

**MINUTES OF THE REGULAR JOINT MEETING OF
THE MONTCLAIR CITY COUNCIL AND REDEVEL-
OPMENT AGENCY AND MONTCLAIR HOUSING
CORPORATION BOARDS HELD ON MONDAY,
MARCH 21, 2011, AT 7:00 P.M. IN THE CITY
COUNCIL CHAMBERS, 5111 BENITO STREET,
MONTCLAIR, CALIFORNIA**

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

Pastor Tommie Hannah, Brighter Days Ministries, gave the Invocation.

III. PLEDGE OF ALLEGIANCE

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

IV. ROLL CALL

Deputy City Clerk/Agency Secretary Smith 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; Deputy City Clerk/Agency Secretary Smith

Absent: Mayor/Chairman Eaton (excused)

V. PRESENTATIONS - None

VI. PUBLIC COMMENT - None

VII. PUBLIC HEARINGS

A. Redevelopment Agency Board of Directors' Adoption of Resolution No. 11-02, a Resolution of the City of Montclair Redevelopment Agency Approving the Transfer of Certain

Properties to the City and Making Certain Findings in Connection Therewith

Consider City Council's Adoption of Resolution No. 11-2886, a Resolution of the City of Montclair Approving the Transfer of Real Properties From the Redevelopment Agency to the City and Making Certain Findings in Connection Therewith

Mayor Pro Tem Raft declared it the time and place set for a public hearing to consider Redevelopment Agency Resolution No. 11-02 and City Resolution No. 11-2886 approving the transfer of certain real property from the Agency to the City and making certain findings in connection therewith and invited comments from the public.

There being no one 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 Director/Council Member Ruh and seconded by Director/Council Member Dutrey that the following actions be taken:*

1. That Resolution No. 11-02, entitled, "**A Resolution of the Montclair Redevelopment Agency Approving the Transfer of Real Property From the Montclair Redevelopment Agency to the City of Montclair,**" be read by number and title only, further reading be waived, and it be declared adopted.
2. Resolution No. 11-2886, entitled, "**A Resolution of the City of Montclair, California, Approving the Acquisition of Real Property From the Montclair Redevelopment Agency,**" be read by number and title only, further reading be waived, and it be declared adopted.

Director/Council Member Dutrey commented as follows:

1. He stated that it is unfortunate the Redevelopment Agency Board and City Council must take the proposed action in response to the present political climate in Sacramento.
2. He reported the good news at a hearing last week of the Legislature on the Governor's budget proposal (including trailer bills SB 77 and AB 101, parallel bills that would dissolve community redevelopment agencies) that SB 77 fell short by one Republican vote in the Assembly on Wednesday. He noted Orange County Assembly Member Norby was the lone Republican in support of SB 77 and that all Democrats supported the bill, while two Democratic Senators do not currently support AB 101.

3. He noted that without a two-thirds majority vote, the elimination of redevelopment agencies would not occur until January 1, 2012.
4. He noted many families in the private sector either directly or indirectly benefit from redevelopment including the construction workers who build redevelopment projects.
5. He noted it is unfortunate that the loss of redevelopment means that cities would stand to lose the ability of tax increment financing, the funding mechanism for redevelopment agencies, for capital improvement and affordable housing projects. He added that cities would also lose the ability to provide trade jobs and mitigate blight conditions including neighborhood revitalization.
6. He spoke in support of this item.

*The Redevelopment Agency Board of Directors and City Council waived the reading of the Resolutions.

Redevelopment Agency Resolution No. 11-02 and City Council Resolution No. 11-2886 were adopted by the following vote:

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

B. Approval of Continuance of the Following:

Redevelopment Agency Board of Directors' Adoption of Resolution No. 11-03 Approving *Agreement No. 11-42, an Affordable Housing Agreement* by and Between the City of Montclair Redevelopment Agency and the Montclair Housing Corporation, and Making Certain Findings in Connection Therewith

Consider Montclair Housing Corporation Board of Directors' Approval of *Agreement No. 11-43 Approving Promissory Note 11-02* by and Between the Montclair Housing Corporation and the City of Montclair Redevelopment Agency

Director Paulitz inquired as to the reason for continuation of this item.

