

MINUTES OF THE REGULAR JOINT MEETING OF  
THE MONTCLAIR CITY COUNCIL AND REDEVEL-  
OPMENT AGENCY AND MONTCLAIR HOUSING  
CORPORATION BOARDS HELD ON MONDAY,  
FEBRUARY 7, 2011, AT 7:00 P.M. IN THE CITY  
COUNCIL CHAMBERS, 5111 BENITO STREET,  
MONTCLAIR, CALIFORNIA

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I. CALL TO ORDER

Mayor Pro Tem/Vice Chairperson Raft called the meeting to order at 7:00 p.m. and asked that everyone please silence their cell phones, pagers, and other electronic devices as a courtesy to others while the meeting is in session.

II. INVOCATION

Council Member/Director Ruh gave the Invocation.

III. PLEDGE OF ALLEGIANCE

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

IV. ROLL CALL

City Clerk/Agency Secretary Jackson stated for the record that Mayor/Chairman Eaton is not in attendance at tonight's meeting.

Present: Mayor Pro Tem/Vice Chairperson Raft; Council Members/Directors Paulitz, Dutrey, and Ruh; City Manager/Executive Director 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

Absent: Mayor/Chairman Eaton (excused)

V. PRESENTATIONS

A. **Presentation of \$2,500 Donation by the Montclair Chamber of Commerce to the Chaffey College *Online to College* Program**

Mayor Eaton introduced **Montclair Chamber of Commerce** President/Chief Executive Officer **Darleen Curley**.

**Ms. Curley** stated that the Chamber's donation this evening to the **Chaffey College *Online to College* Program** was made possible through the generous contributions of community businesses to the Chamber's "2011 Montclair Supports *Online to College*" banner program.

**Ms. Curley** introduced **Mr. Andronik "Nick" Nazarian**, Interim Executive Director, **Chaffey College Foundation** and **Alumni Affairs**.

**Mr. Nazarian** thanked the City of Montclair, the **Chamber**, and all members who participated in the banner program. He noted the **Chamber's** donation exemplifies the success of the ongoing collaboration among the City, **Chamber**, **Chaffey College**, and the **Ontario-Montclair School District** to further the education of students participating in the *Online to College* Program. He introduced **Chaffey College** Superintendent/President **Henry D. Shannon, Ph.D.**; **Chaffey College Foundation** Board Member **Aref**

Fakhoury; Chaffey College Governing Board President Paul J. Gomez; and Chaffey College student and *Online to College* participant Jazmine Morales. He quoted Ms. Morales as follows:

*Receiving the Online to College scholarship made me feel that people truly cared about me.*

Mr. Nazarian stated that Ms. Morales's words truly exemplify "the heart and soul of this program. We are really proud to be a part of it again, and we look forward to really growing the program. Thank you."

Ms. Curley presented Mr. Nazarian with the Chamber's \$2,500 donation to *Online to College*.

## VI. PUBLIC COMMENT

- A. Mr. Roman Nava, Small Business Liaison, San Bernardino County Fourth District Supervisor Ovitt's Office, 14010 City Center Drive, Chino Hills, announced Supervisor Ovitt's new *Small Business Recognition Program* implemented last month to recognize small businesses that are successfully working to improve our local economy and are making a difference in the community. He noted nominations are welcome and should be forwarded to him, advising that each month, a business would be selected as the "Small Business of the Month" for the Fourth Supervisorial District and presented with a certificate to honor the company's business prowess. From these monthly honorees, he noted one would be recognized as the Fourth District's "Small Business of the Year." He stated that it is Supervisor Ovitt's opinion that "small businesses are vital to the economy of San Bernardino County. Owners of small businesses should be commended and recognized for their hard work and entrepreneurial spirit, especially now when the economy makes things difficult for them."

Mr. Nava announced that Ms. Rosa Rangel would be honored at Montclair Florist tomorrow at 4:30 p.m. as the owner of the Small Business of the Month for January 2011.

