

**MINUTES OF THE JOINT SPECIAL MEETING OF THE MADERA CITY COUNCIL AND  
REGULAR MEETING OF THE MADERA REDEVELOPMENT AGENCY  
CITY OF MADERA, CALIFORNIA**

June 8, 2011  
6:00 p.m.

City Hall  
Council Chambers

**1. CALL TO ORDER – CLOSED SESSION**

Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress called to order the Closed Session for the Special Meeting of the Madera City Council, Closed Session for the Regular Meeting of the Housing Authority of the City of Madera and the Joint Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency at 6:00 p.m.

**ROLL CALL**      Present:                      Mayor/Chairperson Robert Poythress  
   Mayor Pro-Tem/Vice Chairperson Brett Frazier  
   Council/Agency Member Sally Bomprezzi  
   Council/Agency Member Gary Svanda  
   Vacant

**PUBLIC COMMENT – CLOSED SESSION**

The first fifteen minutes of this portion of the meeting are reserved for members of the public to address the Agency or Council on Closed Session items listed on the Agenda. Speakers seeking to comment on other items are requested to make those comments during the Public Comment portion of the meeting at 6:30 p.m. Speakers shall be limited to three minutes. Speakers will be asked to identify themselves and state the subject of their comment. The Agency and Council are prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Agency or Council does not respond to public comment at this time.

*Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress opened the Public Comment portion of the meeting inviting members of the public to address the Agency/City Council.*

No comments were heard.

**2. CLOSED SESSION      Closed Session items not concluded prior to the Regular Session may be continued at the end of the Regular Session.**

**2A.      Closed Session Announcement – General Counsel**

Interim City Attorney Brent Richardson announced that the Agency Board would adjourn to Closed Session pursuant to Government Code Section 54957 to discuss public employee performance evaluation for the position of Executive Director as described under item 2B.

**2B.**      The City Council will hold a Closed Session pursuant to Government Code Section 54957: PUBLIC EMPLOYEE PERFORMANCE EVALUATION.  
                 Position:    Executive Director

**2C.      Reconvene Closed Session**  
                 Closed Session Report – General Counsel

*The Council returned from Closed Session at 6:22 p.m. with all members present.*

Interim City Council announced that the Agency Board met in Closed Session pursuant to Government Code Section 54957, to discuss one item Public Employee Evaluation for the position of Executive Director and no reportable action was taken.

*The closed session portion of the meeting was adjourned at 6:24 p.m.*

**WORKSHOP** – There are not items for this section

**RECESS**

**3. CALL TO ORDER – REGULAR SESSION**

Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress called the meetings of the Housing Authority of the City of Madera and the Joint Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency to order at 6:30 p.m.

**ROLL CALL** Present: Mayor/Chairperson Robert Poythress  
Mayor Pro-Tem/Vice Chairperson Brett Frazier  
Council/Agency Member Sally Bomprezzi  
Council/Agency Member Gary Svanda  
Vacant

Agency staff members present: Executive Director Jim Taubert, Interim General Counsel/Interim City Attorney Brent Richardson, Agency Treasurer/Finance Director David Croff, Redevelopment Manager Bob Wilson, Agency Secretary Sandi Brown, and Office Assistant Elizabeth Ybarra.

City of Madera staff members present: City Administrator David Tooley, Matt Bullis, Public Works Operations Director, Police Chief Michael Kime, and Deputy City Clerk Gabriel Rodriguez.

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mayor/Chairperson Robert Poythress.

**PUBLIC COMMENT – REGULAR SESSION**

The first fifteen minutes of the meeting are reserved for members of the public to address the Agency or Council on items which are within the subject matter jurisdiction of the Agency or Council. Speakers shall be limited to three minutes. Speakers will be asked to identify themselves and state the subject of their comment. If the subject is an item on the Agenda, the Chairperson/Mayor has the option of asking the speaker to hold the comment until that item is called. Comments on items listed as a Public Hearing on the Agenda should be held until the hearing is opened. The Agency and Council are prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Agency or Council does not respond to public comment at this time.

*Mayor/Chairperson Poythress opened the Public Comment portion of the meeting inviting members of the public to address the City Council/Agency Board/Housing Commissioners on non-agenda items.*

Mr. Vernon Price, residing at 105 West Yosemite Avenue, stating that he was speaking on behalf of New Beginnings of Madera addressed the commissioners and Executive Director of the Housing Authority related to the Housing Authority Housing Voucher Program requesting that homeless persons in Madera be considered for the program.

*Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress recessed the Joint Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency and the Regular Meeting of the Housing of Authority of the City of Madera at 6:34 p.m. and called for the items as listed on the Special Meeting Agenda of the Madera City Council.*

*Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress adjourned the Special Meeting of the Madera City Council at 6:46 p.m.*

*Mayor/Agency Chairperson/Housing Authority Chairperson called for the items listed on the agenda for the Housing Authority of the City of Madera at 6:48 p.m.*

Mayor/Agency Chairperson/Housing Authority Chairperson adjourned the Regular Meeting of the Housing Authority of the City of Madera at 7:07 p.m. and reconvened the Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency at 7:10 p.m.

Agency Secretary Sandi Brown announced that per Government Code section 54957, members of the public are advised that a correction and addition have been made to the resolutions related to Item 7-B as listed under the housing section of the agenda. Copies were distributed less than 72 hours prior to the meeting and extra copies of the resolutions are available at the podium for members of the public.

Mayor/Agency Chairperson called for the items as listed on the Consent Calendar.

#### 4. CONSENT CALENDAR

- 4A. Minutes of the Joint Meeting of the Special Meeting of the Madera City Council and Special Meeting of the Madera Redevelopment Agency – May 11, 2011 **(City/Agency)**
- 4B. Listing of Warrants Issued from May 7, 2011 to June 3, 2011 **(Agency)**
- 4C. Monthly Financial Reports – Redevelopment Agency **(Agency)**
- 4D. Monthly Financial Reports – Code Enforcement **(City)**
- 4E. Code Enforcement Activity Report **(City)**
- 4F. Acceptance of the Madera County Grand Jury Report **(Agency)**
- 4G. Consideration of a Resolution Approving an Agreement with the California Conservation Corps (CCC) for Blight Removal for 2011/2012 Fiscal Year **(Agency)**
- 4H. Consideration of a Resolution Approving an Agreement with Madera District Fair for Use of the Fairgrounds Parking Area for the Staging of Upcoming Waste Tire Amnesty Day Events in the 2011/2012 Fiscal Year **(City)**
- 4I. Consideration of a Resolution Approving the Second Amendment to the Agreement with Krazan and Associates for Environmental Services for Soil and Groundwater Remediation at 1350 East Yosemite Avenue **(Agency)**
- 4J. Consideration of Resolutions Conveying Real Property Located at 228 South G Street (APN 010-134-011) from the City of Madera, a Municipal Corporation of the State of California, to the Madera Redevelopment Agency, a Public Body Corporate and Politic **(City/Agency)**
- 4K. Consideration of a Resolution Finding that Planning and Administrative Costs to the Housing Fund in FY 2011/2012 will be Necessary to Increase, Improve and Preserve the Supply of Low and Moderate Income Housing **(Agency)**
- 4L. Update on State Budget **(Agency)**

Mayor/Chairperson Poythress asked members of the Council/Agency Board if there were items on the Consent Calendar they wished to have pulled for further discussion. No requests were made to pull items for further discussion.

Mayor/Chairperson Poythress called for a motion to approve the items presented on the Consent Calendar.

On motion by Council/Agency Member Frazier, seconded by Council/Agency Member Svanda, the Consent Calendar was approved by a unanimous vote of 4/0 resulting in the approval of the minutes of the Joint Meeting of the Special Meeting of the Madera City Council and Regular Meeting of the Madera

**Redevelopment Agency for May 11, 2011 and the adoption of Resolution MRA-1472, CC 11-109, MRA-1473, CC 11-110, MRA-1474 and MRA-1475.**

