

**MINUTES
REGULAR MEETING OF
CITY COUNCIL & REDEVELOPMENT AGENCY
CITY OF YUBA CITY
Council Chambers
November 3, 2009
Closed Session 6:00 P.M.
Regular Meeting 7:00 P.M.**

Closed Session 6:00 p.m.—Butte Room

Conferred with real property negotiators Steve Jepsen and Steve Kroeger pursuant to Government Code Section 54956.8 regarding possible sale of the following property or portions thereof: northwest corner of Sutter Street and North Colusa Frontage Road.

Conferred with labor negotiators Steven Jepsen and Steve Kroeger regarding negotiations with the following associations: Yuba City Police Officers, Police Sergeants, Yuba City Firefighters Local 3793, Yuba City Fire Management, Confidential Employees, Executive Services Employees, First Level Managers, Mid Managers, and Yuba City Employees, pursuant to Section 54957.6 of the Government Code.

Call to Order

The City Council of the City of Yuba City was called to order by Mayor McBride at 7:05 p.m.

Roll Call

Present: Councilmembers Dukes, Gill, Maan, Miller and Mayor McBride
Absent: None

Invocation

Councilmember Dukes gave the invocation.

Pledge of Allegiance to the Flag

Councilmember Maan led the Pledge of Allegiance to the Flag.

Public Hearings

1. Sale of Redevelopment Agency Property (APN 52-540-001) to the City of Yuba City

Assistant City Manager Steve Kroeger stated that the Redevelopment Agency had assisted with the expansion of the new Gauche Aquatic Park with funding provided from a portion of the Agency's 2007 Tax Allocation Bonds as well as providing a parcel of property that was initially purchased in 2001 at the corner of Wilbur and C Street. Now that the improvements to Gauche Park are complete, the subject property should be conveyed to the City. The City will hold title to the entire property underlying Gauche Park and be responsible for ongoing park maintenance and operation. The Agency recommends selling the Property to the City for \$1.00.

Mayor McBride opened the public hearing. Hearing no comment, she closed the public hearing.

Councilmember Maan moved to authorize the Executive Director to sell 0.92 acres of Redevelopment Agency property located at 429 Wilbur Avenue (APN 52-540-001) to the City of Yuba City as part of Gauche Park for the sum of \$1.00 and execute a quit claim deed transferring title to the City of Yuba City, and authorize the City Manager to accept the purchase of the Property located at 429 Wilbur Ave (APN 52-540-001) for the sum of \$1.00 from the Redevelopment Agency. Councilmember Maan seconded the motion that passed with a unanimous vote.

Public Communication

2. Written Requests - None

3. Appearance of Interested Citizens – Stephanie Ruscigno, 1660 Sharon Drive, Yuba City

Ordinances

4. Prohibiting the use of Tobacco at all City Parks and within 50 feet of any public entrance into a City owned or leased facility

Parks & Recreation Director Brad McIntire stated that this item was brought to Council on October 20, in which the Council waived the first reading. It is now back before Council for the second reading and approval as recommended by the Parks & Recreation Commission.

Councilmember Gill moved to adopt Ordinance No. 011-09 amending Title 9 Chapter 2 – Prohibiting Tobacco Use in Gauche Park to include all City Parks and within 50 feet of any public entrance into a City owned or leased facility; and waive the second reading. Councilmember Miller seconded the motion that passed with the following vote:

AYES: Councilmember Gill, Maan, Miller and Mayor McBride

NOES: Councilmember Dukes

Consent Calendar

Councilmember Maan moved to adopt the consent calendar as presented. Councilmember Gill seconded the motion that passed with a unanimous vote.

5. Proposed Tax Exchange Agreement for the Yuba Community College project between the City of Yuba City and Sutter County.

Adopted Resolution No. 09-105 approving a Tax Exchange Agreement with Sutter County for the Yuba Community College Reorganization No. 334.

