

MINUTES OF THE REGULAR JOINT MEETING OF THE MONTCLAIR CITY COUNCIL AND REDEVELOPMENT AGENCY AND MONTCLAIR HOUSING CORPORATION BOARDS HELD ON MONDAY, AUGUST 3, 2009, AT 6:59 P.M. IN THE CITY COUNCIL CHAMBERS, 5111 BENITO STREET, MONTCLAIR, CALIFORNIA

I. CALL TO ORDER

Mayor/Chairman Eaton called the meeting to order at 6:59 p.m.

II. INVOCATION

Mayor/Chairman Eaton gave the Invocation.

III. PLEDGE OF ALLEGIANCE

Council Member/Director Paulitz led those assembled in the Pledge.

IV. ROLL CALL

Present: Mayor/Chairman Eaton; Mayor Pro Tem/Vice Chairman Dutrey; Council Members/Directors Paulitz, Raft, and Ruh; City Manager/Executive Director McDougal; Deputy City Manager/Director of Administrative Services Starr; Director of Redevelopment/Public Works Staats; Director of Community Development/Agency Planner Lustro; City/Agency Engineer Hudson; City Attorney/Agency Counsel Robbins; City Clerk/Agency Secretary Jackson

V. PRESENTATIONS - None

VI. PUBLIC COMMENT

A. Mr. Ronald Duran identified himself as the son of **Mrs. Natalie Duran**, 9634 Marion Avenue, Montclair, and asked that the Council reconsider placing a tax assessment against the property for outstanding liens related to delinquent sewer and trash charges. He explained that his mother's health has been declining, adversely affecting her ability to effectively manage her finances. He asked that he be allowed to make monthly payments toward the delinquency, while keeping current on the bimonthly bills, with hopes of paying the delinquency in six months. He concluded his comments by stating that the subject delinquency is the first in his mother's 43 years as a Montclair resident.

City Attorney Robbins advised that **Mr. Duran's** issue relates to Section VIII, "Consent Calendar," Item D-2, "Consider Adoption of Resolution No. 09-2810 Authorizing Placement of Assessments on Certain Properties for Delinquent Sewer and Trash Accounts," on tonight's agenda.

Mayor Eaton told **Mr. Duran** that the Council would consider his request when the subject item is addressed.

VII. PUBLIC HEARINGS - None

VIII. CONSENT CALENDAR

Council Member Paulitz requested that Item D-2 be removed from the Consent Calendar for comment.

Vice Chairman Dutrey requested that Item D-1 be removed from the Consent Calendar for comment.

Council Member Ruh requested that Items B-1 and C-5 be removed from the Consent Calendar for comment.

City Attorney Robbins requested that Item C-4 be removed from the Consent Calendar for comment.

Moved by Mayor Pro Tem/Vice Chairman Dutrey, seconded by Council Member/Director Paulitz, and carried unanimously to approve the following Consent Items as presented:

A. Approval of Minutes

1. Minutes of Regular Joint Council/Agency/Montclair Housing Corporation Meeting of July 20, 2009

The City Council and Redevelopment Agency/Montclair Housing Corporation Boards approved the minutes of the Regular Joint City Council/Redevelopment Agency Board/Montclair Housing Corporation Board meeting of July 20, 2009.

B. Administrative Reports

2. Ratification of City Manager's Action Recommending Funding for Community Development Block Grant Projects Through the American Recovery and Reinvestment Act of 2009 (CDBG-R) for Fiscal Year 2009-10

The City Council ratified the City Manager's action recommending funding for Community Development Block Grant projects through the American Recovery and Reinvestment Act of 2009 (CDBG-R) for Fiscal Year 2009-10.

