



SPECIAL MEETING
of the
MONROVIA CITY COUNCIL
City Council Chambers
Tuesday, December 15, 2009
5:30 P.M.

CLOSED SESSION

- CS-1 Conference with Legal Counsel; Existing Litigation Pursuant to Government Code §54956.9; Tomovich and Associates vs. City of Monrovia, BC408732
- CS-2 Conference with Labor Negotiator Pursuant to Government Code §54957.6, City Negotiator: Theresa St. Peter; All Groups
- CS-3 Conference with Legal Counsel; Liability Claims Pursuant to Government Code §54956.95, Workers Compensation Claim, Sergio Bostick vs. City of Monrovia ANA 0396153
- CS-4 Conference with Real Property Negotiator Pursuant to Government Code §54956.8, 475 E. Duarte Road, 1616 S. California, and 1620 S. California, Agency Negotiators: Scott Ochoa and Craig A. Steele; Negotiating Parties: Metro and Monrovia Redevelopment Agency, Under Negotiation: Price and Terms of Payment

REGULAR MEETING
of the
MONROVIA CITY COUNCIL
7:30 P.M.

AGENDA SUMMARY

CONVENE	Mayor Mary Ann Lutz
INVOCATION	Pastor Dorothy Scott
PLEDGE OF ALLEGIANCE	Councilmember Clarence R. Shaw

ROLL CALL Councilmembers Garcia, Shaw, Shevlin, Mayor Pro Tem Adams and Mayor Lutz

REPORT OF CLOSED SESSION

RCS-1 Conference with Legal Counsel; Existing Litigation Pursuant to Government Code §54956.9; Tomovich and Associates vs. City of Monrovia, BC408732

RCS-2 Conference with Labor Negotiator Pursuant to Government Code §54957 6, City Negotiator: Theresa St. Peter, All Groups

RCS-3 Conference with Legal Counsel; Liability Claims Pursuant to Government Code §54956.95, Workers Compensation Claim, Sergio Bostick vs. City of Monrovia ANA 0396153

RCS-4 Conference with Real Property Negotiator Pursuant to Government Code §54956.8, 475 E. Duarte Road, 1616 S. California, and 1620 S. California, Agency Negotiators: Scott Ochoa and Craig A. Steele; Negotiating Parties: Metro and Monrovia Redevelopment Agency; Under Negotiation. Price and Terms of Payment

PRESENTATIONS/PROCLAMATIONS

PR-1 Recognition of Winners for the 2009 "Holiday Home Decorating Contest"

Community Services Commission Chair Brian Ulm will be on hand tonight to assist the Mayor and City Council in recognizing the winners of the 2009 Holiday Home Decorating Contest. The annual home decorating contest was held on December 14, 2009. Community Services Commissioners, community members and Youth Commissioners judged decorated homes and selected winners in the following categories. Best Still Display, Best Outdoor Display, Holiday Spirit, Best Decorated Indoor Tree, Best Decorated Outdoor Tree, Most Effective Use of Lighting a House, Children's Choice Award, Best Window Display, Snowman Award, Toyland Award, Best Neighborhood Effort, and the Tim McKeehan "Best of the Season Award."

Student Government Representative Report

Student Liaison Savannah Spicer is excused

ORDER OF BUSINESS

CONSENT CALENDAR

CC-1 Unadopted Minutes of the December 1, 2009 Regular Meeting of the Monrovia City Council

CC-2 Payroll No. 25 in the Amount of \$590,453.59 and Voucher Nos. 162112 through 162342 in the Amount of \$1,218,438.19

CC-3 Approval of the 2010 Local Appointments List and Designation of the Monrovia Public Library to Receive a Copy of the List

The Legislature established 54970 et seq. of the Government Code, also known as "The Maddy Act," for the purpose of increasing public awareness of appointments to be made by any local government and providing local appointive powers access to a talent resource otherwise untapped. According to Government Code Section 54972, on or before December 31 of each year, each legislative body is required to prepare an Appointments List of all regular and ongoing boards, commissions and committees which are appointed by the legislative body of the local agency.

Currently there are 13 anticipated open positions on the following boards and commissions: Planning Commission (2), Community Services Commission (3), Historic Preservation Commission (2), Library Board (3), and Monrovia Old Town Advisory Board (MOTAB) (3). The Local Appointments List has been prepared and is attached to the Staff Report. Staff recommends approval of the list.

