



CITY OF MONTCLAIR

Montclair Civic Center
5111 Benito Street
Montclair, CA 91763

January 31, 2013

TO: Honorable Mayor and City Council

FROM: Edward C. Starr, City Manager

SUBJECT: CITY MANAGER'S WEEKLY REPORT: January 25-31, 2013

➤ **CITY MANAGER/ADMINISTRATIVE SERVICES DEPARTMENTS**

- Last Thursday, Mayor Paul Eaton, Council Members John Dutrey and Leonard Paulitz, Office Specialist Mikey Fuentes, and I attended the League of California Cities, Inland Empire Division, quarterly meeting. The topic for the January session was "All Politics is Local—Except in California." The League of California Cities represents municipalities on key legislative developments affecting local governments in the upcoming year. The quarterly meeting also focused on results of the statewide November 2012 election and the new legislative agenda.

Guest panelists included Senator Bill Emmerson (R–23rd District) and Assembly Member Norma Torres (D–52nd District). A lively discussion between both guest speakers was moderated by Jim Brulte, former California State Senator and presumptive leader of the California Republican Party.

During the panel debate, Mr. Brulte discussed his perspective of political and economic realities affecting California, with focus on the Great Recession's economic impacts and Governor Brown's decision to abolish community redevelopment agencies under ABX1 26.

ABX126 Redevelopment Dissolution Discussion

In her comments, Assembly Member Torres lamented the loss of redevelopment as an economic engine; but argued its elimination was

necessary to help balance the budget, reduce the state's debt, and create a path for continued economic prosperity.

At the time ABX126 was made law, the state Treasury had a chronic \$20 billion budget deficit requiring resolution. Elimination of redevelopment agencies, tax increases, and spending cuts were seen as the preferred solution to deal with California's continuing budget problems.

Redevelopment agencies across the state received over \$5 billion annually in property tax increment revenues—capturing these dollars for the state Treasury and other taxing agencies was seen as panacea to many statewide economic concerns. Prior to passage of ABX1 26, Assembly Member Torres indicated the Legislature wished only to reform Redevelopment Agencies; however, legislators became convinced redistribution of tax increment revenue would be a positive step for California. The cumulative effect of legislative action: Revenue to the state Treasury increased \$4 billion above earlier projections for the current year.

Assembly Member Torres was hopeful the Legislature and Governor would come together to create legislation allowing local governments to address issues of blight in their communities—in her opinion, the singular purpose of community redevelopment agencies. Nonetheless, she acknowledged Governor Brown is unwilling to take up any legislation dealing with blight or the potential for some future form of redevelopment until current redevelopment agencies have completed winding down and all outstanding bonds, contracts, loans, and assets held by redevelopment agencies are fully resolved. Given these conditions, the likelihood of any future legislation is unforeseeable.

Senator Emmerson also lamented the loss of redevelopment, considering it one of the few tools available to local governments for dealing with issues of job creation and blight; noting that while the dissolution of Redevelopment Agencies was promoted as a means to provide more funding for education and as a means to help solve the budget deficit, reality has been somewhat different. The state Treasury, education, and other taxing agencies are receiving significantly less money than projected—e.g., the state Treasury will only receive approximately \$300 million of the \$1.7 billion originally projected. Further complicating matters, the state is involved in numerous legal actions against cities refusing to fully comply with ABX1 26 and directives of the Department of Finance.

Senator Emmerson noted spending has reached the highest level recorded in state history. The total budget for Fiscal Year 2012–13 is \$226 billion, an increase of \$31 million over the Fiscal Year 2011–12 Budget. The Senator reiterated his long-held position that the best approach to bringing down debt is for the Legislature to stop using short-term fixes to deal with long-term issues. In his opinion, California must reduce spending until the state develops a long-term deficit reduction plan.

A contentious issue regarding dissolution of redevelopment agencies is the fate of low- and moderate-income housing funds. Prior to ABX126, state law required all community redevelopment agencies set aside 20 percent of tax increment into low- and moderate-income housing funds to provide low, moderate, and senior housing in their respective communities. Cities were mandated to plan for and develop housing programs that took into consideration percentages of low-income residents.

