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2 **CITY OF MORENO VALLEY PLANNING COMMISSION**
3 **REGULAR MEETING**
4 **CONFERENCE & RECREATION CENTER, GRAND VALLEY BALLROOM**
5 **14075 FREDERICK STREET**
6 **Thursday, June 11th, 2015, 7:00 PM**

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8
9
10 **CALL TO ORDER**

11
12 **CHAIR LOWELL** – Good evening ladies and gentleman. I would like to call the
13 June 11th, 2015 Regular Meeting of the Planning Commission to order. The time
14 is 7:08 PM. Grace, may we have roll call of both the seated Commissioners and
15 the alternate Commissioners please?
16

17
18 **ROLL CALL**

19
20 **Commissioners Present:**

21
22 Commissioner Baker
23 Commissioner Barnes
24 Commissioner Ramirez
25 Commissioner Korzec
26 Commissioner Van Natta
27 Vice Chair Sims
28 Chair Lowell
29 Alternate Planning Commissioner Gonzalez
30 Alternate Planning Commissioner Nickel
31

32 **CHAIR LOWELL** – Thank you very much. I would like to ask Vice Chair Sims to
33 lead us in the Pledge of Allegiance.
34

35
36 **PLEDGE OF ALLEGIANCE**

37
38
39 **APPROVAL OF THE AGENDA**

40
41 **CHAIR LOWELL** – Thank you Vice Chair Sims. We have a couple Speaker
42 Slips that are a little bit out of the ordinary. We have a couple of people that
43 would like to speak on the approval of our Agenda, so before we motion to
44 approve the Agenda I'd like to ask Kathleen Dale to come up and talk to us.

1 **AUDIENCE** – We can't hear you.

2
3 **CHAIR LOWELL** – Let me try that again. Is that any better?

4
5 **AUDIENCE** – Yeah.

6
7 **CHAIR LOWELL** – I'll try not to blare everyone's ears out. I said we have a little
8 bit of an unusual circumstance where somebody would like to speak on our
9 approval of the Agenda, so before we can motion to approve that Kathleen Dale
10 is up here to talk to us about the approval of the Agenda.

11
12 **KATHLEEN DALE** – Okay is this microphone working okay? Okay, I wanted to
13 just address two items on the Agenda. The first is the hearing for the World
14 Logistics Center item, and I have brought this to Staff's attention and have not
15 received an acceptable response. But, basically the noticing requirements for
16 this item have not been met. Your Municipal Code requires 10 days prior notice
17 of the Development Agreement, and that Development Agreement that was
18 released, it was posted sometime Thursday night on the City's website. There is
19 no resemblance to the document that was posted when the original meeting
20 notice was given in May or when the draft EIR was circulated two years ago, and
21 so a document that is dated on June 3rd and released for public review on June
22 4th or June 5th cannot possibly have been given 10 days prior notice. Second
23 item is on the Consent Calendar item for the Planning Commission Rules. I
24 mean this is the first time this matter has been disclosed to the public. You've
25 had it on your Agenda twice before, but the first time it was just a blank Agenda
26 item with no supporting materials. The second time you posted the existing rules
27 with the Agenda, my understanding is Staff hand carried you some red lines to
28 that meeting. But the public has never seen these revisions before, so I find it
29 inappropriate for that to just be shoved on the Consent Calendar. And I think that
30 it should be rescheduled for a time when there can be some advance public
31 notice and some opportunity for public participation.

32
33 **CHAIR LOWELL** – Thank you very much. With that said, there are no other
34 Public Speaker Slips on this Agenda item. Would anyone like to motion to
35 approve the Agenda for tonight's meeting?

36
37 **COMMISSIONER VAN NATTA** – I move to approve the Agenda.

38
39 **CHAIR LOWELL** – We have a motion. Do we have a second?

40
41 **COMMISSIONER BAKER** – I second.

42
43 **CHAIR LOWELL** – We have a motion by Commissioner Van Natta and a
44 second by Commissioner Baker. Grace, may we have a rollcall vote please?

45
46 **COMMISSIONER BAKER** – Yes.

1 **COMMISSIONER BARNES** – Yes.

2
3 **COMMISSIONER RAMIREZ** – Yes.

4
5 **COMMISSIONER KORZEC** – Yes.

6
7 **COMMISSIONER VAN NATTA** – Yes.

8
9 **VICE CHAIR SIMS** – Yes.

10
11 **CHAIR LOWELL** – Yes.

12
13
14 **PUBLIC HEARING ITEMS**

15
16 *Upon request this Agenda will be made available in the appropriate alternative*
17 *formats to persons with disabilities in compliance with the Americans with*
18 *Disabilities Act of 1990. Any person with a disability who requires modification or*
19 *accommodation in order to participate in a meeting should direct such request to*
20 *Mark Sambito, the ADA Coordinator, at 951-413-3120 at least 48 hours before*
21 *the meeting. The 48 hour notification will enable the City to make reasonable*
22 *arrangements to ensure accessibility in the meeting.*

23
24 **CHAIR LOWELL** – I’m going to read a couple of disclaimers up front. We
25 normally put them a little bit further down, but I’d like to address everybody right
26 now. The public is hereby advised of the procedures to be followed in the
27 meeting, and they are on display outside in the main lobby. I’d also like to read
28 the ADA disclaimer.

29
30
31 **PUBLIC COMMENTS**

32
33 *Any person wishing to address the Commission on any matter either under the*
34 *Public Comments section of the Agenda of scheduled items or public hearings,*
35 *must fill out a “Request to Speak” form available at the door. The completed*
36 *form must be submitted to the Secretary prior to the Agenda item being called by*
37 *the Chairperson. In speaking to the Commission, Member of the public will be*
38 *limited to three minutes per person except for the applicant for entitlement. The*
39 *Commission may establish an overall time limit for comments on a particular*
40 *Agenda item. Members of the public must direct their questions to the*
41 *Chairperson of the Commission and not to other Members of the Commission,*
42 *the applicant, the Staff or the audience.*

43
44 **CHAIR LOWELL** – Secondly, we have Public Comment procedures. Pardon,
45 that’s my timer. Additionally, because I guarantee this is going to be a fairly
46 controversial item in front of us, please do your best to maintain your composure

1 so we can keep order in this meeting. We do have bailiffs present. If the
2 meeting is disturbed or we cannot proceed for any reason, the bailiffs will
3 address that person individually. I do notice that we have some banners and
4 some signs out. Because this is a televised meeting, I would politely ask you not
5 to hold the banners over your head because it could block the camera. Again, if
6 the banners become disruptive, they will be taken away from you or you will be
7 asked to leave. As specified in our Rules of Procedures, the Speaker Slips for
8 any item will be accepted until the specific item is called so by all means if you
9 haven't filled out one of these green slips and you wish to address the Planning
10 Commission on any item tonight be it the Consent Calendar, the tire company
11 that's coming up, World Logistics, anything, by all means please fill out one of
12 these green slips. Once we call the item, we will not be accepting anymore slips
13 even if the meeting is continued to another date. So this is your chance, if you
14 want to speak, please fill out a slip. With that said, the first item on our Agenda is
15 out Consent Calendar. Is there a Staff Report on this item?

16
17 **PLANNING OFFICIAL RICK SANDZIMIER** – There is just a summary Staff
18 Report. The item before you is a consideration of the Rules of Procedure for the
19 Commission. This is an item that has been discussed with the Commission at
20 the previous two meetings.

21
22 **AUDIENCE** – We can't hear you.

23
24 **PLANNING OFFICIAL RICK SANDZIMIER** – I'm sorry. This item on the
25 Agenda is in response to a new ordinance that was adopted by the City Council
26 appointing two alternate Members to the Commission. In approving the two
27 alternate Members and the ordinance the City Council directed that the Planning
28 Commission served in the capacity to establish the Rules of Procedure for the
29 alternates. So, in the previous two Commission meetings we have discussed
30 this with you, and based on your input we have revised the Rules of Procedure in
31 accordance with your direction. We have coordinated through our City Attorney's
32 office. I do want to call to your attention to one thing within the rules itself, and it
33 goes to the public speaker comment earlier about the Agenda item. On the last
34 page of your Rules of Procedure, it does indicate that the Commission can adopt
35 and amend the rules at any particular meeting as long as you have received the
36 amended rules at least five days in advance of the meeting. Because your
37 Agenda was posted last week, more than one week in advance, you have the
38 right to consider that item tonight. I just wanted to make sure that was clear for
39 the record. There is no other detailed Staff Report. It is simply a routine
40 business item at this point to establish the rules.

41
42 **CHAIR LOWELL** – Okay. Thank you very much. We do have two Public
43 Speaker Slips, Kathleen Dale, which I believe you've already said your piece.
44 Would you like to speak again?

45
46 **KATHLEEN DALE** – I would like to speak on the Consent Calendar.

1 **CHAIR LOWELL** – You did mention the Consent Calendar in the previous one.
2 That is why I was asking.

3
4 **KATHLEEN DALE** – I just mentioned it...

5
6 **CHAIR LOWELL** – Okay. You're more than welcome to come up followed by
7 Tom Thornsley. And, just to keep the meeting moving along, there are two
8 chairs up front so if you hear your name called and you're not the person
9 speaking please make your way to the front to kind of expedite the process of
10 public speaking. So Tom Thornsley, if you'd like to come up, you're more than
11 welcome.

12
13 **KATHLEEN DALE** – I did have another question because I thought I filled out a
14 slip to speak on non-Agenda items.

15
16 **CHAIR LOWELL** – You did.

17
18 **KATHLEEN DALE** – Is that not to be called?

19
20 **CHAIR LOWELL** – No. I have all of them.

21
22 **KATHLEEN DALE** – Okay. When does that come up on the Agenda?

23
24 **CHAIR LOWELL** – On a non-Agenda item. You asked to speak for the Consent
25 Calendar...

26
27 **KATHLEEN DALE** – I know, but when is non-Agenda? Because on the Council
28 Meeting it's always at the beginning, and I don't see it.

29
30 **CHAIR LOWELL** – It is at the beginning. We have our approval of our Agenda,
31 our Consent Calendar. We have approval of Minutes, and then we have our
32 nonpublic hearing items, so you're going to be up here quite often.

33
34 **KATHLEEN DALE** – Okay. I didn't see that. Thank you, Sir. Anyway, I did say
35 already I don't think it's appropriate for you to act on this when the public really
36 hasn't had a chance to see these, you know, if they didn't look to the Consent
37 Calendar. Quite frankly, your Agenda item description says it's a report of the
38 Community Development Department. It doesn't say you're going to be taking
39 any action, so your Agenda description is invalid to take any action tonight. I did
40 have some questions about the redlines that were posted. There's an alternate
41 Member declaration, and it just seemed like I don't know why you're singling out
42 the alternates to make that declaration because it seemed like it might be a good
43 thing for everybody to make. Also, item 4 on page 5, the last sentence talks
44 about something about in no case shall two different Commissioners fill the same
45 vacant seat on any single Public Hearing item. I don't quite understand what that
46 means. It sounds almost like they're going to play musical chairs and whoever

1 gets to it can stay in it. Item 3, in the Rules of Testimony, this isn't something
2 you're proposing to change. But it's one of your existing provisions. It says
3 something to the effect of that, if people are expressing the same opinion, you
4 don't want them to repeat it for purposes of time. And, I just take offense to the
5 use of term opinion because people are here to tell you about things other than
6 their bottom line position on the project. We're bringing up errors in your reports.
7 We're bringing up errors in your procedures, and those are not opinions. Then
8 also I would like to understand the intent of provision 1A under voting, which
9 deals with what constitutes a quorum.

10
11 **CHAIR LOWELL** – Tom Thornsley please.

12
13 **TOM THORNSLEY** – Good evening Chairman and Commissioners. What
14 Kathy mentioned about the repetitive comments that might come up, and you
15 want to stop that from happening, that means you're going to have to grab that
16 hook from stage right and pull the people up because until somebody starts
17 talking you won't know that. So I hope at some point you can better justify or
18 better explain how you're cutting somebody off. Because they've got three
19 minutes, they may have more than what they start talking about because I expect
20 some of the comments will be exactly the same spiel, but in the three minutes it
21 might actually cover stuff you didn't hear so I caution you on how you're going to
22 judge that. I'd also like you to, before we get to the big item on the Agenda
23 tonight, tell us the ground work of how you're going to run the meeting until it
24 goes into the wee hours of the night or whether or not, based on what I read on
25 your procedures, come 11:00 you get to decide whether you're going to continue
26 this to another day or you're going to finish the item you're on and then call it
27 quits. If I look at the timeline, what's going to go on, I probably wouldn't get to
28 public speaking until 9:30 or 10:00. By that time, most of these people would like
29 to be heading for home and what will happen is you'll have a big pile of Speaker
30 Slips, which my feeling is since you've got them and we can't add any after the
31 meeting starts, you really need to save the ones who left so that if we have a
32 meeting again another night they actually can get a chance because I for one
33 rarely stay up past 9:30. I've been staying up lately so I can kind of condition
34 myself for this, but I'm sure there's a lot of people here too who have the same
35 thing. And I believe all of you have jobs still, so it's in everyone's best interest to
36 continue this. It's not going to make a difference if it goes a little longer, and if
37 you have to continue it, I'd love to see you continue it to a weekend so that you
38 could really have gotten the public out. This is such an important matter and so I
39 wish when there are projects like this you guys can decide, talk with the Staff and
40 the City and see if you can't make special arrangements for how your meetings
41 are run so that option is always available when we have big community-wide
42 issues. Thank you.

1 **CONSENT CALENDAR**

2
3 *All matters listed under the Consent Calendar are considered to be routine and*
4 *all will be enacted by one rollcall vote. There will be no discussion of these items*
5 *unless Members of the Planning Commission request specific items be removed*
6 *from the Consent Calendar for separate action.*

7
8 **Planning Commission Rules of Procedures (Report of: Community**
9 **Development)**

10
11 **CHAIR LOWELL** – Thank you very much. Okay with that said we have our
12 Consent Calendar in front of us. Would anyone like to comment on what you’ve
13 heard yet? Any comments on the Consent Calendar? Okay, let me back up. I
14 believe that is the end of our Public Speaker Slips on the Consent Calendar so
15 the public hearing on that is now closed. We’re now going to Commissioner
16 Debate. Any of our Commissioners like to make comments or should we just go
17 ahead and vote on the Consent Calendar?

18
19 **VICE CHAIR SIMS** – I can just, rest assured, this was a fully vetted item at the
20 Planning Commission Meetings. I’m prepared to move forward, so that we can
21 implement what the City Council directed the Planning Commission to do as far
22 as to establish the rules in the event that an alternate Planning Commissioner is
23 needed.

24
25 **CHAIR LOWELL** – And just for clarification, I know the two Speaker Slips that
26 said there was not enough public notice on the discussion of the rules and
27 procedures, if my memory serves me correctly I believe with the exception of a
28 handful of meetings this calendar year the Planning Commission has discussed
29 our rules and procedures at virtually every single meeting. We compiled a
30 special subcommittee to go and speak with the City Council about this item
31 specifically. The last few meetings we’ve talked about the alternate Planning
32 Commissioners. It has been very publicly vetted. The comments, the redlines,
33 the revisions have been presented at every single meeting for the last two or
34 three meetings. This has been a very publicly vetted item. This is nothing we’re
35 trying to sneak around anybody or behind their back. This is something we’re
36 taking very seriously. The alternate Planning Commissioners was something
37 that the City Council made into law, and we had to deal the cards we were dealt.
38 And, in order to not have any funny business, we tried to vet this out before
39 tonight’s meeting. The timeline worked out that we are approving the final
40 changes to the alternate Planning Commissioners tonight. That is how it worked
41 out, so with that said would anyone like to motion to approve the Consent
42 Calendar?

43
44 **VICE CHAIR SIMS** – I’ll motion to approve the Consent Calendar.

45
46 **CHAIR LOWELL** – We have a motion. Do we have a second?

1
2 **COMMISSIONER BARNES** – Second.

3
4 **CHAIR LOWELL** – So we have a motion by Vice Chair Sims and a second by
5 Commissioner Barnes. Grace, may we have a roll call vote please?
6

7 **COMMISSIONER VAN NATTA** – Yes.

8
9 **COMMISSIONER KORZEC** – Yes.

10
11 **COMMISSIONER RAMIREZ** – Yes.

12
13 **COMMISSIONER BAKER** – Yes.

14
15 **COMMISSIONER BARNES** – Yes.

16
17 **VICE CHAIR SIMS** – Yes.

18
19 **CHAIR LOWELL** – Yes. I believe that is 7-0, so the motion carries.
20

21 Opposed – 0

22
23 **Motion carries 7 – 0**

24
25
26 **APPROVAL OF MINUTES**

27
28 None

29
30
31 **PUBLIC COMMENTS**

32
33 *Any person wishing to address the Commission on any matter, either under the*
34 *Public Comments section of the Agenda or scheduled items or public hearings,*
35 *must fill out a “Request to Speak” form available at the door. The completed*
36 *form must be submitted to the Secretary prior to the Agenda item being called by*
37 *the Chairperson. In speaking to the Commission, Member of the public may be*
38 *limited to three minutes per person, except for the applicant for entitlement. The*
39 *Commission may establish an overall time limit for comments on a particular*
40 *Agenda item. Members of the public must direct their questions to the*
41 *Chairperson of the Commission and not to other Members of the Commission,*
42 *the Applicant, the Staff, or the audience.*
43

44 **CHAIR LOWELL** – The next item on our Agenda is approval of Minutes, but I do
45 not believe we have any Minutes from past meetings so that item is skipped,
46 which brings us to the Public Comment portions of our Agenda. As stated

1 earlier, this is the portion of the Commission meeting where any Member of the
2 public can address the Commission on any matter, which is not listed on the
3 Agenda and which is within the subject matter jurisdiction of the Commission. If
4 you intend to use this portion of the meeting to speak on an Agenda item, you will
5 be asked to hold your comments until the Public Hearing portion of that specific
6 Agenda item is opened. And, we do have two Public Speak Slips for non-
7 Agenda items. The first one again is Kathleen Dale followed by Tom Thornsley.

8
9 **KATHLEEN DALE** – You can admonish me, but I have to say something about
10 what you just did because I asked two questions, which you ignored and you
11 have not publicly vetted this because you never released those redline changes
12 to the public until last Thursday night. Okay, non-Agenda items, I want to talk
13 about conflict of interest rules and again I've raised issues with City Staff about
14 conflict of interest and particularly about one Commissioner who one, just
15 shouldn't be serving on this Commission at all, and two, certainly has a conflict of
16 interest regarding the main item on the Agenda tonight so I'd like to know when
17 conflicts of interest are going to be addressed?

18
19 **CHAIR LOWELL** – Who are you referring to in particular?

20
21 **KATHLEEN DALE** – Ms. Van Natta.

22
23 **CHAIR LOWELL** – Okay. Well we will discuss that item when it comes up.

24
25 **KATHLEEN DALE** – Alright. I hope it is discussed and I'm not ignored again. I
26 also wanted to talk about the hearing procedures. You say on your Agenda it
27 may be limited to three minutes per person. Well, again, on the main event on
28 the Agenda tonight there are seven separate entitlement actions and to say we
29 get three minutes to speak about seven items seems a bit ludicrous so when will
30 we know how much time will be given to speak?

31
32 **CHAIR LOWELL** – I announced it earlier in this meeting already that we are
33 limiting this public speaking to three minutes per person.

34
35 **KATHLEEN DALE** – Wow. Great.

36
37 **CHAIR LOWELL** – Well if you look at it, we have well over 100 pink Speaker
38 Slips. And, as Mr. Thornsley said, he does not want to stay up past 9:30 so this
39 is five hours of public testimony. If you want to stay here until 5:00 in the
40 morning...

41
42 **KATHLEEN DALE** – Well...

43
44 **CHAIR LOWELL** – By all means.

45

1 **KATHLEEN DALE** – You need to continue the meeting. You need to continue
2 the meeting and you need to allow opportunities for the people who are attending
3 graduations in this town tonight that can't be here to submit Speaker Slips later.

4
5 **CHAIR LOWELL** – This is not an argument, so I'll wait until you finish for my
6 comments.

7
8 **KATHLEEN DALE** – Alright. I would like to know if in the past this Commission
9 has allowed rebuttal time. Do you intend to do that because I don't believe you
10 addressed that?

11
12 **CHAIR LOWELL** – You have a minute left.

13
14 **KATHLEEN DALE** – Okay and also, when we ask questions, will you please
15 answer them? And I take extreme exception to your statement earlier that if the
16 Public Hearing is continued that you will not accept additional Speaker Slips, and
17 I have already explained why. There are a significant number of people in this
18 community who couldn't be here tonight because two of our high schools are
19 holding graduation ceremonies, and this was brought to the City's attention
20 ahead of time. You just glibly decided to proceed with this item and it is...I don't
21 even know what word is horrible enough to describe it.

22
23 **CHAIR LOWELL** – Thank you.

24
25 **TOM THORNSLEY** – Good evening again. I have watched a lot of meetings for
26 the last several months go on. I've seen troops of people come in and speak on
27 it. A lot of the younger people in the community have found an opportunity to be
28 active. I've come to realize at my present time in life that it takes a lot of years to
29 realize the vast nature of things that are in your life. When you're young, you
30 tend to be foolish. You tend to be anxious to just do things. That's why a lot of
31 people get married young and have babies. If they wait until later in life, they
32 start to wonder geez do I really want to do all that? So younger people wanting
33 to react quickly and get on board for certain things that later in their lives when
34 they would look back on it they're going to say wow that was so foolish of me to
35 be that engaged in that activity, or I really wish I hadn't done those things
36 because it does take time to pass and experience to come into your life for you to
37 gain the wisdom of the decisions you make. I have no problem with young
38 people being involved, but I also want to make sure young people stay open
39 minded and understand the ramifications of everything they think is so anxiously
40 needing to be done in a community and that there is an understanding there is a
41 very broad scope of information that always has to be dealt with on any kind of a
42 project. Fortunately I see an older group up on the dais there so I know all of you
43 have, but come on we're at least the same age. And I just hope that the public
44 understands that and that the kinds of discussions that take place here come
45 from a lot of people who have had a lot of years of experience and seen a lot of
46 things happen in the community. Thank you.

1 **CHAIR LOWELL** – Thank you very much. I believe that closes the public
2 comments on non-Agenda items.

3
4 **PLANNING OFFICIAL RICK SANDZIMIER** – Sorry to interrupt, but I was given
5 a note that there is a car parked outside near the sheriff office with the windows
6 down.

7
8
9 **NON-PUBLIC HEARING ITEMS**

10
11 None

12
13 **CHAIR LOWELL** – I feel like I'm at Disneyland now. Would a person who owns
14 a Nissan Altima license plate 7TLE070, California license plate, you're parked
15 near the police department. Your windows are down. Could you please go take
16 care of your car so it's not stolen? Granted you are in front of the police
17 department so your radio will probably be there but just a heads up. So, with that
18 said, that closes the Non-public Hearing items.

19
20
21 **PUBLIC HEARING ITEMS**

- 22
23 1. Case: [PA14-0061 – Conditional Use Permit](#)
24
25 Applicant: Les Schwab Tires
26
27 Owner: SAS Development
28
29 Representative: Evergreen Development (Andy Call)
30
31 Location: Northeast corner of Perris Blvd and Fir Ave
32
33 Case Planner: Claudia Manrique
34
35 Council District: 1

36
37 **STAFF RECOMMENDATION:**

38
39 Recommend the Planning Commission **APPROVE** Resolution No. 2015-17.

- 40
41 1. **CERTIFY** that the proposed Conditional Use Permit is exempt from the
42 provisions of the California Environmental Quality Act (CEQA), as a
43 Class 32 Categorical Exemption, CEQA Guidelines, Section 15332 (In-
44 Fill Development); and
45

1 2. **APPROVE** Conditional Use Permit PA14-0061 based on the findings
2 contained in Planning Commission Resolution 2015-17, subject to
3 conditions of approval included as Exhibit A of the Resolution.
4
5

6 **CHAIR LOWELL** – We are moving on to the Public Hearing items on our
7 Agenda. The first Public Hearing item is the Conditional Use Permit for PA14-
8 0061. The applicant is Les Schwab Tires. At this time, no more Speaker Slips
9 for this Agenda item will be accepted. May we have the Staff Report on this item
10 please?
11

12 **PLANNING OFFICIAL RICK SANDZIMIER** – Mr. Chairman, I would like to just
13 introduce this item. It is a Conditional Use Permit for Les Schwab Tires. Our
14 case planner is Associate Planner, Claudia Manrique. It is a Conditional Use
15 Permit and requires special action by the Commission this evening.
16

17 **ASSOCIATE PLANNER CLAUDIA MANRIQUE** – Good evening. I am Claudia
18 Manrique, the Project Planner for PA14-0061. The applicant is Les Schwab
19 Tires. They have submitted a CUP for a proposed 11,878 square foot retail store
20 on 1.68 acres. Les Schwab was founded in 1952 and the nearest California
21 location right now is in Bakersfield, so this would be moving the company more
22 towards Southern California. In addition to tires, they perform minor automotive
23 service and repair, including alignment, shocks, batteries, and brake repair.
24 Their proposed location is off Perris Boulevard, one parcel north of the northeast
25 corner of Perris Boulevard and Fir Avenue. It's on the aerial map on the screen.
26 The parcel is currently vacant, and it is zoned neighborhood commercial, which
27 allows this use. The parcels directly north and south are also zoned
28 neighborhood commercial, and the properties to the south do include a single-
29 family home and triplex multi-family residence, which are both legal
30 nonconforming uses. To the east is our apartment complex, which is zoned R15.
31 Across the street from Perris is the Sunnymead Park, which is part of the
32 Sunnymead Village plans, Specific Plan 204 and is zoned park. The building
33 design includes horizontal lines with a variation of finishes to provide interest and
34 detail on the building. This next slide is the site plan itself, and at the north end
35 of the parcel you'll see the proposed tire store. Next is the landscaping plan. At
36 the south, you'll see part of the parcel is reserved for future development, and it
37 will be landscaped with wildflower mix use until it's developed. This shows the
38 elevation of the building. We've also included a conceptual drawing so you can
39 see more of the dimensions of the building. The last one shows an actual
40 building. This one is not quite what is approved tonight. It only has six service
41 bays. The one tonight before you has eight service bays, but I've included this
42 so you can get a better idea of what the building will look like. The project
43 includes 35 parking spaces, which meets the parking requirements for the tire
44 store use and again the southern parcel is reserved for future development. It
45 will require a separate application and at that time will be reviewed to make sure
46 it meets the parking requirements of whatever the proposed use is for the site.

1 The project is exempt under CEQA as In-Fill Development. The project was also
2 noticed for tonight's meeting on May 29th as posted on site, mailed to owners
3 within 300 feet of the project, and in the Press Enterprise newspaper. We have
4 one amendment to the conditions, which is Special Districts #7, it's a minor
5 clerical. Right now it says residential, and we will change it to commercial. Also
6 in front of you, attached to the white, are the revised elevations. The only
7 change from the elevations in the packet was the north elevation, and the one on
8 this form matches what we are showing tonight right here with the eight service
9 bays. I've also included an email that I received from Tom Thornsley. It's on the
10 blue paper, and Staff recommends approval of Resolution 2015-17 certifying that
11 their project is exempt under CEQA as an In-Fill Development and approve
12 Conditional Use Permit PA14-0061 and subject to the conditions of approval as
13 amended. Thank you.

14
15 **CHAIR LOWELL** – Thank you very much. Are there any questions for Staff?
16 Commissioner Ramirez?