Executive Director Starr clarified that staff neglected to include the City Council as a party to the public hearing proceedings and is, therefore, requesting the public hearing be continued to Monday, April 4, 2011, at 7:00 p.m. in the City Council Chambers. He

advised that the public hearing should be opened this evening to receive any public testimony on the subject proceedings.

Vice Chairperson Raft declared it the time and place set for a public hearing to consider City of Montclair Redevelopment Agency Resolution No. 11-03 approving *Affordable Housing Agreement No. 11-42* by and between the Agency and the Montclair Housing Corporation (MHC) and making certain findings in connection therewith and the MHC's approval of *Agreement No. 11-43* approving Promissory Note 11-02 by and between the MHC and the Agency and invited comments from the public.

There being no one 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/Director Paulitz, seconded by Council Member/Director Ruh, and carried to continue this item to a joint public hearing on Monday, April 4, 2011, at 7:00 p.m. in the City Council Chambers.

VIII. CONSENT CALENDAR

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

A. Approval of Minutes

1. Minutes of the Regular Joint Council/Agency/MHC Meeting of February 7, 2011

The City Council and Redevelopment Agency and Montclair Housing Corporation Boards of Directors approved the minutes of the February 7, 2011 regular joint meeting.

2. Minutes of the Regular Joint Council/Agency/MHC Meeting of February 22, 2011

The City Council and Redevelopment Agency and Montclair Housing Corporation Boards of Directors approved the minutes of the February 22, 2011 regular joint meeting.

3. Minutes of the Regular Joint Council/Agency/MHC Meeting of March 7, 2011

The City Council and Redevelopment Agency and Montclair Housing Corporation Boards of Directors approved the minutes of the March 7, 2011 regular joint meeting.

B. Administrative Reports

1. Receiving and Filing of City Treasurer's Report

The City Council received and filed the City Treasurer's Report for the month ending February 28, 2011.

2. Approval of City Warrant Register and Payroll Documentation

The City Council approved the City Warrant Register dated March 21, 2011, totaling \$863,030.32; and the Payroll Documentation dated January 30, 2011, amounting to \$555,055.82, with \$424,980.48 being the total cash disbursement.

3. Receiving and Filing of Agency Treasurer's Report

The Redevelopment Agency Board received and filed the Redevelopment Agency Treasurer's Report for the month ending February 28, 2011.

4. Approval of Agency Warrant Register

The Redevelopment Agency Board approved the Redevelopment Agency Warrant Register dated 2.01.11-2.28.11 in the amounts of \$10,751.08 for Project I; \$163.05 for Project II; \$70,958.81 for Project III; \$160,754.58 for Project IV; \$136,659.80 for Project V, and \$77,546.38 for the Mission Boulevard Joint Redevelopment Agency Project.

5. Receiving and Filing of MHC Treasurer's Report

The MHC Board received and filed the MHC Treasurer's Report for the month ending February 28, 2011.

6. Approval of MHC Warrant Register

The MHC Board approved the MHC Warrant Register dated 2.01.11-2.28.11 in the amount of \$51,357.80.

7. Setting a Public Hearing to Consider City Council's Adoption of Resolution No. 11-2894, a Resolution of the City Council of the City of Montclair Consenting to the Approval of *Agreement No. 11-42, an Affordable Housing Agreement* by and Between the City of Montclair Redevelopment Agency and the Montclair Housing Corporation, and Making Certain Findings in Connection Therewith

The City Council set Monday, April 4, 2011, in the City Council Chambers as the date, time, and place for a joint public hearing to consider adoption of Resolution No. 11-2894, a Resolution of the City Council of the City of Montclair consenting to the approval of *Agreement No. 11-42*, an *Affordable Housing Agreement* by and between the City of Montclair Redevelopment Agency and the Montclair Housing Corporation, and making certain findings in connection therewith.