Paradoxically, cities are still required to provide for low- and moderate-income housing, regardless of implementation of ABX1 26 and elimination of community redevelopment agencies.

Senator Emmerson reiterated his opposition to ABX1 26 because it would destroy job creation and impact the ability of cities to address blight and provide for low- and moderate-income housing. Emmerson also indicated he plans to introduce legislation freeing cities of the requirement to provide for low- and moderate-income housing until a reliable funding source can be provided for, or until cities are permitted to maintain low- and moderate-income housing funds.

➤ **COMMUNITY DEVELOPMENT DEPARTMENT**

- Yesterday, the Montclair Senior Center's monthly birthday party, themed "Fun in the Snow," was held at the Community Center for more than 220 seniors. They enjoyed snow cones and hot chocolate and were entertained by the City's Zumba class participants.

A photo collage is included on Page 6.

➤ **POLICE DEPARTMENT**

- Officer Austin Dimmitt was welcomed this week to the Montclair Police Department. He was sworn in to duty on Monday by Chief Keith Jones in a ceremony attended by his family members and peers.

Austin graduated from the San Bernardino County Sheriff's Department Basic Academy in December 2012. He earned an Associate of Science degree in Administration of Justice and an Associate of Arts degree in Social and Behavioral Studies from Riverside Community College.

Welcome, Austin, to the City of Montclair! Austin is pictured with command on Page 7.

➤ **FIRE DEPARTMENT**

- On Saturday, January 26, Firefighters from Station No. 1 participated in "Montclair Kids Day" at Wells Fargo Bank. Medic Squad 151 and Medic Engine 151 were on display and crews answered questions from the public.

More than 100 children received fire hats, coloring books, and paper badges.

Also on Saturday, 100 students from Moreno Elementary School received a tour of Station No. 1.

➤ **PUBLIC WORKS/SUCCESSOR REDEVELOPMENT AGENCY/MONTCLAIR HOUSING CORPORATION**

- Plans and specifications for the forthcoming electrical upgrade to the 5444 Palo Verde Street property have been completed by A & F Engineering Group, Inc., an electrical engineering firm. The electrical upgrade to the existing residence and accompanying design studio is one of the major components to the property's rehabilitation. A comprehensive landscape planting design incorporating much of the original planting model, with updated and low maintenance design elements, has also been completed.

Montclair Housing Corporation staff is developing the final bid specifications for restoring the property to its former splendor. The unique adobe-constructed residence was once owned by renowned sculptor John Svenson, who, with his family, began construction of the home and design studio in the late 1940's.

ECS:spa

"As a player, it says everything about you if you made the Hall of Fame. But, then again, boy...there's something about winning a Super Bowl."

~ Terry Bradshaw

FEBRUARY 2013



04	City Council Meeting Council Chambers	7:00 p.m.
06	Community Action Committee Meeting Council Chambers	7:00 p.m.
11	Planning Commission Meeting Council Chambers	7:00 p.m.
12	City Manager's Staff Meeting City Hall Conference Room	9:00 a.m.
12	Midyear Budget Review Council Chambers	6:00 p.m.
13	Oversight Board Meeting Council Chambers	6:00 p.m.
18	Presidents' Day – City Hall Closed	
19	Code Enforcement Committee Meeting City Hall Conference Room	6:00 p.m.
19	City Council Meeting Council Chambers	7:00 p.m.
21	Safety Committee Meeting City Hall Conference Room	9:00 a.m.
21	Public Works Committee Meeting City Hall Conference Room	2:00 p.m.
25	Planning Commission Meeting Council Chambers	7:00 p.m.
26	City Manager's Staff Meeting City Hall Conference Room	9:00 a.m.



Montclair Senior Nutrition Birthday Party



January 30, 2013



NEW POLICE OFFICER WELCOMED



Pictured, from left, are: Chief Keith Jones, Officer Austin Dimmitt, Captain Mike de Moet, and Lieutenant Jason Reed.