MINUTES
MONTEREY PARK CITY COUNCIL
SUCCESSOR AGENCY (SA)
REGULAR MEETING
JANUARY 7, 2015

The City Council of the City of Monterey Park held a Regular Meeting of the Council in the Council Chamber, located at 320 West Newmark Avenue in the City of Monterey Park, Wednesday, January 7, 2015 at 7:00 p.m.

The minutes include items considered by the City Council acting on behalf of the Successor Agency of the former Monterey Park Redevelopment Agency, which dissolved February 1, 2012. Successor Agency matters will include the notation of "SA" next to the Agenda Item Number.

CALL TO ORDER:
Mayor Liang called the meeting to order at 7:02 p.m.

FLAG SALUTE:
The Monterey Park Fire Explorers led the flag salute.

ROLL CALL:
City Clerk Vincent Chang called the roll:
Council Members Present: Wong, Real Sebastian, Ing, Chan, Liang
Council Members Absent: None

ALSO PRESENT: City Attorney Hensley, City Treasurer Leon, Public Works Director/Assistant City Manager Bow, Police Chief Smith, Fire Chief Haberle, Human Resources Director Cody, Community and Economic Development Director Huntley, Management Services Director Thai, Recreation and Community Services Director Costley, City Librarian Arvizu, Controller Yaung, Public Works Assistant City Engineer Ray Alfonso

AGENDA ADDITIONS, DELETIONS, CHANGES AND ADOPTIONS
None.

1. **PRESENTATIONS: FINANCIAL DATA TRANSPARENCY TOOL, OPENGOV presented by Controller, Annie Yaung.**

   Controller, Annie Yaung presented a PowerPoint Presentation introducing the OPENGOV Financial Data Transparency Tool. This was a discussion item only.

ORAL AND WRITTEN COMMUNICATIONS

- Gabriel Suarez, a representative of the American Legion Post 397 invited the community to a free Red Carpet movie screening of "*Yo Soy Kilroy*" produced by Agustin Melendez. The event will take place on Friday, January 23, 2015 at 5:30 p.m.

and features special guests, musical performances and support efforts to bring the Latino culture back to Monterey Park.

- David Morris, a Monterey Park resident spoke in opposition of the sewer rate increases and requested for clarification of his recent bill.

2. SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY (SA) CONSENT CALENDAR ITEM NOS. 2A-2C

Matters listed under consent calendar are considered to be routine, ongoing business and are enacted by one motion unless specified.

Action Taken: The City Council acting on behalf of the Successor Agency of the former Monterey Park Redevelopment Agency approved and adopted Item Nos. 2A-2C and reading resolutions and ordinances by title only and waiving further reading thereof.

Motion: Moved by Council Member Teresa Real Sebastian and seconded by Council Member Wong, motion carried by the following vote:

Ayes:	Council Members:	Wong, Real Sebastian, Ing, Chan, Liang
Noes:	Council Members:	None
Absent:	Council Members:	None
Abstain:	Council Members:	None

2A. WARRANT REGISTER FOR SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF JANUARY 7, 2015

It is required that the City Council (acting on behalf of the Successor Agency) approve all disbursements. CEQA: Exempt per CEQA Guidelines § 15061 (b).

Action Taken: The City Council acting on behalf of the Successor Agency of the former Monterey Park Redevelopment Agency approved the payment of warrants and adopted Resolution No. SA-85 of the Successor Agency to the former Monterey Park Redevelopment Agency allowing certain claims and demands per warrant register dated December 17, 2014 and January 7, 2015 totaling $206.37 and specifying the funds out of which the same are to be paid on Consent Calendar.

Resolution SA-85, entitled:
A RESOLUTION OF THE SUCGESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY (SA) ALLOWING CERTAIN CLAIMS AND DEMANDS PER WARRANT REGISTER DATED 17TH DAY OF DECEMBER 2014 & 7TH DAY OF JANUARY 2015 TOTALING $206.37 AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

2B. SUCCESSOR AGENCY INVESTMENT REPORT AS OF NOVEMBER 2014

In accordance with the City's Investment Policy, a monthly investment report is presented to the City Council showing the types of investments, dates of maturities, amounts of deposits, rates of interest, and the current market values for securities with maturity more than 12 months.

