

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

November 9, 2011  
6:00 p.m.

City Hall  
Council Chambers

**1. CALL TO ORDER – CLOSED SESSION**

Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress opened the 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. and called for the roll call.

**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 Council/Board/Commissioners.*

No comments were heard.

**2. CLOSED SESSION**

**2A. Closed Session Announcement**

There are no items for this section.

*Mayor/Agency Chairperson/Housing Authority Chairperson Poythress closed the Closed Session Portion of the Joint Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency and Regular Meeting of the Housing Authority of the City of Madera of the at 6:02 p.m.*

*Housing Authority Chairperson Poythress recessed the meeting of the Housing Authority and called for the Workshop presentation as listed on the agenda of the Joint Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency.*

**WORKSHOP      Report on AB987 Activities (Report by Bob Wilson)**

Redevelopment Manager Bob Wilson, addressing the members of the Agency Board, presented a PowerPoint presentation on AB987 activities. Mr. Wilson noted that AB987 is a good follow-up topic to the discussion held at last month's Agency meeting on affordable housing. He reported that AB987 became effective in January 2008 and was established for two reasons: setting requirements aimed at agencies increasing the enforceability and visibility of affordability restrictions. The affordability restrictions are the restrictions discussed at last month's meeting, with there being two requirements for an affordable housing unit. One requirement is the determination that the family is in the correct income group, and the second requirement is the unit or home must be affordable, which means it must be within 30% of their income. He said those two things combined make up the affordability restrictions that AB987 is concerned with

increasing enforceability and visibility. Mr. Wilson explained that the enforceability deals with covenants – the declaration of covenants – escrow – deeds – titles. Mr. Wilson said Sandi Brown would explain how AB987 addressed the matter of enforceability. In reviewing the two documents on the screen presented to the Agency Board, Ms. Brown explained the document on the left is the Agency’s “Declaration of Covenants and Restrictions” – a document that the Agency has used since the inception of the housing program. The second document she said is the “Notice of Affordability Restrictions on Transfer of Property”, which is an element of AB987 that requires redevelopment agencies supplement their affordability restrictions with the recording of this agreement in addition to the Declaration of Covenants and Restrictions. She said the new law was enacted in response to instances where affordable housing units were lost because affordability covenants were not enforced at the time the property was sold. Ms. Brown continued that the goal of AB987 was to make affordability covenants more visible to buyers, real estate agents and especially, from her perspective, to title companies and escrow officers. She said that the reason being is that the restrictions are less likely to be overlooked when the property is sold or there is a refinance. She said that the new agreement basically repeats the terms and conditions in the Agency’s Declaration of Covenants and Restrictions, and said that the legislation requires that the new Notice of Affordability agreement include the following elements: 1. The title must be exact and always read the same - “Notice of Affordability Restrictions on Transfer of Property” to create repetition on title reports; 2. The agreement must be typed in 14 point font or larger; 3. The expiration date of the affordability period must appear in the agreement, and she explained that owner-occupied units hold a 45 year term and tenant-occupied units hold a 55 year term; 4. The property address; 5. The Assessor’s parcel number or APN; 6. The agreement restates the terms of the Declaration of Covenants and Restrictions; 7. The agreement records concurrently with the Declaration upon the close of escrow; and lastly 8. The agreement must be signed and notarized by both the Agency and the homebuyer. Mr. Wilson asked if there were questions; there were none. Mr. Taubert noted that he concurred with the legislation in this instance stating that during the height of the housing market, the Agency lost units because units were sold and they did not pick up the affordability covenants. He added with the change in the font, which may sound stupid, we have not lost a unit as a result of it being overlooked. Mr. Wilson continued with the presentation covering the aspect of visibility, and what was required is that all agencies post a consistent document on the Agency’s website listing all the affordable units from the inception of the agencies. Mr. Wilson took the Agency Board to the Agency’s website outlining AB987 and the listing of all units classified according to what program they were created under. He showed an illustration of the six different programs, beginning with the Exterior Home Improvement Grant program started in 2007. He reviewed this program reporting that the Agency gives \$12,000 to a property owner to make exterior improvements, and if they are improvements that benefit the neighborhood, the improvements will qualify. In return, the Agency receives the affordability restrictions. He said the database on the website adheres to AB987 and reports the required elements: the address, the APN, the completion date, owner or tenant-occupied, the number of bedrooms, the income level, the recording date and document number and the expiration of the affordability period. Mr. Wilson reported that 70+ units have been completed. Mr. Taubert added they have to be monitored annually. The next classification listed on the website, reviewed by Mr. Wilson, was the Multifamily Rehabilitation projects. Mr. Wilson said this program occurred in 2006 when the Agency was awarded \$1.6 million funding from California Housing Finance Agency to loan to multifamily property owners. The funds were combined with RDA grant funds and were loaned at a 3% interest rate – 10 year term, which is very competitive, and in return we received affordable units. Mr. Wilson noted that the next two classifications, single-family housing, would be explained by Mr. Taubert. Mr. Taubert explained that the single-family housing program is our long-time program, where the Agency has either purchased and demolished substandard structures or done subdivisions, totaling 5-6 subdivisions over the years. The first component is selling the property at below fair market value, which is typically \$10,000 per finished lot. The second component is a construction loan program that was capitalized with \$590,000 and it was an interest-free loan for 90 days, and then we went up to 4% every 30 days and capped at 12%. He said the reason being during the boom time we did not want builders starting a redevelopment house and finding something more profitable on the west side and leaving our home as a see-through house for a while. After that he said, we got rid of the 0% and went to 4%, but it was the same thing with 4% being the lowest and capped at 12%. Mr. Taubert reiterated that the program was originally capitalized with \$590,000 and to date we have loaned out and been repaid \$11.5 million, and concluded that it has been a very active program for us.

