

3

Economic Development

Prosperity for Moreno Valley means a dynamic local economy that creates well-paying jobs in a diverse range of industries, helps local businesses establish and grow, and empowers residents to participate fully in workforce. The purpose of the Economic Development Element is to lay out a framework under the General Plan that will guide bold economic development, education, and training initiatives and position Moreno Valley as the leading hub of business and industry in the Inland Empire.

Moreno Valley's success as an economic engine depends on attracting, supporting, and retaining a diverse range of businesses that will sustain the local economy in the face of changing market forces and on creating vibrant gathering places and attractive residential neighborhoods. It also requires nurturing local innovation and entrepreneurial spirit, while ensuring that business activities benefit the whole community. Equally, it requires preparing the local workforce for meaningful employment, including through professional and vocational programs, particularly for local youth. Other strategies important for economic development and prosperity are included in the Land Use and Community Character, Circulation, and Parks and Public Services Elements of this Plan.



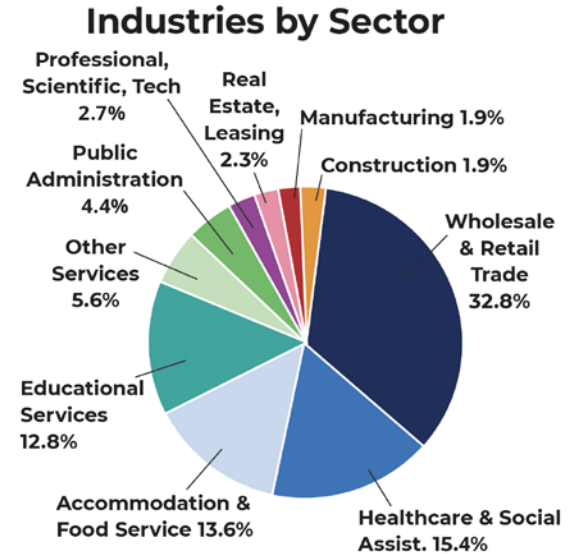
Economic Profile

Moreno Valley is centrally located in a growing region. In recent years, the city has seen significant, sustained employment growth, adding over 20,000 new jobs between 2015 and 2020. With excellent access to the regional transportation network, existing concentrations of jobs in industry sectors that are expected to grow, and land available for development, the city is poised to capture an important share of regional job growth in the coming years.

Moreno Valley is home to over 4,500 businesses, including numerous Fortune 500 companies and internationally renowned firms. Principal employment sectors in Moreno Valley include wholesale and retail trade, healthcare, educational services, and accommodation and food services. Major employers in the city are shown on Table 4.1 and the city is also home to innovative businesses in the fields of advanced manufacturing, aerospace, and clean/green technology. The local workforce is 104,000 strong, with a labor pool of over 1.1 million within a 20-mile radius, offering a broad spectrum of skills for employers to draw on. Moreno Valley also has desirable housing and a friendly small town attitude that make it an attractive place to raise a family or establish a business.



Moreno Valley boasts a young, diverse population with a higher share of families with children than in Riverside County as a whole. These demographic characteristics, combined with a growing average household income, make the community more attractive for retailers. While Moreno Valley has about as many college graduates as Riverside County, a segment of the population does not have a high school diploma, underscoring the importance for a focus on education, training, and workforce development can continue to equip residents for jobs in high-growth sectors. A focus on creating jobs locally will also allow residents to spend more time with their families, as today more than 80 percent working population is employed outside the city, and almost half of employed residents travel 25 miles or more to work.



Employment Projections: Riverside-San Bernadino-Ontario MSA 2016–2026

Sector	Estimated Employment 2016	Projected Employment 2026	% Change 2016–2026
CONSTRUCTION	92,000	119,600	30.0%
MANUFACTURING	98,600	101,100	2.5%
TRADE AND TRANSPORTATION	348,100	409,400	17.6%
Wholesale Trade	62,800	67,000	6.7%
Retail Trade	178,000	191,000	7.3%
Transportation & Warehousing	102,000	146,200	43.3%
REAL ESTATE, LEASING	17,900	19,200	7.3%
PROFESSIONAL, SCIENTIFIC, TECH	39,000	46,000	17.9%
ADMIN. SUPPORT, WASTE MGMT.	96,900	115,200	18.9%
EDUCATIONAL SERVICES	214,300	264,400	23.4%
HEALTHCARE & SOCIAL ASSIST.	195,700	242,900	24.1%
ACCOMODATION & FOOD SERVICES	140,900	167,800	19.1%
OTHER SERVICES	44,600	51,400	15.2
TOTAL	1,288,000	1,537,000	17.6%