3. **Approval of the Filing of a *Notice of Completion*, Reduction of *Faithful Performance Bond* to 10 Percent, and Retention of *Payment Bond* for Six Months for Completion of the Amherst Avenue Improvement West Project**

Release of Retention 30 Days After Recordation of *Notice of Completion*

The City Council approved the following related to completion of the Amherst Avenue Improvement West Project:

- (a) Filing of a *Notice of Completion* with the Office of the San Bernardino County Recorder.
- (b) Reduction of the *Faithful Performance Bond* to 10 percent.
- (c) Retention of the *Payment Bond* for six months.
- (d) Release of retention 30 days after recordation of *Notice of Completion*.

4. **Declaring Unclaimed Property in Police Custody as Surplus and Available for Auction**

The City Council declared the unclaimed property in Police custody contained in the attachment to this agenda report as surplus and available for auction.

5. **Approval of City Warrant Register and Payroll Documentation**

The City Council approved the City Warrant Register dated August 3, 2009, totaling \$1,290,872.04 and the Payroll Documentation dated May 24, 2009, amounting to \$609,847.20, with \$465,118.28 being the total cash disbursement.

C. **Agreements**

1. **Approval of *Agreement No. 09-63* With the City of West Covina for Mobile Data Computer Connectivity, Data Processing Equipment, and Software and Service of Computer-Aided Dispatch and Records Management System Programs**

The City Council approved *Agreement No. 09-63* with the City of West Covina for mobile data computer connectivity, data processing equipment, and software and service of computer-aided dispatch and records management system programs.

2. Approval of Agreement No. 09-64 With The Liquidation Company for Public Sale of Surplus and Unclaimed Property

The City Council approved *Agreement No. 09-64* with The Liquidation Company for the periodic collection and public sale of surplus and unclaimed City property.

3. Approval of Agreement No. 09-65 With the County of San Bernardino to Provide Services and Supplies for the Drager Alcotest Evidentiary Breath and Alcohol Analysis Instrument

The City Council approved *Agreement No. 09-65* with the County of San Bernardino to provide services and supplies for the Drager Alcotest evidentiary breath and alcohol analysis instrument.

IX. PULLED CONSENT CALENDAR ITEMS

B. Administrative Reports

1. Authorization of a Cash Incentive for Service Credit Purchase Program to Promote Early Retirement

Council Member Raft inquired as to the total number of employees who would be eligible for the proposed program.

Deputy City Manager/Director of Administrative Services Starr advised that staff is projecting between five and ten employees would be eligible to participate based on eligibility criteria and the number of employees within two years of reaching normal retirement age under applicable retirement formulas.

Council Member Raft expressed her concern about a mass exodus of employees who are reaching retirement age.

Deputy City Manager/Director of Administrative Services Starr advised that the proposed program has been structured very carefully with age and service restrictions for participants to prevent a large number of employees leaving the organization at any one time. Such a mass exodus would impact the City's liability rates with the California Public Employee Retirement System (CalPERS), he added.

Council Member Ruh noted Deputy City Manager/Director of Administrative Services Starr has answered his question.

Deputy City Manager/Director of Administrative Services Starr drew one distinction between the CalPERS Two Years Additional Service Credit (golden handshake benefit) and the proposed program in that the golden handshake benefit creates a 20-year liability on employer rates, whereas the proposed program does not. He advised that the proposed program would be fully funded by both the participant and the City with no future costs.

Mayor Pro Tem Dutrey asked if the proposed program is similar to the CalPERS Additional Retirement Service Credit benefit, which allows eligible CalPERS members to purchase up to five years of service credit that can be applied toward retirement benefits.

Deputy City Manager/Director of Administrative Services Starr replied that the proposed program would only allow for purchase of up to two years of service credit.

Mayor Pro Tem Dutrey asked if eligible employees could elect to purchase up to five service years.

Deputy City Manager/Director of Administrative Services Starr stated that they could do so under the proposed program, though the City's contribution would not exceed the amount necessary to purchase one year of service credit for the participating employee.

Moved by Council Member Raft, seconded by Council Member Paulitz, and carried unanimously to authorize a Cash Incentive for Service Credit Purchase Program to promote early retirement.