- MRA-1472** RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY, MADERA, CALIFORNIA, APPROVING AGREEMENT WITH THE CALIFORNIA CONSERVATION CORPS TO PROVIDE TWO PART-TIME EMPLOYEES FOR A TOTAL OF 3,400 HOURS PER YEAR FOR THE 2011/2012 FISCAL YEAR, AND AUTHORIZING THE CHAIRPERSON TO EXECUTE THE AGREEMENT ON BEHALF OF THE MADERA REDEVELOPMENT AGENCY (4G)
- CC 11-109** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA APPROVING THE AGREEMENT WITH MADERA DISTRICT FAIR FOR THE USE OF A PORTION OF THE PARKING LOT FOR THE STAGING OF UPCOMING WASTE TIRE AMNESTY DAY EVENTS IN FISCAL YEAR 2011/2012 (4H)
- MRA-1473** RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY, MADERA CALIFORNIA, APPROVING A SECOND AMENDMENT TO AGREEMENT WITH KRAZAN AND ASSOCIATES INC., FOR ENVIRONMENTAL SERVICES FOR SOIL AND GROUNDWATER REMEDIATION IN THE CITY OF MADERA AD AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE CONTINGENCIES OF UP TO TEN (10%) PERCENT AND AUTHORIZING THE CHAIRPERSON TO EXECUTE THE SECOND AMENDED AGREEMENT ON BEHALF OF THE MADERA REDEVELOPMENT AGENCY (4I)
- CC 11-110** A RESOLUTION OF THE COUNCIL OF THE CITY OF MADERA, CALIFORNIA CONVEYING REAL PROPERTY KNOWN AS 228 SOUTH 'G' STREET (APN 010-134-011) TO THE MADERA REDEVELOPMENT AGENCY FOR THE COURTHOUSE RELOCATION PROJECT (4J)
- MRA-1474** A RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY OF THE CITY OF MADERA ACCEPTING GRANT DEED FOR REAL PROPERTY KNOWN AS 228 SOUTH 'G' STREET (APN 010-134-011) FROM THE CITY OF MADERA FOR THE COURTHOUSE RELOCATION PROJECT (4J.2)
- MRA-1475** A RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY FINDING THAT PLANNING AND ADMINISTRATIVE COSTS TO THE HOUSING FUNDS IN FY 2011/2012 WILL BE NECESSARY TO INCREASE, IMPROVE, AND PRESERVE THE SUPPLY OF LOW AND MODERATE INCOME HOUSING (4K)

**5. PROJECTS AND REPORTS**

**5A. Consideration of a Resolution Adopting the 2010/2011 Annual Report and 2011/2012 Agency Budget (Agency)**

Mr. Taubert presented the staff report by noting the Preliminary 2010/2011 Annual Report and 2011/2012 Agency Budget was presented at the May 2011 meeting. He pointed that the fund balance is better positioned than what was projected last year. However, we are still extremely sensitive to declining property values, and have yet to receive current numbers from the assessor's office. He stated that he did not anticipate a decrease but maybe a slight increase; if that is the case, we will have to bring it back to the Agency Board for amendment at a later date.

He said that our spending decisions still need to be focused. We own a significant amount of property and the priority is to get those properties into private hands and get construction projects going.

Mr. Taubert said the budget assumes that we will not be eliminated and will be functioning as a Redevelopment Agency not as a successor agency.

Mr. Taubert also thanked Agency Secretary, Sandi Brown for her hard work on the annual report and budget.

Chairperson Poythress asked if there were any questions of the Agency Board.

Agency Member Frazier asked if the budget assumed any of the reforms that have been discussed.

Mr. Taubert responded by stating that some elements to the annual report have been added that included some of the reform elements. These were added not because we were required to but because they were good ideas and information the public should know. We did some calculations as to how much housing administration money is being spent, we did go back and reported for the past five years and have never exceeded 15% for administration cost in our housing programs.

*On motion by Agency Member Bompreszi, seconded by Agency Member Frazier, the adoption of Resolution **MRA-1476** was unanimously approved.*

**MRA-1476** A RESOLUTION OF THE GOVERNING BODY OF THE MADERA REDEVELOPMENT AGENCY AMENDING THE FISCAL YEAR 2010/2011 AGENCY BUDGET AND ADOPTING THE FISCAL YEAR 2011/2012 AGENCY BUDGET (5A)

## 6. AGREEMENTS

**6A. Joint Public Hearing and Consideration of Resolutions Approving 33433 Report and Property Acquisition Agreement for Property Located at 220/224 South G Street (APN: 010-134-008 & 010) and 228 South G Street (APN: 010-134-011) to the State of California, acting by and through the Judicial Council of California, Administrative Office of the Courts (AOC) (City/Agency)**

Mr. Taubert presented the staff report by stating that this was a joint public hearing of the City Council and the Agency Board regarding the sale of property to the State of California. At the November 10, 2010 meeting, five (5) of the required seven (7) parcels were sold to the State of California for the new court house and related parking facilities. Tonight's action is to transfer the last two properties, (Bravo and Rangel) which are referred to by the State as the parking parcels.