17
18 **COMMISSIONER RAMIREZ** – With regards to the landscaping, what measures
19 are we taking to make sure that everything is drought tolerant?
20

21 **CLAUDIA MANRIQUE** – Yes. Everything is required to be drought tolerant.
22 Right now they are showing a small section of turf, and as it was a conceptual
23 landscape we went ahead and had it for tonight. But they are aware that we will
24 not be allowing turf and that all the landscaping will need to be drought tolerant
25 on the site.

26
27 **CHAIR LOWELL** – Anymore questions Commissioner Ramirez?
28

29 **COMMISSIONER RAMIREZ** – No, thank you.
30

31 **CHAIR LOWELL** – Okay, Vice Chair Sims?
32

33 **VICE CHAIR SIMS** – Were there any concerns raised by any of the property
34 owners that were noticed, or have we received any complaints or concerns going
35 with the CUP for this?
36

37 **CLAUDIA MANRIQUE** – Certainly. Besides the email that is provided on the
38 blue paper that had some issues with the parking and future design for the
39 southern half of the lot, I did have one call and she just wanted to know exactly
40 what parcel it was. And, she didn't have any issues with the project itself.
41

42 **CHAIR LOWELL** – Anymore comments Vice Chair Sims?
43

44 **VICE CHAIR SIMS** – No.
45

46 **CHAIR LOWELL** – Commissioner Van Natta?

1
2 **COMMISSIONER VAN NATTA** – So all the traffic that goes in and out of here is
3 going to go in and out off Perris Boulevard? Is that correct?

4
5 **CLAUDIA MANRIQUE** – Yes.

6
7 **COMMISSIONER VAN NATTA** – So the residential neighborhood to the south
8 of it isn't going to have any direct traffic impact?

9
10 **CLAUDIA MANRIQUE** – That is correct.

11
12 **COMMISSIONER VAN NATTA** – Okay. Thank you.

13
14 **CHAIR LOWELL** – Any other questions Commissioner Van Natta?

15
16 **COMMISSIONER VAN NATTA** – No.

17
18 **CHAIR LOWELL** – Any other questions for Staff by the Commissioners?

19
20 **COMMISSIONER BARNES** – I do.

21 **CHAIR LOWELL** – Commissioner Barnes?

22
23 **COMMISSIONER BARNES** – I noticed on the Site Plan that there is a 15-foot
24 gap between the rear of the new projects property and the apartments to the
25 east, and it looks like there is a quarter between the properties as you go
26 north/south. How's that going to be secured?

27
28 **CLAUDIA MANRIQUE** – That property actually belongs to the apartments. The
29 existing businesses that are to the north, there is a Verizon. They have fencing
30 that separates them from the apartments, as well as the commercial uses further
31 north so with discussing with the Applicant we're hoping to have some open type
32 fencing to also separate and then of course with the landscaping to help
33 minimize the impact of the situation until we can perhaps work with the apartment
34 complex owners on what their plans are for that barren area.

35
36 **PLANNING OFFICIAL RICK SANDZIMIER** – Okay. Mr. Chairman and
37 Commissioners, if I may, one of the important considerations would be that the
38 fencing, if there is fencing put in the there, be open. We don't want to create a
39 corridor condition where you have possible security inadvertent things that you
40 don't want to happen back there so it would be important that we don't put a solid
41 fence and so we'll be considerate of that.

42
43 **COMMISSIONER BARNES** – Yeah, I was more concerned with access than
44 view, wrought iron or something. I also had a question on LD46H. I happened to
45 catch that. It says monuments will be installed. But we're not doing a map, so
46 there are not going to be any monuments I wouldn't think.

1
2 **LAND DEVELOPMENT DIVISION VINCENT GIRON** – Good evening Chair and
3 fellow Commissioners. That’s correct. There is no map for this. That monument
4 condition was for the prolongation of the property lines at top of curb.

5
6 **COMMISSIONER BARNES** – Oh okay. Thank you, Vince.
7

8 **LAND DEVELOPMENT DIVISION VINCE GIRON** – You’re welcome.
9

10 **CHAIR LOWELL** – Are there any other comments for Staff? Commissioner
11 Korzec or Commissioner Baker? Okay, with that I would like to invite the
12 Applicant up to give us their presentation. I bet you didn’t know everybody was
13 showing up just to talk about Les Schwab Tires.
14

15 **ANDY CALL** – Everybody’s showing up to talk about Les Schwab. Chair,
16 Commissioner’s: There’s really not much to expand on from the presentation
17 that Staff presented. As she mentioned, Les Schwab has been around since
18 1952, over 450 stores primarily in the Pacific Northwest obviously working their
19 way down. They’re really client focused long-term. Their goal is, if you go in,
20 they want you for life. They run out to the car, you know like I said, is full service
21 as you can get as far as when it comes to tire stores so they try to make the
22 experience as comfortable, quick, and easy as possible. So, like I said, beyond
23 that for the most part the Site Plan is pretty straight forward, the elevation, so I’d
24 be happy to answer any other questions you may have.
25

26 **CHAIR LOWELL** – Are there any questions for the Applicant? Commissioner
27 Ramirez?
28

29 **COMMISSIONER RAMIREZ** – If approved, when do you plan on starting
30 development?
31

32 **ANDY CALL** – I’d have to verify. I think realistically we’d probably be in
33 October/November. It’s really going to come down to permitting and what not,
34 but we have every intention to have the store open as soon as possible.
35

36 **COMMISSIONER RAMIREZ** – Very well and are you looking to hire local?
37

38 **ANDY CALL** – Yeah. Everything they do is local. They do promote within so
39 usually the store manager is going to come from another region just obviously
40 because they have the experience of how the operations take place. But,
41 outside of that, yeah, everything is done local. And again I mean they have
42 people who have been there for 20, 30 and 40 years, and that is the goal. It’s to
43 build internally and really it is family focused as far as the employees go.
44

45 **COMMISSIONER RAMIREZ** – That’s good to hear. Thank you.
46

1 **CHAIR LOWELL** – Any other questions for the Applicant? Okay, I actually have
2 a few questions. The project proposes to develop on a portion of the site, and
3 there is another pad that is being reserved for future use. Do you have any idea
4 what that future use might be?

5
6 **ANDY CALL** – Chairman Lowell we are in the process of basically vetting
7 through options. You know, obviously the main priority of Les Schwab when they
8 go buy a piece of land is to maximize and really make sure that their operations
9 are going to work well. Then from there, in this case, there's some additional
10 land so we're currently vetting like, you know, who we can fit in there, what we
11 can fit in there, and what really works best with the use so it's not creating
12 problems like traffic concerns internally. So I would anticipate in the next six
13 months we'll have something where hopefully by the time Les Schwab is open
14 we have another user who is right behind them if not opening at the same time.

15
16 **CHAIR LOWELL** – Thank you very much. Are there any other comments or
17 questions for the applicant? No? Thank you very much.

18
19 **ANDY CALL** – Thank you.

20
21 **CHAIR LOWELL** – At this time, I have opened up the Public Hearing and we do
22 have quite a few, or actually not quite a few, we have three Speaker Slips so if I
23 could have you come up to the podium please. First up is Mr. Tom Thornsley,
24 followed by Kathleen Dale, followed by Scott Heveran.

25
26 **KATHLEEN DALE** – Really nasty people.

27
28 **CHAIR LOWELL** – No. They have the ability to speak on anything they want
29 just like you do.

30
31 **KATHLEEN DALE** – No. They are talking about people in the audience. No.

32
33 **CHAIR LOWELL** – Okay.

34
35 **TOM THORNSLEY** – Commissioners I commented on this You have to forgive
36 me. I'm a planner by trade and by trade I am very good at looking at site plans.
37 When I looked at this Staff Report I instantly just had a cow. You're developing a
38 site that has 37 parking stalls. It needs 35. You've got a pad, Claudia could you
39 put up....oh you can't put up that sign. On your Site Plan, there is no way to
40 utilize that vacant pad. The site has two extra parking stalls as it's designed
41 today. So, if they're going to redesign the project site, they're going to have to rip
42 out everything they put in in order to find a place to add the extra parking so they
43 haven't done a very good job on that. First thing I saw that was really kind of not
44 acceptable to me was the way they had the parking stalls in front of the bays. All
45 the cars will have to park facing the bays with a planter all the way around their
46 parking stalls. Persons getting out of their car wanting to go to the store front will

1 have to walk through that planter or walk down the drive aisle heading on out to
2 the same drive aisle where the customers will be coming in and out of the site so
3 it's a very poor design. They really should turn it around. I believe that the way
4 they have it, it was like 30 or 35 feet between the parking stalls and their bay
5 doors. If that's not sufficient, it's not sufficient. I very quickly, in about 10
6 minutes, just took the clip of the PDF of the Site Plan. I reconfigured it. I came
7 up with a design that comes up with 55 parking stalls. That's enough for a 4000
8 square foot building, and you really should not be looking at a project that
9 designs itself as an under-parked site. That makes it basically useless for the
10 remaining portion because you're not maximizing the potential of a project for this
11 city. I really think the developer needs to go back, sort out that stuff. I gave you
12 a copy of the site layout that you should look at very carefully because you need
13 to provide enough parking stalls adjacent to the business that it is utilizing as
14 opposed to three-quarters of the parking stalls for this business are opposite side
15 of the entry drive aisle as it's designed now. And that's just poor planning, and I
16 have to read to you something that...this is the mindset of Staff because I had
17 gotten this from two different people. It says that from discussions with
18 applicants during review they wanted to avoid cars pulling out of the parking
19 spaces near the service bays, which I can understand a certain amount of it. But
20 you can't try to protect everything all the time and half the time the cars going into
21 those parking stalls are going to be taken out by the employees parking them.
22 The other one that is here is a note for future development would require a
23 separate application and will address parking for the uses at that time. Potential
24 uses mentioned for this lot include a small building approximately 2000 square
25 feet. You can only put a 500 square foot building on that site now with the
26 parking configuration that you've got. I really think you need to work on it a little
27 bit, scoot that driveway entrance down, redo the parking, and it will be a much
28 nicer site.

29
30 **CHAIR LOWELL** – Thank you very much Tom.

31
32 **PLANNING OFFICIAL RICK SANDZIMIER** – Mr. Chairman.

33
34 **CHAIR LOWELL** – Yes Sir.

35
36 **PLANNING OFFICIAL RICK SANDZIMIER** – One of the glitches we have is
37 that because of the timer that goes up on the screen we were not able to put Mr.
38 Thornsley Site Plan up. If you'd like, our media folks can put it up there for a
39 couple seconds if you want the entire audience to be able to see that.

40
41 **CHAIR LOWELL** – Sure.

42
43 **PLANNING OFFICIAL RICK SANDZIMIER** – It's up now.

44
45 **CHAIR LOWELL** – Let's do it.

46

1 **PLANNING OFFICIAL RICK SANDZIMIER** – Okay is there another one?

2
3 **CHAIR LOWELL** – That’s the original.

4
5 **PLANNING OFFICIAL RICK SANDZIMIER** – Okay I guess we don’t have the
6 other one. Sorry, never mind, my mistake.

7
8 **CHAIR LOWELL** – Okay. Next up we have Kathleen Dale.

9
10 **KATHLEEN DALE** – Thank you. Just by way of introduction as well, and I know
11 some of you know, but I had a 34 or 35 year career as a planner and an
12 environmental consultant so that’s what frames the way that I look at things and
13 the comments that I bring to you as well. It would really be nice to see that
14 you’re actually acknowledging comments that are made to you. A couple of
15 things that are obvious to me, I don’t know if you can put the Site Plan up
16 please? I’ll just talk about the CEQA findings first at least. The report just says
17 that this qualifies for the Categorical Exemption for In-Fill uses, and that is a
18 Categorical Exemption. So its use is restricted by any unusual circumstances
19 that do in fact result in significant impacts and considering the residential uses to
20 the east and the residential uses to the south, it would seem that there may be
21 some potential for compatibility and noise impacts to those particularly. I don’t
22 know why the Site Plan can’t be up, but the bays are directed towards...there’s
23 like a few little old houses that front on Fir that back up to the south boundary of
24 this property if my recollection of the aerial is correct and so those bays are
25 basically pointed right at those houses. There’s not any plan for any kind of a
26 wall there now, so until that future building is built you’ve just got all the sound
27 coming straight out. And you know these places are busy and they have a level
28 of noise that comes with them. They use pneumatic equipment, so I think the
29 applicability of the Categorical Exemption needs a little more discussion and
30 documentation. And the Site Plan maybe needs some consideration and some
31 temporary measures to deal with the noise and compatibility. It was explained to
32 me that the enclosure that’s on the east boundary is where they would store their
33 tires, which it’s adjacent to this I guess gap area which is another issue, and the
34 parking for the apartments so it may not be such a consideration. But it is going
35 to be adjacent to a residential zone. Then, the other thing, one of the
36 Commissioners commented did we get any response to our noticing. And one of
37 the things that’s difficult about your noticing is you only notice the property owner.
38 And I wouldn’t be surprised at all if those little houses that are on Fir...and we
39 know the apartments they’re all renters, so the apartments unless something
40 unusual was done got one notice to the owners of the apartments. And the
41 notices for the properties on Fir probably went to the out-of-town owners, so you
42 should consider modifying your notification procedures, and we used to do this
43 when I worked in Riverside. If the list came in, and it was clear it was an
44 absentee owner, we just added a resident or occupant slip and expanded the
45 notification so that we made sure the property occupant got a notice as well.
46 Thank you.

1
2 **CHAIR LOWELL** – Thank you very much. The next speaker is Scott, forgive
3 me, I cannot pronounce your last name. Is it Heveran?
4

5 **SCOTT HEVERAN** – Good evening Planning Commission. I want to voice my
6 approval for this project. It seems like it's zoned for it. As far as my
7 understanding, Les Schwab didn't spend millions trying to influence the Council.
8 Personally, I use tires so I can see a use for it. It'll create jobs, and it's the right
9 project in the right place. Thank you.
10

11 **CHAIR LOWELL** – Thank you very much. That is all the Speaker Slips that I
12 have. Were there any other Speaker Slips turned in for this item? Anybody?
13

14 **PLANNING OFFICIAL RICK SANDZIMIER** – Mr. Chairman, I do want to bring
15 to your attention that the Assistant City Manager who is over at City Hall has
16 indicated that there are some folks that are watching this on television in the
17 Council Chambers for the overflow. If you could call Speakers four or five at a
18 time as some of them over there are concerned that they won't be able to make it
19 over here in time. So, if you mention their name, if you could give them an extra
20 few minutes to walk across?
21

22 **CHAIR LOWELL** – Alright.

23 **PLANNING OFFICIAL RICK SANDZIMIER** – I don't think there are any
24 Speakers over there for this particular item, but when you come to the other
25 ones, which is....
26

27 **CHAIR LOWELL** – I will do that. I will call a bunch of them at a time to give
28 them a heads up.
29

30 **PLANNING OFFICIAL RICK SANDZIMIER** – Thanks.
31

32 **CHAIR LOWELL** – Well since there are no other Speaker Slips on this item, the
33 Public Hearing portion is now closed. Would the Applicant like to respond to any
34 of the comments they've heard?
35

36 **ANDY CALL** – Chair, Commission, I don't know if I can follow him. I like the last
37 one the best but basically to try to cover all the comments and concerns, as I
38 mentioned, Les Schwab has been in business for over 60 years. They have over
39 450 stores currently operating. Not to mention the ones that are under way,
40 working on, and like I said with the investment that Les Schwab puts into the site
41 obviously they want to make sure the operation works for the longevity of the
42 site. You know, 50 years down the road, they want to make sure...part of that
43 has to do with how the site is configured so a lot of time and effort is put into the
44 site layout, which also includes the delivery truck has to come in, circulate
45 through the site, load and unload. So, like I said to address Mr. Thornsley's
46 concern about how the site is laid out, there is a lot that goes into it. A lot of input

1 that comes from their site planner, our planners, our architects/engineers, as well
2 as their operations team to really make sure that what they do works well in
3 order, like I said, so it doesn't impede the site and impede the store. In regards
4 to parking, again we have 35 stalls currently shown, 37. But, as Staff mentioned,
5 we will be coming back in. When we come in with that additional CUP and so we
6 have every intention that our site is going to function as a sole user, as well as
7 whomever we come in with on the other portion and they will all meet code as far
8 as parking goes. The other ones that I guess were brought up is noise.
9 Basically, what we found as far as we've had noise studies completed. The
10 pneumatic wrenches and everything, they are intermittent. It is not something
11 that is continuous, but directly out in front of the store or out in front of the bay is
12 where the majority of the noise is going to go. Roughly at 200 feet it is basically
13 comparable to a vacuum, so with the apartments to the east, the noise is going to
14 come out and redirect and so it's not going to be as bad as some think. And, as
15 was mentioned, when the additional expansion happens too that is also going to
16 create an additional barrier. Then, I guess the other mention was the storage. I
17 just wanted to bring it up. That is a storage kind of prompted my thought of it is
18 for recycled tires and what they do is Les Schwab comes, they pick up those
19 tires, they take them back and they recycle them internally. So, in addition to the
20 way the operations work, they really try to obviously make sure they minimize
21 their waste. So again it wasn't necessarily a question that was brought up, it was
22 just something that kind of prompted my thought just to make sure I addressed
23 that and kind of the use of that. But, if there is anything else, I'd be happy to
24 answer any other questions.
25

26 **CHAIR LOWELL** – Thank you very much. Do we have any Commissioner
27 questions or comments? Well if nobody else has any comments, I have just two
28 quick questions. It might not necessarily be the Applicant, it is more for Staff.
29 This is a traffic (TE) Condition of Approval item. It says Perris Boulevard is
30 classified as a six lane divided arterial road. It is a 110 foot right-of-way with 86
31 feet curb-to-curb per City standards. Any improvements to the roadway shall be
32 per City standards. My question on that is because Perris is a busy street and
33 there are traffic signals to the north and south of this specific project, are we
34 proposing to make this project a right in/right out or are we planning on using a
35 turn median? Just because it's such a busy street, it's an arterial street, I can
36 see some risk of making a left turn out of the project onto Perris Boulevard could
37 be risky.
38

39 **TRANSPORTATION ENGINEERING MICHAEL LLOYD** – Good evening Chair
40 and Commissioners. We did take your concern into consideration during the site
41 plan review and development. The driveway was spaced per current City
42 standards so that we would have adequate site distance coming in and out of the
43 site and felt that it would be appropriate for the driveway to operate as full access
44 and that the raised median that is planned for Perris Boulevard would come at a
45 later date.
46

1 **CHAIR LOWELL** – Thank you very much. I do have one other comment. I think
2 that this is a perfect description of a Categorical Exemption. We as the
3 Commission have been asking for a long time to make sure that the Staff had
4 supplied us with the exact definition of why it's a categorical exemption instead of
5 just saying categorical exemption. This reading says fact. It says this project is a
6 Categorical Exemption under Section 15332, In-Fill development projects of the
7 California Environmental Quality Act Guidelines. Section 15332 applies when
8 the project meets the following conditions: It conforms to the General Plan and
9 zoning land use designations, policies, and standards. It is within city limits. It is
10 less than five acres. It is substantially surrounded by urban uses. It has no value
11 as habitat for endangered, rare or threatened species. Approval of the project
12 would not result in any significant effects relating to traffic, noise, air quality or
13 water quality, and the site can be adequately served by all required utilities and
14 public services. To me, that is the perfect definition and this fits perfectly to this
15 site. With that, do we have anymore Commissioner discussion, or can I get a
16 motion on this item? Thank you.

17
18 **COMMISSIONER VAN NATTA** – I just wanted to comment that there are other
19 businesses along the street there that are turning right and turning left and
20 because there is a nearby light that stops traffic it doesn't seem to be a problem.

21 **CHAIR LOWELL** – I agree. I was just trying to vet that situation. Anybody like
22 to motion? Nobody?

23
24 **VICE CHAIR SIMS** – I'll make that motion. I recommend that the Planning
25 Commission approve Resolution No. 2015-17 certifying the proposed Conditional
26 Use Permit is exempt from the provisions of CEQA as a Class 32 Categorical
27 Exemption of CEQA Guidelines, Section 15332 In-Fill Development. And,
28 secondly, approve the Conditional Use Permit PA14-0061 based on the findings
29 contained implying Conditional Resolution 2015-17 subject to the conditions of
30 approval. Included is exhibit A of the Resolution.

31
32 **CHAIR LOWELL** – We have a motion. Do we have a second?

33
34 **COMMISSIONER BAKER** – I'll second.

35
36 **CHAIR LOWELL** – We have a motion by Vice Chair Sims and a second by
37 Commissioner Baker. Grace, may we have a rollcall vote please?

38
39 **PLANNING OFFICIAL RICK SANDZIMIER** – Mr. Chairman.

40
41 **CHAIR LOWELL** – Yes Sir.

42
43 **PLANNING OFFICIAL RICK SANDZIMIER** – Claudia wanted to introduce
44 something.

45

1 **CLAUDIA MANRIQUE** – There was an amendment to the conditions. It was a
2 Change of Special Districts #7.

3
4 **VICE CHAIR SIMS** – As amended to include the change from residential to
5 commercial.

6
7 **CHAIR LOWELL** – Okay, so we have a motion to approve as amended. Do we
8 have a re-second by Commissioner Baker?

9
10 **COMMISSIONER BAKER** – I'll second that.

11
12 **CHAIR LOWELL** – So we have a motion to approve the amended and we have
13 a second by Commissioner Baker. Now may we have a rollcall vote please
14 Grace?

15
16 **COMMISSIONER KORZEC** – Yes.

17
18 **COMMISSIONER BARNES** – Yes.

19
20 **COMMISSIONER BAKER** – Yes.

21
22 **COMMISSIONER RAMIREZ** – Yes.

23
24 **COMMISSIONER VAN NATTA** – Yes.

25
26 **VICE CHAIR SIMS** – Yes.

27
28 **CHAIR LOWELL** – Yes. That is 7-0. The motion carries. Is there a Staff wrap-
29 up on this item? Do we have Staff wrap-up?

30
31 Opposed – 0

32
33
34 **Motion carries 7 – 0**

35
36 **PLANNING OFFICIAL RICK SANDZIMIER** – Yes, this is a discretionary action
37 of the Planning Commission, which is appealable. The public or any interested
38 party that would like to appeal the decision has 15 days to appeal the decision
39 and the appeal should be made through the Director of Community
40 Development. And, if an appeal is made, it would be scheduled for a hearing
41 before the City Council.

42
43 **CHAIR LOWELL** – Thank you very much. That moves us to the second Public
44 Hearing item. Before we get to this item, I have a couple of clarifications. We do
45 have the ability to address...I was asked to address the timeline for the meeting.
46 Per our Rules and Procedures, item G1G, we shall impose a three minute

1 restriction on time. That's what it says in our meetings is we shall; not should,
2 not may. It says we shall. Similarly, item G1J, it says at 11:00 p.m. the
3 Commission may take a motion to adjourn the meeting or continue the meeting
4 so at 11:00 tonight depending on where we are in the meeting, we're going to
5 stop, evaluate our situation, and continue the meeting later on in the evening or
6 to another date. But we will discuss that at 11:00 just to see where we are. If
7 we're in the middle of Public Hearings, that's a good place to kind of adjourn until
8 the next meeting. If we're still in the middle of presentations by Staff or by the
9 developer, we're going to let them finish. But my intent is to let at least some
10 Public Comments tonight, and we will continue it if so be to another evening. We
11 have, my last count was over 100. And we've received some more slips, so at
12 100 speakers at three minutes a pop that's 300 minutes. That's five hours of
13 testimony. I don't think anybody wants to stay until 8:00 tomorrow morning to
14 wrap this up. So, with that said, this is the absolute last call. If anybody would
15 like to speak and has not yet filled out a slip, please grab a slip and notify Staff.
16 Do I have anybody raising their hands that they want to speak? This is the
17 absolute last call. Going once, going twice. Is anybody in the Council Chambers
18 raising their hand or making any motion? And to reduce concerns, these slips
19 have been kept in order. If we have to continue the meeting tonight, they will be
20 kept in order and everybody who filled out a slip will have the opportunity to
21 speak. This meeting will continue as long as it takes, through as many meetings
22 to let everybody have their piece. I have no intention of cutting anybody off. If
23 the meeting gets out of order, we will deal with it then. But, everybody has the
24 opportunity to speak. We're still checking on the Council Chambers, so just bear
25 with us for a moment. This will be a good time to take a break. Right now you
26 still have the opportunity to fill out green slips. We are going to take a five minute
27 recess while we find out and let everybody take a potty break because this is
28 going to be a fairly lengthy time.

29
30

BREAK IN MEETING

31

32
33 2. Case: PA12-0010 (General Plan Agreement)
34 PA12-0011 (Development Agreement)
35 PA12-0012 (Change of Zone)
36 PA12-0013 (Specific Plan)
37 PA12-0014 (Annexation)
38 PA12-0015 (Tentative Parcel Map No. 36457)
39 PA12-016 (Environmental Impact Report)

40

41 Applicant: Highland Fairview Inc.

42

43 Owner: Highland Fairview and various private property
44 owners

45

46 Representative: Iddo Benzeevi

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Location: The project area is in the eastern portion of the city and is more specifically located east of Redlands Boulevard, south of the SR-60 Freeway, west of Gilman Springs Road, and north of the San Jacinto Wildlife Area.

Proposal: The proposed World Logistics Center (WLC) project involves approximately 3818 acres of property and includes multiple applications. A General Plan Amendment changing the land use potential for the project area to a Business Park/Light Industrial (BP) and Open Space (OS), includes associated modifications to the Community Development Element, Parks, Recreation and Open Space Element, Circulation Element, Safety Element, and Conservation Element. A Specific Plan for 2610 acres of the project area is proposed to establish vision and development regulations for up to 40.6 million square feet of logistic development, and light logistics land uses, predominantly in the form of large high-cube industrial warehouse and distribution centers, and approximately 20,000 square feet of logistics support (e.g. fueling, associated retail). The proposed Change of Zone would result in changes to the zoning atlas to reflect the designated areas for Logistics Development (LD), Light Logistics (LL) and Open Space (OS) for the entire project area both within and outside the proposed Specific Plan boundary. Eighty-five (85) acres of land at the northwest corner of Alessandro Boulevard and Gilman Springs Road within the Specific Plan boundary would be pre-zoned for LD and is intended for a subsequent Annexation to the City. Tentative Parcel Map No. 36457 is proposed to divide property for finance and conveyance purposes only. A Development Agreement is proposed between the City and Highland Fairview for only that real estate within the Specific Plan boundary in which Highland Fairview has a legal or equitable interest (approximately 2263 acres). Approval of the various project applications will result in a repeal of the current Moreno Heights Specific Plan No. 212-1.

