

CITY OF MONTCLAIR

**Montclair Civic Center
5111 Benito Street
Montclair, CA 91763**

January 10, 2013

TO: Honorable Mayor and City Council

FROM: Edward C. Starr, City Manager

SUBJECT: CITY MANAGER'S WEEKLY REPORT: December 21, 2012—
January 10, 2013

➤ ***CITY MANAGER/ADMINISTRATIVE SERVICES DEPARTMENTS***

- Last week, U.S. Congresswoman Gloria Negrete McLeod resigned from her 32nd California Senate District seat before swearing in to the 113th Congress. On November 6, 2012, then State Senator McLeod defeated Congressman Joe Baca in a runoff election for the newly aligned 35th Congressional District. The Montclair City Council extends its congratulations to Congresswoman McLeod and looks forward to cooperatively working with her on future federal legislative issues.

Governor Jerry Brown now has until January 15, 2013, to call an April 2 special election for Congresswoman McLeod's former 32nd State Senate District seat—any runoff would be scheduled for June 4, 2013. A runoff would be required if any candidate fails to receive 50 percent of the vote in the primary election.

The race for Senate District 32 is shaping up to be a battle between newly re-elected Assembly Member Norma Torres and San Bernardino County Auditor-Controller-Treasurer-Tax Collector Larry Walker. Walker, a resident of Chino, currently lives in Senate District 20; thus, he is not presently qualified to vote for the Senate District seat he intends to run for. According to the California Secretary of State, to run for State Senate and State Assembly, a candidate must be qualified to vote for the office at the time nomination papers are issued. For example, a person running for the 32nd State Senate District must be eligible to vote for State Senate seat at the time he or she obtains nomination papers from the county elections office.

- Last month, I reported the California Supreme Court, in *City of Alhambra et al. v. County of Los Angeles*, ruled for cities challenging the method of calculation used by most counties for property tax administration fees (PTAFs). By statute, counties are responsible for the administration of local property taxes including the assessment, collection, and distribution of tax revenues. Counties are also authorized to impose a property tax administration fee on each public agency within their respective borders.

The PTAF is based on an apportionment of the amount of property tax revenue allocated to each entity—i.e., the administrative cost apportionment factor—which includes the actual cost of administration, plus surcharge components. The Legislature determined, however, that property tax revenues allocated from cities and other public agencies to county Educational Revenue Augmentation Funds (ERAFs) are exempt from the PTAF. The Legislature reasoned since cities and counties are not recipients of property tax dollars re-directed to ERAFs, it is inappropriate to assess the PTAF against these revenues. ERAFs were first established in 1991 to shift a portion of the state’s constitutional obligation to fund education, pursuant to Proposition 98, on to local governments.

Under the Court’s ruling, Montclair and other cities throughout the state stand to receive a refund of excessive property tax administration fees. However, last week the County of Los Angeles asked the California Supreme Court to revisit its decision in *City of Alhambra v. County of Los Angeles*.

The Court has until February 2013 to decide whether to grant Los Angeles County’s request. It is rare for the Court to grant a request for rehearing. However, should the Court choose to reconsider the case, the existing decision would be vacated and any new decision would supersede.

It should be noted the Court failed to settle the period of retroactivity related to refunding excessive PTAFs to cities. Cities argue they should be reimbursed back to Fiscal Year 2006-07, when counties first started collecting excessive PTAFs; counties argue they should only be required to go back one year; and statute of limitation laws provide that counties may be required to go back three years.

The Court was also silent on how much interest should be paid to cities related to the excessive property tax administration fees. Cities argue for a 7 percent interest rate; however, counties argue for a smaller interest rate—perhaps as low as 1 percent.

Some counties are also taking the position that unless a city entered into a tolling agreement, they are not eligible for a refund. Tolling agreements have the effect of tolling or suspending time restrictions imposed by statute of limitations legislation.

San Bernardino County officials are currently evaluating a course of action and determining amounts owed to the County's various cities. The County Treasury apparently has sufficient funds set aside to reimburse cities for the principle, but not interest on excessive PTAFs. County leaders may also promote settlement agreements with cities to resolve the PTAF issue. County officials may presume they have some leverage to reach settlement with cities if appeals by the County of Los Angeles drag the matter through courts for the next several years. Understandably, many cities are anxious to identify new operating funds.

Montclair officials have already filed a request with the County for a full refund of excess property tax administration fees, plus interest, retroactive 7 years.

The City Council will be kept advised of any decision by the California Supreme Court to rehear the *Alhambra* decision, and any resolution reached between Montclair and San Bernardino County.