General Items

6. Assist in establishing a Pilot Program for Cold Weather Family Shelter, utilizing old Fire Station 4—for one season

City Manager Steve Jepsen stated that at a recent Homeless Summit, hosted by the Yuba County Government Center, additional cold weather shelters were identified as a critical need in the Yuba-Sutter area. Currently there are existing programs sponsored by the Salvation Army, at their facilities in Marysville and through the Richland Housing program, but this still does not meet the demand.

A representative of a coalition of churches in Davis, California presented an alternative approved in Davis for a rotational shelter program hosted by several local churches. It is the intent, with the cooperation of our local churches, that we can have the same type of rotational program implemented here in the Yuba-Sutter area. The availability of this site for one season could allow the church groups the time to work out the coordination and logistics of a rotating shelter for next season.

The proposal by the Yuba-Sutter Christian Ministerial Association, would utilize the Old Fire Station 4 site for one season from November 15, 2009 through April 15, 2010. Responsibility for the program would set the basis for next year's rotational program through the rotating weekly church locations. The program will serve families and be limited to 24 participants.

One caveat noted for this program was the compatibility of the surrounding uses, which includes residents, Andros Karperos School, the Moose Lodge and some businesses. Some concerns and issues have already been identified, such as: leadership, coordination, zoning, occupancy, screening of the applicants, security, transportation, and liability and insurance. A public meeting has been scheduled for Thursday, November 5, 2009 at 6:00 p.m. at the Old Fire Station 4 to hear and address the concerns of the surrounding community.

The issue of the screening process has not been fully developed yet, but the Hands of Hope Agency has graciously volunteered to provide for the off site screening and issuance of vouchers for overnight stays. They will also provide a check in and staging area and transportation to and from the Old Fire Station 4 each morning and evening to ensure little contact with the surrounding community.

The following persons spoke on this item:

Chris Kershing, Pastor
Helen Higby, Sutter-Yuba Homeless Consortium

Council stated that they were pleased to see that the building could be made of good use, and recognized the need for the cold shelter.

Councilmember Miller moved to authorize the use of the Old Fire Station 4 for Cold Weather Family Shelter from November 15, 2009 through April 15, 2010, to be administered by the Yuba-Sutter Christian Ministerial Association, and subject to conducting a public outreach meeting to address the concerns of the area residents, businesses and schools; and approve Resolution No. 09-106 allowing for the temporary

operation of a Cold Weather Family Shelter at old Fire Station 4 from November 15, 2009 to April 15, 2010 not to exceed an occupancy level of 24 individuals. Councilmember Gill seconded the motion that passed with a unanimous vote.

7. Reuse of Old Fire Station #4: 211 South Walton Facility

Parks & Recreation Director Brad McIntire stated that staff has been researching potential future use for the Walton facility located at 211 S. Walton. The consensus is that the site would be a great location for a local or national organization to offer diverse community based programs. The City Manager's office, General Services, Parks & Recreation, Public Works and Community Development met and outlined program requirements, facility needs and timelines for a RFP package.

The RFP will have six (6) key sections as listed below requesting the potential organization to provide the required information:

Basic Information: History, organization authenticity and commitment letters
Financial Responsibility: Proposed budget with funding and expenditures
Capital Improvements: Landscape, parking, maintenance and operations
Staffing Levels: Ratio of child to adult and onsite key personnel
Programs Offered and anticipated schedule of hours and days
Public Outreach Requirements

After submittals have been received there will be a public hearing to give the candidates the opportunity to present and committee members the ability to ask questions in an open forum. The results and staff recommendation will be brought back to Council for a decision.

Councilmember Miller moved to authorize staff to initiate the Request for Proposal (RFP) process for selection of an interested Youth Community Service provider for the Walton site facility. Councilmember Gill seconded the motion that passed with a unanimous vote.

8. Progress presentation for the Property Acquisition Program (Homes2Families)

General Services/IT Director Devin Barber stated that in December 2008, Council approved a Property Acquisition Schedule to establish guidelines associated with the purchase of single family homes to improve and increase the supply of affordable housing within the City of Yuba City. The Redevelopment Agency has, to date, purchased 11 homes and one duplex. These properties were acquired through various means including short sales, bank owned property, owner sales, etc. The Redevelopment Agency has 3 additional properties under contract awaiting bank approval to open escrow. The process of acquiring some of these homes has taken a lengthy period of time.

