

February 8, 2012

Mr. Iddo Benzeevi
Chief Executive Officer
Highland Fairview Operating Company
14225 Corporate Way
Moreno Valley, CA 92553

RE: Highland Fairview Specific Plan / World Logistics Center

Dear Mr. Benzeevi:

Our City staff is pleased to assist Highland Fairview to finalize a development application involving your proposed World Logistics Center development. As staff indicated, the application will need to include a General Plan Amendment, a Specific Plan, a zone change, and other land use approvals concerning Highland Fairview's properties in the eastern part of the city.

As you are also aware, over the past year, the City has developed and is now implementing an aggressive economic development strategy which identified logistics as a prime area of focus and opportunity for development in the eastern portion of the city, generally regarded as the Rancho Belago area. The area identified by the City for logistics warehouse distribution uses is located east of Redlands Blvd., south of SR-60 and stretching to the City's eastern boundary at Gilman Springs Road and continuing to the City's southern border. This area of the City is generally referred to as the "Moreno Highlands area".

The City Council has already taken two formal actions to advance the City's economic development plan. These past actions include the adoption of the City's amended Housing Element in February 2011, which states the City's intent to consider comprehensive General Plan and zoning amendments for the Moreno Highlands area to facilitate the development of logistics uses.

In addition, in April 2011, the City adopted a comprehensive Economic Development Action Plan for the City which identified the Moreno Highlands area as an "Area of Opportunity for logistics development". Collectively, these City actions reflect our intent to authorize the initiation of a planning process pursuant to City Zoning Code sections 9.02.040 and 9.02.050 whereby amendments to the City's General Plan, the existing Moreno Highlands Specific Plan, and other zoning changes would be considered for the entirety of the Moreno Highlands area which are consistent with the City's economic development strategy.

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Given the City's directive and economic development program for the entire area, the extensive infrastructure requirements, to insure consistent and compatible land use and for the area to be comprehensively and consistently re-entitled, it would be impossible for the City to undertake a planning process that does not consider the entire Moreno Highlands area, including land currently not owned or controlled by Highland Fairview. Standard planning practice would not lend itself to considering a proposed new land plan that included only a portion of Moreno Highlands area or land only owned by one party.

For these reasons, City management is requesting and staff has directed the Highland Fairview entitlement team and City planning staff to analyze the entire Moreno Highlands area, and not just land currently controlled by Highland Fairview.

Please contact me if you have any questions or concerns regarding the foregoing.

Sincerely,

A handwritten signature in brown ink, consisting of several overlapping loops and curves, positioned above the printed name.

Henry Garcia
City Manager

HG:lr