Vice-Chairperson Frazier commented on the list presented for the single-family new construction homes asking if under the 'affordability restrictions' several notations state "bank foreclosure – lost unit." He asked if the bank forecloses on the unit, does the affordability restriction go away. Mr. Taubert replied that the documents have evolved through the years, but the one thing that remains consistent, is if in the case of foreclosure, then we lose the covenant – the bank does not have to assume that covenant. Brent Richardson, General Counsel, added that essentially the problem there is the banks would be hesitant to loan if the restrictions on the property did not drop off upon foreclosure.

Mr. Taubert continued explaining the tax-credit projects saying that four have been completed over the years, and we are currently working in conjunction with the Housing Authority on an additional project that was initiated in 2008/09. Mr. Taubert said from the time of initiating negotiations it normally takes two to three years or longer, and are typically three to four years to complete because of the layers of financing. Mr. Taubert reiterated that all the units have to be monitored annually, with the tax-credit units being the easiest one because in addition to us, the State of California is monitoring them and they have all the paperwork available. The problem with the other ones, is we are the only monitoring agency and it is not always easy to get people to respond, but is a requirement of the law that they do. Mr. Wilson asked if there were questions on the presentation.

Chairperson Poythress asked if there were questions; there were no further questions. He thanked staff for the presentation. Mr. Taubert said hopefully this presentation, combined with the presentation at last month's meeting, will provide you with a good understanding of affordability and affordable housing. Chairperson Poythress concurred and thanked staff for the update.

Chairperson asked if there were further questions; there were none.

### **RECESS**

*Mayor/Agency Chairperson Robert Poythress adjourned the Workshop portion of the meeting at 6:15 p.m.*

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

Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress opened 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 6:30 p.m. and called for the roll call.

**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, General Counsel/City Attorney Brent Richardson, Agency Treasurer/Finance Director David Croff, Redevelopment Manager Bob Wilson, Neighborhood Preservation Manager Manuel Ruiz, and Agency Secretary Sandi Brown.

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 6:32 p.m. and called for the items as listed on the Housing Authority meeting agenda.*

*Mayor/Agency Chairperson/Housing Authority Chairperson Robert Poythress adjourned the meeting of the Housing Authority of the City of Madera and reconvened the Joint Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency at 6:41 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 – October 12, 2011 **(City/Agency)**
- 4B.** Listing of Warrants Issued from October 8, 2011 to November 4, 2011 **(Agency)**
- 4C.** Monthly Financial Reports – Redevelopment Agency **(Agency)**
- 4D.** Monthly Financial Reports – Code Enforcement **(City)**
- 4E.** Code Enforcement Activity Report **(City)**
- 4F.** Update on Tire Amnesty Day Event Held October 15, 2011 **(City)**
- 4G.** Code Enforcement Revenue Report **(City)**

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

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

*On motion by Council/Agency Member Svanda, seconded by Council/Agency Member Frazier, the Consent Calendar was approved as presented by a unanimous vote of the Council/Agency Board.*

#### **5. PROJECTS AND REPORTS**

##### **5A. ABx1-27 Payment Appeal Decision (Agency)**

Mr. Taubert presented the staff report stating that ABx1-27 allowed redevelopment agencies to avoid dissolution by opting into a voluntary alternative program which we did in August of this year. He said during that same period, Bob submitted a request that they (State of California Department of Finance) recalculate the Agency's annual contribution. We appealed and the one-time payment of \$2.7 million has been reduced to \$2.2 and the annual payment reduced from \$642,000 to \$548,000. Mr. Taubert thanked Mr. Wilson for his effort.

