriot Park. Staff has researched and there is space for a 42' x 50' court at the site, and the preliminary estimate for installation is between \$100,000 to \$120,000. If authorized, staff will move forward with a Request for Proposals (RFP) to bid the contracted work and bring back the results to City Council for contract award at a later date.

## **ALTERNATIVES**

- 1. Approve the recommended action as presented in this staff report.
- 2. Do not approve the recommended action as presented and provide direction to staff.

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## **FISCAL IMPACT**

The funding will come from Parks Development Impact Fees (DIF).

#### **NOTIFICATION**

Posting of the agenda.

## PREPARATION OF STAFF REPORT

Prepared By: Jeremy Bubnick Parks & Community Services Director Department Head Approval: Jeremy Bubnick Parks & Community Services Director

#### CITY COUNCIL GOALS

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

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

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

## **CITY COUNCIL STRATEGIC PRIORITIES**

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

Objective 5.5: Promote a healthy community and lifestyle.

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

#### **ATTACHMENTS**

To view large attachments, please click your "bookmarks" on the left hand side of this document for the necessary attachment.

None

## **APPROVALS**

Budget Officer Approval	✓ Approved	2/28/23 5:30 PM
City Attorney Approval	✓ Approved	
City Manager Approval	✓ Approved	2/28/23 5:32 PM