

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

July 13, 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 Bompreszi
Council/Agency Member Gary Svanda
Council/Agency Member Andrew Medellin

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.

There were no Closed Session Items

WORKSHOP – There are not items for this section

RECESS

Mayor/Agency Chairperson Poythress recessed the Closed Session Portion of the Joint Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency at 6:05 p.m. and called for the Closed Session announcement as listed on the agenda of the Regular Meeting of the Housing Authority of the City of Madera.

Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress adjourned the Closed Session portion of the meeting at 6:25 p.m.

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
Council/Agency Member Andrew Medellin

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, Neighborhood Preservation Manager Manuel Ruiz, Agency Secretary Sandi Brown, and Office Assistant Elizabeth Ybarra.

City of Madera staff members present: City Administrator David Tooley.

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.

No comments were heard.

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 at 6:33 p.m. and called for the items as listed on the Housing Authority of the City of Madera agenda.

Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress adjourned the Housing Authority of the City of Madera meeting at 6:37 p.m. and reconvened the Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency at 6:39 p.m.

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 – June 8, 2011 **(City/Agency)**
- 4B.** Listing of Warrants Issued from June 4, 2011 to July 8, 2011 **(Agency)**
- 4C.** Monthly Financial Reports – Redevelopment Agency **(Agency)**
- 4D.** Monthly Financial Reports – Code Enforcement **(City)**
- 4E.** Code Enforcement Activity Report **(City)**
- 4F.** Consideration of a Resolution Awarding Bid for Demolition Services for Property Located at 2822 North Golden State Boulevard, 2836 North Golden State Boulevard and 2137 Pacific Street, Madera **(City)**

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 Bompreszi seconded by Council/Agency Member Svanda, the Consent Calendar was approved by a unanimous vote of 5/0 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 June 8, 2011 and the adoption of Resolution **MRA-1482 CC 11-150**.

MRA-1482 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA,
CC-11-150 AWARDING BID TO KROEKER, INC., DEMOLITION AND RECYCLING
CONTRACTORS FOR DEMOLITION SERVICES FOR THE PROPERTIES LOCATED
AT 2822 NORTH GOLDEN STATE BOULEVARD, 2836 NORTH GOLDEN STATE
BOULEVARD AND 2137 PACIFIC STREET IN THE AMOUNT OF \$16,500.00 AND
AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND REJECTING ALL
OTHER BIDS (4F)

5. PROJECTS AND REPORTS

5A. Update on Passage of State Budget (Agency)

Mr. Taubert presented the staff report by stating that after months of negotiations by the California Redevelopment Association (CRA) and the League of Cities and thinking that we were moving towards reform of Redevelopment new legislation was introduced. The first legislation was ABX1-26 this was basically a mirror of what the governor had proposed in January, we would have successor agencies which could be the City Council but they would not be the governing board, you would answer to an Oversight Board. The job would be to dismantle the Agency's assets. Because of the activity that took place in terms of agencies doing side agreements transferring property, this legislation says that between now and October 1, 2011 prohibited actions include the following:

- ✓ Incur new indebtedness or other obligations or restructure existing indebtedness and other obligations;
- ✓ Make loans or grants;
- ✓ Enter into contracts;
- ✓ Amend existing agreements, obligations or commitments;
- ✓ Renew or extend leases or other agreements;
- ✓ Transfer funds out of the Low and Moderate Income Housing Fund;
- ✓ Dispose of or transfer assets;
- ✓ Acquire real property in most circumstances;
- ✓ Prepare, adopt, amend or merge redevelopment plans;
- ✓ Approve any program, project or expenditure;
- ✓ Prepare or amend implementation plans, relocation plans or other planning documents;
- ✓ Cause development or rehabilitation of housing units;
- ✓ Join a joint powers authority;
- ✓ Form or join a separate legal entity;
- ✓ Bring a validation action in connection with issuance of revenue bonds;
- ✓ Commence an eminent domain proceeding;
- ✓ Prepare a draft EIR;
- ✓ Undertake various affordable housing activities;
- ✓ Accept financial assistance; or
- ✓ Increase employee compensation, bonuses or number of RDA employees and officials.

Mr. Taubert continued, the second legislation AB1-27 provided that an agency may continue to exist if the city has enacted an ordinance by November 1, 2011 and the host city make a commitment to make annual payments into a Special District Allocation Fund ("SDAF") and Educational Revenue Augmentation Fund ("ERAF").

He said that Based upon our preliminary calculations our payments will be:

2011/2012	\$2,276,261.00
2012-2013	\$548,679.00
2013-2014	\$548,679.00

Mr. Taubert noted that this situation would not be a risk to the general fund. If the redevelopment agency cannot make the payment, the host city is not required to make the payment and at that point the redevelopment agency just goes away.

We have done an analysis he said as to where we would be in the next three years based on a couple of scenarios. The worst case scenario would include a change in assessed value of about 2% this year and 1% next year, The second scenario, which may be more realistic, gives us the ability to continue to operate but would not give us the ability to do very many projects until we begin to see growth in assessed values and start selling some land. He explained that our priority before the State action was the sale and redevelopment of agency owned property and that has not changed. The key to the whole program is the CRA/League of Cities lawsuit; if they do not prevail it will be a slow "death". Any time the state legislature has a short fall, if it's proven in court that they can come in and take our money, then we may as well not exist.

Agency Member Frazier asked if based on Proposition 22, shouldn't it be fairly easy to prove in court that they can not take Redevelopment money?

Mr. Taubert responded that California courts have proven to be fairly unpredictable. In 2008 we sued over what they were taking and won. In 2009 we sued on the same deal and lost. In both cases the same judge ruled. In this particular case they are bypassing the lower courts and going straight to the Supreme Court and their goal is to try to get a stay before October 1, 2011.

Chairperson Poythress asked if there were any questions of Mr. Taubert.

Agency Member Svanda stated that he did not want to be the "downer" but maybe it's time to seriously look at contingency plans 1 and 2. He asked if we are going to be reduced to an agency that can't take action, then what do we define ourselves as; what kind of facility do we need; what number of people do we need' what is the realistic budget we need to operate? I am not being pessimistic and I think there is every possibility that we will beat this in a court case. They will continue to look at redevelopment and other agencies to fill the budget gaps. If we lose at all levels, we need to be prepared and proactively planning for what that might look like.

Mr. Taubert mentioned that it might be advantageous to ask Senator Anthony Cannella, because he has been in the center of the negotiations, to come down and come before City Council during their August break.

Chairperson Poythress asked that we try to schedule Senator Anthony Cannella for the August 10, 2011. He also asked who should make the contact with his office.

Mr. Taubert stated that he would draft a letter for his signature.

No additional comments were heard.

Information Item – No action required.

6. AGREEMENTS

There are no items for this section.

7. HOUSING

There are no items for this section.

8. GENERAL

There are no items for this section.

9. AGENCY MEMBER REPORTS

No comments were heard.

10. ADJOURNMENT

On motion of Council/Agency Member Svanda, seconded by Council/Agency Member Bomprezzi, 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 6:49 p.m.



Elizabeth Ybarra, Recording Secretary
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Mayor/Chairperson Robert Poythress