**City of Moreno Valley**
**FINANCE SUBCOMMITTEE**
**September 22 ♦ 3:45 P.M.**

**<u>Meeting Location:</u>**
**Council Chamber**
**14177 Frederick St.**
**Moreno Valley, 92553**

# AGENDA

1. Call to Order / Introductions

2. Public Comments

   *(There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the Finance Subcommittee of the City and not to any individual subcommittee member, staff member or other person.)*

3. Approval of Minutes from April 28, 2026 meeting

4. <u>Action Items</u>

   A. MORENO VALLEY PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2026A

5. <u>Advisory Items</u>

   A. NONE

6. Chief Financial Officer Comments

   A. Next Finance Subcommittee Meeting: October 27, 2026
   B. Future meetings on the Fourth Tuesday of each month at 3:45 p.m.

7. Council Member Comments

8. Adjournment

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

**Report to City Council**

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| **TO:** | **Mayor and City Council**<br>**Mayor and City Council Acting in its Capacity as Chairman and Members of the Board of Directors of the Moreno Valley Public Financing Authority (MVPFA)** |
| **FROM:** | **Brian Mohan, City Manager** |
| **AGENDA DATE:** | **October 6, 2026** |
| **TITLE:** | **AUTHORIZATION TO ISSUE THE MORENO VALLEY PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2026A (REPORT OF: CITY MANAGER) (ALL DISTRICTS)** |
| **TITLE SUMMARY:** | Authorization To Issue the Moreno Valley Public Financing Authority Lease Revenue Bonds, Series 2026A |
| **DISTRICT:** | **All Districts** |

**Recommendation(s)**

That the City Council and the Moreno Valley Public Financing Authority:

1. Adopt Resolution Number PFA 2026-XX, A Resolution authorizing the issuance and sale of Not to Exceed $150,000,000 Aggregate Principal Amount of Lease Revenue Bonds, Series 2026A to finance certain capital improvements; of the City of Moreno Valley; approving the form of an Official Statement; and authorizing the execution and delivery of necessary documents and the taking of all necessary actions relating to the financing;

2. Adopt Resolution Number 2026-XX, A Resolution of the City Council of the City of Moreno Valley approving the issuance by the Moreno Valley Public Financing Authority of Not to Exceed $150,000,000 Aggregate Principal Amount of Lease Revenue Bonds, Series 2026A to finance certain capital improvements of the City; approving the form of

an Official Statement; and authorizing the execution and delivery of necessary documents and the taking of all necessary actions relating to the financing;

3. Approve the necessary budget adjustments to allow the recording of the issuance of the bonds and related debt service required for Fiscal Year (FY) 2026/27;

4. Authorize the necessary additions and budget adjustments to the FY 2026/27 Capital Improvement Plan (CIP) and appropriate $134,360,000 for the new projects;

5. Authorize the City Manager to execute amendments to all related agreements for the Public Safety Revenue Bonds, Series 2026A within the City Council approved annual budgeted amounts, including the authority to authorize the associated purchase orders in accordance with the terms of the agreement, subject to the approval of the City Attorney.

## SUMMARY

This staff report recommends issuance of the Lease Revenue Bonds, Series 2026 A, in support of the expansion and enhancement of the Public Safety campus and other public capital improvements of the City, within the City Council approved annual budgeted amounts, including the authority to authorize the associated purchase order in accordance with the terms of the agreement, subject to the approval of the City Attorney.

## DISCUSSION

The City of Moreno Valley has continued to prioritize Public Safety within the community through a variety of efforts, including long-term planning for future infrastructure development projects, as mentioned in the General Plan. As the city continues to grow, enhanced public safety services and infrastructure are essential to ensuring that the City can effectively respond to the needs of the growing community. The City of Moreno Valley has experienced significant residential, commercial, and industrial growth, particularly in the eastern portion of the City in recent years. This growth has increased demand for police, fire protection, and emergency medical services while expanding the geographic area served by public safety personnel.

The City has continued to address these growing needs through its budget and long-range planning efforts. On May 6, 2025, the City Council approved the Fiscal Years 2025/26 and 2026/27 operating budget, which included additional personnel and equipment for the Police and Fire Departments and planning for a new public safety campus in the eastern portion of the City. In addition, Moreno Valley voters approved Measure U, the Moreno Valley Essential Services Reauthorization Measure, on November 5, 2024, which identified maintaining public safety service levels as a priority. To further address current and future public safety needs, the City has identified a series of capital investments to expand and enhance its public safety infrastructure. The proposed 2026 bond-funded program includes three primary components: (1) development of an east-end Public Safety Campus; (2) construction of a Corporate Yard fueling station; and (3) improvements to existing public safety facilities, including various fire stations.