Organization	Business Type	# of Employees
MARCH AIR RESERVE BASE	Public Sector (Military)	9,600
AMAZON	Fulfillment	7,500
RIVERSIDE UNIVERSITY HEALTH SYSTEM MED. CENTER	Healthcare	3,400
MORENO VALLEY UNIFIED SCHOOL DISTRICT	Education	3,100
ROSS DRESS FOR LESS / DD'S DISCOUNTS	Distribution (Retail)	2,400
MORENO VALLEY MALL	Retail	1,500
KAISER PERMANENTE COMMUNITY HOSPITAL	Healthcare	1,457
HARBOR FREIGHT TOOLS	Distribution (Retail)	788
VAL VERDE UNIFIED SCHOOL DISTRICT (MV ONLY)	Education	640
UNITED NATURAL FOODS INC	Distribution (Grocery)	620
PROCTER & GAMBLE DISTRIB. CENTER	Distribution (Retail)	603
MOSS BROS. AUTO GROUP	Automotive	600
WALGREENS CO.	Distribution (Retail)	600
SKECHERS USA	Distribution (Retail)	540
O'REILLY AUTOMOTIVE	Distribution (Automotive)	522
MORENO VALLEY COLLEGE	Education	513

Top Employers (2018)

ECONOMIC ASSETS AND MARKET OPPORTUNITIES

Moreno Valley has many attractive assets that it can use to expand its economy, create jobs, and sustain fiscal health.

Strategic Location and Transportation Connections

The City's location along State Route 60 (SR-60) and Interstate 215 (I-215) with ready connections to the regional transportation network enables easy access to southern California's two major seaports as well as to population centers in Los Angeles, Orange County, San Diego and points beyond. March Inland Port Airport, adjacent to the city to the west, provides air cargo service and corporate flights. Passenger rail connections are available from Moreno Valley Station on the Metrolink line and Ontario International Airport, only 25 miles away, provides access to commercial passenger flights.

Higher Education

The City is home to two post-secondary institutions – Moreno Valley College (MVC) and a satellite office for California Baptist University (Cal Baptist). A fully accredited college in the Riverside County Community College District, MVC has over 10,000 students and more than 585 employees, making it an important educational institution in the community. With a grant from the California Community College Chancellor's office, MVC opened the iMAKE Innovation Center on campus, providing students and community members with access to innovation equipment and material in order to develop entrepreneurial skills, and MVC is pioneering a number of training and workforce development initiatives. Cal Baptist's Division of Online and Professional Studies operates an educational services center in Moreno

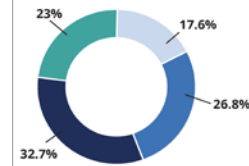
Valley providing training programs geared to working professionals. Cal Baptist offers programs tailored to the growing job markets in Moreno Valley, notably in the logistics and medical fields.

Average Household Size

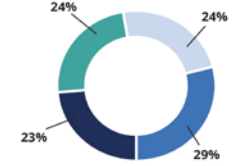


Educational Attainment

RIVERSIDE COUNTY

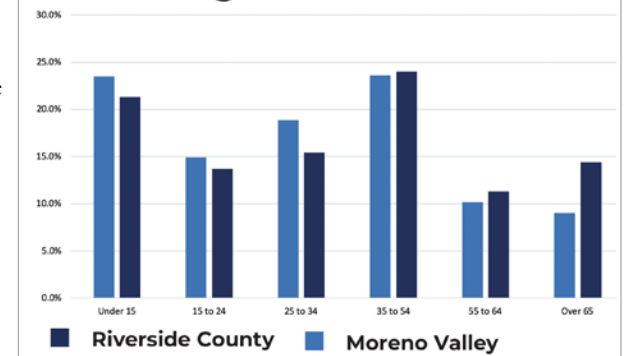


MORENO VALLEY



■ Some College ■ No High School Degree
■ College Graduate ■ High School Degree

Age Distribution



Healthcare Cluster

Moreno Valley has a growing healthcare cluster, anchored by two full-service acute care hospitals – the Riverside University Health System Medical Center (RUMC) and Kaiser Permanente. Together, these complexes employ more than 4,900 people with plans for expansion. They offer enormous potential for growth and development of related businesses and industries, from medical device manufacturing, healthcare informatics, and research and development to medical office space, medical conference space, hotels, restaurants, and retail shops.