Recommendation: Certification of the Final Program Environmental Impact Report for the project, and approval of the

1 proposed General Plan Amendment, Specific Plan,
2 Change of Zone, Pre-zoning for subsequent
3 Annexation, Tentative Parcel Map No. 36457, and
4 Development Agreement by the City Council are all
5 recommended.
6

7 Case Planner: Mark Gross
8

9 Council District: 3
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11 Proposal: World Logistics Center project includes a General
12 Plan Amendment, a Change of Zone, World Logistics
13 Center Specific Plan, a Pre-zoning/Annexation,
14 Tentative Parcel Map No. 36457, and a Development
15 Agreement for a 3818 acre project area in the eastern
16 portion of the City.
17

18 **STAFF RECOMMENDATION:**
19

20 That the Planning Commission:
21

22 **APPROVE** Resolution Nos. 2015-12, 2015-13, 2015-14, 2015-15 and 2015-16
23 thereby recommending that the City Council:
24

- 25 1. **CERTIFY** the Environmental Impact Report (P12-016), including approval of
26 the Mitigation Monitoring Program and adoption of a Statement of Overriding
27 Considerations (Exhibits A and B of Resolution 2015-12) for PA12-0010
28 (General Plan Amendment), PA12-0011 (Development Agreement), PA12-
29 0012 (Change of Zone), PA12-0012 (Specific Plan), PA12-0014 (Pre-
30 zoning/Annexation), PA12-0015 (Tentative Parcel Map), pursuant to the
31 California Environmental Quality Act (CEQA) Guidelines.
32
- 33 2. **APPROVE** General Plan Amendment PA12-0010, to change the land use
34 designations for the project area to Business Park/Light Industrial (BP) and
35 Open Space (OS), and to amend General Plan goals and objectives text and
36 map in the respective Community Development, Circulation, Parks,
37 Recreation and Open Space, Safety, and Conservation Elements identified in
38 Exhibits A through M of Resolution 2015-13.
39
- 40 3. **APPROVE** Change of Zone PA12-0012 and Specific Plan PA12-0013 and
41 Annexation PA12-0014, which would repeal the current Moreno Highlands
42 Specific Plan No. 212-1, would establish the World Logistics Center Specific
43 Plan including Change of Zone on the City's Zoning Atlas to Logistics
44 Development (LD), Light Logistics (LL) and Open Space (OS) for areas within
45 the proposed WLC Specific Plan boundary, would establish Pre-
46 zoning/Annexation for an 85 acre site at the northwest corner of Gilman

1 Springs and Alessandro Boulevard, and authorize Change of Zone on the
2 City's Zoning Atlas to Open Space (OS) for those project areas outside and
3 southerly of the new WLC Specific Plan boundary, Exhibits A, B and C of
4 Resolution 2015-14.

5
6 4. **APPROVE** Tentative Parcel Map No. 36457 PA12-0015 for a tentative parcel
7 map that includes 26 parcels for financing and conveyance purposes, Exhibit
8 A and B of Resolution 2015-15.

9
10 5. **APPROVE** Development Agreement PA12-0011 covering properties
11 controlled by Highland Fairview, Exhibit A of Resolution 2015-16.

12
13 **CHAIR LOWELL** – Thank you everyone for your patience. I apologize. That
14 was a very long five minutes, but we had some technical issues we were trying to
15 address. I do see some signs starting to be flown around so please remember
16 do not fly them over your head as it is a little bit of a disruption. So we are
17 moving on. Again this is the final call for Speaker Slips on this item, and I am
18 going to be closing acceptance the Comment Slips at this time. No more
19 Comment Slips. Thank you very much. So the second Public Hearing item
20 consists of PA12-0010, which is a General Plan Amendment; PA12-0011 a
21 Development Agreement; PA12-0012 a Change of Zone; PA12-0013 a Specific
22 Plan; PA12-0014 Annexation; PA 12-0015 a Tentative Parcel Map for tentative
23 Parcel Map #36457; and last but not least is PA12-0016 the Environmental
24 Impact Report. At this time, no more Speaker Slips for this Agenda item will be
25 accepted. May we have the Staff Report for this item please?

26
27 **PLANNING OFFICIAL RICK SANDZIMIER** – Yes. As you've indicated, the
28 next item on the Agenda is a significant project for the City. It has multiple parts.
29 This has been a project that has been in the works for over three years. The
30 project is referred to as the World Logistics Center and it involves nearly 4000
31 acres of land in the eastern portion of the City. The project has multiple
32 applications including a General Plan Amendment, a Change of Zone, a Specific
33 Plan, Pre-zoning for a future annexation of an 85 acre parcel, a Tentative Parcel
34 Map, and a Development Agreement. Due to the significant size and scope of
35 the project, an Environmental Impact Report has been prepared for the project.
36 This evening, we will be providing more detail on each of these elements of the
37 project and we will be prepared to answer any questions that the Commission
38 may have. At this time, I simply want to cover the actions that are being
39 requested of the Planning Commission to make sure that the Commission knows
40 and that the audience is also aware. Each of the applications before you is
41 requiring a legislative decision that has to ultimately be made by the City Council,
42 except for the Parcel Map. However, because the Parcel Map is dependent on
43 the legislative actions, it is also going to be going to the City Council for a final
44 action. What that means is the Planning Commission this evening is serving as
45 an advisory body completely to the City Council on this matter. You're not being
46 asked to approve any of the project but basically carrying a recommendation

1 forward. In your packet this evening you have received the Staff
2 recommendation. The Planning Commission does not have to agree with the
3 Staff recommendation. In the event that you have a different, or want to modify a
4 recommendation, the Staff will be working with you to be sure that
5 recommendation is carried forward to the City Council. Some questions that
6 have come up from the public about whether the World Logistics Center is a real
7 project or not, I just wanted to kind of put that to rest a little bit. The short answer
8 to that question is yes. The World Logistics Center is a project. In any
9 development project, there is an entitlement phase. The entitlement phase is a
10 precursor to actually a permanent issuance phase, then the construction phase,
11 inspection phase, and then the occupancy phase. But, right now, we are clearly
12 in what is called the entitlement phase for each of the elements of this project.
13 Without the entitlements, except for the Development Agreement, I wanted to
14 make sure it is clear the Development Agreement does not have to be approved
15 in order for the entitlements to move forward. The type of project that is being
16 contemplated...without the entitlements the type of project, which is the
17 development of 40+ million square feet of World Logistics warehouse-type
18 facilities would not be possible, so it is a project and it does need to have an
19 action. Another item that has come up from the public recently that I wanted to
20 kind of address is the Development Agreement component of the project. The
21 Development Agreement component of the project has been questioned in terms
22 of the public noticing requirement associated with it. The public notice for the
23 Public Hearing in accordance with section 9.02200 of our Municipal Code
24 indicates that a Public Hearing, which we're conducting this evening, has to be
25 advertised at least 10 days in advance of the meeting. That was done on May 1st
26 so there was a posting on the project site. There was publication in the
27 newspaper. There was another publication in the newspaper on May 4th on a
28 regional level. Then, there was distribution of the public notice of this hearing to
29 all interested parties that either resides within 300 feet of the project area or who
30 had expressed interest and wanted to be notified of the project. That did take
31 place. The 10-day notice that was questioned earlier this week at the City
32 Council meeting that has been brought up this evening had to do with the
33 Development Agreement only be made available to you last week. When the
34 original public notice for the hearing went out, the description of the public notice
35 identified each of the applications that the Chairman has indicated and all the
36 applications that I have indicated already here. It also gave clear instructions
37 that the information and place to contact, which was City Hall, was made
38 available so that the public knew where they could go to get information. There
39 was an early version of the Development Agreement that was put into the packet
40 that was distributed on May 1st. That was the best available information of the
41 Development Agreement at the time. There was also a subsequent public
42 notification put up on the City's website that said that document was a
43 negotiation of progress. Okay so the Development Agreement is a document
44 that is being negotiated between both parties and what we identified is that the
45 most current version of the Development Agreement would be made available in
46 the Agenda packet for the Planning Commission. That was done. That was

1 done one week in advance on June 4th, so in accordance with the Rules of
2 Procedure that were also talked about earlier tonight, there is a provision within
3 the Rules of Procedure for the Planning Commission that says that all available
4 information should be made available to the Planning Commission at least one
5 week in advance if possible. Now there is other information that has been given
6 to us just this week. In fact, we received some information just today. We have
7 tried to make that information available to the Planning Commission as well so it
8 is impossible in most projects that are of this nature to suggest that there would
9 be no new information given to a hearing in any case. So I just want to make it
10 real clear for the people in the audience. We have tried to make this a very, very
11 transparent process. We have tried to give the community as much advance
12 notice as possible. We know that it is an enormous amount of information, but
13 please also understand that the project has been in the works for three years and
14 so the draft Environmental Impact Report, the Scope of the Project, the Specific
15 Plan document, and all the responses that are in the final EIR this evening have
16 been a work in progress that have been available to the community to look at
17 each step along the way. The responsibility of the Staff this evening, as always
18 with any kind of a project, is to ensure that the Planning Commission and that the
19 public through this hearing know that the City has considerably evaluated the
20 project in accordance with our established Municipal Code, a General Plan, state
21 regulations, and CEQA regulations in arriving at our recommended actions. You
22 must also demonstrate that we the City have exercised independent judgment
23 throughout the environmental process and that there is sufficient substantial
24 evidence in the record for you and subsequently the City Council in this matter to
25 consider before you take an action on the project. I can assure you this evening
26 that those standards have been met. At this point, I am going to turn this
27 presentation over to Mark Gross who is our Senior Planner who has been
28 working on a day-to-day basis on the project. He does have available to him the
29 technical expertise of our various Staff, departments and divisions. We also
30 have our environmental consultant from LSA available, and we have the
31 technical experts that were sub-consultants to the environmental document that
32 will be here to provide additional information. At the end of this presentation, or
33 towards the end of this presentation, I will be providing some additional
34 comments on the Development Agreement component of the project. And I have
35 assistance this evening from Kenneth Hira of Kosmont who helped us in
36 negotiating the Agreement. I would like to make a few comments about the
37 Development Agreement before we wrap up our presentation. I would like to
38 give it over to Mark after you have your questions.

39
40 **CHAIR LOWELL** – Let me interject real quick. Just for erring on the side of
41 caution, we have two alternate Planning Commissioners here and the alternate
42 Planning Commissioners would be utilized in the event of one of our
43 Commissioners up here being absent, has to recuse themselves, or has a
44 conflict of interest so I know it's kind of out of order, but at this time I would like to
45 go through each and every one of our Commissioners and announce whether we
46 have a conflict or no conflict. I have met with Highland Fairview. It was a

1 supervised meeting with the City Staff. We met with, I believe, it was three
2 Planning Commissioners, so we did not have a quorum. The presentation you're
3 about to receive tonight, or review tonight, was presented in front of us. It was a
4 very lengthy meeting. I have met Mr. Iddo Benzeevi a couple times casually at a
5 couple City events and at this point in time I declare that I do not have a conflict
6 of interest, and I am eligible to sit and vote on this matter. I would like to go
7 down the line. I have Commissioner Korzec.

8
9 **COMMISSIONER KORZEC** – I also attended one of those briefings under the
10 same rules and things that you did, and I have no conflict of interest on any of
11 this.

12
13 **CHAIR LOWELL** – Thank you. Commissioner Barnes.

14
15 **COMMISSIONER BARNES** – I also attended a meeting with Commissioner
16 Sims and have no conflict.

17
18 **COMMISSION BAKER** – And I met on one of the informal meetings too, and I
19 have no conflict with the project.

20
21 **CHAIR LOWELL** – Thank you Commissioner Baker. Let's go down the other
22 side. Let's go to Commissioner Ramirez.

23
24 **COMMISSIONER RAMIREZ** – I also met with Mr. Benzeevi under a supervised
25 meeting, and I do not have a conflict of interest.

26
27 **CHAIR LOWELL** – Commissioner Van Natta.

28
29 **COMMISSIONER VAN NATTA** – I also had the opportunity to see this project
30 presented in the Highland Fairview offices, along with another one of the
31 Commissioners, and I do not have a conflict of interest.

32
33 **CHAIR LOWELL** – Vice Chair Sims.

34
35 **VICE CHAIR SIMS** – Thank you. I also attended a briefing at Highland Fairview
36 offices. I was with Commissioner Barnes and City Staff supervised the whole
37 process. I have no conflict on this matter today.

38
39 **CHAIR LOWELL** – Thank you very much. With that said, I do not believe we
40 will be utilizing alternate Planning Commissioners. The seven seated
41 Commissioners are the only Commissioners that will be hearing this item. As
42 stated in our rules that we just recently adopted, if a Commissioner is absent on
43 a subsequent meeting, they have every legal right to catch up either by reading
44 the Minutes, watching the recordings, and they must testify that they are up to
45 speed and have watched every minute or have gotten up to speed on every
46 single minute of what has happened in their absence. In the event that a

1 Commissioner is absent during a portion of the meeting, which might happen and
2 they show up late, if they are subject to vote that night they technically would not
3 have the ability to catch up. Therefore that Commissioner would not be able to
4 vote and one Commissioner is still being absent, but leave a quorum up here of
5 six, we could still have a majority vote. So, with that said, if this meeting goes
6 three meetings and a Commissioner is absent on meeting #2, they have every
7 ability to catch up at home either by watching the meeting on DVR, going to the
8 City's website and watching the video, reading the Minutes. However, whatever
9 approved method that we have that they can catch up to date, and they testify
10 and swear that they are up to date and they are justified to sit and vote on that
11 day, they have every legal authority and every legal ability to do so. With that
12 said, we have seven Commissioners up here that have just testified that they do
13 not have a conflict of interest. These seven seated Commissioners are the
14 Commissioners that will hear this project regardless of the number of hearing
15 dates. With that said, I would like to turn the meeting back over to Staff for their
16 presentation. Thank you.

17
18 **PLANNING OFFICIAL RICK SANDZIMIER** – Thank you. At this point, I would
19 like to turn it over to Mark Gross, our Senior Planner.

20
21 **SENIOR PLANNER MARK GROSS** – Thank you very much Planning Official
22 Sandzimier and good evening Chair Lowell and Members of the Planning
23 Commission. I want to try and go through a presentation this evening. This is
24 the World Logistics Center project. It is a Power Point presentation. We're going
25 to kind of go through the slides as we go so we're starting off with project site and
26 location. The project is a 3818 acre project area, which is generally bounded by
27 Redlands Boulevard to the east, State Road 60 Freeway on the north, Gilman
28 Springs Road on the west, and San Jacinto Wildlife Area along the south.
29 Approximately 2610 acres of the total project area is designated for the World
30 Logistics Center Specific Plan. This is an area that includes the potential build
31 out of 40,600,000 square feet of warehouse development. Now the project area
32 is virtually undeveloped property and you can see by the slide up there, which is
33 a larger slide, and then what we're going to do is kind of go through a number of
34 different individual slides that kind of go through the project area not only looking
35 at the project area itself but some of the surrounding areas around the World
36 Logistics Center. The seven existing large lot rural residential single-family
37 homes are present east of Theodore and south of Eucalyptus Avenue. We're
38 just going to kind of go through some of these as we go. This is just a view from
39 Theodore Street Bridge. We'll just kind of go through some of these slides. This
40 is actually one of the existing seven homes that are located in the project in the
41 Specific Plan area. This happens to be on Dracaea and Theodore. Here are
42 some other views surrounding. This happens to be the San Diego Gas and
43 Electric facility. We have the San Jacinto Wildlife Area in the distance. This is a
44 view north from Cactus Avenue. This is a view looking towards the Skechers
45 building from Redlands Boulevard, and we have some other views here. This
46 happens actually to be the existing homes, actually the newer development

1 residential neighborhoods located west of Redlands Boulevard and this is just
2 west of the Specific Plan boundary. I want to talk a little bit about property
3 ownership. Highland Fairview has provided evidence demonstrating that they
4 have legal or equitable interest in approximately 2263 acres of this Specific Plan
5 area. The remainder of the project area is owned by others, including the seven
6 private residences, the Metropolitan Water District, San Diego Gas and Electric,
7 Southern California Gas Company, and the California Department of Fish and
8 Wildlife. Now on May 22, 2012, a public meeting was conducted with the City
9 Council regarding all properties in this eastern portion of Moreno Valley and the
10 proposed project, and as a result of the Council, directed that all including those
11 owned and not owned by the applicant be included with the project. What I'd like
12 to do now is just kind of go through some of the discretionary applications that
13 are provided, and that will include some of the components for the World
14 Logistics Center project, the proposed project. What we're looking at here, this is
15 a General Plan Land Use Map. This is our existing map. One of the first
16 components that I want to talk about is the General Plan Land Use Amendments.
17 Now with the proposed World Logistics Center project application, land use
18 designations in the Specific Plan boundary area would be proposed to be
19 changed from business park, single-family/multiple-family residential, commercial
20 retail, mixed use, open space, and public to business park. And that would be
21 (BP) Business Park Light Industrial and (OS) Open Space and that's really what
22 we would be changing to with this particular project. For the record, I did want to
23 point out that the Land Use Map included in the Staff Report and General Plan
24 Amendment Resolution incorrectly shows that the 74 acre site, which is that site
25 right there where the arrow is pointing is what I'm talking about. That particular
26 site there actually showed up as a business park in which it actually should be
27 Open Space or (OS), so I just wanted to make that part of the record. Additional
28 information on the project, I want to go through another component actually to
29 the project, or part of what I should say is some of the General Plan text and map
30 changes. Now the General Plan Amendment includes some modifications to
31 address changes to General Plan goals and objectives for land use, street
32 designation and road configuration, traffic level of service standards, bikeway
33 plan, and multiuse trail configurations, as well as noise contours and a fire station
34 location map. Now the changes are included in the various General Plan
35 Amendments, including community development, circulation, parks, recreation
36 and open space, and safety. Now this takes us over to another component of the
37 Specific Plan. This is a Change of Zone, and what we have up there in front of
38 everyone is actually a Change of Zone Map. Now actually this is our existing
39 Zoning Map, I should say, that will lead to the discussion of the Change of Zone.
40 Now an approval of the project is going to effectively repeal the existing Moreno
41 Highlands Specific Plan; the Moreno Highlands Specific Plan from a historic
42 standpoint that was approved back in 1992 and covers approximately 3000
43 acres. Zoning designations for the project area would be changed from business
44 park, single-family residential, multiple-family residential, commercial, retail,
45 mixed use, open space and public use logistics, which you can see on this next
46 slide which includes the zone change map. Now specifically within the 2610 acre

1 World Logistics Center specific plan area, the zoning designations would be
2 zoned as (LD) or Logistics Development, also (LL) or Light Logistics, as well as
3 (OS) Open Space which allows uses within the Open Space Area to be regulated
4 consistent with Title 9 of the City Municipal Code. The proposed land uses in
5 logistics development areas are proposed primarily as high-cube industrial
6 warehouse uses with a minimum building size of 500,000 square feet. Now
7 related ancillary office uses would be allowed along with logistics support uses,
8 such as motor fuel sales and related retail uses that are related to the motor fuel
9 sales. Now the light logistics zoning will allow for warehouse buildings and
10 related ancillary uses of less than 500,000 square feet, and I want to point out
11 with no minimum building size as well. Now areas of the overall project outside
12 of the World Logistics Center Specific Plan would be zoned Open Space and
13 that's the areas below the line, if I can maybe point to that which is right here. All
14 of the green area here is what we would be talking about, and that's going to be
15 zoned as open space and would be regulated in accordance again with Title #9
16 of the City Municipal Code. It would allow for permitted uses, such as
17 agricultural, animal raising, police stations, museums, wholesale and distribution
18 plant nurseries and parks. Conditionally permitted uses would include also
19 equestrian centers, day care centers, golf courses, open-air theaters, and public
20 utility stations and yards; which are currently operating right now at the site. The
21 next component of the project that I want to discuss is the Specific Plan. Now
22 the Specific Plan is a regulatory implementation tool used to direct future
23 development within the 2610 acre Specific Plan Boundary Area. The plan will
24 provide guidelines and regulations for zoning, which we have discussed. It'll also
25 include, as this slide shows, for project infrastructure. It is also going to provide
26 for the fire station location and permitted uses development standards, both in
27 the LD and the LL Categories. Also for elevations, and this would be criteria for
28 building form and massing and elevations and facades for building architecture.
29 It also will include street configurations, as well as roundabout and entry
30 locations. On this particular slide, you can see there are three proposed
31 roundabouts and five major entry points into the project. The Specific Plan will
32 also include multi-use trails, which were recommended I should say by the Trails
33 Board. The Trails Board had a chance to take a look at this and they did
34 recommend this configuration of trails, both inside connecting to areas outside of
35 the Specific Plan and a Phasing Plan as well. I want to talk just a little bit about
36 the Phasing Plan. As you can see right there with this particular slide, the first
37 phase of the project has been analyzed to include half of the development
38 square footage in the western portion with the estimated completion date of
39 2022. Phase 2, the final phase of the development, would occur through the
40 eastern portion of the plan area with an estimated completion date of 2030. An
41 additional component of the project is the pre-zoning and annexation. Now the
42 annexation pre-zoning application includes two parcels as we show on this
43 particular slide with a total of 85 acres west of Gilman Springs Road and north of
44 Alessandro. Now this property is currently located in the county of Riverside but
45 is within the City's sphere of influence. Now Highland Fairview has a legal or
46 equitable interest in the property. Now if the pre-zoning is approved by the City,

1 the final approval for the annexation into the city is required by the Local Area
2 Formation Commission or LAFCO. An additional component of this project is the
3 Tentative Parcel Map, which includes the subdivision of 26 separate parcels for
4 future finance and conveyance purposes with no development rights provided by
5 the map. We also have a Development Agreement. The application and item
6 was requested by the Applicant to secure a longer vesting term for entitlements.
7 The agreement was negotiated with the City and only covers properties owned
8 by the Applicant. The agreement is up to 25 years with a primary term of 15
9 years and an additional 10 year extension. Now public benefits negotiated
10 include but are not limited to a turnkey fire station, funding to advance design
11 concepts for State Route 60 enhancements, a local hiring program, and funding
12 for education and training programs. Our Planning Official, Rick Sandzimier will
13 highlight additional aspects of the agreement a little bit later on in the Staff
14 presentation. But what I want to do at this point is talk a little bit about the
15 Environmental Impact Report first from more of a historical standpoint and then
16 we'll kind of get more into the document itself. This particular slide, what I want
17 to try to show here, is just some of what has happened to date. Notice of
18 preparation of the project was sent out on 02/21/2012. A public scoping meeting
19 for the EIR was held at City Hall on 03/12/2012. The draft EIR was subsequently
20 prepared and a notice of completion and availability of the draft Environmental
21 Impact Report for project review was distributed back on 02/05/2013. The 60-
22 day public review period extended over to 04/08/2013. The 60 days is actually
23 more than the minimum requirement of CEQA of 45 days for that particular
24 review. Now there were 144 comment letters and approximately 10,000
25 individual comments that were provided on the draft document. The final
26 Environmental Impact Report prepared and before you this evening includes
27 responses to those comments that were provided in the draft document. The
28 FEIR was released to the public on 05/01/2015. This early public release of the
29 Final Environmental Impact Report afforded the public a 41 day review period
30 prior to tonight's hearing, and the 41 days is actually more than four times longer
31 than the 10 days that is required under the California Environmental Quality Act.
32 Now a little bit of information on the Environmental Impact Report and some of
33 the impacts noted. Of the 16 environmental project areas evaluated, the
34 environmental analysis concluded that the following five areas had impacts that
35 would remain significant and unavoidable even with mitigation measures
36 imposed to lessen those impacts and that includes esthetics, air quality, noise,
37 traffic circulation, and land use planning. Now, as I mentioned, there are a
38 number of mitigation measures that were in place. Even though it does not bring
39 these levels down to a level that is below significance, it is still assisting in
40 providing for mitigation. And what I'm going to do is just kind of go through some
41 of the slides or some of the areas. For esthetics, we're looking at there is a 250
42 foot special-edged treatment or setback area measured from the city zoning
43 boundary line to any building or truck parking area. Also includes the visual
44 plans that demonstrate screening of the project from the existing residences,
45 view protection of Mount Russell and light and glare restriction analysis of
46 proposed solar panels for any future development that comes in. For air quality,

1 some of those mitigation measures included tier 4 construction equipment,
2 restriction of trucks that fall below 2010 engine emission standards from entering
3 project areas, and the limitation of truck idling to three minutes. For noise, it
4 included reduction of short-term construction noise levels to include the
5 requirements of Noise Reduction Compliance Plan. There were restrictions on
6 grading during nighttime hours that have been included, as well as potential
7 sound barriers, and there are provisions as well for long-term traffic and
8 operational noise to include requirements of building specific noise studies, the
9 potential for sound walls, and the maintenance of buffer areas. For traffic and
10 circulation, it included a Traffic Impact Analysis and dedication of right of way
11 consistent with the Subdivision Map Act for Frontage Street improvements and
12 also I do want to point out that the Specific Plan has also been designed to direct
13 truck traffic away from the residential areas. Finally, with land use and planning,
14 there were no feasible mitigation measures that were found available with that
15 particular item to ensure compatibility between the proposed future warehouse
16 logistics development and the seven existing rural residential single-family
17 homes. And that takes us over to the Statement of Overriding Considerations.
18 Now the California Environmental Quality Act allows the lead agency to consider
19 a Statement of Overriding Considerations to review benefits of the project
20 weighed against the potential significant environmental impacts. The
21 Environmental Impact Report can be certified if the LEED agency determines
22 that the benefits of the project outweigh the environmental consequences of the
23 project. Now some of the benefits as provided for in the Statement of Overriding
24 Considerations document included but are not limited to carrying out the current
25 Economic Develop Action Plan to provide increased employment and revenue
26 opportunities for the city, sustaining existing commercial retail development to the
27 west of the site, and an improvement in the city's overall jobs to housing balance.
28 And that takes us over to a little bit more information on the additional
29 environmental considerations, and at this point I would like to introduce the
30 consultant that prepared the Environmental Impact Report document who is Kent
31 Norton of LSA Associates. He is going to provide additional information on the
32 EIR highlighting some of the changes between both the draft and the final
33 documents and providing an update of correspondence received in the last
34 couple of weeks. In fact, we did receive quite a bit of these, predominantly here
35 over the past few days. So, with that, I will turn it over to Kent Norton.