➤ **COMMUNITY DEVELOPMENT DEPARTMENT**

- The 2013 Montclair Basketball League started league games last Saturday at the Montclair Community Center gymnasium. Approximately 175 children between the ages of 6 and 14 are registered for the 7-week program. Games will be played all day on Saturdays with practices during the week.

Come check out Montclair's youth in action!

➤ **POLICE DEPARTMENT**

- Yesterday afternoon, Chief Keith Jones and Captain Mike deMoet attended the swearing-in ceremony of John McMahon as the San Bernardino County sheriff-coroner. The ceremony was held at the San Bernardino County Government Center. The Board of Supervisors appointed assistant sheriff McMahon on December 18 to replace Sheriff Rod Hoops, who retired on December 31.

➤ **FIRE DEPARTMENT**

- On Christmas Eve, Montclair Fire units, Chino Valley Fire Medic Engine 65, and LA County Fire Engine 183 were dispatched to a reported commercial structure fire at 4100 Mission Boulevard. "Mission Command" was established and an additional engine company (Ontario Fire Medic Engine 132) was dispatched and assigned as "Rapid Intervention Crew" for fire fighter safety.

The fire, located in the loft area of the building, burned the majority of the roof before it was brought under control.

LA County Fire Department responded with a truck company and an additional engine company to help extinguish the fire with the application of water from the aerial ladder.

The cause of the fire is under investigation. Photos, courtesy of former Montclair Reserve Firefighter and retired Fire Dispatcher, Don Beckwith, are featured on Pages 6-7.

- Last month, the Fire Department bid farewell to Firefighter/Engineer Mike (John) Van Fossen and Captain Pat Hein.

Firefighter/Engineer Van Fossen retired on December 24 with more than 25 years of service, and Captain Pat Hein retired on December 28 with more than 30 years of service.

The City extends its appreciation to these fine gentlemen for their years of service and dedication!

Photos of Pat and Mike are featured on Page 8.

➤ **PUBLIC WORKS/SUCCESSOR REDEVELOPMENT AGENCY**

- Three sewer manhole covers were stolen this week from 10680 Silicon Avenue (a vacant property). City Yard staff secured the exposed areas with plywood and notified the Police Department.

Homeless people living in the vicinity may have been responsible for the crime. The manhole covers bear the City's name, so it is presumed the covers will be taken to a recycling facility located outside of the City.

ECS:spa

"One resolution I have made, and try always to keep, is this: To rise above the little things."