The cost of this acquisition is considered to be a portion of the Agency's contribution toward the design and construction of the parking facility. There have been discussions since January regarding the deletion of the reversionary language that is included in the parking agreement and in the deed. Following many discussions, I wanted to reverse the reversionary language stating that if you don't do the project we want our money back. After that they liked the reversionary language as opposed to changing the language.

Mr. Taubert noted that in talking with Kim Davis, Administrative Office of the Courts, there should be no concern on our part because the design is so far along that right now they could not possibly pull out the parking facility without generating a lot of design cost. Subject to the information provided at the Public Hearing, the Agency is suggesting that the City Council/Agency Board adopt the resolutions transferring these properties to the State of California.

Mayor/Chairperson asked if there were any questions of the Council/Board for Mr. Taubert.

Council/Agency Member Bompreszi asked what the timeline was to start the project.

Mr. Taubert responded by stating that at one point the start date was the beginning of 2012 but due to the Governor's decision not to issue bonds in the spring of this year courthouse construction projects were impacted. The plan is still to begin in 2012, we just don't know if it will be early or middle 2012.

Council/Agency Member Svanda followed Mr. Taubert's comment by stating that our commitment to the State of California through the Administrative Office of the Courts was to acquire and make the lots build-ready by the end of 2011. Mr. Taubert has exceeded that deadline by about eight (8) months.

Mayor/Chairperson Poythress opened up the Public Hearing at 7:19 p.m. No comments were heard.

Public Hearing was closed at 7:20 p.m.

On motion by City Council Member Frazier, seconded by City Council Member Bompreszi, the adoption of Resolution **CC 11-111** was unanimously approved.

**CC 11-111** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA APPROVING SALE OF PROPERTIES KNOWN AS 220, 224 AND 228 SOUTH 'G' STREET, ACQUIRED BY TAX INCREMENT BY THE MADERA REDEVELOPMENT AGENCY AND MAKING FINDINGS RELATED THERETO (6A)

On motion by Agency Member Bompreszi, seconded by Agency Member Svanda, the adoption of Resolution **MRA-1477 and MRA-1478** was unanimously approved.

**MRA-1477** RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY APPROVING A PURCHASE AND SALE AGREEMENT FOR THE CONSTRUCTION OF THE NEW COURTHOUSE PROJECT LOCATED IN THE CITY OF MADERA AND AUTHORIZING THE CHAIRPERSON TO EXECUTE THE DOCUMENTS ON BEHALF OF THE AGENCY (6A)

**MRA-1478** RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY, MADERA, CALIFORNIA, APPROVING A REAL PROPERTY ACQUISITION AGREEMENT WITH THE JUDICIAL COUNCIL OF CALIFORNIA, ADMINISTRATIVE OFFICE OF THE COURT, FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 220, 224, AND 228 SOUTH 'G' STREET IN THE CITY OF MADERA AND AUTHORIZING THE CHAIRPERSON TO EXECUTE THE AGREEMENT ON BEHALF OF THE AGENCY (6A)

## 7. HOUSING

**7A. Consideration of a Resolution Terminating the Amendment to the Irrevocable Offer and Agreement for Purchase and Sale of Real Property and Escrow Instructions between the Madera Redevelopment Agency and the Secundo Gerbi Revocable Trust (Agency)**

Mr. Taubert presented the staff report by stating that in actuality this agreement has already terminated in December 2010. He stated that this item was placed on the agenda as a courtesy to the Gerbi family and their legal representative, Mr. Pascuzzi.

Mr. Taubert noted that in June 2005, the Agency Board approved an agreement with the late Mr. Secundo Gerbi that included a property exchange, cash and an option to purchase twenty-nine (29) Agency-owned lots. The deal included twenty-five (25) lots at the Sugar Pine Village subdivision and four (4) contiguous lots on Stinson Avenue. The original agreement stated that all of the lots be acquired within sixty (60) days of the completion of the subdivision and that construction be completed within six (6) months.

The agreement was amended in December 2009. Given the state of the housing market, the Trust/Rio Scubi Partnership was given an additional twelve (12) months to complete at least fourteen (14) homes. If that was accomplished, they could request an additional six (6) months which expires in June 2011. Per the amendment:

"In no event shall such extension consist of more than one hundred and eighty (180) days from the date thereof."

To date, four (4) homes have been constructed and none have been sold. It is my understanding that two (2) are tentatively under contract.