## VII. PUBLIC HEARINGS

- A. Adoption of Resolution No. 11-2875 Establishing Community Facilities District No. 2011-1 (Maintenance and Public Safety Services) of the City of Montclair, County of San Bernardino, State of California, and the Boundaries Thereof

Adoption of Resolution No. 11-2876 Calling a Special Election and Submitting to the Voters of Community Facilities District No. 2011-1 (Maintenance and Public Safety Services) of the City of Montclair a Proposition With Respect to the Annual Levy of Special Taxes Within Said Community Facilities District to Pay the Costs of Certain Services to Be Provided By the Community Facilities District and a Proposition With Respect to Establishing an Appropriations Limit for Said Community Facilities District

Adoption of Resolution No. 11-2877 Declaring the Results of the Special Election for Community Facilities District No. 2011-1 (Maintenance and Public Safety Services) of the City of Montclair, County of San Bernardino, State of California, on the Propositions With Respect to (I) the Annual Levy of Special Taxes to Pay the Costs of Certain Services to Be Provided By the Community Facilities District and (II) Establishing an Appropriations Limit

**First Reading - Adoption of Ordinance No. 11-920 Levying Special Taxes to Be Collected During Fiscal Year 2011-12 to Pay the Annual Costs of the Maintenance and Lighting of Parks, Parkways, Streets, Roads, and Open Space and the Operation and Maintenance of Storm Drainage Systems and Public Safety Services Including Fire Protection and Suppression Services and Police Protection With Respect to Community Facilities District No. 2011-1 (Maintenance and Public Safety Services) of the City of Montclair**

Mayor Pro Tem Raft declared it the time and place set for a public hearing to consider the following, after which she invited comments from the public:

1. Adoption of Resolution Nos. 11-2875, 11-2876, and 11-2877 related to establishing Community Facilities District (CFD) No. 2011-1 (Maintenance and Public Safety Services) in the City of Montclair, conducting a Special Election to submit to the voters of said CFD Propositions regarding an annual special tax levy to pay certain service costs to be provided by said CFD and establishment of an appropriations limit, and declaring the results of said Special Election.
2. Adoption of Ordinance No. 11-920 levying special taxes to pay certain public safety service costs and the annual maintenance and lighting costs of public improvements contained in said Community Facilities District.

Mayor Pro Tem Raft asked City Clerk Jackson the following questions:

1. Have any written protests been received?  
City Clerk Jackson answered, "No."
2. Are there any persons registered to vote in the territory of the proposed CFD?  
City Clerk Jackson answered, "There are no persons registered to vote in the District."
3. Have the owners of all of the taxable property in the proposed CFD consented to holding a Special Election on February 7, 2011?  
City Clerk Jackson answered, "Yes, they have."
4. Do you concur that a Special Election may be held on February 7, 2011?  
City Clerk Jackson answered, "Yes, I concur."

**Mr. Lauren Martens**, 4285 Benito Street, Montclair, inquired as to the location of the proposed CFD.

Director of Redevelopment/Public Works Staats advised that it would encompass the former **Sam's Club** site at the northeast corner of Monte Vista Avenue and Moreno Street.

There being no one else in the audience wishing to speak, Mayor Pro Tem Raft closed the public hearing and returned the matter to the City Council for its consideration.

Moved by Council Member Paulitz and seconded by Council Member Dutrey that Resolution No. 11-2875, entitled, "**A Resolution of the City Council of the City of Montclair Establishing Community Facilities District No. 2011-1 (Maintenance and Public Safety Services) of the City of Montclair, County of**

**San Bernardino, State of California and Boundaries Thereof,"** be read by number and title only, further reading be waived, and it be declared adopted.

The City Council waived the reading of the Resolution.

Resolution No. 11-2875 was adopted by the following vote:

AYES: Ruh, Dutrey, Paulitz, Raft  
NOES: None  
ABSTAIN: None  
ABSENT: Eaton

Moved by Council Paulitz and seconded by Council Member Dutrey that Resolution No. 11-2876, entitled, "**A Resolution of the City Council of the City of Montclair Calling a Special Election and Submitting to the Voters of Community Facilities District No. 2011-1 (Maintenance and Public Safety Services) of the City of Montclair a Proposition With Respect to the Annual Levy of Special Taxes Within Said Community Facilities District to Pay the Costs of Certain Services to Be Provided by the Community Facilities District and a Proposition With Respect to Establishing an Appropriations Limit for Said Community Facilities District,"** be read by number and title only, further reading be waived, and it be declared adopted.

The City Council waived the reading of the Resolution.