Manufacturing, Warehousing, and Logistics

The industrial sector is an important aspect of Moreno Valley's economy and the city has a significant amount of warehouse and industrial space. Demand for industrial space continues to be high throughout the Inland Empire, as a number of companies are looking for large, state-of-the-art facilities for warehouse, fulfillment, and distribution centers. With transportation connections that link it to the Los Angeles/Inland Empire Corridor, Moreno Valley is at the heart of a regional goods movement corridor. The vast majority of freight in the region is moved by truck and with its strategic location, access to the regional transportation network, and land available for development, Moreno Valley is poised for continued growth in this sector. The warehousing and logistics industry is also evolving in ways that create opportunities for a community like Moreno Valley. A growing trend is toward facilities that not only sort and store materials, but that also involve on-site assembly, manufacturing, or retail sales. In the future, logistics facilities may also conduct advanced manufacturing on-site. In addition, logistics and distribution centers tend to include ancillary office uses

that are co-located within the warehouse spaces, with a typical office-to-industrial space ratio up to 10 percent of the gross buildable area. The inclusion of this space within the significant industrial development currently occurring, should have positive implications for skilled job growth in the City going forward.

Retail

Moreno Valley features two regional shopping centers, as well as 40 neighborhood-serving commercial centers and over 200 restaurants. A large share of the City's retail is located within older, strip and neighborhood-style retail centers of relatively low density. As population grows, there will be opportunities to introduce high quality, lifestyle retail centers at well placed nodes in the City, and to redevelop some of the older retail centers into higher density, mixed-use developments with on-site housing providing added support to adjacent retail. Focusing retail at high trafficked, signalized intersections will best support its success, and adding new high wage jobs will help provide new consumers to support healthy local retail and curb retail sales leakage.

Regional Recreational Facilities

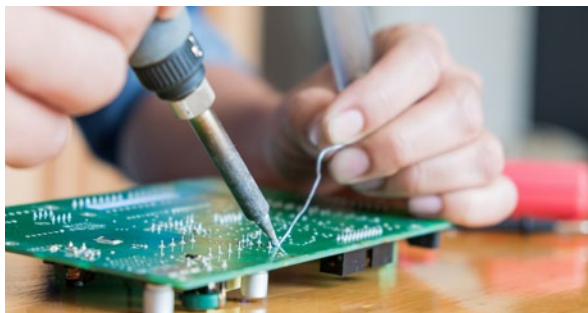
There are more than 30,000 acres of recreational open space in the region surrounding Moreno Valley, providing opportunity for hiking, hunting, bicycling, rock climbing, and various water sports in close proximity to residential areas of the city. Lake Perris State Recreation Area, accessible via Moreno Beach Drive from SR-60, is seeing its profile rise with the success of special events like Desert Daze, an annual music festival held on the shores of the Lake, triathlons, waterski and motocross events. These facilities and events present an opportunity for visitor-oriented businesses, including visitor accommodations, food and beverage, and sports and recreation.



Diversification and Growth

Moreno Valley has concentrations of jobs in logistics, manufacturing, healthcare, educational services, and accommodation and food services, with opportunities to attract and grow businesses in advanced manufacturing, aerospace, cyber security, and clean/green technology. These sectors have a presence in the surrounding region and have potential for growth in the future. Focusing economic development efforts on attracting new business in these sectors and helping existing business to expand represents a solid strategy for growth, as the success of these business has been demonstrated in the region. Building on this foundation and targeting growing industries that pay higher than average wages will help ensure a strong and stable economy, increase tax revenues, and support investments that enhance the quality of life in the community.

The challenge for the next 20 years will be to offer more job opportunities in the city so residents do not have to commute elsewhere for work. Focusing new residential and employment growth in the centers and corridors, and particularly in the Downtown Center and Moreno Valley Mall area will help create vibrant gathering places for locals and visitors, promote synergistic innovation, and support the City's future fiscal health.



Goal E-1: Diversify and grow the local economy.

POLICIES

- E.1-1:** Focus business attraction efforts on emerging industries in the region that demonstrate strong growth potential and pay higher than average wages.

- E.1-2:** Actively recruit new businesses to build on existing employment concentrations in Moreno Valley, including businesses in the following sectors: healthcare, green tech, robotics, cyber security, electric and autonomous vehicles, and aerospace.

- E.1-3:** Support the continued expansion of Moreno Valley's health care sector by attracting and facilitating the establishment of synergetic businesses, including biotech, medical device manufacturing, healthcare informatics, and research and development.