36
37 **KENT NORTON, LSA ASSOCIATES** – Thank you, Mark. Good evening
38 Commissioner's. It has been a very long time getting to this point. I would like to
39 touch briefly on three specific topics. Mark mentioned them. Mark, can you bring
40 up my slide? Thank you. Let me just say that I have been doing CEQA
41 compliance work for 37 years in Southern California, and I am confident that this
42 EIR contains a thorough and conservative analysis of the potential impacts of this
43 project. I believe the EIR gives the decision makers in the City objective
44 information that they're going to need to make an informed decision on this
45 project. I just also want to remind the Commission that this is a programatic EIR
46 and so more environmental information will come when there is more specific

1 information on development. First the changes from the draft EIR to the final EIR
2 the project was reduced by 100 acres and 1 million square feet, and the phasing
3 was extended from 10 to 15 years. The additional changes in the project
4 resulted in reduction of three significant impacts from the draft to the final, those
5 being agricultural, land, greenhouse gases, and cancer risks. The Traffic Study
6 was revised to address the project reductions and changes in the traffic. An
7 impact assessment determined that there were no new significant impacts with
8 the additional analysis. The Noise Study also looked at changes in the project
9 and changes from the Traffic Study and also determined there were no new
10 significant impacts. As Mark mentioned, the Air Study, it was updated to the
11 latest government guidance on such studies. It presented both a 70 year and a
12 30 year exposure period for cancer risks. It used cars latest emission factors. It
13 used age sensitivity factors, which was recommended by State OEHHA which is
14 in charge of the methodology for health risk assessments. A cancer burden
15 analysis was added in addition to estimating cancer risk and a risk assessment
16 for onsite workers was added. A lot of these were done in response to
17 comments on the draft EIR. In addition, results from the New Health Effects
18 Institute or HEI study, which was an EPA sponsored scientific peer-reviewed
19 multiyear study that looked at actual tailpipe emissions from diesel emissions.
20 That study was called the Advanced Collaborative Emission Study or ACES.
21 That study supported a conclusion that there were no significant cancer risks
22 from new technology diesel engines. When I say new technology, I mean EPA
23 tier 4 or better. That's year 2010 or later. Mark has already summarized some of
24 the mitigation measures for the significant impacts. Let me just mention briefly
25 that there were 99 total mitigation measures in the EIR. They're all listed in the
26 Mitigation Monitoring Plan. Some were added and a number of them were
27 revised based on response to comments on the draft EIR. Some of them are
28 pages long, and they specify procedures for new development under the
29 Specific Plan. For example, there are 10 measures just for cultural resources
30 including coordination with Native American Tribal representatives and specific
31 procedures if artifacts are found on site. Mark already mentioned the noise
32 measures. There are 15 specific noise mitigation measures. There are 18
33 biological resource mitigation measures including additional surveys when more
34 specific information on building locations is known. The drainage on the eastern
35 portion of the project is going to be designed for wildlife movement per comments
36 by the County and conservation organizations, and there is a buffer with
37 detention basins proposed in the southern portion of the project adjacent to the
38 San Jacinto Wildlife Area. Mark also mentioned probably the most important air
39 quality and health risk assessment mitigation measuring that is the use of only
40 Tier 4 diesel engines for both construction and operation for this project, and to
41 my knowledge that is the first time that requirement has been put on any
42 industrial project not only in the City of Moreno Valley but I believe in Southern
43 California as well. In terms of comments received on the draft and final EIR,
44 Mark mentioned we received 144 letters. There were 24 comment letters from
45 agencies, 19 from conservation groups, 107 from individuals, and he also
46 mentioned that during the last two weeks we received a number of emails and

1 letters commenting on the final EIR. Nine of those were from agencies, and I
2 believe you already have some of the response to comments in your packet. But
3 we are be providing specific responses to all of the comments on the final EIR as
4 well per the City standard procedure. Some of the agencies that commented, the
5 Moreno Valley Unified School District raised questions about the HEI Study, the
6 use of it. The Regional Water Quality Control Board asked for additional
7 language regarding the best management practices for the detention basins.
8 CARB raised a number of questions and comments about the health risk
9 assessment and the use of the HEI Study. The Eastern Water Municipal District
10 had some questions about the water supply. The City of Riverside, the Riverside
11 County Transportation Commission, and the Riverside County Transportation
12 Land Management Agency all had questions about how the mitigation for road
13 improvements and traffic improvements would work on and off site. The Air
14 Quality Management District also submitted a letter today questioning the use of
15 the HEI Study and the Metropolitan Water District submitted a letter about
16 participation in the Specific Plan. There were also eight letters submitted by
17 conservation groups or other organizations. For example, the Inland Water
18 Keeper had questions about water quality and the EIR Law Firm of Lozeau Drury
19 representing worker's union submitted a number of comments about potential
20 hazards to workers. The Center for Biological Diversity and the Audubon Society
21 submitted a letter today with questions about the biological resource assessment
22 procedures, water use on the site, offsite drainage, greenhouse gas emissions,
23 and recommending that the air be recirculated. The American Lung Association
24 had questions about air quality and the health risk assessment. Friends of the
25 North San Jacinto Valley had concerns about the biological procedures and the
26 information in the EIR. And three organizations, Earth Justice, the Southern
27 California Justice Alliance, and the Law Firm of Johnson and Sedlack raised a
28 variety of questions about the EIR itself and all the analysis. So we've also
29 received over one dozen letters and emails from individuals/members of the
30 public, and as I said we will be responding to all of those as time permits. I would
31 like to touch on one issue very quickly. It hasn't been mentioned in much detail
32 and that is recirculation. I believe actually Rick did mention something about it
33 early in his presentation but the final EIR indentified that there were no new
34 significant impacts or no increased significant impacts in the changes from the
35 draft to the final EIR. In fact, a number of impacts actually decreased as a result
36 of response to comments and the revised analysis. For more information, the
37 Commission is referred to table 1C in response to comments. In volume 1 of the
38 final EIR, it explains how the additional information that is provided in the final
39 EIR does not meet the requirements for recirculation. In conclusion, I and a
40 number of the technical staff that prepared the EIR and the technical studies are
41 here tonight to answer your questions and to listen to comments of the
42 Commission and the public. We have Don Hubbard with Parsons Brinckerhoff to
43 address traffic issues, three representatives from First Carbon Solutions, Vince
44 Mirabella to address air quality and health risk assessment, Cory Wilson to
45 address greenhouse gas emissions, and Frank Coyle and I will discuss cultural
46 biological resources if you have questions. David Taussig with David Taussig

1 and Associates is here if you have questions about the fiscal or employment
2 information, and Matt Jones is available to talk about the Noise Study. Finally,
3 we have Kathleen Higgins with CH2M Hill if there are questions about Hydrology
4 Report, and Lynn Calvert-Hayes a principal with LSA is here with me as well
5 tonight. Thank you very much for your indulgence, and we look forward to the
6 input from the public and the Commission and answering any questions you
7 might have.

8
9 **CHAIR LOWELL** – Thank you very much.

10
11 **PLANNING OFFICIAL RICK SANDZIMIER** – We do have a little more.

12
13 **CHAIR LOWELL** – Okay.

14
15 **PLANNING OFFICIAL RICK SANDZIMIER** – If I may, as we indicated earlier,
16 we were able to revisit the Development Agreement in a little bit more detail. The
17 Development Agreement component of the project is regulated by our Municipal
18 Code, Section 9.02.110. Just a couple of bullet points up on the screen for the
19 benefit of the public because this Development Agreement has received quite a
20 bit of attention over the last month since the posting of the Public Hearing Notice.
21 Real quick, the Development Agreement is an entitlement tool that is used to lock
22 in for an extended or specified period of time the underlying land use and other
23 development regulations, fees, procedures, and policies, which in the absence of
24 a Development Agreement would be subject to periodic changes outside the
25 control of the parties. The authority and the approval of a Development
26 Agreement per our Municipal Code rests with the City Council. However, the
27 Planning Commission must provide a review and advice on the Development
28 Agreement. That is why it is here before you tonight. It is noted very clearly here
29 that the Development Agreement is not a required approval for the World
30 Logistics Center project. The General Plan Amendment, the Zone Change, the
31 Specific Plan, the Parcel Map, and the Pre-zoning for the 85 acre future
32 annexation parcel can all be approved without any accompanying or subsequent
33 Development Agreement. I think Mark Gross was very good in his presentation
34 this evening. I hope everybody in the audience and the Commission could follow
35 along, but I thought it was an excellent presentation that covered all the details
36 on those projects. That is really the project. The Development Agreement itself
37 is just a tool to carry that project for a longer period of time. In exchange for
38 longer vested rights to a developer through a Development Agreement, the City
39 seeks to provide additional public benefits that are above and beyond any
40 required developer obligations. With me this evening is Ken Hira who is part of
41 the negotiation team. The negotiation team for the City included myself; our
42 economic development director; our finance manager or interstate services
43 director, Ken Hira; and we had special council from Bill Curly this evening. We
44 think we had a very solid negotiating team but the developer also had a very
45 solid negotiating team so it was a long drawn out discussion. But I think at the
46 end of the day the Development Agreement, as you will find, meets a happy

1 medium and Ken is going to go into a little bit more detail. We think it's a fair
2 agreement. I'd be happy to go into some more of the terms on the negotiation
3 and the deal points. However, just to draw your attention, there is an exhibit that
4 was put into the Development Agreement. Specifically, that is exhibit A3, which
5 outlines the 21 public key benefits and those are shown up on the screen above
6 you or on the monitors. We'd be happy to go into any detail on those when we
7 get into the discussion. We've referenced the section of the Development
8 Agreement in which those are achieved. At this point, I'd just like to turn it over
9 to Ken Hira to describe a little bit more about the negotiation process and a little
10 bit more about the background research and market analysis that was done.

11
12 **KEN HIRA** – Thank you. Planning Commission, Chair, and Members of the
13 Planning Commission: My name is Ken Hira, Senior Vice President with
14 Kosmont Companies. Kosmont is a firm that has been involved with city
15 consulting and private sector consulting since 1986, and we were retained by the
16 City of Moreno Valley to assist with some economic development strategies at
17 the highest of levels, as well as assist with the negotiation of the Development
18 Agreement for this project and one of the core competencies, if you will, of
19 Kosmont Companies is negotiating public/private transactions. We've been on
20 both sides of the equation, if you will, so there is a fair amount of experience. I
21 was very involved from Kosmont. There were two of my colleagues at least also
22 involved as Rick mentioned on the negotiation team, so I'm going to give a little
23 bit of a high level overview on just sort of development agreements and get into
24 some of the specifics here. But I think the exhibits that outline public benefit and
25 even the Staff Report does a pretty good job of identifying key terms and
26 conditions that go part in parcel with a development agreement that tends to be
27 highly negotiated, and in this case it certainly was highly negotiated. So I'll start
28 by saying no two Development Agreements are the same. We've negotiated a
29 variety of those public/private transactions, and they never seem to be identical
30 to each other because they each have a unique set of circumstances and there
31 are always a unique set of priorities and motivations on each of the parties parts
32 both private and public sector. Development Agreements serve a very key
33 purpose. I think of them a little bit like a Prenuptial Agreement, so if a Prenuptial
34 Agreement helps a marriage move along and last a little bit longer, if you will, and
35 set some expectations and it tends to be this estate planning tool, a Development
36 Agreement is very similar. It is a marriage or a partnership between a public and
37 private sector, the developer and the municipality, and it serves a very key
38 component for today, which is an economic development tool. The reason why
39 that is so important is because, as California Redevelopment Law was eliminated
40 by the State, cities tend to be on their own when it comes to economic
41 development tools. We have used development agreements in several instances
42 that really allow projects to move forward on a win/win basis, and that's the idea
43 here. There needs to be a win/win basis for a project. In this case, this
44 Development Agreement was vigorously negotiated. Suffice it to say that the
45 team that negotiated it on this side of the equation, if you will which is the cities
46 negotiation team and the developers negotiation team, both had very, very

1 important and critical criteria that we had to put on the table and it wasn't an easy
2 process. The outcome wasn't perfect, but with any agreement like this one there
3 were compromises. And what ends up happening at the highest of levels though
4 is this developer gets a certain vesting right over a period of time, which is one of
5 the key ingredients to the DA and one of the key criteria and requirements on the
6 private sectors part in order to reduce investment and for the cities case. And, in
7 this case, we get a significant amount of public benefit. And if those two match
8 each other in terms of that win/win equation then we have a deal. And I think the
9 way this deal got negotiated with all of the parties involved, all of the expertise
10 involved, and all the background involved you have a deal that is a relatively
11 win/win circumstance. I'm saying relative because some folks are going to
12 disagree with that. But we came to the conclusion in our negotiations, which at
13 times lasted until 1:00 in the morning and had bad pizza. Sorry. And it isn't that
14 they don't come with, you know, emotion because they do. These are very, very
15 important matters. The other key component to this project is at a 40 million
16 square foot level it is difficult to make predictions, and I'll give one example. I
17 negotiated a Development Agreement for a 500,000 or 600,000 square foot
18 shopping center it was a 25 year Development Agreement. We have a 40 million
19 square foot project here that is a 25 year Development Agreement give or take
20 given its terms, so one could look at it and say wow it's pretty short. The other
21 way to look at it is to say it's too long, but in its totality given all of the elements to
22 it, we concluded and Staff supports that will be a project. And, in my opinion,
23 what makes it a positive project is that it will have revenue generating and job
24 generating net positive impacts for the community at the highest of levels. So I
25 can give specific examples of deal terms that when we started the negotiation of
26 this DA were not on the table and when we finished some of the items the
27 developer pushed hard on came off the table. Some of the items that were very
28 important to the City were left on the table and there was a lot of back and forth
29 as I mentioned, and there are specific examples of those. I don't want to take all
30 the time right now to go through each one of those negotiated points, but there
31 were some key points. I think what I can do is be available to discuss or to
32 answer questions on certain items whether it's term, whether it's public benefit,
33 whether it's some of the other specifics as to fees and some of the other items
34 I'm available to do that because I was part of the process.

35
36 **PLANNING OFFICIAL RICK SANDZIMIER** – Thank you, Ken and thank you for
37 the comprehensive presentation. We are collectively here to answer any
38 questions that the Commission may have, and we will now defer to you.

39
40 **CHAIR LOWELL** – Thank you very much for your Staff Report. Unless any of
41 my fellow Commissioners have a burning question for Staff, I'd like to defer our
42 comments to Staff until our Commissioner debate towards the end of this
43 hearing. Does anybody have any burning questions that they'd like to ask Staff
44 right now or can we move along to the Applicant's presentation? Okay, we will
45 defer our comments to Staff until the Commissioner discussion portion of this

1 meeting. At this time, I would like to ask the Applicant to come up and give us
2 their presentation.

3
4 **IDDO BENZEEVI** – First of all, it’s an honor to be here and I feel very, very
5 appreciative of the opportunity to present the project in front of you. This project
6 represents a tremendous amount of effort, a lot of resources, a lot of time, and a
7 tremendous amount of money to get to this point. It clearly reflects the best
8 judgment of some global experts with a tremendous amount of local experience
9 to bring us the best that we can possibly have in a project that can really move
10 our community forward. If I may, I need a simple instruction on how to operate
11 this equipment here.

12
13 **CHAIR LOWELL** – Do we have somebody from IT that can come up and help
14 the Applicant?

15
16 **APPLICANT** – While we’re waiting for that, I know between this speaker and my
17 Texan accent it might not be very clear, so let me know if you can hear me. Is
18 that pretty audible?

19
20 **CHAIR LOWELL** – Yeah, it will be better once the slides are up.

21
22 **IDDO BENZEEVI**– I also had the tremendous privilege in meeting a lot of people
23 in our city, and through this process of three-and-a-half years of planning I’ve met
24 literally thousands of people of the community I had the privilege of meeting them
25 at presentations at our home and throughout the community. I have special
26 appreciation to politicians as they go on campaigns because I’ve done some it.
27 I’ve been in a lot of people’s homes explaining the project and answering
28 questions, but the most important part of this process was really to listen to the
29 community to understand what the issues are and to understand what they really
30 desire. And, of course like in anything, you’re going to have a lot of opinions.
31 But I found the prevailing need and the prevailing desire of the residents of our
32 community here is for a better life, job opportunities, better environment, and a
33 future mostly for the children. It’s not for themselves but for the children. And if
34 we will have the privilege to bring something that can so much help this
35 community move forward to become, what I really believe it could become, one
36 of the best communities/best cities in the nation then there is no reason it
37 shouldn’t. If we put all the ingredients together, we can become that. So, if I
38 may, what I’d like to do is go through the presentation. Some of it is about the
39 project and we’ll deal with some specific issues with Staff, and I want to thank
40 Staff for a good presentation of setting forth the parameters of what is involved
41 technically. But I’d like to really answer the question of why logistics. What is
42 logistics? What does it mean to us? Why is it a historical opportunity I believe
43 for our region and this City, not just a good business opportunity or a good
44 business plan but a historical opportunity for our region and why it clearly can
45 move us more forward. So, if I may, I’d like to begin with the presentation. I feel
46 sort of awkward speaking with my back to most of the people. Would it be okay if

1 I stand on the side? Okay because I feel like I am standing with my back to most
2 of the people. If I stand like this, is that good?

3
4 **AUDIENCE** – However you want to do it.

5
6 **IDDO BENZEEVI** – Okay. Alright, so first of all what is logistics and where does
7 it all come from? What is it that we do? What is happening in the world to make
8 this possible? We all heard about the global economy, and we all know now that
9 international trade is the engine of the global economy. And the significance
10 about it is that in the year 2000 there was less than \$4.7 trillion and by 2020, in
11 about five years, it will have expanded to over \$35 trillion. That's a huge
12 expansion, but what does it really mean? I won't spend time with this but some
13 people think international trade means that we are all buying and selling from one
14 another, and we go to Walmart and we see things from China. It is about 8% or
15 9% of the global economy. What it really means is today it's literally...the reason
16 a single company that masters all the resources and technology to make a single
17 product and so this is your basic laptop. This is how many countries are involved
18 in making a basic laptop, but if you go to the subcomponents you'll find the same
19 three happens over and over again. It's literally impossible to make anything in
20 one country, but this is what is called a Source Map for a laptop. This is how
21 many basic things have to come to and from just to put together a laptop, so
22 when people think something is made in China it's not quite how they think it
23 might be. It really is made by the world, and we all know Apple. Apple today is
24 the largest corporation in the world worth over three-quarters of a trillion dollars,
25 and we all know their products. And Apple itself has to procure materials,
26 technologies and so forth, from 776 global suppliers as you can see from almost
27 every country in the world just to make your basic Apple product. And it isn't just
28 high tech stuff. Your jeans, this is how many countries are involved in making a
29 basic pair of jeans. So when we read a label that says something is made in
30 China perhaps it's not what we think it's saying. And I won't go into a lot of it, but
31 in reality it's really made by the global economy, by the world as a whole. And
32 it's not just pants and high tech. This is, you know, all American pizza. You
33 know, ingredients come from other worlds. The olives come from Greece. The
34 olive oil from Spain and so forth. And big stuff, the all American aircraft company
35 Boeing. This is how many countries are involved in making a Boeing aircraft.
36 Well it really goes from there. They procure 783 million parts from literally, as
37 you can see at the bottom of the globe, almost every country in the world just to
38 make the airplane. In reality, it is impossible to make anything in one country.
39 So, what is logistics? We all know companies like Nike. Nike sells
40 approximately, I haven't checked lately, but about \$40 billion worth of athletic
41 wear. So how many shoes does Nike make? Anybody know?

42
43 **AUDIENCE** – Zero.

44
45 **IDDO BENZEEVI** – Yeah, zero is the right word. They're basically, for the fine
46 logistics of designing a product, getting procurement from the manufacturer and

1 getting to the customer. That's logistics. They're basically a very large logistics
2 company. Nike is not in the business of making shoes. And we all know Apple,
3 right? They sell hundreds of millions of devices, Apple iPhone's and so forth.
4 How many iPhone's does Apple make? Anybody know?

5
6 **AUDIENCE** – Zero.

7
8 **IDDO BENZEEVI** – Zero is the right answer. Again designing it in California,
9 procuring the manufacturing all over the world, and getting it to the customer is
10 logistics. They are very, very large. They depend on logistics to make the
11 products. In fact, if you look at any Apple product, it won't say on the back made
12 by Apple, manufactured by Apple, assembled by Apple, anything by Apple. It will
13 say designed by Apple. Design is almost a code word for logistics because
14 nobody understands the word logistics and some people think it's a disease.
15 They say I talk about logistics, you went to the doctor, what do you have to do for
16 it? You got logistics. Be careful, don't shake my hands. So design is sort of a
17 simpler word to talk about logistics. Logistics, in fact, is the new manufacturing.
18 This is how we put things together. This is how we get products around the
19 world. There are also several shifts that really effects what we will see here in
20 the way of jobs. There are three fundamental shifts in the world. One is for
21 manufacturing to logistics, another from manual to technology skills, and from
22 subtractive to additive manufacturing. And what does that really mean manual
23 skills to technology skills? We all know that skills today, you know, somebody
24 learns to be a welder and they get a good job being a welder. Well today we're
25 moving technology. The machines are doing the work. It's shifting. This is what,
26 you know General Motors, if somebody had the job as a welder that was a well-
27 paid job and sometimes as much as management because your product is
28 dependent upon good welds. Well today this is what the welding now looks like
29 at General Motors. We're moving technology, same thing as assembly. This is
30 what the assembly line looks like at General Motors today. What does it all
31 mean? We're actually moving technology. The machines are doing the work.
32 The jobs are changing. It's the same in healthcare. There's a doctor sitting in his
33 office and the nurse is having the status go to the patient while the doctor is out
34 of the office. This is not science fiction. This is actually in Children's Hospital in
35 Orange County. It's happening everywhere and not just, you know, at nursing
36 levels but doctor levels. God forbid you need to have a major surgery like back
37 surgery. You need six or seven surgeons around the table. They open you up
38 and keep you going and all your organs going. Today we have robotic surgery
39 as well, and this is an expensive machine. It costs about \$3 million. We bought
40 one for two area hospitals, but it took place of about six surgeons. And the
41 outcomes are much better because instead of opening you up and spending six
42 months to a year recuperating from major surgery you make three small incisions
43 and you're in the hospital two days further for observation and you go back
44 home. And it's changing on all levels. How many people remember just a few
45 years ago the only way to listen to music in America was to drive to some record
46 store, stand and look around for the records, stand at cashier and pay for it, and

1 drive home put it in machine and listen to music. Well now we have iTunes. You
2 select the music, pay for the music, and listen to the music instantly. Every town
3 in America had record stores. Millions of people employed, stock clerks, store
4 managers, and actually people had careers. They'd say I don't want to go to
5 college. I don't want to get technical training. I'm a good guy and I work. I'm
6 going to work at the record store and get promoted to a store assistant manager,
7 and then a store manager, and then I'll be a regional manager, and at the end of
8 the day even if you wanted to do this job today for nothing it doesn't exist. But, it
9 does exist. People still sell music like iTunes but there is not somebody in front
10 of you over the counter giving you the music, they are sitting behind some
11 technology computers and selling you iTunes. The same thing in Japan,
12 McDonalds has a problem with high wages getting fast food out, so they talked
13 about an automation company that they are looking to automate McDonalds and
14 it will probably come to the United States as well. Trucks too, this is in Germany.
15 Mercedes there are autonomous trucks and the trucks drive themselves on the
16 freeway, somebody is ordering his lunch. But what happens is the jobs are
17 changing now that you don't really have to drive the truck. They are dealing with
18 some sophisticated stuff. They are actually almost becoming managers. You
19 have other functions than just driving the truck, and I thought well maybe it will
20 come to America pretty soon. Then, on 05/05/2015 in the news, Freightliner
21 which is one of the trucking companies in America, manufacturer...I don't know
22 the trucking company, manufacturing company unveiled the first autonomous
23 truck and the state of Nevada gave the first license for autonomous trucks driving
24 in the United States. And you can see where it's going, the jobs again, but this is
25 not a new phenomenon. The shift to technology is not a new phenomenon.
26 People are usually concerned about where's the jobs going, but it's not a new
27 phenomenon. It's happened over and over again throughout our history. One
28 hundred years ago before technology on the farm to plow 100 acres you needed
29 30 guys behind some plows spending a week to plow 100 acres. Then comes
30 technology and one guy on a tractor plows 100 acres in a day; same thing here
31 today. It's actually even plowing that is very sophisticated even to drive farm
32 equipment today, but even to how we harvest wheat. In 1900, not that long ago,
33 it took 20 people five days to harvest wheat from 10 acres. Today, current time,
34 we harvest 10 acres in 6.7 minutes. Alright, so what happens to all of this?
35 People think because of technology, technology coming, we end up with less
36 jobs. But, in fact, technology actually creates more jobs. We had 25 people
37 living on the farm before the tractors and combines came, and when the
38 combines came it shrunk. We had 25 million people basically loose their job on
39 the farm. But what happened? We created 80 million jobs, right? You had to
40 move from maybe putting a hay bale in front of a horse to becoming a mechanic
41 or if you went to college to become an engineer designing the tractors. And
42 maybe you were a banker to finance them or maybe an advertising agency to
43 advertise and then so on and so forth. We created a lot more jobs. In fact, we
44 manufacture twice as much as we ever did in America, but this is what our
45 factories look like. We have a lot more people that need to be trained with
46 technology because this is where the world is going. It isn't because we want to

1 or don't want to have it in Moreno Valley. This is what's happening in the world.
2 We either watch it happen or take advantage and harness the opportunity and
3 move it to Moreno Valley as well because even in logistics, you know, it's
4 becoming even more and more technology driven. And the skill sets that are
5 required to work in any of these facilities is ever growing, and you can see even
6 the basic meaning of work, which is picking up a box, is now done with robotics
7 and automation other things. It doesn't mean less jobs. It means different kinds
8 of jobs, and it's happening on all scales. This is even cars today. You can see
9 this is a big robotic crane that's actually storing parts, and this is a very
10 sophisticated piece of equipment that requires a lot of people whether to program
11 it, to maintain it, or to deal with it and this is what the jobs are becoming because
12 today the jobs are moving technology. We're not doing the work. We have to
13 understand the whole shift. In fact, in the next decade 80% of all jobs will require
14 technical skills. It's like being on a farm. If all we now how to do is put a hay
15 bale in front of a horse, we'll be challenged to get a job. But, if we become a
16 mechanic, there might be a lot of job opportunities for us. And, in fact, you can
17 see STEM jobs are growing at a much faster pace than oil occupation, which are
18 actually shrinking. In fact, you know STEM jobs, which are science, technology
19 and so forth, are going at about 300% of the pace of any other jobs. And, you
20 know, the issue for us all over America, not just here in Moreno Valley, is the fact
21 that we've got to do more. And, I'll tell you why we're going to do more in
22 Moreno Valley, but you would think out of the 15 largest industrial nations in the
23 world that we would be number one in STEM. But actually we're number 14.
24 The country you think would least have all these educated labor force would be
25 China, but in fact, they're number one in the world. And it's pretty concerning
26 that really in the United States we're 50% below the world average, so we have
27 to do a lot and we have to start early teaching our kids training and getting the
28 right jobs in line whether we're programming them, educating them, and we will
29 have not just sport champions but champions in new technology because this is
30 where the jobs are coming and this is what we need to be doing. What we will be
31 doing has not been described in detail in the Development Agreement and to the
32 credit of Staff, because usually you always ask about some parks and different
33 things, and it is all nice to have. And we will have them as well in Moreno Valley,
34 but they were very, very interested in educating the workforce to make sure that
35 our people in Moreno Valley will have the training. We will spend...we have
36 committed close to \$7 million to make sure we have training programs in Moreno
37 Valley for all of us to be able to train and get those kinds of jobs, so \$7 million in
38 the Development Agreement. We also want to make sure that Moreno Valley
39 residents will have first dibs at those jobs, and I heard a lot of times people telling
40 me we went and applied for some jobs and there were no jobs. There is so
41 much demand for the jobs. So many people want jobs that, when people open
42 up their doors that need 300 jobs, they get 10,000 applications. Within one hour
43 they are done and then people think they are not open for jobs. What we will do
44 in Moreno Valley is we will know when certain industry sectors are coming a long
45 time in advance because you have to plan it, you have to build it and construct it,
46 so we know who is coming. And what we'll be doing with the City is making sure

1 that we have a program that first of all ties to the training so we'll know what jobs
2 are coming, the actual jobs that will be available in Moreno Valley. We'll know
3 what they are so we're going to put training programs in place so people could
4 train for those specific jobs. Above that, as permitted by law to the extent we
5 can, we are going to make those jobs be known to Moreno Valley residents. We
6 will pilot this program a week or longer in advance before the doors are open for
7 applicants, so if there's 10,000 applications and there's only 300 jobs, instead of
8 Moreno Valley residents being 2071 it could be one of the first 300 at those jobs.
9 So if we train the people, we get trained, we get educated, we'll have the first
10 chance at those jobs right here in Moreno Valley, and we have committed \$7
11 million towards that end in addition to the \$22 million a year that we will pay for
12 public education out of the taxes paid by the World Logistics Center, so that's in
13 addition to that. That's directly to provide an advantage to Moreno Valley
14 residents. And what are the jobs? There are going to be a lot of technical jobs,
15 right? Whether you're installing automation, fixing it or maintaining it,
16 programming it, there's a lot of different kind of jobs like that. Now I'd like to talk
17 a little bit about the World Logistics Center itself, and what it might look like and
18 function, and why it is a historic opportunity for our region. First of all, we're now
19 on the right side of the world. Right? It used to be the Atlantic Century. Most of
20 the trade was with Europe and therefore the East Coast was the gateway to
21 America. Now it is the Pacific Century. Most of the expanding economies are in
22 Asia and the gateway to America is on the West Coast. In fact, the only good
23 thing the California legislature has ever done is put us on the right course. Other
24 than that, I think they've messed up a lot of things. But they put on the right
25 course at the right time at a historical moment in the world. We're on the right
26 side of the world. And, in fact, there is tremendous growth. The containers, and
27 remember the slides about how many places things have to come to and from to
28 make any product, the expansion of that industry is tremendous. By 2030, which
29 is 15 years from now, we're going to grow literally by about 30 million TU's or
30 what they call containers. Containers really are reflective of the amount of
31 products we are making or exporting, or dealing with, or putting together so that's
32 a tremendous opportunity. We're also part of one of the largest economies in the
33 world, right? Southern California, if you take Los Angeles to San Diego, they
34 form the Inland Empire. If you isolate it and make it an independent nation, it
35 would be one of the largest economies in the world; the top 10 economies in the
36 world. So, Moreno Valley, we are located within an hours drive to every major
37 market in Southern California, which is one of the largest economies in the world.
38 We are also the number one logistics markets in the United States and one of the
39 largest in the world and because logistics is the new manufacturing Southern
40 California, this golden triangle, is also the number one manufacturing hub in the
41 United States. So we are located within this hub and yet we have some of the
42 lowest job-to-housing ratio and the lowest number of jobs anywhere. If we were
43 in the middle outskirts of Nebraska, I would think it would be challenging. But, to
44 be right here and not to have jobs for everybody living here, that's sad. But,
45 beyond being sad, we're going to do something about it to change that for most
46 of the people in Moreno Valley. In addition to being within an hour's drive of