Action Taken: The City Council acting on behalf of the Successor Agency of the former Monterey Park Redevelopment Agency received and filed the monthly investment report on Consent Calendar.

2C. SUCCESSOR AGENCY MINUTES

Approval of Minutes from the regular meetings of November 19, 2014 and regular meetings of December 3, 2014 of the Successor Agency to the former Monterey Park Redevelopment Agency. Exempt per CEQA Guidelines § 15061 (b).

Action Taken: The City Council acting on behalf of the Successor Agency of the former Monterey Park Redevelopment Agency, approved the minutes from regular meetings of November 19, 2014 and regular meetings of December 3, 2014 on Consent Calendar.

This is the end of Successor Agency (SA) items.

3. CITY OF MONTEREY PARK CONSENT CALENDAR CONSISTS OF ITEM NOS. 3A-3G

Matters listed under consent calendar are considered to be routine, ongoing business and are enacted by one motion unless specified.

Action Taken: The City Council approved and adopted Item Nos. 3A-3G and reading resolutions and ordinances by the title only and waiving further reading thereof.

Motion: Moved by Council Member Wong and seconded by Council Member Chan, motion carried by the following vote:

Ayes:	Council Members:	Wong, Real Sebastian, Ing, Chan, Liang
Noes:	Council Members:	None
Absent:	Council Members:	None
Abstain:	Council Members:	None

3A. WARRANT REGISTER FOR THE CITY OF MONTEREY PARK OF DECEMBER 17, 2014 AND JANUARY 7, 2015

It is required that the City Council approve all disbursements. Disbursements will be made from the funds referenced in the attached Resolution in Warrants numbered 301942-302358. Exempt per CEQA Guidelines § 15061 (b).

Action Taken: The City Council approved the payment of warrants and adopt Resolution No. 11709 allowing certain claims and demands per Warrant Register dated December 17, 2014 and January 7, 2015 totaling $1,419,692.41 and specifying the funds out of which the same are to be paid on Consent Calendar.

Resolution No. 11709, entitled:
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEREY PARK, CALIFORNIA ALLOWING CERTAIN CLAIMS AND DEMANDS PER WARRANT REGISTER DATED 17TH DAY OF DECEMBER 2014 & 7TH DAY OF JANUARY 2015 TOTALING $1,419,692.41 AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

3B. INVESTMENT REPORT AS OF NOVEMBER 2014

As of November 30,2014 invested funds for the City of Monterey Park is $66,595,198.65. In accordance with the City's Investment Policy, a monthly investment report is presented to the City Council showing the types of investments, dates of maturities, amounts of deposits, rates of interest, and the current market values for securities with maturity more than 12 months on Consent Calendar.

Action Taken: The City Council received and filed the monthly investment report.

3C. CITY COUNCIL MINUTES

Approval of the minutes from the special meeting of November 19, 2014 and December 3, 2014 and the regular meetings of November 19, 2014 and December 3, 2014. Exempt per CEQA Guidelines § 15061 (b).

Action Taken: The City Council approved the minutes from the special meeting of November 19, 2014 and December 3, 2014 and the regular meetings of November 19, 2014 and December 3, 2014 on Consent Calendar.

3D. PURCHASE OF A 2015 FORD F450 UTILITY TRUCK

The Water Division's current unit #873 is a 2000 Chevrolet C3500 utility truck. Currently this truck has 72,270 miles and has a starting issue that will require an engine replacement to correct. The interior trim components are faded and deteriorated and replacement parts are no longer available. The utility body has stress cracks and has several warped areas. The repairs necessary to ensure the continued safe operation of this vehicle are not cost effective. Exempt per CEQA Guidelines § 15061 (b).

Action Taken: The City Council (1) waived the bidding requirements pursuant to Monterey Park Municipal Code § 3.20.050 and (2) authorized the City Manager, or designee, to purchase a 2015 Ford F450 Utility truck at the cost of $60,913.59 from National Auto Fleet Group on Consent Calendar.