C. Agreements

4. **Approval of *Agreement No. 09-66 With Construction Testing and Engineering, Inc., for \$41,247 for Special Inspections and Materials Testing Services for the Montclair Senior Center Project***

Authorization for City Manager to Amend the Scope of Services as May Be Necessary for a Total Increase Not to Exceed \$10,000

City Attorney Robbins advised that pages 3 and 4 of Exhibit A to *Agreement No. 09-66* were inadvertently included in the *Agreement*. She asked that the City Council strike pages 3 and 4 from Exhibit A to *Agreement No. 09-66*.

Moved by Mayor Pro Tem Dutrey, seconded by Council Member Raft, and carried unanimously that the City Council take the following actions:

- (a) Approve *Agreement No. 09-66* (noting the removal of pages 3 and 4 of Exhibit A to the *Agreement*) with Construction Testing and Engineering Inc., for \$41,247 for special inspections and materials testing services for the Montclair Senior Center Project.
- (b) Authorize the City Manager to amend the Scope of Services as may be necessary for a total increase not to exceed \$10,000.

5. Acceptance of Grants From the Inland Empire United Way to Fund the ArtCorps and Case Management Programs

Approval of *Agreement Nos. 09-68 and 09-69* With Inland Empire United Way to Fund the ArtCorps and Case Management Programs

Council Member Ruh spoke in support of the California Department of Education After-School Education and Safety Program grants awarded by the Inland Empire United Way to the City to fund the ArtCorps and Case Management Programs. He inquired as to whom instructs the students of the ArtCorps Program.

Assistant Director of Human Services Richter replied that the program features a mix of certified and retired art instructors. She advised that the City has contracted with A. M. Johnson Consulting Company to coordinate the program.

Council Member Ruh expressed his approval, noting he only wished to ensure that the teachers were qualified to teach the disciplines of visual arts, dance, drama, and literature. He thanked Assistant Director of Human Services Richter for all her work with the enrichment program.

Moved by Council Member Ruh, seconded by Council Member Raft, and carried unanimously that the City Council take the following actions:

- (a) Accept grants from the Inland Empire United Way to fund the ArtCorps and Case Management Programs.
- (b) Approve *Agreement Nos. 09-68 and 09-69* with Inland Empire United Way to fund the ArtCorps and Case Management Programs.

D. Resolutions

1. **Redevelopment Agency Board of Directors' Adoption of Resolution No. 09-03, a Resolution of the City of Montclair Redevelopment Agency Approving Agreement No. 09-67, the First Amendment to Agreement No. 08-01, an Affordable Housing Agreement by and Between the City of Montclair Redevelopment Agency and Mills Family Housing Partners, L.P. (National Community Renaissance of California)**

Vice Chairman Dutrey inquired as follows:

- (a) What is the disposition of the application for County of San Bernardino Home Investment Partnership Act (HOME) Program funds to provide partial financing for the 50-unit affordable family housing development at 10307 Mills Avenue?

Mr. Alfredo R. Izmajtovich, Vice President of Acquisitions, National Community Renaissance of California (National CORE), advised that the County denied National CORE's application for not having its tax credits in place. He added that technically, if funding for the project is received from the U.S. Department of Housing and Urban Development (HUD) Low-Income Housing Tax Credit (LIHTC) Program, the project could not also be funded by the County's HOME Program. He advised that National CORE has advised the County that the structure of the HOME Program prevents tax credit projects from being considered for funding. He noted National CORE has applied for other sources to make up the funding shortfall, including the HUD Neighborhood Stabilization Program 2 (NSP2), and will reapply for Home Program funding when the County issues a new "Notice of Availability of Funds" in the fall and once it corrects its HOME Program funding glitch.

- (b) What is the purpose of the Redevelopment Agency's providing an additional \$2 million in funding assistance if the project is funded by the HUD LIHTC Program, the County HOME Program, and/or the HUD NSP2 Program?