8. Redevelopment Agency Board of Directors' Approval of Recommendations From the January 18, 2011 Real Estate Committee Meeting Regarding the Exterior Housing Improvement Program

The Redevelopment Agency Board approved the recommendations from the January 18, 2011 Real Estate Committee meeting to increase the maintenance requirements by five years for both the traditional and pilot Exterior Housing Improvement Programs.

9. Authorization to Advertise for Bid Proposals for the Alma Hofman Park Improvements Project

The City Council authorized staff to advertise for bid proposals for the Alma Hofman Park Improvements Project.

10. Authorization to Advertise for Bid Proposals for the Mills Avenue Rehabilitation Project

The City Council authorized staff to advertise for bid proposals for the Mills Avenue Rehabilitation Project.

C. Agreements

1. Approval of *Agreement No. 11-34*, a *Community Development Block Grant City-County Delegate Agency Agreement* for Fiscal Years 2012-13, 2013-14, and 2014-15

The City Council approved *Agreement No. 11-34*, a *Community Development Block Grant City-County Delegate Agency Agreement* for Fiscal Years 2012-13, 2013-14, and 2014-15.

2. Redevelopment Agency Board of Directors' Approval of *Rehabilitation Grant Agreement Nos. 11-35 Through 11-41* by and Between the City of Montclair Redevelopment Agency and Exterior Housing Improvement Program Participants

The Redevelopment Agency Board approved *Rehabilitation Grant Agreement Nos. 11-35 through 11-41* by and between

the City of Montclair Redevelopment Agency and the seven Exterior Housing Improvement Program participants listed on Exhibit A to the agenda report on this item.

D. Resolutions

- 1. Redevelopment Agency Board of Directors' Adoption of Resolution No. 11-09, a Resolution of the City of Montclair Redevelopment Agency Authorizing Expenditure of City of Montclair Redevelopment Agency Project Area No. II 1995 Tax Allocation Bond Funds for Development and Construction of Certain Public Improvements and Making Certain Findings in Connection Therewith**

City Council's Adoption of Resolution No. 11-2892, a Resolution of the City Council of the City of Montclair Authorizing Expenditure of City of Montclair Redevelopment Agency Project Area No. II 1995 Tax Allocation Bond Funds for Certain Public Improvements and Making Certain Findings in Connection Therewith

The Redevelopment Agency Board adopted Resolution No. 11-09, a Resolution of the City of Montclair Redevelopment Agency Project Area No. II 1995 Tax Allocation Bond funds for development and construction of certain public improvements and making certain findings in connection therewith.

The City Council adopted Resolution No. 11-2892, a Resolution of the City Council of the City of Montclair authorizing expenditure of City of Montclair Redevelopment Agency Project Area No. II 1995 Tax Allocation Bond funds for certain public improvements and making certain findings in connection therewith.

- 2. Adoption of Resolution No. 11-2893 Authorizing the Mayor to Sign a Three-Year *Cooperation Agreement* With the County of San Bernardino Regarding Participation in the Community Development Block Grant Program for Fiscal Years 2012-13, 2013-14, and 2014-15**

The City Council adopted Resolution No. 11-2893 authorizing Mayor Eaton to sign a three-year *Cooperation Agreement* with the County of San Bernardino regarding participation in the Community Development Block Grant Program for Fiscal Years 2012-13, 2013-14, and 2014-15.