1 every major market in Southern California, which is again one of the largest
2 economies, we're also within the overnight trucking to deliver in the Western
3 states. We literally can service over 200 million customers with this location right
4 here in Moreno Valley, so it's a tremendous asset. Why is it important? Because
5 any economy, any place throughout times that builds an economy, relied on the
6 geographical advantage. You know, if you're in Napa Valley and you can grow
7 good grapes, you can build an economy, a good quality of life, create jobs
8 around wine. But, if you say, we don't like wine let's grow potatoes, you'll grow
9 bad potatoes. Nobody wants your potatoes and you won't grow an economy and
10 you won't create jobs. Nobody wants them. You know, if you're in New York and
11 you can capitalize on the trades that used to come from New York and build
12 financial centers to finance trade, you can build a financial center, build an
13 economy, build jobs, quality of life and opportunities. But, if you say we don't
14 want finance, let's grow potatoes. Well you'll grow bad potatoes. There will not
15 be banks. There won't financing, and there won't be an economy. Same thing is
16 in Houston. If you don't build on oil and you want to grow potatoes, you won't
17 build an economy. You can't. If you're in Idaho, you can grow an economy
18 around potatoes, create jobs, economic opportunity, and a better quality of life.
19 But, if you're in Idaho and you say we don't want potatoes we want grapes, you'll
20 grow bad grapes. You won't have good wine. You won't grow an economy. You
21 won't create jobs and so forth. We're located in the historical geographical
22 opportunity as we're on the right side of the world in the right place at the right
23 time. And it's also moving our way. Most of that, and I won't spend too much
24 time on this because there's a lot of information here, but the Inland Empire
25 where we're centered is one of the largest and most desirable places for the new
26 manufacturing, which is really logistics. But when did this plan start? Was this
27 some idea that we just had and we came about it? It actually started back in
28 2011. The city was in tremendous difficulty, you know, remember it was the
29 height of the economic recession. There were over 5000 foreclosures in Moreno
30 Valley, 40% unemployment in the construction trades. Twenty some percent
31 unemployment in Moreno Valley. That's actually, if you remember when we built
32 the building everybody referred to as Skechers, Skechers is in that building and
33 we built it. We actually felt that this is a great community despite everybody
34 running for the hills keeping their money, what they had left, in their pocket.
35 Homes were being foreclosed. Nobody wanted to invest anything. We heard
36 about shovel-ready projects, right, stimulus money. The only thing that was
37 ready at the time was shovels. There was nothing being built, and we said we
38 believe in this community. This community will succeed. We can build a world
39 class project, and we invested a tremendous amount of money employing 1100
40 construction workers during the process. Today there are 600 to 700 people
41 working at Skechers, and when they to full occupancy in terms of their
42 production, they're expected to get to 900 to 1000 jobs there. And that's from
43 nothing and during the worst of economic times so our commitment to Moreno
44 Valley didn't start today or yesterday. But, in 2011 the City management
45 understood that we had a challenge. How do we creat jobs in the community?
46 So they started to develop an Economic Development Plan that they spent some

1 time doing and eventually culminated in a Staff Report that essentially
2 recognized that out in the Rancho Belago area in Eastern Moreno Valley that
3 there was a tremendous opportunity to develop a logistics industry and they
4 talked to us about cooperating and trying to build together a center for that. But
5 they didn't just do it because they liked to or wanted to, they actually hired two
6 independent consultants/big economic groups, to evaluate the opportunity. They
7 also recognized through the survey that the cities land area allocated to job
8 producing land uses was very small. It was less than 9%. Most cities have at
9 least 15% to 25% of the area allocated to job producing land uses. Moreno
10 Valley had in total 9%, which is very low and makes it unsustainable. The only
11 way you can proceed is raise more and more taxes to cover your budget
12 because you don't have the tax base. They recognized this and wanted to
13 expand that, so they hired one group. It's a very well-known group in the
14 country, actually in California, Beacon Economics and they evaluated it. I took
15 some excerpts of it. They looked at the logistics industry and realized it's
16 technologically advanced and it's moving to more and more and more
17 technology. And there is also the traditional logistics, which is what most people
18 are familiar with. They call it warehousing and those kinds of things and so they
19 looked at two things. They said, if we have a high tech sort of center with
20 logistics or technology jobs, it would create about 16,000 jobs. If we have the
21 traditional menial types of jobs in traditional logistics, it would be about 25,000
22 jobs, so the number that has come out in our EIR and the city's fiscal impact
23 analysis and so forth was around 20,000 as sort of an average. Maybe not
24 everything would be super high tech but not everything is going to be menial, so
25 between 25,000 and the 16,000 is where the 20,000 jobs estimate is coming
26 from. But that's without the multiplying without the original jobs. As you can see,
27 there are more jobs if you look at the total and the difference between those and
28 the total jobs is then multiplied. If you have 20,000 people having lunch in the
29 city, we won't have a Bobs Big Boy's close because the people there they need
30 lunch, they need breakfast and other things and we don't have a daytime
31 population of jobs to keep any. In the Stoneridge Center, we had Office Max
32 close. Best Buy closed. Bobs Big Boy closed and even a Starbucks used to be
33 there and closed. I've never seen a Starbucks close anywhere, not even at a
34 graveyard. It closed in that center. We don't have the data and population, so if
35 you have 20,000 people I don't care if you're a baker in town. Twenty thousand
36 people there's only 365 days in a year, right? We have birthdays, hundreds of
37 birthdays every year. If you're a baker, you're going to make more baking.
38 Twenty thousand people buying lunches, sandwiches, I don't care what you're
39 eating, that's 20,000 people that need to eat something. And they're going to
40 buy it in our restaurants, right, creating more opportunities for us. I don't care if
41 they buy gas, if they buy a sandwich, or buy McDonald's, whatever they do they
42 create opportunities right here. I don't care if it's your anniversary, 20,000 people
43 having anniversaries. If you have a flower store, you're going to sell thousands
44 of flowers every day because somebody is going to have an anniversary. So it
45 creates what is called the multiply effect. And, when you review it, these are
46 some of the summaries that said it would be a significant economic impact on the

1 City of Moreno Valley, a positive impact. And the key was jobs, right, and the
2 annual revenues for our city to be able to provide a better quality of life. Then
3 they hired another consultant, John Husing, who is one of the foremost
4 authorities in the region on our economy and he came up independently. I didn't
5 know that he had provided those reports. He also came up, you can see on the
6 top, with 20,000 jobs, so two different independent consultants evaluating the
7 technologically advanced project that we we're developing that's generally the
8 number of jobs. And many people ask me how do you know the jobs, so we
9 talked about how we're going to provide an advantage to Moreno Valley
10 residents both the training and advantage to get the jobs. But somebody talked
11 to me about promising jobs. Nobody can promise jobs. If you're equal
12 opportunity in America, if you're qualified to get a job, you should be able to get
13 into anywhere you want in America. But I can tell you one thing, if there are
14 20,000 jobs, I might not get a job there, you might not get a job there, but 20,000
15 of somebody will get a job there. And all those jobs are going to be in Moreno
16 Valley for the benefit of our community. And part of the other ideas why they
17 thought it was a good place to be is because they realize it is away from homes.
18 There are no schools around there. There are no shopping centers that it
19 interferes with, and it has direct freeway access, which was unique in literally
20 most of Southern California. And what do we have in Moreno Valley? The
21 challenge is that today we have the lowest job-to-housing than any other
22 community. In fact, we are 0.47. You can see on the graph that most of the
23 communities around us have multiples what we have, and that's partly because
24 we have the least amount of land allocated to job producing land uses. We have
25 9%. Most cities have at least 15% or more to be sustainable, and with the World
26 Logistics Center we are going to greatly improve it. Not enough, we're still going
27 to have to do a lot more for jobs as big as this project is. And we need a big
28 project that creates a lot of jobs because this is not a time for small projects or a
29 time for small or little amount of jobs. We need massive project to catch up from
30 where we are because we are so far behind. But, even with this big massive
31 project, it will still barely get us to one job per household and we need to do
32 more, so we will be working with other projects in the city to even create more
33 employment opportunities. And some people tell me, oh we have too much. I
34 see all these buildings. Really? We're the second largest city in Riverside
35 County, the second largest city in the county. Yet this is the industrial market in
36 the Inland Empire. We're the second largest city in Riverside County and
37 Moreno Valley represents 2.7% of the market. We're not even rounding up.
38 With everything's that built, everything that you see around us, we're 2.7%. Now
39 it will probably go up a little bit because I think Prologis is a new project in town
40 that will add a little bit to it, but not enough to make a significant change in the
41 percentages. In fact, our neighbor's uptown sometimes really are concerned
42 about our welfare in Moreno Valley, you know, they have three times as much as
43 we do yet they are complaining sometimes about we shouldn't have any. They
44 have 9%. Cucamonga three times as much, Fontana three times as much,
45 Riverside three times as much, Chino three times as much, Corona twice as
46 much. Even Redlands, which is a much smaller city, has 50% more than we do

1 and they keep on building more over there. And what does it really look like?
2 This is the City of Moreno Valley. What's grayed out is basically everything that
3 is zoned for residential and after everything you see is built, being built, is built
4 and processed for the city. Now everything that you see is out and under
5 construction gets built and done, we only have 94 acres left for industrial job-
6 producing land uses in the city. That's it. All the jobs available are seen here. It
7 might be a little bit more because I think Prologis again was approved so it will
8 add a few more acres to one or two more buildings or whatever it is. But literally
9 all the jobs you will ever see are here because...and it's not even one 94 acre
10 parcel, it's a few smaller ones, and those smaller buildings are not what the
11 market demands and are not even responsive to the economy today. And so it
12 may be that everything we see up now is what's up and what's processed in the
13 city. That's all we'll have. And we'll have another 100,000 people for our city
14 with the same number of jobs. We'll never have job opportunities. We'll be
15 committed to commuting for the rest of our lives, which is obviously not
16 sustainable. In fact, the most underestimated risk for Moreno Valley is the lack of
17 available land for industrial job-producing land uses. We're all sailing along
18 because we see another building being built and we're now going to create
19 another business. Then we see a few more jobs, but pretty soon we say what's
20 happening to all this? Why is nobody coming to Moreno Valley? We don't have
21 the land to do it. We must allocate more land if we're going to have more jobs.
22 And what does that all mean? Kosmont, I think your firm did a study and
23 basically indicated there are 57,000 households in Moreno Valley and it turns out
24 that 51,000 have to commute out of town for jobs. That's literally 88% to 90% of
25 everybody in Moreno Valley has to commute out for an average of 76 minutes to
26 their job they perform. And how do we know it's 76 minutes? Actually the US
27 Census Bureau knows it because only the government knows where you live and
28 where you get your paycheck, so they don't tell us what name and who the
29 person is. But they all know where you live and where you get your paycheck,
30 76 minutes away from the family, away from the kids in traffic just to support a
31 family for a better quality of life. And what is the true cost of commuting? People
32 don't realize why we have low property values. It's really not magic or any
33 secret, but we all know in the housing business that typically every minute of
34 commute time is worth about \$5000 in your home value, so every minute, right?
35 If you look at Moreno Valley to Riverside, it is about 10 minutes. You have about
36 10 minutes times \$5000 about a \$50,000 difference in the median average. If
37 you go from Moreno Valley to Irvine in rush hour, you know in the morning time
38 it's about 90 minutes. That's why we have a \$500,000 home value differential,
39 and you can go to any community in between and it will average approximately
40 that. That's approximate obviously. It's not an exact number on everything, but
41 it's approximately. Because we don't have jobs, we have the lowest property
42 values in our region for beautiful homes. But we don't have the jobs to create the
43 value. In fact, it isn't just the home value that suffers. According to the IRS, the
44 cost of commuting is about \$0.51 per mile. And in a dual-commuting household
45 for 10 years, husband and wife for 10 years not for the entire 30-year career but
46 for 10 years, they spend about \$260,000 in commuting. That's money that could

1 be spent in our community helping our kids, educating our kids, staying with our
2 kids and making our community better. So that commute, lack of jobs, is costing
3 us a lot more than that. In fact, some people talk about the General Plan. This is
4 not a very encouraging thing. But at least we have to live with how the world
5 perceives us and Forbes comes up with an analysis to rate the top 150 largest
6 cities in the United States, and in overall ranking Moreno Valley came in at 149th.
7 And in the job market, we were 150th from 150 large cities. So whatever plan we
8 had, whatever general plan...if you had a financial plan and every year you lose
9 money and you lose more and more and more money maybe it's time to change
10 the plan and get wiser about the plan. This plan did not yield. Let's say we
11 sacrificed jobs in the industry because we have a better quality of life, but as it
12 turns out we are 149th even in quality of life. In jobs were 150th, so that plan
13 hasn't actually really worked for us. And smart people if we keep on doing the
14 same thing over and over again and expecting a different outcome really that's
15 not a tangible way to run anything, especially not our communities here. And so
16 the World Logistics Center some people ask, you know, how did it come about
17 and how is it that it's a larger area than what we in Highlands Fairview actually
18 own. Back on 02/08/2012, we received a letter from the City, which basically
19 said as you are also aware over the past year the City has developed and is now
20 implementing an aggressive economic development strategy which identifies
21 logistics as the prime area of focus and opportunity for development in the
22 eastern portion of the city generally regarded as Rancho Belago area. The area
23 identified by the City for logistic warehouse distribution uses is located east of
24 Redlands Boulevard, south of 60, and stretching to the eastern portion of the
25 City. And this was, by the way, through public hearings. I attended most of
26 them, and it was vetted and voted by not the previous Council or the Council
27 before that, three Councils ago. In fact, they gave us instructions that said it will
28 be impossible for the City to undertake a planning process that does not consider
29 the entire Moreno Highlands area, including land currently not owned or
30 controlled by Highland Fairview. And at the end it said, for this reason, City
31 management is requesting and Staff has directed the Highland Fairview
32 Entitlement Team and City Planning Staff to analyze the entire Moreno Highlands
33 area and not just land currently controlled by Highland Fairview. In the
34 beginning, we weren't so happy about it because it cost a lot of money. All these
35 documents you see over there, the EIR, just the studies the cities fees and
36 everything else, probably totaled more than \$10 million. And, if you add all the
37 costs together, it's closer to \$23 million. I wasn't happy to go plan everybody
38 else's land. EIR's and all these things cost a tremendous amount of money, a
39 tremendous amount of fees, but they thought it's the only right thing to do. And
40 they were not in the financial condition to take this kind of undertaking and plan
41 the whole area, but they knew jobs and doing something about it was important
42 and so this is the area that was asked to be planned. This is the area of the
43 World Logistics Center Specific Plan. This is the land that is actually owned by
44 Highland Fairview, so we own a smaller portion than the entire plan that the City
45 has although we have analyzed the entirety of the area. This is the area to the
46 south. The green area is owned by the State Fish and Game and San Diego

1 Gas and Electric. This is pretty much the traffic circulation plan that will be at the
2 project site, and as you can see, there is a little dot that is moving. But most of
3 the circulation is designed to work for Theodore. You get access to other parcel
4 and exit Theodore pretty much preventing anything from having to go to the
5 surrounding community. And the buildings themselves are a new paradigm
6 because we used to say, you know, the big offices/the nice corporate facilities
7 were in San Diego, in Newport Beach, and in Los Angeles and extend out the
8 secondary function of the Inland Empire. Now we're seeing corporate functions,
9 right, high-paying jobs mainly in those facilities. We saw that first. The first of its
10 kind was Skechers and now we saw how they came into the community and they
11 have a large office component with management there as well. This is the
12 paradigm shift that is happening. And the building is a large office building and it
13 is well done. It's not just logistics. They have office components because they
14 are requiring a lot of people to operate and direct what happens in those
15 buildings, but that can also be done very sustainably. The Skecher building, as
16 we refer to it in this community, is the world's largest LEED Gold certified building
17 of its kind. And we should be proud of it because Moreno Valley is globally in
18 advanced stable technologies. Nobody else is. We've already had 1800
19 corporate CEO's from all over the world come visit the building. We actually
20 didn't have even all of our Councilmen come see the building. But we had 1800
21 corporate CEO's and almost every Councilman, every mayor from every major
22 city and smaller city in Southern California come to see this building, so it's
23 actually more famous outside of Moreno Valley than it is in Moreno Valley. And
24 the entire project will also be very sustainable implementing a lot of different
25 things and it's a long, long list. There are thousands of pages, so I won't take the
26 time with it. But suffice to say that we use our complete philosophical approach
27 to develop and to basically...as you remember the Skecher construction, we
28 have zero dust policy. The sustainability doesn't stop once you finish the building
29 but through the construction cycle and everything else. And, as City official said,
30 our project is probably the only project of this size in the country that is
31 committed, even during construction, to all tier 4 equipment. You may not know
32 what tier 4 is, but it's the highest standards in heavy equipment. You can't get
33 any cleaner equipment than tier 4. Very few people use them. Everything we
34 will use will be tier 4. But a few years back before the drought was such a thing
35 in front us, we started developing water technologies to make sure we are water
36 efficient. So I'm happy to say that, through this EIR that is reviewed by the
37 agencies, we're going to be able to save as compared to the General Plan 1.5
38 billion gallons of water. Now what does 1.5 billion gallons of water mean? It
39 literally is enough water to support 27,000 households a year or enough drinking
40 water for every home in Moreno Valley for 50 years every year, so the times sort
41 of match our forward thinking by creating the water technologies that will enable
42 us to save a tremendous amount of water within the project compared to the
43 General Plan. Also, in air quality, our project is entirely committed to near 0/0
44 emission vehicles. There is no other project like this in the country that's
45 committed at this scale to use this technology, which is the cleanest technology
46 available today. And, as we saw by the reports, has no cancer risk associated

1 with it. In fact, it might be hard to see from where you are, but what's circled over
2 there you see in 2010, it's just a number to represent the technology that arrived
3 at that point. You could see that by 2010, if you utilized the 2010 which most
4 people don't but we are, it's near zero emissions. You can see the zero number.
5 In fact, this was something that was at the University of California at Riverside,
6 UC Riverside, it's says that the emissions from new highway trucks is so clean
7 that an 18-wheeler driving from Chicago to Baltimore emits no more air pollution
8 than grilling hamburgers for a family of four. So, on the fourth of July, be careful
9 you're killing your neighbors. You might as well drive a truck around the
10 neighborhood. That's a better thing to do. And the HEI Institute, which is an
11 independent nonprofit major institute that is funded by the Federal Environmental
12 Protection Agency, the California Air Resource Board and others have come up
13 with a report that basically indicated that zero cancer risk, precancer no risk
14 associated with new diesel 2010 technology, which is tremendous news. And
15 some people always want to argue about it and they can, but they can go argue
16 with the Federal EPA or all the other agencies. This is a multiuse study. It is
17 peer reviewed by all the top agencies. These are all the agencies that were
18 involved in developing the HEI Institute Analysis. The EPA, Department of
19 Energy, even large environmental group like the NRDC are part of that same
20 report. So now I want to show you a little bit about what the project looks like as
21 we drive by it on the 60 Freeway, and so before we do that we want to make
22 Moreno Valley be noticed on the global map. You know, how do we become a
23 global city? You can drive through Moreno Valley...the first time I drove through
24 it years ago, I drove forward and said when are we coming to Moreno Valley. He
25 says we just passed it. There was no way of knowing that we had went through
26 Moreno Valley, so a simple shape can put us on the global map. And what does
27 that mean? Let's play a little game here. Does anybody know what city this is?
28 Anybody guess?

29

30 **AUDIENCE MEMBER** – Tel Aviv.

31

32 **IDDO BENZEEVI** – Not Tel Aviv. Okay, can you tell now?

33

34 **AUDIENCE MEMBER** – Greece.

35

36 **IDDO BENZEEVI** – And can you tell what city this is? Can you tell now?

37

38 **AUDIENCE MEMBER** – San Francisco.

39

40 **IDDO BENZEEVI** – Yeah, San Francisco. Can you tell what this is?

41

42 **AUDIENCE MEMBER** – Sydney.

43

44 **IDDO BENZEEVI** – Yeah, Sydney is right. Can you tell now? Yeah. So, in fact,
45 whoever can tell me where this is wins a prize, so where is this water in the
46 world? Well somebody said it...well can you tell where it is now?

1
2 **AUDIENCE MEMBER** – Sydney.

3
4 **IDDO BENZEEVI** – Right, so a simple shape can literally put you on the global
5 map. So, as you watch the...we have animation of driving on the freeway and it
6 is calibrated by GPS to the real views and the real speed on the freeway. It's not
7 depicting of traffic just the views, and you'll notice something on Theodore. This
8 is something that in our Development Agreement hasn't been articulated yet.
9 We're going to provide up to \$500,000 to the City to work the design on the
10 freeway landscaping and the structure to create some iconic structure for Moreno
11 Valley as we build a new Theodore interchange. So a simple shape can put us
12 on the global map. So this is now heading east. This is Redlands Boulevard.
13 The project is everything to the right south of the freeway, so again everything is
14 to the right. I think if we did have something like that in Moreno Valley everybody
15 would know they went through Moreno Valley. But this will be up to the City and
16 the community to decide, but this is just an example of what could be. Anyway
17 the project goes all the way up to Gilman Springs Highway and everything to the
18 south is the project, so this is the project area. This is again the Circulation Plan,
19 and I want to also talk about the adjacent city to Redlands Boulevard where the
20 residents are, so the way we're doing that is through a berm. And I also want to
21 talk about the berm, the buffer to the south, which is the State Fish and Game
22 property below San Diego Gas and Electric. This is the old Moreno Highlands
23 Specific Plan. And the State a few years ago, people don't realize it, used to be
24 our land. So, when they bought it, guess who they bought it from? So we kind of
25 know what happened and why they bought it, and so this is the portion they
26 bought. And why did they buy it? This is the state document that's back in May
27 of 2001. The are in red, I'll blow it up, is what it says in the document as the
28 taxpayer went to the state and said we want money to buy this land. So what did
29 they get the money for? So it said the Department of Fish and Game was
30 identified as subject properties as being within the significant natural area and
31 has recommended the purchase of the property as an addition to the existing
32 wildlife area. Right, an addition to the wildlife area, but why? The acquisition of
33 the subject properties is important to the wildlife area as they will serve as a
34 buffer from development of the wildlife area. As they will serve as a buffer. This
35 is what the State gave us. The taxpayers spent all of our money, including my
36 own, to buy it because they thought they were buying a buffer. Now people want
37 to rewrite history and tell us it's something else but this is the State document. If
38 they want to use it for something else, please give us back the money and tell us
39 why and maybe we want to give it to you again. But don't spend our taxpayer
40 money for a different purpose that you told us. So they bought it as a buffer
41 because, as you saw, it was part of the Moreno Highlands Specific Plan
42 governed by a Development Agreement, which could not have been changed
43 unless the City decided to do it. So it is going to give us an extra protection for
44 the project and a buffer basically means an area that is not going to be built. And
45 we now in case will have some retention ponds between the buildings and the
46 wildlife areas further setting building out by about 400 feet from the buffer of the

1 wildlife preserve. So it's buffering the buffer. Only in Moreno Valley do we have
2 a buffer of a buffer but that's also unique. So this is again, like we said, the
3 Circulation Plan. Some people ask why is there not more land uses within the
4 World Logistics Center Specific Plan. Of course, as a developer you wanted to
5 have the shopping centers, everything in there. You've got 20,000 people. You
6 could do a lot, but the City had a different idea. They said, you know, we want to
7 use this center to show up the rest of the community and that's because most of
8 our retail...in fact I think a large percentage, the City can correct me, but 70% to
9 80% of all our sales tax revenue come from the East End Retail. The reason that
10 Bobs Big Boy closed and others is because there wasn't a daytime population,
11 so they said we don't want you to have more other uses, or commercial uses, or
12 retail uses to basically cannibalize what we have. We want all these people thru
13 Eucalyptus to come and go directly into our existing shopping areas showing
14 them up making them more and more successful. They still have a lot of land
15 available there too add more stores. And the stores that are there are becoming
16 more successful, so we have more opportunities. And, of course with 20,000
17 people on site without visitors with just the people working there, there is going to
18 have to be more restaurants and more amenities and more things developed in
19 our existing shopping areas that are all throughout the East End. But within the
20 project, which starts east of Redlands, you can see with two commercial corners
21 at Redlands and Theodore, as well as one in the center of the project so people
22 don't have to go out to some shopping centers and have extra trips for
23 convenient things that they need close by. So we have the best of both possible
24 worlds. Filling our big retail areas they will be more successful while making it
25 convenient for people at the site without cannibalizing it. This is the connection.
26 The City at one time had sort of a Corridor Study because they wanted to see
27 how do we do this connection, but sometimes in the noise of Moreno Valley you
28 cannot even hear what the plan was so I am not sure what they did. But there
29 was a Corridor Study to connect all these things together to make a lot of sense
30 of it. And what would that buffer look like? What the transition would look like
31 from Redlands Boulevard to the project? So this is Redlands Boulevard looking
32 south from the freeway and you can see what we're building is a berm along the
33 east side of Redlands Boulevard that eventually creates a berm. We have now
34 an animation that sort of depicts what it would look like. Now I call it the avatar
35 because it's real video embedded with computerized rendering of what the
36 project would look like. And, by the way, that buffer keep it in mind. This is the
37 Proctor & Gamble. This is a new project in the city. You see where the
38 residential areas are. You see the buffer as it's okay for every other area in the
39 city, and I want to show you the buffer to the World Logistics Center. So we're
40 going to take a drive. This is where the buffer will be, and we're going to take a
41 drive along Redlands Boulevard going south all the way down to Campbell,
42 which is a street down in the Moreno area and back up. So this is now going
43 south on Redlands Boulevard from the freeway. Everything to the left is the
44 World Logistics Center, and you see there won't be even a physical access.
45 There are no trucks, no cars; nothing can come through or into the residential
46 areas or Redlands Boulevard because it's all going to be berm and, as you can