Chairperson Poythress asked if there were further questions from staff, there were none.

##### **5B. Standard & Poor's Ratings for 2008A and 2008B Bonds (Agency)**

Mr. Taubert presented the staff report noting that staff was not surprised by this and gave some background information for the new Agency Board members. He reported that in 2008 the Agency issued bonds in the following amounts: Capital projects in the amount of \$22.1 million and Housing projects in the amount of \$3.5 million. Mr. Taubert said that at that time the insurance companies were falling and there was one left and what they were charging was significant so the decision was made to go uninsured – hence the 'A' rating. Mr. Taubert said that the reason for the 'A' rating is outlined in the staff report, including the background staff was given at that time. Staff was notified last month that the Agency's rating on the Capital projects bond from 'A' to 'BBB+' and the reason for that change is a 28% decrease in revenues and it has changed our coverage from 1.5 to 1.17. Mr. Taubert commented on the Housing Bond, the coverage is 2.29, and he said the Housing Bond still has an 'A' rating. He noted that staff was

required to provide a Notice of Material Event to the bondholders and staff worked with Orrick, Herrington and Sutcliffe to develop the notice. He added that the reasons cited in the notice for the downgrade included the decrease in property values, a decline in building permit activity, a decline in housing starts and the threats in AB 26 and 27 that will result in a loss of \$2.2 million this year and \$540,000 in subsequent years. Mr. Taubert noted the fact that the state within the last two years has already taken \$3.1 million and the problem is typically that money is used to stimulate private investment – hence increases in property values. He advised that we are being saddled by a lot of different factors, but added in his opinion the most important one is the takings by the State of California. He said if you take what they have taken from us in the last two legislative sessions and you combine what we have contributed for the courthouse, we are in excess of \$11.5 million. Mr. Taubert added that included in the packets are the Standard & Poor's 2008 Rating Report, 2011 Rating report, the Notice of Material Event, and the Standard & Poor's Press Release. Mr. Taubert asked if there were questions.

Agency Member Svanda commented that even with the downgrading, a "BBB+" is one step above investment grade quality for even the lowest rated bonds. He continued that being said, with all the money that State of California has taken from the Agency, their rating is below your rating. He added he thinks that illustrates good financial management in these difficult times, and said that we don't have anything to be ashamed of with the ratings of our bond base. Agency members concurred.

Chairperson Poythress asked if there were additional questions or comments; there were none.

**5C. Consideration of Resolutions that Extend Land Being Held for Resale for a Period of Five Years that was Purchased with Low-Moderate Income Housing Set-Aside Funds (City/Agency)**

Mr. Taubert presented the staff report advising that per redevelopment law this item requires action on the part of the Agency Board and its legislative bodies. He explained that over the past years, the Agency has acquired and assembled properties for residential development. Redevelopment law requires that you have to develop the property within five years, with the reason being when redevelopment was first created, larger communities would use redevelopment to wipe out projects and then not replace the housing. They would displace people and then not replace the housing, thus a five-year requirement was added. He noted that for the first time since he has been part of the Agency, we have one property that will be at the five year limit this year, and ten others that will be on it next year. He said the way staff reads the law, since we have taken action on all properties through the hiring of planning consultants and civil engineers, and at one point out to bid before losing the lawsuit, we have complied with the law. With redevelopment in everyone's crosshairs, he said this is a double protection for us. We discussed this with our auditor, and they were going to be making an audit finding and until then we provided them with copies of the law where we have made moves to develop, so there will not be an audit finding; but to cover ourselves, staff is recommending that the Agency Board and City Council adopt these resolutions. He added one more point, that the larger cities would wipe out the housing projects and not replace them with housing, and we do have replacement housing obligations in every one of these properties that we have bought, and our intent is to put replacement housing on those properties.