- E.1-4:** Establish advanced manufacturing operations in Moreno Valley including component assembly, automated production, robotics, additive manufacturing/3D printing technology, and similar activities.

- E.1-5:** Leverage the availability of large parcels and excellent connections to the regional transportation network to attract new businesses and accommodate corporate campuses, research and development facilities, and higher educational institutions.

- E.1-6:** Anticipate the demands for commercial and industrial growth and employ governmental mechanisms to maintain a choice of sites and buildings, including large parcels, as an attraction to major employers.

- E.1-7:** Foster the expansion of airport-related businesses around the MARB, including businesses active in components/systems manufacturing; aircraft maintenance, repair and overhaul uses; aircraft restoration; aircraft testing; aircraft sales; corporate aviation departments; and fixed-base operations.

- E.1-8:** Continue to support and participate in regional economic development initiatives, including joint marketing initiatives, business attraction strategies, and workforce development efforts.

- E.1-9:** Continue to improve the balance of jobs and housing to ensure that residents can take advantage of employment opportunities within the city.



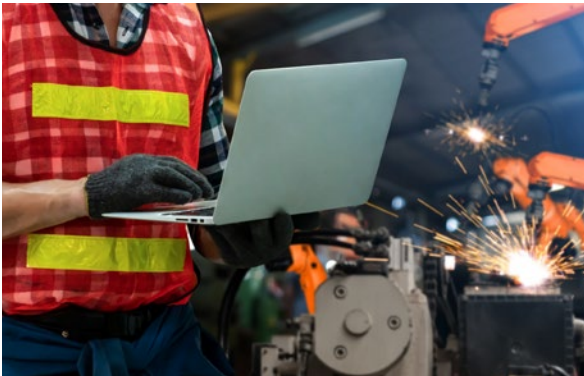
ACTIONS

E.1-A: Work with property owners, particularly those in opportunity areas, to facilitate development projects that generate local jobs.

E.1-B: Consult with real estate brokers, business leaders, and other informed stakeholders to understand the needs of prospective businesses and institutions. Use this information to design incentives that attract these targets and to update land use regulations to ensure that the spaces they require are available in Moreno Valley.

E.1-C: Expand the range and type of data available on the City's open data portal in order to spur data driven innovation and entrepreneurship.

E.1-D: Continue to produce marketing materials and refine the City's economic development web pages and social media platforms to promote business opportunities in Moreno Valley.



E.1-E: When appropriate and as resources allow, participate with Riverside Economic Development Agency (EDA), California Association for Local Economic Development (CALED), Governor's Office of Business and Economic Development (GO-Biz), and other organizations as a partner on trade missions, advocacy efforts, image campaigns, trade show attendance, and other marketing efforts.

E.1-F: Develop and launch a Digital Ambassador program, eliciting participation from the local business community to assist in efforts to extend awareness of Moreno Valley's assets, events, etc.

Digital ambassadors are people who use their social media networks to help with a promotional or marketing campaign. Personal or peer-to-peer recommendations are a highly effective form of advertising and local business leaders, celebrities, and other influencers can be enlisted to help build Moreno Valley's profile as a great place to do business, sharing or creating content and reaching out to audiences online.



Local Business Support

Economic Gardening – cultivating locally-grown businesses and innovation – is a critical component of the City’s economic development strategy. The City can support and encourage entrepreneurship and business growth through a range of actions. This involves connecting business owners and entrepreneurs to resources and funding in order to support the growth of their operations locally, and it involves streamlining regulations to support business creation and growth. In addition, encouraging local businesses to buy from one another rather than from businesses in other communities can help “keep the dollars local” and support the success of Moreno Valley businesses.

Through programs like Hire MoVal, the City of Moreno Valley is committed to providing businesses and entrepreneurs with tools, resources, and information to help them succeed. In partnership with Riverside County, the City’s Business and Employment Resource Center provides a host of services for small business owners and job seekers, from workshops and training events, to equipment, software tools, and access to funding and learning resources. The City also facilitates collaboration between local businesses, the colleges, and the medical centers among other stakeholders. These programs and services are just a start towards developing an innovative future; the City is committed to continuously developing and implementing initiatives that nurture innovation and entrepreneurship, including partnerships with local stakeholders, mentoring for entrepreneurs, and the creation of incubators.



Goal E-2: Strengthen and retain existing businesses.