Staff from General Services, Community Development, and the Housing Authority conducted assessments of each property to compile a list of repairs necessary to restore the homes to good condition for family occupation. Required work has included: correction of building code violations, such as illegal wiring, improperly installed water heaters, replacement of windows in bedrooms for egress in the event of a fire, and smoke detectors. Repair work to plumbing, drywall, HVAC, yard sprinklers, and fences has been required on almost all properties. After completion the home has been turned over to the Housing Authority to ready for occupation.

Mr. Barber gave a presentation demonstrating the condition of the homes when purchased, the repairs that needed to be made and then the results of the project. This program allows the City to actively participate in the clean-up of blighted homes increasing property values and providing affordable housing to low income families in our community.

9. Securitization of the Proposition 1A Loan

Accountant II Spencer Morrison stated that the emergency suspension of Proposition 1A was passed by the Legislature and signed by the Governor as ABX4 14 and ABX4 15 as part of the 2009-10 budget package on July 28, 2009. Under the provision, the State will borrow 8% of the amount of property tax revenue apportioned to cities, counties and special districts. The state will be required to repay those obligations, plus interest, by June 30, 2013.

The legislature is currently reviewing a clean-up bill, SB67 which would provide for a few critical changes to the enacted legislation, including but not limited to providing for: financing to occur in November, county auditor certification of amount of Prop 1A receivable, tax-exempt structure, California Communities as the only issuer, more flexibility on bond structure (interest payments, state payment date and redemption features), sales among local agencies, and revision to the hardship mechanism.

Proposition 1A Securitization Program: Authorized under ABX4 14 and ABX4 15, the Proposition 1A Securitization Program was instituted by California Communities to enable Local Agencies to sell their respective Proposition 1A Receivables to California Communities. Currently, SB67 is being considered to clarify specific aspects of ABX4 14 and ABX4 15. Under the Securitization Program, California Communities will simultaneously purchase the Proposition 1A Receivables, issue bonds ("Prop 1A Bonds") and provide each local agency with the cash proceeds in two equal installments, on January 15, 2010 and May 3, 2010 (to coincide with the dates that the State will be shifting property tax from local agencies). The purchase price paid to the local agencies will equal 100% of the amount of the property tax reduction. All transaction costs of issuance and interest will be paid by the State of California. Participating local agencies will have no obligation on the bonds and no credit exposure to the State.

If the City sells its Proposition 1A Receivable under the Proposition 1A Securitization Program, California Communities will pledge Yuba City's Proposition 1A Receivable to secure the repayment of a corresponding amount of the Prop 1A Bonds. Yuba City's sale of its Proposition 1A Receivable will be irrevocable. Bondholders will have no recourse to the City if the State does not make the Proposition 1A Repayment.

Proposition 1A Program Sponsor, California Statewide Communities Development Authority ("California Communities"), is a joint powers authority sponsored by the California State Association of Counties and the League of California Cities. The member agencies of California Communities include approximately 230 cities and 54 counties throughout California.

The benefits to the City of participation in the Proposition 1A Securitization Program include: Immediate cash relief – the sale of our Proposition 1A Receivable will provide us with 100% of our Proposition 1A Receivable in two equal installments, on January 15, 2010 and May 3, 2010. It mitigates impact of 8% property tax withholding in January and May – Per ABX4 14 and ABX4 15 and the proposed clean-up legislation SB 67, the State will withhold 8% of property tax receivables due to Cities, Counties, and Special Districts under Proposition 1A. The financing outlines bond proceeds to be distributed to coincide with the dates that the State will be shifting property tax from local agencies. All costs of financing will be borne by the State of California. The City will not have to pay any interest cost or costs of issuance in connection with its participation. No obligation on Bonds. Yuba City has no obligation with respect to the payment of the bonds, nor any reporting, disclosure or other compliance obligations associated with the bonds.