1 see, you can hardly see anything past it. For some reason a lot of things need to
2 be hidden in Moreno Valley. But we thought you'd be proud of the buildings, but
3 there's going to be a buffer. And you can see it's a physical barrier. It's actually
4 a berm, and we listened to the community. I actually walked to most of the doors
5 out there and people said we wanted to be more rural even though everything is
6 rural now because it's not built. But there's nothing rural left in Moreno Valley.
7 About the only farmer left in Moreno Valley is you're looking at him. I'm the only
8 guy that's still farming in Moreno Valley, so I'm the only rural guy. I should've
9 brought in my overalls instead of a suit. Again, this is Redlands Boulevard.
10 Across from the residential tracks there you can see that's the berm along
11 Redlands Boulevard, so that's the transition. It's the most extensive, the most
12 elaborate buffer ever in any project, not here, not in Orange County, not
13 anywhere else. And there will be trails also, horse trails, multiuse trails. Over on
14 the other side, you can see some of the trail system. They were actually
15 approved and worked with the Trails Committee who made recommendations.
16 We adapted all of them. Now we're headed to Alessandro Boulevard. I was
17 showing this in some conference and some people said are you buffering the
18 project from the area? I said no. The area from the buffer, they thought the
19 landscaping was actually nicer than what we had out there. This is Alessandro
20 Boulevard now. So we'll go down to Campbell and that's one street over before
21 the end over there in Moreno. There's nothing built at Campbell, but at the end
22 of Campbell people think it's the World Logistics Center. It's actually a big
23 residential track as, I won't call it a buffer, but that's what's next to it. Now that
24 we're turning left onto to Campbell and we're going straight towards Merwin.
25 Anybody here know where Merwin is? A few people, okay. I don't want to bore
26 everybody else with this long drive, so at the end you will see that there is really
27 no World Logistics Center because there will be a residential track, which I
28 believe is currently process in the City, so there will be some housing track next
29 door. So the World Logistics Center will actually start where those trees are.
30 Now we're going up Merwin towards Bay Street. People don't like to see those
31 things in Moreno. If you notice the Skecher Building, we lowered it below the
32 freeway. We moved 4 million yards of dirt because they wanted to hide. Other
33 cities, they want to be proud it. But here we have to hide it, so this is the
34 community wishes. Now we're just headed to Bay Avenue. Anybody interested
35 in seeing that because I can move along? So this is the trail we'll be installing at
36 that landscape over by Moreno, which is again another buffer, so there is no
37 physical connection between the World Logistics Center and the residential
38 communities in Moreno Valley. There is no physical way to access from the
39 project. Now we're going up to Bay Avenue, and we're turning left heading West
40 on Bay. Now we're headed towards Redlands Boulevard. Again, that is the trail
41 system that we worked with the Trails Committee to locate and so it will give
42 easy access from the street and will work as a buffer for the World Logistics
43 Center. Now we're turning right and going north on Redlands Boulevard so you
44 can see it from a different perspective. This is now the project on the right side.
45 The buildings are set way beyond that berm as well. So they're about from the
46 center line here, they will be about 250 feet past that. So they aren't just on the

1 other side of the berm. They're actually set back from that as well. So we won't
2 keep on driving. We could spend the rest of the evening driving around, so we'll
3 just move on. The other area that is adjacent is up by Cactus and Cactus
4 Avenue kind of looks over the project. But what people don't realize is there is a
5 residential track that will be there. It's not the World Logistics Center. And I
6 heard people say I bought my house in Moreno Valley, and when I bought it I
7 read the General Plan and it wasn't the World Logistics Center. It's not fair my
8 house will be across from the World Logistics Center. When I bought my home, I
9 read the General Plan. Well we know two things about these people. One is
10 they didn't read the General Plan because it's housing and well never mind what
11 else. Think about it. But you can see the zoning across the street is actually
12 residential. As you see it, and when it gets built, this is essentially what you will
13 see. This is close depicting to the plan. The track map is there now. It's kind of
14 a computerized version of it. There is a shopping center site in the corner as
15 well, so this is what it looks like today at Cactus. And when you look at it, I can
16 see why people would think that they might be seeing the World Logistics Center
17 because it's all open fields now. But, when it gets built, it will be a shopping
18 center and housing. So again the World Logistics Center doesn't start until
19 Alessandro Boulevard way to the south. So it's different from there. So this is a
20 view from the State Fish and Game towards the World Logistics Center and the
21 buildings are behind those trees. Believe it or not, some of those trees...most of
22 those trees are there today. People don't really realize it because nobody ever
23 goes down there, but you know there are a lot of trees there. This is an actual
24 depiction of what it might look like. You know there is another thing that people
25 talk about, the East End and the West End of the city and the General Plan in our
26 location. Somebody showed me this and I thought it was almost cute, but there
27 was a lot of truth to it how we allocated as a city. So, on the West End of town,
28 we have the sewage plant. On the East End, we have the regional hospital. On
29 the West End, we have the warehousing. On the East End, we have the college.
30 On the West End, we have the industrial. On the East End, we have an
31 equestrian center. We have all kinds of traffic at the outer mall on the East End.
32 We have the big-box retailers on the West End, and we have all the trails.
33 Ninety-five percent of the trails in the City are on the East End. You know, we
34 have the garbage management. We have a parole office on the West End and a
35 golf course on the East End. We have older low-income apartments mostly on
36 the West End and the luxury apartments on the East End. Right, we have the
37 majority of the apartments all in the West End and all the low-density housing in
38 the East End. I thought it was cute but somebody in the community made that
39 up, and I said it's quite true. That's kind of the allocation we have. So again
40 going back to what really it's all about, it's about jobs and job opportunities in our
41 community. So there are a lot of job categories. People think there is one
42 category in logistics, but this is the 2015 Salary Guide for supply chain and
43 logistics. And you can see there are a tremendous amount of jobs that pay for all
44 kinds of ranges. The median, as analyzed by the Fiscal Impact Analysis, is
45 about \$40,000 per person in the Inland Empire for logistics. You can see some
46 even earn up to \$235,000 for some professions and so forth depending on how

1 much you invest in yourself. In fact, you can go to college for logistics. You can
2 have a career in logistics. You can even get a Ph.D. in logistics at UC Riverside,
3 so depending on how much you want to apply yourself there are all kinds of job
4 categories in logistics today. In addition to that, we will create about 13,000
5 construction jobs. We will invest about \$3 billion building the project, and that is
6 a lot of construction jobs in one location. People literally can move to our
7 community in the construction trade and spend many years working close to
8 home just building the World Logistics Center and then maintaining, proper
9 maintenance and everything else. And \$22 million for education just from taxes
10 alone. That's without producing a single student. That's a big surplus of
11 allocation of funds. If we use wisely, we can build everything in the community,
12 and of course, \$2.5 million of annual economic benefit. That's everything that
13 comes as a result of so much activity in our city. We've never had that in Moreno
14 Valley. It's literally transformative for our community. We couldn't even keep a
15 Bob's Big Boy open. This will be transformative in our community. For the city,
16 we will pay about \$11 million or \$12 million a year in taxes. But there are costs
17 associated with servicing providing the services for the World Logistics Center so
18 then that surplus will be about \$5.7 million. Plus from the fire taxes, there is
19 another \$1.8 million or \$2 million. There might be close to \$7 million or \$7.5
20 million of surplus extra money coming to the general fund to be used for a lot of
21 different positive things we can do in the community. People talk about
22 infrastructure, and I hear all kinds. For some, the truth is just a more elaborate
23 form of fiction. I've heard from people that we're asking the City for millions of
24 dollars. I can tell you this is not true. Here is the truth. We'll be spending about
25 \$500 million for public improvements. That's in the Development Agreement.
26 That's \$152 million in city streets. That's \$68 million in water and sewer facilities
27 and \$100 million in public drainage. We all know the town of Moreno keeps on
28 flooding every year. For the last 70 or 80 years, they keep on flooding. I've been
29 personally helping residents there every time it would flood with pumps pumping
30 out their swimming pools and homes. And one time most of the homes were
31 destroyed along Bay Avenue, and the people didn't have the resources to deal
32 with it. We actually fixed all those homes for those folks. Yes I did. Okay so it
33 doesn't matter. We have receipts for it. And, if we didn't, I leave town. But, if I
34 did, then you leave town. How about that? So \$68 million for electric
35 infrastructure; the reason that's important is because it is projected that the
36 electric utility as a result of the project will earn about \$11 million of profit a year.
37 That's \$11 million of profit that can come to our electric utility as a result for
38 plugging into this project providing power to the facility. So that's a lot of money
39 to the city as well. Caltrans outside the city is \$72 million, other money, all
40 totaling about \$500 million of public improvements, not private improvements. If
41 you build a private road, they usually have a toll booth on it. This is public
42 improvements for the benefit of the community that will last you forever in the
43 community. But why is it important here? Right? The reason it is important is
44 because we all know Bay Street. How many people show up on the west side of
45 Bay Street? Okay I think most people know if we shop on the west side of Bay
46 Street, that's Riverside. All the tax benefit goes to Riverside. And so we might

1 say that area is convenient to Moreno Valley. It's adjacent to Moreno Valley. It's
2 close by to Moreno Valley. But it's not in Moreno Valley for the benefit of Moreno
3 Valley, so the same thing with all these jobs around Moreno Valley on the west
4 side of the 215, in Riverside, in the JPA, in Perris. You might say all these jobs
5 are close to Moreno Valley, they're adjacent to Moreno Valley. They're
6 convenient to Moreno Valley, but they are not in Moreno Valley for the benefit of
7 Moreno Valley. They get richer, we get poorer. They get all the benefits, and we
8 don't get any and you can see the difference. So we need jobs in Moreno Valley
9 for the benefit of Moreno Valley. In fact, we get most of the impact. Most of the
10 United States is to the right of us, but we get most of the impact. They get all of
11 the benefits. They get richer, we get poorer. All the truck traffic...okay you stand
12 on Bay Street Bridge. You stand there and you look underneath every truck that
13 goes underneath under Bay Street. No truck is getting off at Frederick. No truck
14 is getting off at Heacock. No truck is getting off at Perris. No truck is getting off
15 at Mason. No truck is getting...you know what they're doing. They're going
16 through our city. We get all the traffic. They get all the jobs and all the benefits.
17 The same thing is there on Moreno Beach Drive. Look underneath you. Every
18 truck going by, nothing is getting off at Moreno Beach Drive. No truck is getting
19 off at Mason. No truck is getting off at Perris. No truck is getting off at Heacock.
20 No truck is getting off at Frederick. They are going down 215 to Riverside,
21 Perris, JPA, everybody else. We need jobs in Moreno Valley for the benefit of
22 Moreno Valley. Otherwise, they can switch with us. Give us the worst side of
23 Bay Street back to Moreno Valley and give us those industrial and that'd be fine.
24 Right? We can solve all the problems. We need the jobs in Moreno Valley but
25 yet we need to support everybody's effort, the JPA, Perris and Riverside because
26 it's like a league. When the league does better, all the teams do better so we
27 want to support the league. But, at the end of the day, we want our team to win
28 the Superbowl. We want Moreno Valley to win too. We need jobs in Moreno
29 Valley for the benefit of Moreno Valley not everybody else all the time. Besides,
30 people don't realize it, it's not only Bay Street on the West side of Moreno Valley,
31 but Moreno Valley has no frontage on the 215 freeway. People don't realize it
32 because they see open land across the street. But the freeway got pregnant as
33 you can see. It got a belly. Both sides of the 215 are in Riverside. We have no
34 frontage. Moreno Valley has no frontage on the 215. The only place we can
35 show we have business industry business park is on the 60. We have no
36 frontage on the 215 freeway. So what is the truth about outsourcing because a
37 lot of people talk about jobs and jobs in China, everything else. The reality is it is
38 very different. The reason, and it's part of the reason why we're doing a big
39 project, it's not just to bring a lot of jobs because we are so far behind but to give
40 us a competitive advantage. The number one reason people go overseas or go
41 offshore is because of speed to market. What is speed to market? Let's assume
42 we came up all together here with an iPhone, and we were so patriotic we
43 wanted to do it in America and even more patriotic we wanted to do it in Moreno
44 Valley. We need a factory, a big building like Skechers, a 2 million square foot
45 building. So we go to the City and Staff was very good. We started negotiating
46 an NOP and we spent a month or two or three negotiating that. Then we started

1 the EIR. And if it's a big project like the World Logistics Center, we spent two to
2 three years doing the EIR. So now it's three-and-a-half years later, and we finally
3 get in front of the Council. And depending who screams the loudest, we may get
4 approval or not. But let's say we got approval now and so now of course we'll be
5 sued. This is California. You know, they haven't met a lawsuit they don't like.
6 You know every project gets sued. Skechers got sued. Aldi's got sued. Prologis
7 got sued. You know Metrolink got sued. You know Lakeview got sued. So
8 everybody gets sued, so we spent another two or three years in mitigation and so
9 now seven years later most of them prevail. You know, most projects get built in
10 the end. Once we prevail, after the delay, and now seven years later we pulled a
11 permit and we'll start building it quickly. In about a year-and-a-half, we will have
12 our factory to make iPhone's. So seven-and-a-half to eight years later, we have
13 our building open. You know what's going to happen in seven years? Some say
14 we would have sold one billion of those, and we have no business. The reason
15 people go there is because in the US here it could take years. Over there, you
16 can do it in 50 days. That's why you saw with Apple, they can take 776 global
17 suppliers and move the stuff to China, assemble it, bring it back here to the Apple
18 store seven years faster than if they wanted to do it right here in Moreno Valley.
19 That's what happens in the world. So most people think it's because of cheap
20 labor. But the truth is \$2.00 to \$3.00 is now small the retail cost would be if
21 iPhone manufacturers moved back to the US. It's not for cheap labor. It's not
22 because it's cheap over there. It's because they can get it done. And the reason
23 we're doing 41 million square feet with the city is because we will not only have
24 to wait building by building and be sued over and over and over again slowing
25 our community back, slowing our projects back. Instead Moreno Valley would
26 have the advantage, or if a big company like Apple wants to come out they'll go
27 where it's ready. They're not waiting for Moreno Valley. If we're not ready,
28 Riverside will have to take them. But, if we're ready, we'll have a chance at
29 those jobs and those opportunities as well. In fact, just as a side, China doesn't
30 get all the money for an iPhone. They only spend \$7.00 in China to assemble an
31 iPhone. The reason we think we have a big trade deficit is because we count
32 trade deficit by we take a product and we take the value of it as it departed the
33 last country and enters the United States and assign that value to that country.
34 So if we only spend \$7.00 assembling it in China and are bringing it back as a
35 \$600.00 iPhone we say we have a trade deficit with China of \$600.00. But, if you
36 subtract that out, we have a trade surplus. That's why you hear a lot of people
37 doing something but nothing if it's done because we're fighting over \$7.00 and
38 there's nothing to bring back. In fact, this is what it looks like in the factory. It is
39 highly advanced. There are not a bunch of people there for \$1.00 per day
40 making iPhone's. Now a little bit about traffic. I hear a lot of numbers; 14,000
41 trucks. The end of the world is coming. There will be convoys from here all the
42 way to Honolulu. We'll all be dead. We won't be moving around, so I want to
43 explain a little bit about traffic. Traffic is more about pattern than numbers, and
44 what do I mean by that? Every type of use has a different pattern. For example,
45 we all have the same priority in life. We all get up in the morning. Right? We go
46 to work. We come back 9:00 to 5:00, so we have rush hour basically. But a

1 shopping mall also has traffic, a lot of traffic. But they have a different pattern.
2 Right? Nobody goes to the mall at 8:00 in the morning and has to come back to
3 the mall at 5:00 in the afternoon so they are busy after hours or they're busy on
4 the weekends. But not at the same time you're on the freeway in rush hour, so
5 you can have a project with lots of traffic like a mall but it doesn't really interact
6 with your rush hour peak traffic hours. They don't operate on the same times. In
7 fact, really if you think about it, Moreno Valley has no traffic. You can go on any
8 street in Moreno Valley at any time you want, because I do that, and there's no
9 traffic. The only traffic we experience in Moreno Valley is when we all have to
10 get on the freeway to leave town, to get out of town. That's where the traffic is.
11 It's not in town. It's when we try to go out of town for jobs and we have traffic.
12 The traffic is not in town. It's when you leave town. When you have 88% to 90%
13 of the population that has to live other places for jobs, that's why we have traffic.
14 So now logistics, right? What is the perk of being in Moreno Valley? Everybody
15 gets up in the morning, gets on the 60 Freeway and heads west for jobs by and
16 large. Right? Ninety five percent of the time. But by creating 20,000 jobs in the
17 eastern part of the valley at the World Logistics Center, we'd actually be reducing
18 traffic. Now it's counter intuitive. You say how can you have a big project and
19 reduce traffic? That's because 20,000 people that would've gone on the freeway
20 and headed west for jobs are now either going to be in town at these jobs or
21 even if they commute to these jobs from Riverside to the center, they'll be
22 commuting eastbound, which is counter traffic, right? It's counter traffic. It's the
23 wide open direction. It's like if you go to LA in the morning you have to leave
24 here at 5:00 or 4:30. But to come from downtown LA to here you can make it in
25 one hour and 15 minutes. The opposite is three hours. The eastbound lanes are
26 wide open, so we can creat jobs/economic opportunity in Moreno Valley while
27 reducing traffic and utilizing the underuse capacity of the freeway to bring
28 economic opportunity and jobs to the city. It's going eastbound, so the only time
29 we feel now compare it to Moreno Highlands. Let's say we did Moreno
30 Highlands. Moreno Highlands in the General Plan has 210,000 trips a day.
31 That's 210,000 trips that live like all of us getting on the freeway going west for
32 jobs. There are no jobs east, so we have 210,000 trips. The World Logistics
33 Center as a whole is 70,000 trips, which is 63% less than what the General Plan
34 has now. So, if anybody cares about less traffic, the World Logistics Center
35 creates less traffic. Now it's even less than that. Why? Because of the pattern.
36 How may people here tell me I never see any trucks from Skechers. They're all
37 there, but they work at night. They work off peak. The logistics industry works in
38 a different pattern. I'll explain it. I won't go through this because the EIR also
39 highly exaggerates the traffic numbers, but that's a different story for another
40 day. But here is the pattern for the World Logistics Center. The blue line is the
41 trucks and the red lines are the overall passenger traffic. This is the normal rush
42 hour. What was grayed out is the normal rush hour period. As you can see, the
43 trucks are evenly distributed throughout the day meaning they don't all go out like
44 rush hour. We all go to work at the same time and come home at the same time
45 approximately. They go on a 24-hour cycle, which means only the hour-and-a-
46 half of critical rush hour is when we'll ever see trucks so when there is about

1 8000 heavy-duty trucks, or the big trucks we talked about, the 14,000 trucks
2 includes the smaller trucks; you know, the delivery guys. But, you know, the
3 8000 big trucks over 24 hours that means there's about 300 or 400 trucks an
4 hour going in both directions mostly in the morning probably coming eastbound.
5 So there's going to be very little interaction between their traffic and the traffic in
6 the community. We actually won't feel much of it. The perception and the reality
7 are very much different, right? It's very different and you can see that the peak of
8 the logistics industry is off the peak when it starts so they basically stop work
9 before everybody gets up in the morning to go to work, and they start after
10 everybody comes back home. That's why mostly at night you can go to even the
11 JPA. You can go to Meridian. We can go out any time of day and drive around
12 and you say, where's the trucks? They work on a different pattern just like the
13 models of the traffic at 8:00 in the morning. The logistics industry works in a
14 different pattern. So not only is it 63% less traffic than the General Plan, but that
15 traffic mostly won't be seen because it's happening off peak not when we are all
16 on the freeway. Just like Skechers, nobody sees trucks. They are there, but
17 they don't go on the freeway because no truck has to be in LA at 8:00 in the
18 morning and come back to the building at 5:00. It doesn't work in rush hours. So
19 people can make up any stories they want. Right, but thank god we have an EIR
20 and a \$4 million Traffic Analysis to prove it out. So now Architectural Guidelines,
21 I know Staff has reviewed it briefly but if you follow the Guidelines of the City in
22 all those documents these are the types of buildings that you will see there.
23 They are large volume buildings. They employ a lot of people. They look, if you
24 follow the guidelines, this is the kind of buildings you'll end up with. Some may
25 like them or not but this is the kind of style of architecture we call it international
26 style because it's pretty basic shapes that are to some degree timeless. In other
27 words, they don't depict a particular time. They are the most modern looking.
28 It's called international style and the landscape program that we have is all
29 drought tolerant utilizing our systems, which save a tremendous amount of water.
30 But this is the type of landscaping that we'll have. These are the kind of buildings
31 that, as a result of the architectural guidelines, will end up. Most of you know us.
32 You go to Skechers you see water. We like a lot of water features, and you'll see
33 water features around the buildings. We think it has a calming effect and also
34 produces nice landscaping, and the buildings are all kinds of sizes. Even the
35 small sizes all have the same type of guidelines. Some of the buildings get large
36 and they have larger office components to them and to do that. Now I want to
37 talk just generally in summarizing. The only way we'll ever solve traffic, if you
38 keep on having jobs in one county and build more homes, you'll never solve the
39 traffic problems because the more jobs you build and the more housing you build
40 you have to build more freeway, more lanes, and you build more jobs over there
41 and more housing here, more lanes. You never finish building lanes. The only
42 way you reduce traffic is by building jobs where people live, right? If you have a
43 job in Moreno Valley, how many people have a job in Moreno Valley? Okay, do
44 you care what traffic is like on the 91 going to Orange County every morning?
45 No because you're in Moreno Valley. It wouldn't matter anyways. So, if we have
46 jobs in Moreno Valley, it won't really matter what the freeway traffic is like. But

1 truth be known, Caltrans did a good job with our freeways. They built all the
2 freeways we needed. What trips them up is that every city provides a General
3 Plan that says job-to-housing ratio. So they figure when everybody works in the
4 city we have all the freeways we need. But what trips them up is we have a lot of
5 houses in one city and all the jobs in another place. So what happens if you
6 want to see what the freeways would look like in California if everybody had a
7 job-to-housing balance, it would look like what it looks like after rush hour where
8 you can get on anywhere you want because everybody's where they're
9 supposed to be, so there are plenty of freeways to go around. It when there's
10 dislocation, so the only way to solve and reduce traffic is provide jobs where
11 people live. They don't have to get on the freeway. They don't have to
12 commute. The second part is some people say we've got to have the freeway
13 infrastructure before we bring jobs. It's actually backwards, right? If any city in
14 Southern California waited until Caltrans built all the freeways before they
15 brought jobs and economic opportunity to the city, no city would have jobs. Not
16 even Irvine or Orange County. Have you seen the freeways there? If Irvine
17 waited for the 55 and all those freeways to be fixed before they brought jobs to
18 Orange County they wouldn't have jobs. They wouldn't even have the jobs that
19 all of us commute to. So the reality is we need to start building jobs in our
20 community, and as we build more jobs, less people have to get on the freeway.
21 Like we said, there are about 20,000 people who won't have to get on the
22 freeway with us trying to leave town every morning for their jobs, so actually it will
23 reduce traffic. So, in the end if we want to secure the best jobs in the future, we
24 must make Moreno Valley the best place in the world to do business. There is
25 no magic trick. And if people will have to continue to spend years and millions of
26 dollars in this community to try to bring high-quality projects and nobody ever
27 knows where it ends up years later nobody is going to do it. I know some people
28 are happy because they don't want to do it. But the reality is, if we are serious
29 about creating jobs to the people who care about jobs; if not, then for the kids.
30 And if not for their kids then for their grandkids, we must make Moreno Valley the
31 best place in the world to do business. We will secure the best jobs in the world,
32 so it's very competitive. Just because we do it doesn't mean other cities are not
33 going to compete with us. They're going to try to grab every company, every job
34 they can like they have been doing from Moreno Valley and so we must win the
35 job race in Moreno Valley. Right? We don't need to win the Superbowl every
36 season. But we've got to win some of the time, and so far we haven't won in 30
37 years. So I think it's our season. Let's do it. Let's do it right with the highest
38 environmental standard, the highest sustainability standard and do something on
39 a large scale that brings lots of jobs, brings our quality of life up, show up our
40 retail, improve our families because when you're away from home there is no
41 quality of life even if you live in palace. What good is it to live in a palace in
42 Moreno Valley if you're away from your kids and your family. It's worth less than
43 a shack. So, in summarization, I want to thank you for the opportunity to present
44 the project and for you to evaluate it. I can tell you too this represents a
45 tremendous amount of dedication from us, a tremendous amount of effort. The
46 reason this EIR is thousands of pages is because we hold ourselves to higher

1 standards. Like Staff said sometimes we have standards that exceed even the
2 state standards, local standards, and City standards but they become our new
3 standards. By establishing this Specific Plan and the standards that the City has
4 implemented here, it will achieve the highest standard than any such project I
5 think in California and probably the United States. I'm not aware of any, so I
6 want to thank you for the opportunity. And, if I may, I want to spend one more
7 minute to tell you why it's so important. There's one thing that causes really all
8 our problems here. The one thing that causes the traffic, the congestion, the
9 pollution, the greenhouse gases, the environmental impacts...the challenges of
10 failed education and high crime is one thing. If you solve that, all the rest of it
11 goes away. One thing that's really the cause of all of these things, and that one
12 thing is the disparity of job-to-housing. If people had jobs where they live, they
13 wouldn't be commuting. If they are not commuting, there is no traffic. If they are
14 not commuting, they are not polluting creating greenhouse gases and
15 environmental impacts. But how does that relate to failure in education,
16 challenges in education, and crime? I learned that from law enforcement. The
17 sheriff came to make a presentation about all the jail buildings we need in the
18 county. And when he presented it, he said how many jails we need 5 years from
19 now, 10 years from now, and it finally dawned on me to ask how do you how
20 many criminals you're going to have to project how many jails we need built 10
21 years from now because if you know who these people are why are you going to
22 wait 10 years? Do it now. He says well, we peg it to second or third grade
23 literacy rate. I said how does that have anything to do with crime rate? What
24 you'll check the kid to see if he's stealing pencils in class? I mean what does that
25 have to do with crime rate? He said it was actually a simple formula. He says if
26 you come to my jails the majority of the people in my jail are high school
27 dropouts. And in today's environment, today's world, if you don't even have a
28 high school degree what kind of living you are going to make that will pay for your
29 house, your rent, for car, for insurance, or anything else so you end up making
30 money the way that will get you in jail. And so if the majority of the people are
31 high school dropouts, I have to see what determines high school dropout rate. It
32 turns out that second and third grade literacy rates determines high school
33 dropout rates. If the child has a good handle on arithmetic and language at a
34 second or third grade level, they can progress with the classes, they graduate.
35 Not everybody goes to college, but they can if they apply themselves. But, if they
36 fall behind and do not have a good handle on arithmetic and language in second
37 grade, third grade is difficult, fourth grade they are lost, fifth grade they can't do
38 homework, sixth grade they're trouble makers, eighth grade they're on a
39 trajectory to dropout or maybe even on a trajectory to go to jail. And so I said to
40 myself, wait a minute, all these good families are coming to Moreno Valley. If
41 you're not even a college graduate parent but you came here, you saved your
42 money and you put a down payment, you're paying your mortgage, you're driving
43 your car and you have a driver's license, even if you're not a college graduate
44 parent, you know how to help do arithmetic in second grade or two plus two or
45 three plus three. Why are the kids failing? Again disparity of job-to-housing.
46 These parents leave their home at 4:30 or 5:00 in the morning. They come home

1 at 7:00 or 8:00 at night. Those kids fall behind, and they are on a trajectory to
2 maybe fail or maybe even go to jail. The irony is that, if they had rented a small
3 apartment closer to where they work, the outcome of the kids may have been
4 better. We're losing a whole generation of kids in Moreno Valley because we
5 don't have jobs for the parents. This is way more important than a few trucks on
6 the road or a few cars on the road. And perhaps there is no more important thing
7 than to do that, to creat jobs, because if parents are where their kids are...and if
8 you don't think those early ages are important, somebody told me that Chinese is
9 complicated and I said how complicated can Chinese be? If you're a 3-year-old
10 Chinese kid, you can speak Chinese. Well the reality is that, at a young age, we
11 absorb very differently. If you have a kid in America and you go to China for a
12 year they will come back from kindergarten speaking Chinese. If you move to
13 Mexico for a year, he will come back speaking Spanish. If you come back home,
14 you will speak English, Spanish, and Chinese without opening a book. You try to
15 learn a language after the age of 10 and you see how difficult it gets. So those
16 early years, the early age with those young kids who don't have their parents at
17 home has huge social ramification. We're talking about building a better
18 community. It isn't just roads. It isn't just traffic. It isn't just schools. It's also
19 building jobs in our community so we can have a better community here for
20 everybody, grandparents to grandkids. Thank you very much. I appreciate the
21 opportunity. I'm available for any questions.