Mr. Taubert pointed out that the expiration of this agreement does not preclude Rio Scubi, LLC from acquiring additional lots. However, it gives the Agency the flexibility to market the lots to other builders.

Chairperson Poythress asked if there were any questions of the Agency Board for Mr. Taubert. There were no questions at that time.

Harry Pascuzzi, legal representative for the Gerbi Trust, addressed the Agency Board and stated that a lot has happen in the last six (6) years. The genesis of this was the Redevelopment Agency wanted some of Mr. Gerbi's property, which has now become a shopping center. What nobody envisioned was the real estate crisis that came in June 2005. We had to wait 4 ½ years for the Agency to develop and deliver the lots to us. By the time they were delivered in December 2009, we were at the pit of the real estate market and remain there now. We were under contract to get twenty-nine (29) lots, the entire property, and then found out that we were only getting twenty-five (25) lots which we could have fought but decided to take the twenty-five (25) lots and (4) lots on Stinson Avenue.

About the time we got an opportunity to start building, we had an issue come up where there was a precise plan mandated, calling for homes that could have fit in the best parts of Madera, but we are in a Redevelopment Agency project area. We had to negotiate for months to get something that was workable, and yet we are still building homes that are better than the homes that were under our 2005 contract.

Mr. Pascuzzi mentioned that the Gerbi Trust has hired Nora and Associates and they have been marketing the properties. We started to build four (4) homes, paid \$100,000.00 to the City of Madera for permit fees and paid \$40,000.00 for the property. We are trying to get these homes sold. At the time we entered into the deal in 2005 we were told about the Down Payment Assistance Program which would provide \$100,000 per person assistance. When it came time to seek that assistance, it turned out that there was already a waiting list. The Down Payment Assistance funds were ultimately made available to us in June 2011. We would like to keep other builders from coming into the tract because it would change the complexion of the tract.

Mr. Pascuzzi stated that he would like to work with City and the Redevelopment Agency. What I propose is that we give back the four (4) lots on Stinson Avenue in exchange for an extension until the end of year to show some more progress at the subdivision. We were given these lots at the worst possible time; however, under the circumstances we have built four (4) houses and are trying to perform.

Chairperson Poythress asked if there were any questions of the Agency Board for Mr. Pascuzzi. There were none.

Nora Salazar, Nora & Associates, 821 W Yosemite Avenue addressed the Agency Board by stating that they have been working this project very diligently and have had so many people wanting to get into these homes. We are competing with the west side who are also selling homes for \$125,000.00. I understand that we have put in a lot of money, time and effort into this project but we were under the impression that we were going to get help from the Down Payment Assistant program. We have been unable to access those funds that were promised to proceed with sale of these homes. Without these funds these families do not qualify. We have to realize that Madera is a farming community with low-income families she said that only make between \$11,000.00 – \$21,000.00 per year and have large families. How do we expect them to buy their own homes? They are paying \$1,100 per month rent, they can afford the rent but they can not afford the homes. If we were to bring down the prices of these homes, they would be affordable to these families. I would like you, the Agency Board, to look into this project a little deeper and have more consideration for our farm workers.

Chairperson Poythress asked if there were any other comments on this item.

Agency Member Frazier asked if the lots were purchased separately today would that price be less than the current contracted price.

Mr. Taubert noted that the price of the finished lots was established in 1994 at \$10,000.00 per finished lot and has not been increased. He also clarified that this project is not and has never been a farm worker housing project; it is an affordable housing project. It is not limited to any ethnicity, demographic or work type.

Agency Member Frazier asked what the hang-up was with the Down Payment Assistant program money.

Mr. Taubert mentioned that whether you are in the private sector or not if you are going into a project that must have state or federal assistance to succeed, probably you should not do the project. Our state and federal governments are running out of money. Mr. Taubert said the Down Payment Assistance funds received by City several years ago required at the time of the grant application that a list of pre-qualified families be submitted along with the application. The City was required to go through everyone on that list before making funds available to other families.

David Tooley, City Administrator verified that there were a large number of people on the list and the City was required to work through those individuals on the list before we could consider new applicants. We are now getting to the point where we can begin to treat applicants differently, but we do have to finish going through those who are already on the list.

Agency Member Svanda stated that it was a condition of the grant that was received by the City.

Chairperson Poythress stated that he serves on Down Payment Assistance Loan Committee and this program has been very successful and has put a lot of people in homes that otherwise would have not been able to afford them.