POLICIES

- E.2-1:** Focus business retention/expansion (BR&E) activities on primary employers – defined as those that generate the majority of their revenue from the sale of products or services outside the region – in order to maximize positive impacts on output, employment, and wages.
- E.2-2:** Strengthen the existing medical/hospital cluster by facilitating the establishment of supportive businesses and uses such as surgical centers, medical offices, post-acute care medical facilities, conference space, hotels, restaurants, and retail shops.
- E.2-3:** Promote strategies to increase local business-to-business commerce.
- E.2-4:** Support the vitality of existing logistics, e-commerce, and international trade businesses.
- E.2-5:** Support activities that foster economic gardening (locally-grown businesses) through entrepreneurship opportunities and partnerships that provide for business sector growth and expansion for in-demand industries (e.g., healthcare; technology; and manufacturing).

E.2-6: Partner with existing Moreno Valley businesses, the local chambers of commerce, and other groups to stimulate the growth and expansion of local businesses and address the City’s economic development needs.

E.2-7: Encourage the development and retention of small business startups — particularly in securing assistance with business planning, access to capital, and business expansion.

E.2-8: Cultivate a vibrant retail, entertainment, and restaurant sector and minimize retail sales leakage by concentrating new residential development in locations where it can support retail vitality, and by attracting higher wage jobs to Moreno Valley to support a robust retail economy.

ACTIONS

E.2-A: Continue to provide access to tools and assistance for starting and growing a business in Moreno Valley, such as referrals to the Small Business Development Center (SBDC), One-on-One Business Consulting, Small Business Wednesdays and incentive program like Hire MoVal.

E.2-B: Use initiatives such as the Business Roundtable to connect local businesses, entrepreneurs, investors, researchers, and higher educational institutions so as to spur innovation and job creation in Moreno Valley.

E.2-C: Continue to promote local business success and collaborate with local businesses on initiatives like Shop MoVal and the Business Spotlight.

E.2-D: Work with financial institutions to promote small business lending opportunities that support and encourage local entrepreneurship and business growth.

E.2-E: Maintain and promote a list of small business lending programs that may provide funding to local businesses that are denied access to capital through private markets.

E.2-F: Identify and incorporate zoning that supports innovative businesses located in residential neighborhoods and mixed use areas.

E.2-G: Implement a local procurement program that encourages sourcing supplies and services from local businesses.



Community Profile and Competitive Position

A business-friendly community is one that proactively cultivates an environment where businesses and entrepreneurs can succeed. This involves promoting an attractive image, marketing local assets, offering efficient development services; establishing clear and consistent rules and regulations; and providing training and networking programs that help businesses start up, comply with the local rules, and meet other professionals in their industries. Equally, it involves investments that beget efficiency and innovation: incorporating the most up-to-date technology, such as high-speed internet and smart technology, into City systems and infrastructure will increase the City’s ability to attract and retain visionary companies.

Communities that have a business-supportive culture are better able to weather challenging economic periods and having staff to do the legwork and support business attraction and expansion is key. Monitoring data and tracking performance of economic development activities will also help the City evaluate trends and adjust course if needed.



Goal E-3: Enhance Moreno Valley's profile and competitive position.

- E.3-1:** Actively promote Moreno Valley's assets and position the City as a destination for business, targeting Fortune 500 and international companies.

- E.3-2:** Attract business and investment with strategic investments in infrastructure, technology, and amenities.

- E.3-3:** Foster a healthy and diverse business base in Moreno Valley through the use of clear and consistent regulatory and permit processes.

- E.3-4:** Encourage the planning and development of well-designed business and industrial areas which meet modern standards in terms of parcel size, location, provide access to broadband and wifi, accommodations for autonomous technology, electric vehicles, and drone flights.

- E.3-5:** Promote revitalization and rehabilitation of older commercial areas to make them more competitive, accessible, aesthetically appealing, and economically viable, particularly at high-visibility gateways to the city.

- E.3-6:** Leverage City-owned properties and public investments to help create a vibrant downtown center that serves as a premier regional live, work, play destination.

- E.3-7:** Coordinate economic development activities with infrastructure planning efforts to ensure that to the extent possible, appropriately sized utilities are available to support development of the most feasible, top-priority opportunity sites.

- E.3-8:** Provide a range of housing types – from apartments and condominiums to starter homes and executive housing – throughout the community to attract new businesses and encourage expansion.

- E.3-9:** Collaborate and partner with local businesses, hospitals, colleges and other organizations to collectively market the community to potential visitors.