Agency/Council Member Svanda asked if this is the last time we can do this; God forbid that things flutter the way they are over the next several years, but this is a five year extension for us to build, or to initiate, or show construction – what's really the law?

City Attorney Brent Richardson said that all the resolution is requiring is just an affirmation by the governing body that yes – the Agency isn't going to sit on the properties, but continue with the plan to develop. Essentially, he said, what these resolutions do is just affirm that you are going to go ahead with the project, and said by way of interest, it is a similar requirement that the City would do with regard to impact fee; it is the same sort of thing. Mr. Taubert added that in one case we were actually out to bid and when we lost the second lawsuit, we pulled it off. Had that not occurred, some of these would have been done.

Mayor Pro-Tem/Vice Chairperson Frazier questioned if the Agency could technically do anything with these properties now anyway. Mr. Richardson said no, you can't do anything and said the state has tied our hands and he did not know what the state would expect us to do. Mr. Taubert said that expenditures have

been made in acquisition, demolition, relocation, but more importantly planning and civil engineering. We have the public improvements completely designed and approved by the city and in the case of some of these properties, we have actually submitted the housing plans, paid for plan check and have had them approved by the city and ready to pull permits.

Chairperson Poythress asked if there were additional questions; there were none.

Chairperson Poythress called for a motion to approve the Agency resolution.

*On motion by Agency Member Svanda, seconded by Agency Member Bomprezzi, Resolution **MRA-1493** was approved by a unanimous vote of the Agency Board.*

**MRA-1493** A RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY, MADERA, CALIFORNIA AFFIRMING ITS INTENTION THAT CERTAIN REAL PROPERTY BE USED FOR THE DEVELOPMENT OF HOUSING AFFORDABLE TO PERSONS AND FAMILIES OF LOW AND MODERATE INCOME AND EXTENDING THE TIME LIMIT FOR THE INITIATION OF ACTIVITIES WITH RESPECT TO SUCH PROPERTY BY FIVE YEARS PURSUANT TO HEALTH AND SAFETY CODE SECTION 33334.16; AND MAKING OTHER FINDING IN CONNECTION THEREWITH RESOLUTION OF THE MADERA REDEVELOPMENT AGENCY, APPROVING AND ADOPTING THE PRELIMINARY DRAFT OF THE INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO PART 1.8 OF THE REDEVELOPMENT LAW

Mayor Poythress called for a motion to approve the City Council resolution.

*On motion by Council Member Svanda, seconded by Council Member Medellin, Resolution No. **CC-11-221** was approved by a unanimous vote of the City Council.*

**CC 11-221** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA AFFIRMING ITS INTENTION THAT CERTAIN REAL PROPERTY BE USED FOR THE DEVELOPMENT OF HOUSING AFFORDABLE TO PERSONS AND FAMILIES OF LOW AND MODERATE INCOME AND EXTENDING THE TIME LIMIT FOR THE INITIATION OF ACTIVITIES WITH RESPECT TO SUCH PROPERTY BY FIVE YEARS PURSUANT TO HEALTH AND SAFETY CODE SECTION 33334.16; AND MAKING OTHER FINDING IN CONNECTION THEREWITH

**5D. Update on Environmental Remediation Efforts at Yosemite Avenue/Elm Street (Agency)**

Mr. Taubert presented the staff report advising that staff has been dealing with this property going back to 2005. In 2007 testing was completed and significant contamination was discovered. Several grants were sought to remediate the contamination. The first grant was for tank removal in 2008 using state funds. The next two grants were part of the president's stimulus package which allowed us to put in vapor extraction wells to get the system started. The stimulus funds ran out and we are now using the State Orphan Site Cleanup Fund grant to continue the cleanup. He reported that during the intervening period we did sell the adjacent piece of property. He said that the contaminated property was formerly owned by the Romero family who sold it to Todd and Melissa Spencer. The Agency purchased an adjacent piece of 7-8 acres from Alex Hernandez and has subsequently sold that to Todd and Melissa Spencer. He advised that both pieces of property were contaminated as a result of this tank. Mr. Taubert said that we did make a commitment to clean up the property and noted that Melissa Spencer was present in the audience, he was sure to confirm our commitment; he added that the closure of the project is scheduled to occur in mid-fall of 2012. He reiterated the extent of the cleanup project, saying that the contamination went all the way down to the water table, both vertical and horizontal, and through the middle of Yosemite Avenue, and the Agency has about \$800,000 in grant funds in this project so far.