If the City Council concurs, the appropriate action would be a motion to:

Approve the Local Appointments List for 2010 and designate the Monrovia Public Library to receive a copy of the list.

CC-4 Dissolution of California Cities Home Ownership Authority ("CCHOA") by Rescission of the Joint Powers Agreement Made on November 1, 1996; Resolution No. 2009-72

On November 1, 1996, the City of Monrovia entered into a Joint Powers Agreement with the Cities of Artesia, Bell Gardens, Covina, Compton, Cudahy, Hawaiian Gardens, Huntington Park, Maywood, Pasadena, Rancho Cucamonga, Santa Clarita, and Upland, and the County of San Bernardino (collectively the "member entities"), creating the California Cities Home Ownership Authority ("CCHOA").

CCHOA was formed to operate a lease-to-purchase homeownership program to assist qualified families and individuals to achieve home ownership in the jurisdictions of its member entities. In 1998 and then in 2001, CCHOA issued bonds (respectively, the "CCHOA-I Bonds" and the "CCHOA-II Bonds") and used the bond proceeds to finance two lease-to-purchase programs (respectively, the "CCHOA-I Program" and the "CCHOA-II Program"). In conjunction with these two programs, CCHOA formed two non-profit corporations: the California Cities Economic Assistance Corporation (the "CCHOA-I Corporation") and the California Cities Home Ownership Corporation (the "CCHOA-II Corporation").

With the conclusion of the activities of both CCHOA Programs and the dissolution of the CCHOA-I and II Corporations, it is no longer necessary to maintain the existence of CCHOA. A mutual rescission of the Joint Powers Agreement will operate to extinguish the contract between the parties.

If the City Council concurs, the appropriate action would be a motion to:

Adopt Resolution No. 2009-72.

CC-5 California Department of Transportation Master Agreement No. 07-5069R and Program Supplement Agreement No. N006 for Federal Aid in the amount of \$995,000.00 for Street Resurfacing; Resolution No. 2009-73

State funds are available by the State of California Department of Transportation (Caltrans) on a matching basis to cities for such programs as street resurfacing. The City has applied for and received authorization under the City's Street Resurfacing Program in which the following streets are to be resurfaced:

Olive Ave: Mayflower to West City Limits
Walnut Ave: Mayflower to West City Limits
Myrtle to Shamrock
Myrtle to Mayflower
Grand Ave: Greystone to Prospect
Cherry Ave: California to Sherman
Sherman Ave: Cypress to Los Angeles
Almond Ave: California to Shamrock
El Nido Ave: Foothill to Hillcrest
Duarte Rd.: Magnolia to Encino

The State requires the City adopt a Resolution authorizing a City official to sign the Agreement, and staff is requesting the City Council authorize the Director of Public Works to execute the Agreement.

The total project amount is \$1,333,000.00; which includes State funding in the amount of \$995,000.00 with the balance of \$338,000.00 available through Proposition 42 Funds.

If the City Council concurs, the appropriate action would be a motion to:

Adopt Resolution No. 2009-73.

CC-6 California Department of Transportation Program Supplement Agreement No. N007 for Federal Aid in the amount of \$161,000.00 for Installation of New and Modification of Existing Traffic Signals; Resolution No. 2009-74

State funds are available by the State of California Department of Transportation (Caltrans) on a matching basis to cities for such projects as new traffic signals including modifications of existing signals. The City has funding for the Traffic Mitigation Measures of the Colorado Commons Development and Urban Housing Development.

The State requires the City adopt a Resolution authorizing a City official to sign the Agreement, and staff is requesting the City Council authorize the Director of Public Works to execute the Agreement.

The total cost of the project is \$326,000.00; which includes State funding in the amount of \$161,000.00 with a balance of \$165,000.00 available through Proposition 42 Funds.

If the City Council concurs, the appropriate action would be a motion to:

Adopt Resolution No. 2009-74.