Mr. Izmajtovich clarified that the Agency would only be providing additional "gap" financing in the interim while National CORE applies for tax credits and seeks alternative financing sources and, ideally, funds the project with those other sources.

- (c) Has the fourth district of San Bernardino County received HOME Program funding as other districts have?

Mr. Izmajtovich answered, "From my understanding, [the HOME Program] only funded two developments; and they were not in this area."

Mayor Pro Tem Dutrey suggested **San Bernardino County Fourth District Supervisor Ovitt** be advised of the HOME Program funding glitch.

Mr. Izmajtovich stated, "Trust me, we will let **Supervisor Ovitt** understand what the issue is."

Council Member Ruh expressed his support of the project and his understanding of the funding issues involved. He asked what the income-qualifying ranges would be to rent the units.

Mr. Izmajtovich advised that the income ranges would be a series between 30 and 60 percent of average median income with a percentage for each income strata.

Council Member Ruh noted there is a real need right now for this type of project.

Mr. Izmajtovich stated that to give some indication of the tremendous demand for affordable housing, the 75-unit San Antonio Vista Apartment project completed in 2007 presently has a three-year waiting list.

Council Member Ruh thanked **Mr. Izmajtovich** for the information.

Mayor Pro Tem Dutrey noted the advantage of the project is replacement of the deteriorated strip center at the south-east corner of Mills Avenue and Kingsley Street with a new affordable housing project, which would certainly improve that site. He inquired as to the status of the lease agreement with the owner of the convenience store.

Mr. Izmajtovich answered, "We are in negotiations that I think are very close to concluding. Ideally, that last use would be moving out within the next few months"

Moved by Vice Chairperson Dutrey, seconded by Director Ruh, and carried unanimously that the Redevelopment Agency Board adopt Resolution No. 09-03, a Resolution of the City of Montclair Redevelopment Agency approving *Agreement No. 09-67*, the *First Amendment to Agreement No. 08-01*, an *Affordable Housing Agreement* by and between the City of

Montclair Redevelopment Agency and Mills Family Housing Partners, L.P. (National Community Renaissance of California).

2. Approval of Resolution No. 09-2810 Authorizing Placement of Assessments on Certain Properties for Delinquent Sewer and Trash Charges

City Manager McDougal stated that staff recommends the proposed tax assessment of \$722.19 against 9634 Marion Avenue be removed from Exhibit A, "August 2009 - Property Assessments," to Resolution No. 09-2810 and that the Council authorize staff to work with **Mr. Ronald Duran** on behalf of the property owner, **Mrs. Natalie Duran**, to resolve the outstanding delinquency. Should the delinquency not be cleared within a reasonable amount of time, the matter would be returned to the Council for further consideration.

Moved by Council Member Ruh, seconded by Mayor Pro Tem Dutrey, and carried that the City Council adopt Resolution No. 09-2810 authorizing placement of assessments on 600 accounts listed on Exhibit A to the Resolution for outstanding sewer and trash liens, noting the removal from the Exhibit of 9634 Marion Avenue in the amount of \$722.19, with payments to be made until the delinquency is paid in full within a reasonable time period.

Mayor Eaton advised **Mr. Duran** to contact staff to establish a payment schedule.

Mr. Duran thanked the Mayor and Council for their consideration.

X. RESPONSE - None

XI. COMMUNICATIONS

A. City Attorney/Agency Counsel - No comments

B. City Manager/Executive Director

1. City Manager/Executive Director McDougal reported that Assistant Director of Redevelopment Caldwell's son **Gregory's** baseball team lost in the tournament finals, though the team had "a great run."

C. Mayor/Chairman

1. At this time, Mayor/Chairman Eaton invited Assistant Director of Human Services Richter to come forward to make an announcement.