3E. APPROVE EASEMENT WITH SOUTHERN CALIFORNIA GAS COMPANY TO INSTALL AN UPGRADED CNG FUELING COMPRESSOR SYSTEM AT CITY YARD

Southern California Gas Company (SoCalGas) is offering to assist customers with the installation of CNG fueling systems to expand the usage of CNG vehicles. The program includes the bidding for a contractor and oversight of installation. On

September 3, 2014, City Council approved the agreement with SoCalGas to provide such service. In the interest of insuring acceptable land rights for the compression facilities that will be installed on City property, SoCalGas requires the execution and recordation of the easement document, granting them the right to construct, maintain, operate and access the facility. Staff is requesting the City Council approve the Grant of Easement to SoCalGas for this purpose. This project was determined to be a Class 2 (Replacement or Reconstruction) Categorical Exemption pursuant to CEQA Guidelines § 15302.

Action Taken: The City Council (1) approved the Grant of Easement to Southern California Gas Company to install compressor equipment at the City Yard and (2) authorized the City Manager to execute the grant of easement, in a form approved by the City Attorney, with Southern California Gas Company on Consent Calendar.

3F. ACKLEY DRAINAGE IMPROVEMENTS - AUTHORIZATION TO ADVERTISE

The Ackley Drainage Improvements involve the reconstruction of the curb & gutter on the east and west sides of Ackley Street between San Patricio Drive and Arroyo Drive to eliminate nuisance ponding. The project includes the reconstruction of adjacent driveways on Ackley Street and cross-gutters at San Patricio and Arroyo Drives. In addition, four new ADA curb ramps will be constructed and the street will be repaved to match the new gutter elevations. Construction will be completed this spring. Since the proposed work is a minor alteration to an existing public facility, this project is Class 1 Categorically Exempt pursuant to CEQA Guidelines § 15301(c).

Action Taken: The City Council adopted Resolution No. 11710 authorizing staff to advertise the Ackley Drainage Improvements on Consent Calendar.

Resolution No. 11710, entitled:
A RESOLUTION APPROVING THE DESIGN AND PLANS FOR THE ACKLEY DRAINAGE IMPROVEMENTS PURSUANT TO GOVERNMENT CODE § 830.6 AND ESTABLTSHTNG A PROJECT PAYMENT ACCOUNT.

3G. BUS PROCUREMENT FOR SPIRIT BUS AND DIAL-A-RIDE

The Los Angeles County Metropolitan Transportation Authority (MTA) awarded grant funds to the City to replace transit buses in the 2013 Call for Projects. Staff is recommending that City Council approve the purchase of two cutaway buses from A-Z Bus through the CalACT Cooperative Procurement and the allocation of $72,300 in Proposition A Local Returns. Exempt pursuant to CEQA Guidelines § 15301(c).

Action Taken: The City Council (1) appropriated $72,300 in Proposition A Local Returns for the purchase of two replacement vehicles, and (2) approved the purchase through the CalAct Co-operative Procurement on Consent Calendar.

4. PUBLIC HEARING

4A. A REQUEST TO AMEND SPECIFIC TERMS OF A DEVELOPMENT AGREEMENT (DA-13-01) BY AND BETWEEN THE CITY OF MONTEREY PARK, THE MONTEREY PARK SUCCESSOR HOUSING AGENCY AND LINC COMMUNITY DEVELOPMENT CORPORATION, ETC., AND TO TAKE OTHER ACTION RELATED TO IMPLEMENT THE DEVELOPMENT AGREEMENT AND PRIOR HOME LOAN APPROVAL WITH LINC.

On February 19, 2014, the City Council approved a General Plan Amendment and Development Agreement with LINC Community Development Corporation (LINC). The approval allowed LINC to purchase the property located at 236 S. Ramona Avenue with the intention of developing a 6-unit affordable housing project. The approval also allowed LINC to purchase the properties located at 321, 325,341, and 371 E. Pomona Boulevard; and 534 N. Chandler Avenue. It is LINC's intention to purchase these residentially developed properties; refurbish the existing residential units; and manage and rent these affordable housing units. LINC is also required to provide 19 public parking spaces on the Ramona Avenue property.