Agency Member Frazier asked if the Affordability Covenants would continue to be in place for affordable housing.

Mr. Taubert noted that the Agency is not required to make all housing affordable but we have made the choice since 1994 to make all of our housing affordable. Mr. Pascuzzi and Nora & Associates have been told that if they received a buyer who was not considered part of the income group they would not be locked in. Consideration would be brought back to the Agency Board to waive of the Affordability Covenant on that particular deal. They have not been limited to just families within the targeted income group.

Nora Salazar stated that the only people “knocking on the door” are investors and she was told that they could not sell the homes to investors.

Mr. Taubert stated that the home must be owner-occupied.

Agency Member Frazier asked if an appraisal had been done on the two (2) homes under contract.

Nora Salazar responded by stating that an appraisal has not been done because the family has to be approved by the Down Payment Assistance program first to ensure that they will be receiving funds.

Mr. Pascuzzi stated the prices of the homes have been lowered to \$117, 950 on 3-bedroom house and \$140,950.00 on a 5-bedroom house.

Chairperson Poythress stated that if there were no other questions or comments he would accept a motion for action on this item.

Agency Member Svanda asked for clarification of what action is required since the agreement has already been terminated.

Brent Richardson Interim-City Attorney stated that the resolution itself is not required. If the contract is to be extended a new contract would be required due to the wording in the current contract.

Agency Member Svanda mentioned that what Mr. Pascuzzi was asking for, with the forfeiture of four (4) lots was an extension through the end of the year. He asked if this action would require a new resolution.



Brent Richardson Interim-City Attorney mentioned that we would have to have an entirely separate action and bring it back as new item, under a new agreement. This item was only seen as a public acknowledgement of the termination of the agreement because it will terminate on its own.

Agency Member Svanda suggested no action on this item as presented to the Agency Board.

Agency Member Bompreszi stated that Mr. Pascuzzi already has a lot of time invested in project and she would like to see the additional six (6) months granted.

Mr. Taubert asked for direction from the Agency Board. If the Agency Board desires to extend the project by another six (6) months, we would have to amend the agreement because the current agreement does not allow for an extension.

Agency Member Svanda stated that he agreed with Mr. Taubert and would like the option to sell to anybody in this market but I also respect what has been heard this evening and it would not break the Agency to give this operation another six (6) months.

Agency Member Frazier asked if we extended the contract by six (6) months will this limit the state's ability to raid these lots.

Mr. Taubert responded that it did.

Agency Member Frazier stated that if we are extending the agreement an additional six (6) months, we need to make sure that during that time we do see significant progress.

Mr. Taubert stated that the last agreement stated that fourteen (14) homes needed to be completed and due to the current market that proved to be unrealistic.

Mr. Pascuzzi stated that he would like to come back in six (6) months and let the Agency Board know where they are at.

Agency Member Frazier stated that he wanted to see some actual movement during those six (6) months.

Mr. Taubert asked Mr. Pascuzzi what number of units he felt comfortable saying that he would have completed in the next six (6) months.

Mr. Pascuzzi stated the he knew that they would have four (4) sold by that time, will have four (4) more under construction and will return the four (4) lots on Stinson Avenue to the Agency.

*The Agency Board directed the Executive Director to bring back an amended agreement that would extend the existing agreement an additional six (6) months, and within that time require that four (4) homes are sold, four (4) homes are under construction, and remove the option to purchase the four (4) lots on Stinson Avenue.*

Mr. Taubert stated the amended agreement would be on the July 13, 2011 agenda for the Board's consideration.

**7B. Joint Public Hearing and Consideration of Resolutions Approving 33433 Report and Disposition and Development Agreement with Madera Unified School District for Property Located at 308 South J Street (APN: 010-152-003) (City/Agency)**

Mr. Taubert presented the staff report by stating that this a Public Hearing between the Agency and City Council regarding the sale of Agency owned property located at 308 South J Street. The buyer is Madera Unified School District and the sales price is \$10,000.00.

By previous action the Agency acquired and demolished a substandard structure at 308 South J Street. Agency and City Staff have been working with Mr. Alan Hollman, Vice-President, Engineering and Technology at Madera High School. Mr. Hollman is looking to initiate a new program whereby students gain experience in building trades through the construction of a single family dwelling unit.

Council/Agency Member Bompreszi asked if this proposal had been approved by the Madera Unified School District Board of Trustees.

