

ADJOURNED REGULAR CHICO CITY COUNCIL MEETING — January 17, 2012
Minutes

- 1.1. REGULAR CITY COUNCIL MEETING - 6:30 p.m.
- 1.2. Call to Order - Mayor Schwab called the January 17, 2012 - Adjourned Regular City Council meeting to order at 6:30 p.m. in the Council Chamber, 421 Main Street.
- 1.3. Flag Salute
- 1.4. Invocation - Captain Darren Stratton, Salvation Army
- 1.5. Roll Call

Present: Evans, Goloff, Gruendl, Holcombe, Sorensen, Walker, Schwab
Absent: None
- 1.6. Presentation - Northern Sacramento Valley Integrated Regional Water Management Plan, Vickie Newlin, Butte County
- 1.7. Closed Session Announcement - None
2. CONSENT AGENDA - None
3. NOTICED PUBLIC HEARINGS - None
4. REGULAR AGENDA
 - 4.1. CONSIDERATION OF WHETHER A MEASURE AMENDING AND UPDATING THE CITY'S TELEPHONE USERS TAX SHOULD BE SUBMITTED TO THE VOTERS AT THE GENERAL MUNICIPAL ELECTION TO BE HELD IN NOVEMBER 2012. (Report - Lori Barker, City Attorney)

A motion was made by Gruendl and seconded by Goloff to direct staff to draft a proposed measure that would be presented to the voters at the November 2012 General Municipal Election. Council also asked for some suggestions or options for a reduction or increase of the current tax amount for consideration.

The motion carried by the following vote:

AYES: Goloff, Gruendl, Holcombe, Walker, Schwab
NOES: Evans, Sorensen

- 4.2. ADOPTION OF RESOLUTION CONFIRMING CITY'S ELECTION TO RETAIN HOUSING FUNCTIONS PREVIOUSLY PERFORMED BY THE CHICO REDEVELOPMENT AGENCY

The State Supreme Court recently issued a decision which upheld AB 26, an act which dissolves all redevelopment agencies in the State of California, effective February 1, 2012. Section 34176 of AB 26 states that the local government entity which authorized the creation of the redevelopment agency may elect to retain the housing assets and functions previously performed by the redevelopment agency upon its dissolution. Furthermore, the successor agency to the redevelopment

agency (the City) is required to ensure that the transfer of housing functions and assets occur. Staff has determined that it is in the best interests of the City as the successor agency to also retain the housing assets and functions and become the Successor Housing Agency. (Report - Sherry Morgado, Housing & Neighborhood Services Director)

Ed Mayer, Housing Authority - spoke in support of the City becoming the successor agency for the housing portfolio.

Debbie Villasenor - spoke in support of the City becoming the Successor Agency for the housing programs.

Stephanie Taber - addressed the Council with questions regarding the transfer of the Housing assets and the costs the City will now be obligated to cover.

Dave Donnan - addressed Council with questions regarding the costs associated with the transfer of the assets to the City.

Councilmember Walker asked for a friendly amendment that would allow the City to opt out of retaining the Housing assets should funding not be available. The amendment was not accepted by Councilmember Holcombe.

A motion was made by Holcombe and seconded by Schwab to adopt the resolution provided in the staff report.

The motion failed by the following vote:

AYES: Goloff, Holcombe, Schwab
NOES: Evans, Gruendl, Sorensen, Walker

A motion was made by Walker and seconded by Evans to adopt the following resolution:

RESOLUTION NO. 02-12 - A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO ELECTING TO RETAIN THE HOUSING FUNCTIONS OF THE CHICO REDEVELOPMENT AGENCY, as amended to include the following statement:

"The City Council hereby reserves the right to rescind this resolution and elect not to retain the Housing functions, if this should be in the City's best interests in the future."

The motion carried by the following vote:

AYES: Evans, Goloff, Gruendl, Holcombe, Walker, Schwab
NOES: Sorensen

The Council recessed at 7:55 p.m. for a ten minute break. The meeting was reconvened and all members were present.

4.3. CONSIDERATION OF THE BUDGET OVERVIEW TIMELINE AND CORRESPONDING MEETINGS FOR THE 2012/2013 BUDGET AS WELL AS CONSIDERATION OF

COUNCILMEMBER EVANS' REQUEST REGARDING A PROPOSED BUDGET POLICY

At its meeting of December 20, 2011, the Council discussed Councilmember Evans request to consider adopting a formal budget policy strategy, that if approved, would help guide staff while in negotiations or in the preparation of future budgets. At this meeting, direction was provided regarding the development of an overall "timeline" pertaining to the proposed budget study sessions. Council also asked that "outcomes" of these sessions be included with the timeline. Council voted 7-0 to continue Councilmember Evans' request in order to have it come back with the proposed timeline. (Report - David Burkland, City Manager)

A motion was made by Schwab and seconded by Goloff to approve (1) the timeline presented by the City Manager for the budget study sessions including Councilmember Evans' policy discussion to be part of the discussion being heard at the February 21 meeting; and (2) setting aside February 28, March 13, and March 27 for additional meetings if needed.