IX. PULLED CONSENT CALENDAR ITEMS - None

X. RESPONSE – None

XI. COMMUNICATIONS

A. City Attorney/Agency Counsel

1. Closed Session Pursuant to Section 54956.8 of the Government Code Regarding Real Property Negotiations

Property: 9550 Fremont Avenue

Negotiating Parties: City of Montclair and Ernest George Representing First United Methodist Church

Negotiators: City Manager Starr and Director of Redevelopment/Public Works Staats

Under Negotiation: Recommendations Regarding a Purchase Offer

2. Closed Session Pursuant to Section 54956.9(a) of the Government Code Regarding Pending Litigation

Camou v. City of Montclair

City Attorney Robbins requested a Closed Session pursuant to Section 54956.8 of the Government Code regarding real property negotiations on the first matter and Section 54956.9(a) of the Government Code regarding pending litigation on the second matter listed above.

B. City Manager/Executive Director

1. City Manager/Executive Director Starr commented as follows:

(a) He reminded the City Council of the 2011 "Montclair Delivers on Progress" State of the City Address on Wednesday, March 23, 2011, at 11:30 a.m. in the Montclair Community Center auditorium. He noted he looks forward to seeing the Council at the event.

(b) He announced the **Soroptimist International of Montclair/Inland Valley 20th Annual Prism Award** luncheon would be held Wednesday, March 30, 2011, at 11:30 a.m. at the **Ontario Convention Center**. He asked those desiring to attend to RSVP to Secretary to the City Manager Agajanian, Extension 601.

(c) He announced the 2011 "Your County, Your Future" State of the County Address would be held April 6, 2011, at

4:30 p.m. at **San Bernardino International Airport**. He asked Council Members to let him know if they would like to attend.

- (d) He announced that a workshop on an update by the Crime Suppression Unit was inadvertently omitted from the agenda and would be held on Monday, April 4, 2011, at 5:45 p.m. in the City Council Chambers.

C. Mayor/Chairman - Absent

D. City Council/Agency Board

1. Council Member/Director Paulitz reported that certain school boards are adopting resolutions supporting extension of temporary increases in the personal income, sales, and vehicle taxes enacted two years ago, which would bring in an estimated \$9.2 billion a year for five more years to the state. He suggested the City Council adopt a Resolution opposing the tax extension if the Governor succeeds in his proposal to abolish redevelopment agencies and place the tax extension on the June 7 Statewide Special Election ballot, expressing his opinion that it would only be proper to do so "for our own fiscal good."
2. Council Member/Director Dutrey commented as follows:
 - (a) He recognized **U.S. Army Master Sergeant Arturo Padilla** in the audience for recently completing a one-year tour of duty in Iraq and welcomed him home.
 - (b) He noted the **City of Ontario** has been in discussions with the **Los Angeles World Airport** Board of Airport Commissioners related to transferring **LA/Ontario International Airport (ONT)** to local control before further decline in passenger traffic forces **ONT's** closure. Emphasizing the importance of the airport to the Inland Empire's economic status, he suggested the City Council adopt a Resolution in support of Ontario's efforts to improve the economic conditions at the airport and toward positioning it for long-term market share growth.
 - (c) He recognized the Montclair Fire Fighters Association for winning the **Hoops for Hope** basketball tournament in the Saturday, March 12, 2011, finals against Rancho Cucamonga Professional Firefighters Local 2274. He noted the tournament is held each year to raise awareness and funds and that this year's proceeds will benefit **San Antonio Community Hospital's** Cancer Education Center and the **City of Hope**.

- (d) In follow up to the City Manager's recent memorandum, he asked why the Overtime Commission has no bargaining unit representation.

City Manager Starr clarified that overtime is a management issue that is specifically for managers to control in their respective departments. He noted managers are attuned to overtime requirements under their purview, so it is their input staff is seeking and not a labor perspective, which would certainly encourage overtime enhancement. He advised that staff would like to control overtime to the extent that it can be controlled from a management perspective.

Noting he was unable to participate in a discussion on this item during the Midyear Budget Review because he was lobbying for redevelopment in Sacramento that day, Council Member Dutrey expressed his concern of the lack of labor appointees to the Overtime Commission, focusing specific concern with Fire Department representation. He emphasized that it is his goal that staff work with Fire Department management and the employee bargaining group to arrive at a compromise in an effort to provide sufficient public safety services to our residents. He asked if the Overtime Commission would serve that purpose.