To ensure the financial viability of the project, it is necessary for LINC to acquire all of the sites identified above; obtain financing from the City in the form of HOME funds for the development of the 6 affordable units at 236 S. Ramona Avenue; and obtain funding through the California Tax Credit Allocation Committee (CTCAC) program.

Over the last eight months, LINC has focused their attention on applying for funding through the California Tax Credit Allocation Committee (CTCAC). Unfortunately, LINC did not receive funding as part of the first round. LINC subsequently resubmitted their funding application as part of the second round and has received a notification from CTCAC that they will be receiving funding for their project.

In the last few months, LINC has evaluated the current market conditions and financing opportunities and has informed the City that they would like to amend the existing Development Agreement. The Development Agreement contemplated a thirty year loan with regard to the HOME Loan of $834,833 for constructing the improvements on the Ramona Avenue Property and an acquisition loan of $2,080,000 to acquire the remaining properties. It was also contemplated that LINC would seek another loan from a third party for purposes of constructing the various improvements on all of the properties. Specifically, LINC is requesting an increase to the term of the loans from 30 years to 55 years so that the loans run concurrently with the affordability covenants and the property with regard to all of the properties. LINC has stated that this is the only way that given the combination of outside financing requirements and the use of tax credits that the project is financially feasible. LINC is also proposing to pay the City $540,000 for the Ramona Property upon closing of the transaction which the City can then use to purchase another property for public parking. In LINC's prior proposal it was only going to pay the City $405,000 of this amount and the remaining amount was going to be financed over time. The City's outside consultant Keyser, Marston and Associates has reviewed LINC's request and believes that it is reasonable and customary in light of the type of transaction that is involved.

LINC is working with Citibank with respect to the outside financing for purposes of constructing the various improvements on all of the properties. The construction loan will be approximately $7 million and will be for a term of 20 months. Citibank is also providing a permanent loan in the approximate amount of $600,000 and will be for a term of 35 years. The City is reviewing the loan and related documents to determine whether LINC has the necessary financing in place prior to closing the transaction. Citibank is requiring that, which was contemplated by the Development Agreement, the City and Successor Agency subordinate their loans to Citibank's construction loan.

The Home Loan and Successor Agency Loan are contemplated to be cross-collateralized against all of the properties. The permanent financing provided by Citibank with be junior to the Home loan and the Successor Agency loan. The City and Citibank and are working a subordination agreement with regard to the permanent financing and it will be in a form substantially similar to that which is attached to the Amendment to the Development Agreement with regard to Citibank's construction loan. This latter subordination agreement will be made available to the Council and public early next week.

The City reviewed the project's environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., "CEQA"), the regulations promulgated thereunder (14 Cal. Code of Regulations §§ 15000, et seq., the "CEQA Guidelines"), and the City's Environmental Guidelines. This project is categorically exempt from additional environmental review pursuant to CEQA Guidelines §§ 15191, et seq. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

Public Speakers/Written Communication:

- Nancy Arcuri, a resident of Monterey Park spoke about her concerns regarding the Development Agreement.

Discussion: Michael Huntley, Economic Development Director and Kathye Head, Managing Principle from Keyser Marston and Associates presented the analysis of the terms of a Development Agreement between the City of Monterey Park, the Monterey Park Successor Housing Agency and LINC Community Development Corporation.

Action Taken:
The City Council (1) Continued the public hearing from the December 3, 2014 City Council Meeting at 8:00 p.m.; (2) Received documentary and testimonial evidence; (3) Closed the public hearing at 10:09 p.m.; (4) Waived first reading and introduced an Ordinance which approved an amended Development Agreement between the City and LINC Community Development Corporation, including approval of an Amendment to the July 22, 2013 Agreement for HOME/CHDO Funds between the City and LINC and approval of a purchase and sale loan between the Monterey Park Successor Housing Agency and LINC regarding the properties located at 236 S. Ramona Avenue and 321, 325, 341, and 371 E. Pomona Boulevard as amended by City Attorney Hensley to include revisions to the Development Agreement which is included in these minutes as Attachment A; (5) Provide tentative approval of the third party financing of the Project as outlined in the amended Development Agreement; and (6) The City

Council continued the meeting to Wednesday, January 14, 2015 at 12:00 P.M. in the council chamber for adoption of the ordinance.