22

23 **CHAIR LOWELL** – Thank you very much.

24

25 **IDDO BENZEEVI** – Thank you.

26

27 **CHAIR LOWELL** – Thank you very much for that presentation. This is normally
28 the time where we'd ask the Commissioners if they had any questions for the
29 Applicant, but I would recommend deferring until our Commissioner discussion
30 so we can move forward to the Public Comment portion. However, in the
31 meantime I know me for one, I have to use the little Commissioner's Room so if
32 we could take a little break, maybe 10 minutes, and then come back and pick up
33 again. Thank you very much.

34

35

36 **MEETING BREAK**

37

38 **CHAIR LOWELL** – Good evening everybody. I hope you enjoyed your long 10
39 minute break. That was quite an informative presentation we had by Staff and by
40 the Applicant. It's been brought to my attention that we have to allow the
41 Commission the chance to reply to the Applicant and ask them questions before
42 we open the Public Speaking portion of this item. My intent is to allow a certain
43 amount of people to speak tonight just to quell some fears that you won't have
44 the option to speak. It is 11:00, and as we discussed earlier that we were going
45 to be evaluating the meeting, my intent is to try to aim for about a midnight

1 closure of tonight's meeting and continue it to another date, which we'll discuss in
2 a little bit, so I'm going to try to keep some of our comments here fairly brief.

3
4 **COMMISSIONER VAN NATTA** – Is that timing open to discussion?

5
6 **CHAIR LOWELL** – It is open to discussion.

7
8 **COMMISSIONER VAN NATTA** – I don't know about everybody else here but
9 11:00 is pretty late for me, and we have had the Applicant's presentation. I think
10 it would be best to defer all of the questions and comments from the public to be
11 heard at one time, rather than to take a few now and the rest later.

12
13 **CHAIR LOWELL** – Well then if that's the case then we can take it organically
14 and see how the time works, but again I'm trying to aim for about a midnight
15 closure for tonight's meeting and continue it to another date. But we do have
16 well over 100 Speaker Slips, and I know that quite a few people had to go home.
17 As you look around, the seat next to you is probably empty. If we do get to the
18 Public Speaking portion of this item tonight, and I do call your name and you're
19 not here, you will have every opportunity at the continued meeting to come back
20 because you did fill out a Speaker Slip. I will guarantee you everybody that filled
21 out a Speaker Slip will have a chance to speak. Go ahead.

22
23 **VICE CHAIR SIMS** – So I guess just for continuity, though, I think once we get
24 started in asking questions and whatnot, it would seem like if we're trying to pack
25 in questions of the Commissioners and then try to get Public Comment we're
26 probably not going to give the questions the due it should. I would suggest that
27 we perhaps consider wrapping this up tonight and getting a meeting set so we
28 can start fresh and start with questions. We've heard from Staff and the
29 Applicant and then we can get right into it and everybody can hear.

30
31 **AUDIENCE MEMBER** – Here, here.

32
33 **COMMISSIONER VAN NATTA** – One other comment on that please, if I may.

34
35 **CHAIR LOWELL** – Go ahead.

36
37 **COMMISSIONER VAN NATTA** – There was a lot of material that was handed to
38 us just as we came in and even some additional letters, and I think it would be
39 good if we had an opportunity to look at that additional information before we
40 even do our questions.

41
42
43 **PLANNING COMMISSIONER COMMENTS**

44
45 **CHAIR LOWELL** – To be specific, this is the amount of paperwork that we
46 received within this last week, so with that said I think we should open up the

1 meeting to Commissioner comments and questions to the Applicant. Do any of
2 our fellow Commissioners have questions on the presentation that was just given
3 to us? Not the nit and gritty debate stuff that we do later in the meeting but
4 specific questions about the presentation that was given to us? Commissioner
5 Van Natta, by all means.

6
7 **COMMISSIONER VAN NATTA**– I was wondering a little bit. You had made
8 some comments about the energy efficiency and solar use and the LEED
9 certification and everything of these buildings. Then at another time in the
10 presentation you were talking about how the electrical service was going to being
11 money into the City’s electrical utility. Can you explain how that works? If it’s
12 going to be self-sustaining electrically, how’s that going to be bringing in money
13 to the electrical utility for the City?

14
15 **IDDO BENZEEVI** – So the question is about the electric utility, how do they
16 make revenue if it’s all solar? But, it’s not all solar. We work with the electric
17 utility. Just like Skechers, the Skecher building that people refer to, there’s
18 extensive solar for the City to loan it. But they still acquire electricity from
19 Moreno Valley Utility, so it will be both.

20
21 **VICE CHAIR SIMS** – I would, just as a comment, not to get into it tonight but in
22 one of the Staff presentations for questions is maybe help us with some of the
23 improvements that we saw in the presentation when those will be phased in so
24 we can kind of get a sense as how the project as it absorbed, if it’s approved,
25 how improvements would be coming along. So the conditions and mitigation
26 measures are in there, but it might be helpful to have some kind of like a slide or
27 something like that so that it could be presented so that it’s easier to understand.

28
29 **COMMISSIONER KORZEC** – I had some questions about the job forecasting.
30 It’s a 15-year project, and it’s a phase 1 and phase 2. So that 20,000 jobs is at
31 the end of the two phases, at the end of 15 years or is it broken up that after
32 phase one in seven years probably 10,000 jobs? I’m just trying to get a handle
33 on that and where those figures come from, and are they realistic?

34
35 **IDDO BENZEEVI** – Yeah so two things. First of all, these numbers are at
36 project completion whenever that occurs. Of course, if the economy gets better
37 and better, it might get faster and faster. If we go into another recession, it may
38 be slower. But it’s based on the market. The numbers are attributed to the
39 project at completion, so every year we’re adding jobs as buildings are being
40 built. Some years will be faster paced. Some years will be maybe slower paced.
41 We don’t know what the economy will do. Where do the job numbers come
42 from? I can give you a lot of details. We have actually the fiscal analysis that
43 was done for the City. The consultant is here and can probably give you a lot of
44 details on how those numbers are generated but generally they are based on
45 government agencies, US Census Bureau. The only people at the end of the
46 day that know where we live and where we make our paycheck and how much

1 we make is the government. You can get the data on who it is and name but you
2 know what it is in an industry and the categories and what happens and all these
3 are based on the same methodologies that the cities use, the county uses, the
4 state uses, the government uses, so it is the same process that everybody uses
5 to estimate. In fact, if you remember in the presentation, there were two
6 independent studies with the City Commission before they even approached us
7 about this and one was Beacon Economics and the other was John Husing and
8 they both came to a very similar close number. One was in the range of 17,000
9 to 22,000 and rounded out at about 20,000. They are all within the same sort of
10 range of numbers. Now, if you remember, that was applying for facilities with
11 technology. There was also another number if you build conventional facilities,
12 which are much larger. There was almost 35,000 or 37,000 jobs. But we feel the
13 industry is moving to be more and more technologically driven and the jobs are
14 more and more technology based. So it's not going to likely be 35,000 jobs like
15 conventional buildings. It'll be closer to the 20,000 number.

16
17 **PLANNING OFFICIAL RICK SANDZIMIER** – Mr. Chairman.

18
19 **CHAIR LOWELL** – Yes, Sir.

20
21 **PLANNING OFFICIAL RICK SANDZIMIER** – If I could direct your attention to a
22 couple of the questions that were asked in terms of the solar program. Within the
23 Specific Plan, specifically, it does identify the solar commitment to the project.
24 And the solar commitment to the project is to essentially offset the office
25 components or the ancillary office uses that are part of the large warehouses.
26 But it's not to provide solar for the entire building, so from Moreno Valley Utility
27 there is a revenue stream that comes in from the remainder of the building so
28 that the amount of solar that is put on the rooftops of the building is actually
29 specified in the Specific Plan. I wanted to identify that. The phasing of the
30 infrastructure improvements is identified in the Specific Plan document itself. It is
31 also identified in the whole list of mitigation measures that are tied to the
32 environmental document in terms of the environmental document has done a
33 program-level analysis, so at the project level whenever an individual project
34 comes in there will be a subsequent environmental analysis including a Traffic
35 Study. So that Traffic Study, at that time, will internal identify the phasing and the
36 need for when improvements will be done. And, in the Development Agreement,
37 we've also belted the suspenders into that which assures that the infrastructure
38 has oversight by our City Engineer, which is specifically written into the
39 Development Agreement. An infrastructure such as the fire station is given to the
40 authority of the Fire Chief, so the Fire Chief would have some say in terms of the
41 timing and need for that particular infrastructure. So those are the various
42 mechanisms that address the infrastructure component. Under the jobs and
43 phasing, in the Development Agreement itself, we did do analysis of our research
44 on the economic studies that were done that were mentioned by the developer.
45 We'd be happy, if you wanted to go into more details on that, on what we found.
46 But, in terms of job production, the term of the Development Agreement itself

1 was specifically negotiated to ensure that the first term of the Development
2 Agreement is based on some development occurring 8 million square feet of
3 production or 12 million square feet of production occupied space. The interest
4 there we have is this is a great plan. But it does need to be followed up with
5 some development activity because that's what generates the economic engine
6 for the City on the things that we're interested in, so we believe that the job
7 production and job phasing is simply put into that commitment on both parties to
8 negotiate that term in the Development Agreement. Thank you.

9
10 **CHAIR LOWELL** – I had a question. In the Master Plan of the World Logistics
11 Center, we are anticipating a large number of trucks. They will be in, around, on
12 our streets, on our freeways. We will have people coming in from long distances,
13 short distances. We'll have drivers that drive 10 miles. We'll have drivers that
14 drive from South Carolina theoretically. Do we have any idea or any plans of
15 putting a truck stop, like maybe a pilot station, where you have access to refill
16 large trucks or have a truck stop area or rest area on the side of the freeway
17 where drivers that show up early or late or past their 8-hour driving shift have the
18 opportunity to take a nap? Is that something that we have within our Master Plan
19 of this project and maybe even in the City's Master Plan? I know we have a Ride
20 Share Area over by Home Depot off Pigeon Pass, but that's not really easily
21 accessible for large trucks because there are too many ins and outs on the
22 streets. Basically, do we have a truck rest stop area, maybe like a large truck
23 refueling station or something to that affect?

24
25 **PLANNING OFFICIAL RICK SANDZIMIER** – I'll try and address that. Then I'll
26 defer to our technical staff and then also the developer if they have anything else
27 to offer. There is a component within the Specific Plan. It's called Logistics
28 Support. The Logistics Support Category is an area for fueling and retail-related
29 uses that would support the logistics development. The logistics development,
30 as you remember in Mark's presentation, is the larger warehouse high-cube
31 area. The fueling station and the logistics support component evaluated in the
32 traffic analysis assumed about a 20,000 square foot area. About 3000 of that
33 would be retail related. The specific location in the Specific Plan is at the
34 intersection of Theodore and I want to say it's B Street. The main street when
35 you come off Theodore. The first intersection you get to on the northeast corner.
36 It's my understanding that we're not looking for a truck stop as you may have
37 kind of described it or maybe the way I interpreted it. It's intended to be a fueling
38 station with retail but not necessarily a layover for people to sleep at. There are
39 some provisions in the infrastructure that shows where there would be pull-up
40 areas for trucks to pull over and stop. Now could they rest there? That's
41 possible, but it hasn't been fully vetted so I can't talk to the specific terms. But it
42 is a consideration in the infrastructure design. I'll defer to our Traffic Staff if you
43 have anything else to offer. Mark do you have anything else to offer about....

44
45 **MARK GROSS** – No. I think you have it pretty much covered.
46

1 **PLANNING OFFICIAL RICK SANDZIMIER** – What Mark is saying is he
2 believes I got that right, but I would like to defer to the developer to see what their
3 vision is in terms of there is something else we're not fully aware of. Remember
4 again these are program-level documents so some of the specific details of the
5 development would come in during what we call the plot plan reviews, and so we
6 would know more of those specifics as we get down the road.

7
8 **CHAIR LOWELL** – Alright, I had a...by all means.

9
10 **IDDO BENZEEVI** – I think Mr. Sandzimier described it accurately with one
11 addition that we are committed to energy CNG facilities as well, so there will be
12 availability of energy and CNG at those refueling stations.

13
14 **CHAIR LOWELL** – Alright, while you're still standing up there, I have another
15 question for you. On the presentation you had a Phasing Map, and the Phasing
16 Map looked like it went from west to east. Is there any benefit from going to
17 Redlands Boulevard towards Gilman Springs in the phasing plan, or my thought
18 would be going from the freeway south where you'd build from the freeway out.
19 Is there any specific reason for why it went west to east?

20
21 **IDDO BENZEEVI** – It's sort of like from the freeway south and from Redlands
22 east. That's where most of the infrastructure activities come from. Of course,
23 you've got Skechers there as you pointed out that the infrastructure is there. But
24 there are also an infrastructure is coming from the south, and so the best place to
25 start to make the most efficient use of infrastructure is essentially what you
26 described as south of the freeway and east of the Redlands and progressing in
27 that direction.

28
29 **CHAIR LOWELL** – Alright, thank you. Do we have any other questions?

30
31 **COMMISSIONER BARNES** – I also have a question on phasing. Is that a part
32 of this review and approval? I think that's for Staff.

33
34 **MARK GROSS** – Yes. I mean the Specific Plan actually does provide for the
35 phasing so it is part. Again the Specific Plan is an implementation tool for the
36 project, so it will include the two phases. It'll have the phase one and the phase
37 two. Now phase one, I believe, goes until 2022. The phase two would be built
38 out all the way up to 2030.

39
40 **COMMISSIONER BARNES** – Well and you're splitting 2600 acres into two
41 phases. Those are incredibly large phases, so I would see the need for a lot
42 more detail in the phasing if I were looking to approve this. It seems critical to
43 me.

1 **PLANNING OFFICIAL RICK SANDZIMIER** – Part of the phasing analysis, and
2 the reason it was done in large blocks is to do an environmental assessment of if
3 you had a aggressive Development Plan that you could actually achieve in phase
4 one, it assumes that 50% of the entire development is already achieved. And I
5 believe in the environmental analysis that was 21.4 million square feet. There
6 was 1 million square feet of development taken out since the draft EIR was
7 circulated, but it's still a considerable amount. It's over 20 million square feet of
8 development. So, from the environmental perspective, the phasing actually looks
9 at a worse case. If we develop out slower and we look at more increments in the
10 phasing, it doesn't preclude us from doing that down the road. I would defer to
11 Kent Norton if you have anything else you might want to add on that.

12
13 **KENT NORTON, LSA ASSOCIATES** – The analysis of the phasing is
14 essentially as Rick indicated that it was done to try to see what the impacts would
15 be at some reasonable interim time and 50% seemed to be appropriate.
16 Obviously, a lot of the actual development is going to be market driven and
17 based on infrastructure availability and the needs of actual uses that come in. So
18 the general precepts of developing from north to south and west to east are
19 simply that. They're simply general, and they will depend on the actual future
20 development. But all of that future development will be analyzed when it comes
21 in and is proposed to the City.

22
23 **COMMISSIONER BARNES** – I also have another question, and this relates to
24 traffic. I don't want to get too technical here, but is the traffic flow as presented
25 by the Applicant is that basically accurate without getting too detailed and into the
26 weeds too much? Are the peak times and the flow of logistics traffic, is that
27 accurate as it was represented?

28
29 **PLANNING OFFICIAL RICK SANDZIMIER** – I'll ask Michael Lloyd to answer
30 that question. We also have Don Hubbard, the traffic consultant that can answer
31 it. And I'd be happy to try and interject my say in it as well from what I
32 understand of the project. But let's start with Michael.

33
34 **MICHAEL LLOYD** – Thank you. Good evening. The information as presented
35 tonight is the exact same information that is presented within the Traffic Study, so
36 does that answer your question or do I need to elaborate?

37
38 **COMMISSIONER BARNES** – No, I think that answers it.

39
40 **MICHAEL LLOYD** – Okay.

41
42 **CHAIR LOWELL** – The traffic analysis looked at 31 comparable-sized
43 warehouses in and around the Inland Empire and they analyzed it for a 24-hour
44 period in peak season right before Christmas. Then they extrapolated that data
45 over several years, I think it was 10 or 11 years to come up with a baseline of
46 traffic per day, and it seemed pretty thorough to me. Piggybacking on the

1 development phase one from south-ish to north-ish or to east-ish to west-ish or
2 whatever, can we dictate the phasing development, i.e., I want to be able to
3 prevent piece mailing this project. So say they build the project on the opposite
4 corner away from Skechers, and there's one right next to Skechers and get the
5 four corners but the center is left blank. Then heaven forbid something
6 happened but Highland Fairview declares bankruptcy and disappears and have
7 to sell off the property and all of a sudden becomes residential and mixed with
8 industrial and commercial, is there any way we can prevent that by saying you're
9 going to have to build side-by-side-by-side and connect it so it's one
10 homogenous development? And, to expand upon that further, what happens if
11 Highland Fairview decides to sell off some of the property? Are the owners of
12 that property still going to be tied to the Development Agreement? Is Highland
13 Fairview still going to be tied to that Development Agreement even though the
14 property is under a new owner? I don't want to be dependent on Highland
15 Fairview should something happen and a new owner comes in or the project
16 goes belly up or I just want to make sure that we vet this a little bit.

17
18 **PLANNING OFFICIAL RICK SANDZIMIER** – Sure. Another premise on
19 development phasing, the reason it goes from a west-to-east direction is to tap
20 into the existing infrastructures that already exist on that side of the development
21 and that makes it possibly more feasible. It also is the gravity to where the
22 interest is or where the development market might be, would be closer to the
23 infrastructure that already existed, Eucalyptus and Theodore, and it starts to
24 move down. Could we reevaluate the phasing? From an economic development
25 standpoint from the City, I don't think that we would want to strap ourselves to a
26 phasing plan that is so tight that it actually precludes development from occurring
27 where the market wants it to. So I would think that we would want to be a little bit
28 flexible in that nature when we can evaluate that. With regard to the assignment
29 responsibility or the sale of land by Highland Fairview, in the Development
30 Agreement there are provisions about what the requirements become of the
31 successor or the assigns of property, and I would defer to Paul Early to possibly
32 answer that from a legal point of view.

33
34 **CHAIR LOWELL** – But the Development Agreement is tied to the land owner,
35 not necessarily the person who originally entered into the Development
36 Agreement?

37
38 **WILLIAM (BILL) CURLY** – Yes. The way a Development Agreement works, it
39 is a contract that flows to all successors of interest. There is a specific protocol
40 of assumption of delegation of rights, duties, and obligations. That is why it was
41 noted we checked ownership and made sure that the legal and equitable
42 interests were there, so we could ensure the flow. So, yes, that
43 contract...Development Agreements, as Mr. Heron noted, they're sort of an
44 unusual land use tool in that instead of your regular due process based approval,
45 this is a negotiated contract. You the city have the right to enforce it as does the

1 developer, so you lock in the continuation of those duties and obligations
2 regardless of whose the successor in interest, so yes.

3
4 **CHAIR LOWELL** – Thank you. Vice Chair Sims.

5
6 **VICE CHAIR SIMS** – Okay, so some of these questions are more....so like on
7 the buffering berms that were along Redlands Boulevard, I guess the question
8 would be are those berms going to go in as projects are developed individually,
9 or is there a comprehensive once the first project is built the whole berm along
10 Redlands Boulevard to a certain point will be built? How does that work? The
11 second part of the question would be is what part of that berm is going to be
12 within city public right-of-way. And, if it is within public right-of-way, how does the
13 maintenance of those...I mean they look great on pictures. But I've seen a lot of
14 stuff that's not maintained in the City as far as streetscape, so that is a big
15 commitment of land towards berms and whatnot. So when do they go in? Who
16 is going to be responsible for maintaining it? And, if it's a city paid responsibility
17 to maintain, what's the financing mechanism to collect the money for this
18 additional cost? My other set of questions is in mitigation measure 4.3.6.3b and,
19 in general, it's kind of a general question on this air quality business where there
20 is reference to tier 4 consistency with holding to the California 2010 emission
21 controls, so that's good because California will probably always be a leader in
22 trying to have the strictest air qualities. You know the South Coast Air Quality
23 Basin is probably one of the most regulated, and so there is probably a move
24 afoot if you just relied on California to control emissions as time goes there will
25 be greater control on polluters or big truck traffic and so forth. Long story short,
26 in these there are statements in these mitigation measures that each of the
27 facility operators, which won't be Highland Fairview, it'll be somebody else. And
28 it could be Apple, or whoever it's going to be in one of these buildings. Let's say
29 they're going to keep logs, but so what if somebody doesn't come in. They idle
30 for 20 minutes instead of 3 minutes, so we got a log of it. You know, what
31 happens if everybody from a state that doesn't have as strict of emission
32 controls, they are going to want to be coming in and wanting to do business in
33 there. So I don't expect a full vetted answer because we'll have more time to get
34 into this, but at the end of the day I'll dig in more into the documents. But that's
35 the kind of stuff that concerns me is there is an administrative effort that we'll
36 have to come upon to enforce mitigations that are requiring to make the project
37 appear as good as it is from an air quality standpoint. So I can say from like, on
38 a water business, we require backflow devices. And we keep a log, and we send
39 out a thing. We have a certified operator go and do that and they send it back
40 into us. You know, we're reliant on a license for somebody to do that. Anyhow,
41 long story short, there is an administrative effort that has to be well thought
42 through and vetted.

1 **CHAIR LOWELL** – I know we all have a lot of questions, but I think they should
2 be directed more towards the Commissioner discussion towards the end of this
3 hearing. Does anybody else have any specific questions about the presentations
4 for our other Staff or the Applicant?
5

6 **VICE CHAIR SIMS** – Well we're going to be at this for a couple of nights. I'll get
7 my answers when I get....
8

9 **COMMISSIONER KORZEC** – I do have one question.
10

11 **CHAIR LOWELL** – Commissioner Korzec.
12

13 **COMMISSIONER KORZEC** – I just have a real brief question. On page 101,
14 this is about cultural resources. It's talking about this area has a farm building
15 that was built around 1900 and may be one of the oldest historic surviving
16 buildings in Moreno Valley. I don't see in here if there is any plan for this or
17 some of these other structures that might be valuable to our history. I know
18 we're a new community. But, if we have something like this in that location, is
19 there any plan to take a look at this, move it, or do something with it? And also to
20 identify, it says there are also others that you haven't been able to identify. So
21 are there more historic older structures existing in this area? Oh, I'm sorry, it's
22 pack page 205. It's 101 at the bottom (4.5.62c).
23

24 **COMMISSIONER BAKER** – It's a part of the Statement of Overriding
25 Considerations of artifacts findings.
26

27 **SENIOR PLANNER MARK GROSS** – I can do that. There is mitigation. And
28 remember this is a programmatic document so it sets forth procedures for future
29 development to follow. And those buildings the entire site was surveyed for
30 archeological and historical resources. Potential resources were identified. Any
31 of those resources that would be affected by specific development of a parcel
32 would have to have additional documentation and the mitigation measure
33 outlines specifically what would happen depending on if those structures were
34 determined to be significant. A number of structures could not be surveyed in
35 detail because those properties were not owned by Highland Fairview or under
36 their control at that time.
37

38 **COMMISSIONER KORZEC** – So I'm still curious, you're referring to one of
39 these that you know is historic, so what is the process?
40

41 **SENIOR PLANNER MARK GROSS** – The process would be if that property on
42 which that potential resource is located is proposed for development then it
43 would be surveyed in greater detail. And depending on what was specifically
44 found, if it was a significant resource that met criteria say for the state historic list,
45 then certain mitigation would have to be applied. It's possible some structures
46 might have to be preserved in place. Probably not likely the assessment that

1 was done indicated that most of the structures are in pretty bad repair, but some
2 of the residential structures were not able to be surveyed. So it depends on
3 what's found. But the measured outlines, what is supposed to happen in terms
4 of survey and depending on what's found, what mitigation would be applied.

5
6 **CHAIR LOWELL** – Commissioner Barnes.

7
8 **COMMISSIONER BARNES** – I know we're looking to get to Public Comment, so
9 I'm not going to ask a question. I'm probably not going to ask anymore questions
10 tonight. But I am going to have in the future some questions on the Development
11 Agreement, particularly article 1, Item 1.5 talks about development fees. And, as
12 I said, I'm not looking for an answer tonight. But the end of the paragraph says
13 the term development fees does not include those fees imposed by Moreno
14 Valley Municipal Code sections relating to arterial streets, traffic signals,
15 interchange improvements, and fire facilities so I'm going to want some
16 background just how that was negotiated.

17
18 **WILLIAM (BILL) CURLY** – Well just the very short, the Baskin and Robbins
19 taster for the future.

20
21 **COMMISSIONER BARNES** – Okay?

22
23 **WILLIAM (BILL) CURLY** – That's because those items are obligated to be paid
24 by the Developer by the Applicant. And to use a wrong term but a definitive one,
25 we didn't want to double-dip; make them pay the fee and also install the
26 improvements, so they're not escaping any of it. They're either going to pay or
27 they're going to install.

28
29 **COMMISSIONER BARNES** – Yeah, it's just an offset either construction or fee.

30
31 **WILLIAM (BILL) CURLY** – Yeah.

32
33 **COMMISSIONER BARNES** – Okay I just wanted clarification. And then the
34 other observation is I'm going to probably want to talk about phasing more as we
35 go forward, but I'm not asking for an answer tonight. So I'm done with questions
36 I think.

37
38 **CHAIR LOWELL** – Anybody else have anymore specific questions for the
39 Applicant or Staff?

40
41 **COMMISSIONER VAN NATTA** – Yes.

42
43 **CHAIR LOWELL** – Commissioner.

44
45 **COMMISSIONER VAN NATTA** – And I don't know if this is something that can
46 be answered right now or if it is going to require a little bit more information, but

1 we have received some communication from people who are the owners of the
2 property that is affected by this and properties that are not owned by Highland
3 Fairview. For example, one letter from someone who owns a residential property
4 there asked to what specifically is going to happen with their property, what their
5 options are, and I'd like something more definitive than just a simple answer that
6 says well they can just continue living in there as a house. If it means that there
7 are warehouses built right up to their property line and they're surrounded by
8 large buildings that may not be a viable option for them. So I would like to see
9 some report on what actually is being worked out or what compromises can be
10 brought to those landowners.