PUBLIC INPUT

PUBLIC HEARINGS / MEETINGS

None

**CONVENE MONROVIA REDEVELOPMENT AGENCY MEETING WITHOUT
ADJOURNING CITY COUNCIL MEETING**

MRA CONVENE Chairman Lutz

MRA ROLL CALL Boardmembers, Garcia, Shaw, Shevlin, Vice-Chairman Adams,
and Chairman Lutz

MRA CONSENT CALENDAR

**MRA CC-1 Unadopted Minutes of the December 1, 2009 Regular Meeting of the Monrovia
Redevelopment Agency**

**MRA CC-2 Annual Report of Financial Transactions to the State Controller, Fiscal Year
2008-2009**

The California State Controller's Office requires redevelopment agencies to submit an annual report of financial transactions and audit report each year. The Annual report includes information regarding agency activities and financial transactions during the previous fiscal year. This report must be completed and forwarded to the State Controller by December 31, 2009.

Staff recommends that the Agency Board approve the Annual Report of Financial Transactions to the State Controller.

If the Agency Board concurs, the appropriate action would be a motion to:

**Approve the State Controller Report and direct the Executive
Director to execute the appropriate documents.**

MRA PUBLIC HEARINGS/MEETINGS

**MRA PH-1 Joint Public Hearing; Financial Implications of State Assembly Bill 26
Establishing Redevelopment Agencies' Obligation to the State to Help Balance
the State's 2009-10 Budget, City Council Resolution No. 2009-75 and Agency
Resolution No 7-2009**

Assembly Bill (AB) 26, which was passed this summer, authorizes the shift of revenues, which will be deposited in county "Supplemental" Educational Revenue Augmentation Funds ("SERAF") to be distributed to schools to meet the State's Prop 98 obligations to education. For the Monrovia Redevelopment Agency ("Agency"), this

takeaway amounts to \$2.553 million for the current fiscal year and \$523,000 for fiscal year 2010-11.

As previously mentioned, the Agency is obligated to give the State \$2.553 million this year. The payment is due by May 10, 2010. If the Agency elects to make the payment, the Agency must report to the county auditor by March 1, 2010 how we intend to fund the payment (meaning do we use redevelopment funds, housing funds, or borrow funds from the City).

The City Council also has the option of having the City lend the SERAF payment to the Agency. In this case, the Agency must repay the City from future property tax revenue. This may be an option for us, but it will put a strain on the City's cash flow for the 2010-11 fiscal year. Between now and May, 2010, staff will analyze the feasibility of short term borrowing options for the 2010-11 fiscal year.

Another option for our Redevelopment Agency is to defer making the required payment. To do this, the Agency Board and City Council must conduct a joint Public Hearing by December 31, 2009. The Public Hearing tonight, along with the attached resolutions, satisfies this requirement. But just as important, it does not bind us to deferring the required payment. What it does do is give us the option, by May, to decide then if we should make the payment, or defer it.

Another key factor in trying to comply with AB 26 is the recent lawsuit filed by the California Redevelopment Association (CRA) against the State of California. The State claims that the current bill, AB 26, fixes the constitutional issues raised by the Superior Court in last year's case by directing redevelopment funds to schools and students within the boundaries of a redevelopment agency project area. The State claims that funding schools within a redevelopment project area "furthers" the purpose of redevelopment. CRA and its attorneys believe that AB 26 is also unconstitutional on the same grounds upon which AB 1389 was successfully challenged. So, as we take the required steps as outlined in AB 26, CRA, on behalf of all redevelopment agencies, is hoping to obtain a favorable court ruling by the time, that any funds would have to be sent to the State (May 2010).

Thus, based on the pending court ruling, and for purposes of this public hearing, Staff will be recommending that the Agency signify its intention to defer making the required payment to the State for the fiscal year 2009-10.

If the City Council and Agency Board concurs, the appropriate action would be a motion to:

Adopt Resolution Nos. 2009-75 and 7-2009.

MRA ADMINISTRATIVE REPORTS

None

MRA ADJOURNMENT

RECONVENE MONROVIA CITY COUNCIL MEETING

REPORTS OF CITY COUNCILMEMBERS & SUB-COMMITTEES

- RCC1** Mayor Lutz
(a) California School Boards Association Golden Bell Award and CCS (Cities, Counties Schools) Partnership Award for the YES! Program
- RCC2** Mayor Pro Tem Adams
(a) Designating Retired Mayor Rob Hammond as Monrovia Mayor Emeritus
- RCC3** Councilmember Garcia
(a) 2009 Governor's Historic Preservation Awards
- RCC4** Councilmember Shaw
(a) NACE Foundation's Workforce Development Program for Military Veterans
- RCC5** Councilmember Shevlin

ADMINISTRATIVE REPORTS

AR-1 Monrovia Area Partnership (MAP) Program and Budget for Fiscal Years 2009-2011

Alexis Newell, Neighborhood Services Specialist, will review the Staff Report.

