

MINUTES

of a regular meeting of the Board of Directors of the Redevelopment Agency of the City of Redlands held in the Council Chambers, Civic Center, 35 Cajon Street, on February 17, 2009, at 3:55 P.M.

PRESENT

Jon Harrison, Chairperson
Pat Gilbreath, Vice Chairman
Mick Gallagher, Boardmember
Pete Aguilar, Boardmember
Jerry Bean, Boardmember

ABSENT

None

STAFF

N. Enrique Martinez, Executive Director; Daniel J. McHugh, Agency Attorney; Tina Kundig, Finance Director/Agency Treasurer; Daniel Hobbs, Redevelopment Agency Director; and Lorrie Poyzer, Agency Secretary

JOINT MEETING - REDEVELOPMENT AGENCY AND CITY COUNCIL

Expenditure of RDA Bond Funds - Redevelopment and Economic Development Director Hobbs reported the Redevelopment Agency issued Series 2003A Bonds in 2003 for the amount of \$17,145,064.25. At this time, staff recommended the City Council and Redevelopment Agency Board of Directors adopt respective resolutions approving a public works agreement by and between each party and authorizing the funding of the following City infrastructure and public improvement projects with Redevelopment Agency Bond Proceeds: Lugonia Avenue Storm Drain Project, design and staff oversight of Safety Hall reconstruction project, water and traffic improvement projects providing additional capacity for new development, capital improvements to public buildings principally HVAC related capital improvements and Stuart Avenue Storm Drain project. It was also recommended that the City Council and Redevelopment Agency Board of Directors approve adjustments to the City's and Agency's mid-year budgets to reflect a \$1 million loan to City's "operating" budget fund and that the City Council approve a note and loan of budgeted "reserve" funds to the City's "Operating fund." The loan would be for a term of six years, with no principal and interest payments becoming due until after the third year of the loan and with interest to accrue at the State's "Local Agency Interest Fund" rate. Councilmember Bean stated that although he has been assured this is a legal expenditure, he did not feel this was a good use of Redevelopment funds.

Resolution No. 431 - Mrs. Gilbreath moved to adopt Resolution No. 431, a resolution of the Redevelopment Agency of the City of Redlands approving and authorizing the execution of a public works agreement with the City of Redlands and making certain findings in connection with the provision of public improvements and authorizing such improvements in connection therewith. Motion seconded by Mr. Gallagher and carried with Mr. Bean voting NO.

Mid-Year Budget Adjustments - Mrs. Gilbreath moved to authorize staff to adjust the mid-year budgets of the City and the Redevelopment Agency to reflect the payments and reimbursements identified in Exhibits "A" of City Council Resolution No. 6812 and Redevelopment Agency Resolution No. 431. Motion seconded by Mr. Gallagher and carried with Mr. Bean voting NO. (Also see City Council minutes for February 17, 2009.)

CONSENT CALENDAR

Minutes - On motion of Mrs. Gilbreath, seconded by Mr. Gallagher, the minutes of the regular meeting of February 3, 2009, were approved as submitted.

COMMUNICATIONS

Meeting Attendance - In compliance with Government Code Sections 53232.2 and 53232.3, there were no reports forthcoming from Boardmembers.

NEW BUSINESS

Resolution No. 429 - Neighborhood Revitalization Program - Redevelopment and Economic Development Director Hobbs reported that in 2004, the Redlands Redevelopment Agency Board initiated the creation of a

redevelopment project area in the northern section of Redlands. In May of 2006, a residents' group, the North Redlands Visioning Committee, prepared and presented to the Agency Board the North Redlands Vision Plan as a suggested guiding document that articulates issues related to housing, economic development, historical preservation, infrastructure, safety and access to services for residents of the area. Staff has subsequently been working closely with the North Redlands Visioning Committee to develop programs that carry out the neighborhood strategy and can act as the impetus for the revitalization of the area. The result of these discussions is the proposed Neighborhood Revitalization Program. At this time staff recommended that the Agency Board approve Resolution No. 429 to appropriate \$3.25 million from proceeds derived from tax exempt bonds sold in 2003 for the purpose of funding low and moderate income housing activity and approve the Program Guidelines and Initial Target Area for the Neighborhood Revitalization Program. Josefina Aguilar, Redevelopment Project Manager, presented the proposed program and reported staff is ready to accept applications Wednesday morning if this proposal is approved. An e-mail from Eddie Tejeda was received supporting the recommendation. Mrs. Gilbreath moved to adopt Resolution No. 429, a resolution of the Board of Directors of the Redevelopment Agency of the City of Redlands establishing program guidelines with respect to the Agency's Neighborhood Revitalization Program. Motion seconded by Mr. Gallagher and carried unanimously.

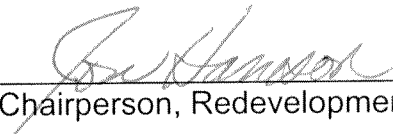
ERAF Appropriation - Finance Director/Agency Treasurer Kundig reported that Chapter 751, Statutes of 2008, requires Redevelopment Agencies to shift \$350 million in property tax revenues to K-12 schools and community colleges during the 2008-2009 fiscal year. The State Director of Finance is required to determine an amount each Redevelopment Agency shall transfer to the Education Revenue Augmentation Fund (ERAF) and to notify each Redevelopment Agency and legislative body of the amount to be transferred. Each agency must allocate the specified amount to the County Auditor for deposit into the ERAF on or before May 10, 2009. By March 1, 2009, the legislative body shall report to the County Auditor how the agency intends to remit the amount required, or that the legislative body intends to remit the amount in lieu of the Redevelopment Agency pursuant to Section 33687 of the California Health and Safety Code. Reluctantly, Mrs. Gilbreath moved to approve the appropriation and payment of \$491,412.00 into the County's Education Revenue Augmentation Fund (ERAF) from Redevelopment Agency funds on or before May 10, 2009, and to report the source of this funding to the County Auditor by March 1, 2009, as required by Section 33687 of the California Health and Safety Code. Motion seconded by Mr. Gallagher and carried unanimously.

PUBLIC COMMENTS

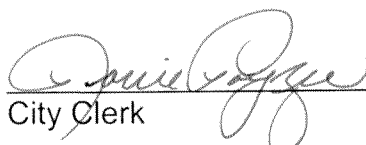
Neighborhood Revitalization Program - On behalf of the North Redlands Visioning Committee, Mario Saucedo thanked the Board of Directors for their action regarding the Neighborhood Revitalization Program and assured Boardmembers their committee members would work with the community to make this program a success.

ADJOURNMENT

There being no further business, the Board of Directors' meeting of the Redevelopment Agency adjourned at 4:44 P.M. The next regular meeting will be held on March 3, 2009.


Chairperson, Redevelopment Agency

Attest:


City Clerk

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