Mr. Taubert responded that it would be the next step but the proposal had been given to Kelly Porterfield Acting Superintendent, Madera Unified School District.

Council/Agency Member Svanda stated that he came from a little city in southern Illinois that had this kind of program in their high school for twenty-five (25) years, and it is an excellent teaching tool. It is something that will help guide young people into areas that are beneficial for employment. It is important that we support this program.

*Mayor/Chairperson Poythress opened up the public hearing at 7:48 p.m. No comments were heard.*

*Public Hearing was closed at 7:49 p.m.*

*On motion by City Council Member Frazier, seconded by City Council Member Svanda, the adoption of Resolution **CC 11-112** was unanimously y approved.*

**CC 11-112** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA APPROVING SALE OF PROPERTY KNOWN AS 308 SOUTH 'J' STREET ACQUIRED BY TAX INCREMENT BY THE MADERA REDEVELOPMENT AGENCY AND MAKING FINDINGS RELATED THERETO (7B)

*On motion by Agency Member Svanda, seconded by Agency Member Bompreszi, the adoption of Resolution **MRA-1479 and MRA-1480** was unanimously y approved.*

**MRA-1479** RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY APPROVING THE SALE OF PROPERTY KNOWN AS 308 SOUTH 'J' STREET FOR THE CONSTRUCTION OF ONE SINGLE FAMILY RESIDENCE TO BE SOLD TO VERY LOW, LOW AND/OR MODERATE INCOME FAMILIES LOCATED IN THE CITY OF MADERA AND AUTHORIZING THE CHAIRPERSON TO EXECUTE THE DOCUMENTS ON BEHALF OF THE AGENCY (7B.2)

**MRA-1480** RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY APPROVING DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE CONSTRUCTION OF ONE SINGLE FAMILY HOME TO BE BUILT BY MADERA UNIFIED SCHOOL DISTRICT AT 308 SOUTH 'J' STREET WHICH IS TO BE AFFORDABLE TO PERSONS AND HOUSEHOLDS OF VERY LOW, LOW AND/OR MODERATE INCOME AND AUTHORIZING THE CHAIRPERSON TO EXECUTE THE DOCUMENTS ON BEHALF OF THE AGENCY (7B.3)

**7C. Consideration of a Resolution Approving Construction Loan with the Madera Unified School District for Property Located at 308 South J Street (Agency)**

Mr. Taubert stated that on the construction loans we have graduated interest rate. The reason for this is so that a private builder does not begin constructing one of our homes and then move on to something else. The interest rate would start at 4% and caps out at 12%.

For the construction loan with the Madera Unified School District we are proposing a flat 4% interest rate for one (1) year.

Agency Chairperson Poythress asked if there were any questions of the Agency Board for Mr. Taubert  
There were none.

*On motion by Agency Member Fraizer, seconded by Agency Member Bompreszi, the adoption of  
Resolution **MRA-1481** was unanimously approved.*

**MRA-1481** RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY APPROVING  
CONSTRUCTION LOAN AGREEMENT AND OTHER RELATED DOCUMENTS FOR  
THE FINANCING OF CONSTRUCTION OF ONE HOME TO BE BUILT AT 308 SOUTH  
'J' STREET BY MADERA UNIFIED SCHOOL DISTRICT AND TO BE AFFORDABLE  
TO PERSONS AND HOUSEHOLDS OF VERY LOW, LOW AND/OR MODERATE  
INCOME AND AUTHORIZING THE CHAIRPERSON TO EXECUTE THE DOCUMENTS  
ON BEHALF OF THE AGENCY (7C)

**8. GENERAL**

There are no items for this section.

**9. AGENCY MEMBER REPORTS**


**Council/Agency Member Frazier** said that he and Mayor Poythress attended the DMV Donor Tissue  
program. April was the National Donor Awareness month. He urged everyone to become a donor on their  
ID Cards; it saves and enhances lives.

No additional comments were presented.

**2. CLOSED SESSION**

**10. ADJOURNMENT**

On motion of Council/Agency Member Svanda, seconded by Council/Agency Member Bompreszi, to  
adjourn the meeting, Mayor/Chairperson Poythress adjourned the Joint Special Meeting of the Madera City  
Council and Regular Meeting of the Madera Redevelopment Agency at 7:51 p.m.

  
\_\_\_\_\_  
Elizabeth Ybarra, Recording Secretary

  
\_\_\_\_\_  
Mayor/Chairperson Robert Poythress

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