The Public Safety Campus is a major component of this initiative and is intended to strategically locate public safety resources closer to areas of continued growth. The campus is proposed to include a joint-use police and fire station, supporting facilities, and related public infrastructure improvements to accommodate personnel, equipment, training, administrative functions, and future operational needs.

The Public Safety Campus would be constructed on City-owned property at the southwest corner of Redlands Boulevard and Brodiaea Avenue, which the City acquired in July 2026. The proposed facility would strengthen the City's ability to provide efficient public safety services and accommodate anticipated community growth and future service demands

<u>PROJECT DESCRIPTIONS:</u>

***Public Safety Campus***

The 2026 bond funded projects consists of a variety of capital projects the City is implementing through a public safety initiative, which consists of three primary components: (1) development of a public safety campus (east) (the "**Public Safety Campus**"); (2) construction of a corporate yard fueling station; and (3) improvements at existing civic center and to various fire stations.

The Public Safety Campus is expected to serve as a centralized public safety hub for the City, consisting of a new joint-use fire and police station, as well as related public infrastructure improvements. The proposed Public Safety Campus would be located on City-owned land located at the southwest corner of Redlands Boulevard and Brodiaea Avenue, which the City acquired in July 2026.

The proposed fire station, at the Public Safety Campus, is expected to be a two-story, approximately 50,000 square-foot fire station, designed to serve as a regional facility for the Riverside County Fire Department. The fire station is expected to include six drive-through apparatus bays supporting Type 1 fire engines, squads, and tiller trucks. The fire station would also include fire administration, operational support, and firefighter living quarters.

The proposed police station, at the Public Safety Campus, is expected to be a two-story, approximately 90,000 square-foot police station. The police station would incorporate controlled public and secure access, a secure perimeter and parking area, and multiple ingress and egress routes while supporting command staff, administration, patrol, specialized units like traffic and community service, special enforcement teams, investigations, property and evidence, and training.

***Other Capital Improvements***

In addition to the improvements proposed at the Public Safety Campus, a portion of the proceeds of the Series 2026A Bonds are expected to be used to provide funds to construct a separate fueling station located at the City's existing corporate yard. The fueling station would consist of the construction of a new aboveground fueling facility that would support the City's growing municipal fleet demands and ensure reliable emergency fueling capabilities for critical operations.

The 2026 Project also includes improvements to Fire Stations Number 2, 6, 48, 58, 65, 91, and 99, and the existing Public Safety Building. The fire stations are expected to be retrofitted to fit the increased staffing needs, enhance operational efficiency, and address deferred maintenance. The fire station improvements would include the construction of structural additions to provide improved living, operational, and support spaces for fire personnel.

<u>THE BOND:</u>

The Lease Revenue Bonds, Series 2026A are proposed to fund the design, acquisition, construction of capital improvements for the Public Safety Campus and other public improvements, which have an estimated cost of $134,360,000. Because interest rates will fluctuate until the proposed day the bonds are sold, City staff recommends a not-to-exceed amount for the 2026 Bonds of $150,000,000 and a not-to-exceed interest rate of 5.75% per annum and a not to exceed underwriter's discount of 0.40% of aggregate principal amount of the 2026 Bonds to accommodate any changes in investor structuring preferences and/or bond market conditions. It is anticipated that the 2026 Bonds will be structured with bond insurance.

Pursuant to the Lease Agreement, the City is obligated to pay the Series 2026A Installment Payments as the purchase price for certain capital improvements. The obligation of the City to make the Series 2026A Installment Payments is a special obligation of the City solely from the Measure U Revenues, as described in the Lease Agreement. The proposed 2026 Bonds are expected to price mid-October and close mid-November 2026.

## ALTERNATIVES

1. Adopt Resolutions 2026-XX and PFA 2026-XX and authorize the issuance of the 2026 Bonds and authorize staff to make the necessary revisions to the budget to account for these issuance activities. This alternative is recommended since this action will result in the ability to fund much-needed infrastructure for the Public Safety Campus and other related Capital Improvement projects.

2. Do not adopt the resolutions and provide staff with additional directions. This alternative is not recommended as it will result in the loss of the opportunity to fund much-needed infrastructure for the Public Safety Campus and other related Capital Improvement projects

## FISCAL IMPACT

All related financing costs will be paid from the future Measure U revenue.

## NOTIFICATION

Publishing of this Agenda.

## PREPARATION OF STAFF REPORT

Prepared By:
Brian Mohan
City Manager

Department Head Approval:
Brian Mohan
City Manager

Concurred By:
Felicia London, MPA
Chief Financial Officer/City Treasurer

Concurred By:
Launa Jimenez
Assistant City Manager (Administration)

## CITY COUNCIL GOALS

## CITY COUNCIL STRATEGIC PRIORITIES

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