Agency Member Svanda questioned the date of mid-fall 2012, noting that the report says 2013. Mr. Taubert replied if that is what the report says, it is probably more accurate. Mr. Taubert said that initially the extraction system was going to be located about 25 feet off of Yosemite Avenue and if you go by the

property, you will see that the system has been pushed to the back of the property to the storm drainage pond. Member Svanda replied that the point of his question was does this prohibit any additional development of the land until this is completed and closed. Mr. Taubert said he did not think so, and directing his comment to Melissa Spencer, said he did not think they had any problems moving forward as long as a traffic signal was in place. Ms. Spencer concurred with Mr. Taubert's comments. Mr. Taubert added moving the system was at a significant cost, covered with grant funds, but staff did meet with the Spencer's, realtors and their engineers.

Chairperson Poythress noted the report was an information-only-report, and thanked staff for the update.

## 6. AGREEMENTS

There are no items for this section.

## 7. HOUSING

### 7A. Consideration of Resolutions Making a Finding that the Expenditure of Housing Funds to Implement the Neighborhood Stabilization Program 3 will Benefit the Project Area (City/Agency)

Mr. Taubert presented the staff report stating that action will be required by both the Agency Board and City Council. He reported that the City has entered into an agreement with Madera County to implement the NSP grant program where we are going to buy property, rehab and resell property in the Parkwood area. Given that Parkwood is outside the jurisdiction of the City and the Redevelopment Project Area, it requires the City Council and the Agency Board to make findings that it will benefit the Project Area. He said that although Parkwood is in an unincorporated county island, it is surrounded by the City and touches on the Project Area. To the extent, he said that depreciated and stagnant property values and high crime rate are prevalent in Parkwood, you are not going to contain that in Parkwood; it will spill over into the City and the Project Area. He said that to the degree this grant and the expenditures that we make benefit Parkwood, we believe that it would also benefit the Project Area and the City of Madera. He said that these resolutions will allow you to make those findings.

Mayor/Chairperson Poythress asked if there were any questions; there were none.

Chairperson Poythress called for a motion to approve the Agency resolution.

*On motion by Agency Frazier, seconded by Agency Member Medellin, Resolution **MRA-1494** was approved by a unanimous vote of the Agency Board.*

**MRA-1494** RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF MADERA, CALIFORNIA, MAKING FINDINGS THAT THE EXPENDITURE OF HOUSING FUNDS TO IMPLEMENT THE NEIGHBORHOOD STABILIZATION PROGRAM 3 WILL BENEFIT THE PROJECT AREA

Mayor Poythress called for a motion to approve the City Council resolution.

*On motion by Council Member Svanda, seconded by Council Member Bomprezzi, Resolution No. **CC-11-222** was approved by a unanimous vote of the City Council.*

**CC 11-222** RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, MAKING FINDINGS THAT THE EXPENDITURE OF HOUSING FUNDS TO IMPLEMENT THE NEIGHBORHOOD STABILIZATION PROGRAM 3 WILL BENEFIT THE PROJECT AREA

### 7B. Consideration of a Resolution Approving a Purchase Agreement for Property Located at 12508 Raymond Thomas Street, APN 047-390-045, Utilizing Neighborhood Stabilization Program 3 Grant Funds (City)

Mr. Taubert presented the staff report stating that he was acting on behalf of the City Manager related to the potential acquisition of property at 12508 Raymond Thomas Street and the seller is Federal National Mortgage Association. He said that the asking price is \$99,900 and we have offered \$62,370, and we suspect that the seller will accept our offer. Staff is recommending that you adopt the resolution approving the purchase agreement as a City Council action.

Council Member Svanda asked if the rehab of these properties was something that we can restrict to local people, or will staff need to go through the bidding process. Obviously, he said, the properties are not in 'tip-top' shape and the idea is to buy, rehab and sell; who is handling that for us.

Mr. Richardson said that the law would prohibit a local vendor preference of any kind. Madera's geographical setting does not lend itself to the findings that you would have to make to put a local vendor preference out there. He said that the only way he saw that it would be a case where you could give a local vendor preference would be if the grant required it, and in compliance with the grant, then it might be the case. He said that he did not know if that was a grant requirement or not; but, he continued, as far as the City setting it up, we could not do that.