Assistant Director of Human Services Richter announced that the Montclair Medical Clinic has received \$12,000 from **Kaiser Permanente Fontana Medical Center** from a grant written by Resource Analyst Miguel Garcia. She advised that the funds would provide multiuse vouchers for individuals meeting income criteria who cannot afford medical insurance and would purchase supplies not covered under a medical assistance program.

D. City Council/Agency Board

1. Mayor Pro Tem/Vice Chairman Dutrey commented as follows:
 - (a) He noted he enjoyed attending the last two concerts held Tuesday evenings at Alma Hofman Park that were part of the City's 2009 Summer Concert Series. He noted the patio alterations completed two years ago are a nice improvement. He expressed his hope that the concerts would attract larger audiences in future years, adding that he certainly plans to attend again next summer. He thanked the Human Services Division for organizing this very enjoyable program.
 - (b) He commended the Police Department for its effective management of the homicide in Montclair last week. He commended the Officers who quickly apprehended the suspect without incident.
 - (c) As a member of the Code Enforcement Committee, he noted he has begun inspecting foreclosed properties in the community; and that, surprisingly, they do not appear to be as neglected as he presumed they would be. He noted from his observations that there are more foreclosed properties with brown lawns along major thoroughfares of the City than in interior areas. He advised that he, of course, would be reporting health and safety code violations to the Code Enforcement Unit as his inspections continue.
2. Council Member/Director Ruh commented as follows:
 - (a) He cited an article in the *Sacramento Bee* that offered a link to a database drawn from estimates from local government agencies on how they would be affected by the state's recently adopted budget, which will borrow \$2 billion from local governments and another \$1 billion from redevelopment agencies. He noted Montclair is estimated to lose \$664,128 in property tax revenues, or \$18 per resident, and the City's Redevelopment Agency will lose \$4,195,772 in tax increment. Noting these

losses might not seem like much compared to larger cities and to the overall state budget, he stated, "It is a lot to a small city, and it's a lot to residents who do want services."

- (b) He noted California is fourth in the nation regarding the number of residents of who have absolutely no health insurance benefits and that 23.8 percent of the population of San Bernardino County has no health care insurance whatsoever. He discussed **President Obama's** top domestic priority of a health care system overhaul to meet his goals of spreading health coverage to millions who now lack it while trying to slow the skyrocketing growth of medical costs. He noted the issue needs to be addressed in San Bernardino County considering the uninsured are low wage earners and the fact that the problem stands to get worse in the short term as more and more people seem to be losing their jobs.
- (c) He noted the success of the federal **Consumer Assistance to Recycle and Save (CARS) Act of 2009**, commonly known as "cash for clunkers," a voluntary vehicle trade-in and purchase program implemented to help consumers pay for a new more fuel-efficient car or truck from a participating dealer when they trade in a less fuel-efficient car or truck. He asked if Montclair's new car dealers have had much success with the program.

City Manager McDougal stated that he would provide Council Member Ruh with those figures.

Council Member Ruh expressed his hope that the program has been successful in Montclair, which would measurably increase the City's sales tax.

E. Committee Meeting Minutes

1. Minutes of Code Enforcement Committee Meeting of July 20, 2009

The City Council received and filed the Code Enforcement Committee meeting minutes of July 20, 2009, for informational purposes.

2. Minutes of Personnel Committee Meeting of July 20, 2009

The City Council received and filed the Personnel Committee meeting minutes of July 20, 2009, for informational purposes.

**XII. ADJOURNMENT OF CITY COUNCIL AND REDEVELOPMENT AGENCY
AND MONTCLAIR HOUSING CORPORATION BOARDS OF DIRECTORS**

At 7:29 p.m., Mayor/Chairman Eaton adjourned the City Council and
Redevelopment Agency and Montclair Housing Corporation Boards of
Directors.

Submitted for City Council/Redevelop-
ment Agency Board/Montclair Housing
Corporation Board approval,

Yvonne L. Smith
Transcribing Secretary