

Draft MEETING MINUTES CITY OF MILPITAS

Minutes of: Regular Meeting of the Milpitas Redevelopment Agency
(Including Joint Meeting with the City Council)

Date: Tuesday, May 4, 2010

Time: 7:00 PM

Location: Milpitas City Hall Council Chambers, 455 E. Calaveras Blvd.

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

RA 1. CALL TO ORDER Mayor/Agency Chair Livengood called to order the regular meeting of the Milpitas Redevelopment meeting jointly with the City Council, at 7:23 PM.

ROLL CALL **PRESENT:** Chair/Mayor Livengood, Vice Chair/Vice Mayor McHugh, Agency/Councilmembers Giordano, Gomez and Polanski

ABSENT: None

RA 2. MINUTES Motion: to approve the Agency meeting minutes of April 20, 2010

Motion/Second: Vice Chair/Vice Mayor McHugh / Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 5
NOES: 0

RA 3. Agenda Approval and Consent Calendar Motion: to approve the agenda and consent calendar, as submitted

Motion/Second: Vice Chair/Vice Mayor McHugh / Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

RA4. Financial Status Report Finance Director Emma Karlen gave the nine-months' financial update to Council members, with dire news for last financial quarter. All categories of revenue were down versus what was budgeted. To date, the FY2009-10 budget was only 2.7% down on property tax revenues, which was better than predicted in the adopted budget. On expenditures, staff was keeping those very conservative, as she reported a \$2.9 million savings realized in spending. Ms. Karlen also discussed improved revenues for the Redevelopment Agency, which anticipated a \$35.1million in fund balance at year's end.

Councilmember Gomez inquired about the outcome of the recent California Redevelopment Association lawsuit (regarding taking of Agency funds across the state) and whether there would be an appeal. City Attorney Ogaz responded there would be an appeal filed along with a request to stay the requirement to pay demands to the state.

Councilmember Giordano wanted to know more about the 13% decline in sales tax amount. She asked if staff could pinpoint what that resulted from. Ms. Karlen noted that car dealerships have a role in it due to lower auto sales, similarly respecting restaurants, retail, business-to-business, and construction type of stores such as Home Depot.

Vice Mayor McHugh noted the City was 75% through the fiscal year, but expenditures were only 71% of the budget at this point. He thanked the City Manager and staff for controlling expenses.

Motion: to receive the financial status report for the nine-months' period July 1, 2009 through March 31, 2010

Motion/Second: Agency/Councilmember Giordano / Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 5
NOES: 0

RA5. Resolution for Affordable Housing Grant to Property Owners in LIFT Zone area

First, Mayor Livengood wanted to thank City staff and property owners for their willingness to step up and improve properties in the LIFT zone and there was a good plan on the agenda tonight.

Planning Director James Lindsay reported on the eight owners' 16 properties in the "Local Improvement for a Better Tomorrow" zone area, most of which were rental apartments. The next phase of improvements was that of the largest capital expense, for rear alley ways and landscaping, new trash enclosures and fencing. Owners made a request for a matching grant arrangement with the City, for 50% matching funds up to \$250,000 in total. This area was recently added to Redevelopment Agency plan area.

City Council's Finance Subcommittee reviewed this proposal, and requested to add the need for recreation amenities to the requirements of the loan. Councilmember Giordano confirmed this, and explained the need for swings, play area and/or picnic area.

Staff's request to the Agency/Council was to adopt a resolution to approve the specific grant request of the property owners.

Mr. Freddie Cacao, spokesperson for the eight owners, was welcomed to the podium. As far as common playground area, he said the owners group could not find a suitable location that would meet safety and other legal requirements. He reported that owners were willing to do something at each property, as the rear yards get improved. Mayor Livengood suggested barbecue equipment that's in a safe and social area.

Vice Mayor McHugh thanked property owners for addressing the situation. He recalled the Mayor brought up this issue last year, and he wanted to give credit to the Mayor for identifying the issues here.

Councilmember Polanski inquired how close the nearest park was located. Mr. Lindsay responded that Cardoza Park was less than a half-mile away (next to Sports Center). Ms. Polanski felt it was a good outcome to have something available for each residential unit as mentioned, and she liked the Mayor's barbecue idea. Cardoza Park was a good spot for families in this area.

Mayor Livengood asked, if Council approved the request, what was the timing for getting the improvements done? Staff replied by July of this year. Another suggestion by the Mayor was to ask staff to work with residents to have one of the "National Night Out" events in August at this site.

Motion: to adopt Joint Resolution No. RA377 / Council Resolution No. 7988 approving affordable housing grants to LIFT Zone property owners for an amount not to exceed \$250,000 and direct the Agency Executive Director to execute a Regulatory and Maintenance Agreement with each property owner

Motion/Second: Vice Chair/Vice Mayor McHugh / Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 5
NOES: 0

RA6. Resolution for Equity Sharing Program

Mayor Livengood stated this was a straightforward matter, and hoped the Council could forgo a staff report and move right to the action necessary. Agency members voted on the motion noted below, and no staff presentation was given.

Motion: to adopt Resolution No. RA378 approving amendments to the Regulatory Agreement and associated agreements with Western Pacific Housing to establish an equity sharing program at the Paragon residential project

Motion/Second: Agency/Councilmember Gomez/ Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 5
NOES: 0

***RA7. Investment Portfolio Status as of March 31, 2010**

Received the investment portfolio report for the quarter ended March 31, 2010.

***RA8. Resolution for Grant to Terrace Gardens**

Adopted Resolution No. RA379 approving a grant of \$56,667 affordable housing grant for Terrace Gardens Senior Housing to complete the kitchen upgrades.

***RA9. Award Contract to Environmental Systems Inc.**

1. Approved budget appropriations of \$350,000 from the Redevelopment Agency fund and \$424,152 of stimulus funding into Department of Energy Grant Program, Project No. 8198.
2. Awarded construction contract to Environmental Systems Inc. for Department of Energy Grant Program, Project No. 8198, in the amount of \$470,665.
3. Authorized staff to execute change orders for Department of Energy Grant Program, provided that the change orders do not exceed the established construction contingency amount for the project.

***RA10. Approve Contract with Group 4 Architecture**

1. Approved contract with Group 4 Architecture, Research and Planning, Inc. for feasibility and conceptual design of the proposed Milpitas Silicon Valley Conference Center.
2. Appropriated \$317,310 to the Economic Development Division budget.

RA 11. ADJOURNMENT

Chair/Mayor Livengood adjourned the Redevelopment Agency meeting at 7:52 PM.

*Meeting minutes respectfully submitted by
Mary Lavelle, Agency Secretary*