

MINUTES OF THE SPECIAL JOINT MEETING OF THE
MONTCLAIR CITY COUNCIL AND REDEVELOPMENT
AGENCY AND MONTCLAIR HOUSING AUTHORITY
BOARDS HELD ON THURSDAY, JANUARY 12, 2012,
AT 6:00 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 6:00 p.m.

II. ROLL CALL

Present: Mayor/Chairman Eaton; Mayor Pro Tem/Vice Chairperson Raft;
Council Member/Director 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: Council Member/Director Paulitz (excused); Council Member/
Director Dutrey (excused)

Mayor Eaton noted Council Member Paulitz is recovering from surgery and
Council Member Dutrey is working.

III. PUBLIC COMMENT - None

IV. RESOLUTIONS

A. **City Council's Adoption of Resolution No. 12-2934 Electing
for the City to Serve as the Successor Agency to the City of
Montclair Redevelopment Agency and Making Certain Findings
in Connection Therewith**

City Manager Starr advised that this item relates to dissolution of
the Montclair Redevelopment Agency because it has been deter-
mined that California redevelopment agencies will end operations
effective February 1, 2012. He stated that Senate Bill 659 is
designed to extend the dissolution date to April 15, 2012, though
he was advised by **Assembly Member Torres** during a conference
telephone call earlier today that the Governor has indicated he has
no intention of continuing redevelopment agencies or cooperating
with the State Legislature in pursuing an extension to the dissolu-
tion date. He noted the Legislature will continue the practice of

considering SB 659, which will have a floor vote in the Senate tomorrow; if the urgency measure receives the necessary two-thirds majority vote, it will proceed to the Assembly.

City Manager Starr noted he asked **Assembly Member Torres** if the Assembly would override the Governor's veto of the urgency measure, and she indicated that the Assembly would not.

Moved by Council Member Ruh and seconded by Mayor Pro Tem Raft that Resolution No. 12-2934, entitled, "**A Resolution of the City Council of the City of Montclair Electing for the City to Serve as the Successor Agency to the City of Montclair Redevelopment Agency and Making Certain Findings in Connection Therewith,**" 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. 12-2934 was adopted by the following vote:

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

B. Montclair Housing Authority Board of Directors' Adoption of Resolution No. 12-01 Electing for the Montclair Housing Authority to Serve as the Successor Housing Agency to the City of Montclair Redevelopment Agency and Making Certain Findings in Connection Therewith

Moved by Vice Chairperson Raft and seconded by Director Ruh that Resolution No. 12-01, entitled, "**A Resolution of the City of Montclair Housing Authority Electing for the Montclair Housing Authority to Serve as the Successor Agency to the City of Montclair Redevelopment Agency and Making Certain Findings in Connection Therewith,**" be read by number and title only, further reading be waived, and it be declared adopted.

The Housing Authority Board waived the reading of the Resolution.

Resolution No. 12-01 was adopted by the following vote:

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

Mayor/Chairman Eaton stated, "I am very sad that this is happening to us, to our City, to our people that are involved in this. We are a City and a Redevelopment Agency that has always done it the right way, and it is such a shame to see this

happening. Redevelopment has done such good for our community, and there are other cities that have done well. Last night, I spoke with someone in a restaurant who said, 'Look at the cities that have built magnificent entities that they did not need with redevelopment funds.' He was right—they should never have done that. I will just say it: I am very angry with the Governor."

Mayor Pro Tem/Vice Chairperson Raft stated that she is very sorry the City will lose its Redevelopment Agency because it means there are so many projects and programs that will lose their funding base through tax increment financing. She stated, "It is going to make a big difference. I am very sad myself."

Council Member/Director Ruh stated that he is also sad that the state took this drastic action because so many will be impacted by the rash decision. He stated, "We have done a lot of good work over the years; a lot of housing has been provided for families who desperately needed a place to live. Has there been abuse at the state level? You have heard me say before: Yes, there has. There have been cities that have greatly abused the process. It does not mean that we throw the redevelopment agencies away. You correct the problems. An analogy could be drawn with the Tax Code: We know there are people who abuse the Tax Code. They do it all the time. But we go after those individuals and we make sure they are fined and penalized and the Tax Code is changed so the abuse no longer happens. We do not throw out the Tax Code. That is essentially what is being done in this instance: The state is throwing something away that has been a very good tool that has worked to the benefit of people in this community—not just the people who live here, but the people for whom jobs have been provided by redevelopment agencies. Whether it is the construction end, whether it is the administration end of something, it has all helped people. It is sad that it has come to this. It has always been my hope that we might be able to find a way down the line to create a successor to redevelopment agencies; it now appears that may not even be a possibility. It is all very sad, but we actually have no choice in the matter."

Mayor/Chairman Eaton stated, "The door just keep closing. We look for the light at the end of the tunnel, and they keep turning it out."

Mayor Pro Tem/Vice Chairperson Raft stated, "Those cities that used the redevelopment process for such good work must now pay the price."

V. ADJOURNMENT OF CITY COUNCIL AND REDEVELOPMENT AGENCY AND MONTCLAIR HOUSING AUTHORITY BOARDS OF DIRECTORS

At 6:08 p.m., Mayor/Chairman Eaton adjourned the City Council and Redevelopment Agency and Montclair Housing Authority Boards of Directors.

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

Yvonne L. Smith, Deputy City Clerk