The Monrovia Area Partnership Program (MAP) was originally presented before the Monrovia City Council in August 2006. The City Council unanimously approved the programs and budget for three years of operation. The goals of MAP are to reduce crime and blight and increase resident activism and volunteerism. The MAP Program is successfully meeting these goals.

Staff is presenting the next phase and budget for MAP. This next phase will rely heavily on the Leadership Training and Development component of MAP and move toward more neighborhood leader participation. The budget and programs presented in the staff report offer the City Council four options. The Affordable Housing Fund will be in flux for 2010-11 because of the State take away of Redevelopment Agency funds. Staff is requesting that the City Council select option 1, and Staff will keep the City Council updated on the funding availability.

If the City Council concurs, the appropriate action would be a motion to:

Approve the Monrovia Area Partnership (MAP) Program and Budget 2009-2011 as outlined in the exhibits attached to the Staff Report.

AR-2 2009-10 Mid Year Budget Review, Resolution No. 2009-76

Mark Alvarado, Director of Finance, will review the Staff Report.

Every year the Administrative Services Department completes a comprehensive mid year review of the City's financial condition. This is based upon actual revenues and expenditures accounted for through the first half of the fiscal year. Should original estimates not match up to year end projections, adjustments are presented at the mid year point to allow for corrective action to be taken.

Overall, revenues are slightly down from the adopted budget of 2009-10. This is primarily due to lower property tax projections and a continued slowdown in sales tax revenues. Sales tax was originally budgeted to be \$7,498,847. With a weaker than expected fourth quarter (April – June) last year, the year end revenue total was \$7,923,652. The revenue projection for the current year is expected to be 8% lower than last year. The revised estimate for the current year is now \$7,289,760. The downward adjustment for sales tax is approximately \$209,087.

Our initial report for property tax growth was 2%. When the final county property tax valuation reports came out in August, data showed zero growth for 2009-10. Fortunately, this 2% decrease is being offset by the year end total of secured property tax (for 2008-09) that came in slightly higher than expected. Projecting the revised 2009-10 budget on this new figure increases the budget by \$32,000. The total adjustment to the General Fund revenues is a reduction of \$68,173. The remaining General Fund revenues are tracking on budget for the year.

Regarding expenditures, through the first five months of the fiscal year, all operating departments within the General Fund are tracking at or around 42% (five twelfth's of the year). Departments constantly monitor their budgets to ensure personnel and maintenance and operations expenditures are in line with original budgets. Any departments that anticipate going over budget by the end of the fiscal year will use their Expenditure Control Budget ("ECB") savings to offset the deficit.

The State of California is facing another budget deficit for the remainder of the current year and the upcoming 2010-11 fiscal year. Current estimates for the two years put the deficit at approximately \$21 billion. If the State decides to take more local revenue away for the 2009-10 and/or 2010-11 budget years, Staff will come back to the City Council with options for presenting a balanced budget.

By approving the mid year changes to the 2009-10 budget as presented, the budget estimates will better reflect the anticipated year end results for a number of activities. All funds are expected to be balanced as of June 30, 2010

If the City Council concurs, the appropriate action would be a motion to:

Adopt Resolution No. 2009-76.

SCHEDULED MEETINGS

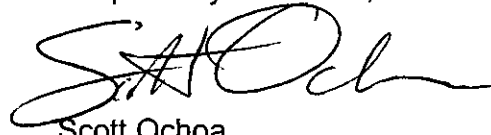
The next Regular Meeting of the Monrovia City Council is scheduled for Tuesday, January 5, 2010, 7:30 P.M., City Council Chambers, 415 South Ivy Avenue, Monrovia, California.

PUBLIC INPUT, CONTINUED, IF NEEDED

ITEMS PULLED FROM CONSENT CALENDAR, IF NEEDED

ADJOURNMENT

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S. Ochoa", written in a cursive style.

Scott Ochoa
City Manager

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A full City Council agenda packet with all backup information is available at City Hall, the Monrovia Library, and on the City's website at www.cityofmonrovia.org. Copies of individual Agenda Reports are available via email upon request (aatkins@ci.monrovia.ca.us).