Resolution No. 11-2876 was adopted by the following vote:

AYES: Ruh, Dutrey, Paulitz, Raft  
NOES: None  
ABSTAIN: None  
ABSENT: Eaton

City Clerk Jackson conducted the Special Election and declared the results as follows:

1. Proposition A with respect to the annual levy of special taxes within Community Facilities District No. 2011-1 to pay the costs of certain services to be provided by the CFD has passed.
2. Proposition B with respect to establishing an appropriations limit for Community Facilities District No. 2011-1 has passed.

Moved by Council Member Dutrey, based on the results of the Special Election, and seconded by Council Member Paulitz that Resolution No. 11-2877, entitled, "**A Resolution of the City Council of the City of Montclair Declaring the Results of the Special Election for Community Facilities District No. 2011-1 (Maintenance and Public Safety Services) of the City of Montclair, County of San Bernardino, State of California, on the Propositions With Respect to (I) the Annual Levy of Special Taxes to Pay the Costs of Certain Services to Be Provided by the Community Facilities District; and (II) Establishing an Appropriations Limit,"** be read by number and title only, further reading be waived, and it be declared adopted.

The City Council waived the reading of the Resolution.

Resolution No. 11-2877 was adopted by the following vote:

AYES: Ruh, Dutrey, Paulitz, Raft  
NOES: None  
ABSTAIN: None  
ABSENT: Eaton

Moved by Council Member Dutrey and seconded by Council Member Paulitz that Ordinance No. 10-920, entitled, "**An Ordinance of the City Council of the City of Montclair Levying Special Taxes to be Collected During Fiscal Year 2011-12 to Pay the Annual Costs of the Maintenance and Lighting of Parks, Parkways, Streets, Roads, and Open Space and the Operation and Maintenance of Storm Drainage Systems and Public Safety Services Including Fire Protection and Suppression Services and Police Protection Services With Respect to Community Facilities District No. 2011-1 (Maintenance and Public Safety Services) of the City of Montclair,**" be read by number and title only, further reading be waived, and this be declared its first reading.

The City Council waived the reading of the Ordinance.

First Reading of Ordinance No. 10-920 was adopted by the following vote:

AYES: Ruh, Dutrey, Paulitz, Raft  
NOES: None  
ABSTAIN: None  
ABSENT: Eaton

At this time, Mayor Pro Tem Raft allowed audience members to leave the meeting if they so desired.

#### **VIII. CONSENT CALENDAR**

Council Member Dutrey requested that Items D-1 and D-2 be removed from the Consent Calendar for comment.

Council Member Ruh requested that Item D-3 be removed from the Consent Calendar for comment.

Moved by Council Member/Director Paulitz, seconded by Council Member/Director Dutrey, and carried to approve the following Consent Items as presented:

##### **A. Approval of Minutes**

###### **1. Minutes of Regular Joint Council/Agency/MHC Meeting of January 18, 2011**

The City Council and Redevelopment Agency/MHC Boards approved the minutes of the Regular Joint City Council/Redevelopment Agency Board/MHC Board meeting of January 18, 2011.

##### **B. Administrative Reports**

###### **1. Setting a Public Hearing to Prioritize Funding for Fiscal Year 2011-12 Community Development Block Grant Projects**

The City Council set a public hearing for Tuesday, February 22, 2011, at 7:00 p.m. in the City Council Chambers to consider prioritizing funding for Fiscal Year 2011-12 Community Development Block Grant projects.

###### **2. Setting a Public Hearing to Consider Ordinance No. 11-921 Amending Section 9.20 and Replacing Section 9.20.700 of the Montclair Municipal Code Related to the City Community Sewer System and Certain Water-Softening Devices**

The City Council set a public hearing for Tuesday, February 22, 2011, at 7:00 p.m. in the City Council Chambers

to consider Ordinance No. 11-921 amending Section 9.20 and replacing Section 9.20.700 of the Montclair Municipal Code related to the City Community Sewer System and certain water-softening devices.

**3. Authorization to Receive \$12,154 From Federal Emergency Management Agency (FEMA) Grant to Purchase Washer-Extractor Systems From Continental Girbau-West**

**Authorization of a \$1,350 Appropriation From the Contingency Account to Pay the 10 Percent Match Required by FEMA**

The City Council authorized the following:

- (a) The Fire Department to receive \$12,154 from a FEMA grant to purchase washer-extractor systems from Girbau-West for Fire Station Nos. 1 and 2.
- (b) A \$1,350 appropriation from the Contingency Account to pay the 10 percent match required by FEMA.