- E.3-10:** Promote and support recreational, sporting, cultural, and entertainment events in and around Moreno Valley to build the city's reputation as a desirable destination and help create opportunities for increased visitation, hotel stays, sales tax generation, and employment.

- E.3-11:** Support commercial recreation businesses as uses that draw new visitors to the city and help revitalize older commercial centers.

- E.3-12:** Prioritize economic development activities and maintain resource levels so as to ensure effective delivery of business attraction, retention and expansion assistance.

- E.3-13:** Encourage public/private technology infrastructure projects that support business and municipal efficiency.

- E.3-14:** Regularly assess Moreno Valley's competitiveness as a place to do business and maintain development regulations and fees accordingly.

ACTIONS

- E.3-A:** Continue to promote economic development opportunities in the city with an inventory of available sites published on the City's economic development web portal. The inventory should provide pertinent details (e.g.: size, location, land use/zoning designation, infrastructure location and sizing, price, property representative, special features).

- E.3-B:** Continue to monitor and assess viability of public financing mechanisms (e.g. enhanced infrastructure finance districts) to promote and support development opportunities in the City

E.3-C: Work collaboratively with large employers and institutions that have large visitor and meeting needs on the potential to expand the city’s visitor accommodation offerings.

E.3-D: Actively participate in regional trade and tourist councils and organizations.

E.3-E: Develop and produce local visitor guides highlighting activities and events in and around Moreno Valley.

E.3-F: Work with Caltrans and adjacent property owners to implement a coordinated landscaping and design strategy along State highway corridors.

E.3-G: Investigate methods such as a facade improvement program and attractive city entry signage to encourage upgrades to highly visible locations such as freeway interchanges, community entryways, and major corridors.

E.3-H: Periodically benchmark Moreno Valley’s regulatory and permit costs against comparable communities, adjusting as needed to ensure competitiveness.

E.3-I: Maintain a dashboard that reports economic, educational, and occupational indicators that can be tracked over time and used to assess the city’s progress and competitiveness, as well as to rank it in comparison to selected similar cities in California and the U.S.

E.3-J: On an ongoing basis, solicit customer service feedback from businesses and individuals who do business with the City.

Workforce Development

Creating a supportive climate for successful local businesses also involves increasing workforce preparedness. The availability of skilled labor is an all-important factor for companies when deciding where to locate their businesses. With a continued emphasis on education and training to foster a more highly skilled workforce, Moreno Valley can further bolster the many competitive advantages it offers to attract and grow businesses in higher wage sectors.

Regional initiatives provide funding and resources for workforce preparedness, but local partnerships are integral for successful workforce development. The City has put in place a robust suite of award-winning initiatives like Mayor’s Challenge MoVaLEARNS, a partnership with Moreno Valley College to pay students a stipend to finish their degree programs, and Hire MoVal, offering incentives and assistance for businesses that hire local residents. The Business Roundtable program provides a forum for dialogue between business representatives and City officials that helps the community anticipate and respond to opportunities presented by evolving market forces. The City’s award-winning Business and Employment Resource Center (BERC) provides for workforce training, education enhancement, and job searching capabilities for its users. The City is dedicated to continued, closer collaboration for innovative workforce development solutions.

Goal E-4: Promote education and workforce development.

POLICIES

E.4-1: Encourage development of a local labor force with skills to meet the needs of the area’s businesses and industries.

E.4-2: Continually assess business workforce needs and requirements for developing a qualified workforce that meets the demands of businesses and industries concentrated within the city (e.g., health care, manufacturing and logistics).

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

E.4-4: Partner with public, private, and academic stakeholders to develop programs that connect entrepreneurs to resources.



E.4-5: Collaborate with State and County agencies on re-integrating drug and rehabilitation program graduates and the formerly incarcerated into the community and the workforce.

ACTIONS

E.4-A: Continue to implement programs that help local businesses to hire local trainees.

E.4-B: Establish forums/channels for discussion and action on better aligning secondary and post-secondary education and training with the needs of local businesses.

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

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

E.4-E: Expand programs and strengthen business networks that support female and minority-owned businesses and entrepreneurs.

E.4-F: Provide paid and volunteer jobs for local youth and for economically, physically, and socially disadvantaged people.

E.4-G: Continue to work with federal, State, and regional partners to seek funding opportunities for strategic workforce and economic development programs.

E.4-H: Explore opportunities to create and fund additional financial literacy programming targeted to youth and low-income residents, supplementing programs available at the state and regional levels.