The motion carried by the following vote:

AYES: Evans, Goloff, Gruendl, Holcombe, Sorensen, Walker, Schwab

NOES: None

4.4. UPDATE AND DISCUSSION REGARDING THE DISSOLUTION OF THE REDEVELOPMENT AGENCY

Council received a verbal update regarding the California Supreme Court ruling in California Redevelopment Association et al., v. Matosantos et al., which upheld the validity of AB 1X 26, which dissolves redevelopment agencies effective 2/1/12. (Verbal report - David Burkland, City Manager and Lori Barker, City Attorney)

4.5. ITEMS ADDED AFTER THE POSTING OF THE AGENDA

5. BUSINESS FROM THE FLOOR

Anthony Macias - addressed the Council regarding the use of public space in the City Plaza and if a permit is needed for demonstrations. He felt that the permit process should be enforced fairly, with everyone following the same rule.

J. Ernest Lane - addressed Council regarding the need to protect the Constitution and to have it noted that the war in Iraq is unconstitutional.

Nick Kast - addressed the Council regarding how the National Defense Act is unconstitutional.

6. REPORTS AND COMMUNICATIONS

Email from Jon Luvaas dated 12/19/11 requesting Council to agendize the consideration of adoption of a resolution ending corporate personhood.

Jon Luvaas - urged Council to take up the discussion on ending corporate personhood.

Council concurred (5-2, with Evans and Sorensen opposed) to refer the discussion to the Internal Affairs Committee.

6. ADJOURNMENT

REGULAR CHICO REDEVELOPMENT AGENCY MEETING - January 17, 2012
Chico Municipal Center, Council Chamber, 421 Main Street

1. **CALL TO ORDER - Board Chair Schwab called the January 17, 2012 - Adjourned Redevelopment Agency to order at 8:41 p.m.**

1.1. **Roll Call**

Present: Evans, Goloff, Gruendl, Holcombe, Sorensen, Walker, Schwab
Absent: None

2. **CONSENT AGENDA - None**

3. **NOTICED PUBLIC HEARINGS - None**

4. **REGULAR AGENDA**

4.1. **SECOND AMENDMENT OF THE REDEVELOPMENT AGENCY ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**

On August 23, 2011, the Agency adopted an Enforceable Obligation Payment Schedule (EOPS) in order for the Agency to have authority to make payments on indebtedness and other obligations existing prior to AB 26 and 27 becoming effective on June 28, 2011. The EOPS was amended by the Agency on December 20, 2011 to cover payments through January 2012, pending the Supreme Court ruling. The Court's ruling upholding AB 26, which eliminated redevelopment agencies, adjusted several deadlines forward which will require reliance on the EOPS at least until April 2012. The proposed second amendment of the EOPS covers payments expected through June 2012, by which time a Recognized Obligation Payment Schedule, approved by the Oversight Board, will supersede the EOPS. (Report -Shawn Tillman, Senior Planner)

The Executive Director recommended that the Agency adopt the attached Amended Enforceable Obligation Payment Schedule, which extends the period the Agency has authority to make payments on enforceable obligations through June 30, 2012.

Stephanie Taber - addressed the Council regarding her concerns that staffing costs associated with the Enforceable Obligation Payment Schedule were not included as part of the staff report. She also asked for the membership and the expenses associated with being a member of the CRA.

A motion was made by Walker and seconded by Gruendl to approve the second amendment of the Redevelopment Agency Enforceable Obligation Payment Schedule, which extends the period the Agency has authority to make payments on enforceable obligations through June 30, 2012.

The motion carried by the following vote:

AYES: Evans, Goloff, Gruendl, Holcombe, Sorensen, Walker, Schwab
NOES: None

4.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA**

5. ADJOURNMENT - Adjourned at 9:07 p.m. to a regular meeting on February 7, 2012 at 5:30 or 6:00 p.m., if a Closed Session is held, followed by a regular City Council meeting at 6:30 p.m. in the City Council Chamber.

Date Approved: /drp 2/7/12

Deborah R. Presson, MMC, City Clerk

ADJOURNED REGULAR CHICO CITY COUNCIL MEETING - January 17, 2012
CLOSED SESSION MEETING

Chico Municipal Center, Conference Room #2, 421 Main Street
6:00 p.m. - Adjourned Regular Closed Session

1. **CALL TO ORDER - Mayor Schwab called the January 17, 2012 - City Council Closed Session to order at 6:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.**
 - 1.1. **Roll Call**

Present: Evans, Goloff, Gruendl, Holcombe, Sorensen, Walker, Schwab
Absent: None
 - 1.2. **Staff Present - City Manager Burkland**
2. **CLOSED SESSION MATTERS**
 - 2.1. **PUBLIC EMPLOYEES PERFORMANCE EVALUATION: The City Council reviewed the City Manager's performance. (Gov. Code Section 54957)**
3. **ADJOURNMENT - Adjourned at 6:25 p.m. to a City Council meeting in the Council Chamber.**

Date Approved: /drp 2/7/12

Deborah R. Presson, MMC, City Clerk