**4. Authorizing City Manager to Award Construction Contract, Including a 10 Percent Construction Contingency, and Execute Agreement With the Lowest Responsible, Responsive Bidder for the Alma Hofman Park Landscape and Lighting Project**

The City Council authorized the City Manager to award a construction contract, including a 10 percent construction contingency, and execute an agreement with the lowest responsible, responsive bidder for the Alma Hofman Park Landscape and Lighting Project.

**5. Declaring Certain City and Unclaimed Property in Police Custody as Surplus and Available for Auction**

The City Council declared certain City and unclaimed property in Police custody as surplus and available for auction.

**6. Receiving and Filing of Alcoholic Beverage Permit Application - Paradise Family Restaurant**

The City Council received and filed Shefqet Rexhepi's Type 41 - "On-Sale Beer and Wine" Alcoholic Beverage License application, which is consistent with the existing Conditional Use Permit for the site, to serve beer and wine in conjunction with the service of meals at the new Paradise Family Restaurant, 10220 Central Avenue, Montclair, California.

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

The City Council approved the City Warrant Register dated February 7, 2011, totaling \$1,578,484.94; and the Payroll Documentation dated December 19, 2010, amounting to \$632,726.64, with \$451,975.12 being the total cash disbursement.

**C. Agreements - None**

**IX. PULLED CONSENT CALENDAR ITEMS**

**D. Resolutions**

**1. Adoption of Resolution No. 11-01, a Resolution of the City of Montclair Redevelopment Agency Approving Agreement No. 11-18, the Second 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)**

Director Dutrey inquired as to the disposition of the \$2 million that National CORE will be repaying the Redevelopment Agency as a result of being awarded a \$2 million County of San Bernardino HOME loan for the 50-unit affordable housing development at 10307 Mills Avenue.

Director of Redevelopment/Public Works Staats replied that the funds could be used for National CORE's 18-unit affordable apartment project for special needs individuals proposed to be located at 4113 Kingsley Street.

Director Dutrey asked if the funds have been obligated.

Director of Redevelopment/Public Works Staats advised that there is some obligation indicated in the Agency's purchase option to acquire the subject site.

Director Dutrey noted there is pending legislation related to the Governor's proposal to eliminate redevelopment agencies. He asked if there is a chance the subject \$2 million could be lost if not legally obligated.

Director of Redevelopment/Public Works Staats answered, "Yes."

Director Dutrey thanked Director of Redevelopment/Public Works Staats for her comments.

Agency Counsel Robbins asked that the Redevelopment Agency Board of Directors approve the item subject to a slight language change to *Agreement No. 11-18*.

Moved by Director Dutrey, seconded by Director Paulitz, and carried that the Redevelopment Agency Board adopt Resolution No. 11-01, a Resolution of the City of Montclair Redevelopment Agency approving *Agreement No. 11-18*, the *Second 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), subject to Agency Counsel's minor changes to *Agreement No. 11-18*.

**2. Adoption of Resolution No. 11-2878 Opposing the Brown Administration's Proposal to Eliminate Redevelopment Agencies in California**

Council Member Dutrey advised that the Montclair Redevelopment Agency has been a tremendous asset to the City since its inception in the financing of a number of capital, economic development, and affordable housing projects including the following:

- (a) Allocation of \$10 million in the acquisition and conversion of close to 100 single-family and multifamily housing units into affordable rental units for low to moderate income families.
- (b) Allocation of \$10 million in the development of approximately 250 housing units at the following four significant affordable housing projects at San Antonio Gateway:

- (1) San Antonio Vista Apartments, 10425 Pradera Avenue
  - (2) San Marino Apartments, 10355 Mills Avenue
  - (3) Vista del Cielo Apartments, 10319 Mills Avenue
  - (4) An 18-unit affordable special needs housing project at 4113 Kingsley Street
- (c) Assistance with the acquisition of three mobile home parks, a total of 303 housing units, by a nonprofit organization as a method for the parks to be improved and effectively operated to preserve affordable housing for low to moderate income families and persons.
  - (d) Provided close to \$10 million in 2000 to widen Central Avenue at the I-10 Freeway.
  - (e) Allocation of \$2.5 million to Palo Verde Street and Holt Boulevard storm drain projects.
  - (f) Allocation of \$2 million to the Holt Boulevard improvements including street reconstruction, signal upgrades, and median landscaping.
  - (g) Allocation of \$8.5 million to the Police facility project and the Youth and Senior Centers.
  - (h) Allocation of \$6 million to the Ramona Avenue/Union Pacific Railroad Grade Separation Project
  - (i) Allocation of \$5 million for Costco Wholesale street improvements and grading reimbursement.
  - (j) Allocation of close to \$1.2 million for improvements to City parks and the Montclair Branch Library
  - (j) \$8 million set aside for property acquisition for public open space and parking structure for the North Montclair Downtown Specific Plan.

Council Member Dutrey commented as follows:

- (1) He noted critics of redevelopment argue that redevelopment is about "corporate welfare" and that there is an either/or choice between redevelopment and education, "both of which are fallacies." He asserted that redevelopment is something that benefits all regional and state residents. He emphasized that redevelopment controls 25 percent of the tax increment funding in the Inland Empire; and "if we lose redevelopment, we will lose a lot of money that funds public infrastructure, transportation, parks, construction of fire stations, along with the opportunities for economic development and, more importantly, the opportunities to create both permanent and construction jobs. He suggested that the recession would be prolonged without redevelopment financing.
- (2) He stated he was interested to learn from a recent news article that when Governor Brown was Mayor of Oakland, he persuaded developers to help him transform downtown Oakland using redevelopment financing; these developer friends of his, in turn, supported his mayoral reelection campaigns and his campaign for Governor. He emphasized that Governor Brown might not even be governor today had he not been able to use redevelopment as Mayor of Oakland to advance his vision of bringing commerce to downtown Oakland.

Council Member Dutrey asked Economic Development Coordinator Miguel Garcia to report on redevelopment advocacy efforts in Montclair.

Economic Development Coordinator Garcia discussed an aggressive pro-redevelopment letter-writing campaign launched last week involving City of Montclair partners that, in one way or another, have benefited from redevelopment including outreach through the Montclair Chamber of Commerce and members of our senior community, our *Por La Vida* group that will benefit from the new Family Resource Center at 9916 Central Avenue, and a number of other organizations. He stated that the larger goal is to show the faces of organizations and persons who have benefited from redevelopment. He advised that Agency staff has been collaborating with the Inland Southern California Redevelopment Association, an emerging group of city and county redevelopment advocates from San Bernardino and Riverside counties focused on highlighting the importance of redevelopment and the role it has played, and continues to play, in the economic development in the region and throughout the state. He noted that the letters being written to our legislators emphasize how redevelopment activities in Montclair have revitalized the community by investing in local infrastructure and community facilities. Through this collaboration, he advised that over 400 letters were mailed to Assembly Member Torres and Senator McLeod advocating the need for redevelopment in the community.

Council Member Dutrey thanked Economic Development Coordinator Garcia for his report. He stated, "We're in a fight for our lives, folks." He emphasized the importance of residents continuing to write to their legislators in support of redevelopment as well as the efforts of staff and business associates to publicly advocate the need for redevelopment in Montclair. He asserted that redevelopment did not cause the state's serious structural budget deficit, and the \$4 billion in tax increment revenues generated by California redevelopment agencies is local money. He expressed his understanding that a joint informational hearing of the Senate Transportation and Housing Committee and Assembly Housing and Community Development Committee, chaired by Assembly Member Torres, regarding redevelopment and affordable housing finance would be held February 15, 2011. Though he has not personally met with the Assembly Member, he expressed his understanding that she is interested in the issue and wants to work with cities because of her concerns about the potential elimination of redevelopment agencies, for which he commended her. He noted the importance of advocating redevelopment with both Assembly Member Torres and Senator McLeod.

Council Member Dutrey advised that the loss of redevelopment would have a dramatic impact on the services of affordable housing, capital projects, and parks and other public facilities and infrastructure. He asked City Manager Starr if employee layoffs would be considered should Governor Brown's proposal to eliminate redevelopment agencies be adopted.