11
12 **PLANNING OFFICIAL RICK SANDZIMIER** – If I can give the Chair a quick
13 answer on that as that was one of the areas that was identified as an area that
14 could not be mitigated to a level of less than significant. It has to do with the
15 compatibility of those residential units and the warehouse buildings. The
16 technical terms they become a legal nonconforming use and a legal
17 nonconforming structure, and if they wanted to do any sort of improvements to
18 the property and continue the residential use, they would be governed by the
19 restrictions in our Municipal Code. And it talked about legal nonconforming
20 structures, if they wanted to change the use or expand the use, they would have
21 to be consistent with what the new uses they're allowed and the Specific Plan
22 called for. We wouldn't be allowing them to change the use to some other
23 nonconforming use, so they would have to comply with that. If we were to make
24 any other strong statements here tonight I think about what we could do to their
25 property, what we would think about doing to their property, I would be afraid that
26 we would constitute some sort of a taking because they would be saying
27 something that we haven't researched completely other than what I've just
28 described for you. And so I would defer to our legal council if there is something
29 else missing that I can't answer.

30
31 **CHAIR LOWELL** – Commissioner Ramirez, did you have a comment?

32
33 **COMMISSIONER RAMIREZ** – Yes. This question is for the Applicant. I know
34 that there was a lot of controversy with the Skechers, as far as bringing in new
35 jobs. Most of those jobs were already filled. Are we planning on bringing in
36 businesses that are actually going to bring jobs, new jobs? Because I think that's
37 one thing that the community is concerned with is bringing in businesses that
38 already has these jobs filled.

39
40 **IDDO BENZEEVI** – Okay so two things. First of all, we went through the whole
41 program creating 20,000 opportunities in Moreno Valley. If we have no jobs, we
42 have zero opportunities. If we have 20,000 jobs, we have 20,000 opportunities
43 for jobs. Now, by definition, any company that comes here is going to come from
44 some place unless they grow in Moreno Valley, and so to open large facilities of
45 course they need to have people with them that already know their job. But, just
46 like Skechers, they expand. And what happens over time to all companies is the

1 people who can migrate closer to their jobs can. We have a unique opportunity
2 in Moreno Valley where it doesn't happen in reverse many times is if somebody
3 finds a job in Orange County, right or in LA, it's very difficult to sell their home
4 here and buy a home on a lake. It's sort of price differential. But the reverse is
5 not true like what happened to a lot of executives. I met one fellow who
6 introduced himself and told me he has the shortest commute in the world at
7 Skechers over there. I said, what do you mean? He introduced himself as the
8 Executive Vice President of Industrial Engineering. He said he bought a house
9 on the West side of Redlands in Cottonwood right across from Skechers, so now
10 we have people who actually literally can sell your home in Irvine for
11 \$700,000/\$800,000 and buy a beautiful home here that is much better than your
12 home in Irvine and still probably put 500,000 dollars in your pocket, so it's very
13 attractive for executives. What happens over time, over I would say a 5-year
14 period, usually people will move to the job and they will commute there. After a
15 while, if they are apartment renters, why commute when you can rent an
16 apartment closer to the job. They become a Moreno Valley resident. People
17 have families, let's say, with their kids in school. They wait until somebody
18 finishes some school year, and then over time they move closer to their jobs. It's
19 the same thing that happened in Orange County. It started as a bedroom
20 community to LA. Then they created enough jobs and people migrated and
21 ended up staying in Orange County and so forth. It's the natural pattern. This
22 will just prime the pump for that to occur. But, most employers, prefer local hire.
23 For example, if we open a restaurant here in Moreno Valley and we have two
24 chefs that are qualified, one is from Moreno Valley and one is from Thousand
25 Oaks and has a 4-hour commute to the job every day. They are both qualified.
26 Who will we hire? We know the guy we are hiring from four hours away is going
27 to be late for work. He is going to be tired. He is going to quit as soon as he
28 finds a job closer to his home, right? So, by nature, most employers would prefer
29 to hire as many local, or as close to local, as possible. So I think what we'll be
30 seeing in Moreno Valley over time is that more and more of the employees that
31 even came from somewhere will become our residents for all the 100,000
32 additional residents we think we will have in Moreno Valley as we develop more
33 homes. Plus people in Moreno Valley who already live here will get those jobs.
34 But I would say that, in the beginning, it will be a smaller number. But, over time,
35 it will be an ever increasing number.

PUBLIC COMMENTS

36
37
38
39
40 **CHAIR LOWELL** – I don't see anymore hands going up, so if anybody has any
41 objections I'd like to move onto the Public Comment portion of the hearing
42 tonight. I don't see anybody saying no, so I would like to officially open the
43 Public Hearing Item tonight. The first speaker up is Mr. Chris Laka followed by
44 Joann Stephan, but I believe she wanted to postpone her comments until later on
45 in the hearing. Did you still want to do that or do you want to go now? Oh sorry.
46 Okay, so we have Joann Stephan, and we have Scott Heveran. Those are the

1 next three. And, just to remind everybody, we're going to try to wrap this up
2 close to midnight. So we've got enough time for a few speakers just to kind of
3 get everybody in the mood.

4
5 **CHRIS LAKA** – Good evening.

6
7 **CHAIR LOWELL** – Let me interject real quick.

8
9 **CHRIS LAKA** – Okay.

10
11 **CHAIR LOWELL** – Since we will be cutting this off in a few minutes, maybe 20
12 minutes/30 minutes, do you want to speak tonight? Or would you like to speak
13 with everybody else?

14
15 **CHRIS LAKA** – I want to speak.

16
17 **CHAIR LOWELL** – Okay.

18
19 **CHRIS LAKA** – I won't even take my full three minutes. All I want to say is I
20 was overwhelmed by the presentation. I actually have never seen this
21 presentation. I think it's a great opportunity for the city, and I hope you
22 Commissioners...by the way, good evening and thank you for serving our great
23 city. I think we should really consider having such a positive thing in our city, and
24 you should really look into what your job is and what this is bringing and approve
25 this project. I agree with Mr. Thornsley and Ms. Dale. Mr. Thornsley stated that
26 you should maybe open the Public Comments to a Saturday. That goes in
27 conjunction with what Ms. Dale said as far as there are many people that do not
28 have the opportunity to be here to voice their opinions. And the reason I'm
29 saying that is because I did some volunteer work. And basically, what we did, we
30 went out by the intersection to talk to a lot of the commuters at 6:00 in the
31 morning. It was overwhelming how many people are in favor or bringing such a
32 thing. I'm talking about hundreds and hundreds, maybe thousands of commuters
33 that are getting on the freeway and commuting out of the city that would like to be
34 working in our community. So, with that, I'm not going to take up much time. I
35 think it's a great project, and I'm overwhelmed. Thank you.

36
37 **CHAIR LOWELL** – Thank you. Next speaker is Joann Stephan and Scott
38 Heveran followed by Gary Potts.

39
40 **JOANN STEPHAN** – I've lived in this city 30+ years, and this is the best thing
41 that I've ever seen that wants to come in here. I've got kids that I've raised here,
42 I brought here, and I've got grandchildren. In fact, there's one that's going to be
43 going to the logistics program there in Norco because these are not just jobs that
44 are just, you know, back and hands. They are technical jobs. They're jobs that
45 are going to be able to support a family, and I think it's the best thing. I honestly
46 don't even know...I mean it's amazing to me that presentation. I hadn't seen it

1 either. And I'm sure that just seeing it...Irvine honestly comes to my mind.
2 When I see something like that, why Moreno Valley, I don't know. I really don't.
3 But it's the best thing that this city could ever have. If you go down Perris and
4 you see all those warehouses there, I mean that there is an eyesore. This here
5 Skechers, I've gone in there and shopped. A lot of people that didn't want it go
6 shopping there. You know, it's true. I've seen them with my own eyes, so
7 bottom line is I know you guys are more than capable and knowledgeable and
8 you're going to ask the right questions. But if you do not approve this, and I hope
9 the City Council Members are looking, because I don't know how anybody can
10 vote no on this. Even if there are people there that are on that East End that
11 don't want it, I lived for many years around a commercial zone because my
12 family members had come to this country. They were on the outskirts of town.
13 Well building got to the outskirts of town, and a lot of that land became
14 commercial. It was worth a lot more money than it was when we were out there.
15 So bottom line is I have a lot of people that I know, because I've been here for 30
16 years and I've activated for a lot of different things in this city whether it was
17 council people or whether it was for a project that comes in here, and I haven't
18 seen anybody on the west side of town don't want it to come in. You know, they
19 bought where they bought. They had a lot of open land, and they knew it had to
20 be developed. And I talked to Tom Thornsley. He talks, like my dad would say,
21 about small potatoes. You don't need small potatoes in this town. We've had
22 too much of that, so you guys, I know you're going to do a good job. And, if we
23 don't get it, just like Santa Ana councilmen voted Disneyland out, they didn't get
24 it. Anaheim got it. I live in Anaheim. I've got a house worth \$500,000, and it's a
25 65 year old home, so we're going to miss the boat if we don't get this.

26
27 **CHAIR LOWELL** – Scott Heveran followed by Gary Potts followed by Edward
28 Gomez. Okay, so what I'm going to do when we come across people that
29 wanted to speak but are not here, we'll hang onto them for the next hearing. So
30 the next is Gary Potts followed by Edward Gomez.

31
32 **GARY POTTS** – This one over here?

33
34 **CHAIR LOWELL** – Yes please. Either one works if you want to sit down.

35
36 **GARY POTTS** – Either way. It's almost good morning folks. But I thank you
37 Planning Commission for being here and the opportunity to speak. Now I'm
38 going to go about this from a slightly different point of view. But I do have one
39 question though on the thing. If the people that are going to work out there have
40 an average salary of \$45,000 a year, they aren't going to be buying a home in
41 Moreno Valley because if you don't make \$100,000 you can't buy a home in
42 Moreno Valley. The second thing is...Ma'am if you don't make \$100,000, you're
43 not going to buy in most of these places.

44
45 **CHAIR LOWELL** – Please don't pipe up when someone's at the podium. It's
46 not fair. Please refrain from your comments until it's your turn.

1
2 **GARY POTTS** – I'm sorry.

3
4 **CHAIR LOWELL** – No you're fine Gary.

5
6 **GARY POTTS** – Okay thanks. I come from a trucking background. My father
7 had a trucking company for 25 years. I wasn't a driver, but I was involved. We're
8 going to make the 60 into a major trucking route. It's not a major trucking route.
9 It's a state highway. I prefer that a lot of these warehouses were putting in
10 logistically would be better off if they were on the 215 corridor if we had space to
11 put them in. Now another thing is to get this to work, which includes not just this
12 facility here, you've also got to do the one where Skechers is at and you've also
13 got to do the one where Prologis is at. You have three highway overpasses that
14 have to be updated, Moreno Beach, Redlands, and Theodore. Has anybody
15 talked...the state has to do that. Cities cannot pay, the way I understand, to
16 have a freeway overpass put in. The State has to do that, and I'm not all sure
17 that does include tertiary roads. Has anybody here talked to the State and asked
18 the State when the State's going to fix those overpasses because to be more
19 efficient about it you're going to have to have those overpasses set up for truck
20 traffic. Has anybody here talked to the State? Do we know what the State's
21 going to do with 60? Okay, my next question is it comes back to infrastructure.
22 Who's going to pay for it? Is the developer going to pay for it or is me as a
23 citizen going to pay for it? Are they going to qualify and say they're absolutely
24 going to pay for it and they will never come back and ask us for money? Is
25 anybody going to answer that or has that even been asked? Who's going to pay
26 for all this other infrastructure because, if you have a corporation and you pay for
27 their infrastructure, they don't pay for it. That's corporate welfare. Okay. If
28 they're paying for it, they're paying for it. That's fine. The other thing is you're
29 going to build all these side streets and other things. They have to be up to a
30 truck standard. A truck is 78,000 pounds, which is about 20 cars. It's also 65
31 feet long, which is about 4 car lengths give or take a Prius. You're going to have
32 to build those side streets and those things to a trucks standard. The truck
33 freeway, a lane of the freeway, costs four times as much as the other things. If
34 you build all these other tertiary roads a trucks going to use and you don't build
35 them to a trucks standard those trucks are going to eat those up. Okay. My time
36 is over. Thank you.

37
38 **CHAIR LOWELL** – Thank you very much. Edward Gomez followed by Alicia
39 Espinoza. I can't quite read the cursive.

40
41 **EDWARD GOMEZ** – Good evening Members of the Planning Commission. I'm
42 very pleased that we finally can see, you know, the World Logistics even after all
43 the opposition. But I'm very thankful for you guys. The presentation was great. I
44 want to thank the people that are still here because by being here that shows that
45 you really care about your community. I'm a community activist. I speak to a lot
46 of people in the community. One of the biggest things that we have in the City of

1 Moreno Valley is a lack of employment. Okay? And the people that really are
2 not here right now, they're commuting. They have to get up at 2:00 in the
3 morning to go away from the house so they won't be able to spend time with their
4 families, and my biggest concern is the community. Okay so when I heard about
5 someone was going to bring jobs into this city I was just interested and I went to
6 see if there was anything we could do about it. So that's why I got involved. So
7 when I see someone that really wants to bring this big project in Moreno Valley, I
8 say well he must be crazy or he may have a vision. Okay and so anyways so I
9 got to know Iddo and I got to know the presentation and I saw the presentation.
10 And every time I went to every presentation I learned something new. Okay and
11 I know for a lot of people who are against this project they don't like the change
12 because, you know, to them it seems impossible. In history, we've always had
13 people that are always complaining. They're never happy. They are not happy
14 with the color of their hair. They're not happy for whatever. But, in reality, you
15 know what you have to deny yourself and you've got to go and do something for
16 the people, for the little children, to build a future for them. So when I heard that
17 he's concerned about the welfare of the kids, and that's what I'm talking about.
18 Okay we live such a short time but what really matters is what you do when
19 you're here. It's not how much wealth, how much property. In reality, at the very
20 end, what did you do for you fellow man? That's what I'm here for. So you guys
21 have a responsibility to do what's right. We're going to listen to the nay sayers
22 and complainers, or are you going to do something about it? I believe and I
23 expect that you guys are going to do the right thing. I want to thank you in
24 advance because I believe that you will do the right thing. Thank you very much.
25

26 **CHAIR LOWELL** – Just for clarity, Edward you did not check if you are for or
27 against. I'm assuming you're for? On your slip you didn't check if you're for or
28 against, but I'm assuming you're for? I just want to double check. I was going to
29 mark it for you. It's fast approaching midnight, and I'd like to take two more
30 Speaker Slips and then discuss about the date and time that we'd like to continue
31 the meeting to. I have a real hard time reading this cursive. I think it's Alicia
32 Espinoza, Alicia? Okay, I will keep her slip for the next endeavor. Debra Craig, I
33 know she went home sick so I'm going to hang onto hers. We have Lindsay
34 Robinson and Tom Chelbana. Are either of those two here tonight? Okay, I'll
35 grab two more, and if these two want to defer then we'll just go to it until next
36 meeting. We have Paul Granillo and we have Rafael _____.
37

38 **PAUL GRANILLO** – Good evening Mr. Chair and Members of the Commission,
39 I'm Paul Granillo. I'm the President and CEO of the Inland Empire Economic
40 Partnership. I'm here to share my view in support of job creation as I often do
41 when appropriate major advancements to our region are possible. The Inland
42 Empire Economic Partnership Business Council supports logistics for our region,
43 especially when it is done properly like with projects such as the World Logistics
44 Center proposal before you. Logistics is an industry that supports our growth as
45 a region. The way people purchase goods has changed. The supply chain is
46 now the new mall. Using intuitive technologies, logistics is creating jobs and is,

1 in fact, the number one job creator in the Inland Empire. Through taking
2 advantage of our regions competitive advantage bolstering this industry,
3 leadership here in Moreno Valley can provide jobs and add to your tax base.
4 Moreno Valley has already been leading in technology and environmentally
5 sound development is home to the Skechers facility, the largest LEED Gold
6 certified building in our region. Master plan projects like the World Logistics
7 Center provides you the opportunity to take place of leadership by creating a
8 technological environmentally cutting-edge project that moves the standard to an
9 even higher level by requiring mobility technology advancement in fuels on all
10 trucks entering the facility. The city can set the standard and change the way we
11 look at goods movement. Goods movement has become and will continue to be
12 part of the new economy increasing jobs and household incomes. Moreno Valley
13 can take leadership in creating jobs; master planning, an important and needed
14 resource to the international supply chain; and leading the way in technological
15 advancement in the industry. I urge you to keep job creation and the benefit that
16 that brings to both the city and those who will be employed in the city. I urge you
17 to take advantage of this opportunity. Thank you.

18
19 **CHAIR LOWELL** – Thank you very much. Rafael, you'll be the last speaker for
20 tonight.

21
22 **RAFAEL BRUGUERAS** – Thank you. I want to thank each one of you for
23 staying up with us because you are the gate keepers of Moreno Valley. You are
24 the eyes and the ears of our city, so while we're asleep you're thinking of us and
25 our future. I don't want to see another Baltimore in Moreno Valley because we
26 don't have jobs. That's a great responsibility that you seven have to ensure us
27 that we have jobs in our city. Okay, that's important. But I'm here to talk about
28 transportation because transportation is the heart of the State of California, the
29 County of Riverside, and the City of Moreno Valley. If we don't have
30 transportation, we don't have perishable and nonperishable things coming into
31 our city. Right now, while we're here, there are trucks that are coming into our
32 city delivering stuff while others are sleeping. And that's a good thing because
33 we have laws and rules that govern truck drivers/big companies to work around
34 our schedule. While we're sleeping, they are coming and delivering. And, while
35 we're getting up, they are leaving our city. So what I want to read, because I only
36 got a minute, is something about the EPA about our environment, what the EPA
37 has done for us. What they have done for us is give the emission reduction
38 associated with the programs that are established to result in over \$7 billion in
39 public health welfare benefits to reduce hospitalization and loss of jobs. We have
40 a great system in the State of California. We know that today's emission is not
41 the same as 1990. Today our State enforces the EPA laws, so I know that when
42 we go home tonight our air is cleaner than it has ever been. So we know that the
43 logistics center has promised us that they will do their very best. But I promise
44 you, if they don't keep their word, I will be with them to protect my city. So, for
45 today, I have a better promise with them. They continue to hear nos. No's do
46 not get us nothing, okay? They don't give us all the answers. And I know that

1 one day when we look back at this project and we remember you men and
2 women that decided to do great for our city we'll never forget you. Thank you.

3
4 **CHAIR LOWELL** – Thank you very much. With that being the last speaker for
5 tonight, I'd like to continue the Public Hearing until our next meeting. My
6 personal preference would be the next Regular Meeting, which is Thursday the
7 25th. Our normal meeting is 7:00 p.m. but I'd like to start earlier to try to get
8 through all of these comment slips. Do any of my fellow Commissioners have
9 any objection with that date and time?

10
11 **COMMISSIONER VAN NATTA** – I don't have an objection to that date and time,
12 but I do know we have one Commissioner who said that she might not be back
13 by that time.

14
15 **CHAIR LOWELL** – Correct, and that's why I was announcing earlier that she is
16 flying in from LAX from an international trip. Her plane lands at 5:00, which
17 means she could make it to this meeting late. She could hear most of the
18 meeting. But, given the stack of this stuff, she's going to be jetlagged so she
19 might not show up. We might not even get through all these comments in our
20 next meeting even if it goes until midnight, so if it's okay with Commissioner
21 Korzec, would you still be okay with that if you were able to catch up at the
22 meeting either showing up late or watching it or reading the Minutes?

23
24 **COMMISSIONER KORZEC** – Absolutely.

25
26 **CHAIR LOWELL** – Okay. The reason why I was saying Thursday the 25th is
27 because that's our next regular scheduled meeting, so it's on everybody's
28 Agenda already. I think unless anybody else has any other comments or
29 concerns, I think that would be best. It would give us enough time to read over
30 all the new letters that were received this week. It would give us a little more...

31
32 **COMMISSIONER VAN NATTA** – I do have one other question.

33
34 **CHAIR LOWELL** – Yes Ma'am.

35
36 **COMMISSIONER VAN NATTA** – What is the possibility of continuing this to a
37 Saturday meeting?

38
39 **CHAIR LOWELL** – I have no problem with that. I am out of town until the 20th.
40 I'll be back in town on the 21st, so if we want to continue it to the Saturday after
41 the 25th I have no problem with that. It's up to Staff.

42
43 **COMMISSIONER VAN NATTA** – If we did it for the Saturday after the next
44 meeting we could still handle whatever we had scheduled for the next meeting.

1 **CHAIR LOWELL** – And we could even start that meeting earlier at like
2 lunchtime.

3
4 **COMMISSIONER VAN NATTA** – And then we could go...or even Saturday
5 morning, start at 10:00 in the morning.

6
7 **CHAIR LOWELL** – It's completely up to us as far as the date and time. The
8 only question I have of Staff is would a Saturday meeting be possible given
9 overtime and off-hour employment? Would that be an issue?

10
11 **PLANNING OFFICIAL RICK SANDZIMIER** – You're talking about continuing to
12 the....

13
14 **CHAIR LOWELL** – It would be the Saturday after the 25th.

15
16 **PLANNING OFFICIAL RICK SANDZIMIER** – Three Saturday's, okay.

17
18 **CHAIR LOWELL** – So it'd be the 27th, I think.

19
20 **PLANNING OFFICIAL RICK SANDZIMIER** – So first off, as your Staff, one of
21 the concerns and this with all do respect to the Commission one of the concerns
22 with continuing an open public meeting to a longtime out is the continuity of the
23 discussion and so if there's an opportunity to consider dates next week that's
24 what we would be encouraging. If the Commission is not inclined to do that, it
25 seems to me that we would want to continue it to the next Regular Meeting
26 because we can continue the dialogue and as you just indicated you may not be
27 able to get through all the comments at that point and then if you needed to go
28 another date, then I would suggest that we could go to the Saturday right
29 afterwards and we would try and work with you to make those accommodations.
30 It is giving us enough time to try and evaluate the Staff ability. We also have to
31 look at the logistics in terms of a room. Just getting here tonight in this room was
32 an enormous effort, but I think it's worked out very well. Right now when we look
33 at future dates, we're looking right now at going back to the City Council
34 Chambers. And so if we can chip away at those Speaker Cards, and if it's going
35 to take more than two meetings, I would rather you go to the 25th and then
36 consider the Saturday meeting. That would be my suggestion.

37
38 **CHAIR LOWELL** – I think that's a fair...

39
40 **COMMISSIONER VAN NATTA** – That sounds like a good compromise.

41
42 **CHAIR LOWELL** – Okay unless there are any objections.

43
44 **COMMISSIONER BAKER** – I agree.

45
46 **DEPUTY CITY ATTORNEY PAUL EARLY** – Chair.

1 **CHAIR LOWELL** – Yes, Sir.

2
3 **DEPUTY CITY ATTORNEY PAUL EARLY** – I just wanted to address that if
4 you're going to continue this meeting that you'd want to make a motion and
5 second it and make sure that the date and time are included in that motion.

6
7 **CHAIR LOWELL** – Okay, can I make the motion since we have no specific
8 motion?

9
10 **DEPUTY CITY ATTORNEY PAUL EARLY** – Yes.

11
12 **CHAIR LOWELL** – I'd like to make a motion to continue the meeting to June
13 25th. Is 5:00 p.m. okay by everybody? Is 5:00 p.m. too early or should we stay at
14 the 7:00 time?

15
16 **PLANNING OFFICIAL RICK SANDZIMIER** – Okay, at that point your adjourned
17 to a Special Meeting because the Special Meeting time is 5:00, so we're
18 adjourning for a Special Meeting at 5:00 on the 25th. You're also still going to
19 have a Regular Meeting that will be scheduled at 7:00.

20
21 **CHAIR LOWELL** – The reason why I say that is because if we have 100
22 Speaker Slips here that's 300 minutes, which is five hours. If we start at 7:00
23 and don't miss any minutes or seconds between speakers, we will cut off at
24 midnight. If we can start earlier, like 6:00 or 5:00, we'll still probably cut off at
25 midnight, but we can more than likely hear everybody speak in one day.

26
27 **PLANNING OFFICIAL RICK SANDZIMIER** – The only reason I'm
28 asking...adjourning to a Special Meeting at 5:00, I just want to know, we can't
29 insert any additional items on that Agenda. So I'm just curious if another item
30 comes up on a regular Thursday date when we have to have the Regular
31 Meeting after this.

32
33 **WILLIAM (BILL) CURLY** – Well yeah. If you went to a Special Meeting from
34 5:00 to 7:00 you would then add from 7:00 on, you could add, so you'll have in
35 essence two meetings in one night, so you're covered.

36
37 **PLANNING OFFICIAL RICK SANDZIMIER** – Possibly, but if we have no items
38 then we don't have...

39
40 **WILLIAM (BILL) CURLY** – Then we would just keep rolling with the first...

41
42 **PLANNING OFFICIAL RICK SANDZIMIER** – They would just continue with the
43 Special Meeting. There is no limitation on time. Okay so I just wanted to make
44 sure that you have the adequate amount of time to get through all the speakers,
45 so from what I'm hearing it's the desire of the Commission to adjourn to a Special
46 Meeting of the 25th starting at 5:00. We will work with that. It's my understanding

1 right now that we know that this room would not be available on June 27th. I
2 don't know if it will be available on the 25th, so at this point I would just be asking
3 you to...do we know?
4

5 **COMMUNITY DEVELOPMENT DIRECTOR ALLEN BROCK** – She's not sure.
6

7 **PLANNING OFFICIAL RICK SANDZIMIER** – She's not sure, okay so we would
8 be adjourning to the location that would be the City Council Chambers at this
9 point.
10

11 **COMMISSIONER VAN NATTA** – Before you complete your motion, if we didn't
12 start the meeting until 7:00, there would be a greater likelihood that
13 Commissioner Korzec would be able to be here.
14

15 **COMMISSIONER KORZEC** – I wouldn't worry about that because I have to go
16 through customs and it could take longer. I would hate for the meeting to be
17 delayed just because of me because it sounds like we have a lot of people to
18 hear from. And it probably will go to a third meeting, which if it does, I can
19 certainly review the tapes and be ready for the third meeting.
20

21 **COMMISSIONER VAN NATTA** – Okay. I'm okay with that.
22

23 **CHAIR LOWELL** – With that said, I would like to continue the meeting to a
24 Special Meeting on June 25th, which is a Thursday, 2015 at 5:00 p.m. The
25 meeting will be held in the Council Chambers. That's my motion. Would
26 anybody like to second that?
27

28 **COMMISSIONER VAN NATTA** – I second it.
29

30 **CHAIR LOWELL** – Okay, we have a motion by myself and a second by
31 Commissioner Van Natta. May we have a rollcall vote please, or do we just do a
32 hand vote? Well we'll keep Grace involved.
33

34 **PLANNING OFFICIAL RICK SANDZIMIER** – Can I ask one question? If we
35 determine that this venue is open on the 25th, we'll let you know. It just makes
36 more sense if we're going to have a large crowd, so I just want to keep that open.
37 Right now, I'm going to go with your motion to be at the Council Chambers. But,
38 just for the audiences knowledge, we'll look into this room to see if it's available
39 as well. Thanks.
40

41 **COMMISSIONER BAKER** – Yes.
42

43 **COMMISSIONER BARNES** – Yes.
44

45 **COMMISSIONER RAMIREZ** – Yes.
46

1 **COMMISSIONER KORZEC** – Yes.

2

3 **COMMISSIONER VAN NATTA** – Yes.

4

5 **VICE CHAIR SIMS** – Yes.

6

7 **CHAIR LOWELL** – Yes. With that, the meeting is continued. Thank you
8 everybody and have a great night.

9

10

11 **NEXT MEETING**

12 *Planning Commission Special Meeting, June 25th, 2015 at 5:00 PM, Moreno*
13 *Valley, City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, CA,*
14 *92533.*

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26 _____
27 Richard J. Sandzimier
28 Planning Official
29 Approved

_____ Date

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40 _____
41 Brian R. Lowell
42 Chair

_____ Date