City Manager Starr clarified that every department has representation on the Overtime Commission, so its purpose is not to single out the Fire Department but to address general overtime issues throughout the organization. He reminded Council Member Dutrey that during the February 1, 2011 Strategic Planning Session, Council Member Dutrey requested the growing issue of overtime be addressed. City Manager Starr advised that staff formed the Overtime Commission pursuant to Council Member Dutrey's request and in recognition of the fact that overtime is a concern during the present economic climate and is one of the few remaining areas that can be controlled. He noted staff has already made significant reductions to services and supplies and capital outlay and that personnel is the last area that could be reduced. He suggested that without affecting staffing levels, wages, and benefits, overtime is a final and relatively large remaining personnel cost component on which to exercise further control.

Council Member Dutrey noted he understands City Manager Starr's position to control overtime costs

because the City cannot at this time afford further growth in those costs, though he indicated it would be a good gesture to provide each of the bargaining units an opportunity to participate in the process.

3. Council Member/Director Ruh commented as follows:
 - (a) He advised that he must attend mandatory training from 8:00 a.m. to 1:00 p.m. this Wednesday in downtown Los Angeles related to his profession, so he will, unfortunately be unable to attend the State of the City Address.
 - (b) He noted the outcome of the potential loss of redevelopment agencies is well understood by those in government. He advised that if, as mentioned by Council Member Dutrey, elimination of redevelopment agencies occurs in January 2012, cities would have "plenty of time to come up with reform" as requested by Governor Brown. He reiterated that reform would be much more productive than suing the State of California and could include extending the life of redevelopment agencies for another 20 years in exchange for giving the state 5 percent of cities' tax revenue increment, shortening project area timelines, and spreading developer credit out over the life of the project. He noted his concurrence with comments made by **Senator Ed Hernandez** that about one third of redevelopment agencies are legitimate, one third are inactive, and one third have instances of abuse.
 - (c) He noted he concurs with Council Member Dutrey's comment that trade jobs would be lost without tax increment financing for capital improvement and affordable housing projects. He advised that having construction workers, low-income families, seniors, and others affected by the loss of redevelopment lobby the State Legislature would be much more effective than the lobbying efforts of city officials and government employees.
 - (d) He cautioned that before adopting a Resolution in support of transferring control of **LA/Ontario International Airport** back to the **City of Ontario**, consideration should be given to the agreement between the **City of Ontario** and **Los Angeles World Airports**. He explained the agreement was for the bonds issued to build the two new terminals to be repaid with higher landing fees. In addition, he advised that the economy

has particularly affected air travel in the Inland Empire because of the region's high unemployment. He stated that the City needs to make certain that what is well intended today does not end up as an unintended consequence.

E. Committee Meeting Minutes

1. Minutes of Personnel Committee Meeting of March 7, 2011

The City Council received and filed the Personnel Committee meeting minutes of March 7, 2011, for informational purposes.

XIII. ADJOURNMENT OF REDEVELOPMENT AGENCY AND MONTCLAIR HOUSING CORPORATION BOARDS OF DIRECTORS

At 7:32 p.m., Chairperson Raft adjourned the Redevelopment Agency and Montclair Housing Corporation Boards of Directors.

At 7:32 p.m., the City Council went into Closed Session regarding real property negotiations pursuant to Government Code Section 54956.8 and pending litigation pursuant to Government Code Section 54956.9(a).

XIV. CLOSED SESSION ANNOUNCEMENTS

At 8:05 p.m., the City Council returned from Closed Session. Mayor Pro Tem Raft announced that the City Council met in Closed Session regarding real property negotiations and pending litigation, information was provided and direction given to staff, and no further announcements would be made at this time.

XV. ADJOURNMENT OF CITY COUNCIL

At 8:06 p.m., Mayor Pro Tem Raft adjourned the City Council.

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

Yvonne L. Smith
Deputy City Clerk