City Manager Starr answered, "Well, it certainly would be challenging if we lose our Redevelopment Agency; it funds nearly \$1 million worth of positions in the organization. A few of those are part time, but the majority of them are full-time positions that are partially funded by the Redevelopment Agency. So the General Fund would have to absorb the entire cost of maintaining those positions. As you know, the

General Fund is currently having problems of its own because of the recession and mortgage crisis. But yes, it would complicate our ability to produce a balanced budget down the road if redevelopment were lost; and it would potentially put the City in a position for the first time of actually producing layoffs in the organization."

Council Member Dutrey thanked City Manager Starr for his report.

Council Member Ruh commented as follows;

- (1) He advised that redevelopment has been an effective financial tool in California for many decades and that reforms should only pertain to the cities that have abused their redevelopment powers.
- (2) He noted how redevelopment financing has benefited Montclair by providing a homebuyer assistance program, in beautification efforts, and with graffiti abatement to remove blight.
- (3) He suggested we write to our legislators as well as to other representatives throughout the Inland Empire "because there is an effect on how this grows from one city to another; the legislators need to be very aware of that"
- (4) He stated that the present threat to redevelopment is no surprise to him because both Governor Brown and **Ms. Whitman** had proposed eliminating redevelopment agencies during their campaigns for being corporate welfare. He asked those who support the elimination of redevelopment agencies that before they impact economic development in their communities, they should consider the giant tax loopholes they give to corporations such as eBay Inc., Hewlett-Packard Company, and Google Inc. in addition to the huge depletion allowances given to oil and gas operators in California. He further suggested consideration be given to tax loopholes that impact corporate California, such as for offshored yachts and the ability of hotels to write down empty rooms as a loss.
- (5) He cited a Los Angeles Times article over the weekend on the 100th birthday of former **President Ronald Reagan** that indicated he was willing to face tough times and make tough unpopular decisions, citing the fact that after becoming Governor of California, he raised the corporate income tax rate from 6.5 percent to 9.5 percent as well as the personal income tax rate, which was the largest tax hike ever proposed by any governor in U.S. history. He noted that as soon as there was a budget surplus, Governor Reagan gave income tax rebates to the residents over a four-year period. He suggested the legislators should consider Governor Reagan's sweeping tax package. He stated that though "no one wants to pay more taxes, we have to figure a way out of this. I'm not advocating that as the answer, but before they attack redevelopment agencies, which are giving money back in our community providing jobs for people, we need to really seriously look at other items in our budget."

Council Member Paulitz noted when he was first elected to the City Council in 1978, he did not realize the usefulness of the Montclair Redevelopment Agency. He noted he discovered

after careful research that redevelopment assists in increasing the base price of property to its improved valuation and that it is that increase in tax increment that is given to the Redevelopment Agency. He emphasized that the basic property tax of a property remains with the schools, the counties, and the state. He advised that it is key to note that Governor Brown proposes to shift the increase in property value accomplished with redevelopment financing assistance. He further emphasized that the basic premise of redevelopment assistance is to increase the value of something and use the tax increment for the public good. He agreed that some redevelopment agencies have abused their powers and concurred with Council Member Ruh that such abuses should be corrected. He advised that thankfully, Montclair has used its redevelopment powers for the proper purpose of infrastructure improvements and affordable housing. He expressed his opinion that all cities working together could defeat Governor Brown's proposal to eliminate redevelopment agencies because in the long run, the Governor realizes that he will need the aid of the cities in future endeavors. He also pointed out that Governor Brown is not concerned about being reelected.

Mayor Pro Tem Raft expressed her hope that all the letters of protest Governor Brown is receiving will convince him of the importance of redevelopment agencies in California.

Moved by Council Member Paulitz, seconded by Council Member Ruh, and carried that the City Council adopt Resolution No. 11-2878 opposing the Brown administration's proposal to eliminate redevelopment agencies in California.

**3. Adoption of Resolution No. 11-2879 Authorizing Placement of Liens on Certain Properties for Delinquent Sewer and Trash Accounts**

City Manager Starr advised that the owner has paid the \$105.48 delinquency for 11363 Dartmouth Lane and recommended the property be removed from Exhibit A, "Report of Delinquent Civil Debts - February 2011," to proposed Resolution No. 11-2879.

Moved by Council Member Paulitz, seconded by Council Member Ruh, and carried that the Council adopt Resolution No. 11-2879 authorizing placement of liens on the 223 properties listed on Exhibit A to the Resolution for delinquent sewer and trash charges, noting the removal from Exhibit A of a \$105.48 delinquency for 11363 Dartmouth Lane, which has been paid by the owner.