Motion: Moved by Council Member Wong and seconded by Mayor Liang, motion carried by the following vote:

Ayes:	Council Members:	Wong, Chan, Liang
Noes:	Council Members:	Real Sebastian, Ing
Absent:	Council Members:	None
Abstain:	Council Members:	None

5. **UNFINISHED BUSINESS:**
None

RECESSED AND RECONVENED
The City Council recessed at 10:00 p.m. and reconvened with all council members present at 10:10 p.m.

6. **NEW BUSINESS**

6A. RESOLUTION APPROVING AND ADOPTING THE MEMORANDA OF UNDERSTANDING BETWEEN THE CITY AND THE MONTEREY PARK POLICE OFFICERS' ASSOCIATION FIXING THE RATE OF COMPENSATION AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR REPRESENTED EMPLOYEES FOR THE TERM JULY 1, 2014 TO JUNE 30, 2016

Representatives of the City of Monterey Park have meet on numerous occasions with representative of the Monterey Park Police Officers' Association (MPPOA) regarding wages, medical, benefits including vision and dental, uniform allowances, educational incentive allowances, longevity, work schedules and other terms and conditions of employment. The results of these negotiations are contained in the attached Memoranda of Understanding (MOU), which is being presented to the City Council for approval and adoption of an implementing Resolution.

Summary of this Memoranda of Understanding proposal:

- 3% cash payment for fiscal year 2014-2015, based on the classification salary table, with Council approval of the MOU.
- By December 2015, if the identified "Economic Development Threshold" is achieved and the "Fiscal Safety Net" is not exceeded, employee shall receive a six (6)-month 3% retroactive cash payment to July 1, 2015 and a 3% salary increase will be granted as of the first payroll cycle in January 2016.
- Increase medical, dental, vision, life insurance plans
- Increase Educational Incentive Pay
- Increase Uniform Allowances
- Increase Accrued Leave pay-outs at current compensation level
- Longevity compensation in the 25th year of employment with the City of Monterey Park.
- Ends retire medical compensation for employees hired after July 1,2015.

Action Taken: The City Council (1) adopted Resolution No. 11711 approving the implementation of the Memoranda of Understanding between the City of Monterey Park and the Monterey Park Police Officers' Association (MPPOA); and (2) authorized the expenditure of $296,047 for the 2014-2015 fiscal year, and amend the 2014-2015 Budget accordingly.

Motion: Moved by Mayor Pro Tem Chan and seconded by Council Member Ing, motion carried by the following vote:

Ayes:	Council Members:	Wong, Real Sebastian, Ing, Chan, Liang
Noes:	Council Members:	None
Absent:	Council Members:	None
Abstain:	Council Members:	None

Resolution No. 11711, entitled:
A RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING FOR CONTRACT YEAR 2014-2016 BETWEEN THE CITY OF MONTEREY PARK AND THE MONTEREY PARK POLICE OFFICERS ASSOCIATION.

7. COUNCIL COMMUNICATIONS AND MAYOR/COUNCIL AND AGENCY MATTERS

Mayor Liang, Mayor Pro Tem Chan, Council Member Ing, Council Member Real Sebastian and Council Member Wong all reported to have attended holiday celebrations including the Monterey Park Snow Village and 1st Annual Monterey Park International New Years Eve Countdown. They commended and thanked the staff, guests, and sponsors for making the events a success. They all wished everyone a Happy New Years.

Council Member Wong appointed Charles Mau to the Commission of Aging.

Council Member Teresa Real Sebastian reported on attending Dr. Ed Hernandez's holiday event, Monterey Park Volunteer Program, Monterey Park Democratic Club and a presentation hosted by the Mexican Consul General Carlos M. Sada.

8. <u>CLOSED SESSION</u>
None.

<u>ADJOURNMENT</u>
There being no further business for consideration, the meeting was adjourned at 10:30 p.m. in the memory of the passing of Salvador Camerena at 106 years old.

Vincent D. Chang
City Clerk

Approved on March 4, 2015 at the Regular City Council Meeting