Mr. Taubert responded with regard to the City's purchasing practice, we will be breaking the rehab into elements. He said that Bob Wilson and Steve Woodworth are going to be acting as the general contractor and the elements that we are doing will be small and within the purchasing policy of the City, which will allow us to verbally solicit three bids – and we will solicit three local bids in each category. Mr. Taubert asked for the consensus of the City Attorney; Mr. Richardson replied as long as you are acting within the City's purchasing guidelines, it is okay.

Mayor Poythress called for a motion to approve the City Council resolution.

*On motion by City Council Member Svanda, seconded by City Council Member Bompreszi, the adoption of Resolution CC 11-223 was unanimously approved.*

**CC 11-223** RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, APPROVING THE PURCHASE OF FORECLOSED PROPERTY LOCATED AT 12508 RAYMOND THOMAS STREET IN ACCORDANCE WITH THE NEIGHBORHOOD STABILIZATION PROGRAM 3 GRANTS ADMINISTRATION AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATED THERETO

**7C. Consideration of a Resolution Approving a Purchase Agreement for Property Located at 27437 San Carlos Avenue, APN 047-380-013, Utilizing Neighborhood Stabilization Program 3 Grant Funds (City)**

Mr. Taubert presented the staff report stating that the seller is the Bank of America Home Loans, servicing Countrywide, servicing GSAA Home Trust and their asking price is \$103,600 and the City's offer is \$69,300. Mr. Taubert noted that this is a similar action to the previous item.

Mayor Poythress called for a motion to approve the City Council resolution.

*On motion by City Council Member Frazier, seconded by City Council Member Medellin, the adoption of Resolution CC 11-224 was unanimously approved.*

**CC 11-224** RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, APPROVING THE PURCHASE OF FORECLOSED PROPERTY LOCATED AT 27437 SAN CARLOS AVENUE IN ACCORDANCE WITH THE NEIGHBORHOOD STABILIZATION PROGRAM 3 GRANTS ADMINISTRATION AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATED THERETO

**7D. Consideration of a Resolution Approving a Purchase Agreement for Property Located at 27320 Stanford Avenue, APN 047-380-001, Utilizing Neighborhood Stabilization Program 3 Grant Funds (City)**



Mr. Taubert presented the staff report stating that the seller is Wells Fargo, Wachovia Mortgage. He noted that with this purchase, the seller told us there were multiple bidders for the property and asked if we would up our offer and we declined and they accepted our offer within six hours. Mr. Taubert said that staff suspects that same response will happen with each purchase where the seller will claim we are up against multiple bidders, when in fact there is only one offer from the City. Mr. Taubert added that these three properties are not in an area where staff sees "Parkwood" as being something that we can't sell in an \$80,000 to \$85,000 range.

Council Member Medellin recalled staff saying they would attend to the 'low-lying' fruit and asked if these three properties are where staff is starting, or are there other properties in worse condition.

Mr. Taubert responded that there are other properties in worse condition, and surprisingly they have not yet been foreclosed on and we are limited in buying foreclosures. Staff has decided to go three or four at a time because we don't want to be the largest owner of property in Parkwood, and said we will always try to have three or four homes in the hopper and keep the cycle rolling.

Mayor Poythress asked if there were additional questions; there were none.

*On motion by City Council Member Frazier, seconded by City Council Member Medellin, the adoption of Resolution CC 11-225 was unanimously approved.*

**CC 11-225** RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, APPROVING THE PURCHASE OF FORECLOSED PROPERTY LOCATED AT 27320 STANFORD AVENUE IN ACCORDANCE WITH THE NEIGHBORHOOD STABILIZATION PROGRAM 3 GRANTS ADMINISTRATION AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATED THERETO

## 8. GENERAL

There are no items for this section.

## 9. AGENCY MEMBER REPORTS

**Council/Agency Member Svanda** offered his congratulations to Mayor/Chairperson and Mayor Pro-Tem/Vice Chairperson on their outstanding achievement on the race this past weekend, placing in the 7<sup>th</sup> place overall. Mayor Poythress thanked Member Svanda, commenting that they are the only City Council team competing.

**Council/Agency Member Medellin** concurred with the comments of Member Svanda, congratulating the runners in their successful run.

## 10. ADJOURNMENT

Mayor/Chairperson Poythress adjourned the Joint Special Meeting of the Madera City Council and Regular Meeting of the Madera Redevelopment Agency at 7:07 p.m.

  
\_\_\_\_\_  
Sandi Brown, Agency Secretary

  
\_\_\_\_\_  
Mayor/Chairperson Brett Frazier