**X. RESPONSE - None**

**XI. COMMUNICATIONS**

**A. City Attorney/Agency Counsel - None**

**B. City Manager/Executive Director**

1. City Manager/Executive Director Starr reminded the City Council that the Midyear Budget Review is scheduled for Tuesday, February 15, 2011, at 6:00 p.m. in the City Council Chambers.

**C. Mayor/Chairman - Absent**

#### D. City Council/Agency Board

1. Council Member/Director Dutrey commented as follows:
  - (a) He noted the importance of the City having a strong advocacy effort to defeat Governor Brown's proposal to eliminate redevelopment agencies and acknowledged staff's efforts to date. He concurred that the focus should be on the legislators of Los Angeles, Riverside, and San Bernardino counties because the more they are contacted, the stronger our message of support for redevelopment in California.
  - (b) He recognized Mayor Pro Tem Raft for doing a great job chairing tonight's meeting in Mayor Eaton's absence.
  - (c) He commended the City Council for showing leadership in making some tough decisions during the Strategic Planning Session last Tuesday. He recognized staff for doing an excellent job to provide all pertinent information and recommendations to the Council.
2. Council Member/Director Paulitz commented as follows:

- (a) He noted another threat to many of our families that if it were to come to pass, would have tremendous impacts to the community. He advised that the eighty to one hundred newly elected members of **Congress** have expressed a will to permanently eliminate the mortgage interest deduction from the tax code. He noted he collected some statistics in advance of a meeting with staff from several of the offices in our general region while in Washington D.C. last week, notably that every \$1 in mortgage interest deduction received by a homeowner comes back to \$10 in the community in this region. He noted the staff of **Representative Miller's** office came up with the same analysis and the destabilizing effect this action would have on communities. He advised that the **Congress** members are referring to the deduction as a "tax expenditure" and who staunchly defend maintaining the mining depletion allowance, the oil depletion allowance, and the depletion on private corporate jets while proposing to take away the last true deduction of the middle class. He noted one Congress member called the deduction "pure socialism that is not needed in this country." He noted he would give his colleagues some information at the February 22 regular joint meeting about the issue and suggested correspondence be sent to our federal representatives in support of the deduction.

Council Member Ruh expressed his appreciation of the bipartisan efforts of **Representatives Miller** and **Baca** in introducing **House Resolution 25** that affirms the importance of preserving the mortgage interest deduction. He noted the deduction has been in the tax code for almost one hundred years, since 1914; and is one of the reasons we have a more stable home ownership rate than in many other nations. He advised that even if he were not concerned about the proposal in his professional life, he would still be concerned as a homeowner because of the stabilizing effect of a high percentage of home ownership on a community.

**E. Committee Meeting Minutes**

**1. Minutes of Public Works Committee Meeting of October 21, 2011**

The City Council received and filed the Public Works Committee meeting minutes of October 21, 2010, for informational purposes.

**2. Minutes of Real Estate Committee Meeting of January 18, 2011**

The City Council received and filed the Real Estate Committee meeting minutes of January 18, 2011, for informational purposes.

**3. Minutes of Code Enforcement Committee Meeting of January 18, 2011**

The City Council received and filed the Code Enforcement Committee meeting minutes of January 18, 2011, for informational purposes.

**4. Minutes of Personnel Committee Meeting of January 18, 2011**

The City Council received and filed the Personnel Committee meeting minutes of January 18, 2011, for informational purposes.

**XII. COUNCIL/AGENCY/MHC WORKSHOP**

**A. Midyear Budget Review**

It was the consensus of the City Council to continue this item to an adjourned joint meeting on Tuesday, February 15, 2011, at 6:00 p.m. in the City Council Chambers.

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

At 7:52 p.m., Mayor Pro Tem/Vice Chairperson Raft adjourned the City Council and Redevelopment Agency Board of Directors to Tuesday, February 15, 2011, at 6:00 p.m. in the Senior Center.

At 7:52 p.m., Vice Chairperson Raft adjourned Montclair Housing Corporation Board of Directors.

Submitted for City Council/Redevelopment Agency Board/Montclair Housing Corporation Board approval,

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Yvonne L. Smith  
Deputy City Clerk