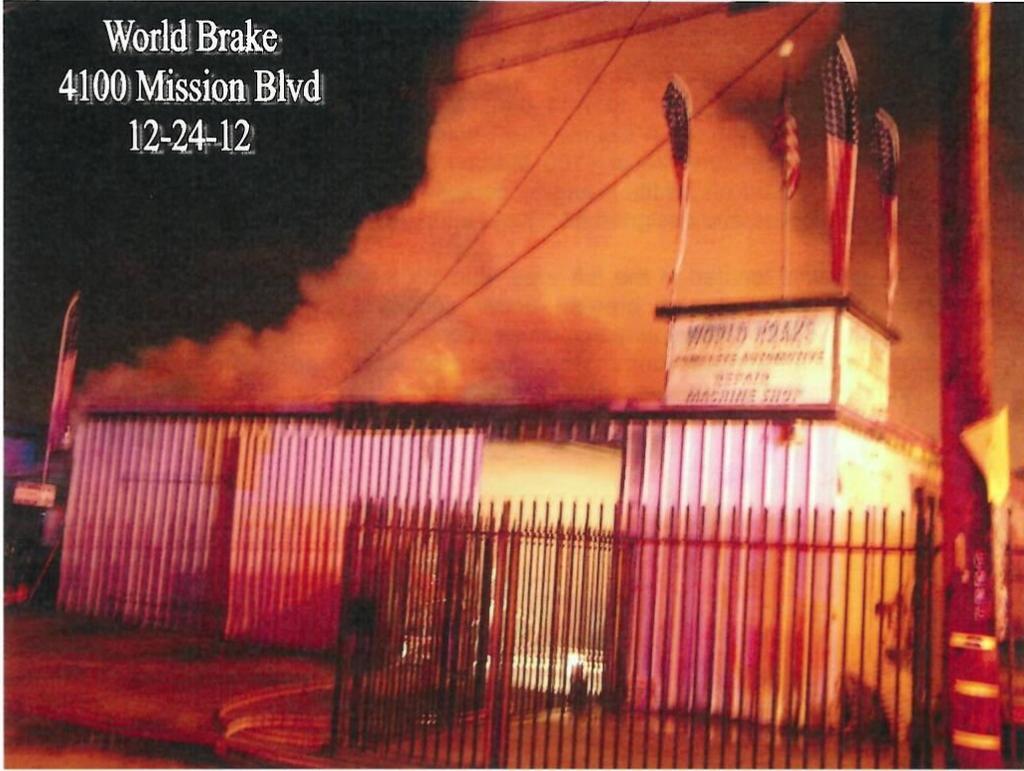
~ John Burroughs

JANUARY 2013



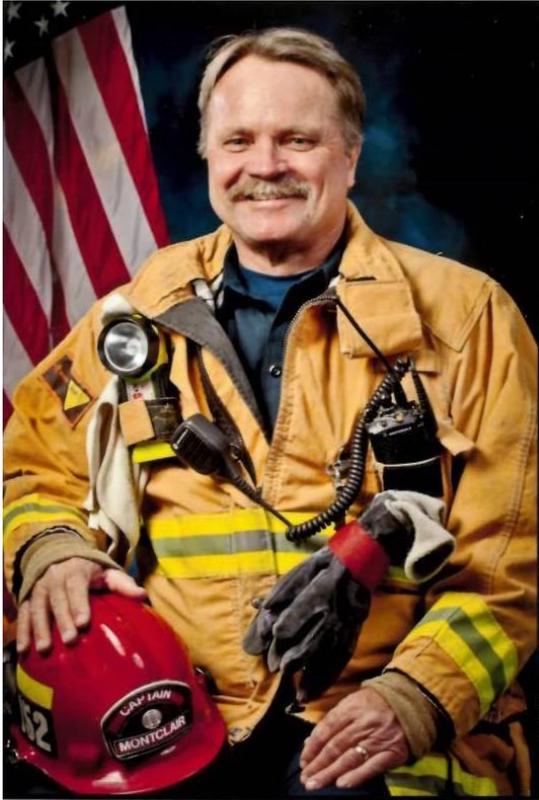
14	Planning Commission Meeting Council Chambers	7:00 p.m.
15	City Manager's Staff Meeting City Hall Conference Room	9:00 a.m.
16	Community Action Committee Meeting Council Chambers	7:00 p.m.
17	Safety Committee Meeting City Hall Conference Room	9:00 a.m.
17	Public Works Committee Meeting City Hall Conference Room	2:00 p.m.
21	Martin Luther King, Jr. Day – City Hall Closed	
22	Code Enforcement Committee Meeting	
22	City Council Meeting Council Chambers	7:00 p.m.
24	League of California Cities General Membership Inland Empire Division Dinner Meeting The Event Center at San Manuel Village, 27923 Highland Avenue, Highland	6:00 p.m. - 9:00 p.m.
28	Planning Commission Meeting Council Chambers	7:00 p.m.
29	City Manager's Staff Meeting City Hall Conference Room	9:00 a.m.

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4100 Mission Blvd
12-24-12

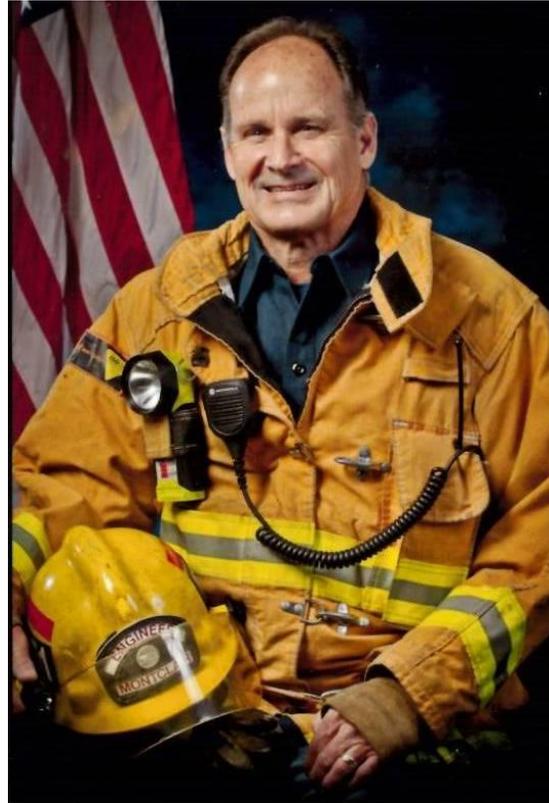




HAPPY RETIREMENT



Pat Hein - Fire Captain



Mike VanFossen - Fire Engineer