Councilmember Miller moved to adopt Resolution No. 09-107 approving the form of and authorizing the execution and delivery of a purchase and sale agreement and related documents with respect to the sale of the seller's Proposition 1A receivable from the State; and directing and authorizing certain other actions in connection herewith. Councilmember Gill seconded the motion that passed with a unanimous vote.

10. Presentation of Treasurer's Report – Quarter Ended September 30, 2009

Assistant City Manager Steve Kroeger gave an overview of the City's investment portfolio.

The Quarterly Treasurer's Report was noted & filed.

Business from the City Council/Redevelopment Agency Board

11. Preferred Land Use Alternative for the Sutter County General Plan Update

Community Development Director Aaron Busch stated that Sutter County is currently in the process of updating their 1996 General Plan. As part of that effort, the County formed a General Plan Advisory Committee (GPAC) in February of 2008 and established a Vision and Guiding Principles to aid with their update process. Through the course of this process, three Alternative Land Use Plans were developed for review and consideration by the GPAC and Board of Supervisors. These are summarized below and maps of the alternatives will be provided as part of the presentation to Council.

Alternative 1 = Existing Sutter County General Plan with no changes.

Alternative 2 = New Growth – Lower Intensity is to include the proposed future expansion of Yuba City SOI, a 50% build-out of new industrial/commercial reserve uses located north and south of Yuba City SOI and other communities, and new Estate Residential use south of Yuba City, west of Highway 99

Alternative 3 = New Growth – Higher Intensity is to include the proposed future expansion of Yuba City SOI, 100% (versus 50%) build-out of the new industrial/commercial reserve uses located north and south of the Yuba City SOI, and approximately 50% more new Estate Residential use south of Yuba City, west of Highway 99.

The GPAC reviewed and made recommendations on the Alternatives Analysis at their meetings of September 24, 2009, and October 5, 2009. Those recommendations from the GPAC were then forwarded to the Board of Supervisors for final action at their October 26th meeting with the County Planning Commission. After receiving testimony on the proposed update, including comments from City staff, the Board continued the item to November 9, 2009.

Once a preferred land use plan is selected, the County (and their consultants) will begin the year long EIR process for adoption of the planned General Plan Update.

The proposed land use alternatives has the potential to impact the future planned growth for Yuba City so it is important for Yuba City to actively participate in the County's General Plan Update process. City staff has sent two letters to Sutter County expressing our concerns with the proposed land use alternatives which are attached for your review and provide an overview of staff's issues. With Council's feedback on the proposed matter, the City will be able to provide the County with a unified position regarding their selection of a preferred land alternative at their upcoming Board meeting.

Council provided staff with direction regarding the City Council's position on the preferred land use alternative for the Sutter County General Plan Update. Council stated that they would like to see Alternative 1 to include the Estate Residential use south of Yuba City, but east of Highway 99 rather than the proposed west of Highway 99. Also to include the Yuba City SOI changes. Mr. Busch will draft a letter to reflect those preferences for the Mayor's signature.

12. City Council Reports

Mayor McBride stated that the City had lost the Sutter-Yuba Economic Development Commission president Steve Brammer today, and she would be adjourning the meeting in his memory.

- Councilmember Dukes stated that Mayor McBride and he attended a Shop Local meeting. The main focus and concern of the meeting was to ensure that the public is being educated on the importance of shopping local.
- Councilmember Maan stated that he was glad to get direction from the remainder of the Council as to the direction of the Sutter County General Plan Update. The Sikh parade was a success. the City staff did a great job. He stated that he was surprised and saddened by the loss of Mr. Brammer of the Economic Development Commission.
- Councilmember Miller thanked the Mayor and stated that he has enjoyed working with her.
- Mayor Pro Tem Gill thanked the Mayor and stated that it has been an honor serving with her.
- Mayor McBride thanked Council for all their wonderful comments.

Adjournment

Mayor McBride adjourned the regular City Council meeting of the City of Yuba City at 8:49 p.m. in memory of Mr. Steven Brammer.

Leslie McBride
Mayor

ATTEST:

Terrel Locke
City Clerk